



**SNS REAAL**

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**GRI Table  
Responsible  
Business Annual  
Report 2010**

# GRI Table Responsible Business Annual Report 2010

SNS REAAL N.V.

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# Profile

## STRATEGY AND ANALYSIS

- 1.1 **Statement by the Chairman of the Executive Board concerning the relevance of sustainable development for the organisation and its strategy**  
Refer to the annual financial report for 2010
- 1.2 **Description of important consequences of risks and possibilities**  
Refer to the paragraph on Risk in the annual financial report

## ORGANISATIONAL PROFILE

- 2.1 **Name of the organisation**  
SNS REAAL N.V.
- 2.2 **Products and/or services**  
SNS REAAL offers products and services in the field of mortgages and property financing, savings and investment, insurance and pensions. Refer also to chapter on Products and services in the RB annual report.
- 2.3 **Operational structure**  
SNS REAAL comprises the company divisions SNS Retail Bank, REAAL, Zwitserleven, and Group activities. Refer also to the organigram in the annual financial report.
- 2.4 **Location of head office**  
Utrecht
- 2.5 **Number of countries + names of countries with large-scale activities or having specific relevance for sustainability issues included in the report**  
The focus of SNS REAAL is chiefly on the market in the Netherlands. At the close of 2010, foreign credit accounted for less than 5% of SNS Bank's overall credit portfolio.  
Property Finance is the only entity which is to a limited extent active internationally. For further details refer to the annual financial report.
- 2.6 **Ownership structure and legal character**  
At the close of 2010, the Stichting held 50.00001% of the ordinary shares in SNS REAAL. The following interests were notified in relation to the Financial Supervision Act (Wft): Aviva PLC held an interest of 4.96% at 30 September 2009; and at 30 November 2010 Massachusetts Financial Services Company held a financial interest of 3.15% and voting rights of 5.07% (including proxy voting rights), the rest being freely traded. SNS REAAL is a Dutch public limited liability company (Naamloze Vennootschap).
- 2.7 **Sales markets (geographical division, sectors served and types of clients/beneficiaries)**  
SNS REAAL focuses chiefly on the Dutch retail market, including small- and medium-sized enterprises
- 2.8 **Company size**  
Refer to the key data presented in the annual financial report.
- 2.9 **Significant changes concerning company size, structure or ownership**  
SNS REAAL is a so-called 'structured company' (structuurvennootschap). The company has an Executive Board and a Supervisory Board which exercises all the powers granted by law to the Supervisory Board of a structured company. Further information about the Executive Board and the Supervisory Board can be found in the annual financial report.

The Supervisory Board also has various additional powers which are outlined in the regulations of the Executive Board and the statutes. The Supervisory Boards of SNS REAAL, of SNS Bank and of REAAL Insurances are comprised of the

same members. The Supervisory Board maintains oversight of the policy of the Executive Board and the managements of SNS Bank and REAAL Insurances and assists them with advice.

At the start of 2009, a new Management Committee was set up alongside the Executive Board. This is made up of the Executive Board, the chairmen of the retail company SNS Bank, SNS Property Finance, REAAL Insurances and Zwitserleven, the Chief Information Officer and the director of Personnel & Organisation. The Management Committee's responsibility is focused on further improving efficiency, business development and performance in a group-wide context. Further information is contained in the annual financial report.

