

*This is a translation of the original text in Dutch. In case of divergences between the texts, the text of the Dutch version shall prevail.*

ABN AMRO GROUP N.V.

To Ms O.L. Zoutendijk

Gustav Mahlerlaan 10

1082 PP Amsterdam

COPY: Mr R. van Outersterp

The Hague, 19 January 2017

NLFI 2016/290

Re: NLFI focal point letter 2017

Dear Ms Zoutendijk,

As a shareholder of ABN AMRO, NLFI seizes the opportunity to send a focal point letter each year. This focal point letters aim to draw attention to several special points of interest. NLFI has formulated several focal points for 2017, which it would like to inform ABN AMRO about in this letter.

The first focal point NLFI wishes to bring up for this discussion this year is based on the media attention for tax matters involving ABN AMRO. As a shareholder NLFI believes that tax policy should be solid and sustainable. Considering this, NLFI wishes to draw the attention of ABN AMRO to this issue.

Eumedion also recently sent out its annual focal point letter. The letter contained two core themes (in summary: climate change and diversity) with regard to which Eumedion made an appeal to companies. As explained in NLFI's online document 'Policy on the exercising of shareholders' rights', as a shareholder NLFI wishes to implement sustainable and responsible entrepreneurship. The themes referred to by Eumedion in its focal point letter 2017 are in line with NLFI's ideas on corporate social responsibility. Therefore, NLFI has drawn inspiration from these two themes in formulating two focal points, which are explained below.

NLFI will incorporate the focal points set out below in the ongoing dialogue with ABN AMRO NLFI engages in as shareholder of ABN AMRO and possibly bring them up for discussion at the shareholders' meeting. NLFI also requests ABN AMRO to take the focal points into account when drawing up its reports.

**Focal point: tax policy**

On its website, ABN AMRO explains that it agrees that tax policy has a role to play in a sustainability strategy. ABN AMRO focuses on a moderate tax risk profile. In the 2015 annual report, ABN AMRO clarified that it conducted a materiality analysis with internal and external stakeholders, with the added note that a responsible tax policy scores moderately on societal interest and business impact. Throughout 2016, there has been public attention for tax matters. NLFI requests ABN AMRO to explain the materiality analysis and calls on ABN AMRO to focus attention on tax sustainability in its reports.

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**Focal point: climate change**

In its previous focal point letter, NLF I complimented ABN AMRO with its current sustainability policy and the annual publication of a sustainability report. In its previous focal point letter NLF I requested ABN AMRO to pay special attention for risks and opportunities of sustainable development for ABN AMRO with regards to integrated reporting. It also called on ABN AMRO to be more transparent about the risks and opportunities associated with sustainable development.

On 4 November 2016, the Paris climate accord entered into effect. In the run-up to this event, ABN AMRO wrote on its website: “Climate change is one of the biggest challenges we face today. And ABN AMRO is taking its responsibility – among others by reducing its carbon footprint and by enabling its clients to operate more sustainably.” A national climate summit was also recently held in the Netherlands. NLF I encourages ABN AMRO in its aim to reduce its carbon footprint and repeats its call of 2016 in light of the foregoing. More specifically, NLF I request ABN AMRO to pay attention to the risks and opportunities associated with climate change and the way in which ABN AMRO incorporates these risks into its business operations in, for instance, product development or risk-mitigating measures. NLF I specifically calls on ABN AMRO to incorporate the Paris climate accord.

**Focal point: diversity**

ABN AMRO focuses on diversity. ABN AMRO's 2015 annual report reads that ABN AMRO works with diversity targets in the area of gender in senior management positions and upper middle-management positions. ABN AMRO also strives to appoint more non-Western men and people with a handicap to these positions. The annual report also reads the following: “We do not view diversity only in terms of gender, but also with respect to cultural background, disability, age and sexual orientation. In 2015 we focused mainly on three areas: gender, cultural background and disability.”<sup>1</sup> ABN AMRO received recognition for its efforts in this field. NLF I also appreciates this approach and underlines the importance of a clear diversity policy. NLF I is a proponent of a broad diversity policy that zooms in on skills, experience and knowledge as well as gender, age, handicap and socio-cultural background. NLF I calls on ABN AMRO to further explain its policy on diversity in its reports as well as the quantifiable objectives. NLF I also requests ABN AMRO to report on any progress made in attaining these goals and the manner in which the organisation ensures that the achieved results are upheld.

We are more than willing to further discuss the issues raised in this letter. With this we strive to contribute to the existing dialogue between NLF I and ABN AMRO. Please note that NLF I will publish this letter on its website.

Kind regards,

Michael Enthoven

Chairman

Rens Brocheler

Managing Director

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<sup>1</sup> P. 110.