

Coöperatieve Rabobank, UA¹ – California AB 1305 Voluntary Carbon Market Disclosures

Last updated on 17 December 2024.

The Voluntary Carbon Market Disclosures Act, Assembly Bill No. 1305 (“AB-1305”), was signed into law in California on October 7, 2023, and requires Rabobank to disclose specified information should we:

1. Market or sell voluntary carbon offsets in the state of California.
2. Purchase or use voluntary carbon offsets sold or marketed in California that make claims regarding the achievement of net zero emissions, claims that Rabobank, a related entity, or a product is “carbon neutral,” or makes other claims implying that Rabobank, a related entity, or a product does not add net carbon dioxide or greenhouse gases to the climate or has made significant reductions to its carbon dioxide or greenhouse gas emissions.
3. Make claims regarding the achievement of net zero emissions, claims that Rabobank, a related or affiliated entity, or a product is “carbon neutral,” or makes other claims implying that Rabobank, a related or affiliated entity, or a product does not add net carbon dioxide or greenhouse gases to the climate or has made significant reductions to its carbon dioxide or greenhouse gas emissions.

The following disclosure is made pursuant to this and was last updated on 17 December 2024:

¹ The scope of this disclosure covers Rabobank Group

44475.1 – Purchase or use of voluntary carbon offsets

Rabobank is committed to identifying carbon removal and emissions avoidance projects that follow the highest environmental and social standards and that reflect our responsibility to ensure positive local impacts. Carbon removal and emission avoidance projects in scope of the VCMDA are noted below based on 2023 data:

Quantity	6.460	25.488	9.520	680
(a) Supplier	Fuatres Elektrik Üretim A.Ş	Climate Neutral Group	Rabobank, Acorn	Climate Neutral Group
(a) Registry	Gold standard	Gold standard	Plan Vivo	Puro.earth
(b) Identification	GS ID 2546	GS3404, GS6275, GS6411, GS7576	Acorn2023.008.001, Acorn2023.008.002	PURO 954
(c) Project name	Mut Wind Power Plant	Bio Digester Program	Acorn	Green Biochar Bolivia
(d) Project type	Avoided emissions	Avoided emissions	Carbon removal	Carbon removal
(d) Site location	Turkey	India	Kenya	Bolivia
(e) Protocol	Article 12 of the Kyoto Protocol	Article 12 of the Kyoto Protocol	Methodology approved by the Plan Vivo Foundation	Puro.earth biochar protocol
(f) Third-party verification	Independently verified by Re Carbon Ltd. Carbon Department.	Independently verified by LGAI Technological Center, S.A (contracted by INSEDA Engineers and Consultants Pvt. Ltd. & First Climate Markets AG).	Independently verified by Preferred by Nature OÜ.	Third-party verification by an auditor against the specific methodology for biochar.

44475.2 – Claims regarding the achievement of net zero emissions

In our [2023 Annual report](#) (page 26) we disclosed our aim to support the transition towards a net-zero economy by 2050 and to set emission reduction targets that help limit global warming (with a likely limited/no overshoot) to 1.5 degrees Celsius by the end of the century. We have underlined that goal by signing the Dutch Financial Sector Climate Commitment (DFSCC) (2019) and by joining the Net-Zero Banking Alliance (NZBA) (2021). Through these commitments we have pledged to have all our operational and attributable GHG emissions from our lending and investment portfolios align with pathways to net-zero by mid-century, or sooner. In alignment with NZBA guidelines, we have identified high emitting sector x region combinations in our portfolio and measure emissions (where data availability allows) on a yearly basis enabling us to track progress in relation to relevant science based decarbonization pathways. In our 2023 Annual Report (page 28) we disclose our total financed emission. In our 2023 Impact Report (page 62) we disclose our financed emissions as well as emission reduction targets on sector x region combination level.

Note that our Annual Reports are subject to external audit whereas our Impact Reports and the Road to Paris reports are not.

