

“We make sure that we step up our pace and not relax, simply because we cannot afford it”

As Chief Sustainability Officer at ABN AMRO, Solange Rouschop focuses on finding business opportunities that contribute to sustainable top-line growth and building an integrated sustainability model to create impact for the bank and for its stakeholders. What are her aspirations? How important is integrated thinking? And how supportive can reporting be, in Solange’s opinion?

By Tjeerd Krumpelman, member of the CCR advisory board



ABOUT: SOLANGE ROUSCHOP

Solange was appointed as Chief Sustainability Officer for ABN AMRO Bank in January 2023. In this role, she is responsible for driving the sustainability transition of ABN AMRO. During her extensive career spanning over 25 years, she has held various positions within ABN AMRO Bank. She has lived and worked in 6 different countries. In her last position, she was the Country Executive for ABN AMRO in Belgium and has held responsibility for sustainability in previous positions as well. She held multiple supervisory positions, among others as a Supervisory Board member for Triodos Mees Pierson, a joint venture between Triodos Bank and ABN AMRO Bank. Solange holds a Master’s degree in Business Economics and is a Certified European Financial Analyst.

After having been CEO of ABN AMRO Belgium, you recently started your new position as CSO at ABN AMRO Bank N.V. What has been the main driver for leaving a manager’s job and stepping into that new role?

Let me say first that the topic of sustainability has always been present in my career. Even when I was still at university, I remember taking several classes that focused on this theme. Later, when I was working as a product developer at ABN AMRO, one of the first products that I worked on was a green mutual fund that was set up to finance the development of a windmill park. Later, as Country Executive of Belgium for ABN AMRO, my responsibilities were more comprehensive. But even then, this broader managerial role also allowed me to take various initiatives in the sustainability domain. For instance, bringing our sustainable investment products into our bank in Belgium, investing in educating our staff on sustainable and impact investing, creating an impact program together with Ashoka and Accenture or entering into a partnership with Vlerick Business School to research ESG criteria for SMEs. Working together with one of our clients and two other banks to create an impact event and much more.

So, for me, looking back, the pathway to becoming the ABN AMRO CSO has been a very logical trajectory. Taking on this role gives me the opportunity to embed our sustainability agenda across all business segments and all supporting functions of the bank.

The role of CSOs has changed in the recent years. What are the characteristics of a modern CSO and which are his/her main tasks?

As CSO of ABN AMRO, I am responsible for the transition to sustainability that we are making together with our clients. I think we should look for ways how we can all prosper within the limits of our planet. That also means that I look at sustainability in a broad sense: climate, social impact, circularity, biodiversity and human rights. And I say “together with our clients” because that is how we can make the biggest impact to improve overall sustainability and reduce our common carbon footprint in particular.

As you know, our own carbon footprint as a bank is relatively small, but the carbon footprint of our clients can be huge. So it’s very logical that we focus most of our efforts on working together with clients who are faced with clear sustainability challenges. This is reflected in our climate strategy that we launched in December of 2022. There we identify the five most carbon-intensive sectors on our balance sheet and define clear trajectories to get our clients in those sectors on a pathway to net-zero in 2050, as prescribed by the Net-Zero Banking Alliance (NZBA). Also we have set intermediate targets for these five sectors for 2030. And we will add more sectors over time until we cover the entire ABN AMRO balance sheet.

Now, I see it as my responsibility to ensure that we reach those goals. That means that as CSO I will work closely together with our client units to

make sure that we step up our pace and not relax, simply because we cannot afford it.

What are your aspirations in that new role and where do you see the highest potential for transformation?

I believe our job is to facilitate our clients and support them in their transition to sustainability as we have outlined in our strategy, with a specific focus on climate, circular economy, biodiversity and social impact. Be it our commercial and corporate clients who want to transform and future-proof their businesses, or help our mortgage clients improve the energy efficiency of their homes. Our loan books are the projected image of the real economies we serve. And I know that we do have influence on our clients; more so on our SME clients than the multinationals we serve, but we do have impact. Through the products we offer, the conditions we set, the questions we ask, the dialogue we have with them.

However, contrary to what some seem to believe, we cannot dictate to our clients what to do or not to do and I believe that excluding them from the transition that we are all going through does not solve any real problem. I think we should remain engaged with those clients for as long as necessary and possible, to talk to them about using the people lens in their transition to sustainability and to stimulate them to engage with the vulnerable people in their supply chain on a just transition. Show them how to connect the E and the S. And we as business

leaders have to use the G of ESG. We need governance to make sure that the E and the S are connected to each other in this transition. To build on social cohesion. Because we simply won't go far if we cannot stay together on this journey.