## 2.10 Distinctions which were awarded during the reporting period

- January: Belwind: a wind farm financed by ASN won the PFI award f SNS Bank emerged as the best performing bank in a survey by VBDO concerning advice about sustainable investment
- February: SNS Investment Funds won the Lipper Award for the best funds provider in the category Mixed Assets, small funding houses
- March: SNS REAAL gained four nominations for the Golden Shield Award:  
CEO Ronald Latenstein is a candidate for the prize for insurance man/woman of the year;  
Zwitserleven is in the running for pension company of the year;  
REAAL Insurances gains top marks as mortgage company of the year;  
SNS Investment Funds (SBB) is in the race for the award for Corporate Social Responsibility.  
SNS Bank: Netprofiler Internet Broker survey - best large online investment bank  
SNS Investment Funds: Eurofonds-FundClass Grand Prix
- May: SNS Bank: Dutch Interactive Award for the best lead generation on the internet
- July: SNS Investment Funds: SNS Netherlands Share Fund is the leading climber in VEB list, from three to five stars.  
SNS World Share Fund retains its five stars
- October: REAAL and Proteq are awarded certification for client-focused insurances (Keurmerk Klantgericht Verzekeren)
- November: SNS REAAL gains third place in the Scenter prize for annual reports  
ASN Bank: Golden Bull for the best funds house of 2010, and a Golden Bull for its Environment and Water Fund  
SNS Bank: SIDN prize for universally accessible internet banking  
SNS Bank: CRM Innovator Award 2010  
SNS Bank: Graphis Gold Award Design Annual 2011 for its shop concept
- December: ASN Bank: Financial Marketing Award 2010  
Zwitserleven: first place for performance research among pension insurers (POP)  
REAAL repeats its achievement from 2009 of being selected by the association of sustainable development investors (VBDO) as the best responsible investor among Dutch insurers.

## REPORTING PROFILE

- 3.1 **Reporting period**  
1 January 2010 up to and including 31 December 2010
- 3.2 **Date of most recent report**  
8 April 2010
- 3.3 **Reporting cycle**  
Annually
- 3.4 **Point of contact for report**  
Verantwoord.ondernemen@snsreaal.nl

## SCOPE AND DEMARCATION OF THE REPORT

### 3.5 **Process for determining the contents of the report (relevance, prioritisation of topics, establishment of which interest parties are anticipated to make use of the report)**

#### **Six areas of attention**

SNS REAAL recognises six areas of attention as being important for Responsible Business (RB). These areas of attention were determined in 2008 by the Responsible Business portfolio holder. They are: responsible leadership; responsible conduct; responsible business operations; responsible products and services; embedding in society; and accountability & reporting. The annual report on Responsible Business 2010 has been compiled based on this structure. SNS REAAL has decided in favour of electronic publication of the report in order to better convey the information to better meet the needs of various target audiences. Electronic publication also reduces the use of natural resources (paper). The division into six areas of attention will be evaluated in the course of 2011.

#### **Target audience**

The target audience for which this report is intended consists of our stakeholders: clients, intermediaries, employees, suppliers and civil society organisations.

#### **Organisation**

The information on which we report is derived from within the organisation, structured according to the six 'R's and stored in a database. In conjunction with the RB portfolio holder and the core team for RB, the RB Director has decided where the report's emphasis should rest. An editorial board has been constituted, and external parties engaged, to decide on the composition and the writing of the content of the report.

#### **Feedback**

The report incorporates the option for providing feedback. This makes it possible for SNS REAAL to gauge whether the information is sufficiently accessible for different target audiences and if they have been able to find the information required. We employ their feedback in ensuring that the following report even better meets the expectations of our stakeholders.

#### **Evaluation**

Information for the report has been provided by the brands and the staff departments. The report's texts have been submitted to the editorial board and to the co-ordinators of the brands and the staff for evaluation and/or assessment. In addition, the content of the report has been assessed by Legal Affairs, Group Audit, Concern Communication, GORCC (Governance Operational Risk & Compliance Committee), the Executive Board and the core team RB. Following publication of the report the entire process will be evaluated.

### 3.6 **Demarcation of the report**

The information provided, the data on environmental indicators and data concerning the social performance indicators apply to the whole of SNS REAAL.

Where a part of the organisation is referred to by name, the information (objectives, results) is relevant to that particular part. Where parts of the organisation are not referred to, no explicit or additional information was available at the time of publication of this report.

### 3.7 **Specific exceptions**

SNS REAAL reports on the entire organisation, excluding those exceptions in 3.6.

