

ABN AMRO Bank N.V.

Application of the Dutch Banking Code in 2023



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1. Introduction

In 2009, the Advisory Committee on the Future of Banks, established by the Dutch Banking Association, made recommendations for improving the performance of the Dutch banking sector to help restore trust in Dutch banks. Consequently, the Dutch Banking Code was introduced in 2010 to ensure that banks commit to and account for treating their customers with care while balancing the interest of various stakeholders. This Code sets out principles that banks should observe in terms of corporate governance, risk management, audit and remuneration. An updated Dutch Banking Code came into effect on 1 January 2015, along with the Social Charter (*Maatschappelijk Statuut*), which is complementary to the Code. In 2021, two paragraphs were amended to with clarifying texts on the embedding of the public and social interests and on the remuneration policy. The updated Dutch Banking Code takes into account the recommendations of the Banking Code Monitoring Committee, installed by the Dutch Banking Association, the report of the Committee on the Structure of Banks, the government's view on the Dutch banking industry and the vision of the Dutch Banking Association (of which ABN AMRO is a member). The new Dutch Banking Code, along with the introduction of the Social Charter

and the implementation of the bankers' oath (together with the associated rules of conduct and disciplinary rules), applies to all employees of financial institutions in the Netherlands and emphasises the social role of banks and their commitment to meeting the expectations of society at large.

As one of the banks involved in drawing up the Dutch Banking Code, we at ABN AMRO are committed to promoting compliance with the principles that it embodies, as they play an important part in restoring trust in the banking industry. As such, we are dedicated to translating the principles of the Dutch Banking Code into policies, and putting these policies into practice. These policies apply in full to all relevant entities within ABN AMRO, including all subsidiaries with a banking licence granted by DNB/ECB, aiming to ensure that the intentions behind the Dutch Banking Code are properly reflected and adhered to in all parts of the organisation.

The implementation of group-wide policies and standards may differ between subsidiaries with their own banking licences. This is due to their varying business activities, organisation and risk frameworks. This is explained in more detail for 2023 in the report *Application Dutch Banking Code by ABN AMRO subsidiaries for 2023*. Compliance with the Dutch Banking Code is monitored by Corporate Office, reported on in ABN AMRO's

Integrated Annual Report and subject to risk based audit engagements by the internal audit department (Group Audit).

2. Sound and ethical operational management

Principle Banking Code

To build and maintain its position as a stable and reliable partner, a bank must formulate its mission, strategy and objectives. This focus on the long term is expressed in part in the bank's risk policy and the policy for sustainability and corporate social responsibility.

When developing a strategy, objectives and policy a bank safeguards, in a way that fits within the nature, activities and mission of the bank, that stakeholders' interests are identified and properly assessed.

A bank chooses its positioning in such a way that its commercial interests and social role are extensions of each other. This is also expressed in the bank's governance structure and guides the implementation of its policy based on its mission, strategy and objectives.

Application by ABN AMRO

ABN AMRO applies this principle.

The Executive Board has adopted a purpose, a strategy and three core values. ABN AMRO announced and elaborated on its reviewed strategy internally and externally in the fourth quarter of 2020. The strategy is intended to implement the bank's stated purpose: 'Banking for better, for generations to come.' As such it is based on three strategic pillars:

- i. Customer experience: ABN AMRO is a personal bank in the digital age, engraining the customer experience. The bank's trusted relationships with clients together with its capabilities across all client segments, enables ABN AMRO to support clients at all important financial steps in their lives in the most efficient way. ABN AMRO offers its clients both convenience in its daily banking services, which is becoming increasingly digital, and tailored expertise. At moments that matter, ABN AMRO supports its clients with its premium advisory services and sector expertise. In order to cater for an enhanced customer experience, ABN AMRO introduced a new three-layer service model and implemented portfolio capabilities such as *Tikkie Zakelijk*.
- ii. Supporting our clients' transition to sustainability: ABN AMRO wishes to be its clients' first choice partner in

climate change, the circular economy and social impact. In this way, it aims to accelerate the sustainability shift by doing what it is good at: banking. By making sustainability an integral part of our business, we are maximising our impact on society. We do this through making ESG value propositions the default option for our target segments, and by providing distinctive expertise and capabilities to support our clients' transition. ABN AMRO aims to increase the volume of sustainable client loans and investments from around one-fifth to one-third in 2024. In addition, the Sustainable Impact Fund has been growing, as of December 31, 2023 having a portfolio of EUR 168m, including for instance Fairphone. As to leading by example, the bank is redeveloping its future homebase in Amsterdam into a Paris-proof workplace designed to facilitate hybrid and remote working. Also, ABN AMRO's goal is to have a net-zero business operation as of 2030.

- iii. Future-proof bank: ABN AMRO's culture, behaviour and licence to operate are clear priorities. The bank places great value on fostering a culture within the bank in which everyone feels respected and valued. Taking ownership, clear targets and accountability are key to execution and the licence to operate. Furthermore, clearer structures and processes are a focus area, evidenced by the structuring of the organisation around customer segments with

consistent ways of working and clarity in accountability. Also, the wind-down of non-core Corporate Banking businesses de-risked the bank's balance sheet enhancing the risk management discipline. Moreover, ABN AMRO announced in the reviewed strategy in the fourth quarter of 2020 that the bank would rigorously simplify and centralise its operating model, enabling the bank to focus on clients and work more efficiently. As previously mentioned, this new operating model has been implemented, including the reorganisation to a leaner and simpler bank. Although clients make the shift to digital, ABN AMRO's financial coaches will remain available to clients who need support to ensure they maintain access to banking services.

To ensure proper execution, the purpose, strategy and core values have been and will be regularly discussed by the members of the Executive Board (both individually and collectively) and also during various sessions with employees. ABN AMRO sets itself the objective of creating sustainable value for all its stakeholders, namely its clients, employees, investors and society at large. The bank attaches great importance to sustainable long-term value creation, whereby it considers the impact of its actions on people and the environment. Having good relations with all its stakeholders is essential for this purpose in order to be able to

take their interests into careful consideration. ABN AMRO is therefore engaged in various initiatives to maintain a dialogue with them. The sustainability aspect of the strategy and its impact on the various stakeholders is discussed in the Integrated Annual Report and the Impact Report.

