

UN
environment
programme



finance
initiative

Principles for
Responsible Banking

Responsible Banking Progress Statement for PRB Signatories



Summary

ABN AMRO 2024

| Principle 1: Alignment | Principle 2: Impact & Target Setting | Principle 3: Clients & Customers |
|--|---|---|
| <p>Content</p> <p>ABN AMRO is a leading Dutch bank with 22,000+ employees and 3700+ external FTE serving retail, private, and corporate client across the Netherlands and Northwest Europe. The bank integrates sustainability into its strategy, focusing on climate, nature, and social impact. It supports clients' transitions through sustainable financing, aligning with the Paris Agreement and aiming for net-zero emissions by 2050. As part of the Net-Zero Banking Alliance, ABN AMRO sets sector-specific climate targets and policies. Its Nature Statement reflects commitments to biodiversity and upcoming EU regulations. The bank also embeds human rights into its operations, guided by global standards like the UNGPs and OECD guidelines. ABN AMRO contributes to the UN SDGs by promoting decent work, responsible production and climate action through lending, investments in the circular economy, and carbon reduction efforts.</p> | <p>Content</p> <p>ABN AMRO integrates sustainability and impact management into its strategy by identifying and prioritising key environmental and social risks across its portfolio. Using materiality assessments, stakeholder input, and risk frameworks, the bank maps and measures impacts (both positive and negative) across climate, biodiversity, pollution, resource use and the circular economy, and social impact. Around 90% of its lending portfolio is assessed for climate-related and environmental risks. Climate targets are set for high impact sectors (e.g. energy, real estate, agriculture, transport), and progress is tracked using internal KPIs, client-level tools and risk heatmaps. A key goal is to finance EUR 10 billion in renewable energy by 2030. The bank's approach is guided by frameworks like the NZBA and PCAF, and embedded in enterprise risk systems to steer ABN AMRO's transition to a net-zero economy by 2050.</p> | <p>Content</p> <p>ABN AMRO aims to be a first-choice partner in clients' sustainability transitions by offering financing, tools and expertise across climate, nature, and social domains. The bank targets EUR 10 billion in renewable energy financing by 2030 and sector-level decarbonisation goals. Tools like the Client Assessment on Sustainability (CASY) and the Transition Readiness Assessment (TRA) help assess and guide client progress. Products include sustainability-linked loans, green bonds and circular economy financing. In 2024, 37% of client assets had sustainability components, and EUR 321 million was committed to circular deals. The bank's impact lies mainly in downstream lending and is managed through ESG frameworks. Though social and biodiversity targets are evolving, ABN AMRO is actively exploring outcome-based goals to support financial inclusion, biodiversity restoration and climate opportunity financing.</p> |
| <p>Links & references</p> <p>ABN AMRO Integrated Annual Report 2024</p> | <p>Links & references</p> <p>ABN AMRO Integrated Annual Report 2024</p> | <p>Links & references</p> <p>ABN AMRO Integrated Annual Report 2024</p> |

| Principle 4: Stakeholders | Principle 5: Governance & Culture | Principle 6: Transparency & Accountability |
|---|--|---|
| Content ABN AMRO engages with key stakeholders (clients, employees, investors, society, and indirectly, value chain works and end-users) to align its strategy with its purpose, 'Banking for better, for generations to come.' The bank consults stakeholders via surveys, meetings and tools like the TRA and CASY to guide ESG strategy and risk management. We aim to provide clients with tailored support on sustainability transitions, employees contribute via councils and D&I programmes, investors engage on topics like AML and climate and society is consulted on financial inclusion, digitalisation and environmental issues. Value chain workers' concerns are addressed via NGOs and proxies, while consumers influence service design through feedback and accessibility needs. | Content ABN AMRO has embedded sustainability into its governance, risk and compliance structures. The Executive Board sets the strategy while specialised committees like the Group Sustainability Committee and Group Risk Committee oversee ESG issues. The Sustainability Risk Policy Framework defines principles for managing environmental and social risks, while tools like the TRA and CASY are used for client-level assessments. The bank employs a double materiality approach, risk heatmaps and scenario analyses to guide actions and exclusions. A pilot Human Rights Remedy Mechanism offers recourse for affected individuals in clients' value chains, making ABN AMRO one of the first European commercial banks to do so. Sustainability is integrated across operations, monitored through the 'three lines of defence' model and aligned with regulatory standards and strategic targets to support a just, climate-resilient transition. | Content EY Accountants B.V. have performed a limited assurance engagement on the consolidated sustainability statement for the 2024 Integrated Annual Report of ABN AMRO Bank, including the information incorporated in the sustainability statement by reference and excluding the chapter 'additional sustainability related disclosures'. Please note: While the contents of this report are derived from ABN AMRO's 2024 Integrated Annual Report, only the official sustainability statement within the Annual Report has received limited assurance. This report has not undergone the same review. (pg. 501-503) |
| Links & references ABN AMRO Integrated Annual Report 2024 | Links & references ABN AMRO Integrated Annual Report 2024 | Links & references ABN AMRO Integrated Annual Report 2024 |

ABN AMRO publishes this Responsible Banking Progress Statement annually. The information presented in this Statement reflects the period 1st of January 2024 – 31st of December 2024 and is derived from the information as published in the Integrated Annual Report 2024 of ABN AMRO (published 12 March 2025). ABN AMRO has or undertakes no obligation to publish any developments or update any information set out in this Responsible Banking Progress Statement.



Supplements

Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main business lines, customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, business areas or by disclosing the number of customers and clients served.

Links & references

ABN AMRO Integrated Annual Report 2024

Response

ABN AMRO is one of the leading banks in the Netherlands, providing banking services to retail, private, and business clients. With over 22,976 internal and 3,670 external FTEs, we serve clients primarily in the Netherlands and Northwest Europe. Our range of products and services includes loans, mortgages, payments, and financial advice. We serve approximately 5.2 million retail clients, and our wealth management unit manages EUR 239 billion in investments on behalf of clients. Our corporate bank serves more than 10,000 corporate clients, while our personal and business banking division offers banking and payment services to around 352,000 small and medium-sized companies. (p. 10-11)

Strategy alignment

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and other international frameworks such as the Kunming-Montreal Global Biodiversity Framework (GBF), the United Nations Guiding Principles on Business and Human Rights (UNGPs), the forthcoming instrument on plastic pollution etc. Include any other national and/or regional frameworks that your bank has a strategy to align with where relevant.

Links & references

ABN AMRO Integrated Annual Report 2024

Response

Sustainability has been a strategic pillar of our strategy since 2018 and is an integral part of the bank. Within the sustainability pillar, ABN AMRO focuses on the key areas of climate, nature, and social impact. We aim to be our clients' first-choice partner in sustainability, providing financing and expertise to help them transition to more sustainable practices. We will further integrate the sustainability transition into our business models, using our current exposures and sector knowledge. (p. 17)

Alignment with international frameworks

We work with clients to align with the 2015 Paris Climate Agreement. Our climate strategy, introduced in December 2022, is supporting us in the transition to a net-zero economy by 2050. Building on the priorities of our climate strategy, we have identified three levers that are used to implement specific actions aimed at achieving climate targets for each sector. We support our clients' transitions by offering financing solutions to help them decarbonise and adopt sustainable business models. On a sector level, we align our processes and policies with our climate goals through portfolio- and sector-specific goals. We aim to drive industry-wide change by collaborating with governments and industry leaders to raise awareness and accelerate systemic transformation across sectors. We are part of the Net-Zero Banking Alliance (NZBA), which provides us with a framework for our climate action. (p. 25-26)

