

How we create and share **value**

Our value creation model shows how we use the resources and expertise at our disposal to create value for our stakeholders. It all starts with the 'input' – four types of capital. These are the key resources we use to generate value. The output results in the value we create for our stakeholders and how we share it with each stakeholder group. The Value Creation Model is presented in the Strategy section of this report.

INPUT



Social and Relationship Capital

We maintain strong relationships with our stakeholders by regularly conducting dialogues with them and by performing market analyses, scenario planning and materiality research on what topics matter most to them. Stakeholder management is embedded in our governance model and is carried out in all layers of the bank. Our commitment to sustainability and other social issues is continuously growing.



Digital and Technological Capital

Our business activities are conducted through tangible and virtual infrastructures. We are investing in digital and innovative propositions and pursuing external partnerships to fortify our digital and technological capital.



Human and Intellectual Capital

We have specialised financial skills and in-depth sector expertise in different industries. We are committed to attracting, retaining and developing talented and dedicated employees. Our cultural principles and purpose serve as a guide as we work to transform our culture and embed agile methods across our organisation, allowing us to respond alertly to changing client needs.

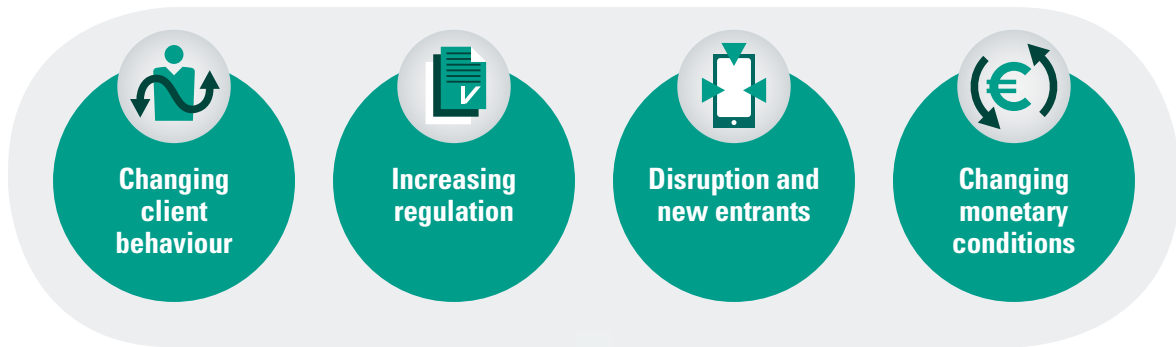


Financial Capital

We use financial capital – including reserves generated through equity, client deposits and other funding sources – to invest in our activities.



KEY TRENDS





OUTPUT

VALUE CREATED



Social and Relationship Capital

We are redesigning our business and distribution models to address changing client needs, and we offer personalised advice and tailor-made products and services.

-15 NPS Retail Banking
-1 NPS Private Banking
6 NPS Corporate Banking
3.1 Trust Monitor score (on a scale of 1 to 5)



Digital and Technological Capital

We are opening up our network by forging partnerships. We strive to ensure a stable, secure IT landscape with high availability while protecting client data, guaranteeing privacy and combating fraud.

99.87% Availability of our digital services
5.9 million Number of internet banking contracts



Natural Capital

We are minimising the environmental footprint of our operations and embedding environmental principles in our corporate and real estate financing and our investment services.

EUR 8.2 billion Sustainable client assets
1.62 tonnes CO₂ emissions in tonnes per FTE



Human and Intellectual Capital

Our purpose, strategy, values and principles form our culture. We are introducing agile methods bank-wide. Our engaged staff share their financial and sector expertise with our clients and partners.

82% Employee engagement score
2% Training expenses as a percentage of total personnel expenses



Financial Capital

We have a moderate risk profile, contributing to a strong, stable financial sector. Effective management and an improved Dutch economy will lift our ROE and dividend payout.

11.8% Underlying return on equity
17.0% Fully-loaded CET1 ratio

OUTCOME

VALUE SHARED

We are creating an agile organisation and a more sustainable business model that addresses our stakeholders' needs.

Clients

Client satisfaction is rising and the number of loyal clients is growing.



Employees

Employee engagement grew in 2016, but job losses will affect our workforce.



Society at large

We are contributing to a better world while improving our bank's reputation.



Investors

Sustainable revenues, healthy cash flows and share price, responsible tax policy.

