



sustainable development

working
on change
with good
returns



sustainability
review 2010

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foreword

ABN AMRO has clear ambitions when it comes to sustainability: we want to recapture our prominent position as a sustainable bank. We aim to integrate sustainability into our core processes while leading the way in community involvement through the work of our Foundation.

We understand that some people may question whether we are sincere in our ambitions. After all, the banking industry – including ABN AMRO – has seen a great deal of turbulence in recent years. The financial crisis is still fresh in our minds as we face the major challenges ahead, economically and otherwise. Consumers have lost trust in the industry, and we

at ABN AMRO are among the many banks that have a lot of ground to regain.

But our commitment to sustainability is not a veiled way of polishing our reputation. We firmly believe that we absolutely need to become ever more sustainable. Economies and societies are being severely impacted by a number of global trends, such as population growth, shortages of resources, environmental damage and social inequality. Our business and retail clients are anticipating the impact of these trends, but our employees, too, are passionate about promoting the bank's commitment to the community. Other stakeholders, meanwhile – including investors, social organisations, government and media – are placing increasingly high demands on business.

We clearly have a long way to go. This review presents our achievements in sustainability to date and our ambitions for the future. We at ABN AMRO are committed to achieving change with good returns, and we are eager to reach our goals together with you.

Caroline Princen
Managing Board

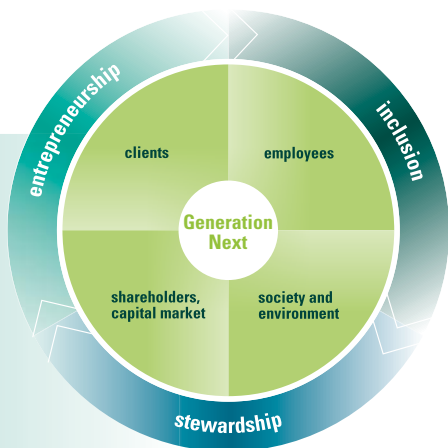


taking vital steps now

The bank took deliberate steps in 2010 towards securing a successful, sustainable future – steps, like the merger with Fortis Bank Nederland, that are part of an important change process which we will continue to pursue in 2011 and 2012. Fundamental changes can never be achieved in one day, but we have already managed to address a few key themes in 2010 which reflect the direction the new bank is heading.

Our efforts so far have resulted in a new sustainability strategy – called Generation Next – which will help us contribute to the long-term success of this and future generations. Banking in today's world involves more than just securing financial returns. In a world in which resources are in short supply, the environment is under pressure and social tensions are on the rise, offering clients the right solutions means taking a wide range of issues into account.

The concepts of Entrepreneurship, Stewardship and Inclusion form the foundation of our approach and are an apt translation of the new bank's core values: Trusted, Professional and Ambitious.



We have made sustainability part of ABN AMRO's corporate strategy and are embedding it ever more thoroughly in the bank's core processes and goals.

ABN AMRO wants to capture a leading position as a sustainable bank by 2012, focusing on the following:

- ▶ seizing market opportunities, including facilitating the transition to a sustainable economy (business market) and sustainable asset management (retail market);

- ▶ bolstering our risk management by integrating social and environmental risks. Engagement in this area strengthens ties with our clients;
- ▶ shaping our social commitment by promoting volunteer work. This is the power of the ABN AMRO Foundation;
- ▶ achieving maximum efficiency in our own business operations, including excellent environmental care, a reduction of our energy and paper consumption and sustainability reporting.

These are ambitious goals. We realise that we need to regain trust not only in relation to sustainability; the financial crisis has had a wide-reaching impact. We have made changes across the board at our organisation and are engaging in a dialogue with stakeholders in an effort to underpin our licence to operate.

This publication gives you broad insight into how we are implementing sustainability at our organisation, with Generation Next serving as our guide. It supplements our recently published annual report and presents our key figures for 2010.