The bank's ethical infrastructure encompasses formal and informal systems that communicate, monitor, and reward or sanction ethical behaviour. This includes, amongst others, the Ethics Committee, which, through moral deliberation, carefully balances the rights and interests of all stakeholders involved in a strategic dilemma or moral issue and helps balance commercial interests and social roles.

To accelerate the integration of sustainability across the bank, ABN AMRO appointed a Chief Sustainability Officer and established a Sustainability Centre of Excellence, focusing on climate, circularity and social impact. The Group Sustainability Committee assists and supports the Executive Board in the performance of their duties in matters relating to ESG. This is also elaborated upon in the Climate Plan published in December 2022. Additionally, in November 2023, the Supervisory Board established the Supervisory Sustainability Committee. This committee is responsible for supervising (i) the sustainability aspects in the bank's strategy and policies, (ii) ABN AMRO's

impact on people and the environment, but also how these matters impact ABN AMRO, (iii) the bank's climate strategy and related climate action plan, (iv) the oversight, support and challenging of actions being taken by the Executive Board to run the bank as a sustainable business, (v) the formulation of the corporate culture and values and their execution in the organisation, including the strategy and policies on responsible business conduct, (vi) sustainability KPI's, and (vii) the positioning of the bank with respect to national and international best practices in the field of environmental, social and governance.

ABN AMRO contributes to help achieve the Sustainable Development Goals (SDG) set by the United Nations. ABN AMRO has chosen to put the focus on SDG 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all), SDG 12 (Ensure sustainable consumption and production patterns) and SDG 13 (Take urgent action to combat climate change and its impacts) because these SDGs have a large interface with ABN AMRO's activities.

[Principle Banking Code](#)

The executive board and supervisory board are – with due regard for each other's duties and powers – responsible for setting up a

sound governance structure and compliance with the governance principles.

[Application by ABN AMRO](#)

ABN AMRO applies this principle.

Good corporate governance is crucial to the attainment of ABN AMRO's strategic goals. Part of this involves establishing a sound governance structure. The bank has a two-tier board structure consisting of the Executive Board and the Supervisory Board. The Executive Board is the statutory managing board under the articles of association and as such has final responsibility for the day-to-day operations. It reports to the Supervisory Board and the General Meeting of Shareholders.

The Executive Board initiates and the Supervisory Board monitors compliance with the governance principles set out in the Dutch Banking Code and the Dutch Corporate Governance Code. Various committees have been formed within the Executive Board and the Supervisory Board to facilitate this. Examples at Executive Board level are the Group Sustainability Committee, the Group Risk Committee and the Group Central Credit Committee. Examples within the Supervisory Board are the Supervisory Sustainability Committee, the Risk & Capital

Committee and the Audit Committee.

[Principle Banking Code](#)

The members of these boards will set an example to all of the bank's employees and exhibit this in their day-to-day activities. The supervisory board will evaluate the way the members of the executive board are setting an example each year.

[Application by ABN AMRO](#)

ABN AMRO applies this principle.

All employees are jointly responsible for, among other things, the bank's standards and values and their observance. The members of both the Executive Board and the Supervisory Board set a good example by engaging in dialogues with clients, employees and society at large. ABN AMRO engages in ongoing dialogue with its stakeholders. This dialogue takes place to ensure that the interests of relevant stakeholders are considered when defining the value-creating aspects of ABN AMRO's strategy. Dialogue may also take place to increase ABN AMRO's knowledge and understanding, to build social and relationship capital and to contribute to ABN AMRO's license to operate. In 2023, ABN AMRO also published guidelines for effective dialogue with its

stakeholders that set out the general principles for ABN AMRO's relations with its stakeholders. Examples of how the bank engages in dialogues with stakeholders are the development of a human rights grievance and remedy mechanism ("HRGRM") and the establishment of the Future Generation Board ("FGB"). The HRGRM includes developing communication packages for specific stakeholder groups, including internal groups and civil society organisations, designed to respond to their concerns and questions, and enable them to engage constructively with such a mechanism. While through the FGB the bank wants to give the interests of future generations more weight in decision-making and anchor its purpose, 'Banking for better, for generations to come', even more deeply in the organisation. An example, ABN AMRO signed the Manifest Digital Inclusion in 2023, together with three other large Dutch banks, the Dutch Banking Association and Dutch Payments Association. The goal of this manifest is to make the increasingly digital financial world accessible for everybody. ABN AMRO is already a frontrunner in this respect, among others by means of financial care coaches, budget coaches and its digital possibilities.

With respect to setting an example to the bank's employees, ABN AMRO carries out an annual employee engagement and work (integrity) climate survey. Employees provide input, for example about the extent to which senior managers practise what they

preach ('walk the talk'). The survey findings are discussed annually in the Executive Board and the Supervisory Board and remedial action is taken if needed. Furthermore, several Meet the Board sessions were organised during which board members entered into a dialogue with different teams about culture, setting an example, handling dilemmas etc. These sessions have been expanded into 'engagement circles' which are held throughout all parts of the organisation and designed for managers to listen to team members talking about what would significantly improve their work environment, but also their expectations and needs from management. Managers committed to specific actions to address this feedback. Moreover, the members of the Executive Board and the Supervisory Board have taken the banker's oath. By doing so, they become personally responsible for compliance with the code of conduct and can be held accountable for non-compliance. This subject is covered by disciplinary law. The purpose of the oath is to ensure that the members perform their work ethically and with due care. Once a year, the Executive Board and Supervisory board discuss their own adherence to the bank's code of conduct and discuss personal dilemmas regarding their adherence.

In addition, the bank rolled out a Speak Up-programme, promoting moral courage to employees, listening-up to managers and improving the accessibility of Speak Up-channels to report

signals. Executive Board members took an active role in promoting an open and safe work environment. The programme demonstrably improved the perceived psychological safety.

How the role of setting an example has been fulfilled is also a matter discussed during the annual self-assessment of the members of the Executive Board by the members of the Supervisory Board.

Principle Banking Code

The executive board and supervisory board are – with due regard for each other's duties and powers – responsible for developing, communicating and enforcing standards on integrity, morals and leadership in the bank.