### 3.8 **Basis for reporting on collaborations and subsidiaries**

In this report, SNS REAAL reports on the entire organisation, with the exception of the business divisions specified in 3.6. In addition, ASN Bank publishes its own (sustainability) report. Refer also to <http://www.asnbank.nl>.

### 3.9 **Techniques and calculation methodologies for data gathering. Account for any decisions for not applying GRI protocols or for significant deviations from them**

SNS REAAL reports according to GRI G3 guidelines, level C. For reasons of data availability, a different indicator has been relied upon for some performance indicators. It is indicated where this has been the case.

### 3.10 **Revisions**

Data for 2009 have been revised in the GRI tables in cases where additional information subsequently became available. In graphics and tables referring to environmental aspects of responsible business operations FTE data concern the situation as at 30 September 2010.

### 3.11 Amendments to scope

Data in this report concerning personnel in previous years may vary from data presented in earlier published reports. Variations in data result from information being derived from different personnel administration departments, as a result of the integration of new business units such as AXA, Property Finance and Zwitterleven. These administrative departments have subsequently been integrated into one centralised personnel administration register.

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## VERIFICATION

### 3.13 Policy and practice concerning external verification

RB reporting by SNS REAAL does not involve external verification. We are open to the opinions of our stakeholders: clients, intermediaries, employees, shareholders, suppliers and civil society organisations. A number of them present their opinions about SNS REAAL in this report. Via the Sounding Board Group for Responsible Business, discussions are held with stakeholders about issues relevant to a company such as SNS REAAL in this area. starting from the beginning of 2001 concerning the themes which are relevant in this field for a company such as SNS REEAL.

In addition, Group Audit has conducted an internal audit with the aim of adding certainty that the social report constitutes a reliable and adequate representation of the policy of SNS REAAL concerning responsible business, company operations, the activities and performance of SNS REAAL in this area during the reporting period 2010.

The quantitative information presented in this GRI index has also been assessed for admissibility and completeness by the DHV advisory group on sustainable business. Data have been validated according to an established protocol based on historical information.

# Governance, obligations and involvement

## GOVERNANCE STRUCTURE

### 4.1 Governance structure

The Executive Board is responsible for the issue of Responsible Business, supported by the GORCC (Governance Operational Risk & Compliance Committee). The practical elaboration of RB became the responsibility of the Responsible Business Director as of 1 September 2010. The director is supported by the RB core team.

### 4.2 Independence (other supervisory functions of the chairman of the highest governing body)

#### Ancillary functions of Ronald Latenstein

Member of the Supervisory Board of Sligro Food Group N.V.,  
Chairman of the Supervisory Board of the childcare foundation Stichting Kinderopvang Humanitas,  
Board member of Climate Change Capital Holdings Ltd.,  
Chairman of the Dutch Association of Insurers ,  
Board member of the employers association VNO-NCW,  
Board member of the *Oranje Fonds*.

### 4.3 Independence of single governance structure

### 4.4 Mechanisms for shareholders

One or more shareholders representing at least 10 percent of invested capital can, having communicated the items to be addressed, request the Executive Board and the Supervisory Board to call an (extraordinary) annual general meeting of shareholders (AVA).

One or more shareholders and others having the right to attend the meeting who represent at least a one-hundredth share of invested capital or who represent a value of at least Euro 50 million can place items on the agenda of the AVA. The request for placing these items on the agenda must be made to the Executive Board at least 60 days prior to the day on which the AVA is announced. The Executive Board can decide against placing the proposed items on the agenda should it be of the opinion that the item are in opposition to the overall interests of the company.

All shareholders and others having the right to attend the meeting are entitled to attend the AVA, to make a statement and to vote, insofar as they are entitled to. Each share carries the right to a single vote in the AVA.

### 4.5 Remuneration of senior management (relationship to social and environmental performance)

Refer to the remuneration report.

