

Confidential report

# Supervisory Position Profile

Member of the Supervisory Board  
Chair of the Risk & Capital Committee



Corporate Office



## About ABN AMRO

ABN AMRO Bank N.V. (ABN AMRO) is an enterprising bank with a primary focus on Northwest Europe. We serve clients in the retail, private and corporate banking sectors. Our ambition and strategy is to be a personal bank in the digital age. Accelerating the transition to an inclusive, circular and sustainable society. That is why our products and services are designed to contribute to a better future. By working together with our clients and partners, we are assisting in creating a clean, social and inclusive society.

Our history goes all the way back to 1765. In 1991, Algemene Bank Nederland (ABN) and AMRO Bank (which was the result of a merger of the Amsterdamsche Bank and the Rotterdamsche Bank in the 1960s) agreed to merge to create the original ABN AMRO. On 1 July 2010 the legal merger between ABN AMRO Bank and Fortis Bank Nederland was completed, creating a combined entity called ABN AMRO Bank N.V. And today, with approximately 19,000 colleagues and offices in 13 countries, we service over 6 million clients worldwide. In 2020, our operating income was EUR 7.9 billion.

Income

7.9

billion euro



57%

men



43%

women

Top 10  
most  
sustainable  
bank  
worldwide



Top 3  
most  
impactful  
companies in  
the Netherlands



+ 19.000

Employees



Active in

13

Countries



# Purpose & Strategy

At ABN AMRO, we take our role in society seriously. Our stakeholders need what our bank has to offer: a solid bank that provides security and a partner that supports them in planning for the future. As a responsibly ambitious bank, we create long-term value that is anchored in our unique position of trust – a strong foundation for the future. This is at the heart of our purpose:

**Banking for better, for generations to come**, is our compass in everything we do. We see opportunities to improve in a challenging environment. When considering the integration of environmental, social and governance (ESG) factors in our strategy and our efforts to contribute to the Climate Accord for the financial sector. When considering Covid-19, impacting both health and the economic environment and low interest rates impacting revenues. Furthermore, our regulatory agenda and Anti-Money Laundering remediation, increasing competition from nonbanks and client expectations for convenience and mobile first demand an appropriate response. Looking at these challenges and building on our strong foundation, we have a clear vision of the bank we want to be. A sustainable bank with an inclusive environment in which our people are given the room to grow and the freedom to experiment.

**A personal bank in the digital age**, winning the hearts of our clients by delighting them at their key moments, providing convenience and innovative solutions. First choice partner for our clients in sustainability in climate change, the circular economy and social impact. Building a simple, future proof bank that is digital by design and has a rigorously more simple operating model. Developing and nurturing our culture and delivering on our regulatory agenda are clear priorities and we are committed to deliver on our targets and attractive distributions for shareholders. Our strategy is underpinned by **3 strategic pillars**:

## 1. Reinventing the customer experience

### **Closer to our clients**

We care for our clients. We help them pursue their ambitions and move forward responsibly. To do so, we are constantly innovating our services and exploring new business models.

Our clients expect convenience in their daily banking services. At key moments, they want access to our premium advisory services and tailored expertise. We offer them a customer journey that makes their lives easier and adds value to their business.

## 2. Supporting our clients' transition to sustainability

### **Accelerating the sustainability shift**

We believe that all our clients will be affected by the transition to sustainability in one way or another in the years ahead. By making sustainability an integral part of our business, we are maximising our impact on society. Our focus is on **climate change, circular economy and social impact**. We provide distinctive expertise and are embedding sustainability in our products and services. ABN AMRO is taking several initiatives to **combat climate change**. Because we want to take our responsibility and do our part to keep our planet liveable for the present and future generations.

As a bank, we can achieve the biggest impact by supporting our clients in their transition to sustainability. We do this by offering advice and developing sustainable products and services – to help clients make their homes and businesses sustainable, for example. And through sustainable investments. At the same time, we are of course reducing our own footprint and investing in themes like the energy transition. Through numerous initiatives, we want to work with our clients to support this by reducing greenhouse gas emissions.