Application by ABN AMRO

ABN AMRO applies this principle.

The Executive Board has adopted core values, being Care, Courage and Collaboration. These core values provide general criteria to guide the actions of the bank's employees and also contain standards for integrity, morals and leadership. The core values apply to all employees of the bank both in the Netherlands

and abroad. Further, ABN AMRO renewed its code of conduct in 2022 that intends to inspire staff to do the right thing and provide tools to support sound risk taking as well as balanced decision making. The value based, (digital) code of conduct includes do's and don'ts. It encourages staff to get ahead of regulation and demonstrates the how and what of the bank's core values in practice and provides knowledge, skills and tools for informed and balanced decision making.

The Ethics Committee consists of Executive Board members and colleagues from various client units and areas of expertise, and consideration is given to ensuring a broad mix of views, experiences and backgrounds. By discussing dilemmas and moral issues, the Ethics Committee gives substance to the bank's purpose: How can we bank for better, for generations to come? The bank's ethical infrastructure pro-actively invites employees to discuss dilemmas and to speak up and create knowledge and skill on balanced decision making. The code of conduct, Speak Up-program and interactive dilemma dialogue encourage employees to give voice to their values. Employee input is an integral part of the Ethics Committee meeting documents. In some cases, the Ethics Committee's advice may be a reason to adjust policies and procedures.

The Executive Board and all employees sign-off on their

adherence to the bank's code of conduct on a yearly basis. In addition, the Executive Board is responsible for ensuring that all employees of ABN AMRO to take the banker's oath or make the banker's affirmation actually do so. By taking the banker's oath, the employees concerned become personally responsible for complying with the rules of conduct and can be held accountable for non-compliance. The Supervisory Board monitors the implementation of this policy by the Executive Board.

Principle Banking Code

In addition, they ensure there are proper checks and balances and safeguard a solid IT infrastructure that is vital for the functioning of the bank. Among other things, thorough checks and balances mean that the compliance function is also safeguarded within the executive board and supervisory board.

Application by ABN AMRO

ABN AMRO applies this principle.

In ABN AMRO's management structure, the members of the Executive Board jointly ensure that proper checks and balances are in place. All risks within the bank are managed in accordance with the three lines of defence principle, in which all levels of the

organisation are given roles involving ownership, control and supervision. This principle is based on the premise that the business, as the first line, is responsible for its own processes. Risk Management forms the second line and supports, advises, challenges and monitors whether the first line actually discharges its responsibilities. Group Audit is responsible, as the third line, for giving an independent opinion (assurance) on Governance, Risk Management and Control processes installed to help achieving ABN AMRO's objectives. The responsibility for compliance risk management is assigned to the Chief Compliance Officer, independently of the Client Units. The Chief Compliance Officer reports directly to the Chief Risk Officer who reports his or her findings directly to the Executive Board and to the members of the Supervisory Board through the Risk & Capital Committee. The existence and independence of the compliance function is safeguarded in the Compliance Charter. The recommendation of the Risk & Capital Committee as well as the approval of the Supervisory Board are required for the appointment and dismissal of the Chief Compliance Officer.

In recognition of the fact that the existence of a sound IT infrastructure is essential to the functioning of the bank, the Executive Board has assigned responsibility for this at its level to the Chief Innovation & Technology Officer. ABN AMRO is working continuously to improve and upgrade its IT infrastructure and thus

ensure that it is robust. In this context, the Corporate Information Security Office plays an important role in safeguarding information security, preventing fraud and providing protection against cybercrime.

Principle Banking Code

The executive board will promote responsible behaviour and a healthy culture both at the top of the bank and throughout its organisation. In this, it will consider the interests of the bank's customers and other stakeholders. The supervisory board supervises this.

Application by ABN AMRO

ABN AMRO applies this principle.

The Executive Board promotes responsible behaviour and a healthy culture throughout the organisation. In performing its tasks, the Executive Board makes a balanced assessment of the relevant interests of ABN AMRO's stakeholders. In formulating strategy, the Executive Board has defined the basic principles, particularly client centricity.

The client centricity topic forms an important part of the strategy

of ABN AMRO and for that reason 'customer experience' is one of the three strategic pillars of ABN AMRO's strategy. From the bank's point of view, client centricity means acting in the client's best interests. The client's best interests take precedence in everything we do. We enter into a dialogue with our clients to gauge their needs, and we aim to build lasting client relationships. We provide high quality advice and employ technology to optimise the service to our clients, such as chatbot Anna who proofs to help people, the ABN AMRO app, which has added the option to check personal financial services, such as looking ahead and checking subscriptions, but also making sure that clients need to use the e.identifier less to approve payments. Additionally, ABN AMRO's young clients can use the Gimi App to learn how mobile banking works and how to spend or save pocket money. Acting in the client's best interests is not the same as client satisfaction. After all, satisfying the client (giving clients what they want) is not necessarily in the client's best interests. Client centricity and sustainable duty of care are applicable to all the bank's clients, including corporate clients. To further give substance, ABN AMRO's employees continuously receive training on these topics, for example through mandatory learnings or workshops that provide a compass for all colleagues to take into account our clients' interests when taking decisions and choices. This training not only supports ABN AMRO on how we, as a bank, want to deal with our clients' interests, but also fulfils the principles of the

bankers oath in a practical manner.

ABN AMRO has integrated behavioural risk in its enterprise risk management-cycle and reports thereon on a quarterly basis to the Executive Board and Supervisory Board. Behavioural risk is defined as the risk that actions, decisions and behaviours by ABN AMRO (collectively), or by colleagues (us, as a group or individually) lead to detrimental or poor outcomes for clients, employees, society and/or ABN AMRO and/or the bank fails to maintain high standards of market behaviour and integrity and/or fails to maintain the high expectations of clients, society and other stakeholders with regards to the integrity of our business. ABN AMRO's behavioural risk management safeguards a supportive work environment that enables and empowers employees to act and execute in line with ABN AMRO's purpose, strategy, code of conduct and core values, e.g. act compliant. Behavioural risk management prevents, detects and monitors elements that help and hinder employees from doing so. These insights support the design of adequate responses by the Executive Board.

