ABN·AMRO MeesPierson

Impact Fund Mandate

Sustainability-related information

Summary

This summary provides an overview of the items disclosed below. For a more detailed explanation on any of the items in this summary please refer to the sections below.

Sustainable investment objective of the financial product

The sustainable objective of the Impact Fund Mandate (hereafter: 'the Mandate') is to invest in funds with underlying investments in companies with economic activities that contribute to the United Nations Sustainable Development Goals (UN SDGs), provided that such investments do not significantly harm the other UN SDGs and the investee companies follow good corporate governance practices. The Mandate can also invest in funds with underlying investments in government bonds if those align to SDGs, like green bonds, social bonds or SDG bonds. Bonds from development financial institutions are also eligible.

The sustainable objective is attained by applying:
- positive selection based on environmental, social and governance ("ESG") performance;
- exclusion of controversial activities;
- selection of government bonds with a sustainable objective;
- positive contribution to the SDGs;
- the Do No Significant Harm (DNSH)-principle; and
- good corporate governance practices.

There is no requirement that a minimum portion of the portfolio should be invested in environmentally sustainable investments as defined by the EU Taxonomy regulation. It is, however, possible that the funds and their underlying investments comply with the EU Taxonomy regulation.

The Mandate may invest in funds that invest in the following type of investment: stocks, bonds and alternative investments. Funds can be managed by ABN AMRO Investment Solutions or by external managers. External managers may use different methodologies, criteria and data to achieve the sustainable investment objective.

No significant harm to the sustainable investment objective

The Mandate considers the 'Do No Significant Harm-principle' as part of the internal investment standards. Specifically, these standards apply do not significant harm in the context of principal adverse impacts ("PAIs").
The Mandate considers PAIs as part of the investment decision making process.
The Mandate also takes into account international guidelines such as the UN Global Compact, OECD Due Diligence Guidance for Responsible Business Conduct and UN Guiding Principles for Business and Human Rights ('UNGPs').

Investment strategy

The sustainable objective of the Mandate is to invest in funds with underlying investments that contribute to the whole spectrum of the SDGs, provided that such investments do not significantly harm the other SDGs and the investee companies follow good corporate governance practices.

Data from third party providers is used to assess if funds align to the objective and are eligible for the Mandate. Due to the long-term investment horizon, the Mandate's returns may fluctuate over time.

The Mandate uses the following binding elements to select investments to attain the environmental and social objectives: positive selection based on good corporate governance practices, exclusion of funds investing in companies engaged in controversial activities, exclusion based on controversial countries and selecting funds investing government bonds with a sustainable objective, aligning to the SDGs, do no significant harm.

Proportion of investments

The Mandate only invests in funds. 100% of the assets of the portfolio need to have sustainable investments as objective. The portfolio is considered as all investments, excluding cash, money market instruments and derivatives. At a minimum the Mandate intends to invest at least 35% in sustainable investments with an Environmental objective and 35% in sustainable investments with a Social objective. If more products have the same characteristics and risk/ return-profile, the most sustainable product will prevail.

The Mandate does not use derivatives to attain the sustainable objectives. Which means that the sustainable objectives of this Mandate do not apply to derivatives. Derivatives are not part of the 100% of the portfolio.

Monitoring of sustainable investment objective

To measure the attainment of the environmental and social objectives the following sustainability indicators are used:

- The weighted average ESG Risk Rating of the portfolio.
- Carbon emissions of the Mandate in terms of absolute emissions, weighted average carbon intensity, and carbon footprint (number of CO2 equivalent per million euro invested) based on scope 1 and scope 2 emissions.
- Monitoring of alignment of the portfolio with the objective of the Paris Agreement to keep global warming well below 2 degrees Celsius.
- Monitoring of alignment with the United Nations Sustainable Development Goals (“UN SDGs”).

Methodologies

To measure how the sustainable objectives of the Mandate are met we use external data providers to assess the sustainability indicators. Please refer to the paragraph ‘Methodology’ where the methodology used for each of the sustainability indicators is described.