44475.2 – Claims regarding reductions to greenhouse gas emissions (scope 1 & 2)

In our [2023 Annual report](#) (page 26 and 27) we explain that our starting point is to take mitigating actions to reduce CO2e emissions from our own operations. We address the climate impact of our own operations on company facility level (offices), company vehicle level and on business air travel level and have set targets on each. In order to set our emissions reductions targets, we refer to science-based benchmark decarbonization pathways for the following main categories of emissions:

- To benchmark the emissions reduction for our offices we use the Carbon Risk Real Estate Monitor (CRREM) methodology, as it is a leading European standard for the operational decarbonization of real estate assets.
- We use the International Energy Agency Roadmap “Net-Zero Emissions by 2050” (IEA) scenario as our benchmark methodology for the GHG emissions related to our use of company vehicle and business air travel. This metric provides specific pathways for the transport sector, split into road transport and air transport.

In our [“Additional Sustainability and Tax Information”](#) disclosure, we disclose our emissions that are directly (scope 1) and indirectly (scope 2) associated with our own operations.

44475.2 – Claims regarding reductions to greenhouse gas emissions (scope 3)

Note that the emissions resulting from our own operations (scope 1 and scope 2) are low/immaterial. The majority of our emissions results from our customers' activities (scope 3, category 15): our financed emissions. We developed a four-step approach to have “... our attributable GHG emissions from our lending and investment portfolios align with pathways to net-zero by mid-century, or sooner...”:

1. Measuring and monitoring our financed emissions. At Rabobank we use the PCAF (Partnership for Carbon Accounting Financials) standard for accounting and disclosing Financed Emissions.
2. Identifying science-based sectoral decarbonization pathways (such as the pathways by SBTi, IEA and CRREM) that provide guidance on the rate at which clients in a given sector need to reduce their GHG emissions.
3. Setting emission reduction targets for the most material sector x region combinations in our portfolio. This is in alignment with NZBA guidelines.
4. Developing sector x region level implementation-plans to achieve the targets. To cluster and direct our actions, we introduced intervention levers:
 - a. We support customers transition to a sustainable direction by providing knowledge and financial products to support their transition.
 - b. We help move the system in a sustainable direction by engaging with stakeholders at different levels in the economy and society. We engage with clients on sustainability related matters (e.g. through our F&A Advisory Boards and the Future Farmers Council). We leverage our position in the relevant industries, sectors and supply chains to advocate cooperation on climate topics (e.g. through our participation in several sustainable commodity roundtables). We work with public sector stakeholders to support the transition (e.g. through our work with PCAF on developing and improving emissions measurement methodologies).
 - c. We optimise our portfolio with sustainability in mind by continuously assessing and aligning our portfolios with scientific benchmarks and sectoral trajectories where available.

In our [2022 Road to Paris report](#) (page 18), and our [2024 Road to Paris Addendum](#) we published the above mentioned approach as well as reduction targets for the 16 most material sector x region combinations in our

portfolio. In our [2023 Annual Report](#) (page 28), we disclose our total financed emission. In our [2023 Impact Report](#) (page 62), we disclose our financed emissions as well as emission reduction targets on sector x region combination level.

As a bank, we want to help our clients in high-emitting sectors of the economy to transition to a more sustainable future. This transition is, however, dependent on many factors, including but not limited to governmental policy and technology improvements. Achieving the targets will also require joint efforts with clients and other stakeholders to support the transition of our clients, as well as governments to follow through on their own commitments to ensure that the objectives of the Paris Agreement are met. For more information on our financed emissions-related commitments, targets and challenges, we refer to the Financed Emissions Interpretation Pointers on page 61 of our [2023 Impact Report](#).

Note: At the time of publication of this document these were the most recent annual and impact reports, for which we conveniently shared the relevant page numbers. As we will continue to transparently share our progress we kindly refer you to the most recent figures in the most recent version of these reports at the time of reading this document.