

Energy and Climate Law Report 2026

Review of the 2025 financial year

ABN·AMRO Investment Solutions

Report pursuant to Article 29 of the French Energy and Climate Law and Implementing Decree No. 2021-663 published on 27 May 2021.

Introduction

ABN AMRO Investment Solutions (AAIS), in its capacity as a French asset management company, is subject to Article 29 of the French Energy and Climate Law (LEC-29), which entered into force on 8 November 2019. Its implementing Decree No. 2021-663, published on 27 May 2021, following on from Article 173 (published on 29 December 2015), requires financial companies to report on climate change and biodiversity-related risks within their sustainability risk management policies. The French legislature's objective is to reflect the Paris Agreement on Climate Change and to engage France in the transition towards a low-carbon economy.

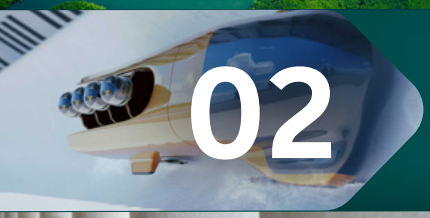
This report forms part of a constantly evolving regulatory framework. It describes all the resources and measures implemented by AAIS, as a responsible asset management company, to contribute to accelerating the environmental and social transition, considering the Paris Agreement on climate change and LEC-29. As recommended by the implementing decree, the reader will find certain sustainability indicators for the funds managed by AAIS whose assets under management exceed EUR 500 million. These funds totaled EUR 13.7 billion at end-December 2025, representing 63% of total assets under management. The 12 funds concerned are listed below:

- ABN AMRO FGR Amundi North America Equity Index Screened
- ABN AMRO Funds Blackrock Euro Government ESG Bonds
- ABN AMRO Candriam ESG Treasury
- ABN AMRO Funds Parnassus US ESG Equities
- ABN AMRO Funds Portfolio Flexible Bonds
- ABN AMRO Funds M&G Emerging Markets ESG Equities
- ABN AMRO Funds Portfolio Flexible ESG Bonds
- ABN AMRO Funds Profile 3 - Moderately Defensive
- ABN AMRO Funds Profile 4 - Moderately Aggressive
- ABN AMRO Funds RBC Bluebay Euro Government Bonds
- ABN AMRO Funds Robeco Euro ESG Government-Related Bonds
- ABN AMRO Funds Schroder Euro Corporate ESG Bonds

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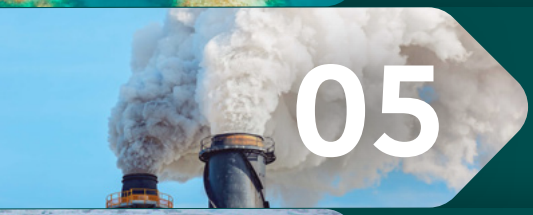
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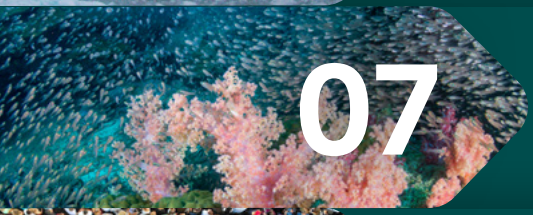
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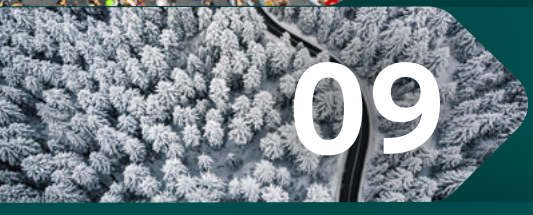
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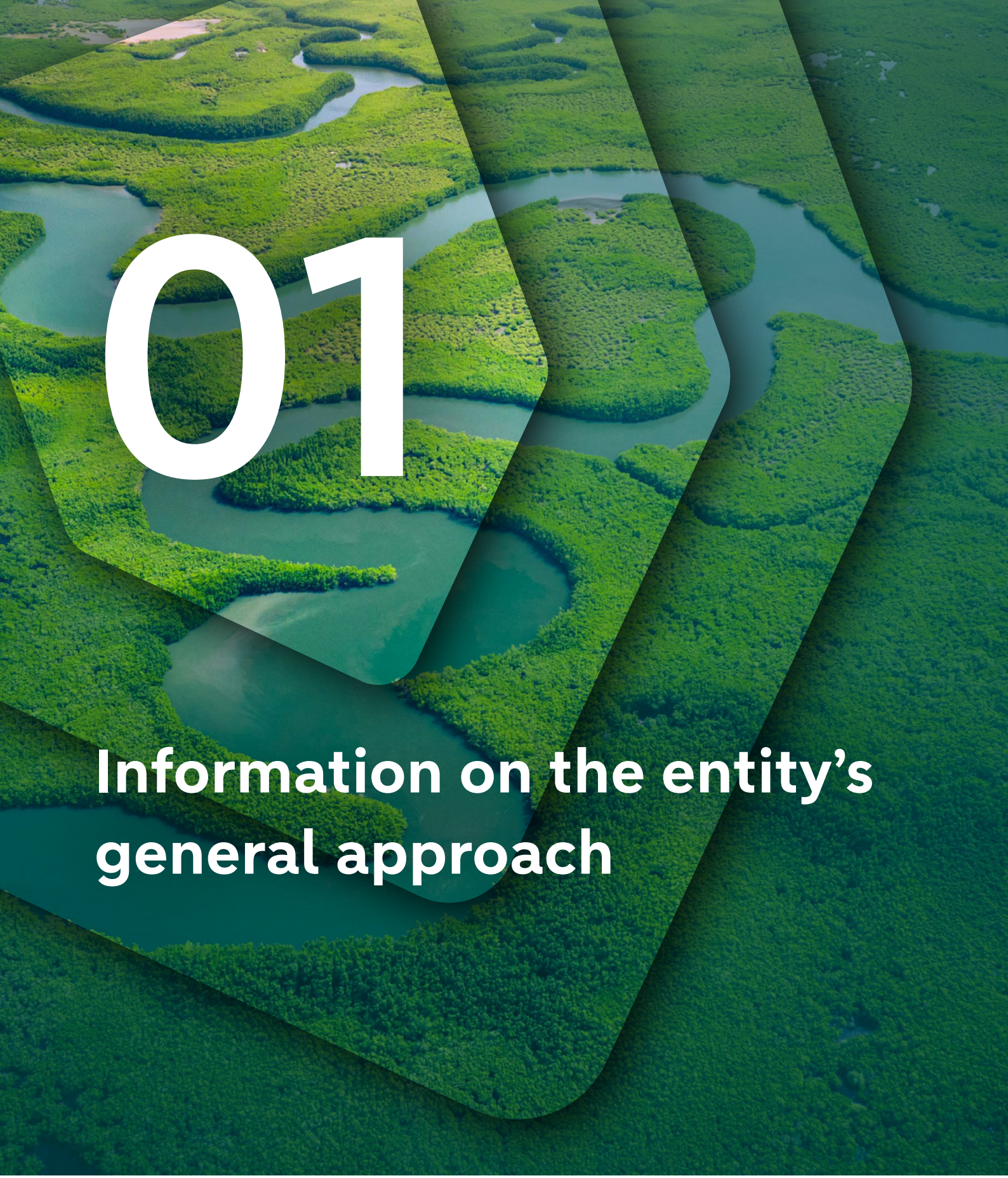
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01

Information on the entity's general approach

1. Our company
2. Our range of funds
3. Our due diligence process
4. Our ESG approach
5. Sustainability-related initiatives and commitments
6. Communication

1. OUR COMPANY

A pioneer of multi-management in Europe for more than 27 years, ABN AMRO Investment Solutions (AAIS), the asset management company of the ABN AMRO Bank N.V. (ABN AMRO), draws on the heritage and Dutch roots of a leading banking group while deploying recognized European expertise. Since its creation in 1998, AAIS has placed ESG issues at the heart of its development model, with the ambition of integrating them sustainably into its investment practices, solutions and relationships with all its stakeholders.



Supported by a multicultural team of 98 employees based in Paris and Amsterdam, and led by François-Xavier Gennetais, AAIS managed EUR 21.7 billion in assets at end-December 2025, approximately 92% of which incorporated ESG characteristics. Its approach is based on open architecture, consisting in selecting, analyzing and combining the expertise of leading external investment managers to build investment solutions tailored to clients' needs, while also drawing on the expertise of its in-house portfolio management team.

In line with ABN AMRO's sustainable strategy, whose ambition is to be "a better bank for generations to come", AAIS ensures that this approach combines demanding performance standards, in-depth analysis and increasing consideration of sustainability issues.

2. OUR RANGE OF FUNDS

AAIS's fund range is structured according to a progressive framework for integrating environmental, social and governance considerations, based on four levels (Levels 1 to 4), making it possible to clearly distinguish the degree of commitment to responsible investment. Each level corresponds to one of the three regulatory transparency frameworks defined by the Sustainable Finance Disclosure Regulation (SFDR), namely Articles 6, 8 or 9, ensuring consistent and understandable communication for investors.

Level 1 funds primarily integrate sustainability risks (Article 6), while Levels 2 and 3 progressively add the consideration of environmental and social characteristics (Article 8), with enhanced

requirements relating to governance, non-financial indicators and controversy monitoring. Level 4 comprises the most ambitious strategies, which explicitly pursue a sustainable investment objective (Article 9), with additional constraints such as mandatory sustainable investment and the requirement to do no significant harm. This structure therefore provides a clear view of each fund's positioning and enables the offering to be adapted to investors' different levels of sustainability requirements.

Table 1 - Changes in the assets under management of our funds over the last three years, classified by SFDR category

SFDR category	31/12/2025	31/12/2024	30/12/2023
SFDR Art. 9	1.3	1.7	1.8
SFDR Art. 8	18.4	15.5	13.8
Subtotal 1 - Assets under management, EUR billion	19.7	17.1	15.7
Subtotal 1 - % of assets under management	92%	90%	80%
SFDR Art. 6	1.7	1.9	3.8
Subtotal 2 - % of assets under management	8%	10%	20%
Total assets under management, EUR billion	**21.5**	**19.1**	**19.5**

At end-December 2025, Article 8 and Article 9 funds represented 92% of total assets under management, an increase of 2 percentage points compared with end-December 2024. Over the same period, our total assets under management increased by approximately 14%.

3. OUR DUE DILIGENCE PROCESS[1]

As part of its sub-advisory, or delegated portfolio management business, AAIS implements a particularly structured due diligence process designed to select external investment managers capable of delivering sustainable performance while fully integrating ESG considerations. The analysis is based on a dual approach, combining an in-depth financial assessment through Management Due Diligence (MDD) and Operational Due Diligence (ODD), thereby making it possible to examine both the intrinsic quality of the strategies and the robustness of the organizational arrangements.

The integration of ESG criteria is a central component of this framework. Analysts assess not only the quality of non-financial research and how it is incorporated into the investment process, including idea generation, security selection and portfolio construction, but also the consistency between stated commitments and the actual portfolios. Attention is paid to the organization of ESG teams, shareholder engagement and voting policies, and the transparency of the results achieved.

1. Also referred to as "reasonable due diligence" or "diligences raisonnables".



In-depth discussions with investment managers, supplemented by document reviews and on-site visits, make it possible to verify the robustness of practices and limit greenwashing risks. Each strategy is assigned two ratings, one financial and one ESG, supplemented by an ESG assessment at asset management company level as part of the ODD process, thereby ensuring a comprehensive and consistent view.

For a sub-advisory specialist, this framework is an essential means of meeting the requirements of the French Energy and Climate Law. It ensures the rigorous, transparent and documented selection of funds, incorporating sustainability risks, while encouraging allocation to genuinely responsible strategies that are compatible with a sustainable finance pathway.

4. OUR ESG APPROACH

The integration of environmental, social and governance (ESG) considerations at AAIS is a central pillar of the investment process and is based on a systematic approach applied across all strategies. This integration begins with the consideration of sustainability risks, understood as ESG events or conditions that may have a material negative impact on the value of investments.

AAIS implements a common framework for all funds, based on an assessment against the principles of the United Nations Global Compact and on ongoing controversy monitoring. This initial analysis identifies and measures non-financial risks from the investment-selection stage and then monitors them throughout the holding period, thereby ensuring that ESG considerations are continuously considered in portfolio management.

This approach is supplemented by a differentiated analysis framework according to each fund's sustainability level, with enhanced requirements for the most committed strategies. Accordingly, for Level 2, 3 and 4 funds, AAIS applies an in-depth ESG risk assessment based on scores provided by external service providers. This makes it possible to classify investments according to their risk level and identify those requiring particular attention.

In parallel, AAIS deploys a structured controversy management framework combining pre-investment analysis and ongoing monitoring to assess the severity and recurrence of incidents and the corrective measures implemented by issuers. These factors are fully integrated into investment decisions and may, depending on the circumstances, result in maintaining the position, enhanced engagement or divestment.

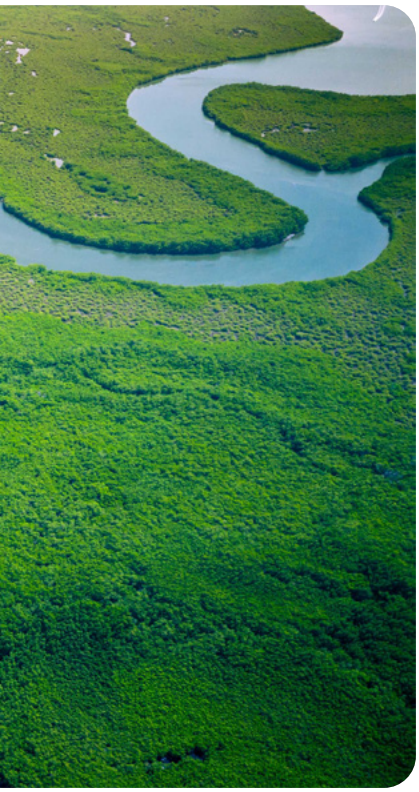
Lastly, ESG integration at AAIS is supported by an extensive set of tools designed to structure and strengthen non-financial analysis, including exclusion policies, good governance assessments and the use of sustainability indicators. Exclusions make it possible to exclude certain sectors, activities or issuers that do not comply with international standards or present high risks, while the governance analysis seeks to ensure that companies comply with minimum standards relating to management, employee relations, remuneration and compliance. Environmental and social indicators are also used to measure the characteristics promoted or the objectives pursued by the funds, ensuring consistency between stated commitments and investment practices. Together, this framework contributes to a structured, consistent and evolving responsible investment approach.

5. SUSTAINABILITY-RELATED INITIATIVES AND COMMITMENTS

ABN AMRO, and by extension its entities such as AAIS, participates in several leading international initiatives that provide a framework for responsible engagement in the financial sector. The most prominent include the UNEP FI Principles for Responsible Banking, which aim to align banking activities with the United Nations Sustainable Development Goals, and the Principles for Responsible Investment (PRI), which provide a framework for integrating ESG criteria into investment decisions.

On climate matters, ABN AMRO joined the Net-Zero Banking Alliance (NZBA), thereby affirming its ambition to align its portfolios with a pathway compatible with carbon neutrality. In line with this commitment, AAIS, as an asset management company, fully participates in this dynamic through its membership of the Net Zero Asset Managers initiative (NZAM).