ABN AMRO recognises that client centricity requires constant attention and therefore makes continuous efforts to further improve its client-related processes and service. In order to remain a relevant player in the financial services sector, ABN AMRO also uses agile working practices. In this way, it is able to

respond more quickly, effectively and efficiently to changing client needs in order to create added value. Furthermore, ABN AMRO conducts Reflection Dialogues throughout the bank in which teams specifically focus on surfacing limiting behaviours and agreeing on actions to improve collaboration, execution and decision making.

Finally, there are also several decentralised induction programmes for new employees, which take a detailed look at the bank's culture and core values, with particular emphasis on the provision of a high-quality and careful service.

The Supervisory Board supervises the organisation's progress and results by means of, for example, the quarterly updates on behavioural risk, the Culture Change Plan and the Compliance quarterly report.

Also, the Supervisory Board is involved in the End of Year process, whereby it specifically reflects on how senior management steers on responsible behaviour and promotes desired culture and behaviour.

[Principle Banking Code](#)

A bank's culture must also express the assumptions in the Social

Charter of the Dutch Banking Association. These must be embedded in the bank's organisation and the bank will include them in its contact with its stakeholders. It will provide an insight into the way in which the bank deals with the assumptions in the Charter.

[Application by ABN AMRO](#)

ABN AMRO applies this principle.

Reliability, service orientation and transparency are crucial if ABN AMRO is to attain its strategic goals and form an important basis of the reviewed strategy announced in the fourth quarter of 2020. 'Supporting our clients' transition to sustainability' remains an important element of the strategy. Our aim is to help clients in their transition to sustainable products and business models. And, by using our data, knowledge and expertise, to ensure that this is also profitable for them. We seek to make a positive impact by doing what we are good at: banking. More about ABN AMRO's strategy with respect to sustainability can be found on the strategy section of our website, in our Integrated Annual Report and the bank's Climate Plan.

Building further on the engagement with stakeholders in 2020, ABN AMRO performed a full assessment in 2023 to determine its

Value Creating Topics. These topics (for example: Responsible investment and financing and Customer experience) are also reflected in our 2023 Integrated Annual Report. In this way we help, directly or indirectly, achieving the goals of the Social Charter of the Dutch Banking Code. In our 2023 Impact Report we also show what impact ABN AMRO has on each of our four stakeholder groups: clients, employees, investors and society at large. In this way we present how we continue listening to our stakeholders and how we want to continue creating value for them in the long term.

In 2017, ABN AMRO had formulated and started to work towards various long-term goals, for example with regard to the CO2 emissions of a major part of our portfolio (mission 2030, in which financed property has an 'A' energy rating on average) and further increase of our sustainability (acceleration) asset volume percentage. In the Climate Plan (December 2022), ABN AMRO elaborates on long-term goals from a climate perspective. From a social perspective, we have further strengthened initiatives to ensure financial inclusion and make clients more financially resilient, for instance by means of budget coaches, senior care programmes and signing the Manifest Digital Inclusion. ABN AMRO reports on the progress made on these and other subjects in its Integrated Annual Report. More information about the progress made by the bank on sustainability issues can be found

in the sustainability section at www.abnamro.com.

Finally, the bankers' oath together with the associated recently renewed and effectively implemented code of conduct apply to all employees of ABN AMRO ensuring that the employees perform their work ethically and with due care.

Principle Banking Code

All employees will comply with the formal regulations and self-regulation that apply to them. The executive board and supervisory board are – with due regard for each other's duties and powers – responsible for this. The executive board is responsible for employees being and remaining familiar with all rules, values and standards applicable to the bank and will continue to pay attention to this. The supervisory board supervises this.

Application by ABN AMRO

ABN AMRO applies this principle.

The Executive Board is responsible for ensuring that all employees of ABN AMRO who are required to take the banker's oath or make the affirmation actually do so. The Supervisory

Board checks compliance with this requirement. This is reported in the Systemic Integrity Risk Analysis and the Compliance Quarterly Report of ABN AMRO. In addition, the individual employment contracts of all bank staff employed in the Netherlands refer to ABN AMRO's code of conduct and general rules of conduct, of which updates are provided via the intranet and via (mandatory) training courses. The employment contract also requires employees to adhere to the Disciplinary Code for the Banking Industry.

3. Supervisory Board

Principle Banking Code

The supervisory board will be composed in such a way that it is able to perform its tasks properly.

Application by ABN AMRO

ABN AMRO applies this principle.

The composition of ABN AMRO's Supervisory Board is determined in accordance with the collective profile contained in the Rules of Procedure of the Supervisory Board, which can be found at www.abnamro.com. The varied composition of the Supervisory Board is such that it is able to perform its tasks properly, taking account of the efforts to achieve complementarity and collegiate decision-making and ensures that its members have an optimal combination of expertise, background, competencies and independence. Wouter Devriendt was appointed as Supervisory Board member and chair of the Risk & Capital Committee during the Annual General Meeting on 19 April 2023. On 29 June 2023, Femke de Vries was appointed as a Supervisory Board member. Michiel Lap was reappointed

effective 19 April 2023 for a period of four years. At year-end 2023, the Supervisory Board consisted of eight members drawn from various business sectors and having various kinds of knowledge and experience. The resumes of all individual members of the Supervisory Board can be found at www.abnamro.com.

Principle Banking Code

It will form a risk committee and an audit committee.

Application by ABN AMRO

ABN AMRO applies this principle.

Both committees have been formed by the Supervisory Board. The Risk & Capital Committee is responsible for supervising (and advising the complete Supervisory Board) with respect to, amongst other things, (i) risk management and risk control, (ii) compliance, (iii) capital allocation and liquidity requirements, (iv) the bank's risk appetite, (v) regulatory compliance (including codes of conduct and internal procedures), (vi) risk awareness within the bank, (vii) the integration of sustainability risks, climate related risk and environmental risk in the risk management framework, (viii) sound remuneration policies and practices in

light of risk, capital, liquidity and expected earnings, (ix) proposing corrective and/or disciplinary measures against members of the Executive Board in the event of breach of applicable laws and regulations, and (x) periodic review of the bank's actual risk profile.

