

Remuneration Policy Supervisory Board

Remuneration policy for members of the Supervisory Board of ABN AMRO Bank N.V.

Adopted on:
Effective date:

1. INTRODUCTION

This remuneration policy (*bezoldigingsbeleid*) for the members of the Supervisory Board of ABN AMRO Bank is adopted by the General Meeting on [22 April 2020] upon proposal of the Supervisory Board and is effective as per 1 January 2020.

This remuneration policy has been amended to align with the Second Shareholders' Rights Directive whilst fully observing the specific financial supervisory legislation on remuneration. The amendments take into account views of internal and external stakeholders of ABN AMRO Bank. We define our stakeholders as: *any group or individual we affect through our activities or our products and services or who, in turn, affects our ability to achieve our goals as a business*. Using this definition, we've defined four main stakeholder groups: clients, employees, society and investors.

Any capitalised term in this remuneration policy shall have the meaning as set out in the **Annex**.

2. HISTORY

The current remuneration principles applicable to the members of the Supervisory Board of ABN AMRO Bank, as adopted by the general meeting (the sole shareholder, the Dutch State (which holds its shares in ABN AMRO Bank through the NLF1)) apply since 1 April 2010.

3. REGULATORY ENVIRONMENT

ABN AMRO Bank is a financial institution with its head office in Amsterdam, the Netherlands, and with global presence. Depositary receipts for its shares are listed on Euronext Amsterdam since ABN AMRO Bank's IPO in 2015. The Dutch State holds shares in ABN AMRO Bank through the NLF1. ABN AMRO Bank, as a financial institution, operates in a heavily regulated environment. And as a result, the remuneration policies of ABN AMRO Bank are heavily regulated as well.

As of 1 January 2010, the Banking Code (**Code Banken**) applies to ABN AMRO Bank. Furthermore, as of 2011, the restrictions of the amended third European Capital Requirements Directive (**CRD III**) and the Remuneration Policy Regulation issued by the DNB by way of implementation of CRD III (*Regeling beheerst beloningsbeleid Wft 2011*) have become effective, which had to be complied with in conjunction with the Guidelines on Remuneration Policies and Practices as formally adopted on 10 December 2010 by the Committee of European Banking Supervisors (**CEBS Guidelines**).

In 2014, the amended fourth European Capital Requirements Directive (also designated as **CRD IV**) was implemented by the Dutch Central Bank in the Remuneration Policy Decree (*Besluit beheerst beloningsbeleid Wft*) and effectively as of 1 August 2014 in the Remuneration Policy Regulation (*Regeling beheerst beloningsbeleid Wft 2014*) and currently effective in the Regulation for Sound Remuneration Policies 2017 of DNB (*Regeling beheerst beloningsbeleid Wft 2017*). These regulations have to be complied with in conjunction with the European Banking Authority's Guidelines on Sound Remuneration Policies (**EBA Guidelines**). These guidelines are considered by DNB in the

exercise of its supervision of compliance with the financial remuneration restrictions.

By way of further implementation of CRD IV, the Dutch Act on Remuneration Policies for Financial Enterprises (*Wet beloningsbeleid financiële ondernemingen*, **Wbfo**) was introduced in 2015. Furthermore, the remuneration policies of ABN AMRO Bank are regulated by the Dutch Corporate Governance Code (**Corporate Governance Code**), the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*, the **Wft**) and the Dutch Civil Code (**DCC**) and by all other codes, guidelines, and regulatory and technical standards of EBA, best practice provisions and legislation on restrictions for remuneration, as applicable from time to time to ABN AMRO Bank.

ABN AMRO Bank is committed to execute the remuneration policies in compliance with all applicable statutory and regulatory requirements.