ABN AMRO's approach to nature is also informed by global frameworks and developments. The Kunming-Montreal Global Biodiversity Framework (GBF), adopted during the COP 15 Convention on Biological Diversity, aims to halt and reverse biodiversity loss. As outlined in our Nature Statement, we support the GBF and, in doing so, recognise our role in assessing, disclosing and mitigating negative impacts and risks. Additionally, the EU Nature Restoration Law aims to restore ecosystems across Europe's land and sea areas, and we are looking into how its implementation into the Dutch context will affect our strategy. ABN AMRO's Nature Statement outlines our high-level commitments and serves as a foundation to prioritise our actions for managing nature-related impacts, risks and opportunities. (p. 17, 30)

We aim to embed respect for human rights in our operations, guided by the UN Guiding Principles on Business and Human Rights (UNGPs). We have identified salient human rights issues across our value chain and incorporated them into the sustainability risk policy framework to manage risks in our business relationships. Our Human Rights Statement applies to ABN AMRO employees, external employees and non-employees working with ABN AMRO through third-party suppliers. It aligns with international standards, including the UNGPs, the OECD Guidelines for Multinational Enterprises, and the ILO Declaration on Fundamental Principles and Rights at Work. In our efforts to manage our impacts in the downstream part of the value chain, we are also guided by international human rights standards. (p. 280)

Our value creation model shows our contribution to the UN Sustainable Development Goals (SDGs), though these are not part of the model itself. By lending to companies and other clients, we encourage economic growth and job creation, supporting SDG 8: Decent work and economic growth. We also apply minimum labour standards and human rights to our loans and support

initiatives to bring more disadvantaged people into the workforce. In line with SDG 12: Responsible consumption and production, the bank provides transition loans to help companies adopt more sustainable business practices. We also invest in the circular economy, providing loans to companies that reduce waste and consumption of scarce natural resources. Finally, we align with SDG 13: Climate Action by working closely with businesses to help them reduce carbon emissions and move towards net zero. We also help finance greater energy efficiency in homes and commercial properties. We are also introducing measures to reduce our own carbon footprint. (p. 25-26)

Principle 2: Impact & Target Setting

We will continuously aim to increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

Impact Analysis

Show how your bank has identified, prioritised and measured the most significant impacts associated with its portfolio (both positive and negative). Determine the priority areas for target- setting. Include details regarding: Scope, Portfolio Composition, Context, and Performance Measurement. The impact analysis should include assessment of the relevance of the four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector](#), as part of its initial or ongoing impact analysis.

Links & references

ABN AMRO Integrated Annual Report 2024

Response

ABN AMRO identifies, prioritises, and measures the most significant impacts associated with its portfolio through a comprehensive approach that includes materiality assessments, stakeholder engagement and specific risk management frameworks. The bank aims to provide greater transparency regarding the positive and negative impacts of its business by implementing a system of metrics, targets, and feedback loops by 2027. (p. 25)

Identification and prioritisation of significant impacts

ABN AMRO conducts an extensive assessment of its operating environment every two years to identify topics where it can create the most value for stakeholders. This process is known as the Integrated Reporting Materiality Assessment and was last conducted in 2024. The 2024 assessment identified the following value-creating topics for 2025-2026, which feed into the bank's strategy review cycle and help determine targets and other metrics:

- Customer experience
- Secure banking
- Responsible investment and financing
- Viable business model
- Risk profile/management
- Digitalisation (new addition in 2024)

We have detailed our full methodology for assessing impact materiality in our annual report. (p. 472-476)

Scope and portfolio composition for impact assessment

The initial scope for the materiality assessment includes ABN AMRO's entire balance sheet, including client assets. Exceptions are made for asset classes with low sensitivity to climate-related and environmental risk (CER) events, amounting to less than 1% of the balance sheet. (p. 475)

Approximately 90% of the lending portfolio is covered in the CER materiality assessment, primarily focusing on mortgages, commercial real estate, and corporate portfolios due to their clear transmission channels. (p. 68) The bank acknowledges that most of its impact is typically observed in the downstream segments of the value chain. This includes impacts related to climate change; pollution; biodiversity and ecosystems; resource use and the circular economy; and social impacts which are relevant to sectors the bank finances. (p. 220)

- Climate change: Targets are set for carbon-intensive sectors that are material and significant, with materiality defined by drawn exposures greater than 0.25% of the corporate loan book. This includes residential mortgages and passenger cars, for which specific benchmarks are used. (p. 250)
- Biodiversity and ecosystems: Focus areas include the agricultural sector (especially dairy, calves and pigs) and the built environment, given their substantial impact on biodiversity and the bank's exposure. (p. 283)
- Pollution: Efforts are currently oriented toward addressing pollution impacts in the agriculture sector, as both air and water pollution heatmaps indicate high negative impact there. (p. 288)
- Resource use and the circular economy: This is considered relevant for most of the sectors the bank finances. (p. 290)
- Social impacts: The social risk heatmap investigates the bank's corporate lending portfolio to identify potential social risks on a sector basis. The bank focuses on material impacts in its financing activities for value chain workers. This also extends to consumers and end-users, focusing on privacy, suitability of products and services and social inclusion. (p. 293)

Context of impacts (positive and negative)

ABN AMRO's strategy incorporates material matters identified in the DMA through three focus areas: climate, nature, and social impact.

Positive impacts include:

- Benefits clients experience from home ownership, facilitated by mortgage services, including increased financial capital, enhanced well-being and other social benefits
- Positive impact of employment on staff's well-being, self-esteem, autonomy, social relationships and social status
- Efforts in social inclusion aiming to enhance financial inclusion for client groups facing barriers to banking

Negative impacts include:

- Use of natural resources and loss of biodiversity
- Contribution to climate change and environmental pollution, primarily downstream through clients
- Some clients may experience financial distress from repaying mortgage loans
- Potential impacts on workers across value chains

The bank uses the DMA to focus its agenda on material topics where they matter, helping to increase the resilience of the bank and its clients. (p. 25)

Performance measurement

ABN AMRO uses both qualitative and quantitative indicators to measure performance. The bank is working to build necessary data infrastructure and develop more granular and reliable impact measurement capabilities. We have steered on and set accountability via our Sustainability Acceleration Standard (SAS), a comprehensive methodology for measuring our sustainability (acceleration) assets to assess our performance bank-wide and on a client level. This focuses on broader environmental and social aspects such as pollution, biodiversity, workers in the value chain, and our own workforce. We also disclose progress on our climate strategy and decarbonisation targets for the majority of the bank's lending portfolio (including mid- and upstream oil and gas, agriculture, and residential mortgages). (p. 216)

We track the effectiveness of policies and actions for biodiversity, pollution and resource use/circular economy through client assessments and engagement efforts. The circular loan volume target measures loans promoting circular business practices. (p. 283) For privacy, performance is monitored via the percentage of data breaches reported beyond the required timeframe and the number of client complaints related to data protection, as defined in the Risk Appetite Statement. (p. 325) For social inclusion, progress is monitored through client feedback, usage rates of newly introduced financial products and demographic studies. The bank tracks the degree to which it is managing salient human rights risks through internal reporting, including quarterly reports that feed into key risk indicators on human rights. (p. 306)

The bank uses data from external parties to gauge potential impacts related to portfolio characteristics (sector and geography) considering a broad value chain perspective. These estimates, while subject to uncertainty due to reliance on statistical industry averages and data modelling, serve as an important starting point. Biodiversity risk heatmaps and pollution heatmaps are used for portfolio-level impact identification. Social risk heatmaps are used for social risk identification. (p. 474) Finally, the Client Assessment on Sustainability (CASY) questionnaire is used at a client level to assess and measure sustainability performance, ensuring clients' compliance with the bank's Sustainability Risk Framework. (p. 65)