A man in a dark suit stands with his back to the camera, looking out over a body of water towards a port. In the background, several large gantry cranes are visible, along with stacks of colorful shipping containers. The sky is filled with large, white, fluffy clouds. The man is standing on a paved area with a metal railing in front of him.

entrepreneurship:
recognising tomorrow's
needs today

entrepreneurship

the essence >> 1

building a sustainable
future together

We at ABN AMRO are working hard to create solutions that are not only sustainable, but profitable too. Sometimes our solutions simply meet demands, but other times we stimulate demand by identifying and creating opportunities and crafting solutions. In doing so, we often partner with our clients or other parties.

At ABN AMRO, we approach sustainability from a commercial perspective, always keeping in mind our clients and business partners. Our approach is increasingly reflected in a range of day-to-day areas – our products and services, risk management, procurement policy and much more – so that in the long term, sustainability will become mainstream. That is our goal.

But fundamental changes are not achieved overnight. They require hard work and a concerted effort. Only then will we build a sustainable future together.

entrepreneurship

the essence



ABN AMRO wants to be a partner in business by helping clients integrate sustainability into their operations and assets. We are keen to use our financing, expertise and network to facilitate the transition to a sustainable economy.

Transition to efficient and clean energy

In the business market, we focus on efficient use of energy, one of our clients' important resources. This is often translated into cost reductions. As savings can be achieved differently in every industry, we take a sector-based approach – a logical choice given our economies of scale and knowledge of specific industries. We concentrate on areas in which we have demonstrable expertise, such as the transport and public sectors, ensuring that our efforts have the greatest impact. We also offer a number of specifically sustainable products and services through ABN AMRO Lease, including leasing of cogeneration systems.

Along with energy efficiency, we finance sustainable projects and the generation of alternative energies, such as wind and solar energy, and we intend to strengthen these activities going forward. As part of this effort, a dedicated energy team will be established in early 2011. ABN AMRO is also the financial partner of the *Wij Willen Zon* foundation (We Want

entrepreneurship

Sun), an initiative that promotes collective acquisition of solar panels.

ABN AMRO Groenbank has temporarily stopped offering green loans as these products currently yield relatively little benefits for our clients, given recent amendments to the Dutch tax system. Nonetheless, the bank is working continuously to offer new sustainable products that meet the needs of consumers and businesses alike.

Sustainable assets

ABN AMRO offers individuals a variety of sustainable investment products and services. Private Banking's sustainable asset management business in the Netherlands had a successful 2010, with invested capital soaring 88% to EUR 675 million and the number of mandates rising significantly. Triodos MeesPierson (TMP) – the joint venture between ABN AMRO MeesPierson (AAMP) and Triodos Bank – manages investment portfolios containing sustainable equity and bond investment funds, with individual equities and bonds screened for sustainability. AAMP's invested capital advanced 17% to EUR 660 million in 2010. Thanks to collaboration between our subsidiaries AAMP and Banque Neuflyze OBC in France, the latter now bases its sustainable

products and services on analyses conducted by Sustainalytics research agency.

Besides asset management, ABN AMRO also offers clients a diversity of sustainable investment products. Our open architecture platform allows us to offer investment products from other providers in addition to our own.

Innovation

ABN AMRO is ambitious, yet not pretentious. Our real-time Interest Service Mail keeps savings clients abreast of the latest savings interest rates. Following on our success in online banking, we are now developing new mobile applications, including smartphone apps with information on the nearest cash machines, account balances and investment tips. Clients can now view the most recent debits and credits to their bank accounts.

Using our network

To us, doing business means bringing people and organisations together. It's a matter of using our network to achieve more.

ABN AMRO is a partner in the Sustainable Shipping Initiative, made possible by the Forum for the Future, a leading British

entrepreneurship

NGO. The initiative brings together global leaders and stakeholders in the shipping industry to discuss the future of their sector. A related effort is the ABN AMRO-sponsored Green Award Incentive Programme, where we offer our shipping clients a discount on participation fees. The Green Award Flag is given to ships with proven high standards in terms of quality, safety and the environment. This award is recognised by ports and service providers in the shipping industry and entitles the holder to special rates and other benefits.