In addition, ABN AMRO participates in the Partnership for Carbon Accounting Financials (PCAF), a key initiative that makes it possible to measure and standardize financed greenhouse gas emissions, thereby helping to strengthen climate transparency. In the area of specialized finance, particularly shipping finance, the bank is a signatory to the Poseidon Principles, which aim to align financing portfolios with the decarbonization objectives of the International Maritime Organization (IMO). It also applies to Equator Principles, an international reference framework for managing environmental and social risks in project finance.



ABN AMRO and AAIS also participate in collaborative shareholder engagement initiatives such as Climate Action 100+, which encourages the world's largest emitters to reduce their carbon footprint. AAIS is actively involved in this initiative and contributes to the Net Zero Engagement Initiative (NZEI), to extend engagement efforts to a broader universe of companies. These actions demonstrate a strong determination to influence issuer practices and support their transition towards more sustainable business models.

Lastly, in addition to participating in these market initiatives, AAIS is involved in various industry working groups, within the French Asset Management Association (AFG) and the Association of the Luxembourg Fund Industry (ALFI). On climate issues, AAIS also contributes to the work of the Institutional Investors Group on Climate Change (IIGCC). In addition, certain AAIS funds comply with the requirements of recognized labels such as the French SRI Label and LuxFLAG ESG in Luxembourg. Taken together, these initiatives strengthen the credibility, transparency and robustness of the AAIS offering, thereby consolidating its role as a committed and responsible participant in the financial ecosystem.

6. COMMUNICATION

Sustainability-related information is made available through documents published by AAIS and accessible on its website, at three levels: entity, fund and external investment manager.

1. At entity level (the "Sustainability" section)

The "Sustainability" section brings together the principal documents governing AAIS's strategy and commitments. In particular, the following are available:

- the Responsible Investment Policy;
- climate targets and the related monitoring reports;
- the Stewardship and Voting Report;
- the entity-level Principal Adverse Impacts (PAI) Report;
- this report.

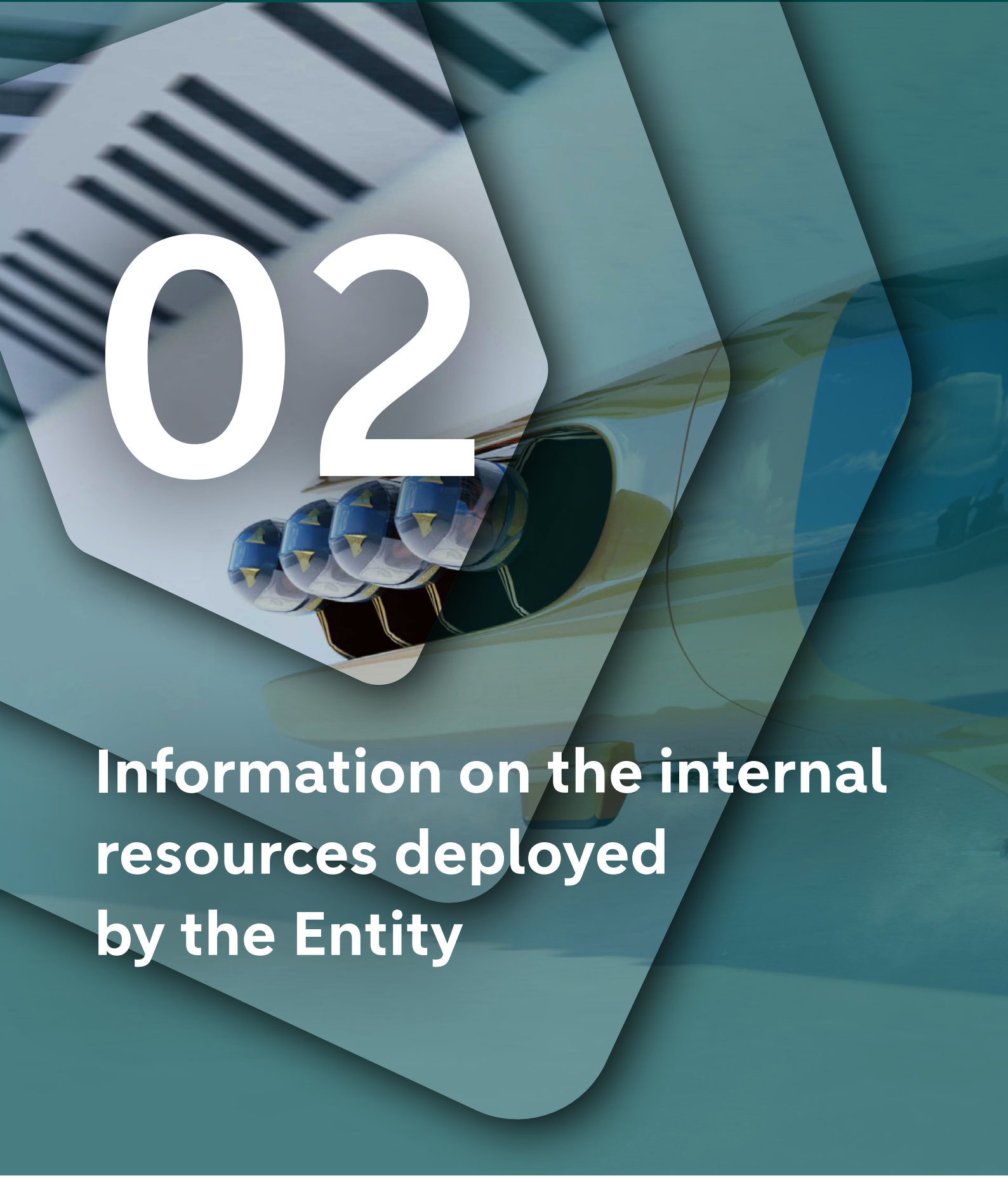
2. At fund level (the "Funds" section)

In the section dedicated to funds, investors can access comprehensive documentation incorporating regulatory sustainability requirements:

- SFDR pre-contractual disclosures for Article 8 and Article 9 products, available as an appendix to prospectuses and in the documentation specific to each product;
- SFDR periodic disclosures for Article 8 and Article 9 products, available as an appendix to annual reports and in the product documentation;
- for the funds concerned, annual ESG reports relating to the labels obtained, detailing commitments and non-financial performance.

3. At external investment manager level

AAIS also makes available information relating to its external investment managers and the associated ESG themes. This information takes the form of webinars and videos available through our Bright TALK channel, enabling a deeper understanding of sustainability issues and market practices.



02

Information on the internal resources deployed by the Entity

1. Human, financial and technical resources
2. Financial resources allocated to ESG
3. Actions taken to strengthen our internal capabilities

1. HUMAN, FINANCIAL AND TECHNICAL RESOURCES

Human resources

AAIS's ESG framework is based on an integrated, cross-functional organization involving all investment, control, structuring and support teams. This approach ensures that environmental, social and governance considerations are considered consistently and systematically at every stage of the investment process, from asset selection to risk monitoring and regulatory reporting.



ESG Team

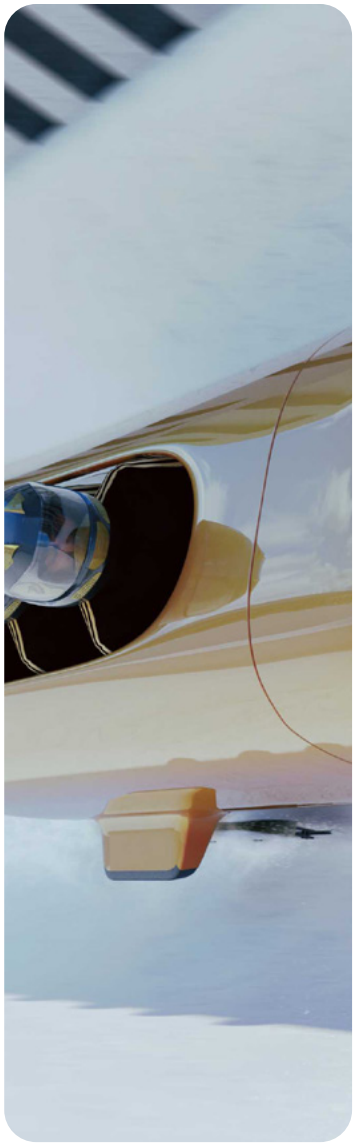
The ESG Team, comprising three full-time dedicated analysts under the supervision of the Head of ESG, is a fundamental pillar within the Investments department headed by AAIS's Chief Investment Officer. It plays an essential role in supporting all AAIS teams in interpreting regulations, disseminating best practices and developing responsible-investment processes, methodologies and tools. The ESG analysts provide comprehensive support on all ESG-related matters, ensuring that these criteria are integrated consistently across the company.

The ESG Team's key responsibilities include:

- Implementing our voting policy and managing our engagement activities with stakeholders, thereby ensuring consistency and integrity of our responsible-investment practices;
- Playing a leading role in defining ESG control parameters, including the creation of rigorous and measurable criteria for assessing the ESG performance of our investments;
- Working in close cooperation with the Manager Due Diligence (MDD) team and Operational Due Diligence (ODD) specialists to improve external investment managers' procedures, providing expert advice to guide managers in adopting best practices. The ESG Team actively participates in ODD and MDD rating committees, where it contributes to the ESG assessment of asset management companies and their investment strategies;
- Working closely with the product structuring and product management teams to design and deploy investment products fully aligned with our ESG criteria. This includes defining product characteristics, selecting relevant ESG criteria and integrating them throughout the product life cycle;
- Participating actively in expert groups and market initiatives focused on sustainability, which enables the team to remain at the forefront of innovation and responsible-investment best practice;
- Maintaining regular and transparent communication with the Executive Committee by providing detailed reports on progress and challenges relating to ESG initiatives and making strategic recommendations to strengthen the integration of ESG criteria across the company.

Analysts dedicated to manager research and selection (MDD) and analysts dedicated to assessing asset management companies (ODD)

The analysts research and select high-quality external strategies and monitor the universe of approved strategies. The team follows a rigorous and in-depth selection process combining quantitative and qualitative approaches. Our quantitative analysts provide the manager's research and selection team with quantitative analysis tools, including clustering of performance and risk profiles, ESG screening, investment style and factor analysis, and portfolio-construction models, in support of the selection process.



Since 2016, the team has developed its own qualitative methodology to assess an external investment manager's ESG commitment and good practices and to evaluate the ESG quality of an investment strategy. Analysts specialize by asset class and geographical area, covering European equities, North American equities, emerging-market and Asian equities, global and thematic equities, fixed-income strategies, alternative strategies and multi-asset strategies. Each analyst is responsible for ensuring proper ESG implementation within their respective asset class and geographical area.

For all strategies, the process includes an initial stage of document collection and analysis, followed by a second stage comprising several meetings, ideally on site or failing that, by videoconference. Analysts assess the external investment manager's commitment to transparency on ESG and sustainable investment by reviewing and rating the Parent, People, Process, Portfolio and Performance pillars. They also assess the extent to which, and the stages at which ESG criteria are integrated into investment strategies and genuinely considered in the investment process and portfolio.

The assessment covers whether the organization, investment team and resources, including tools, are appropriately configured to integrate ESG criteria while contributing to the strategy's risk and return positioning. Analysts also consider the external investment manager's engagement practices and the way in which initiatives such as the UN PRI and Climate Action 100+ are reported and monitored.

The investment strategy's ESG rating is debated by a rating committee attended by the ESG Team, AAIS portfolio managers and all MDD analysts. This committee is the cornerstone of the decision-making process for selecting external strategies. As part of the monitoring process, the MDD team analyses the strategy's behavior at predetermined intervals to ensure that it remains consistent with the portfolio's investment style over time. Analysts also monitor all major events affecting external investment managers, including changes concerning portfolio managers, analysts and ESG analysts, the investment process and engagement capabilities.

When assessing an ESG or sustainable fund, regular discussions are held with the external investment managers. The analyst is responsible for drafting a report that includes a review of the portfolio holdings based on ESG ratings and other risk scores.

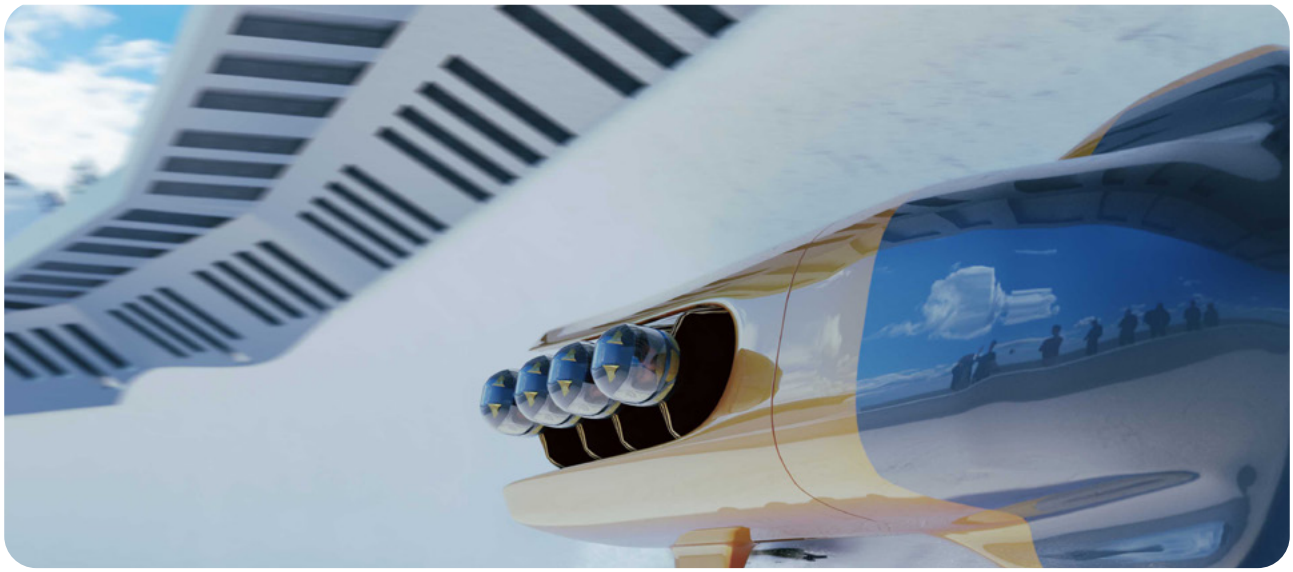
Manager research and selection analysts devote at least 40% of their time to integrating sustainability into their selection and monitoring processes.

Before an external investment strategy is finally selected, our ODD specialists assess the selected asset management company, including its financial soundness, governance, the consistency of its organization with the investment process presented, the robustness of its operations, risk management and compliance processes, and its expertise. The team also examines in detail the tools used, including front-office tools, execution systems and risk controls, the monitoring of essential service providers and IT security aspects.

The process includes an initial stage of document collection and analysis, followed by a second stage comprising several meetings, ideally on site or, failing that, by videoconference. The ODD team uses a detailed and evolving proprietary ESG questionnaire that enables it to assign an independent rating specifically dedicated to the external asset management company's ESG approach and responsible-investment framework. ODD analysts examine the ESG objectives set by the external investment manager and the initiatives and metrics adopted to measure progress. When assessing sustainable investment strategies, analysts take care to identify any inconsistency between ESG commitments made at company level and those made at fund level.

ODD analysts have a right to veto if the external investment manager does not meet the minimum requirements. Following final selection of an investment strategy by the MDD team, the ODD team conducts a full operational due diligence review every two or three years, depending on the identified risk level and the assets managed by the external asset management company concerned.

Our ODD specialists estimate that they devote approximately 30% of their time to analyzing the asset management company's ESG approach, a proportion that has increased steadily since ESG was formally incorporated into the ODD process.