Priority areas for target setting

ABN AMRO sets both financial and non-financial targets. While some areas have established targets, others are in an exploratory phase for setting outcome-oriented goals. Climate strategy is embedded in the bank's business strategy and financial planning, with targets set at the business sector level following frameworks like the NZBA. Targets exist for carbon-intensive sectors considered material and significant to our organisation. (p. 250) A circular loan volume target is in place to promote circular business practices, contributing to mitigating biodiversity loss and climate change. (p. 283)

As aggregated biodiversity, pollution and resource use/circular economy measurement methodologies are still evolving, the bank is actively working towards identifying material and feasible metrics as a starting point for setting targets in these areas. (p. 283, 287, 292) No privacy-specific targets were tracked in 2024, but monitoring of data breaches and client complaints is in place. The bank will explore the feasibility and meaningfulness of setting outcome-oriented targets in 2025. Exploring outcome-oriented targets to enhance financial inclusion for client groups facing barriers to banking is also an area of focus. While formal targets are not yet set, policies and actions are actively monitored. (p. 325) These target-setting efforts are supported by operational KPIs at the product level, and all targets are periodically assessed and updated. (p. 471) Progress updates are submitted to the GSC and approved by the Executive Board. (p. 249)

Targets, Target Implementation, and Action Plans/Transition plans

Show that your bank has set and published a minimum of two SMART targets which address at least two different areas of most significant impact that your bank identified in its impact analysis. Once targets are set, explain the actions taken and progress made. Include details regarding: Alignment, Baselines, Targets, Target Implementation & Monitoring (and KPIs), Action Plans/ Transition plans and Milestones. Banks are encouraged to disclose information regarding actions they are taking in four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector \(2024\)](#).

Links & references

ABN AMRO Integrated Annual Report 2024

Response

1. Renewable energy financing target

ABN AMRO set a target to finance at least EUR 10 billion in renewable energy by 2030. This target represents a significant increase from a previous goal of at least EUR 4 billion by 2025, which the bank successfully achieved two years early. This ambition is a core part of the bank's strategy to expand its portfolio in renewable and decarbonisation technologies, supporting the transition to a net-zero economy by 2050. The implementation of this target is embedded within the bank's

standard operations with continuous internal funding allocated as part of the bank's execution of its transition plan. Progress is tracked through monthly and quarterly meetings of the GSC and the Executive Board, ensuring accountability and proactive steering towards these climate objectives. (p. 9, 249, 256)

2. Decarbonisation targets

The bank's climate strategy, launched in December 2022, is supporting the transition to a net-zero economy by 2050. As part of our commitments under the Dutch Financial Sector Climate Agreement and the NZBA, we have prioritised sector-specific targets for high-emitting industries. The NZBA framework provides internationally recognised, science-based guidance for our decarbonisation efforts.

We have set emission reduction targets and ambitions across our lending portfolios, operational activities and client asset portfolios, with a focus on responsibly reducing carbon intensity. This strategy is intricately embedded within ABN AMRO's bank-wide business strategy and financial planning, and targets are set at the business sector level, aligning with recognised external frameworks like the NZBA and the Partnership for Carbon Accounting Financials (PCAF). (p. 248-249) The bank prioritises setting targets for carbon-intensive sectors that are material and significant to its operations, with baseline values calculated from single-year data in adherence to NZBA recommendations. For example, within client investment portfolios, specifically the Discretionary Model Portfolios (DPM), the bank aims to reduce the Weighted Average Carbon Intensity (WACI) of clients' equity holdings. The ambition is to achieve a WACI reduction of below -30% by 2025 and below -50% by 2030 across the entire range. (p. 250) Scope 1 and 2 emissions are currently included in these ambitions, and calculations are performed using ISS Carbon and Climate data. The bank's action plan involves continuous engagement with investee companies on critical ESG-related topics, including greenhouse gas (GHG) emission reduction. (p. 263)

Target implementation and monitoring

We have set emission reduction targets for key carbon-intensive sectors such as residential mortgages, commercial real estate, upstream oil and gas, power generation, agriculture, deep-sea shipping and inland shipping. We have recently set targets for road transport, including trucks, vans and passenger cars, and for midstream and upstream oil and gas. These targets align with the (NZBA framework).

We have increased our goal to finance renewable energy and decarbonisation technologies. We raised our objective from EUR 4 billion by 2025 to EUR 10 billion by 2030 as we had already reached our EUR 4 billion target by the end of 2023. In 2024, we reached key milestones, including the establishment of targets for road transport and our upstream and midstream oil and gas portfolio. We focused on aligning our portfolio with our climate strategy and progressing toward our net-zero objectives. Our 2030 targets for residential mortgages, inland shipping and road transport (trucks and vans) are currently above their benchmarks. However, we are dedicated to finding ways to converge to the benchmark over time. We have updated our requirements for coal power generation, which are dedicated to phasing out thermal coal by 2030. (p. 30-31)

The residential mortgages portfolio is a key area where ABN AMRO has made progress in aligning with decarbonisation goals. Valuation reports now incorporate the market value of properties based on the assumption that they will transition to energy label A, in line with DuPa 2.0 requirements. This provides clients with insights into potential market value increases, motivating them to undertake energy upgrades, which in turn contributes to decreasing GHG emissions. (p. 252-254) Furthermore, ABN AMRO has invested in enabling its bankers to support clients in their sustainability transition. (p. 216) For example, a dashboard was further developed in 2024 to monitor our agriculture sector portfolio's climate performance and alignment with targets, facilitating informed decisions for client engagement. (p. 260)

Overall, the bank's implementation of these targets is reinforced by its enterprise risk management framework. The bank's risk profile is continually monitored against its Strategic Risk Appetite Statement, which incorporates the management of its portfolio towards a net-zero 2050 trajectory. The sustainability risk appetite is further refined with specific indicators for key ESG factors, and limits and checkpoints are monitored at bank-wide, client unit and function levels to ensure timely mitigating actions are taken. (p. 244)

Principle 3: Clients & Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

Client and Customer engagement

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. It should include information on the client engagement strategy including but not limited to the impact areas identified/ targets set, awareness raising activities with clients and customers, relevant policies and processes, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

Links & references

ABN AMRO Integrated Annual Report 2024

Response

The bank strives to be our clients' first-choice partner in sustainability, providing financing and expertise to help them transition to more sustainable practices. This includes supporting clients in aligning with the 2015 Paris Climate Agreement and helping them reduce their carbon footprints, invest in sustainable businesses and technologies and prioritise social impact initiatives. The bank also aims to support clients to address the main drivers of biodiversity loss so as to reduce our negative impact. (p. 31)

Targets set

Our material impact lies primarily with our clients, which is consistent with the UNEP FI methodology. In terms of targets, ABN AMRO has set and published several specific and measurable goals related to client sustainability. For financing renewable energy and decarbonisation technologies, the bank aims to have financed at least EUR 10 billion in renewable energy by 2030. This target was raised after successfully achieving a previous target of at least EUR 4 billion by 2025 – two years early. (p. 9, 263) The bank has set emission reduction targets and ambitions across its lending portfolios. These targets are embedded within ABN AMRO's bank-wide business strategy and financial planning and are set at the business sector level, aligning with frameworks like the NZBA. (p. 248-249) A full overview of how we are progressing on the targets we have set per sector can be found in our annual report. (p. 251)