### 4.6 Controls on conflicts of interest

Our overall Business Principles constitute the core values on the basis of which the executives, managers and employees of SNS REAAL conduct their work. The business principles also include concrete responsibilities for conduct and co-operation.

### 4.7 Qualifications and expertise of the Executive Board

#### Ronald Latenstein

Ronald Latenstein (1964) has been Chairman and CEO since 15 April 2009. He also supervises the group staff in Group Audit, Concern Communication, Compliance & Operational Risk Management and Corporate Strategy.

Ronald Latenstein developed his specialist field having studied economics and business. Following a variety of national and international financial management functions he entered SNS REAAL in 1995. After a brief period as CFO with Bank Insinger de Beaufort he became the CFO of SNS REAAL in 2002.

#### Rien Hinssen

Rien Hinssen (1956) has been a member of the Executive Board since 1999 and, as COO, he focuses on the business activities of SNS Retail Bank and SNS Property Finance. He is also responsible for the group staff in Legal Affairs and P&O. Rien Hinssen began his career as a lawyer before specialising in financial economic management. He held a variety of positions with the Rabobank and began working for SNS Bank in 1982 as the district director for north and central Limburg.



### Dick Okhuijsen

Dick Okhuijsen (1965) has worked for SNS REAAL since 1 September 2009 and was appointed as a member of the Executive Board by the extraordinary annual general meeting held on 3 December 2009. As COO, he focuses on the business activities of REAAL and Zwitserleven and is, in addition, responsible for SNS Asset Management, ICT and the Facilities Company. Dick Okhuijsen pursued a range of other studies that include applied mathematics, an MBA and the Advanced Management Program at the Harvard School of Business. He occupied various positions within Nationale-Nederlanden and ING Group including that of CEO of ING Life Insurance Company Ltd. Japan.

### Ference Lamp

Ference Lamp (1971) has been CFO and a member of the Executive Board since 15 April 2009. He also supervises the group staff in Group Risk Management, Investor Relations, Group Finance and Tax Affairs.

Ference Lamp has extensive experience of the financial services sector. He has occupied the positions of Managing Director of the Financial Institutions Group at Lehman Brothers and Associate Corporate Finance & Capital Markets at Fortis Investment Bank in Amsterdam.

More extensive CVs of the members of the Executive Board are available on the company website: [www.snsreaal.nl](http://www.snsreaal.nl).

#### 4.8. Guidelines developed internally

Business principles were established in 2008, to which the code of conduct is a seamless extension. Our overall Business Principles constitute the core values on the basis of which the executives, managers and employees of SNS REAAL conduct their work. The business principles also set out concrete responsibilities concerning conduct and co-operation. The business principles are due to be updated during 2011.

#### Klokkenluidersregeling

The whistleblower's provision provides an avenue for employees to report abuses within SNS REAAL in a confidential manner. The purpose of this provision is to safeguard the integrity of SNS REAAL and to ensure that the interests of the clients and employees can be optimally served. The P&O director and a committee to deal with suspected abuse have been engaged with the task of reinforcing this.

#### 4.9 Controls on procedures

For an explanation of our internal management and control procedures we refer you to the chapter on Corporate Governance in the annual financial report.

Responsibility and decision-making for RB and RB policy rests with the GORCC (Governance Operational Risk & Compliance Committee).

The Responsible Business Director is a member of the GORCC.

#### 4.10 Executive Board performance evaluation procedure

This is outlined in the annual financial report. The remuneration report is available on the website: [www.snsreaal.nl](http://www.snsreaal.nl).

#### 4.11 Precautionary principle

The precautionary principle is constantly applied by a bank-insurer. Numerous factors are taken into account on a daily basis, for instance in accepting new clients, the provision of credit, investment in projects and businesses and the development of (and the framework of standards for) new products. In so doing, we apply the precautionary principle. In terms of policy, this is set out in our client acceptance policy, credit policy and investment policy.