4. KEY REMUNERATION PRINCIPLES

ABN AMRO Bank's remuneration principles:

- Compliant: ABN AMRO Bank adheres to all applicable rules and regulations on remuneration. The remuneration policy is compliant with prevailing national and international legislation and regulations. If law or regulations now or in the future, impose certain (new) rules and/or obligations, these rules and/or obligations are deemed to be part of this remuneration policy for the Supervisory Board as long as these rules and/or obligations apply to ABN AMRO Bank, without the need of a decision of the general meeting of ABN AMRO Bank.
- Clear, transparent and comprehensive: the design, governance, methodology and remuneration principles are clear, transparent and comprehensive. The remuneration policy provides for a full framework for constructively and effectively managing reward and performance of the Executive Board.
- Attract and motivate the best people: attract and motivate the best people, regardless of gender, ethnicity, age, disability or any other factor unrelated to performance or experience, both now and in the future. This is demonstrated by investments in development, engagement, stimulating intrinsic motivation, developing new skills and improving internal processes.
- Sound:
 - alignment with corporate culture, ethics and strategy, identity, purpose, objectives, values, sustainability and long-term interests of ABN AMRO Bank and its stakeholders;
 - alignment with ABN AMRO Bank's risk appetite, risk management strategy and risk profile. The remuneration policy contributes to robust and effective risk management and does not encourage the taking of more risks than is acceptable to the business;
 - the remuneration policy does not restrict the scope to maintain and strengthen ABN AMRO Bank's capital base as well as its robust regulatory capital, solvency margin and/or own funds;
 - variable remuneration is not paid to members of the Supervisory Board;
 - shares or share based remuneration is not granted to members of the Supervisory Board;
 - remuneration is in line with the remuneration policy and in conformity with the letter of the European Central Bank to financial institutions concerning the capital requirements for a prudent dividend and remuneration policy.
- Safeguarding integrity, strategy, long-term interests and sustainable growth:

- the remuneration policy encourages Supervisory Board members to act in accordance with ABN AMRO Bank's long-term interests;
 - the remuneration policy and remuneration practices do not contain any incentives that might prompt individuals to put their own interests before that of the company;
 - the remuneration policy does not encourage to take excessive risks;
 - ABN AMRO Bank does not apply constructions or methods that facilitate the evasion of the remuneration policy or the relevant legislation and regulations;
 - to emphasize our long-term and sustainable ambitions, we focus on ambition, expertise, development and wellbeing and have a performance management approach which is strength-based and forward looking.
- Constructive engagement: the remuneration policy is established with due observance of the feedback received of internal and external stakeholders following constructive engagements.

How our remuneration policy takes into account our identity, purpose and values

The remuneration policy takes account of our identity, purpose and values. ABN AMRO Bank, as well as other banks, holds an important position within society. Banks play a key role in helping society and improve trust within the financial sector. ABN AMRO Bank's purpose is fostering the interests of all of its stakeholders and safeguard continuity. Lead by example. Taking a responsible approach towards our carbon footprint and behaving with ethics and integrity. Paying sincere attention to development and performance.

Choices that we make, have the capacity to change the world around us for the better: our society, our clients and our own people.

How our remuneration policy contributes to our strategy, long term values and sustainability

The remuneration policy aims to contribute to strategy, long-term values and sustainability of ABN AMRO Bank and its business. ABN AMRO has embedded its long-term corporate strategy and interests as well as its sustainability policies into its remuneration policy, principles and performance management framework.

Our strategy and long-term values have a strong focus on sustainability and the interests of our stakeholders. Key issues for us are the circular economy and creating a culture of innovation and teamwork. ABN AMRO aims to draw on a solid foundation of economic and financial expertise to help build a better bank and future.

How our remuneration policy takes into account the pay ratio and employment conditions of the company's employees

The remuneration takes into account, amongst others, the fact that Supervisory Board members have a special position within the company and are not qualified as employees, the required levels of availability, time effort, expertise and permanent education and the relevant benchmark. The remuneration for the Supervisory Board is positioned below the median of the relevant market.