Specifically for client investment portfolios, particularly Discretionary Model Portfolios (DPM), the ambition is to reduce the Weighted Average Carbon Intensity (WACI) of clients' equity holdings. The targets are to achieve a WACI reduction of below -30% by 2025 and -50% by 2030 across the entire range. (p. 263) While no privacy-specific targets were tracked in 2024 and formal targets for social inclusion have not yet been set, the bank is in the exploratory phase of establishing outcome-oriented targets to enhance financial inclusion for client groups facing barriers to banking. For nature-related impacts, ABN AMRO is also in the exploratory phase of identifying metrics and considering targets to enhance our ability to measure and manage aggregated biodiversity impacts, though methodologies are still evolving. Despite this, ABN AMRO aims to reduce negative impacts and enhance positive contributions to halt and reverse biodiversity loss by 2030. (p. 281-283)

Awareness raising activities with clients and customers

The bank plans to enhance our strategic conversations with clients, and where feasible, with intermediaries about viable decarbonisation options for improving their sustainability performance, which involves building awareness and supporting them in their investment plans. To raise awareness and support clients' transition, the bank employs various actions and policies. (p. 262)

Relevant actions and policies

The bank's Sustainability Risk Management Framework and Sustainability Risk Policy Framework outline principles and requirements for managing sustainability risks, applying to new and existing

clients throughout their lifecycle. (p. 237)

The Transition Readiness Assessment (TRA) tool evaluates clients' preparedness to transition their economic activities toward sustainability and provides insights into clients' climate performance and transition plans to guide portfolios toward emissions targets. This tool is applied across key sectors such as shipping, oil and gas upstream, power generation, commercial real estate, inland shipping and agriculture, covering approximately 2,100 clients. The TRA also includes data on biodiversity and pollution impacts for specific agricultural sub-sectors. In addition to the TRA, we use the Client Assessment on Sustainability (CASY) questionnaire to evaluate whether a client's activities align with our sustainability risk policy framework. CASY is used to facilitate strategic dialogue with corporate clients with lending relationships above EUR 1 million. (p. 249) ABN AMRO also engages with investee companies on critical ESG topics, including GHG emission reduction, physical risk actions, governance, lobbying and disclosure. (p. 263)

The bank continues to integrate sustainability into its business models, using its current exposures and sector knowledge to support clients. (p. 17) For instance, Corporate Banking finances energy-efficiency improvements and renewable energy and transition projects while Wealth Management supports clients in aligning portfolios with the sustainability transition and Personal & Business Banking finances solar panels and home insulation, also helping clients find suppliers and subsidies. The bank has also invested in its staff, training 7,000 colleagues to help female clients and other disadvantaged groups more effectively. (p. 216)

Actions planned and implemented

For residential mortgages, valuation reports now include the market value of properties based on the assumption that they will transition to energy label A, which helps clients understand the potential increase in the market value of their property, thus motivating them to undertake the transition. The bank has also launched the Sustainability Facility ('Verduurzamingsfaciliteit') for Commercial Real Estate clients to finance energy-saving measures with attractive conditions.

For the road transport sector, the bank is devising concrete actions for 2025, such as offering more favourable interest rates for financing zero-emissions trucks or vans and financing supporting infrastructure like charging stations. As part of our efforts to assist clients on their transition pathway, ABN AMRO provides attractive funding options for zero-emission vehicles to the extent possible.

In the shipping sector, the bank supports the transition by financing energy-efficient vessels and newbuilds that operate on alternative fuels, focusing in 2023 and 2024 on funding sustainable retrofit technologies and dual-fuel vessels capable of using methanol and ammonia. The Shipping Climate Dashboard was launched in 2023 to help identify decarbonisation opportunities and is integral to our loan approval process. (p. 254)

Implementation and monitoring

The climate strategy is intricately embedded within ABN AMRO's strategy and financial planning. Continuous internal funding is allocated to execute the transition plan, with sustainability initiatives embedded across the bank as part of our standard operations. Progress is tracked through regular meetings of the Group Sustainability Committee (GSC) and the Executive Board. For social inclusion, the bank monitors the effectiveness of its policies and actions using a combination of qualitative and quantitative indicators, including client feedback, usage rates of newly introduced financial products and demographic studies.

Impacts achieved

The Sustainability (acceleration) asset volume, an internal metric, rose from 34% to 37% in 2024, reflecting increased client loans with a sustainability component and ESG and impact investments. (p. 18) This metric aims to enable and stimulate clients (and bankers) in their transition to becoming more sustainable. The increase in corporate loans reflects the continued demand for sustainability-linked loans. The bank also committed EUR 321 million to circular economy deals in 2024 in more than 42 deals. (p. 26) In the power generation sector, the portfolio increased while emission intensity reduced to 3.5 kgCO₂/MWh, which is well below the benchmark intensity level and the 2030 target. (p. 254) Given that we see a trend of the Discretionary Model Portfolios in scope moving in the direction of the target, we believe we are on track to reach the target for WACI reduction. (p. 263)

Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how your bank has developed these in the reporting period. Provide information on sustainability-related products and services and frameworks in place that support the transition needs of clients, size of the sustainable finance portfolio in USD or local currency and/or as a % of your bank's portfolio, and which SDGs or impact areas you bank is striving to make a positive impact on (e.g. green mortgages—climate, social, sustainability bonds—financial inclusion, etc.).*

** Provide information on the sustainable finance frameworks/standards/taxonomies used to label sustainable finance volumes*

Links & references

ABN AMRO Integrated Annual Report 2024

Response

Sustainability is viewed by the bank as both a business opportunity and a means of supporting the broader transition towards becoming a climate-neutral, nature-positive and socially just economy. The bank recognises that supporting our clients with advice and financing solutions in this area also benefits ABN AMRO. Our strategic aim is to be our clients' first choice partner in sustainability and provide distinctive expertise in supporting their sustainability transition. (p. 232) The bank's main impact, and thus its primary area for engagement, arises predominantly from its downstream value chain, particularly through its lending portfolios such as mortgages and corporate loans. (p. 224)

In the reporting period, ABN AMRO progressed its climate strategy by setting more targets for our portfolios and publishing the Nature Statement, which outlines our commitment to halting and reversing biodiversity loss by 2030. The bank has also strengthened its sustainability governance and continued to integrate sustainability across its operations. (p. 9)

Sustainability-related products and services

ABN AMRO works with clients and customers to encourage sustainable practices and enable sustainable economic activities through a range of products, services and supporting frameworks. The bank offers sustainability-linked loans which provide clients with interest rate reductions when they meet measurable sustainable objectives. The Impact Nation programme is designed to support clients in embedding sustainable practices in their business operations and ensuring their processes are resilient and adaptable over time, assisting companies in evaluating the viability of circular production processes.

ABN AMRO is planning to allocate up to EUR 1 billion by 2030 through direct equity, fund investments and hybrid debt. This includes a pledge of EUR 500 million to our Sustainable Impact Fund (SIF), which focuses on companies with a proven track record of making positive impact. SIF makes direct equity investments focusing on net-zero solutions and decarbonisation in the energy sector, the built environment and consumer value chains, including circular solutions that address embedded carbon. SIF also invests in third-party climate-focused funds that address climate change and a just transition and offers hybrid debt to a select number of scale-up companies seeking to mitigate climate change. The baseline value of the pledge in the fourth quarter of 2022 was EUR 145 million, and the cumulative capital deployed so far totals EUR 333 million.