Portfolio Management and Multi-Management Team

Our five portfolio managers are responsible for managing equity, fixed-income and diversified portfolios, together with multi-management portfolios based on the universe of delegated mandates and external funds selected by AAIS. At end of 2025, three portfolio managers held the CFA ESG qualification.

The team managed EUR 8 billion in assets at end-December 2025 and had an average of 20 years' experience in portfolio management for individual, corporate and institutional clients.

The investment process combines asset-allocation views defined by an allocation committee, fund selection from the universe defined by our ODD and MDD teams, and portfolio construction based on quantitative tools and the extensive knowledge acquired through the portfolio managers' experience. Portfolios, with direct equity and bond investments receive advice from various entities within the ABN AMRO Group, to which AAIS belongs.

As ESG integration is a key component of our investment process, the Portfolio Management Team is in regular contact with the AAIS ESG Team to maintain regulatory monitoring and deploy our ESG integration policy across managed portfolios, in accordance with the rules defined in contractual and regulatory documentation. For direct investments, the team selects instruments that comply with the asset management company's ESG standards and the funds' ESG or sustainable objectives. This process includes exclusions and a qualitative ESG integration assessment before an instrument is selected.

For multi-management fund selection, SFDR Article 8 and Article 9 products are preferred where available in the desired asset class. Decisions are discussed at a weekly investment committee where financial and non-financial pillars are integrated into the decision-making process.

In addition, the Portfolio Management Team holds monthly meetings with the manager research analysts, during which convictions relating to the ESG integration of different strategies are also discussed. The team also participates in regular update meetings with the underlying external investment managers, quarterly or annually depending on the amount invested, together with the MDD team, to assess whether their ESG approach and choice of sustainability indicators are consistent with those of the multi-management fund.

Specific investment cases are examined from a non-financial perspective, both in terms of risks and opportunities and in terms of contribution to environmental, social or governance issues. Specific engagement cases may also be discussed where applicable. Lastly, the Portfolio Management Team assists clients wishing to adapt to the non-financial constraints of their portfolios. A sound understanding of the impact of integrating non-financial criteria on the investment universe and the portfolio is essential to securing client support.

The Portfolio Management Team devotes approximately 30% of its time to integrating sustainability into the investment process. This includes contributing to updates of regulatory documentation, discussions with the ESG Team and external investment managers, integrating non-financial criteria into decision-making, formalizing and monitoring such decisions, and drafting non-financial reports.

Structuring Services Team



The Structuring Services Team specializes in:

- Fund structuring activities. The team creates financial strategies, taking sustainability characteristics into account, appoints and monitors external investment managers, establishes contractual relationships with external investment managers, including delegation and exclusive distribution agreements, manages product and strategy governance and contractual arrangements, and organizes access to specific assets such as derivatives;
- Product management activities. The team prepares and updates regulatory documentation, including SFDR documentation, is responsible for the corporate life of funds, acts as the point of contact for regulators and manages fund registrations in various countries.

Structuring and product management staff devote approximately 40% of their time, on an estimated basis, to integrating sustainability requirements into our legal documentation.

Business Control Team

Within the scope of its responsibilities, the Business Control Team performs first-level monitoring of the regulatory and legal investment limits applicable to our fund range, including ESG-related requirements formalized in the Investment Management Agreement with the external investment manager. These controls are mainly performed using Aladdin®. Some controls require additional development.

If an alert is generated, the Business Control Team investigates and, if it considers this necessary, forwards the alert to the portfolio managers and ESG analysts to obtain an analysis and action plan to close the alert. Non-financial investment constraints are configured in Aladdin®:

- On a pre-trade and post-trade basis for directly managed portfolios;
- On a post-trade basis for portfolios whose management has been delegated.

The Business Control Team devotes approximately 50% of its time, on an estimated basis, to monitoring ESG regulatory and legal limits.

Investment Risks Team

The Investment Risks Team specializes in analyzing and monitoring performance and investment risks, including market, liquidity, counterparty credit, leverage and ESG risks. It is also responsible for daily monitoring of the risk budgets allocated to portfolios. It uses Aladdin® to calculate a broad range of risk indicators and to establish and manage alerts if internal constraints are breached. In addition, it uses Sustainalytics and ISS data to monitor, among other matters, ESG risk ratings, controversies and the carbon intensity of our fund range.

The Investment Risk Team devotes approximately 15% of its time, on an estimated basis, to monitoring ESG risks.

Academic Research Team

AAIS's Portfolio Management Team draws on research carried out by a team of four quantitative analysts. The team includes three experts holding doctorates in economics, two of whom are university professors. It contributes to the external investment manager selection process by identifying promising managers at an early stage and analyzing exposure to risk factors and investment-style behavior. It develops internal models that enable an in-depth analysis of investment universes by mapping external investment managers and homogeneous fund groups according to specific criteria. The team covers a universe of more than 150,000 funds and 112 asset classes. It is also involved in ESG screening of the investment universe.

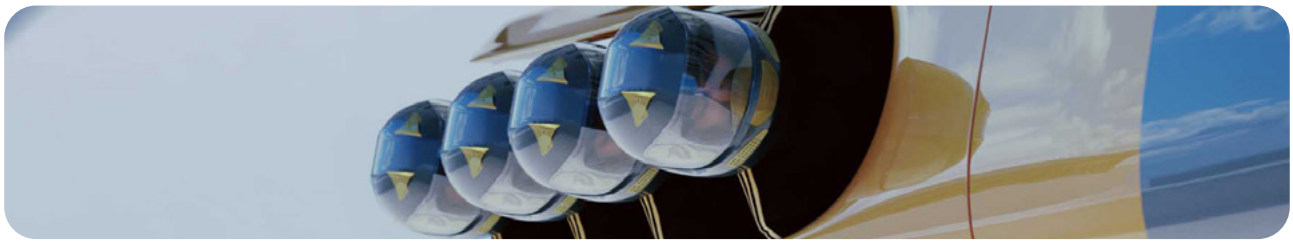
The Academic Research Team devotes approximately 15% of its time to ESG-related matters.

Data Management Team

The Data Management Team is responsible for data management within ABN AMRO Investment Solutions, including data quality, availability and control. For ESG purposes, we use data from two providers, ISS and Sustainalytics. The matching of counterparties and issuers between these two sources and those in our portfolio management system, Aladdin®, will be managed through our Enterprise Data Management (EDM) solution supplied by S&P Global Intelligence.

All data from these two providers that are relevant for reporting will be integrated into EDM and made available through Power BI. Data Management ensures that the matching of counterparties across the different sources is as reliable as possible and that the data is properly updated. The team will use this data to calculate new indicators based on rules defined internally by our experts.

The Data Management Team devotes approximately 15% of its time to carrying out the various controls and ensuring the quality of sustainability data. It anticipates temporary increases in this allocation, particularly when developing new calculations involving new ESG and climate data.



Research resources

Academic research

In 2025, research efforts focused on six projects:

- **Sustainable multi-manager portfolio optimization under factor uncertainty**

This project proposes a new sustainable portfolio-optimization approach designed to achieve greater performance stability over time. The methodology combines minimization of factor exposures and maximization of alpha, while explicitly incorporating the uncertainty associated with the factor models used to estimate fund exposures and abnormal returns. This robust approach makes it possible to build portfolios that are more resilient to factor variability and the inherent limitations of traditional models.

- **The ECB's green policy: trade-off between market neutrality and carbon neutrality**

This work revisits and extends the analytical framework developed in the paper "The ECB's Green Policy: Is There a Market vs Carbon Neutrality Dilemma?" The study models the European Central Bank as a constrained investor and establishes an efficient frontier illustrating the trade-off between:

  - Maintaining market neutrality, and
  - Reducing the carbon footprint of its bond portfolio.

The empirical application to euro-area issuers, based on carbon intensity, shows that significant decarbonization can be achieved without departing substantially from market weights, provided that relevant metrics and high-quality data are available. The project therefore sheds light on the practical implications of climate-sensitive monetary policy.

- **Too many shades of green: ESG classification and effects on performance and style**

Building on the work "Style Bias in Sustainable Investing: Assessing the Impact of Greenwashing", this project analyses the considerable heterogeneity of ESG classification schemes and its effects on performance assessment. Despite limited overlap between declarative classifications, including fund names, labels and SFDR codes, and objective measures such as scores and non-financial indicators, the study identifies robust findings:

  - Lower average performance;
  - Higher volatility;
  - Lower alpha;
  - A marked style bias, with an overweight to the growth factor and underexposure to momentum.



These findings highlight the risks posed by inconsistent or imprecise classifications in sustainable-finance research.

- **A Shapley-Kernel framework for factor timing and multifactor investing**

This project develops a real-time framework combining:

- Kernel-weighted factor models, and
- A Shapley decomposition that consistently attributes factor importance.

This innovative approach dynamically identifies factor regimes, and the dominant driver of equity returns. Based on directional factor measures, the team designs a dynamic portfolio intended to minimize factor-tracking errors. The resulting strategy outperforms European indices with a better risk-return ratio, including after-transactive costs.

- **Latent sustainability and classification bias: a noise-robust approach[2]**

This project develops a framework based on instrumental-variable techniques to assess the performance of funds described as sustainable when ESG classifications are noisy or subject to misclassification. Using SFDR Article 9 classification as a robust regulatory instrument, the analysis shows that:

- Ignoring classification noise leads to a systematic underestimation of the effect of sustainability on performance;
- A robust approach corrects these biases and provides a more reliable measure of the true value of sustainability in active management.

2. Noise is defined here as all factors that interfere with and obscure accurate information.

- **The cost of efficiency: how fees reshape the efficient frontier**

This project examines how management and transaction fees, which are often ignored in theoretical models, fundamentally alter the mean-variance efficient frontier. A two-asset theoretical analysis, supplemented by numerical simulations, shows that costs differentiated by asset class can:

- Shift the efficient frontier;
- Reduce diversification benefits;
- Exclude from the optimal portfolio certain asset classes that nevertheless generate gross alpha.

Using actual cost measures, namely the Total Expense Ratio (TER) and Total Cost of Ownership (TCO), for seven major asset classes, three efficient frontiers are constructed: gross, net of TER and adjusted for all costs. The project highlights the growing need for genuine cost-aware management, reinforced by regulatory developments promoting transparency and investor protection.

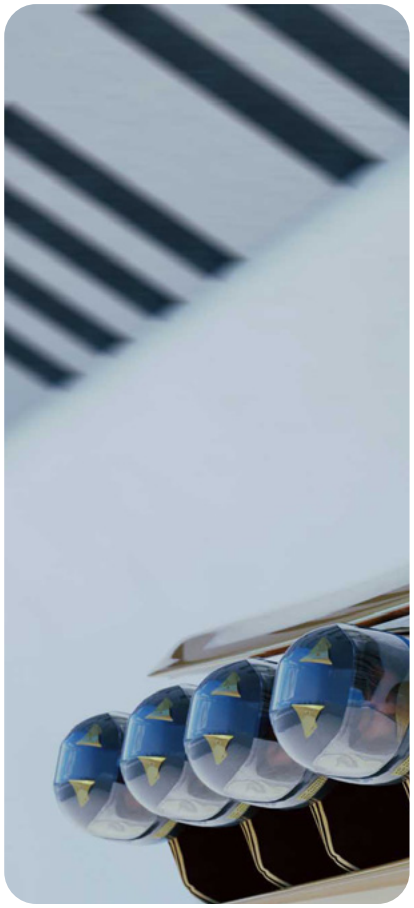
Investment-strategy research

AAIS selects external investment managers through an in-depth process drawing on the expertise of its MDD and ODD analysts. Our selection process for active external investment strategies is divided into five stages:



- Step #1: Research and identification of eligible strategies.
- Step #2: Ranking of investment strategy quality relative to its category.
- Step #3: In-depth qualitative analysis of the investment strategy relative to its category.
- Step #4: In-depth qualitative analysis of the asset management company.
- Step #5: Validation of the selection by the Selection Committee.

As part of the qualitative analysis of the investment strategy at Stage 3, analysts seek to determine whether an investment team can reproduce the strategy's results over time. The analyst focuses on five key aspects: the firm, the team, the investment process, the portfolio and performance.



Analysts assess:

- The parent company;
- Investment teams, including their organization, expertise and experience, as well as ESG and engagement teams;
- The investment philosophy;
- The investment process, including financial and non-financial aspects such as idea generation, research, security selection, portfolio construction and engagement with companies;
- Risk control.

Analysts first attend presentations, meetings, conferences and any other events that enable them to gather information used to identify the potential strengths and weaknesses of the strategy under consideration. A full qualitative review is then completed before any on-site visit. This review is conducted through a proprietary questionnaire available on our digital due diligence platform or through videoconference interviews, making it possible to meet participants in the investment process, including portfolio managers and financial, ESG and engagement analysts.

Meetings with the teams are then used to deepen the analysis by:

- Reviewing all portfolio holdings;
- Assessing the dynamics of the investment team;
- Verifying that each position complies with the fund's investment process;
- Assessing the company's fundamental and ESG research;
- Using a real case to assess investment tools.

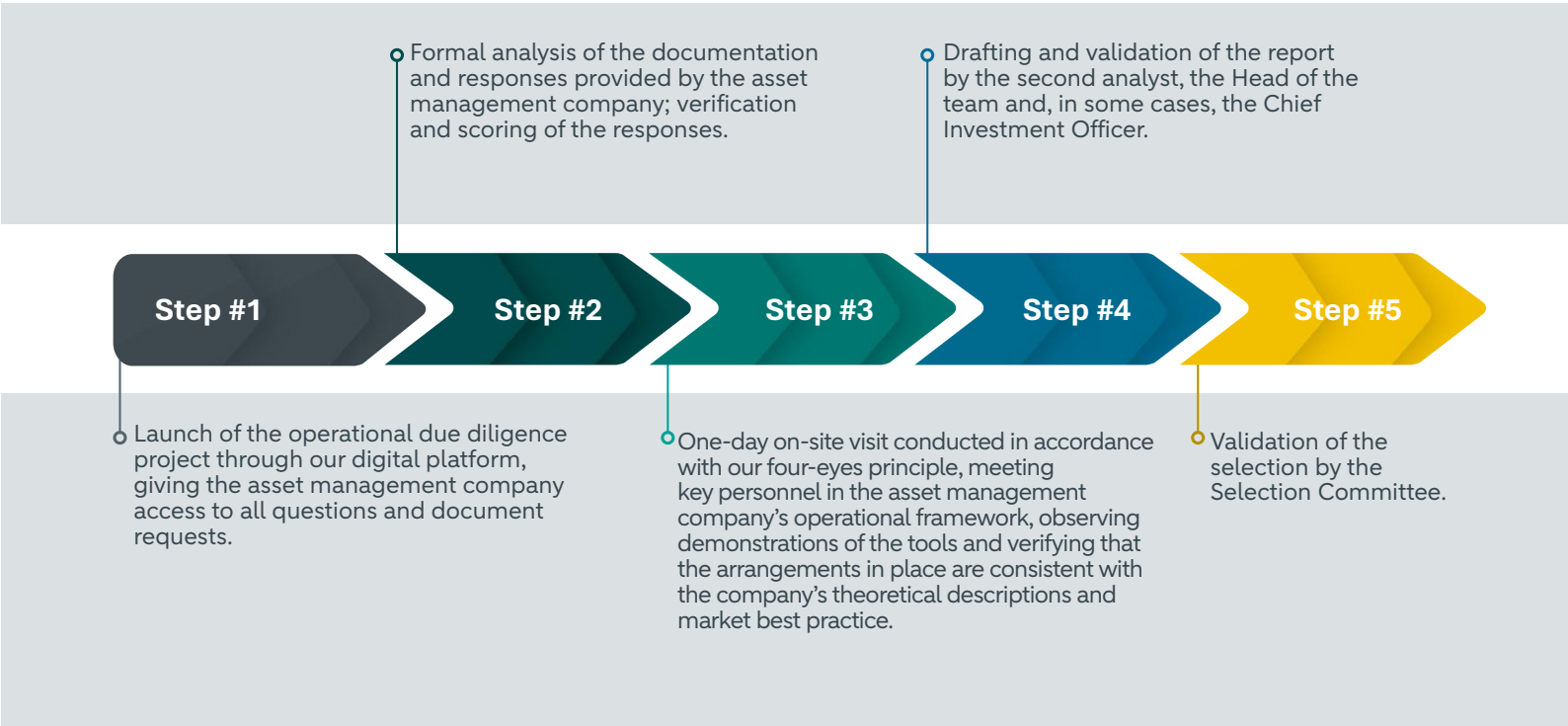
Our analysts also seek to assess the external investment manager's ESG commitment, including relevant policies and sustainability-related memberships. They seek to understand the existing expertise, its interaction with the investment team and the tools used to integrate ESG criteria into the investment process. Attention is paid to the consistency of portfolio positions with that process. Analysts also assess the engagement process in place, the voting policy applied and the transparency of reporting on the outcomes of actions taken.