Data sources and processing

To measure attainment of the sustainable objectives and the sustainability indicators data of external data providers.
The data providers have been selected after a thorough due diligence process.
Data from data providers are processed through our own internal systems which collate the data per portfolio.
The data which is provided from data providers can include estimations. In certain situations ABN AMRO may interpret this data and use it accordingly. ABN AMRO communicates with the data provider to mitigate any data gaps. ABN AMRO addresses any found data quality issues and data gaps in a swift and good manner.

Due dilligence

The portfolio managers of the funds base themselves on the advice received from ABN AMRO Bank and incorporate the views of the ABN AMRO Global Investment Committee regarding sector and regional allocations. Deviations may, however, arise because of lacking investment opportunities within a sector resulting from the environmental and social objectives. Internal and external controls aim to ensure that the universe of possible investments do not negatively impact environmental or social objectives.

Engagement polices

Different kind of engagements are distinguished of which some also apply to the Mandate, being:

1. Thematic engagement.
   This is pro-active engagement with companies for whom a chosen (ESG) theme is relevant.
2. Participation in collaborative engagement.
   By speaking to companies with an unified voice, investors can more effectively communicate their concerns to corporate management.
3. Engagement with external managers
   We engage with external managers on their ESG policies.
4. Engagements by the external managers.
   External managers will have their own engagement policies.

Designated reference benchmark

No index has been designated as a reference benchmark to meet the sustainable objectives of the Mandate.

No significant harm to the sustainable investment objective

Do not significant harm

The Mandate considers the ‘do not significant harm principal’ as part of the internal investment standards. Specifically these standards apply do not significant harm in the context of principal adverse impacts (“PAIs”).

Principal Adverse Impacts

The Mandate considers principal adverse impacts (PAIs) as part of the investment decision making process. In the table below we describe which PAIs are considered (columns named adverse sustainability indicator and metric) and how those PAIs are considered (column named method used to consider PAIs).

PRINCIPAL ADVERSE IMPACTS CONSIDERED FOR EQUITIES AND CORPORATE BONDS

Climate and other environment-related indicators

Adverse sustainability indicator		Metric	Method used to consider PAIs
Greenhouse gas emissions	GHG emissions	Scope 1 GHG emissions	Exclusion of companies engaged in*: • Thermal coal mining • Power generation from thermal coal • Arctic drilling, shale gas and oil sands Engagement with certain companies on Climate change Application Do Not Significant Harm principal in relation to SDG13 Climate action
		Scope 2 GHG emissions	
		Scope 3 GHG emissions	
		Total GHG emissions	
	Carbon footprint	Carbon footprint	
	GHG intensity of investee companies	GHG intensity of investee companies	
	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	
	Share of nonrenewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	
	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	
	Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	Engagement with certain companies on Climate change
Biodiversity	Activities negatively affecting biodiversi-tysensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas	Application Do Not Significant Harm principal in relation to: • SDG14 Life below water • SDG15 Life on land
Water	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	Application Do Not Significant Harm principal in relation to: • SDG6 conserving water • SDG12 Responsible consumption and production
Waste	Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR inve-sted, expressed as a weighted average	Application Do Not Significant Harm principal in relation to SDG12 Responsible consumption and production

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS			
Adverse sustainability indicator		**Metric**	**Method used to consider PAIs**
Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	Exclusion of companies that are non-compliant with UN Global Compact
	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or	Uitsluiting van bedrijven die niet voldoen aan UN Global Compact
	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	Application Do Not Significant Harm principal in relation to SDG5 Gender Equality
	Board gender diversity	Average ratio of female to male board members in investee companies	Exclusion of companies with poor Corporate governanceEngagement with certain companies on Board diversityApplication Do Not Significant Harm principal in relation to SDG5 Gender Equality
	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	Exclusion of companies engaged in* Controversial weapons

PRINCIPAL ADVERSE IMPACTS CONSIDERED FOR SOVEREIGN BONDS			
Climate and other environment-related indicators			
Adverse sustainability indicator		**Metric**	**Method used to consider PAIs**
Environmental	GHG intensity	GHG intensity of investee countries	Exclusion of government bonds of countries that have not ratified the Paris agreement
Social	Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	Exclusion of government bonds of countries subject to social violations
SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS			
Human rights	Average human rights performance	Measure of the average human right performance of investee countries using a quantitative indicator explained in the explanation column	Exclusion of government bonds of countries with poor human rights performance

* Different revenue thresholds may be applied. See the paragraph on Investment Strategy for more information.