## 3. Building a future proof bank

### **Working together as one**

We can only pursue our purpose and safeguard our clients' interests if we have an agile organisation that works together as one bank, giving our clients a personal and flawless banking experience. This requires us to digitise and automate; organise ourselves around our clients and rigorously simplify our IT landscape. Detecting and fighting financial crime and safeguarding our licence to operate is embedded in our organisation and processes.

### **We care for our people**

We foster an inclusive environment in which our people are given the room to grow and the freedom to experiment. We offer our people an inspiring vision and clear choices, and trust them with the autonomy and responsibility that define our culture. ABN AMRO aims to be an agent for change and a leader in sustainability in the rapidly evolving banking landscape. In this dynamic and digitising sector, significant reductions in the number of current jobs are expected in the coming years. Our aim is to minimise forced redundancies by supporting our people through upskilling and reskilling



## Culture, Leadership & Transition

How relevant we will be in the future will be decided by how we deliver on our purpose and strategy. Developing and nurturing our culture is a clear priority. Working together towards our ambitions for our clients, our colleagues, our investors and society at large will be the decisive factor for success. A diverse and inclusive workforce is of paramount importance to ABN AMRO. It enables colleagues to perform optimally, yields winning ideas and initiatives and it places us at the centre of society. That is why we are committed to have diverse groups represented at all levels of the organisation.

With the strategic choices we have made, we embark on an exciting, yet challenging transition journey. So, how will we deliver on 'a personal bank in the digital age'?

We follow a phased approach over the coming years to execute on our strategy, prioritising and sequencing our strategic efforts. In 2021 the focus was on strengthening our foundation and building out the desired IT and human capabilities for the future. During 2022 – 2023 we harvest the benefits from the work done during 2021, while making progress on several fronts. We will implement a new engagement model for specific client segments, we will further reduce the number of our branches and complete our AML remediation efforts. The full benefits from the transformation will be realized by 2024 as a number of larger transformation activities will conclude.

But organisational change alone won't cut it: at the end of the day, it is also very much about our culture. About us, the people. How we do our jobs and how we treat each other. Our sense of integrity and how we bring it to life in our actions and decisions. Our culture only changes when we do.

Our leaders play a pivotal role in shaping our culture. They know how to deal with ambiguity by effectively setting priorities and enabling execution; balancing the short and long term. To better serve our customers, they are proactively driving collaboration across functions, Business Lines and organisational boundaries. They are consistently encouraging and empowering their teams to challenge the status quo, experiment, take smart risks and learn from both success and failure. While being mindful of who they are as a leader and how they show up for their teams, they can inspire and enable others around the WHY and WHAT of the ABN AMRO purpose and strategy, connecting the dots to values, and winning the hearts and minds of their teams.

Integrity and compliancy are fundamental to us at ABN AMRO. It is a staple in all aspects of what we do. It allows us to truly live our purpose; ensuring better banking for both current and future generations.



## Corporate Governance

Good corporate governance is critical for us to realise our strategic ambition of being a trusted and professional partner for all our stakeholders, including clients, our shareholders, investors, employees and society at large. ABN AMRO is organised in a way that guarantees first-class management and effective supervision by the Executive Board and Supervisory Board.

Integrity, transparency and accountability are key elements of our corporate governance and business operations. These key elements ensure that we pursue effective risk management, comply with legislation and regulations and provide full transparency to stakeholders and market parties.

ABN AMRO has a two-tier governance model consisting of a Supervisory Board and an Executive Board.