They then prepare a comprehensive report based on which the strategy receives two ratings, one indicating intrinsic quality and the other ESG quality. The report is produced on our due diligence platform and is based, among other matters, on selection criteria covering:

- Structural and human risks within investment teams;
- Asset-management capacity, including the distribution of assets under management, team size, organization, experience and tools;
- Investment processes, including security selection, research quality, investment philosophy, consistency of selected holdings, style, order execution and performance attribution;
- ESG integration, including organization, transparency of the investment process, quality of ESG research, ESG positioning of the portfolio and shareholder-engagement credentials;
- Risk controls, including control methods and tools;
- Performance, including the future repeatability of performance and consistency of risk-adjusted performance.



Our selection process for asset management companies, for which the ODD team is responsible, comprises five stages organized around six areas of analysis.





The resulting ODD report contains two ratings:

- The first rating relates to the intrinsic operational framework, covering five of the six analysis pillars:
  - the corporate aspects of the asset management company, including governance, ownership and financial soundness;
  - front-to-back organization;
  - IT arrangements;
  - risk organization;
  - the organization of the compliance function.
- A separate second rating covering the final analysis pillar, namely the asset management company's ESG commitment, including its corporate social responsibility policy, inclusion policies and initiatives.

The combination of an MDD ESG rating and an ODD ESG rating, in addition to the two traditional ratings, enables AAIS to carry out a genuine consistency check on the ESG approach of the selected asset management companies and strategies. These ratings are debated by the committee. This unique proprietary approach makes it possible to identify asymmetries in ESG approaches that are often conducive to greenwashing.

Our rating scales are as follows:

- Financial ratings range from 1 to 5, with 1 being the best score



- ESG ratings range from A to E, with A being the best score



External ESG data providers

ESG and sustainability indicators are monitored using external data providers, enabling the assessment and control of portfolio ESG characteristics. ABN AMRO Investment Solutions regularly assesses data quality and coverage, recognizing that the availability and quality of ESG data can vary considerably across markets, sectors and company sizes.

Procedures for managing data gaps and uncertainties include supplementary research and conservative assumptions where data are unavailable or unreliable. AAIS recognizes potential limitations in ESG data availability and incorporates these limitations into risk-assessment and decision-making processes. Regular reviews and updates of data-provider relationships ensure that we benefit from continuous improvements in data quality and coverage, while fostering a critical and proactive approach to understanding data limitations and addressing potential biases.

Main ESG data providers:

Provider	Use by ABN AMRO Investment Solutions
MORNINGSTAR	• Controversy analysis • ESG risk assessment for corporates and sovereign issuers • Exclusions • Principal Adverse Impacts
ISS	• Climate analysis • Corporate governance research • Energy-sector screening • Exclusion research and analysis • Principal Adverse Impacts • Proxy voting recommendations • Voting at annual and extraordinary general meetings • Environmental Taxonomy alignment • Contribution to the UN Sustainable Development Goals

2. FINANCIAL RESOURCES ALLOCATED TO ESG

The budget allocated to ESG activities, excluding the payroll costs of the dedicated team, includes expenditure relating to voting activities, the acquisition of ESG data, labelling processes and membership of market initiatives. It amounted to EUR 421,665 including taxes in 2025.

3. ACTIONS TAKEN TO STRENGTHEN OUR INTERNAL CAPABILITIES

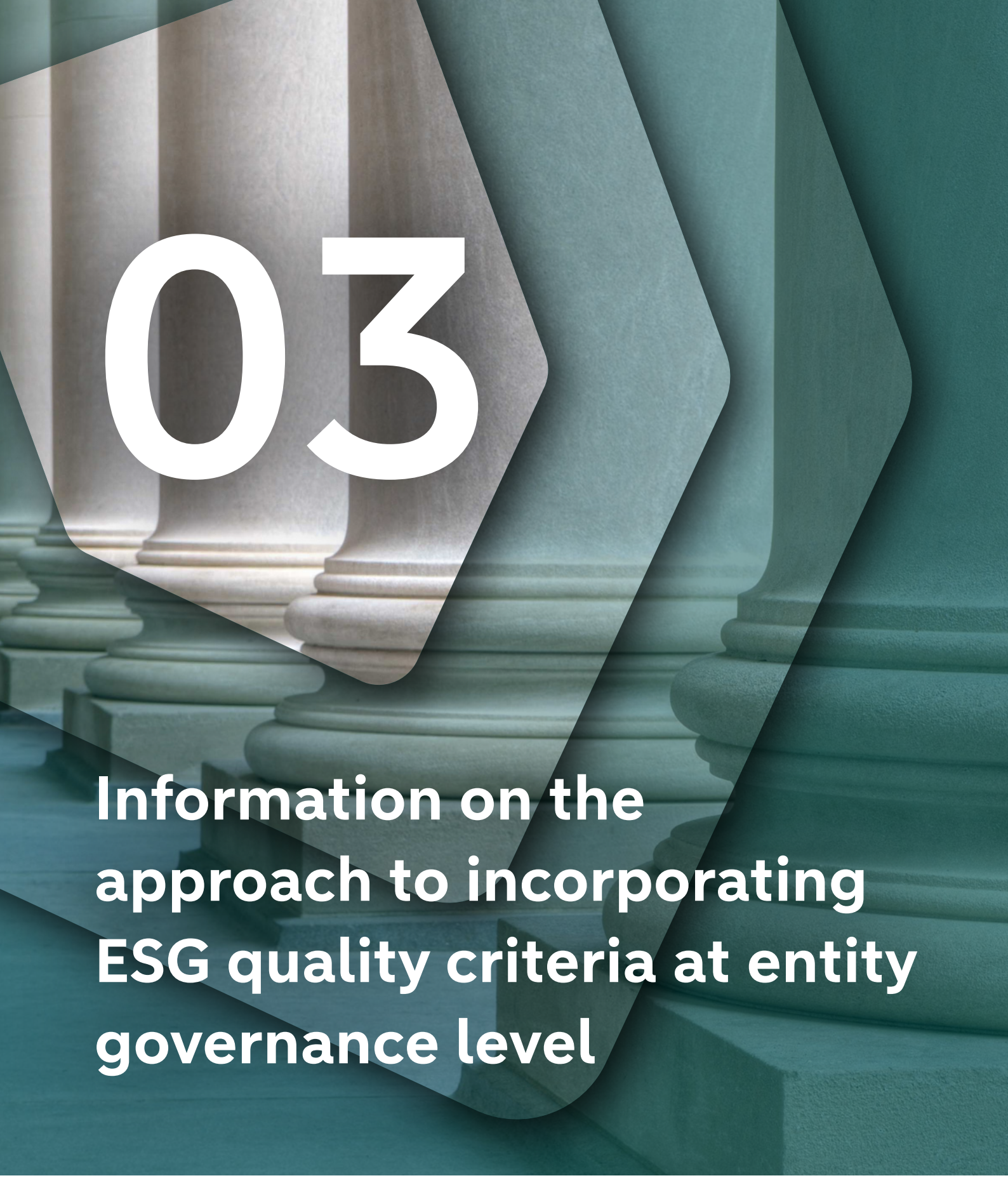
The Company continuously strengthens its internal ESG capabilities through a structured ongoing-training framework combining internal courses and specialist external training. This approach forms part of a continuous improvement process intended to support developments in market practices, investor expectations and the regulatory framework. Recognized qualifications such as the CFA ESG contribute to consolidating the team's expertise.

Portfolio management and analysis teams receive ongoing training on sustainability issues. Sixty per cent of the Portfolio Management Team, 60% of our MDD analysts and 100% of our ODD analysts hold the CFA ESG qualification. In addition, the ESG Team regularly organizes internal training sessions on topics such as SFDR and Net Zero to strengthen teams' expertise.

In 2025, dedicated training covered our Net Zero commitment and its implications for MDD and ODD teams and portfolio managers, including the integration of decarbonization pathways and climate risks into portfolios.

Participation in external working groups, committees and initiatives relating to ESG and sustainability also enriches internal knowledge, allows approaches to be compared with market best practice and supports the continuous development of the Company's frameworks and methodologies.





03

Information on the approach to incorporating ESG quality criteria at entity governance level

1. Governance bodies
2. Organization of AAIS
3. Incorporation of ESG matters into the Articles of Association
4. ESG expertise of the governance bodies
5. Remuneration policy

1. GOVERNANCE BODIES

AAIS is managed by its Managing Board under the supervision of the Supervisory Board.

Managing Board

AAIS is managed by a Managing Board composed of a Chairman and Chief Executive Officer, François-Xavier Gennetais, and a Managing Director, Christophe Boucher, Chief Investment Officer. The Managing Board is responsible for defining the company's strategy, ensuring the effectiveness of its organization, overseeing its financial and non-financial performance, and maintaining its profitability.

Supervisory Board

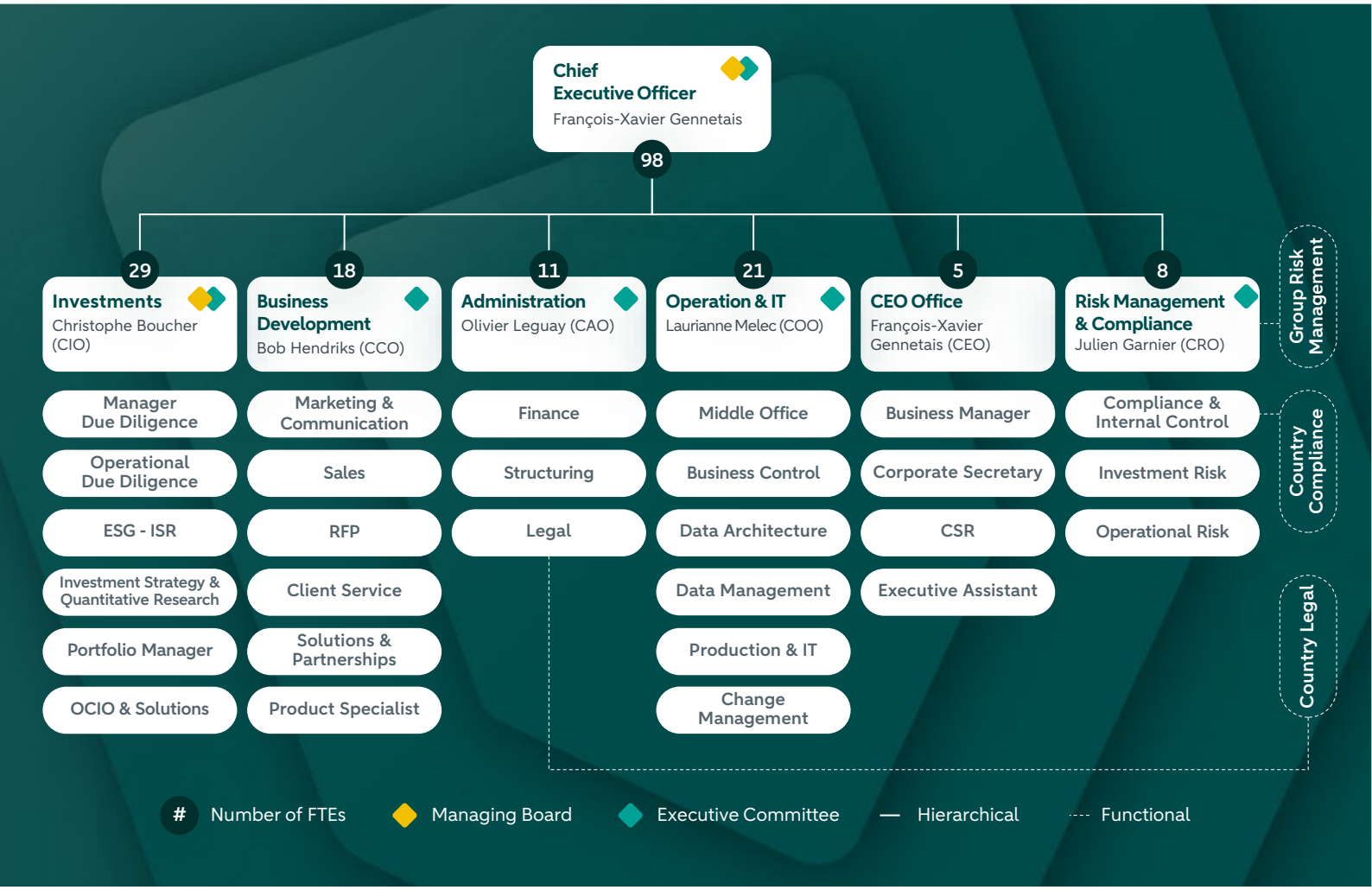
The AAIS Supervisory Board comprises three internal directors from ABN AMRO Bank N.V.: Solange Rouschop, Chair and Head of Sustainability at ABN AMRO Bank N.V.; Inge Gijsberts, Vice-Chair and Head of Financial Crime Surveillance and Detection at ABN AMRO Bank N.V.; and Willem-Jan Lenters, Director and Head of Corporate and Institutional Sales at ABN AMRO Bank N.V. It also includes two independent directors, Caroline Muste-Merks and Silvia Bocchiotti.

The Supervisory Board oversees the Managing Board and monitors the implementation of AAIS's strategy. The Supervisory Board reviews financial results, key business development priorities, operational projects, major risks, compliance matters and related action plan.

The Supervisory Board recognizes that AAIS has integrated ESG considerations into its strategy, with the objective of becoming the leading European ESG multi-management company. AAIS has established key performance indicators (KPIs) to achieve this objective. The Supervisory Board monitors these KPIs, including ESG-related indicators such as changes in ESG and sustainable assets under management, policies incorporating sustainability and fund labelling. The AAIS Managing Board submits a quarterly activity report, including ESG information, to the Supervisory Board.

2. ORGANIZATION OF ABN AMRO INVESTMENT SOLUTIONS

Chart 1 - Simplified organizational structure of ABN AMRO Investment Solutions



3. INCORPORATION OF ESG MATTERS INTO THE ARTICLES OF ASSOCIATION

The internal rules of the AAIS Supervisory Board specify that "the Board's strategy shall be consistent with the company's sustainable-development objectives, with particular attention paid to social, environmental and governance factors".