We engage in a dialogue with our agri commodities clients on the social and environmental aspects of their operations and chains. At the end of 2010, ABN AMRO and the European Cocoa Association organised the successful conference “Drivers for Cocoa Sustainability: Voluntary vs. Regulatory Measures”.

In early 2011 ABN AMRO hosted the IUCN Leaders for Nature conference on “Discovering the potential of greening your core business”; in which sixteen companies participated.

Next steps

- ▶ Expand the business propositions for sustainable investment in the real estate, transport and public sectors
- ▶ Continue to respond to the demand for sustainable products and services for individuals, including impact investing for private banking clients
- ▶ Offer our account managers further training and instruction
- ▶ Initiate and refine the structure of stakeholder dialogue, globally and locally (Green Business Club)



stewardship:

taking responsibility
for your environment



stewardship

the essence >> 2

we strive to achieve
responsible growth for our clients
and our own business

At ABN AMRO, stewardship means taking responsibility for the long-term well-being of the entire bank. That means we need to be highly risk-aware while demonstrating an awareness of socially relevant issues.

We take carefully weighed, socially aware decisions. Professionalism infuses everything we do: we combine our expertise and understanding of our clients' business and financial position with our knowledge of the environment and relevant social developments.

We strive to achieve responsible growth for our clients and our own company. Continuity informs our approach to business, producing results that are sustainable and profitable in the long term. To that end, we strive to be economical with the resources available to us. That, too, is part of effective stewardship.

stewardship

the essence



Professionalism is one of ABN AMRO's core values. We aim to fully understand our clients and how they want to use their financial resources, allowing us to promote sustainable development while helping us to strengthen relationships and create new, innovative partnerships.

Risk management

As part of our bank-wide risk and compliance procedures, we pursue a policy for controlling the social and environmental risks we are exposed to in our relationships with clients. This policy applies to various countries and sectors, including forestry, mining, oil and gas, agri commodities, defence and shipping, and to areas such as gambling and human rights. We apply the Equator Principles to project financing (see key figures). In 2010 we integrated the sustainability sector policies of ABN AMRO and Fortis Bank Nederland and invested in embedding sustainability risk in the new bank's risk governance, appetite and taxonomy. An extensive description of our risk management is provided in the ABN AMRO annual report.

The will to improve – a dilemma

There are two approaches to complex issues: you either steer clear of them, or you engage and strive to help bring about change. A real-life example: a client applies for a EUR 50 million

stewardship

loan in order to purchase a large supply of commodities from a producer and country of origin that require extra vigilance. The client is obliged to purchase the goods through an intermediary rather than directly from the producers. The country has all the right laws and regulations in place, but often fails to enforce them. No formal, international trade restrictions apply. The dilemma is “to engage or not to engage”: if you fail to get involved, nothing will change.

ABN AMRO would in this case opt for “improve” rather than “exclude,” meaning:

- ▶ the client acknowledges the situation and is willing to work towards improving its sustainability performance and to leverage its position to make a change, possibly by participating in a joint initiative;
- ▶ these conditions may be incorporated into the loan agreement;
- ▶ evaluation of interim results is possible in the near term;
- ▶ the bank can terminate the relationship in an appropriate manner if the client fails to make clear progress.

Minimising our ecological footprint

We at ABN AMRO aim to minimise the impact of our operations on the environment. We want to be an efficient, cost-effective organisation and seek to significantly reduce our footprint on our direct environment. Our motto is “reduce, green and process responsibly”. To this end, we pursue a policy designed to actively reduce energy consumption wherever possible. Our goal is to bring down total consumption by 20% in 2012 (compared with 2009) while promoting the use of sustainable energy. All ABN AMRO offices in the Netherlands now exclusively use green energy.