ABN AMRO will report on how PAI have been taken into account at an entity level on an annual basis. At product level, this information can be found in the periodic reporting template which is part of the investment report. Specifically, please refer to the question: *How did this financial product consider principal adverse impacts on sustainability factors?* in the periodic report.

International guidelines

The OECD Due Diligence Guidance for Responsible Business Conduct is based on the OECD Guidelines for Multinational Enterprises ("OECD Guidelines for MNEs"). Those OECD Guidelines for MNEs acknowledge the positive contributions that business can make to economic, environmental and social progress, but also recognise that business activities can result in adverse impacts related to workers, human rights, the environment, bribery, consumers and corporate governance. The objective of investor due diligence is to identify, assess and mitigate actual or potential adverse impacts (risks), which in this context means actual or potential behaviour that is inconsistent with the topics covered in the OECD Guidelines for MNEs:

1. Human rights (aligned with the UN Guiding Principles on Business and Human Rights)
2. Employment and industrial relations
3. Environment
4. Combating bribery
5. Consumer interests
6. Disclosure

The OECD Guidelines for MNEs and the UN Global Compact are complementary standards. Both standards share the same values of business ethics, including human rights, labour and industrial relations, environment and anti-corruption. When our external data provider screens on UN Global Compact non-compliances it takes into account the interpretation of the OECD Guidelines for MNEs.

The UN Guiding Principles for Business and Human Rights ('UNGPs') require companies to prevent and respond to any adverse operational impacts on human rights. The UNGPs are not binding. However, in recent years, the UNGPs have been translated into (national) legislation. More recent, also the EU Sustainable Finance Disclosure Regulation ('SFDR') and EU Taxonomy Regulation refer to the UNGPs in relation to the Do No Significant Harm Principle – that investment should not harm any social or environmental objective – and the minimum social safeguards. The UNGPs are addressed by the binding investment criteria and by engagement.

Sustainable investment objective of the financial product

The Mandate invest in funds with underlying investments in companies with economic activities that contribute to the whole spectrum of the United Nations Sustainable Development Goals (UN SDGs), provided that such investments do not significantly harm the other UN SDGs and the investee companies follow good corporate governance practices. The Mandate can also invest in funds with underlying investments in government bonds if those align to SDGs, like green bonds, social bonds or SDG bonds. Bonds from development financial institutions are also eligible.

The sustainable objective is attained by applying:

- positive selection based on environmental, social and governance ("ESG") performance;
- exclusion of controversial activities;
- selection of government bonds with a sustainable objective;
- positive alignment to the SDGs;
- the Do No Significant Harm (DNSH)-principle; and
- good corporate governance practices.

There is no requirement that a minimum portion of the portfolio should be invested in environmentally sustainable investments as defined by the EU Taxonomy regulation. It is, however, possible that the funds and their underlying investments comply with the EU Taxonomy regulation.

The Mandate may invest in funds that invest in the following type of investment: stocks, bonds and alternative investments. Funds can be managed by ABN AMRO Investment Solutions or by external managers. External managers may use different methodologies, criteria and data to achieve the sustainable investment objective.

Investment strategy

The sustainable objective of the Mandate is to invest in funds with underlying investments in companies with economic activities that contribute to the whole spectrum of the SDGs, provided that such investments do not significantly harm the other SDGs and the investee companies follow good corporate governance practices. The Mandate can also invest in funds with underlying investments in government bonds if those align to SDGs, like green bonds, social bonds or SDG bonds. Bonds from development financial institutions are also eligible.

