

Climate Policy *Rabobank Group*

January 2024

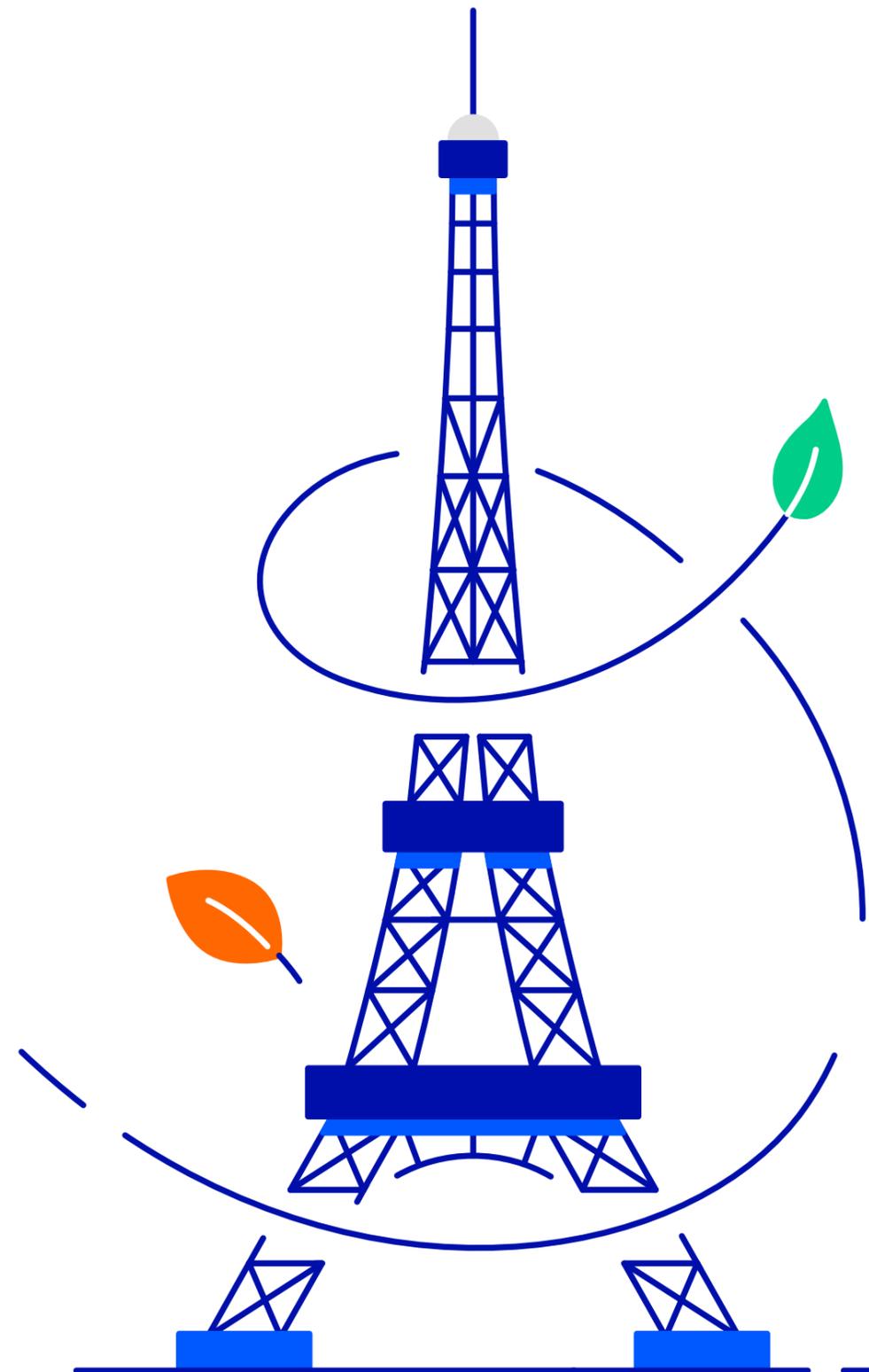


Introduction

Climate change threatens humans and natural ecosystems all over the world. We clearly recognize the gravity of this and support the goals of the Paris Climate Agreement.

As Rabobank, we believe we need to rapidly reduce our climate impact to get it in line with pathways limiting global warming to 1.5°C. Rabobank is focused on delivering on our commitment to transition all operational and attributable GHG emissions from our lending and investment portfolios to align with 1.5°C pathways by mid-century or sooner.