The bank also pursues a sustainable procurement policy. We choose suppliers who meet our social and environmental standards and opt for sustainable products and services wherever possible. In 2010 ABN AMRO became a founding partner of FIRA, a sustainability rating that validates sustainability claims made by companies and tests their internal processes.

Measurements show that we have significantly cut down on our paper consumption in recent years, thanks in part to the increased use of digital documents and the rising popularity of online banking. All account statements are sent in a carbon-neutral manner.

stewardship

At ABN AMRO we set strict requirements for our office space, aiming for energy label A for new buildings and label C for existing buildings. The ABN AMRO head office boasts the A label, in part because the building is cooled with cold water circulated from the Amsterdam Lake Nieuwe Meer. ABN AMRO is a founder and member of the board of the Dutch Green Building Council, an independent organisation that has developed a sustainability label (BREAAAM-NL) for Dutch buildings and regions.

Mobility

ABN AMRO promotes The New World of Work, where staff work more efficiently, effectively and flexibly. We launched a number of pilots in 2010 designed to boost client and employee satisfaction, productivity and efficiency and to cut back on travel, ultimately reducing the bank's ecological footprint. To promote the use of public transport, ABN AMRO signed a collective agreement in 2010 with the Netherlands Railways for the Dutch public transport travel pass (*OV-jaarkaart*), now used by more than 6,000 employees.

Next steps

- ▶ Further embed environmental and social indicators in our risk policy and related processes
- ▶ Develop tools to promote further implementation
- ▶ Optimise internal operations:
 - reduce energy consumption by 20% (by 2012)
 - reduce paper consumption by 20% (by 2012)
 - implement environmental care system



A man in a white shirt and tie is holding a large whiteboard with a list of items. He is standing in front of a modern glass building. The whiteboard has a list of items, including "1. Introduction", "2. Objectives", "3. Scope", "4. Roles and Responsibilities", "5. Timeline", "6. Budget", "7. Risks", "8. Communication", "9. Reporting", "10. Conclusion". The background shows a modern glass building with a grid pattern. The text "inclusion: taking the next steps together" is overlaid on the image in a white font on a teal background.

inclusion:
taking the next
steps together

inclusion

the essence >> 3

we believe we can achieve
more through inclusion rather
than exclusion

The only way to achieve change is by making a concerted effort, which is why we at ABN AMRO value partnership with our stakeholders. Another prerequisite is a positive approach – and that is the very basis of our social commitment. We take our responsibility to make a positive social impact seriously.

We believe we can achieve more through inclusion rather than exclusion. Like us, the parties we work with seek continuous self-improvement. A commitment from both sides means we can help each other grow, creating a solid foundation for future success.

inclusion the essence



ABN AMRO takes its commitment to social responsibility seriously. Our goal is to bring about change together with our stakeholders: clients, employees, society and capital providers.

Transparent and comprehensible

At ABN AMRO, we seek to secure trust by building solid relationships with our clients. We deliver services that meet their needs and ambitions – and we set great store by transparency. In 2010 we started rewriting our brochures and product terms and conditions for savings and mortgages, making them more transparent and easier to understand. We also reduced the number of savings products from twenty to three, and intend to similarly simplify our offering of mortgage products.

ABN AMRO has an extensive system for processing client feedback. Complaints from our retail and business clients give us valuable management information, and we invest a great deal in solving problems quickly and improving our service. ABN AMRO has a 24/7 webcare team that responds to questions and comments received via new media such as Twitter.

inclusion

Committed employees

ABN AMRO faces the challenge of implementing the new bank's corporate strategy, based on the core values, such that it inspires staff and helps them achieve maximum performance.

To ascertain whether our staff are flourishing at the new bank, we monitor their experiences in surveys known as the Culture Scan and Mood Monitor, devoting special attention to the company culture, risk awareness, diversity, leadership development and mobility. The Mood Monitor has revealed that the mood among staff during the integration of ABN AMRO and Fortis Bank Nederland fell short of our target level. We are working hard to improve the situation. To underscore our commitment to diversity, ABN AMRO has signed the Talent to the Top Charter.