The tasks of the Audit Committee include direct supervision of all matters relating to financial reporting, sustainability reporting and controlling. In this context, the Audit Committee is responsible for supervision of (and advising the full Supervisory Board on) various matters, including (i) matters concerning accounting policies, (ii) internal control, financial and sustainability reporting functions, (iii) internal and external audit, (iv) risk assessment of issues that can influence financial and (v) sustainability reporting and relevant regulatory compliance.

[Principle Banking Code](#)

The members of the supervisory board will be prepared and able to make sufficient time available for their duties and exhibit effort and commitment. They will at the same time be critical and independent.

[Application by ABN AMRO](#)

ABN AMRO applies this principle.

The Supervisory Board consists of independent members who adopt a properly critical stance in discharging their duties. The chair and members of the Supervisory Board have confirmed and demonstrated that they are willing and able to make sufficient time available for the proper discharge of their duties on the Supervisory Board and any of its committees of which they are members. Information about the attendance of members of the Supervisory Board at its meetings in the past year can be found in the Integrated Annual Report of ABN AMRO, which is available at www.abnamro.com.

[Principle Banking Code](#)

Each member of the supervisory board will be aware of the social role of a bank and of the interests of the various stakeholders.

[Application by ABN AMRO](#)

ABN AMRO applies this principle.

The composition of the Supervisory Board is arranged in such a way that, while adhering to the collective profile, its members are experienced in a wide range of social fields and have a thorough

awareness of social trends. The Supervisory Board, together with the Executive Board, is responsible for fairly balancing the interests of all stakeholders of ABN AMRO.

Principle Banking Code

There are specific competence and experience requirements for members of the supervisory board's risk and audit committees. Members of the risk committee must have thorough knowledge of the financial aspects of risk management or the necessary experience to permit a thorough assessment of risks. Members of the audit committee must have thorough knowledge of financial reporting, internal control and audit or the necessary experience to permit thorough supervision of these subjects.

Application by ABN AMRO

ABN AMRO applies this principle.

The specific competence and experience requirements for members of the Risk & Capital Committee and the Audit Committee have been described in the Rules of Procedure of the respective committees, which are available at www.abnamro.com. The majority of the members of the Risk & Capital Committee have a thorough knowledge of the basic risks

facing the bank and have the requisite experience of risk management in financial institutions. The majority also has relevant expertise in the field of financial regulation and compliance for regulated financial institutions. The majority of the members of the Audit Committee have a thorough knowledge of internal control and audit and the experience necessary to permit thorough supervision of these subjects. They also have specific knowledge of accounting, controlling, annual reporting and IT.

Principle Banking Code

The chair of the supervisory board will organise a programme of lifelong learning for all members of the supervisory board with the aim of maintaining their expertise at the required level and improving it where necessary.

The learning programme will in any event cover relevant developments at the bank and in the financial sector, corporate governance in general and in the financial sector in particular, the duty of care towards clients, integrity, IT infrastructure, risk management, financial reporting and audit.

Application by ABN AMRO

ABN AMRO applies this principle.

There is a Lifelong Learning Programme in place for the Supervisory Board members. The aim of the programme is ensuring that the knowledge of the members of the Supervisory Board is kept up-to-date and, where necessary, deepened and broadened. A Lifelong Learning Programme that focuses on the matters mentioned in the principle is drawn up annually on the basis of the strategic priorities and internal and external developments. Senior managers from the organisation who are responsible for the matters concerned are asked to organise an interactive training session for the members of the Supervisory Board and of the Executive Board on current developments in their business lines. The topics covered in 2023 included:

- i. Future Payments Domain
- ii. Artificial Intelligence and ChatGPT
- iii. DFC: The impact of report 'from recovery to balance'
- iv. DORA (Digital Operational Resilience Act) and the new Corporate Governance Code
- v. How to deliver on our strategy in an effective & efficient way – what can we learn from other corporates

All sessions of the Lifelong Learning Programme were offered online. In addition, the Supervisory Board participated in two deep dives on location in 2023: Deep dive Sustainability and Deep dive

Digitalisation. The Supervisory Board also joined the annual study trip to London in May 2023 where the economic landscape and banking landscape within the United Kingdom (after Brexit) and broader within Europe were discussed. Topics such as data in finance and diversity & inclusion were also part of the programme. Data in finance was discussed and presented by a client who works within that specific field. He gave an insight on the pace of the developments and what they are working on. Clearing UK also presented on its business in the United Kingdom.

In addition, there is an induction programme for new members of the Supervisory Board to ensure they (i) are well-prepared for the fit & proper interviews by the competent authority, and (ii) have sufficient knowledge of the organisation to carry out their duties. As knowledge and experience differ per person, the induction programme is tailored to the needs of individual members of the Supervisory Board and the responsibilities that fit the prospective function.

[Principle Banking Code](#)

Every member of the supervisory board will take part in the programme and meet the requirements for lifelong learning. The assessment of the effectiveness of the programme of lifelong learning will be part of the annual evaluation performed by the

supervisory board.

[Application by ABN AMRO](#)

ABN AMRO applies this principle.

Each member of the Supervisory Board takes part in the Lifelong Learning Programme and the deep dives and meets the requirements for training. The effectiveness of the Lifelong Learning Programme is one of the matters included in the Supervisory Board's annual self-evaluation.

[Principle Banking Code](#)

In addition to the supervisory board's annual self-evaluation, the functioning of the supervisory board will be evaluated under independent supervision once every three years. The involvement of each member of the supervisory board, the culture within the supervisory board and the relationship between the supervisory board and the executive board will be part of this evaluation.

[Application by ABN AMRO](#)

ABN AMRO applies this principle.

Each year the Supervisory Board of ABN AMRO meets to evaluate its own functioning, the functioning of the committees and the individual members of the Executive Board and Supervisory Board in the past year. In addition to the annual self-evaluation, the functioning of the Supervisory Board is evaluated under independent supervision at least once every three years. For the 2022 annual self-evaluation, assistance was provided by an external corporate governance expert, during the first half of 2023. The assessment was used to identify areas of improvement, which were discussed during various joint sessions (where relevant also with the Executive Board) in 2023. The assessments of the Supervisory Board - and Executive Board - for the 2023 performance year will be carried out in Q1 2024.