ABN AMRO supports its clients with Green, Social and Sustainability Bonds. In 2024, 34 of these bonds were structured, issued and distributed on behalf of our clients, representing a total issuance volume of EUR 17.6 billion. These figures include one Green and one Social securitisation transaction. All these bonds were issued under publicly available Green, Social and Sustainability Bond Frameworks subject to independent verification. Highlights during the year included our first transaction for EDP, the inaugural Green Bond for Amvest, and repeated Green Bond issuances for Landsbankinn. (p. 30) In Wealth Management, the bank supports clients in aligning their portfolios with sustainability objectives, with ESG and Sustainability Rules and Guidelines for Investment Products developed to set ESG and sustainability criteria for investment products and services, including the Weighted Average Carbon Intensity (WACI) climate ambition for client assets. (p. 264)

The bank supports the transition to a circular economy through financing and tracks progress via its Circular Loan volume target, which measures the number of loans promoting circular business practices. (p. 283)

Frameworks to support clients' transition needs

To support clients' transition needs, the bank employs several frameworks and tools. The Sustainability Risk Management Framework and Sustainability Risk Policy Framework establish principles and requirements for managing sustainability risks, applying to new and existing clients throughout their lifecycle. (p. 239) The Client Assessment on Sustainability (CASY) questionnaire is a tool used for corporate clients with lending relationships above EUR 1 million, which assesses clients' compliance with the bank's Sustainability Risk Framework and facilitates dialogue. (p. 243) The Transition Readiness Assessment (TRA) tool evaluates clients' preparedness to transition their economic activities towards sustainability and provides insights into clients' climate performance and transition plans to guide portfolios toward emission targets. (p. 249) Finally, the bank engages with investee companies to address critical ESG topics, including GHG emission reduction, physical risk actions, governance, lobbying and disclosure. (p. 263)

Size of the sustainable finance portfolio

We have steered on and set accountability via our Sustainability Acceleration Standard (SAS). The SAS itself is a comprehensive methodology for measuring our Sustainability (acceleration) assets to assess our performance bank-wide and on a client-unit level. (p. 225) The bank's Sustainability (acceleration) asset volume grew from 34% to 37% in 2024, reflecting increased client loans with a sustainability component and ESG & impact investments. (p. 29) Regarding client assets in sectors highly contributing to climate change, the amount was 50,089 million or 59% of total in 2024, decreasing from 45,548 million or 60% in 2023. (p. 274)

Identified opportunities for positive impact

ABN AMRO is striving to make a positive impact across three key areas identified through its double materiality assessment: climate, nature, and social impact. While ABN AMRO has not yet formalised policies on climate opportunities, our DMA helped identify early-stage capital, renewable energy and decarbonisation technologies as key opportunities. (p. 271) For renewable energy, these opportunities are outlined in the sector-specific sections on oil and gas, power generation and road transport (trucks and vans). To track progress, we have set 2030 financing targets for renewables and early-stage capital. (p. 275) The financing targets are developed by sector leads and the corporate banking sustainability expertise team and implemented across various portfolios. (p. 275) No external stakeholders were involved in the target-setting process. (p. 248) For nature, encompassing biodiversity, pollution, and circular economy, the bank recognises that humanity's well-being, economies and livelihoods are deeply intertwined with nature. ABN AMRO aims to halt and reverse biodiversity loss by 2030. This includes supporting clients to address the main drivers of biodiversity loss so as to reduce our negative impact and focusing on improving client dialogues on nature and financing circular assets and business models. The primary focus for biodiversity impact is on the agricultural sector and the built environment due to their substantial impacts and the bank's exposure. (p. 280) For social impact, the bank is dedicated to become socially inclusive. While formal targets for social inclusion have not yet been set, the bank is in the exploratory phase of establishing outcome-oriented targets to enhance financial inclusion for client groups facing barriers to banking. Social topics addressed include working conditions, equal treatment and opportunities for all, other work-related rights such as no forced and child labour, rights of affected communities, information-related impacts, personal safety and social inclusion of consumers and/or end-users. The bank also provides advice to clients on how to recognise and prevent fraud and identity theft to secure their data. (p. 29, 314, 325)

Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

Stakeholder identification and consultation

Describe which stakeholders (or groups/types of stakeholders) your bank has identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of the bank's engagement strategy following criteria for effective engagement and advocacy, how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Links & references

ABN AMRO Integrated Annual Report 2024

Response

ABN AMRO has identified several key stakeholder groups and actively engaged with them to implement sustainability principles and improve its impacts, recognising that its purpose, "Banking for better for generations to come," gives direction to its strategy.

Our stakeholder groups

The bank defines its stakeholders as any group or individual the bank affects through its activities or products and services or who, in turn, may affect the bank's ability to achieve its goals. The four main stakeholder groups identified are clients, employees, investors and society. Additionally, in specific areas, the bank identifies value chain workers and consumers and end-users as material stakeholders, particularly through its double materiality assessment. (p. 24) For Client Integrity, clients, regulators, employees, shareholders and society at large are key stakeholders. (p. 327)

Stakeholder engagement strategy

ABN AMRO's engagement strategy is to engage regularly with the bank's stakeholders through meetings, surveys, roundtables and conferences. These engagements inform our strategy, policy development and risk management, and the insights gained are used to make improvements in customer service, for example, and working conditions for employees. Surveys conducted in 2024 specifically supported assessments of value-creating topics and double materiality. The bank strives to create sustainable long-term value for all stakeholders by maximising our positive impact and minimising the adverse effects our bank may have on people and the environment. This is further supported by the bank's focus on implementing a system of metrics, targets and feedback loops in our operations by 2027, which will provide greater transparency regarding the positive and negative impact of our business activities. The bank is working with clients and suppliers to build the necessary data infrastructure while developing more granular and reliable impact measurement capabilities. (p. 24-25)

The Engagement Committee, mandated by the Executive Board, oversees the bank's engagement activities regarding clients, sectors and material suppliers to ensure that material ESG risk engagement is appropriately documented and that adequate measures are taken to stay within the bank's chosen ESG risk. This approach aims to operate in compliance with the bank's policies for the management of ESG risks, as well as with the UNGPs and the OECD Guidelines for Multinational Enterprises. (p. 238) The bank's risk appetite limits consider several elements, such as our strategic targets on carbon reduction, demonstrating how stakeholder insights into sustainability inform strategic decisions. (p. 241) Mitigating actions for sustainability risks are subsequently defined at bank, portfolio and client levels based on the bank's risk appetite and strategy. (p. 244)

Engaging with clients

ABN AMRO engages clients through regular client surveys, call centres, in-person meetings, video banking and online. Key issues addressed include the effect of higher interest rates and economic

developments, expansion of accessible digital banking, transition to more sustainable business practices and the impact of climate change and biodiversity loss. (p. 24) Client engagement is considered a cornerstone of our climate strategy and a critical component of our decarbonisation efforts, as our clients' ability to reduce carbon emissions directly impacts ABN AMRO's success in decarbonising.

The bank is refining our client engagement approach to help clients adopt more sustainable business models. This includes a move to client-specific data as this will allow us to provide precise, tailored sustainability insights to clients, thus enabling us to proactively steer our portfolios toward decarbonisation targets. The Transition Readiness Assessment (TRA) is a key tool for supporting this engagement that evaluates clients' preparedness to transition their economic activities towards sustainability and assesses the feasibility of doing so. The TRA will provide insights into clients' climate performance and transition plans, enabling us to guide portfolios and clients more effectively towards our 2030 emissions targets. For example, the enhanced TRA will also be introduced to our clients in the road transport and oil and gas midstream sectors. (p. 249) Additionally, the TRA includes data on pollution impact for clients operating in specific agriculture sub-sectors such as dairy, calves and pigs, where these clients are asked to respond to a questionnaire relating to their fertiliser use, nitrogen practices and manure management. (p. 287)

The CASY questionnaire is used for corporate clients (lending relationships above EUR 1 million) to assess whether the client complies with the bank's minimum sustainability-related standards and the generic principles applicable to corporate clients. (p. 65) CASY also assesses pollution impact and measures taken to prevent pollution, as well as resource use impact and measures taken to promote a circular economy. (p. 286, 291) The bank considers engaging with companies we finance that do not comply with our standards, with the aim of improving their ESG performance. (p. 244)

