

RULES OF PROCEDURE OF THE REMUNERATION COMMITTEE

These rules have been adopted pursuant to section 7.3 of the rules of procedure (**Rules of Procedure**) of the supervisory board (**Supervisory Board**) of ABN AMRO Bank N.V. (the **Company**).

1 DEFINITIONS AND INTERPRETATION

- 1.1 Terms capitalised in these rules have the meaning given to them in **Annex 1** to the Rules of Procedure.
- 1.2 Decisions on the interpretation of these rules are made by the Supervisory Board.

2 DUTIES OF THE REMUNERATION COMMITTEE

- 2.1 The Remuneration Committee oversees the Group's remuneration policies and their application to the Group's business and functions. The Remuneration Committee advises the Supervisory Board on its duties in relation to remuneration and prepares the decisions of the Supervisory Board on such matters.
- 2.2 In connection with the foregoing, the duties of the Remuneration Committee shall more specifically include assisting in and making recommendations to the Supervisory Board regarding:

Remuneration policies

- 2.2.1 advising the Supervisory Board on or making proposals for the adoption and implementation of a clear and understandable remuneration policy for the Supervisory Board, Executive Board, members of the Extended Leadership Team, heads of control functions, Identified Staff and for non-Identified Staff;
- A. the proposal for the remuneration policy for the Executive Board should in any event deal with:
- (i) the objects for the strategy for the implementation of sustainable long-term value creation;
 - (ii) how the remuneration policy for the Executive Board contributes to the Company's strategy, the long term objectives and the sustainability of the Company;
 - (iii) how the remuneration policy for the Executive Board has taken into account the identity, mission and values of the Group and the level of support in society (*maatschappelijk draagvlak*);
 - (iv) the scenario analyses carried out in advance;
 - (v) how the remuneration policy for the Executive Board has taken into account the employment and payment conditions of the Group's employees and the pay ratios within the Group;
 - (vi) the development of the market price of the shares;
 - (vii) a description of, and an appropriate ratio between, the variable and fixed remuneration components;
 - (viii) if the policy provides for:

- a) a variable remuneration component:
 - i. a description how this is linked to measurable financial and non-financial performance criteria determined in advance, which are predominantly long-term in character;
 - ii. a description how these criteria contribute to the Company's strategy, the long term objectives and the sustainability of the Company;
 - iii. the methodology for assessing whether these criteria have been met;
 - iv. if applicable, the term on which the remuneration is payable; and
 - v. a description of any claw-back provisions in accordance with section 2:135 paragraph 8 of the Dutch Civil Code;
 - b) shares (or depositary receipts for shares) that are being awarded, the terms and conditions governing this. Shares (or depositary receipts for shares) should be held for at least five (5) years after they are awarded;
 - c) options for shares (or depositary receipts for shares) that are being awarded, the terms and conditions governing this and the terms and conditions subject to which the options for shares (or depositary receipts for shares) can be exercised, including the duration of any options that have not been exercised yet and a description how this contributes to the Company's strategy, the long term objectives and the sustainability of the Company. Options for shares (or depositary receipts for shares) cannot be exercised during the first three (3) years after they are awarded;
 - (ix) a description of the term of the agreements with the members of the Executive Board, including the applicable notice periods, the main elements of any supplementary pension arrangements and early retirement arrangements, the conditions for termination of the agreement and any applicable severance payments;
 - (x) a description of the decision-making process for the adoption, amendment and implementation of the remuneration policy for the Executive Board;
 - (xi) in case of an amendment of the remuneration policy for the Executive Board, a description of:
 - a) any material changes;
 - b) the way in which the voting and position of the shareholders regarding the remuneration policy and remuneration report since the previous shareholder vote on the policy has been taken into account;
 - (xii) the procedural conditions under which the Company can, on a temporary basis, derogate from the remuneration policy for the Executive Board in exceptional circumstances;
- B. the proposal for the remuneration policy for the Supervisory Board should in any event deal with:
- (i) how the remuneration policy for the Supervisory Board contributes to the Company's strategy, the long term objectives and the sustainability of the Company;
 - (ii) how the remuneration policy for the Supervisory Board has taken into

account the identity, mission and values of the Group and the level of support in society (*maatschappelijk draagvlak*);

- (iii) how the remuneration policy for the Supervisory Board has taken into account the employment and payment conditions of the Group's employees and the pay ratios within the Group;
- (iv) a description of the remuneration components;
- (v) a description of the term of the agreements with the members of the Supervisory Board, including the applicable notice periods, the main elements of any supplementary pension arrangements and early retirement arrangements (if any), the conditions for termination of the agreement and any applicable severance payments (if any);
- (vi) a description of the decision-making process for the adoption, amendment and implementation of the remuneration policy for the Supervisory Board;
- (vii) in case of an amendment of the remuneration policy for the Supervisory Board, a description of:
 - a) any material changes;
 - b) the way in which the voting and position of the shareholders regarding the applicable remuneration policy and remuneration report since the previous shareholder vote on the policy has been taken into account;
- (viii) the procedural conditions under which the Company can, on a temporary basis, derogate from the remuneration policy for the Supervisory Board in exceptional circumstances;