[Principle Banking Code](#)

Each member of the supervisory board will receive appropriate compensation for the amount of time that he or she spends on supervisory board activities. This compensation will not depend on the bank's results.

[Application by ABN AMRO](#)

ABN AMRO applies this principle.

The remuneration of the chair and members of the Supervisory Board is positioned below the median of the relevant market. The remuneration is not dependent on results. The Integrated Annual Report of ABN AMRO, which is available at www.abnamro.com, contains a section on the remuneration received by the members of the Supervisory Board.

4. Executive Board

Principle Banking Code

The executive board will be composed in such a way that it is able to perform its tasks properly. Each member of the executive board will be aware of the social role of a bank and of the interests of the various stakeholders.

Application by ABN AMRO

ABN AMRO applies this principle.

In 2023, ABN AMRO announced changes to the composition of the Executive Board to strengthen its strategy execution. As a consequence, a vacancy was posted for a Chief Operations Officer (COO) in the Executive Board, having primary responsibility for ABN AMRO's bank-wide operational performance and accelerating change management in close collaboration with the other Executive Board members. The second change to the composition of the Executive Board relates to the CHRO position: the CHRO no longer sits on the Executive Board and reports directly to the CEO. Therefore, by year-end 2023, the Executive Board consisted of the following eight

members: the CEO, the CFO (appointed as of 16 November 2023), the CRO, the CI&TO, the COO (appointed as of 1 December 2023), and three Chief Commercial Officers (CCOs) (Personal & Business Banking, Wealth Management and Corporate Banking). As the composition of the Executive Board is based on the principle of complementarity, this is a sufficient number in the opinion of both the Executive Board and the Supervisory Board to enable it to perform its tasks properly.

In addition, separate training, experience and competence requirements are set for individual members of the Executive Board. Each member of the Executive Board should also have a thorough knowledge of the social functions of ABN AMRO and of the interests of all stakeholders. The CVs of individual members of the Executive Board are available at www.abnamro.com.

Principle Banking Code

One member of the executive board will have the duty of preparing decision-making by the executive board on risk management. This member will be involved in good time in the preparation of decisions that are of material significance for the bank's risk profile, especially where these decisions may result in a departure from the risk appetite approved by the supervisory board.

Application by ABN AMRO

ABN AMRO applies this principle.

One member of the Executive Board is designated as Chief Risk Officer (CRO). The CRO's main responsibilities are formulating, communicating and supervising the desired risk profile of the bank. The Group Risk Committee, which is chaired by the CRO, is authorised by the Executive Board to monitor and manage the risk profile in relation to the bank's risk appetite approved for ABN AMRO. The responsibilities for taking decisions on risks are defined in a Risk Governance Charter.

To strengthen the Risk Management Framework, the CRO is also responsible for the Compliance function.

In addition, the CRO has a shared responsibility with the CFO for the bank's capital and funding position. The CRO also acts as vice-chair of the Asset & Liability Committee.

Principle Banking Code

This member may combine his or her function with other responsibilities, provided that he or she does not bear any

individual commercial responsibility and operates independently from commercial areas.

Application by ABN AMRO

ABN AMRO applies this principle.

Within the Executive Board, the CRO does not have any individual commercial responsibility and operates independently from commercial areas.

Principle Banking Code

Risk management will also include a focus on the impact that systemic risk could have on the bank's risk profile.

Application by ABN AMRO

ABN AMRO applies this principle.

Regular tests are performed to test the capital and business resilience of the bank. Within an internal stress testing framework systemic, idiosyncratic and regulatory risks are considered. The results of stress tests are assessed against (strategic) risk appetite and management actions are consequently proposed to

restore business to the 'business as usual' position. Business plans and budgets are tested in various scenarios to guarantee the moderate risk profile and ensure that the bank complies with all relevant laws and regulations. This also involves determining the effects of contingencies to which the bank is exposed. Examples are macroeconomic headwinds, geopolitics, climate and environmental developments, the impact of Basel IV, cyberattacks and outcomes of legal proceedings that are detrimental to ABN AMRO. As stress testing is so important in delivering sound risk management, steps are taken to ensure that senior management, including the Executive Board, is involved in the process and the related governance. They discuss the scenarios and the results of the tests and their implications.

The bank's continuity is safeguarded by the preparation and assessment of a Recovery Plan. This describes the measures that ABN AMRO can take in respect of capital, liquidity and funding in the event of a near-default scenario. In addition, the resolution authorities can apply measures in accordance with the Resolution Plan in case ABN AMRO is considered to be failing or likely to fail.

Principle Banking Code

The chair of the executive board will organise a programme of

lifelong learning for all members of the executive board with the aim of maintaining their expertise at the required level and improving it where necessary. The learning programme will in any event cover relevant developments at the bank and in the financial sector, corporate governance in general and in the financial sector in particular, the duty of care towards clients, integrity, IT infrastructure, risk management, financial reporting and audit.

Application by ABN AMRO

ABN AMRO applies this principle.

There is a Lifelong Learning Programme in place for the members of the Executive Board. The aim of the programme is to ensure that the knowledge of the members is kept up-to-date and, where necessary, deepened and broadened. The programme covers all subjects and internal and external trends relevant to the bank and is drawn up annually on the basis of what is topical at the moment in question. In so far as possible, it is based on the Lifelong Learning Programme for the members of the Supervisory Board. The topics covered in 2023 included:

- i. Future Payments Domain
- ii. Artificial Intelligence and ChatGPT
- iii. DFC: The impact of report 'from recovery to balance'
- iv. DORA (Digital Operational Resilience Act) + new

Corporate Governance Code

- v. How to deliver on our strategy in an effective & efficient way – what can we learn from other corporates

Together with members of senior management, the members of the Executive Board participated in the Permanent Education programme of 2023 as well, covering the following topics:

- i. How to play the talent game
- ii. Your Brain at work
- iii. Running the bank as a business – contributing to integrity and sound risk taking
- iv. Climate Plan & Governance (value creation): ‘Social Impact – Banking is about people’
- v. Judgement & Decision-Making
- vi. Understanding of impact of SFR: ‘Bringing sustainable finance regulations to the core of our business’
- vii. Data Privacy: core to our operational process and client strategy
- viii. Getting personal with data: how banks can win with consumers?
- ix. Macro-economic trends
- x. The effectiveness and efficiency of client integrity risks mitigation

All sessions of the Lifelong Learning Programme and the

Permanent Education Programme were offered online. In addition, the Executive Board joined the annual study trip to London in May 2023 where the economic landscape and banking landscape within the United Kingdom (after Brexit) and broader within Europe were discussed. Topics such as data in finance and diversity & inclusion were also part of the programme. Data in finance was discussed and presented by a client who works within that specific field. He gave an insight on the pace of the developments and what they are working on. Clearing UK also presented on its business in the United Kingdom.