### Shareholder Structure

All shares in the capital of ABN AMRO Bank are held by two foundations: Stichting Administratiekantoor Beheer Financiële Instellingen (NLFI) and Stichting Administratiekantoor Continuïteit ABN AMRO Bank (STAK AAB). Currently NLFI holds 56.3% in ABN AMRO, of which 49.9% is directly held via ordinary shares and 6.4% is indirectly held via depositary receipts for shares in ABN AMRO. STAK AAB holds 50,1% of the shares in the issued capital of ABN AMRO.



### Regulators

ABN AMRO is regulated by the European Central Bank (ECB), in close cooperation with the Dutch Central Bank (De Nederlandsche Bank or DNB), and by the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten or AFM). In the framework of the Single Supervisory Mechanism (SSM), the ECB is

responsible for regulating the larger banks in the euro area. The main aims of the SSM are to contribute to the safety and soundness of credit institutions and the stability of the European financial system and to ensure consistent supervision. The AFM supervises the operation of the financial markets in the Netherlands and monitors the behaviour of the entire financial services industry: savings, investments, insurance and loans.

### Executive Board

The Executive Board is charged with managing the company, which means that it is responsible for determining the company's mission, vision, strategy, policy and objectives and for achieving those objectives. The Executive Board is guided in the performance of its duties by the interests and continuity of the company and the undertakings connected with it and makes a balanced assessment of the interests of all relevant stakeholders, including the customers, savers and deposit holders, shareholders, holders of depositary receipts, employees and the society at large.

The members of the Executive Board are collectively responsible for the management of ABN AMRO Bank N.V., the general course of business (*algemene gang van zaken*) and continuity of ABN AMRO and its subsidiaries. The Executive Board's contributes to long-term value creation for the various stakeholders of the bank and focuses on client centricity. The members of the Executive Board promote the bank's and the subsidiaries' values through leading by example.

ABN AMRO's Executive Board consists of: our CEO, CFO, CI&TO, CRO, three CCOs: (i) CCO Personal & Business Banking, (ii) CCO Corporate Banking, (iii) CCO Wealth Management, and our CHRO.

The members of the Executive Board are appointed by the Supervisory Board. The Supervisory Board notifies the General Meeting of a proposed appointment of a member of the Executive Board.

ABN AMRO and NLFI have agreed in the Relationship Agreement that, as long as NLFI directly or indirectly holds 10% or more of ABN AMRO's issued share capital, it shall be given the opportunity to advise on the decision of the Supervisory Board to (re)appoint any member of the Executive Board and/or on the appointment of the Chair of the Supervisory Board.

## Individual position profile

# Member of the Supervisory Board

## Chair of the Risk & Capital Committee

### Introduction

ABN AMRO is seeking to appoint a seasoned and highly respected (former) executive to the Supervisory Board, who can fulfil the position of member of the Supervisory Board and Chair of the Risk & Capital Committee.

This position is vital to the Risk & Capital Committee's effectiveness and accountability, in setting the committee's tone, culture and agenda. For this position it is necessary to have a thorough knowledge of a financial institution's role and position in society and to understand the design and functioning of a group's risk management framework, risk policies, processes and systems for identifying and reporting risks and risk management, including ESG risks, compliance, internal controls and capital and liquidity. Reference is made to the [rules of procedure of the Risk & Capital Committee](#).

The Executive Board and Supervisory Board leverage the Risk & Capital Committee's risk management oversight expertise, to monitor the design and processes for integrating risk management, sustainability risks, data management and IT with the strategy, performance and sustainability objectives of ABN AMRO. Enhanced ESG disclosure is going to intensify in the coming years in view of the rising concerns about the impact of environmental and social issues on business operations and performance which requires significant attention of the Risk & Capital Committee as well.

This position profile is supplementary to the collective profile of the ABN AMRO Supervisory Board, [Annex 3 to the Supervisory Board Rules of Procedure](#).