The principles of the remuneration policy for the Supervisory Board are based on the remuneration principles in our Global Reward Policy that apply to all employees within ABN AMRO as a whole. Our Global Reward Policy is designed to support the bank's business strategy, objectives, values and

long-term interests.

How our remuneration policy takes into account the public opinion and the public function of ABN AMRO Bank

ABN AMRO Bank is a systemically important bank and as such holds a public function within society. The articles of association of ABN AMRO Bank provide that the purpose of ABN AMRO Bank is (amongst more) to foster the direct and indirect interests of all involved in ABN AMRO Bank, in whatever way, and to safeguard the continuity of ABN AMRO Bank and of the enterprise(s) associated therewith. ABN AMRO Bank's interests include the legitimate interests of the customers, the savers and deposit holders, the shareholders, the holders of depositary receipts for shares issued with ABN AMRO Bank's cooperation, the employees, and the society in which ABN AMRO Bank carries out its activities. These interests are, among other things, represented by pursuing a controlled remuneration policy and by taking account of the views of stakeholders on remuneration in relation to ABN AMRO Bank's public function.

This remuneration policy is established with due observance of the feedback received of stakeholders, amongst others, our Employees Council, a representative number of customers, a representative number of share- and depositary receipt holders, the NLF1, Eumedion, VEB and proxy advisor ISS, following constructive engagements, which is how ABN AMRO Bank takes into account the public opinion and the views of other stakeholders. Consultation meetings enabled the chair of the Remuneration Committee to obtain feedback and explore ways of implementing our new remuneration policy to address areas of concern. This is in line with our continued commitment to good governance.

Supervisory Board remuneration - Peer group

ABN AMRO Bank assessed the remuneration of the Supervisory Board against a peer group consisting of financial and non-financial companies both in the Netherlands and Europe. The peer group consists of companies comparable either in market, size or profile to ABN AMRO Bank. In addition, remuneration is benchmarked against a cross-industry market analysis performed against companies listed on the Dutch AEX.

A benchmark has been performed in the process of preparations of this remuneration policy in which ABN AMRO Bank's position in current market practice has been analysed.

5. COMPOSITION OF REMUNERATION

The remuneration of Supervisory Board members consists of two components:

A. Annual fixed fee Supervisory Board membership

An annual fixed fee for the membership and chairmanship of the Supervisory Board applies. From 2020 onwards these fees will be increased with the annual indexation adjustments in accordance with the Dutch general banks collective labour agreement (*Algemene Banken CAO*).

For the four years 2020, 2021, 2022 and 2023 the fees for the Supervisory Board membership will

also be increased with a fixed percentage of 1.5% representing the general salary increases in accordance with the Dutch general banks collective labour agreement for the years 2015-2019 during which these fees have not been increased.

Fixed fee in 2020	EUR 52,000 EUR 67,600 for the chairman
Increase fixed fee in 2021, 2022 and 2023, over and above the annual indexation	2021: 1.5% 2022: 1.5% 2023: 1.5%
Annual indexation	Annual indexation adjustment: in accordance with the Dutch general banks collective labour agreement (<i>Algemene Banken CAO</i>) for the first time from 1 January 2020

B. Annual fixed fee Supervisory Board committee membership

An annual fixed fee for the membership and chairmanship of the Supervisory Board committees applies. From 2020 onwards these fees will be increased with the annual indexation adjustments in accordance with the Dutch general banks collective labour agreement (*Algemene Banken CAO*).

For the four years 2020, 2021, 2022 and 2023 these fees for the Supervisory Board membership will also be increased with a fixed percentage of 1.5% representing the general salary increases in accordance with the Dutch general banks collective labour agreement for the years 2015-2019 during which these fees have not been increased.

An annual fixed fee for a membership or chairmanship of a Supervisory Board committee is maximized up to two (2) such memberships.