2.2.2 assess the mechanisms and systems adopted to ensure that the remuneration system properly takes into account all types of risks (including climate and environmental risks), liquidity and capital levels and that the overall remuneration policy is consistent with and promotes sound and effective risk management and is in line with the business strategy, objectives, corporate culture and values and the long-term interest of the Company;

2.2.3 assess the achievement of performance targets and the need for ex post risk adjustment, including the application of malus and clawback arrangements;

2.2.4 review a number of possible scenarios to test how the remuneration policies and practices react to external and internal events, and back-test the criteria used for determining the award and the ex-ante risk adjustment based on the actual risk outcomes;

Remuneration report

2.2.5 drawing up a remuneration report on the (implementation of the) remuneration policies for the Executive Board and the Supervisory Board for adoption by the Supervisory Board; the remuneration report describes in a transparent manner at least the following topics:

- (i) an overview of the remuneration granted to each member of the Executive Board and to each member of the Supervisory Board in the past financial year, including
 - a) the total amount of remuneration, split out per component;
 - b) if applicable, the ratio between the variable and fixed remuneration

- components;
- c) how the total amount of remuneration complies with the applicable remuneration policy, including how it contributes to the long term performance of the Company;
 - d) how the financial and non-financial objectives of the Company have been applied;
 - e) the annual change of remuneration, of the performance of the Company, and of the average remuneration on a full-time equivalent basis of the employees of the Company (other than members of the Executive Board) over at least the five (5) most recent financial years, presented together in a manner which permits comparison;
 - f) any remuneration from any of the Company's consolidated Subsidiaries;
 - g) the number of shares and share options granted or offered, and the main conditions for the exercise of the rights;
 - h) information on the use of the possibility to reclaim variable remuneration in accordance with section 2:135 paragraph 8 DCC;
 - i) if applicable, any deviations from the decision-making process for the implementation of the remuneration policies as referred to under 2.2.2(x) and 2.2.3(vi) above;
 - j) any derogations from the remuneration policies in accordance with the procedures as referred to under 2.2.2(xii) or 2.2.3(viii), including an explanation of the nature of the exceptional circumstances and the indication of the specific elements of the applicable policy that were derogated from;
- (ii) how the remuneration policies have been implemented in the past financial year;
 - (iii) how implementation of the remuneration policies contributes to sustainable long-term value creation;
 - (iv) how scenario analyses have been taken into consideration;
 - (v) the pay ratios within the Group and, if applicable, any changes in these ratios compared to at least five previous financial years;
 - (vi) in the event a member of the Executive Board receives variable remuneration, how this remuneration contributes to sustainable long-term value creation, the measurable performance criteria determined in advance on which the variable remuneration depends, and the relationship between the remuneration and performance;
 - (vii) in the event that a current or former member of the Executive Board receives a severance payment, the reason for this payment;

Remuneration individual members

- 2.2.6 submitting a proposal to the Supervisory Board concerning the remuneration of individual members of the Executive Board. The proposal is drawn up in accordance with the remuneration policy that has been established and will, in any event, cover the remuneration structure, the amount of the fixed and variable remuneration components, the performance criteria used, the scenario analyses that are carried out and the pay ratios within the Company and its affiliated enterprise. When drafting the proposal for the remuneration of Executive Board members, the Remuneration Committee should

take note of individual management board members' views with regard to the amount and structure of their own remuneration (when paying attention to the required contents of the proposal as referred to in this section 2.2.6) and potential impact of any proposed changes on the Company's stakeholders;

The implementation of this section 2.2 shall be based on the principle that no member of the Executive Board shall receive variable remuneration as long as the bonus prohibition following from the Act on limitation of liability of the Dutch Central Bank and the Netherlands Authority for the Financial Markets and bonus prohibition for state assisted companies (*Wet aansprakelijkheidsbeperking DNB en AFM en bonusverbod staatsgesteunde ondernemingen*), applies to the Company.