Data from third party providers is used to assess if funds align to the objective and are eligible for the Mandate. Due to the long-term investment horizon, the Mandate's returns may fluctuate over time.

The Mandate's portfolio consists of investment funds that have to comply with the sustainable objective of the Mandate.

The Mandate uses the following binding elements to select investments to attain the sustainable objectives: positive selection based on good corporate governance practices, exclusion of funds investing in companies engaged in controversial activities, exclusion based on controversial countriesand selection of government bonds that have a sustainable objective, or contribute to the SDGs.This can be green bonds, social bonds and SDG bonds or bonds with similar characteristics.

Integration of sustainability risks

ABN AMRO defines integration of sustainability risks in the investment-decision making process as systematically taking into account those ESG factors that have a material effect on investment risk and return. Sustainability risks in this context means an environmental, social or governance ("ESG") event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

Sustainability risk can have a negative impact on the asset value and expected cash flow like dividends. Examples over the past years include large environmental accidents or fraud cases that result in fines/penalties or additional operational costs. The likelihood of these sustainability risks affecting the financial performance of the portfolio is mitigated by our investment process. In our selection process, we focus on companies that are scoring best-in-class in their sub-sector based on the ESG analysis. As a result, the companies selected are likely to have a lower ESG risk exposure. Further, we apply different exclusion criteria for example for controversial activities like tobacco production.

Please refer to the transparency on integration of sustainability risk disclosure for the Mandate for a more detailed description. This disclosure can be found here.

Exclusion of companies engaged in controversial activities

The following activities are excluded by the Mandate through fund selection:

- Companies on the ABN AMRO Controversial Weapons List;
- Companies on the ABN AMRO Security Sanctions List;
- Companies with involvement in tobacco production (growers and manufacturers);
- Companies with involvement (exceeding 10% of total turnover) in power generation from thermal coal.
- Companies with involvement in weapons production (including key components), retail distribution of weapons, or military contracting of weapons;
- Companies that have 10% or more ownership in companies with involvement in controversial weapons;
- Companies with involvement (exceeding 5% of total turnover) in:
  - Military contracting of weapon-related products and/or services;
  - Cannabis for recreational purposes;
  - Addictive gambling;
  - Animal fur and specialty leather;
  - The combined exposure to arctic drilling, shale gas and oil sand extraction methods;
  - Coal mining;
  - Adult entertainment;
  - Genetically Modified Organisms (GMOs);
  - Trading and/or wholesale of tobacco.

Good corporate governance practices

Funds that invest in companies with poor corporate governance are excluded from the portfolio. We assess a company's corporate governance based on data from our external data providers. A fund is excluded if it the underlying investments breach the UN Global Compact principle on anti-corruption, which states that businesses should work against corruption in all its forms, including extortion and bribery. A fund is also excluded if it has a 'high' or 'severe' controversy related to corporate governance. This controversy screening comprises six pillars:

- Board/Management Quality & Integrity;
- Board Structure;
- Ownership & Shareholder Rights;

- Remuneration;
- Audit & Financial Reporting;
- Stakeholder Governance.

Proportion of investments

The Mandate only invests in funds. 100% of the assets of the portfolio needs to have sustainable investments as objective. The portfolio is considered as all investments, excluding cash, money market instruments and derivatives. At a minimum the Mandate intends to invest at least 35% in sustainable investments with an Environmental objective and 35% in sustainable investments with a Social objective. If more products have the same characteristics and risk/return-profile, the most sustainable product will prevail.

The Mandate does not use derivatives to attain the environment or social objectives. Which means that the sustainable objectives of this Mandate do not apply to derivatives. The only derivates used are interest rate and foreign exchange derivatives. These derivatives allow the portfolio managers to offset the risks posed by interest rate and exchange rate volatility of bonds which are part of the portfolio. Derivatives are not part of the portfolio.