Offering opportunities

We at ABN AMRO are dedicated to the communities in which we are active and are particularly committed to giving young, talented people the opportunity to grow and develop, regardless of their economic, physical or cultural circumstances.

The bank expresses its commitment to corporate social responsibility through ABN AMRO Foundation, which

organises and sponsors projects designed to support the disadvantaged, such as the *Kindervredesprijs* (Children's Peace Prize). The Foundation encourages staff to give back to the community by doing volunteer work, addressing social problems such as school drop-out, unhealthy lifestyles, cultural poverty and financial illiteracy.

In the years ahead, the bank will promote community involvement as part of the merger of ABN AMRO and Fortis Bank Nederland, by organising various integration activities in a social context. ABN AMRO Foundation encourages employees to carry out social projects together with their new teams and helps organise these activities, allowing staff to get to know each other better and to commit to social issues.

Financial education

ABN AMRO Foundation developed an educational programme in 2010 together with the National Institute for Family Finance Information whereby hundreds of employee volunteers from Retail Banking teach primary school children how to deal with money responsibly. These volunteers will roll out this programme nationwide to some 300 primary schools during the 2010/2011 school year, with a total of 20,000 pupils taking part. The added value of this project is twofold: pupils gain greater insight into

inclusion

important financial issues and ABN AMRO's staff broaden their horizons by giving back to the community.

Microcredits

In a unique partnership between the government and a number of Dutch banks, ABN AMRO works together with the Qredits foundation to help micro-business owners start up and operate their businesses. Through the Qredits foundation, business owners may become eligible for a loan of up to EUR 35,000. Along with these financial resources, ABN AMRO Foundation supplies coaches who supervise micro-business owners for a period of one year. Forty ABN AMRO employees have signed up to participate in this initiative in 2011.

More information on the variety of activities in which thousands of ABN AMRO staff participate each year is provided at www.abnamrofoundation.nl (in Dutch only).

Stakeholder engagement

In addition to our direct associates, the bank maintains contact with other stakeholders, such as regulators, trade associations, NGOs and local communities, in an effort to share knowledge and exchange views. Though there may be differences of opinion, we at ABN AMRO define the boundaries of our responsibility.

Next steps

- ▶ Enhance the transparency of our service, simplify mortgage products
- ▶ Facilitate the integration of 11,000 employees in 2011 in a socially relevant context (ABN AMRO Foundation)
- ▶ Improve the results of the Culture Scan and Mood Monitor surveys
- ▶ Place women in 20% of senior positions and 25% in middle-management positions (by the end of 2014)
- ▶ Intensify stakeholder dialogue

**we
sustainable
helps client
stakeholder
long-term**

**want to be a
ole bank that
nts and other
ders achieve
erm success**

review >> 2010

Our mission

ABN AMRO's first-rate professionals always exceed expectations, creating highly satisfied clients.

ABN AMRO at a glance

ABN AMRO is an all-round bank servicing retail, private and commercial banking clients. With a strong foundation in the Netherlands, we support clients based in the Netherlands and abroad with our know-how of banking and specialist sector knowledge and a selective international network. ABN AMRO is also internationally active in a number of specialist activities such as Energy, Commodities & Transportation, Clearing and collateralised Finance (factoring and lease in Western Europe). Our private banking business is market leader in the Netherlands and serves clients in 13 countries and territories.

Our core values

Trusted – We strive for long-term client relationships and when we make a promise, we always live up to it

Professional – We create solutions for clients that are simple, understandable and workable. We know our solutions, our clients and the environment they are part of

Ambitious – We are never satisfied and are always stretching our boundaries and striving to achieve more for our clients

Key facts

Branches in the Netherlands	508
International presence (countries & territories)	28
Clients (retail, in millions)	6.8
FTEs (at year-end)	26,161

Current ownership

The Dutch State holds all ordinary shares of ABN AMRO Group. In addition, the State holds a number of shares in ABN AMRO Preferred Investments B.V. The Dutch State has full control over ABN AMRO Group with a total financial interest of 97.8%. The remaining 2.2% is held by institutional investors via ABN AMRO Preferred Investments.