Engaging with employees

Engagement methods for employees include surveys, regular engagement circles and meetings with employee works councils, unions and other representative groups. Insights from these engagements are used to improve working conditions for employees. (p. 24) The bank has implemented a Change Risk Policy (CRP) that governs all initiatives affecting the bank's values, strategic priorities or risk profile, which safeguards against significant changes resulting in material negative impacts for our workforce. Furthermore, the bank's D&I policy aims to create an environment that welcomes diverse perspectives, striving to create a culture where employees from diverse backgrounds feel welcomed and respected, empowered to bring their authentic selves to work and recognised for their contributions to the bank's growth and client success. (p. 300)

Engaging with investors

Investors are engaged through regular roadshows and investor conferences, the Annual General Meeting, surveys and formal letters written by representatives of institutional investors. Key issues discussed include anti-money laundering, climate change mitigation, privacy of client data, working conditions and diversity and inclusion. (p. 24, 473)

Engaging with society

ABN AMRO engaged with society through regular meetings with government and regulators, industry roundtables and conferences, in-person meetings with suppliers and business partners, and the Banking for Better Days initiative. Issues addressed include the roll-out of the bank's climate strategy, measures taken to combat financial crime, digital inclusion and branch network and regulation affecting the banking sector. Broader topics such as climate change mitigation, circular economy, child labour and forced labour, working conditions in the supply chain and pollution of air are also discussed. Collaboration is crucial. (p. 24) For instance, a partnership with the European Investment Bank unlocked EUR 250 million in cheaper transition financing for clients. The bank is committed to the UN Principles for Responsible Banking and the World Economic Forum's Climate Leaders Coalition, where companies team up to pursue significant carbon reductions. ABN AMRO is also engaged with policymakers on national and international action plans and industry and governments to raise awareness and promote sector-wide change, thus reinforcing our dedication to supporting our clients in their transitions. (p. 217)

Engaging with workers in the value chain

Recognising that direct engagement with workers in the value chain is challenging, ABN AMRO adopts alternative strategies to ensure their voices are represented by consulting credible proxies,

such as NGOs and trade unions, which provide valuable insights into the human rights risks associated with our lending and investment activities.

Engagement also occurs through client interactions via the CASY tool, which includes human rights-related questions. For high-risk sectors, clients are required to provide additional documentation, and the bank engages with these clients to obtain all relevant information and ensure compliance with our standards. These insights are used to enhance our risk assessments and inform due diligence processes. The bank focuses on addressing critical issues such as the prevention of child labour and forced labour. (p. 310, 316) ABN AMRO is in the exploratory phase of establishing measurable, outcome-oriented targets to enhance positive impacts and mitigate negative impacts on value chain workers and is dedicated to strengthening our engagement approach and embedding direct interaction with potentially affected workers in our value chain through the launch of our human rights remedy mechanism. (p. 314)

Engaging with consumers and end-users

Engagement with consumers and end-users occurs at specific stages including data breach incidents, receipt of privacy complaints and GDPR rights requests and involves consumers and end-users or their legitimate representatives or credible proxies. Feedback from clients with disabilities has informed the selection of our new online banking login processes. The bank addresses issues related to privacy, suitability of products and services and social inclusion. ABN AMRO aims to design solutions that enhance financial health, promote inclusion and widen access to financial services. (p. 320) In June 2024, the bank published its Financial Inclusion Statement to enhance our client-centred strategy and make our products and services more inclusive and accessible to our clients, especially specific client groups currently facing barriers, such as women, culturally diverse clients, the elderly and young people. (p. 323) The bank is in the exploratory phase of establishing outcome-oriented targets to enhance financial inclusion for client groups facing barriers to banking, and actively monitors the effectiveness of our policies and actions in this area using qualitative and quantitative indicators, including client feedback, usage rates of newly introduced financial products and demographic studies. (p. 325)

Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

Governance Structure for Implementation of the Principles

Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts (including accountability at the executive leadership level, clearly defined roles and responsibilities for sustainability matters in internal processes, etc.) and support the effective implementation of the Principles.

Links & references

ABN AMRO Integrated Annual Report 2024

Response

Governance structures and executive accountability

The full description of the committees can be found on pages 229-230 of the Annual Report. Below, we briefly introduce each committee and refer to the full text for further detail.

The Executive Board is responsible for defining ABN AMRO's strategy. The Supervisory Board, in turn, supervises the policies set by the Executive Board, ABN AMRO's general affairs and the connected business. The Group Sustainability Committee (GSC) is an Executive Board committee for central oversight and steering on sustainability. It serves as a central point to which material information is directed on topics that relate to sustainability. The Group Disclosure Committee (GDC) serves as the central point for disclosing information on material matters regarding the bank and its operating environment. The Group Risk Committee (GRC) is responsible for sustainability risk

management, for carrying out the mandate to review and for steering ABN AMRO's risk profile within the scope of the bank's risk appetite. The Audit Committee is responsible for supervision in relation to financial and sustainability reporting, which supervision includes monitoring the integrity and quality of ABN AMRO's sustainability statements and external disclosures.

We continuously monitor sustainability governance to ensure that sustainability matters are embedded in our governance structure. ABN AMRO aims to address sustainability matters as effectively as possible and to keep up with regulatory expectations and legislation. In doing so, we keep our fingers on the pulse of evolving market practices in this area. ABN AMRO's Sustainability Centre of Excellence is led by our Chief Sustainability Officer, who reports directly to the CEO.

Policies and procedures for managing impacts

Our Sustainability Risk Policy Framework underpins how the bank manages sustainability risk, including negative impacts, in relation to our clients. It is subject to an annual review to incorporate new insights and practices, internal and external developments, and views of stakeholders, as well as to align with the latest regulatory guidance, such as ECB and EBA requirements and definitions. It also includes generic principles applicable to corporate clients, requiring them to comply with applicable laws and regulations and demonstrate transparency regarding their responsible business conduct. (p. 239-240)

ABN AMRO has integrated sustainability reporting into the overall annual reporting process, managing sustainability-related risks under data risk within its enterprise risk management framework. This includes a 4-eyes principle on the drafting of disclosures, review within the GDC and dedicated sign-offs per section by management. A risk assessment was performed during CSRD implementation to identify key risks in the reporting process, with identified findings addressed by specific mitigating actions.

The bank has integrated insights from our risk assessments and internal controls into our core processes, thus embedding sustainability considerations throughout our organisation. Semi-annual reporting of these findings to the Executive Board and Audit Committee bodies ensures ongoing oversight and refinement of our risk management practices. (p. 220) The Strategic Risk and Appetite Statement, which includes sustainable business model and value-creation, informs the Bank Risk Appetite Statement, setting the boundaries for the bank's overall risk profile, including on sustainability risk. Sustainability risk appetite is further defined using indicators that address key ESG factors. To manage sustainability risks, mitigating actions are defined at bank, portfolio and client levels, including exclusion of some specific sectors and sub-sectors from lending products and our banking services. (p. 244)

The CASY questionnaire is utilised at a client level to assess and measure impacts, ensuring clients' compliance with the bank's Sustainability Risk Framework and generic principles by focusing on sustainability-related regulations, sustainability commitments, and the capacity to manage sustainability risks and track records. Depending on the client's level of compliance with the bank's sustainability risk framework, the outcome of a CASY assessment is above, on or below par, and serves as the basis for further engaging with the company. (p. 65)