#### 4.12 Non-obligatory external guidelines

By the close of 2010, SNS REAAL and its business divisions had signed onto a variety of declarations by leading organisations in the field of responsible business. We have an obligation to abide by the guidelines of:

- Apart of pharmaceutical companies about the extent to which they make their medicines available for people in developing countries. Greater access to medicines could save millions of human lives each year.
- Carbon Disclosure Project (SNS Asset Management and ASN Bank).
- Equator Principles, signed by ASN Bank in November 2009, by which ASN Bank commits itself to assess the projects in which it invests according to societal and environmental criteria of the International Finance Corporation (IFC).
- EuroSIF transparency guidelines (ASN Bank and SNS Investment Funds, with regard to sustainable funds).
- Global Reporting Initiative, guidelines for reporting on sustainable business (SNS REAAL and ASN Bank).
- UN Global Compact (SNS REAAL and ASN Bank).
- UN Principles for Responsible Investment (SNS Asset Management). SNS Asset Management has also signed the PRI Collaborative Engagement Initiative of the UNPRI, aimed at improving responsible business in Hong Kong en Singapore.
- Investor Statement on a Global Agreement on Climate Change (ASN Bank).
- Banks' Climate Statement (ASN Bank).

- Fair Green Deal (ASN Bank).
- Biodiversity Coalition (ASN Bank).

The following sets of guidelines have been incorporated into the general business principles of SNS REAAL:

- ILO Treaty.
- Universal Declaration of Human Rights.
- OECD guidelines for multinational corporations, in particular with respect to environmental policy.
- In addition, we report according to GRI guidelines, level C.

SNS Asset Management, ASN Bank and the ASN Investment Funds also operate their own strict sustainability criteria that are entirely in line with the UNPRI. ASN Bank operates via a range of partnerships on the dissemination and implementation of sustainable investment, such as in the green reflection group of banks, the association of investors for sustainable development (VBDO), UNEP FI, CDP etc.

ASN Bank has incorporated ESG (Environment, Social and Governance) aspects in specific investment criteria and issue papers. These are also included in the bank's voting policy and engagement policy. Service providers are approached with questions concerning how they intend to deliver upon ASN Bank's policy in the field of sustainable investment. Voting behaviour and share spreads are open to public scrutiny via the website [www.asnbank.nl](http://www.asnbank.nl). ASN Bank's sustainability report presents a comprehensive overview of progress in the area of ESG.

Since 2008, SNS Asset Management has included exclusions, engagements and voting activities in its standard reporting. The investment process begins with ESG criteria. SNS Asset Management places specific demands on its investments. The fundamental policy principles which SNS Asset Management applies are:

- 1 respect for the core rights of the individual,
- 2 not being guilty of the worst forms of child labour,
- 3 refraining from involvement in forced labour,
- 4 refraining from serious forms of corruption,
- 5 refraining for serious forms of environmental pollution,
- 6 no involvement in the production of weapons systems whose impacts are disproportional or which do not distinguish between military and civilian targets,
- 7 respect for generally accepted ethical principles which apply in a humane society.

SNS Investment Funds (SBB) has the task of consistently in applying an umbrella investment philosophy to the SNS Funds. Asset management by the best asset manager, active management with sufficient active share and low costs. The most important pillar underpinning the policy is the outsourcing of asset management to the best party. Asset managers are often expert in one particular field - for instance, property, fixed income securities or emerging nations. SBB conducts business with all these specialists. This is a different approach to the market standard. On behalf of the client, SBB is the interlocutor with the asset managers. We aim to encourage companies to improve their ethical policy and conduct. Should there be doubts concerning the ethical conduct of the company an engagement process is initiated and we actively pursue a dialogue.

We guard over, analyse and monitor the agreed investment policy and the resulting return.

SNS Investment Funds Management (SBB) decided in November 2009 that for virtually all SNS Investment Funds ESG criteria responsible environment, social and governance aspects should apply to investment decisions. These fundamental policy principles are identical to those applied by SNS Asset Management.

