

Climate Statement Banks Update 2019

We, the banks in the Netherlands, united in the Dutch Banking Association (NVB):

are transparent regarding the climate impact of our business operations and are working on constantly improving energy efficiency

also weigh sustainability, climate impact and environmental damage in our financing and investment decisions

are working towards transparency about the (positive and negative) impact of our loans and investments on climate change

are encouraging our clients to reduce their CO₂ emissions where possible and helping them to do so with products and services

strive to accelerate the sustainability of the Dutch housing supply, offices and other real estate

conduct a dialogue and enter into cooperation with society regarding climate adaptation and mitigation and the financing thereof

play an active role in the development of international and national policy and criteria for climate- and energy-related investments and financial instruments, such as for Green Bonds

encourage the Dutch government to regard the climate as a top priority and to work on an effective CO₂ price

encourage the Dutch government to strive for binding, effective European climate goal

encourage the Dutch government to stimulate and enable businesses and institutions to disclose their CO₂ emissions, so that banks are better able to weigh the climate impact in their financing and investment decisions

ABN AMRO, BNG Bank, ING, NIBC, NWB Bank, Rabobank, Triodos Bank and de Volksbank are climate neutral in their business operations. ABN AMRO aims to have all of its own buildings meet the Paris Proof norm (a maximum energy consumption of 50 kWh per m²) by 2030. The new head offices of ING and

Triodos Bank are energy positive and both designs received the highest sustainability certification: *BREEAM Outstanding*. When the NIBC head office was renovated, the building went from energy label G to A. BNG Bank significantly reduced its own CO₂ footprint in 2018 by 12%.

ASN Bank and ASN Investment Funds are 118% climate neutral. In addition, ASN Bank is probably the first bank in the world that aims to be net climate positive in 2030 in all its loans and investments. ING's lending to coal mining decreased by 25% in 2018 and its lending to coal-fired power plants decreased by 49%. Both NWB Bank and BNG Bank introduced a sustainability weighing in their credit risk analysis. Rabobank financed 5 billion euros in energy production in 2018, of which 4 billion euros in sustainable energy, such as in a wind farm

in the Dutch province of Zeeland, which will provide energy to 825,000 households in 2021. FMO will bring its investment portfolio in line with the Paris climate goal of maximum 1.5 °C global temperature increase. Triodos Bank concluded 72 deals (total value: 806 million dollars) making them the bank to close the most clean-energy deals for the fourth year in a row. In 2018, ING, Rabobank and ABN AMRO were also listed in the top 20 of banks that are frontrunners in the financing of sustainable energy projects.

The financial sector took an important step in July 2019: they signed their commitment to the climate goals of the Dutch government. It was also agreed that financial institutions will start reporting about the climate impact of their loans and investments. Banks will announce their actions plans including their CO₂ reduction targets for 2030 no later than 2022.

The launch of PCAF Global took place at the UN Climate Summit in New York. This initiative to measure the climate impact launched by ASN Bank at the Paris Climate Summit, in which Triodos Bank, ABN AMRO, de Volksbank, BNG Bank, FMO, NIBC, NWB

ING aims to double its climate financing portfolio, which rose by 13% in 2018 to 16.5 billion euros. ING was the first bank in the world to introduce the Sustainability Improvement Derivative (SID), a derivative with a credit spread linked to sustainability

Bank and Rabobank participate, has now gone global. The UNEP FI Principles for Responsible Banking Collective Commitment to Climate Action in which ING and Triodos Bank were involved, was also launched during the UN Climate Summit. Triodos Bank was the first to report on the CO₂ impact of its loans and investments in its 2018 annual report. ING published the first Terra Progress Report, which provides insight into the extent to which its loan portfolio is in line with the Paris climate goals. Seventeen international banks, including ING and ABN AMRO, are now testing the PACTA methodology of the 2°C Investing Initiative.

performance. FMO is co-manager of the Dutch Fund for Climate and Development, a Dutch government fund of 160 million euros aimed at climate mitigation and adaptation in developing countries.

In addition to the earlier Standard Contract Solar Panels, the NVB will soon publish two other versions for lease arrangements and for companies on leasehold land subject to ground rent. This will simplify the financing of solar panels on the roofs of commercial property. ABN AMRO introduced the Sustainable Home Mortgage. In its

Mission 2030, the bank aims for an average energy label A for real estate. Triodos Bank provides mortgage loans to the residents of Schoonschip - the most sustainable residential district in Europe. De Volksbank brands formulated a common vision on sustainable housing, as a contribution to green living in the Netherlands.

ABN AMRO, Rabobank and de Volksbank are signatories of the UNEP FI Principles for Responsible Banking, which were co-developed by ING and Triodos Bank. The aim of the Principles is to bring the banks' policy in line with the Paris climate goals and the UN Sustainable Development Goals. Rabobank is actively involved on a local

level in setting up energy cooperatives for producing green energy. In addition, banks regularly organise dialogue meetings with stakeholders, such as during the BNG Bank Sustainability Day and the Springtij Forum, of which FMO, ING, ABN AMRO, NWB Bank and Rabobank were partners.

NWB Bank was the first party in the Netherlands to exceed the threshold of 10 billion euros in sustainable bonds in 2019. As a result, the bank belongs to the global frontrunners. De Volksbank issued its first senior preferred bond under the Green Bond

Framework, for a total amount of 500 million euros. Investors subscribed for approximately 1.7 billion euros. The Rabobank Green Bond Framework was brought in line with the most recent EU standards, such as the proposed EU Green Bond Standard.

The NVB publication Climate Impact Measurement provides examples of methods to measure and report the climate impact of bank portfolios. Under the flag of the DNB Sustainable Finance Platform the financial sector (including ABN AMRO, ING and Rabobank) are examining the consequence of an introduction of a CO₂-price for the

financial sector, and how this can contribute to a gradual transition. The NVB and individual banks regularly enter into a dialogue with governments, social organisations and other stakeholders, in which they plan an active and connecting role.

The Climate Statement Banks was signed on 5 November 2015 by: Nederlandse Vereniging van Banken, Triodos Bank, Rabobank, BNG Bank, ASN Bank, Van Lanschot Bankiers, ING Bank, KAS BANK, Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V., Nederlandse Waterschapsbank N.V., SNS Bank NV, NIBC Bank and ABN AMRO Bank N.V..