ABN AMRO's Climate Strategy defines its approach to aligning with the global goal of limiting global warming and supporting the transition to a net-zero economy by 2050. This strategy is intricately embedded within ABN AMRO's bank-wide business strategy and financial planning by setting sector-specific targets. (p. 248-249) The bank's Nature Statement outlined high-level commitments and serves as a foundation for managing nature-related IROs, aiming to reduce negative impacts and enhance positive contributions to halt and reverse biodiversity loss by 2030 in line with the Global Biodiversity Framework. (p. 281) The Diversity & Inclusion Policy aims to create an environment that welcomes diverse perspectives and where employees from diverse backgrounds feel welcomed and respected, empowered to bring their authentic selves to work and recognised for their contributions. (p. 300) The Human Rights Statement, Modern Slavery Statement, and Code of Conduct lay out our expectations in relation to social risk and are designed to address and prevent negative human rights impacts connected to our business activities. (p. 308)

Support for effective implementation of the Principles

ABN AMRO has set up continuous internal funding to aid in executing its transition plan. We regard quantification of capital expenditure as less relevant for a bank as our climate targets are mostly dependent on the capital expenditure of our clients rather than on ABN AMRO itself. Sustainability initiatives are embedded across the bank as part of our standard operations, and budget is made available to implement the required measures and integrate them into daily activities. For more details on programme implementation, see our Annual Report. (p. 249) Additionally, the continuous

efforts to strengthen data chains within the bank are crucial for making non-financial data measurable, which then can be leveraged to steer our lending and other activities, make better-informed decisions and maximise the long-term value we create for all stakeholders. (p. 39)

Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, learning & development, sustainability training for relevant teams, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Links & references

ABN AMRO Integrated Annual Report 2024

Response

Core values and culture

ABN AMRO's culture (which is based on our core values) is a crucial enabler for our strategy and guides the decisions we make every day, as well as the interactions we have with internal and external stakeholders. These core values are care, courage and collaboration. (p. 326) The bank notes that making the right choices isn't always easy. Dilemmas are part of our work. We don't just talk about our values; we also act on them. (p. 10) The Behavioural Risk Policy is designed to safeguard an enabling and supportive working environment, encouraging employees and external employees to align their actions with the bank's purpose – 'Banking for better, for generations to come' – and supporting ABN AMRO's core values, as outlined in our Code of Conduct. (p. 297) The Code of Conduct sets out basic values in the context of local legislation and practices, and all employees are obliged to sign and follow it. (p. 329)

Capacity building, learning and development and sustainability training

Addressing climate change requires broad engagement across the bank, including continuous learning and awareness and upskilling on climate. Our sustainability academy drives awareness and expertise by offering various learning initiatives. Employees can build a foundational understanding through the 'Sustainability at ABN AMRO' e-learning module and interactive tools like the climate fresk game. The academy also has internal sustainability experts who share insights and recommendations on key topics. For employees directly impacted by the climate strategy in their roles, we provide specialised learning paths tailored to specific roles and sectors. Initial learning programmes have been rolled out in the first sectors under focus, with plans to expand to additional sectors in the coming years, thus ensuring long-term expertise across the bank.

Periodic training sessions, sustainability updates and product development briefings keep relationship managers informed of the latest developments. These sessions aim to inspire bankers to offer more sustainable products and assist clients on their sustainability journeys. For example, mortgage advisers are being trained as Sustainable Living Advisers so that they are equipped to discuss financing options for sustainability improvements during consultations and to guide clients on making their properties more energy efficient. (p. 249) During the year under review, we also provided inclusive banking training to approximately 7,000 colleagues to raise awareness about unconscious bias and provide tools to create inclusive client interactions. (p. 32)

To ensure integrity and compliance, ABN AMRO requires its employees to understand their role in preventing money laundering and combating the financing of terrorism. A curriculum of Client Integrity training is available, in addition to the ongoing Client Integrity training for all staff. The bank also helps its employees to detect and address bribery and corruption through continuous learning via Sharp! and through specific ABC courses, which are compulsory for at-risk functions. These courses train employees to recognise warning signs and to report all bribery and corruption incidents, both actual and suspected. Employees are also provided with guidance to assess and register gifts, both given and received, in a professional and transparent way. (p. 328-329)

Following their appointment, all new Executive Board and Supervisory Board members participate in a comprehensive induction programme. This includes sessions on sustainability-related matters, covering material impacts, risks and opportunities. As part of the Lifelong Learning Programme, members of both boards attend additional training sessions to keep their sustainability knowledge up to date. In addition, several Supervisory Board members are dedicated sustainability experts and continually develop and update their knowledge on sustainability matters through in-depth,

customised training sessions that complement our Lifelong Learning Programme. These members participate in the Supervisory Board committees, thus embedding their expertise in these committees and ensuring a balanced distribution of members with specialisation in key focus areas. (p. 185)

Inclusion in remuneration structures and performance management

The Remuneration Committee is responsible for supervising and advising the Supervisory Board on subjects such as: (i) remuneration policies and their execution with regard to members of the Executive Board, the Supervisory Board, members of the Extended Leadership Team, heads of control functions, Identified Staff and non-Identified Staff, and (ii) reporting on the execution of the bank's remuneration policies through a remuneration report. ABN AMRO implements leadership development and performance management initiatives. (p. 182) The Together & Better program supports sustainable employee performance through regular dialogues between employees and their managers, where objectives are set to align with the bank's purpose and strategy. These objectives, covering results, behaviour, and development, are documented in the online Talent2Grow system. Employees and managers review progress regularly and discuss ways to improve. (p. 304)

Leadership communication and accountability

The Supervisory Board supervises the policy of the Executive Board and the general course of events in ABN AMRO. (p. 176) Both the Executive Board and Supervisory Board will join efforts to ensure a tone at the top and behaviour that is in keeping with the adopted values and will propagate these values through leading by example. (p. 132, 209) The Chief Executive Officer (CEO) is the accountable Executive Board member, under applicable AML regulation, for compliance with laws and regulations and prevention of the use of the bank's processes and systems for the purposes of money laundering, financing of terrorism and sanctions. Similarly, the Chief Risk Officer (CRO) is the accountable Executive Board member for both the ABC Policy and the Fraud Risk Policy, and the Chief Financial Officer (CFO) is the accountable Executive Board member for the Tax Policy. The Supervisory Board's Risk & Capital Committee (R&CC) maintains a continuous focus on compliance-related matters, on the duty of care, client due diligence, anti-money laundering and countering terrorism financing. (p. 328)

Internal processes and controls

The bank conducts regular client due diligence to minimise credit and anti-money laundering risk. (p. 22) It encourages a speak-up culture, so employees feel safe in reporting possible violations and discussing ethical dilemmas. This includes a Speak-Up programme for both employees and outside parties, and concerns may also be voiced directly to ABN AMRO's Ethics Committee, chaired by the CEO. (p. 36) The Whistleblower Policy further protects clients as well as third parties against retaliation, ensuring they can raise concerns without fear of adverse consequences. (p. 322) Furthermore, the Change Risk Policy governs all initiatives affecting the bank's values, strategic priorities or risk profile and safeguards against significant changes resulting in material negative impacts for our workforce. (p. 300) Business Process Management activities are also improving control of the bank's processes, non-financial risks and digitalisation. (p. 136)

Risk and due diligence processes and policies

Describe what processes your bank has installed to identify and manage environmental and social risks associated with your bank's portfolio. This can include aspects such as identification of significant/salient risks, due diligence processes, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures your bank has in place to oversee these risks.

Links & references

ABN AMRO Integrated Annual Report 2024

Response

ABN AMRO has installed a comprehensive framework to identify and manage environmental and social risks associated with its portfolio, integrating these into its overall risk management and governance structures.