### The Supervisory Board, as a collective

The Supervisory Board supervises ABN AMRO's overall strategy and key policies within the applicable legal and regulatory framework. In addition, the Supervisory Board supervises, advises, challenges and supports the Executive Board in the exercise of its powers and duties, while preserving its statutory duties and responsibilities in compliance with applicable law and regulations, including the articles of association and rules of procedure. In fulfilling its duties, the Supervisory Board is guided by the interests of ABN AMRO and its business; it takes into account the relevant interests of all stakeholders.

The Supervisory Board's composition is based on the Supervisory Board's guiding principle that diversity of thought, expertise, background, competences and interpersonal styles, including but not limited to diversity, is a prerequisite for effective supervision and, by extension, for long-term value creation. Supervisory Board members are appointed by the General Meeting, upon nomination by the Supervisory Board. The Supervisory Board must nominate candidates recommended by the Employees Council (being ABN AMRO's central works council) for one-third of the Supervisory Board members.

### Your position as member of the Supervisory Board, Chair of the Risk & Capital Committee

#### In your role as member of the Supervisory Board, you:

- supervise the overall strategy and key policies within the applicable legal and regulatory framework;
- foster a culture focused on sustainable long-term value creation, financial and non-financial risk awareness, compliance with ABN AMRO's risk appetite;
- foster responsible and ethical behaviour and stimulate openness and accountability within ABN AMRO and the different corporate bodies;
- set the tone: dedicated, informed, probing and independent. You are able and willing to hold management to account where necessary;
- oversee that ABN AMRO has robust governance arrangements, including a clear organisational structure with well defined, transparent and consistent lines of responsibility, effective processes to identify, manage, monitor and report the risks ABN AMRO is or might be exposed to;
- oversee that ABN AMRO has an effective control framework for managing integrity risks, including AML/CTF risks, and that ABN AMRO has procedures to ensure that identified shortcomings or deficiencies in relation to the managing integrity risks result in appropriate remediation;
- understand the changing societal and regulatory expectations within the financial sector;
- understand the impact of climate risks and other sustainability risks that can materialize at all levels within our client segments, from global to regional;
- are aware of the gatekeeper role of banks and the legal system around AML, including the CDD and reporting obligations of banks;
- give advice to the Executive Board regarding compliance with policies, laws and regulations and constructively challenge and encourage the Executive Board to monitor compliancy;

- periodically review the effectiveness of the internal governance framework, and if necessary, take appropriate steps to address any identified deficiencies;
- oversee the integrity of the internal control framework, including an effective and sound risk management framework and ensure the independent functioning of the heads of the internal control functions (Risk, Compliance, Audit);
- constructively challenge the strategy of ABN AMRO, and critically review proposals, information provided, and decisions by the Executive Board;
- oversee that ABN AMRO organises the exchange of the information necessary in a manner that ensures that each business line, subsidiary and the internal control function, is able to carry out its duties;
- supervise, advice, challenge and support the Executive Board in the exercise of its powers and duties, taking into account the dynamics and the relationship between the Supervisory Board and the Executive Board, and its members;
- regularly evaluate and assess the functioning of the Executive Board and its individual members and discuss the conclusions attached to the evaluation, also in light of the succession of Executive Board members;
- monitor the consistent implementation of ABN AMRO's risk culture, also with respect to the three lines of defence, to ensure sufficient risk ownership is taken;
- oversee the process of disclosure and communications with external stakeholders and competent authorities;
- have sufficient external awareness, inter alia through monitoring financial, non-financial, economic, social and other developments relevant to the interest of ABN AMRO and the interests of internal and external stakeholders;
- have sensitivity to surroundings, including focus on (international) financial services and ability to pick up signals from within the organisation and society.