The internal rules of the Supervisory Board take ESG criteria into account by providing that the Supervisory Board must be guided in the interests of the company and its business activities. It must consider the relevant interests of all stakeholders and consider the social aspects of business conduct, in each case in accordance with applicable laws and regulations. However, measurable ESG criteria are not explicitly incorporated into the Articles of Association.

4. ESG EXPERTISE OF THE GOVERNANCE BODIES



Managing Board

Members of the management of ABN AMRO Investment Solutions are eligible for ABN AMRO Bank N.V.'s international employee training programme. They have developed their expertise and knowledge through active participation in strategic ESG decisions, external memberships such as the French Asset Management Association (AFG), and external sustainability events and publications.

The Managing Board of ABN AMRO Investment Solutions draws on the ESG expertise developed by the AAIS ESG Team. Interactions with the ESG Team are integrated into the decision-making process. The ESG Team maintains regular and transparent communication with the Managing Board, which is essential to ensure that the company's strategic decisions are informed by the latest developments in sustainability.

The ESG Team reports directly to the Managing Board on progress made under ESG initiatives and on the challenges encountered. In addition to providing an overview of ongoing activities, the ESG Team presents strategic recommendations designed to strengthen the integration of ESG criteria within the company. These recommendations may relate to updating investment policies, improving ESG reporting practices or implementing new initiatives in response to emerging regulatory requirements.

This proactive approach not only ensures that the company remains at the forefront of responsible-investment practice, but also that its operations are aligned with its long-term sustainability objectives.

In addition, the ESG Team reports monthly on its activities through the Enterprise Risk Management framework, ensuring continuous oversight and effective management of ESG-related risks.

Through this ongoing interaction, the ESG Team plays a crucial role in promoting a sustainability-focused corporate culture and ensuring that ESG criteria are integrated consistently throughout the organization.

The AAIS Managing Board has expertise in corporate social responsibility (CSR) and ensures the integration of social, environmental and ethical matters into internal activities. For this purpose, management has appointed a Head of CSR, responsible for steering and coordinating the implementation of the CSR strategy in line with the commitments of the ABN AMRO Group and applicable regulatory requirements. The Head of CSR reports periodically to the Managing Board on the progress of ongoing projects and on specific regulatory and legal developments.

The ESG and CSR frameworks interact regularly to ensure consistency between the company's internal commitments and its responsible-investment practices. This organization contributes to strengthening the management of non-financial risks and the sustainability of the operating model.

Supervisory Board

Collectively, the members of the Supervisory Board have experience in ESG matters and keep their knowledge up to date by participating in dedicated internal committees, market initiatives, working groups, training courses and conferences.

5. REMUNERATION POLICY

Context

The purpose of the remuneration policy is to specify the mandatory prerequisites and principles applicable to performance and remuneration management as defined by ABN AMRO Bank N.V., in accordance with the various regulations applicable to AAIS, namely the UCITS V and AIFMD Directives and the SFDR.

The policy is a continuation of that described in the 2025 Energy and Climate Law Report. No material changes were made to its principles, governance or mechanisms in respect of the 2025 financial year.

Our remuneration policy considers internal factors such as the organization, our objectives, our values and long-term interests, to ensure a sustainable and responsible policy consistent with ABN AMRO Bank N.V.'s objectives relating to sustainability, social engagement and the products and services provided to our clients.

Individual objectives

Individual objectives are formulated using the SMART method, meaning that each objective is Specific, Measurable, Achievable, Realistic and Time-bound. The objectives are therefore precisely identified and observable using indicators known to the employee.

They must be consistent with the overall strategy of the Neuflize OBC Economic and Social Unit, as well as its risk profile, values and long-term interests. This includes the sustainability objectives set by ABN AMRO and adopted by the Neuflize OBC Economic and Social Unit, objectives relating to social engagement, and sustainability impacts and risks associated with the products and services provided to our clients.



Achievement of these objectives, which are agreed between the employee and the employee's manager at the beginning of the performance period, determines the employee's eligibility for variable remuneration for that period. The objectives comprise quantitative objectives, both financial and non-financial, and qualitative non-financial objectives relating, for example, to the role and position.

ABN AMRO places particular emphasis on promoting sustainable business practices. Employees do not have separate objectives specifically relating to the integration of Socially Responsible Investment but may include actions or indicators relevant to their function within their individual objectives.

Variable remuneration

Variable remuneration may be awarded where objectives are achieved and contribute to the company's overall performance. The level of remuneration is calibrated to discourage excessive short-term risk-taking.

ABN AMRO Investment Solutions is subject to the regulations applicable to the asset-management sector, including AIFMD and UCITS. In accordance with these Directives, ABN AMRO Investment Solutions has identified categories of employees whose professional activities may have a material impact on the company's risk profile.

The members of the Supervisory Board, the Managing Board and the Executive Committee, as well as the Head of Portfolio Management, portfolio managers, the Head of Compliance and Internal Control, the Head of Risk Management, the Head of Business Development and any other person whose activities have an impact on the risk profile of ABN AMRO Investment Solutions comparable to that of the functions listed above, and whose remuneration is significant, fall within the scope of these provisions and are subject to specific payment conditions, including deferral arrangements depending on the amounts awarded.

Scope and developments

The remuneration policy applies to all AAIS employees. In line with ABN AMRO Bank N.V., AAIS has formally integrated environmental, social and governance considerations, including sustainability risks, into its remuneration policy to ensure consistent alignment between internal incentives, the company's strategy and its sustainability objectives.

04

Information on the strategy for engagement with issuers or with external management companies and its implementation

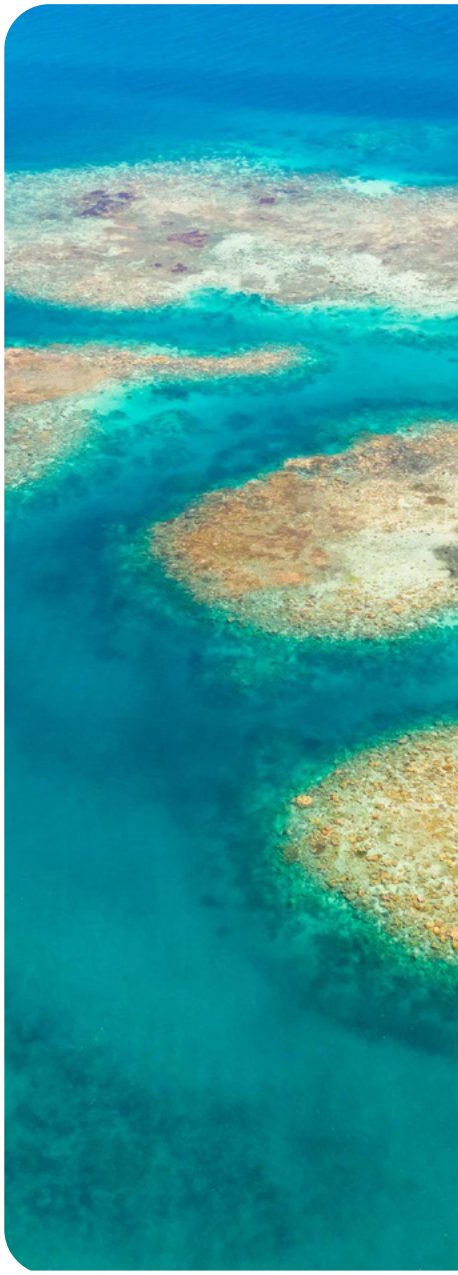
1. Principle
2. Voting
3. Key figures for our voting activities
4. Engagement

1. PRINCIPLE

As part of its stewardship approach and in accordance with the requirements of the French Energy and Climate Law, AAIS relies on an active voting and engagement policy, which constitutes an essential lever for promoting sustainable and responsible practices. The information presented below provides a summary of this approach. Full details of these activities are available in our dedicated annual Stewardship Report on voting and engagement.

2. VOTING

As part of its responsible asset-management approach, AAIS fully integrates voting and engagement practices as essential levers for creating sustainable value, in line with the requirements of the French Energy and Climate Law.



AAIS actively exercises its voting rights at the general meetings of the funds it manages, drawing on the expertise of its in-house ESG Team to define positions that are consistent with its sustainability objectives. This approach is supported by a partnership with ISS Governance, whose SRI proxy voting guidelines are aligned with major international standards, including the UN PRI, the United Nations Global Compact and UNEP FI. These guidelines provide a framework for voting decisions while combining financial performance with non-financial considerations.

AAIS nevertheless retains independent judgement through its own proxy voting policy, enabling it to adapt its decisions to its ESG convictions and avoid a purely standardized approach.

Engagement is a complementary key pillar and takes the form of ongoing dialogue with investee entities in order to improve their environmental, social and governance practices. This proactive strategy, combined with enhanced transparency through the publication of voting records, enables AAIS to demonstrate active and responsible governance, which is essential for a sub-advisory specialist seeking to align its investments with sustainable-transition objectives.

All information relating to these practices is available in the section of our Responsible Investment Policy dedicated to the proxy voting policy, together with detailed annual statistics in our Annual Stewardship Report on voting and engagement.

3. KEY FIGURES FOR OUR VOTING ACTIVITIES

In 2025, we participated in 1,762 shareholders' general meetings, at which we voted on 22,193 resolutions, representing total assets under management of EUR 8.1 billion. Our participation rate was 96.2%, reflecting a high level of commitment to exercising our voting rights.

Votes "For" represented 80.2% of the total, compared with 18.3% of votes "Against" or "Withhold" and 1.5% abstentions. Overall, 81.8% of our votes were in line with management recommendations, while 18.2% were not in line with management recommendations, reflecting a disciplined and independent approach.

Governance-related resolutions were by far the most prevalent, accounting for more than 80% of the total. Detailed information is available through our online vote-disclosure tool, accessible on our website, and in our Annual Stewardship Report on voting and engagement.

4. ENGAGEMENT

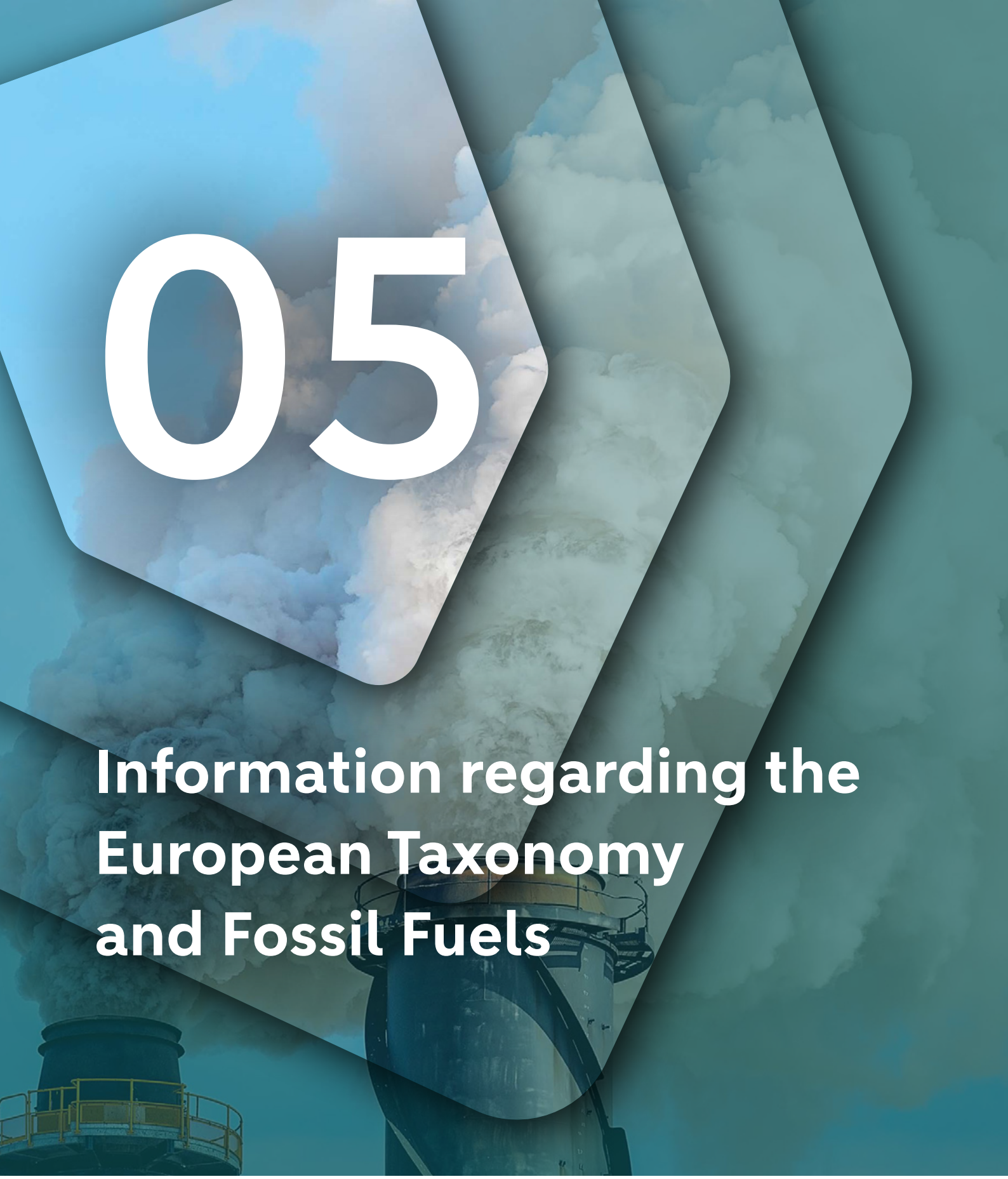
As a responsible asset manager, AAIS actively uses engagement as a key lever to promote robust ESG practices among investee entities through structured dialogue monitored over time.

Under its open-architecture sub-advisory model, AAIS selects external investment managers that fully integrate responsible investment, with engagement serving as a central pillar, particularly for strategies classified under Articles 8 and 9 of the SFDR.

This approach is based on a long-term perspective and aims to support companies in their transition towards more sustainable business models while contributing to performance.

AAIS strengthens the impact of its engagement activities by participating in collaborative initiatives such as the Net Zero Engagement Initiative and by drawing on specialist partners such as EOS. This makes it possible to amplify the influence exercised with issuers.

All these actions form part of a structured and transparent stewardship approach. Detailed information on our engagement activities is available on our website in our Annual Stewardship Report on voting and engagement, as referred to above.



05

Information regarding the European Taxonomy and Fossil Fuels

1. EU Taxonomy
2. Exposure to the fossil-fuel sector
3. Investment in green bonds

1. EU TAXONOMY

Definition

The EU Taxonomy for sustainable activities is a classification system that specifies which investments are environmentally sustainable. The European Union has identified six objectives and the underlying areas of activity:

- Climate change mitigation;
- Climate change adaptation;
- The sustainable use and protection of water and marine resources;
- The transition to a circular economy;
- Pollution prevention and control;
- The protection and restoration of biodiversity and ecosystems.

An economic activity is Taxonomy-eligible if it contributes substantially to one of these six objectives. An economic activity is Taxonomy-aligned where it meets the EU technical screening criteria, does no significant harm to any of the other objectives and, at company level, complies with minimum social safeguards.



ABN AMRO Investment Solutions Taxonomy due diligence

For 2025, AAIS launched a series of aggregate calculations, covering all portfolios, in relation to the climate change mitigation and adaptation objectives. The results did not provide sufficient coverage to draw conclusions regarding the alignment or eligibility of portfolio investments. We are continuing our exploratory work.