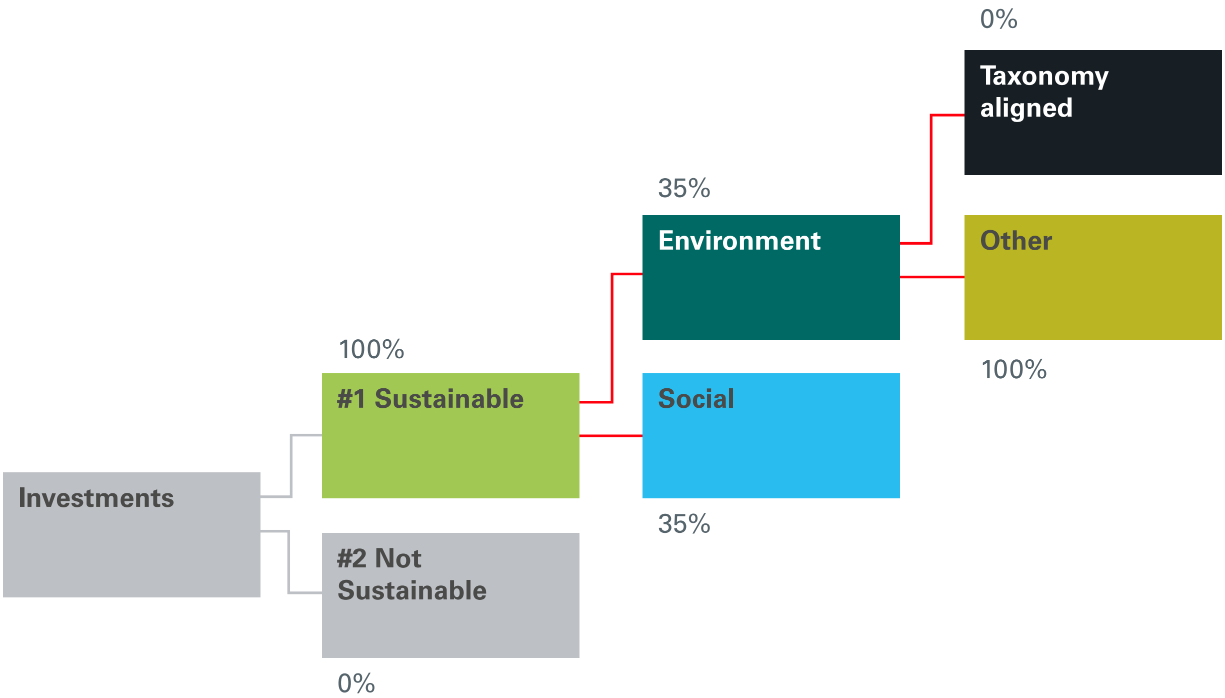
Monitoring of sustainable investment objective

The sustainable objective is attained by applying:

- positive selection based on ESG performance;
- exclusion of controversial activities;
- selecting governments bonds with a sustainable objective;
- positive contribution to the SDGs;
- the Do No Significant Harm (DNSH)-principle;; and
- good corporate governance practices.

To measure the attainment of the environmental and social objectives the following sustainability indicators are used:

- The weighted average ESG Risk Rating of the portfolio.
- Carbon emissions of the Mandate in terms of absolute emissions, weighted average carbon intensity, and carbon footprint (number of CO2 equivalent per million euro invested) based on scope 1 and scope 2 emissions.
- Monitoring of alignment of the portfolio with the objective of the Paris Agreement to keep global warming well below 2 degrees Celsius.
- Monitoring of alignment with the United Nations Sustainable Development Goals ("UN SDGs").



#1 Sustainable covers sustainable investments with environmental or social oblectives.
#2 Not sustainable includes investments which do not qualify as sustainable investments.

Compliance with the environmental and social objectives of the Mandate is monitored on a regular basis. For this different data from Sustainalytics is used. The portfolio managers have access to this data and assess the environmental and social objectives on a continuous basis.

Clients are informed via periodic reporting on how the Mandate performs on the sustainability indicators described above. Indicators may change over time, for instance in case of new and/or more suitable indicators available in the future. See the next section for more information on the methodologies used.