- 2.3 The Remuneration Committee safeguards that it carries out its duties in relation to the remuneration policies and their implementation in accordance with national and international laws and regulations and the principles of the Banking Code. When performing these duties, the Remuneration Committee observes, above all, that the remuneration policies and their implementation:
- 2.3.1 are diligent, controlled and sustainable;
 - 2.3.2 are unambiguous and transparent;
 - 2.3.3 are primarily aimed at the long term;
 - 2.3.4 are in keeping with the Group's risk policy;
 - 2.3.5 are characterised by balanced relationships, both internal and external, with due account being taken of the expectations of the different stakeholders and the degree of support in society;
 - 2.3.6 take account of the relevant international context in which the Group operates.
- 2.4 The Remuneration Committee may enlist the services of internal or external adviser for the performance of its duties. If necessary, the secretary obtains the required expert advice at the request of the chair. If the Remuneration Committee enlists the services of a remuneration adviser for the performance of its duties, it checks that the adviser in question does not provide advice to members of the Executive Board of the Company. The Company provides the requisite financial resources, as determined by the Remuneration Committee, to pay the invoices of the advisers it has engaged.
- 2.5 The Remuneration Committee is responsible for ensuring good cooperation, where relevant, with the director of human resources and with the Risk & Capital Committee and the internal control functions, including Compliance and Group Audit, as well as with other departments of the Group, including the communication department.
- 2.6 The Remuneration Committee has access to all necessary information to perform its duties and may involve the relevant internal control functions, including Compliance and Group Audit, and other competent internal functions. The Remuneration Committee receives regular reports, ad hoc information, communications and opinions from the internal control functions concerning the current risk profile of the Group, its risk culture and its risk limits, as well as on any material breaches that may have occurred, with detailed information and recommendations where relevant for the Remuneration Committee to perform its duties. The Remuneration Committee determines and

periodically reviews the nature, scope, form and frequency of the risk- related information it wishes to receive.

2 COMPOSITION, EXPERTISE AND INDEPENDENCE OF THE REMUNERATION COMMITTEE

2.7 The Remuneration Committee consists of at least four (4) members of the Supervisory Board, including at least one member of the Supervisory Board appointed upon recommendation by the Employee Council. The appointment of the members takes immediate effect. The members are appointed until further notice.

2.8 More than half of the members of the Remuneration Committee must be independent within the meaning of section 4.6 of the Rules of Procedure.

2.9 Together the members must have sufficient knowledge, skills and management expertise in the field of remuneration at the highest management levels of large companies.

2.10 The Remuneration Committee will include no more than one member of the Supervisory Board who is on the managing board of a Dutch listed company.

3 CHAIR

3.1 The Supervisory Board appoints one of the independent members of the Remuneration Committee as chair.

3.2 If the chair is absent, the relevant meeting makes its own arrangements for the chairing of the meeting. The meeting will comply with the provision of section 4.3, except in cases where taking all relevant circumstances into account, the proper and efficient functioning of the meeting require otherwise.

3.3 The role of chair of the Remuneration Committee may not be held by the chair of the Supervisory Board, the chair of one of the other Committees or a former member of the Executive Board or by a member of the Supervisory Board who is on the managing board of a Dutch listed company.

3.4 The chair is in any event responsible for the proper functioning of the Remuneration Committee. He/she acts as spokesperson of the Committee and is the principal point of contact for the Supervisory Board.

4 MEETINGS

4.1 The Remuneration Committee meets at least twice each year. Extra meetings will be held as often as the chair, one or more of the other members or the chair of the Supervisory Board deems necessary.

4.2 The Remuneration Committee meets at least once each year with the Risk & Capital Committee in a joint meeting to discuss inter alia how remuneration outcomes reflect risk.

- 4.3 The meetings may be held and may make recommendations to the Supervisory Board only if at least two members are present. Recommendations to the Supervisory Board are based on a majority of votes. If there is a tied vote, the chair has the casting vote.
- 4.4 As a rule, the meetings are held at the offices of the Company, but they may also be held elsewhere.
- 4.5 Meetings may also be held by telephone or videoconferencing or by comparable means of communication, provided that all participants can hear each other simultaneously.
- 4.6 The Remuneration Committee is assisted by a secretary to be designated by the chair.
- 4.7 The chair and every other member of the Supervisory Board who is not a member of the Remuneration Committee has a standing invitation to attend the meetings of the Remuneration Committee.
- 4.8 In so far as practically feasible, the notice calling the meeting and the agenda of the items to be discussed will be sent to each member of the Remuneration Committee eight (8) days prior to the meeting.
- 4.9 Minutes are taken of the meeting. As a rule, these will be adopted at the next meeting or at least within six (6) weeks after the meeting took place. After each meeting the Supervisory Board receives a report on the deliberations and main findings of the Remuneration Committee.
- 4.10 Resolutions may also be adopted other than at meetings if all members of the Remuneration Committee have been informed of the proposal requiring a resolution of the Remuneration Committee and, in so far as reasonably possible, have been able to express their opinion on this matter, and if a sufficient number of members of the Remuneration Committee to form a majority have declared in writing (including by e-mail) that they are in favour of the proposal.

5 INFORMATION

The Remuneration Committee and the individual members may request the Executive Board and the Group's external auditor to provide them with all information they require for the proper performance of their duties. The requested information must be made available as soon as possible.

6 CONFIDENTIALITY

- 6.1 The meetings of the Remuneration Committee are confidential.
- 6.2 Any communications to third parties must be made by or in consultation with the chair of the Remuneration Committee.