2. EXPOSURE TO THE FOSSIL-FUEL SECTOR

We report here on the exposure of our investment portfolios to the fossil fuel sector. We recognize the ESG issues and risks associated with the energy sector, which plays a predominant role in the energy transition undertaken by the European Union. Among conventional fossil fuels, our exclusion policy addresses thermal-coal production and the use of coal as an energy source, together with certain unconventional exploration and production activities, including oil sands, shale gas and oil and gas exploration in the Arctic.

Table 2 – Overall exposure of our funds to fossil fuels

Activity	Year	AuM in € million	Share of total AUM
Involvement in the fossil-fuel industry, including production, refining and transportation	2025	887	4.1%
	2024	1001	5.2%

Quarterly average over the year under review.

Source : AAIS and ISS

Our calculation of exposure to the fossil-fuel industry includes production, extraction, exploration and distribution activities, without applying any minimum activity threshold. Fossil fuels include thermal coal and all types of oil and gas, whether liquid or solid. We note a decrease in our overall exposure, following the implementation during 2025 of the ESMA guidelines on ESG fund names, which impose strict criteria, including allocation thresholds and exclusions, notably in relation to fossil-fuel companies. To retain an ESG or equivalent designation, funds must therefore reduce such exposures, mechanically lowering their overall fossil-fuel exposure.



Table 3 - Fossil-fuel exposure of funds with AUM above EUR 500 million

Fund	AuM in € million	SFDR Classification	Assets held in Fossil Fuels € million	% Fund assets held in Fossil fuels
ABN AMRO Funds Parnassus US ESG Equities	1 808	Art. 8	16	0.9%
ABN AMRO FGR Amundi North America Equity Index Screened	1 764	Art. 8	162	9.2%
ABN AMRO Funds Robeco Euro ESG Government-related Bonds	1 502	Art. 8	60	4.0%
ABN AMRO Funds RBC BlueBay Euro Government Bonds	1 259	Art. 8	-	0.0%
ABN AMRO Funds Portfolio Flexible ESG Bonds	1 199	Art. 8	183	15.3%
ABN AMRO Funds Blackrock Euro Government ESG Bonds	1 176	Art. 8	-	0.0%
ABN AMRO Funds Schroder Euro Corporate ESG Bonds	1 046	Art. 8	62	5.9%
ABN AMRO Candriam ESG Treasury	1 024	Art. 8	61	6.0%
ABN AMRO Funds Portfolio Flexible Bonds	874	Art. 8	165	18.9%
ABN AMRO Funds Profile 4 - Moderately Aggressive	840	Art. 8	51	6.1%
ABN AMRO Funds M&G Emerging Markets ESG Equities	740	Art. 8	35	4.7%
ABN AMRO Funds Profile 3 - Moderately Defensive	525	Art. 8	33	6.3%
ABN AMRO Funds RBC BlueBay Euro Government Bonds	510	Art. 8	-	0.0%

NB: The fossil-fuel industry includes production, extraction, exploration and distribution. Fossil fuels include thermal coal and all types of oil and gas. Figures are quarterly averages over the year under review

Source : AAIS and ISS

These funds are invested up to EUR 828 million in companies acting in the fossil-fuel sector. The investments are consistent with the different sustainability objectives of each Article 8 fund. Certain investments may be green bonds. Exposure is measured at company level rather than by activity and includes companies far downstream in the value chain, which may overstate actual core-business exposure to fossil fuels.

3. INVESTMENT IN GREEN BONDS

We report here on our investments in green bonds, which contribute to the collective energy-transition effort. The French Ministry for the Ecological Transition defines a green bond as a loan issued on the market by a company or public entity to investors in order to finance projects contributing to the ecological transition, including renewable energy, energy efficiency, sustainable waste and water management, sustainable land use, clean transportation and climate-change adaptation, particularly infrastructure investment. It differs from a conventional bond through detailed reporting on the investments financed and the green nature of the financed projects.

Table 4 – Overall exposure to green bonds

Security category	Year	AuM in € million	Share of total AUM
Green bonds	2025	1 575	7.3%
	2024	1 051	5.5%

NB: This does not include social bonds or other types of impact bonds.

Source : AAIS

Table 5 – Green-bond exposure of funds with AUM above EUR 500 million

Fund	AuM in € million	SFDR / asset class	Green bonds held, in € million	Green bonds held as a % of the fund's assets
ABN AMRO Funds Parnassus US ESG Equities	1 808	Art. 8 / Equities	-	0.0%
ABN AMRO FGR Amundi North America Equity Index Screened	1 764	Art. 8 / Equities	-	0.0%
ABN AMRO Funds Robeco Euro ESG Government-related Bonds	1 502	Art. 8 / Bonds	284	18.9%
ABN AMRO Funds RBC BlueBay Euro Government Bonds	1 259	Art. 8 / Bonds	47	3.8%
ABN AMRO Funds Portfolio Flexible ESG Bonds	1 199	Art. 8 / Bonds	103	8.6%
ABN AMRO Funds Blackrock Euro Government ESG Bonds	1 176	Art. 8 / Bonds	54	4.6%
ABN AMRO Funds Schroder Euro Corporate ESG Bonds	1 046	Art. 8 / Bonds	34	32.7%
ABN AMRO Candriam ESG Treasury	1 024	Art. 8 / Money Market	31	3.1%
ABN AMRO Funds Portfolio Flexible Bonds	874	Art. 8 / Bonds	40	4.6%
ABN AMRO Funds Profile 4 - Moderately Aggressive	840	Art. 8 / Multi-asset	29	3.5%
ABN AMRO Funds M&G Emerging Markets ESG Equities	740	Art. 8 / Equities	-	0.0%
ABN AMRO Funds Profile 3 - Moderately Defensive	525	Art. 8 / Multi-asset	32	6.2%
Total	**13 755**		**657**	

NB: Do not include social bonds or other impact bonds

Source : AAIS

Equity funds are not intended to hold bonds generally and therefore cannot hold green bonds. All our investment portfolios held EUR 1,575 million in green bonds on 31 December 2025, of which EUR 657 million was held by portfolios with AUM above EUR 500 million.



06

Information on the strategy for alignment with the international goals to limit global warming under the Paris Agreement

1. Our Net Zero approach
2. Fund status

1. OUR NET ZERO APPROACH



AAIS places climate considerations at the heart of its investment strategy, with the objective of progressively aligning its eligible portfolios with a pathway compatible with net zero by 2050. This approach forms part of international commitments to limit global warming and is based on a significant reduction in financed greenhouse gas emissions.

AAIS's climate strategy is structured around a clear pathway combining interim and long-term objectives. The principal objective is to reduce the carbon intensity of eligible assets by 50% by 2030, with the ambition of achieving net zero by 2050. This approach is based both on reducing portfolio emissions and on progressively increasing the share of assets aligned with a low-carbon pathway.

Given its business model combining direct management and delegation to external investment managers, AAIS applies a differentiated approach. For directly managed portfolios, recognized methodological frameworks are used to set climate objectives at the relevant level, whether strategy or fund. For delegated activities, AAIS relies on a structured framework for selecting, monitoring and engaging external investment managers, designed to ensure the progressive integration of climate objectives aligned with market standards. Contractual requirements and ongoing dialogue support the credibility and monitoring of commitments.

Climate performance is managed using standardized indicators that track the decarbonization pathway independently of changes in AUM. Portfolio carbon intensity, in particular Weighted Average Carbon Intensity or WACI, is a central indicator used to measure exposure to emitting companies. Alignment indicators are also used to assess the credibility of investee companies' climate pathways, particularly the existence of robust emission-reduction targets.

The approach is implemented progressively, with the eligible asset scope defined by data availability, transparency and the ability to manage climate objectives. AAIS aims to broaden this scope overtime by improving data, methodologies and market practices.

Lastly, stewardship is an essential lever of the climate strategy. AAIS conducts direct and collaborative engagement with companies to encourage stronger climate ambitions, improved transparency and alignment of practices with long-term objectives. This is complemented by an active proxy voting policy supporting resolutions favorable to the energy transition.

For further information on the methodology, indicators and detailed results, reference should be made to the asset management company's dedicated Climate Report.

2. FUND STATUS

As required, the table below lists the funds with AUM above EUR 500 million and their status on 31 December 2025 in relation to our NZAM Net Zero commitment.

Table 5.1 - NZAM status of funds with AUM above EUR 500 million

Fund	AuM in € millions	SFDR Classification	NZAM eligibility	NZAM status
ABN AMRO Funds Parnassus US ESG Equities	1 808	Art. 8	In scope	Committed
ABN AMRO FGR Amundi North America Equity Index Screened	1 764	Art. 8	Out of scope	Not applicable
ABN AMRO Funds Robeco Euro ESG Government-related Bonds	1 502	Art. 8	Out of scope	Not applicable
ABN AMRO Funds RBC BlueBay Euro Government Bonds	1 259	Art. 8	Out of scope	Not applicable
ABN AMRO Funds Portfolio Flexible ESG Bonds	1 199	Art. 8	Out of scope	Not applicable
ABN AMRO Funds Blackrock Euro Government ESG Bonds	1 176	Art. 8	Out of scope	Not applicable
ABN AMRO Funds Schroder Euro Corporate ESG Bonds	1 046	Art. 8	In scope	Committed
ABN AMRO Candriam ESG Treasury	1 024	Art. 8	Out of scope	Not applicable
ABN AMRO Funds Portfolio Flexible Bonds	874	Art. 8	Out of scope	Not applicable
ABN AMRO Funds Profile 4 - Moderately Aggressive	840	Art. 8	Out of scope	Not applicable
ABN AMRO Funds M&G Emerging Markets ESG Equities	740	Art. 8	In scope	Not committed
ABN AMRO Funds Profile 3 - Moderately Defensive	525	Art. 8	Out of scope	Not applicable
Total	**13 755**			

Source : AAIS



07

Information on the strategy for alignment with long-term biodiversity-related objectives

1. General principles
2. Development

1. GENERAL PRINCIPLES

Legislative requirements

As with the climate strategy, the French legislature expects entities to establish a biodiversity strategy consistent with the objectives of the Convention on Biological Diversity adopted in 1992. Entities are required to specify alignment with long-term objectives to 2050, with an initial horizon in 2030 and then every five years.

A fundamental issue

At AAIS, we recognize that preserving biodiversity is a fundamental issue, as crucial as combating climate change. The degradation of natural ecosystems poses significant risks to economic stability and human health, threatening essential services such as pollination, climate regulation and air and water purification. Our biodiversity policy reflects our commitment to promoting responsible investment practices that respect and preserve the planet's natural wealth. AAIS has therefore incorporated fundamental biodiversity principles into its Responsible Investment Policy by excluding involvement in activities considered controversial from a biodiversity perspective.

- **Palm oil:** Palm-oil production raises major environmental and social concerns. Although it is one of the least expensive vegetable oils to produce and requires less land and fewer resources for an equivalent yield, it has resulted in the replacement of many forests, particularly biodiversity-rich tropical forests that are essential for carbon capture. Production is associated with deforestation, destruction of habitats of endangered species such as orangutans and tigers, and displacement of indigenous communities. The expansion of palm-oil plantations has led to biodiversity loss and increased greenhouse gas emissions, exacerbating climate change. It is also linked to labor-rights violations, including poor working conditions and child labor. AAIS therefore excludes from all its funds companies that are not members of the Roundtable on Sustainable Palm Oil and derive more than 5% of revenue from the production and/or distribution of palm oil.



- **Genetically modified organisms:** Genetically modified organisms raise serious concerns because of their impact on biodiversity. One major concern is the destruction and artificialization of natural environments. By genetically modifying certain species, GMOs may lead to ecological imbalance, disrupt natural interactions and threaten the survival of indigenous species. GMOs may also contribute to pollution of oceans, freshwater, soil and air. Chemicals used to support GMO growth may contaminate water resources, impair soil quality and release toxins into the atmosphere, exacerbating existing environmental problems. For these reasons, AAIS applies rigorous exclusions within funds corresponding to Levels 3 and 4 of its internal scale. Any company deriving more than 5% of revenue from the cultivation of genetically modified plants is excluded. The policy also applies to companies involved in developing genetically modified seeds and/or plants.
- **Fossil-fuel exclusions:** AAIS applies exclusions relating to thermal coal, unconventional fossil fuels and conventional fossil fuels to minimize the environmental impact of its investments.



Principal Adverse Impact

AAIS also applies mandatory PAI indicator 7 in Table 1 of the Annex to the SFDR Regulatory Technical Standards, concerning activities that may negatively affect biodiversity-sensitive areas. AAIS incorporates this indicator into its Do No Significant Harm assessment to determine whether an investment may qualify as sustainable, notably when assessing exposures of its Article 9 funds. AAIS also calculates this indicator at asset management company level and includes it in the entity-level PAI Report published on its website.

Table 6 - PAI biodiversity indicator for funds with AUM above EUR 500 million

Fund	AuM in € millions	SFDR	Adverse activities % of portoflio	Coverage ratio
			Activities affecting negatively Biodiversity-sensitive areas	
ABN AMRO Funds Parnassus US ESG Equities	1 808	Art. 8	0.00%	100.0%
ABN AMRO FGR Amundi North America Equity Index Screened	1 764	Art. 8	0.04%	98.3%
ABN AMRO Funds Robeco Euro ESG Government-related Bonds	1 502	Art. 8	0.00%	73.9%
ABN AMRO Funds RBC BlueBay Euro Government Bonds	1 259	Art. 8	0.00%	0.0%
ABN AMRO Funds Portfolio Flexible ESG Bonds	1 199	Art. 8	0.00%	73.6%
ABN AMRO Funds Blackrock Euro Government ESG Bonds	1 176	Art. 8	0.00%	18.1%
ABN AMRO Funds Schroder Euro Corporate ESG Bonds	1 046	Art. 8	0.03%	93.2%
ABN AMRO Candriam ESG Treasury	1 024	Art. 8	0.00%	97.5%
ABN AMRO Funds Portfolio Flexible Bonds	874	Art. 8	0.00%	66.4%
ABN AMRO Funds Profile 4 - Moderately Aggressive	840	Art. 8	0.00%	91.4%
ABN AMRO Funds M&G Emerging Markets ESG Equities	740	Art. 8	0.00%	97.1%
ABN AMRO Funds Profile 3 - Moderately Defensive	525	Art. 8	0.00%	87.4%
Total	**13 755**			

NB: The indicator assesses the share of investments in investee companies with sites or operations located in or near biodiversity-sensitive areas where those companies' activities negatively affect such areas. Figures are quarterly averages over the year under review.

Source : AAIS and ISS.

On average during 2025, two portfolios in the list were invested in activities having a negative impact on biodiversity, representing between 0.03% and 0.04% of the portfolios. Only investments in companies are taken into account in calculating the indicator; sovereign issuers are not covered. At this stage, we consider that the indicator does not make it possible to measure a biodiversity footprint or define actions to mitigate adverse effects.

2. DEVELOPMENT

To date, the available data reported by companies remain limited, and common indicators capable of serving as a universal language across the industry are still lacking. ABN AMRO Investment Solutions has therefore not yet made a final selection of a biodiversity-assessment solution. We are committed to continuing our exploration of available data and combining our efforts with those of our parent company to achieve a more precise estimate of our biodiversity footprint.





08

Information on approaches to considering environmental, social and governance quality criteria within risk management

1. What are sustainability risks?
2. Sustainability-risk management framework
3. Measurement of ESG risks
4. ESG risk control

1. WHAT ARE SUSTAINABILITY RISKS?

In regulatory terms, as defined in the sustainable finance regulations and referenced in the UCITS, AIFMD, MiFID II, CRR, IDD and Solvency II regulations, a sustainability risk is defined as an environmental, social or governance event or condition that, if it occurs, could have a material adverse effect on the value of investments created and managed by ABN AMRO Investment Solutions. As an asset management company, we take these risk factors into account and seek to integrate them fully into our investment risk management framework.