Fixed fee Supervisory Board committee membership and chairmanship in 2020	EUR 13,000 for a membership of a committee EUR 15,600 for a chairmanship of a committee (reimbursement maximized up to two (2) committees)
Increase fixed fees Supervisory Board committee membership and chairmanship in 2021, 2022 and 2023, over and above the annual indexation	2021: 1.5% 2022: 1.5% 2023: 1.5%
Annual indexation	Annual indexation adjustment: in accordance with the Dutch general banks collective labour agreement (<i>Algemene Banken CAO</i>) for the first time from 1 January 2020

Each of these fees is a fixed amount. Members of the Supervisory Board do not receive any variable or other performance or equity related compensation and do not accrue pension rights with ABN AMRO Bank. These measures are designed to ensure the independence of Supervisory Board members and to strengthen the overall effectiveness of ABN AMRO Bank's corporate governance.

Variable pay or share based pay	N/A
KPI	N/A
Pay ratio	N/A
Benchmark	ABN AMRO obtained a remuneration benchmark for the Supervisory Board in January 2020. The results of the benchmark clearly indicate that with respect to the annual fixed fee ABN AMRO is positioned below or at the 25th percentile against the chosen peer groups

6. SUPERVISORY SERVICES AGREEMENTS

All Supervisory Board members have a services agreement (*overeenkomst van opdracht*) with ABN AMRO Bank which stipulates the contractual relationship between ABN AMRO Bank and each Supervisory Board member for the duration of the appointment.

A services agreement is entered into with the Supervisory Board members for the term of their membership of the Supervisory Board. No notice period applies to Supervisory Board members. No pension arrangements and no severance payments apply.

7. DECISION-MAKING PROCESS

Adoption

The Remuneration Committee is responsible for submitting a clear and understandable proposal to the Supervisory Board concerning the remuneration policy to be pursued with regard to the Supervisory Board. The Employees Council is given the opportunity to grant their advice on the remuneration policy. If the Supervisory Board deviates from the advice granted by the Employees Council, the Supervisory Board will provide for explanatory notes on the deviation. The Supervisory Board presents the remuneration policy to the General Meeting for adoption. This remuneration policy is adopted by the General Meeting.

Adoption by the General Meeting takes place at every change and in any case at least every four (4) years. The Remuneration Committee is responsible for the development of the remuneration policy and prepares a proposal for the Supervisory Board.

Revisions

The Supervisory Board (the Remuneration Committee) monitors whether revisions are required to the remuneration policy. The Supervisory Board may amend this remuneration policy with due observance of the advice of the Remuneration Committee and subject to adoption by the General Meeting.

Any amendment to the remuneration policy shall be accompanied by a description and explanation of all important amendments. Furthermore, it is explained how the amendment takes into account the votes and views of share- and depositary holders on the remuneration policy and report after the previous voting on the remuneration policy at the General Meeting.

When the General Meeting does not adopt the proposed amendments to the remuneration policy, ABN AMRO Bank shall continue to remunerate in accordance with the existing approved remuneration policy and shall submit a revised policy for adoption at the following General Meeting.

8. PUBLICATION

The remuneration policy and the date of adoption and results on voting at the General Meeting will be published without delay after the General Meeting at the corporate website of ABN AMRO Bank (www.abnamro.com/remuneration) and remains accessible during the period this remuneration policy is in force.

ANNEX DEFINITIONS

ABN AMRO Bank	ABN AMRO Bank N.V.
DNB	the Dutch Central Bank (<i>De Nederlandsche Bank</i>)
EBA	the European Banking Authority
Employees Council	ABN AMRO Bank's employee council within the meaning of the provisions on co-determination
Executive Board	the executive board of ABN AMRO Bank
General Meeting	the general meeting (<i>algemene vergadering</i>) of ABN AMRO Bank
NLFI	the Dutch foundation <i>stichting administratiekantoor beheer financiële instellingen</i>
Remuneration Committee	the remuneration committee of the Supervisory Board
Second Shareholders' Rights Directive	Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement
Supervisory Board	the supervisory board of ABN AMRO Bank