Our approach will take into account the best available scientific knowledge, including the findings of the United Nation's Intergovernmental Panel on Climate Change (IPCC), and we commit to reviewing and, if necessary, revising our targets at least every five years after the target is set.



Scope

This policy applies to all relevant clients and business partners. Sector-specific policies elaborate on or complement the Climate Policy, to the extent applicable. For example, the energy sector is covered in more detail in the Energy Policy.

The Policy

We distinguish between impacts in our direct control and those that are indirectly created through our relationships with clients and business partners. We therefore set requirements for our own activities ('Rabobank's Own Activities') and for our clients and business partners ('Acceptance Requirements' and 'Performance Monitoring').





Rabobank's Own Activities

Regarding climate, for activities in our direct control we will:

- reduce the footprint of our own operations and our direct suppliers and compensate for the remaining Greenhouse Gas Protocol scope 1 and 2 emissions;
- provide our clients and business partners with knowledge and insights into how they can decarbonize their activities, financial products to support their transition, and financing for new innovations that will accelerate their efforts;
- expand our home owner sustainability journey and expect to increase the percentage of new mortgage contracts with energy-savings measures to 35% by 2023 and to 60% by 2030;
- introduce average energy label requirements per category (e.g. office, industry, hospital, and retail) for our commercial real estate assets in 2023 in order to align them with 1.5°C pathways by 2030;
- continue our cooperation with data providers in order to improve access to higher quality and more granular sustainability data;
- continue to cooperate with knowledge institutions, network partners, industry partnerships and platforms to improve knowledge, methodologies, regulation and standards.

More detailed information of our own activities can be found in Our Road to Paris report.

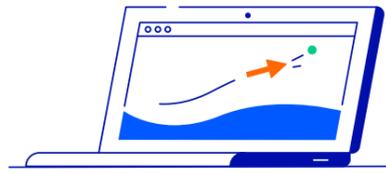


Acceptance Requirements

Rabobank assesses clients and business partners and their activities against specific acceptance requirements, which are split into client-level and activity-level.

Rabobank will accept clients or business partners that:

- Submit their climate-related performance from 2023 onward to Rabobank if they are required to report according to the Non-Financial Reporting Directive (NFRD);
- Are willing to enter in a dialogue with Rabobank regarding staying, or getting aligned with a 1.5°C pathway;
- Are willing to enter in a dialogue with Rabobank regarding their possibilities of measuring actual greenhouse gas emissions (hereafter GHG) data or alternative information about their progress to become 1.5°C aligned.



Performance Monitoring

Rabobank monitors the sustainability performance of accepted clients and business partners.

Rabobank engages with clients and business partners that meet or are working towards:

- having a plan that captures actions to become 1.5 °C aligned;
- capturing and sharing their actual GHG emissions data or alternative information about their progress to become 1.5°C aligned; and
- if the client or business partner is required by law or if they are larger clients¹ or business partners in the high-emitting sectors defined by the UN's Net-Zero Banking Alliance (NZBA)²: having science-based carbon emissions reduction targets for 2030 and beyond which are 1.5°C aligned³.

¹ Larger clients: exposure above 100 mln EUR

² <https://www.unepfi.org/net-zero-banking/>

³ Need to have these targets in place by 2027 or earlier if required by law

Implementation

Rabobank embeds these acceptance requirements and performance monitoring in its business operations taking into account the applicable and relevant finance practices, thresholds per client and business partner type, different impacts per sector and region, and risks and controls that are applicable in the specific business operations and subsidiaries. As a result, requirements may be implemented differently in different business operations and subsidiaries.

Rabobank supports its clients and business partners on their journey to become more sustainable and acknowledges that it might need more time to meet the requirements mentioned in this policy. For some clients and business partners, a temporary exception can be made, provided the exception is within the established limits of our risk appetite.

“Rabobank supports its clients and business partners on their journey to become more sustainable”

Our Commitments

Rabobank is involved in sector initiatives and has joined commitments that relate to Climate:

- Partnership for Carbon Accounting for Financials (PCAF)
- Net Zero Banking Alliance (NZBA)
- Taskforce on Climate-related Financial Disclosures (TCFD)
- Financial Institutions Commitment to the Dutch Climate Agreement
- Coalitie Anders Reizen



Climate Policy

Rabobank Group

This policy forms part of the Sustainability Policy Framework (for the avoidance of doubt a waiver to any policy may be obtained by means of the waiver procedure described therein). Any updates to (part of) the Sustainability Policy Framework apply to new and refinancing requests as of the date of such update.

Rabobank