**In your role as Chair of the Risk & Capital Committee, you:**

- have a clear understanding of the Risk & Capital Committee's duties and responsibilities;
- are able to commit the necessary time, and have the requisite business, financial, communication, and leadership skills;
- are responsible for the proper functioning of the Risk & Capital Committee;
- assess the reports prepared by internal control functions;
- are capable of chairing meetings effectively and creating an open atmosphere that encourages everyone to participate on an equal footing;
- supervise the design and reporting procedures of the internal control framework, follow-up procedures, and internal control functions;
- assess the impact of all areas of risks and risk management (including market, operational, credit risk management and various other relevant risk types such as compliance, legal, climate and environmental and ESG risks);
- oversee the appropriate antifraud controls, ethics and compliance programs, and the detection of misconduct or irregularity, such as fraud, defalcation and other illegal acts;
- oversee the integration of sustainability risks in all client segments and in risk management policies and processes;
- have the Risk & Capital Committee's agenda focus on the important issues;
- understand and assess the soundness of the methodologies that are used to develop metrics and other ESG disclosures;
- support the CRO;
- monitor and assess the effectiveness of the internal and external auditor, the reporting process, audit process and quality control, through attendance of the Audit Committee meetings in which these items are discussed.

**Your profile**

The candidate should have extensive experience as a senior executive, for example as a (former) CRO or as a broader business leader/Executive in the financial services/banking sector. More in particular the candidate:

- has specific expertise in the areas of risks and risk management (including market, operational, credit risk management and various other relevant risk types such as compliance, legal, climate and environmental and ESG risks);
- oversees the entire risk management process and controls and understands whether those processes and controls are operating effectively;
- has the ability to critically challenge the Executive Board and senior management, specifically in the areas of risk management and compliance and maintain an open relationship and constructive dialogue;
- has strong analytical skills;
- has cultural awareness;
- understands the boardroom dynamics and collegial boards, in order to contribute to the functioning of the board, as a collective, in an effective manner;
- has sensitivity to, and understanding of, the broad range of stakeholders, including focus on (international) financial services and ability to pick up signals from within the organization and society;
- complements the other members of the Supervisory Board in terms of personality and experience;
- has the ability to take a helicopter view and show good judgement, including the weighing of information and possible courses of action in order to reach a logical conclusion and studying, recognizing and understanding essential elements and issues;
- has the ability to convey the core values of the bank;
- has stewardship skills (the awareness of the bank's long-term interests);
- is independent in his/her thinking and acting;
- has the ability to be assertive and confrontational;

- is contemplative and reflective;
- has good communication skills;
- brings sufficient gravitas and seniority;
- preferably has experience in a supervising role.

### Key relationships

- Reports to: the Supervisory Board
- Direct contacts: the CRO, the CFO, the head of Compliance & Conduct and the head of Group Audit
- Other relationships/stakeholders: various stakeholders, including (international) regulators.

### Fit & proper assessment

The Supervisory Board and each of its members need to be assessed individually and collectively as being suitable for their position, able to fulfil his/her duties and meet the fit and proper requirements according to the competent regulator. This new Supervisory Board member's appointment will require regulatory approval from the ECB.

### Practical information

#### Expected time expenditure and induction programme

The expected time expenditure on average is 55 working days on a yearly basis, whereby one working day consists of 8 hours per day.

Following their appointment, all new members of the Supervisory Board complete an extensive introductory programme designed to ensure they have the relevant knowledge needed to fulfil their role, including thorough knowledge of ABN AMRO and its business activities, financial reporting and general financial, social and legal affairs. As the knowledge, background and experience of newly appointed members of the Supervisory Board differ, the curriculum of the introductory programme is tailor-made.

#### Frequency

The Supervisory Board holds five formal meetings according to the pre-set schedule and a number of additionally scheduled meetings incl. four informal team meetings.

#### Compensation

The new Supervisory Board member will be remunerated in accordance with the [remuneration policy for Supervisory Board members](#) as applicable from time to time, which at present consists of an annual fixed remuneration of EUR 52,000, and reimbursement for being the Chair of the Risk & Capital Committee of EUR 15,600. A membership of a committee is reimbursed EUR 13,000 (reimbursement is maximized up to two (2) committees).