ABN AMRO Investment Solutions considers two main types of sustainability-related risk factors that may affect the value of the investments it manages:

- **Transition risk,** defined as the financial impact on issuers of investments included in funds managed by ABN AMRO Investment Solutions and on their alignment with a sustainable net-zero economy;
- **Physical risk,** defined as the financial impact on issuers of investments included in funds managed by ABN AMRO Investment Solutions and on changes in their physical-risk profile resulting from climate change and other environmental changes, including floods, coastal flooding, wildfires and ground deformation.



In addition, ABN AMRO Investment Solutions has developed a range of ESG and sustainable funds, comprising SFDR Article 8 and Article 9 funds, some of which have been awarded the French SRI Label or the LuxFLAG ESG Label, and which comply with specific ESG requirements. ABN AMRO Investment Solutions therefore extends its definition of ESG risks to the impact of the investments it creates and manages.

ABN AMRO Investment Solutions considers itself exposed to sustainability risks arising from the potential adverse impacts on the environment and society in general of the investments it manages, in accordance with the concept of double materiality. We therefore implement various policies to minimize these risks, together with processes to report and monitor them.

In practical terms, this involves measuring the impact of investments on:

- **Environmental matters,** such as climate change, biodiversity loss, resource depletion and pollution;
- **Social matters,** such as standard working conditions, forced labor and child labor, human trafficking, the rights of indigenous peoples, privacy, animal welfare and public health;
- **Governance matters,** such as corporate governance, including remuneration and diversity, corporate conduct, including corruption and bribery, and ethical codes of conduct.

Overall, ABN AMRO Investment Solutions considers sustainability-risk management a key component of the Company's risk management framework, to mitigate any undesirable impact on its business model, reputation and the quality of the services provided to clients and investors.

2. SUSTAINABILITY-RISK MANAGEMENT FRAMEWORK

Adequate management of sustainability risks is a critical success factor in enabling ABN AMRO Investment Solutions to achieve its ambition of becoming a leading European asset management company in sustainability in the years ahead.

ABN AMRO Investment Solutions sustainability-risk policy

ABN AMRO Investment Solutions is a subsidiary of ABN AMRO Bank N.V., which has defined a framework for its sustainability-risk policy. In general, AAIS seeks to leverage the ABN AMRO Bank N.V. Group's sustainable-finance framework and capabilities to inform its own decision-making processes and adapts Group policies to its own business model, in the best interests of its clients.

AAIS recognizes that sustainability risks primarily affect the funds it manages on behalf of investors. ABN AMRO Investment Solutions has formalized and published a Responsible Investment Policy and a Principal Adverse Impacts Statement describing how ESG considerations are integrated into the investment processes of the funds it manages. ABN AMRO Investment Solutions has established clear rules governing investment, and refraining from investment, in companies, countries or activities associated with particularly sensitive sustainability issues, such as the defense sector.

All these measures, and their application in investment decisions, contribute to reducing sustainability risks affecting the portfolios managed by AAIS. The documents referred to above are available on the ABN AMRO Investment Solutions website under "Sustainability".

ABN AMRO Investment Solutions sustainability-risk management process

In general, sustainability risks are integrated into the overall risk management framework implemented by ABN AMRO Investment Solutions, alongside other risk factors, beginning with the risk-mapping exercise at both entity level and the level of each portfolio. As these risks primarily affect portfolios managed by the asset management company, they are considered within the investment risk management framework.

Table 7 - Sustainability-risk management process

1. Identification	Which sustainability-risk factors may have a significant impact on portfolio valuations? What material impact may the portfolios managed by ABN AMRO Investment Solutions have?
2. Assessment	What is the best data source for assessing or qualifying the risk? How can financial impacts arise from existing impact and risk data?
3. Response & mitigation	Is the risk consistent with ABN AMRO Investment Solutions' sustainability-risk management policy and risk appetite? Is the risk consistent with the sustainability policy or philosophy of the investment product? How can the risk or impact be reduced?
4. Monitoring and reporting of key sustainability risks	What is the overall portfolio-level risk resulting from multiple exposures? What is the portfolio's overall ESG performance?



From a governance perspective:

- Overall responsibility for sustainability-risk management rests with the Managing Board of ABN AMRO Investment Solutions, which has appointed a Head of CSR to advise on general sustainability policy;
- ESG-risk indicators for the funds managed by ABN AMRO Investment Solutions, monitored under the investment risk control framework, are reported monthly through the Enterprise Risk Management Report presented to the Managing Board and the Executive Committee.

In general, the ESG Team is meant to assist the Managing Board in addressing sustainability matters relating to the funds managed by AAIS, particularly their ESG performance. The sustainability-risk framework and the overall level of sustainability-risk management for AAIS-managed portfolios are addressed jointly with the Investment Risk Team.

ABN AMRO Investment Solutions delegates the management of some of its funds to other asset management companies, referred to as delegates. In such cases, ABN AMRO Investment Solutions:

- Conducts due diligence on the delegates' integration of ESG factors into their investment processes when the delegation is initiated and periodically thereafter, depending on the issues involved;
- Enters into agreements with those companies formalizing their obligations to apply ABN AMRO Investment Solutions' ESG policies and the terms of the prospectus;
- Monitors the delegates' compliance with those obligations.

ABN AMRO Investment Solutions regularly screens and analyses its portfolios to determine their potential exposure to ESG risks and identify securities that do not meet policy criteria. Any deviation identified through those screenings is investigated with the portfolio manager, internally or with the external investment manager, and resolved.

In accordance with sound governance practices, the Risk Management and Compliance departments provide independent second-line oversight of ESG activities, while the ESG Team is positioned as the first line of defense. This oversight is reported to the Managing Board and the Supervisory Board.

3. MEASUREMENT OF ESG RISKS

Assessment of transition risk - Key indicators

In the context of climate change, transition risks reflect the costs and risks inherent in the scale of changes in strategies, practices or investments required as the Company and investee companies seek to reduce their dependence on carbon, their impact on the climate, and to comply with the environmental, social and governance standards that we expect to emerge as the economy undergoes its sustainable transition.

We focus here on transition risks in a broad sense, therefore encompassing the environmental, social and governance dimensions of the transition towards a more sustainable economy that affect our portfolios.[3]

ABN AMRO Investment Solutions has chosen to rely primarily on Sustainalytics and ISS to assess, monitor and oversee its portfolios' exposure to transition risk, based on:

- Overall ESG-risk scores;
- Controversy scores;
- Carbon intensity and other complementary carbon metrics;
- Other specific positive- or negative-contribution indicators based on the UN Sustainable Development Goals and Principal Adverse Impacts.

A control framework is in place and is operated by the ESG Team, Business Control and Investment Risk. Work is under way to supplement this approach with metrics that translate transition risks affecting AAIS-managed funds into financial terms, including financial-impact and climate VaR approaches.

i. ESG performance (Sustainalytics)

The ESG indicator is used by AAIS and delegated asset managers to assess ESG risks associated with companies and investment portfolios. It generally assesses those risks through detailed analysis of factors such as carbon emissions, human-rights practices, labor standards, board diversity and corporate-governance structures. The indicator provides a quantitative assessment helping AAIS and delegated asset managers understand potential sustainability risks and opportunities within the operations of a company or sovereign issuer. AAIS uses Sustainalytics ESG Risk Ratings for position-by-position portfolio analysis, supplemented by detailed analysis drawing on other information sources where necessary.[4]

3. Political, legal and reputational risks, including greenwashing risk, are not directly covered here.
4. Our external investment managers may use other providers. During portfolio monitoring, if results diverge, discussions may be initiated between AAIS, the investment manager, the company and the providers to reach a final assessment based on consensus, implement an engagement measure or divest.

Investments in government securities are measured using the corresponding Country Risk Rating, which estimates a country's long-term prosperity and economic development by assessing its national wealth and its ability to use and manage that wealth effectively and sustainably.

Ratings range from 0 to 100 and distinguish five risk levels: negligible below 10, low between 10 and 20, medium between 20 and 30, high between 30 and 40, and severe above 40. The lower the ESG Risk Rating, the lower the ESG-risk level and the greater the issuer's ability to manage sustainability issues in the future. The expected impact of sustainability risks on the company's valuation will therefore be lower.

ii. Controversy scores (Sustainalytics)

Controversy-level indicators are used by AAIS to assess the degree of controversy or ethical concern surrounding a company. They analyze factors such as environmental practices, social impacts, governance issues and ethical standards within a company's operations. By assessing controversies relating to labor practices, human-rights violations, environmental degradation or unethical governance, these indicators help AAIS assess the risks and ethical implications of its investments.

AAIS relies on an external data provider for controversy alerts. The provider uses public information, media coverage, NGO reports and other sources to assign a rating or score reflecting the level of controversy associated with a company. These indicators promote responsible investment practices by highlighting corporate behavior and practices that may present risks or ethical concerns. They play an essential role in assessing corporate sustainability and social responsibility and encourage companies to improve their practices and mitigate controversies.

Our company controversy-intensity scale ranges from 0, none, to 5, severe. The higher the level, the greater the potential negative impact of the controversy on the company. We do not have a quantitative controversy score for a country. However, our provider supplies research on country events so that we remain informed of actions that may affect a country's prosperity and economic development and its ability to manage wealth effectively and sustainably, including wars, civil unrest and extreme weather events.

In general, AAIS considers this indicator with a view to avoiding severe controversies in managed portfolios and preventing adverse financial impacts arising from the materialization of ESG risks. AAIS defines, applies and monitors exclusions to protect portfolios from such risks.

iii. Climate indicators

Climate risk is a cornerstone of many international agreements and transition frameworks. Since the 2015 Paris Agreement, many countries have concluded that carbon emissions must be reduced drastically over the coming decades. AAIS relies on company-level climate-related sustainability indicators calculated and interpreted by external providers:

- Carbon emissions by scope;
- Carbon-emission reduction targets using weighted Average Carbon Intensity, or WACI.

Carbon emissions by scope

For a more effective and standardized method of identifying and classifying company carbon emissions, three categories, known as Scope 1, Scope 2 and Scope 3 emissions, have been defined under the Greenhouse Gas Protocol. Because reported Scope 3 data remain insufficient, AAIS relies only on Scope 1 and Scope 2 emissions.

Scope 1	All direct greenhouse-gas emissions, namely emissions from sources owned or controlled by the entity.
Scope 2	Indirect greenhouse-gas emissions arising from purchased energy consumption, namely consequences of an entity's activities occurring at sources owned or controlled by another entity.
Scope 3	Other indirect emissions, including extraction and production of purchased materials and fuels, transportation in vehicles not owned or controlled by the entity, electricity-related activities and outsourced activities.

Carbon-emission reduction targets

AAIS uses this metric to assess and compare greenhouse-gas reduction targets set by different companies. The Science Based Targets initiative is an international body enabling companies to set ambitious emission-reduction targets grounded in climate science. In addition to formal SBTi assessments, an increasing number of external data providers assess issuer carbon-reduction targets using proprietary frameworks. AAIS may rely on external providers where a company has no SBTi-approved or committed eligible GHG-reduction target.

Weighted Average Carbon Intensity (WACI)

AAIS uses this metric to assess and monitor a portfolio's exposure to carbon-intensive companies. Scope 1 and Scope 2 GHG emissions are attributed according to portfolio weights, namely the current value of the investment relative to the current value of the portfolio. AAIS relies on an external provider for WACI analysis.

Table 8 – Scores by asset type

Asset type	AuM in € million	ESG risk score	Coverage	Risk level
Equities	8 082	18.9	94.7%	Low
Corporate bonds	5 872			
Sovereign bonds	4 354	15.9	70.8%	Low
External funds	303	Not applicable	-	-
Other asset types	489	Not applicable	-	-
Total	**19 099**			

Quarterly average over the year.

Source: AAIS and Sustainalytics.

Table 9 – Companies: ESG scores and Scope 1 and 2 carbon intensity by sector

Sector	AuM in € million	ESG score	ESG Coverage	Level of ESG risk	Carbon intensity	Carbon coverage
Consumer discretionary	1 466	16.29	98%	Low	716.3	95%
Consumer staples	753	20.81	100%	Medium	616.5	98%
Energy	214	30.61	99%	High	2 974.8	93%
Financials	4 607	15.01	99%	Low	316.2	95%
Health care	1 184	16.75	100%	Low	69.1	100%
Industrials	1 493	18.73	98%	Low	1 230.3	96%
Information technology	3 537	15.59	100%	Low	61.3	100%
Materials	680	20.99	98%	Medium	1 404.5	97%
Real estate	482	18.64	99%	Negligible	62.8	96%
Communication services	581	21.09	96%	Low	96.5	96%
Utilities	705	0.48	98%	Medium	530.3	96%
Other sectors	5 859	16.29	3%	Negligible	11.4	3%

Source: ABN AMRO Investment Solutions, Sustainalytics and ISS; Positions at end of December; Carbon intensity is in tCO_2e / EUR million

Table 10 – ESG scores of funds with AUM above EUR 500 million

Fund	AuM in € million	SFDR Category	Type	ESG Risk Rating	Level of ESG risk
ABN AMRO Funds Parnassus US ESG Equities	1 808	Art. 8	Company	17.2	Low
			Sovereign	-	-
ABN AMRO FGR Amundi North America Equity Index Screened	1 764	Art. 8	Company	18.3	Low
			Sovereign	-	-
ABN AMRO Funds Robeco Euro ESG Government-related Bonds	1 502	Art. 8	Company	12.6	Low
			Sovereign	17.4	Low
ABN AMRO Funds RBC BlueBay Euro Government Bonds	1 259	Art. 8	Company	-	-
			Sovereign	14.8	Low
ABN AMRO Funds Portfolio Flexible ESG Bonds	1 199	Art. 8	Company	21.7	Medium
			Sovereign	23.8	Medium
ABN AMRO Funds Blackrock Euro Government ESG Bonds	1 176	Art. 8	Company	5.8	Low
			Sovereign	14.1	Low
ABN AMRO Funds Schroder Euro Corporate ESG Bonds	1 046	Art. 8	Company	17.0	Low
			Sovereign	18.3	Low
ABN AMRO CANDRIAM ESG TREASURY	1 024	Art. 8	Company	15.8	Low
			Sovereign	13.1	Low
ABN AMRO Funds Portfolio Flexible Bonds	874	Art. 8	Company	25.8	Medium
			Sovereign	24.7	Medium
ABN AMRO Funds Profile 4 - Moderately Aggressive	840	Art. 8	Company	18.1	Low
			Sovereign	14.9	Low
ABN AMRO Funds M&G Emerging Markets ESG Equities	740	Art. 8	Company	19.7	Low
			Sovereign	-	-
ABN AMRO Funds Profile 3 - Moderately Defensive	525	Art. 8	Company	18.1	Low
			Sovereign	14.7	Low
Total	**13 755**				

Quarterly average over the year.

Source: AAIS and Sustainalytics.