#### 4.13 **Most important memberships**

As well as being signatories, SNS REAAL and ASN Bank are members of UNGC Netherlands.

SNS REAAL is also a member of CSR Europe, the ESG and the WSBI.

SNS Asset Management and ASN Bank are members of the Carbon Disclosure Project, about which SNS REAAL has generated publicity.

SNS Asset Management is a member of EuroSIF.

## STAKEHOLDERS

### 4.14 List of involved interest groups

#### Stakeholder dialogue and influence on RB policy and reporting

Shareholders/investors (including Stichting Beheer SNS REAAL), supervisory bodies, ratings agencies, analysts/journalists; clients; investor associations such as NVB and VvV; the Dutch Finance Ministry (as legal body and also in relation to state aid)

#### Communication with shareholders via AVAs etc

The CEO, CFO and the IR department maintain regular contact with national and international institutional investors. They visit investors twice a year to inform them about semi-annual and annual results. In addition, a trading update (quarterly financial update) is issued twice a year, which can be followed via the website. A so-called 'investor day' is also arranged once a year, aimed at institutional investors, to provide an update on strategy, financial performance, the capital situation and group activities. At least once a year the Executive Board holds a general meeting of shareholders. During the course of this meeting the Executive Board reports on topics including objectives, company strategy, policy and financial results. The Executive Board is also in regular contact with ratings agencies to inform them about strategy, financial performance, the situation regarding capital and group activities. The Executive Board is also in regular contact with supervisory agencies.

Stakeholders are also consulted on a regular basis: the supervisory agency extremely frequently; ratings agencies around twice a year; investors, by means of roadshows twice a year; the investors once a year at the investor day; analysts and journalists on a continual basis; interest groups also on a continual basis; clients during their visits to bank shops, for instance; and the Finance Ministry as required.

The new corporate website has been set up with separate sections for a variety of stakeholders be they shareholders, analysts, journalists, job seekers or other interested parties. The site also has a specific section for Responsible Business. The new site allows SNS REAAL to more effectively keep a variety of stakeholders informed and to communicate what the company is what it stands for.

#### ASN Bank:

ASN Bank maintains close contact with a range of stakeholders in the social and environmental field. Following are a few examples:

- 1 Strategic co-operations with a variety of organisations with the aim of exchanging information and arriving at common objectives. Examples of organisations with which ASN Bank co-operates are: Amnesty International, Cordaid, Oxfam Novib, the Dutch branch of Friends of the Earth (Milieudefensie), Stichting Natuur en Milieu and Greenpeace.
- 2 Active approaches to stakeholders in which (two-way) communication with clients - both proactive and reactive - is a central feature. Examples of this are annual events such as the shareholders AGM for the ASN investment funds and active information provision through the Spaarmotief magazine and the ASN Bank website. Three 'client days' were also organised in 2010.
- 3 The active online community [www.voordewereldvanmorgen.nl](http://www.voordewereldvanmorgen.nl) where people can engage in discussion and set up initiatives to promote sustainability. While ASN Bank operates this platform as a way of bringing people together, the active participation of the bank also serves in maintaining contact with clients and those who are concerned about sustainability. The bank used the opportunity of the ASN Bank World Prize to invite clients and community members to take part in workshops aimed at those taking the initiative on sustainability topics.

### 4.15 Selection of interested parties

SNS REAAL is in regular contact with its stakeholders. This involves contact with clients, intermediaries, employees, shareholders, suppliers and civil society organisations. Contact takes place on a regular basis but on occasion also results from specific incidents. Refer also to the chapter on Reporting in the RB Annual Report.

### 4.16 Nature of discussion/dialogue

#### SNS REAAL:

The dialogue differs according to stakeholder. Investors, shareholders, journalists and analysts are chiefly interested in the financial situation and the future prospects for SNS REAAL (SNS Property Finance; results; repayments to the state and the stichting); consequences of low interest rates and long-term risks; these aspects also interest supervisory agencies although their chief concern rests with ensuring compliance with legal requirements and regulations (the goal being the sound operation of financial markets and protection of clients), issues such as the client's interests occupying central place, remuneration policy, stress tests; interest groups focused on developments in the field of new legal and

regulatory requirements (Banking Code, Insurers Code; publication of the latest actuarial tables; stress tests); and with clients concerning service provision.