Managing environmental and social risks

The overarching responsibility for the bank's risk management, including environmental and social risks, rests with the Executive Board and Supervisory Board, which supervises the policy of the Executive Board and the general course of events in ABN AMRO. (p. 32, 176) The Executive Board is also responsible for creating a culture aimed at sustainable long-term value creation for the company and its affiliated enterprises. (p. 132) The Executive Board has delegated management of sustainability risk, including climate and environmental risk, to the GRC. A dedicated Sustainability Risk team within the Central Risk Management department is responsible for the sustainability risk management framework and acts as the second line of defence within Risk Management. (p. 232) The Group Risk Committee's role in sustainability risk management is described in the full Annual Report. (p. 229-230)

Risk identification and materiality assessment

ABN AMRO employs a double materiality assessment to assess the effect the bank has on people and the environment (impact materiality) and the consequences of these factors for the bank's financial performance (financial materiality). This assessment helps the bank identify the material sustainability aspects to address and inform our actions. (p. 19) A key feature of the EU's Corporate Sustainability Reporting Directive (CSRD) is this double materiality assessment, which requires us to consider both the direct impact of our own activities and the impact we have through our clients and at the same time, we also assess the risks and opportunities that, for example, climate change poses to the bank. (p. 217)

The bank's risk identification process relies largely on Environmental and Social Risk heatmaps, which identify sub-sectors' inherent sensitivity to sustainability events within the corporate lending and residential real estate portfolios. These heatmaps analyse the business environment from both a sectoral lens (64 distinct sub-sectors) and a geographical lens (regions and countries to which we have exposure, either directly or through sub-sectors' value chains). The sensitivities are based on the sector sensitivities to more than 40 potential underlying physical, transition and negative impact events. This applies particularly in respect of climate change and pollution, where 21% (7% and 14%) and 25% (20% and 5%), respectively, of our corporate loans are in sub-sectors with a potentially moderately high or high sensitivity to these risks. With regard to social topics, we consider human rights impact to be the main driver of social risks, representing an inside-out negative impact. This applies mainly in respect of workers in the value chain, with 12% (1% and 11%) of our corporate loans being in sub-sectors with potentially moderately high or high sensitivity to these risks. (p. 241-242) The bank also scans our emerging risks on a quarterly basis. Identified salient human rights risks are also assessed as part of the social risk heatmap. (p. 306)

Due diligence processes

ABN AMRO conducts regular client due diligence to minimise credit and anti-money laundering risk. (p. 22) The bank carries out extensive due diligence on clients and other business partners, especially those with political exposure or living and active in countries or sectors with higher incidents of financial crime. (p. 36) The Sustainability Risk Management Framework applies to new and existing clients throughout their lifecycle (i.e. from client acceptance, through ongoing due diligence and to a potential client exit). (p. 237) Sustainability risk at the client level is assessed using several tools, including the Client Assessment on Sustainability (CASY), the Transition Readiness Assessment (TRA), and the Climate and Environmental Risk Classification Tool (RCT). These instruments evaluate clients' environmental risk exposure, transition readiness, and ESG performance. A full description of these tools and their integration into credit risk decision-making can be found in the Annual Report. (p. 65)

Environmental and social risks mitigation and action plans

To manage sustainability risk in line with its risk appetite and strategy, ABN AMRO defines mitigating actions at bank, portfolio, and client levels. At a bank level, these actions include the exclusion of some specific sectors and sub-sectors from lending products and our banking services, as outlined in the bank's Exclusion List. (p. 244) This includes, for example, illegal logging or trading in illegally harvested or uncertified timber, and companies producing, processing and/or trading palm oil that are not a member of, or in the process of becoming a member, of the Round Table for Sustainable Palm Oil. (p. 283) Pollution-related exclusions in the chemical and pharmaceutical sectors apply to substances like asbestos fibres, pharmaceuticals, pesticides, herbicides, and chemicals subject to international phase-outs or bans. (p. 286)

At the portfolio level, ABN AMRO conducted a cross-sector environmental risk scenario analysis to assess the effects of environmental transition risks on our corporate lending clients in the Netherlands.

As we continue to update our risk management framework in relation to environmental risks, the insights from this scenario analysis will inform ABN AMRO's strategic and risk management initiatives. For instance, a transition plan for the dairy sub-sector is being drafted, outlining the bank's vision for the sector in 2040, which will include ABN AMRO's ambition and role, and an action plan to support clients transitioning to more sustainable and regenerative practices. (p. 289) At the client level, the bank engages with companies we finance and that do not comply with our standards, with the aim of improving their ESG performance. (p. 291)

Monitoring and reporting on risks

ABN AMRO's risk and control structure is based on the three lines of defence governance model, which has been designed to ensure risk is managed in line with the risk appetite approved by the Executive Board and Supervisory Board. The first line takes primary ownership to identify and assess, measure, mitigate, monitor and report the risk that it incurs. The second line maintains risk control and oversight through monitoring, reporting and escalating, where necessary. The third line protects and enhances organisational value by providing risk-based and objective assurance, insight and added value to support the achievement of our objectives. (p. 59-60) Monitoring activities are carried out to capture and identify potential shortcomings in our Sustainability Risk Policy Framework in a timely manner. This includes measuring the bank's risk profile against its Strategic Risk Appetite Statement. The sustainability risk appetite sets limits and checkpoints that are monitored at bank-wide, client unit and functions levels to take timely mitigating actions. (p. 244) The Enterprise Risk Management (ERM) report is discussed quarterly with the Supervisory Board and shows the developments in ABN AMRO's risk profile in the past quarter, based on the strategic and bank risk appetite. (p. 177)

Grievance mechanisms

As part of engaging with our clients, we assess the availability and effectiveness of their operational-level grievance mechanisms and other methods of facilitating remedy. To advance this dedication, we have developed a Human Rights Remedy Mechanism (HRRM), currently in its pilot phase, to enable individuals negatively affected by our corporate clients and their value chains to access remedies. ABN AMRO is the first European commercial bank to implement such a mechanism, inspired by the practices of development financial institutions. The HRRM provides a channel for potentially affected individuals to engage with the bank and our corporate clients. We expect this to increase the likelihood that negative human rights impacts will be addressed and resolved. The aim is to facilitate dialogue between the parties and arrive at a solution. (p. 312)

Internally, ABN AMRO encourages a speak-up culture, so employees feel safe in reporting possible violations and discussing ethical dilemmas. Both employees and outside parties may report suspected violations through the bank's Speak-Up programme. Concerns may also be voiced directly to ABN AMRO's Ethics Committee, chaired by our CEO. The Whistleblower Policy is also in place to protect clients as well as third parties against retaliation, ensuring they can raise concerns without fear of adverse consequences. (p. 36)

Integration with overall risk management

Sustainability risk is defined in our risk taxonomy and sustainability risk policy as the risk that ESG factors have a negative financial and/or non-financial impact on ABN AMRO or the wider society, either directly or via other risk types. As it is considered a material risk in our risk taxonomy, managing sustainability risk is a fundamental part of safeguarding our risk profile and supporting ABN AMRO's strategic objectives. (p. 234) Climate risk, for example, is integrated into our risk taxonomy, risk appetite and financial planning under sustainability risk. The Sustainability Risk Policy Framework ensures that environmental and social risks are managed throughout the enterprise risk management cycle. (p. 247)

Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

The information provided in the Responsible Banking Progress Statement is sufficient. If third-party assurance has been undertaken, provide details on the scope of assurance and the reference/link to the Independent (Limited) Assurance Report

Links & references

ABN AMRO Integrated Annual Report 2024

Response

EY Accountants B.V. have performed a limited assurance engagement on the consolidated sustainability statement for the 2024 Integrated Annual Report of ABN AMRO Bank, including the information incorporated in the sustainability statement by reference and excluding the chapter 'additional sustainability related disclosures'.

Please note: While the contents of this report are derived from ABN AMRO's 2024 Integrated Annual Report, only the official sustainability statement within the Annual Report has received limited assurance. This report has not undergone the same review. (pg. 501-503)