Internal control mechanisms include analyst tests on the data and checking for outliers, along with ensuring that reported data does not significantly differ from expectations. Reviewing data collected and shown is a key part of the selection process and may influence confirmation of the acceptable investment universe. There is a direct communication with our data providers Sustainalytics, ISS and Morningstar with the aim to ensure that when ABN AMRO notes that there is a difference in expected values, the data providers can perform quality checks on the observed differences by ABN AMRO.

External control mechanisms are influenced by our key data suppliers, ISS for the data on Carbon emissions, Paris Agreement and the UN SDGs and Sustainalytics for the data on ESG Risks.

For the checks on Carbon emissions and Paris Alignment data, analysts and teams from ISS are performing stringent quality checks versus the industry and manually reviewing self-reported numbers when there is a high probability of low trust or improper data management by the reporting company.

Sustainalytics aims to ensure high quality, robustness and consistency of research for its ESG Risk. Sustainalytics utilises various teams that all work together to indicate improvement areas for analysis, checklists for quality errors, data consistency or verifiability, and general completeness or anomalies from a data quality perspective.

ABN AMRO is subject to limited assurance under the SFDR and will engage a third party to verify its approach, organisation, data management and other factors relating to sustainability information.

Methodologies

To measure how the environmental and social objectives of the Mandate are met we use external data providers to assess the sustainability indicators. Below the methodology for each of the sustainability indicators use is described.

ESG Risk Rating

ESG Risk Rating of Sustainalytics is used to analyse sustainability risk for funds. The ESG Risk Rating measures the degree to which a company's economic value is at risk driven by unmanaged sustainability risk. A lower score represents less unmanaged sustainability risk and is thus better than a high score. To determine the ESG Risk Rating of a company the company's exposure to sustainability risk is assessed and how well a company is managing the sustainability risks it is exposed to. The difference between those two is the unmanaged sustainability risk or the ESG Risk Rating. A company's exposure to sustainability risk depends on material ESG conditions for the sub-industry, company specific exposure to ESG conditions and ESG events the company is involved in like controversies and UN Global Compact breaches. Although Sustainalytics assigns the ESG Risk Rating based on extensive research it remains an opinion and others (e.g. other data providers) can have a different view on the sustainability risk of a company.

Carbon emission of the portfolio

Carbon emissions of the portfolio are measured with the aim to ensure achievement of the environmental objectives of the Mandate. Carbon emissions are reported using absolute emissions (total footprint of portfolio), carbon footprint, and the weighted average carbon intensity (carbon emissions over million EUR revenue of the investee company.) Data is sourced for carbon emissions from ISS. When available, ISS will use self-reported data. ISS has developed a sophisticated methodology to estimate the carbon emissions of non-reporting companies, which can be different from their actual carbon emissions.

Monitoring alignment with the objective of the Paris Agreement to keep global warming well below 2 degrees Celsius

In order to ensure good governance and a strong alignment with carbon reduction measures, ISS provides a robust methodology to assess Paris Agreement alignment. The ISS scenario alignment approach is inspired by the emission reduction initiative of the Sectoral Decarbonisation Approach (SDA), developed by the Science Based Target initiative, the cross-sector organisation which provides an SBTi stamp of approval on reduction measures. The SDA is developed around the scenarios provided by the International Energy Association (IEA.)

This approach allocates each sector a carbon budget and these budgets define how much carbon may be emitted in order to remain within a given scenario, for example 2 degrees Celsius. Companies exceeding their 2 degrees Celsius budget are not aligned with the objective of the Paris Agreement. This data is aggregated to determine to what extend the Mandate is aligned with the objective of the Paris Agreement in 2050.