How does the organizational structure of ABN AMRO look like with regard to your role?

I have group-wide responsibility for all sustainability related policies, including our own performance, which we call Lead by Example. I report directly to the CEO of ABN AMRO, I have a standing invitation to the meetings of our Executive Board and I preside over the Group Sustainability Committee that discusses and advises on all group-wide sustainability issues.

How do you assure that the necessary expertise is present in the board and EC of the company and considered to be a main pillar of the strategy?

It is important that the board members are up to speed when it comes to knowledge and developments in the field of sustainability. Sustainability is therefore an important part of the permanent education program of the Executive Board and Supervisory Board. Our bank has also set up a delegated board committee (Group Sustainability Committee) where this knowledge comes together for bank-wide decision-making and management.



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How important is integrated thinking in this process and your professional life?

As far as I'm concerned, integrated thinking is crucial. As a bank, we have an impact on the sustainability components E, S and G, but also on our various stakeholders: our customers, employees, investors and society. For me, integrated thinking is about the trade-offs and balancing the different impacts we have. There are also many opportunities where we can make a difference as a bank. An example of this is what we call the just and inclusive transition on the housing market, which is

about making the sustainability of homes accessible to all our customers, taking into account assets and preferences.

It seems that CSOs are now more involved in investor meetings. How do you deal with this at ABN AMRO?

For me personally, this is a relatively new aspect of my work, as I was only appointed CSO of ABN AMRO per 1 January of this year. Having said that, we recognize that sustainability is becoming more and more top of mind, also to the investor community, specifically from an ESG point of view. And since sustainability has been core to our strategy, our CEO and our Investor Relations department are having these conversations already. Obviously I am looking forward to joining these conversations.

What are your thoughts about the ever-increasing regulatory environment? Will this push companies to develop a truly sustainable business model?

We see a genuine interest from companies to transform into more sustainable business models. And this has been the case for a number of years. What has changed is that the urgency to transform is now becoming more and more recognized. So, in my day-to-day business, I rarely encounter entrepreneurs who still deny that we have to make the shift towards a more sustainable economy and reduce our carbon footprint. So the good news is: most companies want to transform themselves, they do not need a regulatory incentive. In one of my first weeks as CSO, I was also in a good conversation with an institutional investor on the relevance of ESG and regulation from their perspective.

Clear guidelines from regulators do help businesses in planning and executing their transition. And it helps us in the conversations we have with our customers. After all, the most important thing for entrepreneurs is having a clear understanding of the required direction of travel and criteria for success. So I have a lot of trust in the goodwill of business owners and their capabilities to rise to the great challenges of our time, of which climate change is arguably the most prominent. We simply cannot afford not to succeed.

Can reporting be a supportive element and where are its limits?

Reporting can definitely support all this, as it helps us to identify where we are doing well and where there is still room for improvement. Reporting has a disciplinary effect on a company and it creates a level of transparency to the outside world on our performance on sustainability. We can also support new developments in reporting, for example as we

have done on human rights disclosures since 2016 and on impact reporting since 2018.

What makes you particularly sustainable in your private life?

I really try to practice what I preach when it comes to living in a sustainable way as much as possible, while at the same time I also acknowledge that I can always do better. For instance, I have been a vegetarian for many years, but it would be better to be vegan. I travel by train as much as possible but I also drive an EV, which is better than driving a combustion car, but worse than owning no car at all. And I live in an old historic house that we have renovated completely to become as energy efficient as possible. But perhaps it would be better to live in a smaller house with the same energy efficiency. So, I would say I'm honestly doing my best, and I'm also aware there's always more that can be done. And in my latest efforts, I started to grow my own vegetables and stimulate as much as possible biodiversity in my garden. Beyond my role, I try to bring a degree of financial literacy to street children, particularly in Mumbai.



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What are you most proud of when you look back on your career?

I'm not a person who looks back too much, I'd rather look forward. My current position as CSO makes me particularly proud of ABN AMRO as a bank, because in my view, by creating this role the bank has given flesh and bones to our purpose: "banking for better for generations to come". As CSO, I can give voice to our purpose in my discussions with all stakeholders of the bank from the level of our Executive Board to our discussions with clients, colleagues, investors and society at large. Looking forward to the future from that standpoint, I am confident that ABN AMRO is very well positioned to help our clients to make the transition to a more sustainable economy and society together.

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