To broaden and deepen, where necessary, the expertise of the individual members of the Executive Board in their specific areas of responsibility, these members may take specific individual courses (either internal or external) relevant to their specific field.

The aim of the induction programme that has been set up for new members of the Executive Board is to ensure that they have sufficient knowledge of banking and of the organisation to carry out their duties properly. As knowledge and experience differ per person, the induction programme is tailored to the needs of individual members.

[Principle Banking Code](#)

Every member of the executive board will take part in the programme and meet the requirements for lifelong learning.

Application by ABN AMRO

ABN AMRO applies this principle.

All members of the Executive Board participate regularly in the Lifelong Learning Programme and the Permanent Education Programme and meet the requirements for training.

5. Risk Policy

Principle Banking Code

A bank's risk policy is characterised by a comprehensive approach, is transparent and has both a short- and long-term focus. The risk policy also takes reputational risks and non-financial risks into account.

Application by ABN AMRO

ABN AMRO applies this principle.

The Executive Board is responsible for systematically checking the management of the risks associated with the business activities of ABN AMRO and helps to make a balanced assessment of both short-term and long-term interests. Other matters considered in this connection are the importance of financial stability and the impact which financial and non-financial risks may have on ABN AMRO's risk profile and reputation.

Risks to which ABN AMRO is potentially exposed and which could impact the value of the bank have been identified and classified in a risk taxonomy. ABN AMRO aims to have a moderate risk

profile. This is defined in the risk appetite at strategic level, which is determined by the Supervisory Board. By defining limits and checkpoints for all risks identified in the taxonomy, ABN AMRO determines the playing field within which it wishes to operate. The limits and checkpoints are determined annually by the Executive Board at bank-wide level. The manner in which the risks from the taxonomy are identified, analysed and monitored has been recorded in a framework of Risk Policies and Risk Governance Charters and is monitored on a monthly basis in the Enterprise Risk Management Report (ERM), which is discussed by the Executive Board regularly. Models and methods have also been developed to calculate the implications of various projects and to decide what measures are necessary to ensure that the bank remains within the risk appetite limits in a stress scenario (for example a market downturn).

Principle Banking Code

A bank's executive board will be responsible for its risk policy and ensure proper risk management.

Application by ABN AMRO

ABN AMRO applies this principle.

The Executive Board ensures that the risk appetite (risk profile) of ABN AMRO is kept under continuous review to take account of the constant changes in the markets in which the bank is active, changing views on the likelihood of risks materialising and new rules and regulations that need to be complied with. The Executive Board regularly discusses the bank's risk profile and any expected changes to it by reference to the bank-wide risk reports, which include financial and non-financial analyses. The impact of possible future events or developments on the bank's risk profile is determined by regular stress tests. This helps to identify all risks to which the bank could be exposed, taking into account the varying degrees of probability. The results of the stress tests are regularly discussed by the Executive Board in order to be able to take mitigating measures in good time.

[Principle Banking Code](#)

The executive board will propose the risk appetite to the supervisory board for approval at least once a year. Any material changes to the risk appetite in the interim will also require the supervisory board's approval.

[Application by ABN AMRO](#)

ABN AMRO applies this principle.

Under the articles of association of ABN AMRO, the risk appetite is submitted by the Executive Board to the Supervisory Board at a strategic level for approval at least once a year. This also applies to any material changes made to the risk appetite at strategic level in the course of a year.

[Principle Banking Code](#)

The supervisory board will supervise the risk policy pursued by the executive board. As part of its supervision, the supervisory board will discuss the bank's risk profile and assess at a strategic level whether capital allocation and liquidity requirements are generally in line with the approved risk appetite and whether operations in general are in line with the bank's risk appetite. In the performance of this supervisory role, the supervisory board will be advised by its risk committee.

[Application by ABN AMRO](#)

ABN AMRO applies this principle.

The Supervisory Board of ABN AMRO regularly discusses the bank's risk profile and any expected changes to it by reference to the bank-wide risk reports, which include financial and non-financial analyses. At least once a year the Supervisory Board

assesses at strategic level whether the capital allocation and liquidity requirements are generally in line with the approved risk appetite for ABN AMRO and whether the business activities in general are in accordance with the bank's risk appetite. In performing this supervisory role, the Supervisory Board is advised by the Risk & Capital Committee.

6. Audit

Principle Banking Code

A bank's executive board will ensure that a systematic audit is conducted of the management of the risks related to the bank's operations.

Application by ABN AMRO

ABN AMRO applies this principle.

The Audit Charter governs the mandate, responsibilities, scope and deliverables, reporting lines and other organisational arrangements of Group Audit and its access to records, personnel, and physical properties of ABN AMRO entities and outsourcing partners. The Audit Charter has to be approved by the Executive Board and reviewed by the Audit Committee. Upon positive advice of the Audit Committee, the Supervisory Board has to approve the Audit Charter. In line with its oversight role, the Audit Committee of ABN AMRO monitors the correct application of the Audit Charter.

Group Audit systematically enhances organisational value by

providing independent, risk-based assurance, insight and added value to support the achievement of ABN AMRO's objectives. Group Audit evaluates the design and operating effectiveness of Governance, Risk Management and Control processes, agrees with management on remediation and monitors follow-up. Group Audit's scope includes all of ABN AMRO's activities and entities, including the activities of (i) branches and (consolidated) subsidiaries as well as (ii) outsourced banking activities and joint ventures. This also includes the processes relating to the monitoring and control of the bank's risk profile.