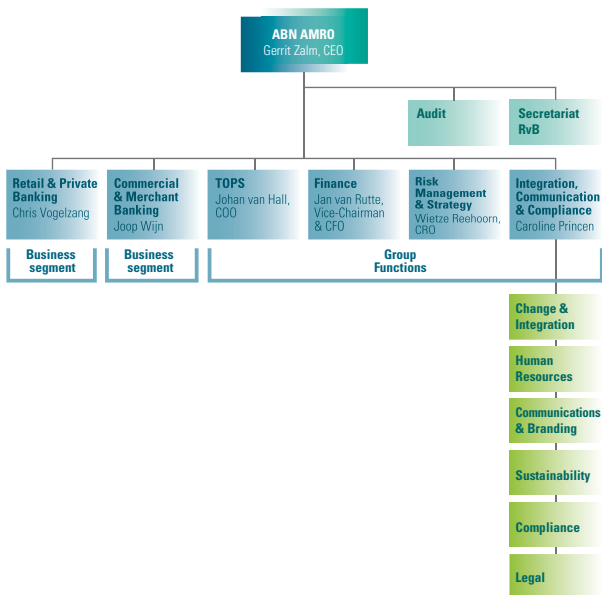
Governance

The Sustainability department reports directly to a member of the Managing Board. The department consists of two units: Sustainable Development and ABN AMRO Foundation. Sustainable Development formulates the company's sustainability policy in line with its corporate strategy, defines the agenda, identifies opportunities in the business, and promotes and reports on the bank's internal and external dialogue. ABN AMRO Foundation is a separate entity with its own board, yet it is part of the Sustainability department.

In early 2011 ABN AMRO established the Sustainability Advisory Board, an independent body composed equally of representatives from academia, NGOs and business. This board will issue non-binding, informed recommendations and advice to the Managing Board and senior management. Besides providing broad, in-depth and international insight into developments at the interface of sustainability, public opinion and ethics, the Board will serve as a sounding board for focus areas and policy of ABN AMRO and the financial industry.

Sustainability is embedded in the remuneration structure for the members of the Managing Board and Management Group as part of the bank's long-term, non-financial targets.

More information on ABN AMRO's corporate governance is provided in the annual report.



review 2010

Key figures 2010

In millions of euros (unless otherwise stated)	Year-end 2010
Sustainable Assets under Management	2,365
Groenbank financing	789
Equator Principles (no. of projects assessed)	11
Customer satisfaction (% customers that rate ABN AMRO 8+)	48
Underlying net profit	1,077
Total equity	379,599
Shareholders' equity attributable to shareholders	12,112
Assets under Management	164,200
Profit/(loss) before taxation	1,487
FTEs	26,161
Employee volunteer work in the Netherlands	
<i>Number of employees</i>	3,313
<i>Number of projects</i>	241
Diversity (% of women in senior management positions)	16
Energy consumption (in kWh, thousands)	312,000
Total CO ₂ emission (kilotonnes)	40.2

Sustainable Assets under Management

In millions of euros	Ultimo 2010
ABN AMRO Private Banking	675
Via Triodos MeesPierson (AAMP)	660
Banque Neuflyze OBC	49
Investment funds and products	981
Total	2,365

Project finance (Equator Principles)

Country classification	2010			Total
	Cat. A	Cat. B	Cat. C	
OECD countries		6	1	7
Emerging markets	1	1	2	4
Total				11

Project finance per region and sector

Region	Sector	2010		
		Cat. A	Cat. B	Cat. C
OECD countries	Telecom			1
	Infrastructure		6	
Emerging markets	Infrastructure	1		
	Oil & Gas		1	1
	Utilities			1
Total		1	7	3