Monitoring alignment with the United Nations Sustainable Development Goals (SDGs)

ISS provides ABN AMRO with an SDG Solutions Assessment (SDGA) to measure the positive and negative sustainability impacts of companies product and service portfolios. The focus of the assessment is to measure the extent to which companies contribute to global sustainability objectives. The SDGA applies a proprietary classification of products and services into five categories, based on their direct impact of various sustainability objectives ranging from: significant contribution, limited contribution, no (net) contribution, limited obstruction, significant obstruction. For each thematic assessment, the share of net sales generated with relevant products and services is quantified per category. As a result, the SDG Solutions Assessment provides 75 distinct data points per company and detailed results are aggregated into 18 scores per company. Separate to the 15 objective scores, there are three main scores ABN AMRO uses in company assessments. There is the SDG Solutions Score (SDGS), which assesses the overall, aggregated impact of a company's product portfolio on the achievement of sustainability objectives. The SDGS Social, which assesses the overall, aggregated impact of a company's product portfolio on the achievement of social objectives. The SDGS Environmental, which assesses the overall, aggregated impact of a company's product portfolio on the achievement of environmental objectives. With these classifications, along with objective scoring, ABN AMRO is able to assess potential investments.

Data sources and processing

To measure attainment of the environmental and social objectives and the sustainability indicators data of Sustainalytics, ISS and Morningstar is used.

Sustainalytics

Sustainalytics, a Morningstar company, brought together ESG research and client servicing professionals to retain that personal touch that has helped us to grow. Sustainalytics is a ESG research provider and does not endorse any product. For more information, visit www.sustainalytics.com/legal-disclaimers.

ISS

Founded in 1985, ISS is a data provider. with nearly 2,000 employees spread across 30 U.S. and international locations. For more information, visit www.issgovernance.com.

Morningstar

Morningstar is a data provider. In 2016, Morningstar released the Morningstar Sustainability Rating to help investors use ESG information to evaluate portfolios. The rating provides a way to evaluate how portfolios are meeting ESG challenges, based on underlying company ESG Risk Ratings from Sustainalytics (which is majority owned by Morningstar). For more information, visit www.morningstar.nl/nl.

Measures taken to ensure data quality

The data providers have been selected after a thorough due diligence process. Also after selection we remain in continuous dialogue with the data providers on the quality of the data, the investments for which data is available and the need for additional data to support the investment decisions. The portfolio managers and analysts have access to the source data via web portals of the data providers, in FactSet (an integrated data and software solution) and/or data shared via data feeds.

How data is processed

Data from data providers are processed through our own internal systems which collate the data per investment and across all portfolio compositions.

Proportion of data that is estimated

The data which is provided from data providers maybe estimated but ABN AMRO will not alter data received in any way. ABN AMRO may interpret this data and use it accordingly. ABN AMRO may communicate with the data provider to mitigate any data gaps, yet there would be no alteration of data within data storage. ABN AMRO addresses any found data quality issues and data gaps in a swift and good manner.

Limitation to methodologies and data

The methodologies and data used have in general the following limitations regarding the underlying investments in funds in the Mandate:

- Although the number of companies covered by data providers has increased significantly over time, and still is increasing, a specific investment cannot be assessed by a data provider. It will then be discussed with the data provider if the company can be added to their universe.
- Companies do not always report the data needed for a proper assessment by the data provider. In that case the

data provider may engage with the company to obtain or disclose the data. In some cases missing data points can be estimated by the data providers, e.g. for carbon emissions. ABN AMRO does not estimate missing data.

- Different data providers can have different methodologies to assess ESG performance of investments, which can result in a different opinion on the ESG performance. The outcome of their assessment is to some extent, subjective. The portfolio managers will therefore also form their own opinion. The data providers we selected has been selected after a thorough due diligence process with the aim to ensure their methodology is in line with best practices.

However, ABN AMRO considers that these limitations should not materially affect the extent to which the sustainable objectives can be achieved. A majority of the assets which make up the investment universe currently do have available data and if there is no available data for a company, it is possible that the asset can be excluded from the allowable universe of investments. In the case that there is no data available for a desired asset, ABN AMRO communicates with data providers to request inclusion into the data stream.