Principle Banking Code

An independently positioned internal audit function operates within the bank for this purpose. The head of the audit function reports to the chair of the Executive Board. He also has a direct reporting line to the chair of the Supervisory Board's audit committee.

Application by ABN AMRO

ABN AMRO applies this principle.

Group Audit has an independent position within ABN AMRO. The head of Group Audit reports to the CEO and has a direct reporting

line to the (chair of the) Audit Committee. A new head of Group Audit has been formally appointed as of 8 February 2023, following (suitability) approval by the ECB.

Principle Banking Code

The internal audit department, external auditor and supervisory board's audit committee will consult periodically.

Application by ABN AMRO

ABN AMRO applies this principle.

The head of Group Audit and the external auditor are present at the quarterly meetings of the Audit Committee. In the meetings, the findings of both the external auditor and Group Audit – as well as the follow-up to the agreed management actions – are discussed.

In accordance with the rules of procedure of the Audit Committee, the annual plan of Group Audit relating to the scope, coverage and timing of the annual audit activities is reviewed by the Audit Committee and recommended for approval to the Supervisory Board. The Audit Committee also discusses annually the scope and coverage of the activities implemented by the external

auditor.

The Audit Committee also actively monitors the performance of Group Audit and discusses twice a year the Performance Report, including elements like resourcing, budget and progress of the audit plan.

Principle Banking Code

The internal audit department will take the initiative in arranging talks with DNB (the Dutch central bank) and the external auditor at least once a year to discuss each other's risk analyses, findings and audit plans at an early stage. The bank's executive board and internal audit department will encourage these tripartite talks, aiming for a clear delineation of each other's duties and responsibilities.

Application by ABN AMRO

ABN AMRO no longer applies this principle exactly as described in the Dutch Banking Code.

This is because the Joint Supervisory Team (under the direction of the ECB) has indicated that it no longer wishes to hold consultations with Group Audit and the external auditor jointly,

since it wishes to operate as consistently as possible with the practice in various other European countries, where tripartite consultations of this kind are not customary. In 2023, however, Group Audit held separate consultations with its supervisors, the external auditor and the Executive Board about risk analyses, audit findings, the audit plan and the division of responsibilities between the supervisors, the external auditor and the internal auditor.

7. Remuneration Policy

Principle Banking Code

The bank will implement a detailed, restrained and long-term remuneration policy that is unambiguous and transparent and in line with national and international regulations.

The remuneration policy will have a primarily long-term focus and be in line with the bank's risk policy. It will incorporate an internal and external balance of interests, taking into account the expectations of the various stakeholders and social acceptance. It will also take into account the relevant international context.

Application by ABN AMRO

ABN AMRO applies this principle.

The present remuneration policy is recorded in the Global Reward Policy and applies, in principle, to all of the bank's employees worldwide. The principles of the remuneration policy for the Executive Board are based on ABN AMRO's Global Reward Policy. The Global Reward Policy is in line with national and international regulations on remuneration in the financial services

industry and with the principles of the Dutch Banking Code.

ABN AMRO's remuneration policy is evaluated annually to ensure that it remains in line with the bank's long-term interests, objectives and strategy, including the risk appetite approved by the Supervisory Board. Relevant international context and public support are hereby taken into account. The Integrated Annual Report contains explanatory notes on the remuneration policy of ABN AMRO in the Netherlands. The Integrated Annual Report is available at www.abnamro.com.

Principle Banking Code

The total income of a member of a bank's executive board will at the time it is set be below the median for comparable positions inside and outside the financial industry, taking into account the relevant international context.

Application by ABN AMRO

ABN AMRO generally applies this principle.

ABN AMRO has set the remuneration package for the members of the Executive Board in such a way that it is below the median for comparable positions inside and outside the financial services

industry both in the Netherlands and elsewhere in Europe. It is noted that such a benchmark is not a leading factor in the process of fixing the incoming of members of the Executive Board, since the fixed salary cannot be increased and variable remuneration cannot be awarded due to the Bonus Prohibition Act. The remuneration of the members of the Executive Board can be changed only on a collective basis in accordance with wage trends under the collective agreement for the banking sector.

Principle Banking Code

The variable remuneration of a member of the executive board will be set in accordance with national and international regulations.

Application by ABN AMRO

ABN AMRO generally applies this principle.

ABN AMRO, as a financial institution, operates in a heavily regulated environment. As a result, remuneration and remuneration policies of ABN AMRO are heavily regulated as well. As of 1 January 2010, the Dutch Banking Code applies to ABN AMRO. As per 20 June 2012, the Bonus Prohibition Act for state-supported financial enterprises entered into force (*Wet*

aansprakelijkheidsbeperking DNB en AFM en het bonusverbod staatsgesteunde ondernemingen). Pursuant to the Bonus Prohibition Act, ABN AMRO may not (i) award or pay any form of variable remuneration to the members of the Executive Board and (ii) increase the fixed remuneration of the members of the Executive Board (except for increases in accordance with adjustments pursuant to collective salary adjustments) as long as shares are held in ABN AMRO within the meaning of the Bonus Prohibition Act.

Principle Banking Code

The banking industry considers it important to take the expectations of key stakeholders and social support into consideration in the remuneration policy for the executive board and to provide transparency on the pay ratio within the company. In the remuneration policy for the executive board of a bank the supervisory board outlines how the shareholders' and employees' expectations and social support have been taken into consideration and which reference group has been compared with. Banks take into consideration the board member's view on his/her own remuneration in formulating the remuneration proposals regarding the board member and disclose the internal pay ratio in the annual report.

Application by ABN AMRO

The banking industry considers it important to take the expectations of key stakeholders and social support into consideration in the remuneration policy for the executive board and to provide transparency on the pay ratio within the company. In the remuneration policy for the executive board of a bank the supervisory board outlines how the shareholders' and employees' expectations and social support have been taken into consideration and which reference group has been compared with.

ABN AMRO takes into consideration the Executive Board member's view on his/her own remuneration in formulating the remuneration proposals regarding each Executive Board member. The internal pay ratio is also mentioned in the remuneration report, which is also included in the Integrated Annual Report.