Social indicators

Diversity of workforce

In percentages

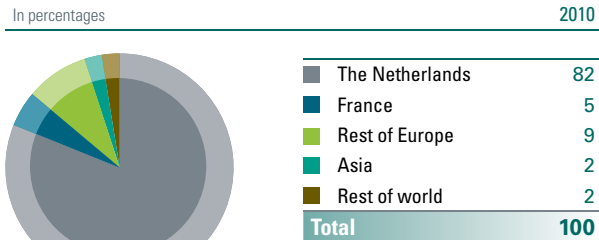
	2010	
	Male	Female
Worldwide	51	49
Top management*	84	16
Management**	79	21

* salary scale: Basys 14+

** salary scale: Basys 12 and 13

Geographic distribution of workforce

In percentages



Duration of employment contracts

In percentages

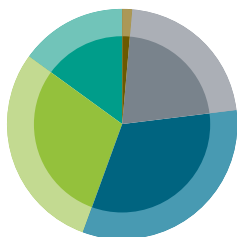
	2010
Permanent contract of employment	91
Temporary contract	9

Type of employment contracts

In percentages	2010
Full-time	79
Part-time	21

Breakdown of workforce by age

In percentages	2010
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0-24	1
25-34	21
35-44	33
45-54	30
55+	15
Total	100

review 2010

Environmental indicators

Data applies to the Netherlands

Energy consumption

Based on coverage of 95%

		2010
	kWh (in thousands)	GJ
Electricity	206,000	741,600
Other sources:		
- Natural gas	67,000	241,200
- District heating	39,000	140,400
Total	312,000	1,123,200
Energy consumption per FTE	12	42.9

Business travel

In kilometres

	2010
Car travel*	92,167,131
Air travel**	21,019,604

* lease cars

** from the Netherlands, excluding ECT

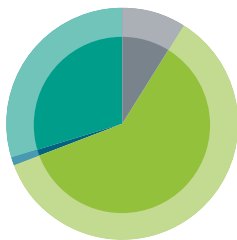
Total CO₂ emission*

In kilotonnes	2010
Electricity	0
Other sources	21.5
Business car travel	16.4
Business air travel	2.3
Total	40.2

* CO₂ emission calculated according to Greenhouse Gas Protocol

Waste*

In percentages	2010
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Other	9.5
Paper	60.2
Plastic cups	0.4
Residual waste	29.9
Total	100

* ABN AMRO meets LAP2 standards in the Netherlands

Paper consumption

Based on coverage of 80%	2010
Paper consumption (in tonnes)	3,724
Paper consumption (in tonnes/FTE)	0.14

About this publication

When it comes to sustainable development and community involvement, we at ABN AMRO have big ambitions. We trust that this publication gives a true and balanced representation of our activities in these areas. Yet despite our aspirations, we are modest and are therefore presenting this information in a small booklet: not a traditional report, but an easy-to-read description of how we are implementing Generation Next.

In preparing this review, we adhered to level C of the G3 guidelines of the Global Reporting Initiative (GRI) and used ABN AMRO's strategy and feedback from internal and external stakeholders. This publication has not been audited.

A complete GRI Index and a more extensive overview of our sustainability activities are available on our website www.abnamro.com/duurzaamheid.

This review refers to ABN AMRO as a whole, unless otherwise stated. As the legal merger was finalised on 1 July 2010, some information presented in this review is based on the second half of 2010 while some reflects the situation prior to this date (this is explicitly stated). Information and key data are based primarily on human resources, operations and finance systems. This publication is available as a hard copy in Dutch only.

Dutch and English versions of the publication can be downloaded from our website. In case of any discrepancy between these versions, the Dutch version shall prevail.

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ABN AMRO Group N.V.

Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

Telephone

+31 (0)20 628 93 93

Internet

www.abnamro.com

(Group site in English and Dutch)

www.abnamro.nl (customer site in Dutch)

Email

duurzaamheid@nl.abnamro.com

foundation@nl.abnamro.com