Our portfolio managers and analysts have been trained on many aspects of Sustainability and ESG data quality, therefore we are confident in our abilities to accurately assess and if necessary, adjust the alignment to a certain characteristic, especially in the case of engagement, recent public action, or knowledge regarding the asset.

Due diligence

The portfolio managers of the Mandate incorporate the views of the ABN AMRO Global Investment Committee regarding sector and regional allocations. Deviations may, however, arise because of lacking investment opportunities within a sector resulting from the environmental and social objectives.

The portfolio managers select funds recommended and approved by AAIS. AAIS performs an extensive due diligence on the managers and the funds. ESG investment strategies are selected both on a thorough Management Due Diligence (MDD) and a Sustainability Due Diligence (SDD). The SDD forms an integral part of the selection process of an ESG investment strategy. Furthermore the selection process is tailored to the specific nature of the ESG strategy in question. In some strategies the investment team fully integrates financial and ESG criteria in the security selection and portfolio construction, while in other strategies the financial and ESG research process is more separated and conducted by different teams or by even different organisations. Each ESG investment process has its own specifics and therefore the SDD is to a certain extent tailor-made to the investment strategy at hand. The SDD also contains a rating scheme, the Sustainability Rating, which needs to be used next to the Manager Rating to form an overall opinion of an ESG investment strategy. The Sustainability Rating contains the following elements:

- ESG Corporate Policy: UN PRI Implementation, Corporate policies.
- ESG Team: Size and seniority, Quality and competence, Stability and continuity, Motivation and remuneration.
- ESG Philosophy and Criteria: Sound and well-documented, Negative and/or positive screening, engagement and voting.
- ESG Process: Eligible universe, Exclusion policies, Research, Infrastructure, Available tools.
- Portfolio: Composition, Holdings, Controversies.

The portfolio managers will also assess the funds themselves to ensure it fits the environmental and social objectives of the Mandate.

The portfolio managers can leverage on the expertise of ABN AMRO's sector and fund analysts to get additional insights on the underlying investments. All selected funds are screened on ESG metrics to the extent that the overall portfolio meets the ESG requirements of ABN AMRO.

Internal and external controls ensure that the universe of funds do not negatively impact environmental or social objectives. Our internal controls relate to using the knowledge gained from ESG-training, along with ESG-specialists, to review the outcomes of a Due Diligence process. In terms of external controls, our data providers ISS, Sustainalytics and Morningstar, provide an overhead view of alignment to international standards and sufficient data quality, alongside effective metrics with which to benchmark versus the industry.

Engagement polices

The objective of any engagement is an improvement in company ESG performance or engagement due to a potential controversy as assessed by ABN AMRO or a data provider.

The most obvious goal for an engagement process is to improve the ESG performance of an underperforming company, in order to minimise negative (financial) impacts and/or adverse impacts. Proactive engagement on ESG issues is an important step in conducting environmental and/or social and/or governance due diligence. The portfolio managers can start such engagement at their discretion. Furthermore thematic engagements will be started based on themes identified by ABN AMRO or our engagement service provider as relevant.

Companies will typically be given a specific timeframe (generally 2-5 years) for achieving the defined engagement objective. A company can be under engagement for a longer period if new ESG issues emerge. Engagement with companies can occasionally stall if e.g. a company is unwilling or unable to improve and it may be determined that it is impossible to effect change on a particular topic, or with a company overall. On these occasions, engagement on a specific objective or with the company overall may be discontinued.

Engagement may be carried out either by ABN AMRO itself, ABN AMRO Investment Solutions, Privium, or by our engagement provider or by means of collective engagements. Our engagement service provider is EOS at Federated Hermes. EOS is a leading engagement service provider. The engagement activities of EOS enable ABN AMRO to be in active dialogue with companies on ESG issues.

ABN AMRO is also a member of the Platform Living Wage Financials (www.livingwage.nl), which is an alliance of 195 financial institutions that encourages and monitors investee companies to address the non-payment of living wage in global supply chains.

Attainment of the sustainable investment objective

No index has been designated as a reference benchmark to meet the sustainable objectives of the Mandate.