Table 11 - Climate indicators for funds with AUM above EUR 500 million

Fund	AuM in € million	SFDR Category	Investment type	WACI (tCO_2e/Revenue)	Eligibility – coverage rates
ABN AMRO Funds Parnassus US ESG Equities	1 808	Art. 8	Corporate fund	63.89	98% - 88%
ABN AMRO FGR Amundi North America Equity Index Screened	1 764	Art. 8	Corporate fund	80.55	99% - 90%
ABN AMRO Funds Robeco Euro ESG Government-related Bonds	1 502	Art. 8	Sovereign debt fund	4.4	46% - 87%
ABN AMRO Funds RBC BlueBay Euro Government Bonds	1 259	Art. 8	Sovereign debt fund	38.4	23% - 94%
ABN AMRO Funds Portfolio Flexible ESG Bonds	1 199	Art. 8	Diversified sovereign and corporate debt	295.25	53% - 87%
ABN AMRO Funds Blackrock Euro Government ESG Bonds	1 176	Art. 8	Sovereign debt fund	Not calculated	Not calculated
ABN AMRO Funds Schroder Euro Corporate ESG Bonds	1 046	Art. 8	Corporate fund	52.82	87% - 97%
ABN AMRO CANDRIAM ESG TREASURY	1 024	Art. 8	Corporate fund	Not calculated	Non calculated
ABN AMRO Funds Portfolio Flexible Bonds	874	Art. 8	Diversified sovereign and corporate debt	400.06	41% - 77%
ABN AMRO Funds Profile 4 - Moderately Aggressive	840	Art. 8	Diversified sovereign and corporate debt	71.38	59% - 94%
ABN AMRO Funds M&G Emerging Markets ESG Equities	740	Art. 8	Corporate fund	69.77	91% - 98%
ABN AMRO Funds Profile 3 - Moderately Defensive	525	Art. 8	Diversified sovereign and corporate debt	72.23	52% - 94%
Total	**13 755**				

Source: AAIS and ISS, calculation is performed on positions at end of December.

WACI calculations are performed on the eligible share; money-market securities and sovereign debt are generally not covered. The indicator must be assessed within each fund's investment strategy and cannot be considered in isolation. Nevertheless, this overview makes it possible to observe progress from one year to the next. To date, only funds currently classified as NZAM eligible and committed have formalized a climate pathway through 2050. See Section 6 of this report.

iv. Multidimensional approach based on the Sustainable Development Goals

Following the 2015 Paris Agreement, the United Nations developed the 2030 Agenda for Sustainable Development, a plan of action for people, planet and prosperity adopted by all UN Member States. The UN defined 17 goals to be pursued and achieved by countries by 2030. From SDG 1, No Poverty, to SDG 17, Partnerships for the Goals, the goals cover all dimensions of responsible investment: environmental, social and governance. Initially developed for countries to assess their progress, the framework has become increasingly popular in the financial sector. Asset managers such as AAIS use it to assess an issuer's contribution, through its activities, to one or more of the 17 goals.

AAIS relies on an external provider for UN SDG analysis. The tool applies an internal classification of products and services across five categories based on direct impact on the achievement of sustainability objectives: significant contribution, limited contribution, no impact, limited obstruction and significant obstruction. AAIS currently uses this tool for certain thematic impact portfolios.

v. Principal Adverse Impacts (PAIs)

These indicators are used to assess and disclose the adverse impacts of investment decisions on sustainability factors. PAI indicators are a cornerstone of SFDR, which seeks to strengthen transparency and accountability concerning sustainability risks and impacts. They cover a broad range of environmental, social and governance matters.



Depending on the financial product, AAIS considers the following indicators:

	Principal Adverse impact indicators applicable to investee company
N°	**Table 1**
1	GHG emissions
2	Carbon footprint
3	GHG intensity of investee companies
4	Exposure to companies active in the fossil fuel sector
5	Share of non-renewable energy consumption and production
6	Energy-consumption intensity per high-impact climate sector
7	Activities negatively affecting biodiversity-sensitive areas
8	Emissions to water
9	Hazardous waste and radioactive waste ratio
10	Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
11	Lack of processes and compliance mechanisms to monitor compliance with the UN Global Compact principles and OECD Guidelines
12	Unadjusted gender pay gap
13	Board gender diversity
14	Exposure to controversial weapons
N°	**Table 2 (additional indicators)**
4	Investments in companies without carbon-emission reduction initiatives

The consolidated annual PAI Report calculated for AAIS investment products is available on its website in the Sustainability section, under Sustainable Regulation Information.

vi. Financial quantification of transition risk: Transition VaR (ISS)

Based on its market monitoring, AAIS has identified ISS Climate Transition Value at Risk as a candidate for monitoring potential financial impacts on portfolios. TVaR is the cost of complying with the IEA NZE2050 scenario, the critical pathway to net-zero emissions by 2050 while remaining compatible with a temperature increase limited to 1.5°C.



The scenario defines a baseline trajectory for GHG emissions over time. Geographic and sector assumptions and corresponding carbon prices are based on work by the Network for Greening the Financial System, a network of central banks and supervisors exchanging experiences, sharing best practices, developing environmental- and climate-risk management and mobilizing mainstream finance to support the transition to a sustainable economy. Carbon prices are then used in a proprietary financial model to discount company operating costs and revenues.

A negative TVaR may be observed for companies experiencing positive financial impacts by capturing opportunities under the transition scenario. Entities with a positive TVaR are expected to incur losses and, in extreme cases, could fail if their business model does not enable the transition. AAIS reviewed the assumptions and models underlying the metric. TVaRs for portfolios above EUR 500 million are collected quarterly and monitored for significant changes in risk profile. Monitoring focuses on changes and trends, since setting an absolute budget is constrained by the level of metric decomposition within portfolios.

vii. Financial quantification of physical risk: Physical VaR (ISS)

According to the European Central Bank, *"when physical risks materialize, they can substantially reduce the value of collateral and assets. As climate change progresses, the risk of abrupt losses in value in climate-sensitive geographical areas increases. This may lead to a reduction in the value of collateral and assets for many financial institutions."* [5]

Physical-risk exposure is multifaceted and may impair issuer financial stability through abrupt or gradual losses, including productivity losses caused by environmental changes such as higher average temperatures, changing rainfall patterns, floods, lower crop yields, coastal flooding, ground deformation and wildfires.

ISS ESG assesses these risks to provide a cumulative portfolio-risk perspective. The assessment uses the two main components influencing company exposure: geographic exposure and sector-risk profile. Geographic exposure derives from company geographic distribution, for operational risk, and the physical-risk exposure of countries in which the company operates, for market risk. Sector exposure is based on existing documentation and indicates overall sensitivity to physical risks by sector, distinguishing chronic and acute risks. The analysis covers physical assets owned and operated by the company and excludes supply-chain considerations.

ISS reports identify at-risk investments in the portfolio and benchmark, as a percentage of AUM, and issuers whose risk-management strategies appear sustainable. ISS also assigns a physical-risk score from 0 to 100, breaks portfolios down between high and low risk, maps geographic exposure projected to 2050 and reports exposure to individual hazards. AAIS does not yet use all detailed data but is exploring PVaR as the aggregate of physical climate risks for a portfolio.

5. European Central Bank: Financial Stability Review, special feature on climate-related risks, May 2019.



Climate Physical VaR is the adverse impact on a portfolio arising from climate change under a warming scenario. ISS uses RCP 4.5 and RCP 8.5 to model changes in loss experience associated with six factors: cyclones, wildfires, river flooding, heatwaves, drought and coastal flooding.

- **RCP4.5 (stabilization):** emission-reduction policies stabilize atmospheric GHG concentrations by the end of the century. Moderate emission reductions stabilize radiative forcing, with projected warming of 1.7°C to 3.2°C by 2100;
- **RCP8.5 (Business as Usual):** no significant climate policy is implemented, and emissions remain high throughout the 21st century. This high-emissions scenario projects warming of 3.2°C to 5.4°C by 2100.

The change in loss experience is assessed mainly at geographic level. ISS proprietary models then estimate the financial impact on each issuer through revenue, operating costs and fixed assets and transmit that impact to portfolio securities. AAIS reviewed the assumptions and models. PVaRs under RCP 4.5 and RCP 8.5 for portfolios above EUR 500 million are collected quarterly and monitored for significant changes in risk profile. Monitoring focuses on changes and trends, since setting a fixed budget is constrained by the metric's level of decomposition within the portfolio.

Table 12 - Funds with AUM above EUR 500 million - TVaR

Fund	Coverage Rate	TVaR in %	1-year change
ABN AMRO Funds Parnassus US ESG Equities	98.8%	0.3%	-0.7%
ABN AMRO Funds Blackrock Euro Government ESG Bonds	4.9%	-	-
ABN AMRO Candriam ESG Treasury	84.0%	-2.1%	-2.8%
ABN AMRO Funds Portfolio Flexible Bonds	52.0%	5.2%	-4.2%
ABN AMRO Funds ESG Profile 4 - Moderately Aggressive	60.7%	0.4%	-1.9%
ABN AMRO Funds ESG Profile 3 - Moderately Defensive	52.9%	0.2%	-1.7%
ABN AMRO FGR Amundi North America Equity Index Screened	99.2%	-0.8%	-1.6%
ABN AMRO Funds RBC Bluebay Euro Government Bonds	3.8%	-	-
ABN AMRO Funds Schroder Euro Corporate ESG Bonds	91.2%	0.9%	-3.0%
ABN AMRO Funds Portfolio Flexible ESG Bonds	52.0%	3.7%	-6.9%
ABN AMRO Funds Robeco Euro ESG Government-related Bonds	56.9%	-	-
ABN AMRO Funds M&G Emerging Equities	95.2%	0.0%	NA

Source: AAIS and ISS, calculations based on year-end AUM.

Table 13 - Funds with AUM above EUR 500 million – PvaR (RCP 4,5 et 8,5)

		RCP 4.5 Scenario		RCP 8.5 Scenario	
Fund	Coverage Rate	PVaR in %	1-Year Change in PVaR	PVaR in %	1-Year Change in PVaR
ABN AMRO Funds Parnassus US ESG Equities	98.8%	0.2%	0.0%	0.3%	0.0%
ABN AMRO Funds Blackrock Euro Government ESG Bonds	4.9%	-	-	-	-
ABN AMRO Candriam ESG Treasury	84.0%	0.3%	0.2%	0.4%	0.3%
ABN AMRO Funds Portfolio Flexible Bonds	52.0%	1.1%	0.1%	1.7%	0.0%
ABN AMRO Funds ESG Profile 4 - Moderately Aggressive	60.7%	0.4%	0.1%	0.7%	0.2%
ABN AMRO Funds ESG Profile 3 - Moderately Defensive	52.9%	0.4%	0.1%	0.6%	0.2%
North America AMUNDI-Passive	99.2%	0.3%	0.1%	0.5%	0.2%
ABN AMRO Funds RBC Bluebay Euro Government Bonds	3.8%	-	-	-	-
ABN AMRO Funds Schroder Euro Corporate ESG Bonds	91.2%	0.4%	0.0%	0.5%	0.1%
ABN AMRO Funds Portfolio Flexible ESG Bonds	60.2%	1.2%	0.3%	1.8%	0.4%

ABN AMRO Funds Robeco Euro ESG Government-related Bonds	56.9%	0.0%	0.0%	0.0%	0.0%
ABN AMRO Funds M&G Emerging Equities	95.2%	1.9%	NA	2.9%	NA

Source: AAIS and ISS, calculations based on year-end AUM.

Changes in TVaR and PVaR correspond to one-year changes. In accordance with our procedures, coverage below 67% is considered insufficient for the indicator to be representative of the portfolio's overall risk level. This concerns bond and money-market portfolios in particular because of the characteristics of those asset classes. TVaR and PVaR indicators for all observed portfolios with coverage above 67% are low and do not indicate any significant change in climate-risk profile.

4. ESG RISK CONTROL

i. Development of the control framework

First, the Company revised its risk mapping at both entity level and the level of managed portfolios to maintain and strengthen the clarity of ESG risk integration.

AAIS also completed the industrialization of its operational control platform, forming the foundation of a robust framework across all portfolios and a broader range of indicators. Migration to Aladdin in the first half of 2023 provided a reference platform for measuring and monitoring financial risks. All existing controls were transferred to the new infrastructure.

Integration of a Data Management solution, initiated in 2022 and progressively strengthened from 2023 through 2025, established an integrated control environment and an industrialized internal data platform based on consolidated and reliable data. Together with BlackRock Aladdin, this environment continuously optimizes the capacity and effectiveness of the risk-control framework.

The modernized environment increased the automation and coverage of ESG controls relating to managed-fund investment policies. Progressive implementation commenced in 2024, reaching 85% completion, and continued in 2025, notably with controls relating to Paris-Aligned Benchmark requirements (PAB).

In 2025, working closely with Risk and ESG, Business Control strengthened the deployment and monitoring of ESG thresholds applied to portfolio assets and automated integration of PAB data. Regular monitoring of Sustainable Investment indicators was established for Article 9 funds, with periodic internal stakeholder reporting.

Controls were extended to sustainable investment, AMF classification and NZAM commitments. AMF classification was automated in early 2026 following work performed in 2025 and no longer requires manual controls. Further automation improvements remain under way for complementary controls.

For ESG-specific risk metrics, AAIS continued collecting, analyzing and testing ISS PVaR and TVaR data, focusing on automated collection and on studying and understanding the model considering its novelty, complexity, proprietary nature and the heterogeneous scientific and market literature. AAIS continued calibrating these metrics to improve understanding and control before their use in controls and, where relevant, risk budgets. The aim is to supplement the metrics with contribution analysis and historical trends so that the measures become actionable.

The work also included continued market monitoring, exploration of alternative or additional possibilities for refining impact measurements, and determination of the financial impacts of ESG-risk factors on portfolios, in the context of progressive maturation of the data-provider market. On biodiversity and the social pillar, AAIS continues monitoring the market to identify the most relevant metrics. Biodiversity work is conducted with ABN AMRO Bank N.V. teams as part of defining Group policy.

ii. Monitoring metrics and controlling risk budgets

Throughout 2025, ABN AMRO Investment Solutions monitored and controlled the ESG risk borne by the investments it manages using the indicators described above. These controls did not identify any significant anomalies.





09

Continuous improvement and corrective measures

1. How to improve sustainability-risk assessment
2. Strategic and operational developments

1. HOW TO IMPROVE SUSTAINABILITY-RISK ASSESSMENT

Given the current rapidly expanding ESG-data market and the emergence and rapid evolution of standards and practices, AAIS has chosen an iterative approach to developing its sustainability-risk management framework. It tests and implements its risk-control framework using available solutions while maintaining active market monitoring to identify new trends and solutions. AAIS primarily focuses on identifying and analyzing ESG-risk factors that may affect portfolio valuations and risks, before ultimately developing the ability to assess their financial impacts.

- **Development of a continuous improvement plan:** In pursuing sustainability and compliance, we are committed to adopting a continuous improvement plan reflecting changes in regulatory standards. Recognizing the importance of transparency and adaptability, we acknowledge that certain information, particularly on biodiversity, has not yet been published and are actively working to close these gaps.
- **Identification of opportunities for improvement:** Our process begins by identifying opportunities to improve the current strategy. This includes a rigorous assessment of practices to identify where progress is required. We are considering concrete actions such as formalizing our biodiversity policy, with targeted measures to protect natural habitats and promote biological diversity.

2. STRATEGIC AND OPERATIONAL DEVELOPMENTS

We are implementing corrective actions requiring strategic and operational adjustments. These include revising our business model to integrate ambitious climate and biodiversity objectives and engaging with stakeholders to co-create sustainable solutions. These developments will be communicated transparently and incorporated into the overall strategy, ensuring alignment with a constantly evolving regulatory framework.

By adopting this continuous improvement plan, we aim not only to meet regulatory requirements but also to strengthen our role as a responsible participant in global sustainability.



Disclaimer

The original version of this document is drafted in French and is published within the applicable regulatory deadlines. This English translation is provided for convenience purposes. In the event of any discrepancy between the two versions, the French version shall prevail.

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