

Our material topics

Our materiality approach

In 2016, we performed a materiality analysis. This analysis resulted in 20 material topics, which we formalised and implemented in our management approach in 2017.

Part of our bank-wide strategy

The purpose of the analysis was to identify topics with a direct or indirect impact on our organisation's ability to create, preserve or erode economic, environmental and social value – not only for ourselves, but also for our stakeholders and society at large. It revealed what our internal and external stakeholders consider to be the most material, relevant topics.

Material topics based on a variety of issues

We drew up a shortlist from this extensive range of topics by analysing the extent to which last year's topics were covered by the most dominant reporting frameworks (such as GRI, SASB, GRESB, DJSI) and peer reports. We then clustered and defined these topics with a bankwide working group of representatives from different departments and fields of expertise.

Carefully prioritised topics

First we sent a survey to our four main stakeholder groups through online media and a direct, targeted approach. We asked them to rank each material topic on a scale of 1 to 4 (1 = least relevant; 4 = most relevant). They were also invited to add material topics of their own, but no additional topics were proposed. We received a total of 183 responses. We weighted the input we received, giving each stakeholder group a 25% influence on the results. Second, we asked a bank-wide selection of our management to prioritise the material topics in preparation for an internal workshop. They ranked the topics on the same 1 to 4 scale, and together we discussed and validated the outcome of the survey during the workshop.

These discussions about the relevance, completeness and definitions of the topics resulted in the validated material topics listed in the matrix on page 73.

Disclosure on 14 important topics

This Integrated Annual Review discloses information and progress on 14 material topics. To achieve balance and conciseness here, some topics are more elaborately detailed in other reports better tailored to stakeholder needs. Some topics are also reported on more elaborately than others, based on relevant developments in the past year.

The six material topics not covered in this Integrated Annual Review are covered by other disclosures. Our impact on Non-discrimination and human dignity (13) is addressed in our separate Human Rights Report published in December 2016, and in the Human Rights Update published in December 2017. The topics deemed to have less social or business impact according to this materiality matrix (15-20) are not discussed in this Integrated Annual Review, with the exception of number 16 as this is part of our core risk approach (see page 50). The connectivity table on page 74 provides a description of each material topic, how the topic relates to our strategy and to which stakeholder groups the topic matters most. The description of material topics and the definitions of metrics are provided in the Connectivity Table and in the Appendix.

Embedding the materiality analyses

We have already taken steps to further embed these topics throughout our organisation. The next step is to heighten our focus on the assessment of – and our approach to – these topics. This can be done in various ways, such as assessing the risks associated with each topic and the governance in place to make sure we achieve our goals. In 2017, we made a first step to align our strategic risk assessment with the material topics.

Deepened understanding to drive future strategy

In 2018 we will critically review these material topics and the materiality assessment, using multi-stakeholder dialogues (internal and external, and with participation

from our Executive Board) to deepen our understanding. Most of the metrics for progress have already been determined; in other cases we aim to determine metrics and use them for reporting in the future.

Our material topics



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| 1 Customer issue ownership | 8 Co-creation and innovation | 15 Role model in terms of legislation and regulations |
| 2 Ethics and integrity | 9 Privacy, use of client data by the bank or third parties | 16 A positive impact on ESG criteria through our financing and investment services |
| 3 Preventing corruption, fraud and cybercrime | 10 Responsible tax policy | 17 Safe and healthy workplace |
| 4 Stability of our digital services | 11 Employee engagement and empowerment | 18 Our environmental impact |
| 5 Sustainability of our business model | 12 Moderate risk profile | 19 Adding value by promoting the welfare of society |
| 6 Clear, appropriate advice | 13 Non-discrimination and human dignity | 20 Adding value by leading the public debate |
| 7 Agile organisation | 14 Responsible remuneration policy | |