4.17 **Results and use of information**

Refer also to the financial supplement in this document.

# Economic performance indicators

## ECONOMIC PERFORMANCE

**EC1 Direct economic added value, including income, operational costs, personnel expenses, donations, retained profit and payments to capital providers and governments**

### Annual report financial data

Refer also to the key data presented in the financial annual report.

### Description of policy and activities of SNS REAAL Fund

#### SNS REAAL Fonds

Culture is an important factor in a colourful and dynamic society. It stimulates, surprises and brings people together. SNS REAAL Fund occupies a central position in society and considers it vital to make a positive contribution. The Fund creates opportunities for new initiatives in culture, cultural education and science. It aims to lend a helping hand to innovative artistic projects. Moreover, SNS REAAL Fund brings young people in touch with art and culture by making possible educational cultural projects. We also welcome supporting scientists undertaking research in the social and societal fields.

SNS REAAL Fund received 1,744 applications in 2010. We provided support to 799 projects and initiatives with total funds amounting to around € 16.9 million compared to € 15.4 million in 2009. SNS REAAL aims to continue making annual disbursements of around € 16.5 million. Refer to the section in this report.

### Grants to social initiatives, in Euros

As the graphic shows, there was a slight increase in the total amount granted by the SNS REAAL Fund in 2010 compared to 2009, a consequence of the selected projects receiving greater support. The overall available budget remained unchanged.

### 31 Grants to charitable organisations

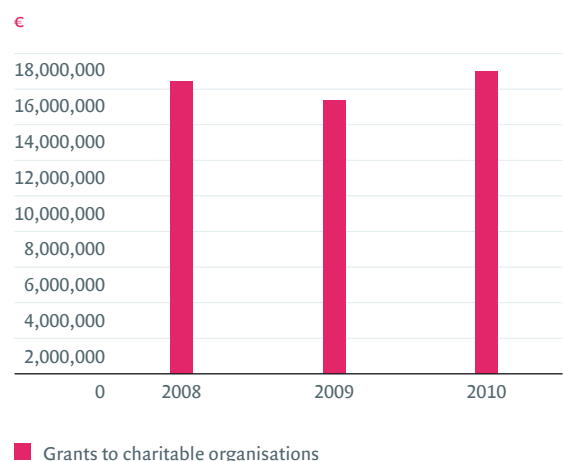


TABLE 1: GRANTS TO CHARITABLE ORGANISATIONS

		2008	2009	2010
Grants	€	16,400,000.00	15,394,622.00	16,900,000.00

**EC2 Financial implications, risks and opportunities from climate change**

SNS REAAL does not report against this indicator as it is not regarded as being of most relevance.

**EC3 Coverage of agreed benefit plans**

SNS REAAL does not report against this indicator as it is not regarded as being of most relevance.

EC4 **Significant financial government support**

In our annual financial report we outline the status of financial support provided by the Dutch State in 2008.  
Market presence

EC6 **Policy, methodologies, contributions to local suppliers**

SNS REAAL, with the exception of SNS Property Finance, operates exclusively in the Dutch market. As far as is economically responsible, purchases are derived from local sources. There is, however, no established policy for this.

EC7 **Procedures for local personnel recruitment and local representation in senior management**

SNS REAAL is a service provider and based solely in the Netherlands. This item is therefore not applicable.  
Indirect economic impacts

EC8 **Investments in infrastructure and services primarily for general purposes**

SNS REAAL is a service provider and based solely in the Netherlands. This item is therefore not applicable.

# Environmental performance indicators

## DEFINITIONS APPLIED

### Scope of environmental data

Data concerning the environment are for the whole of SNS REAAL.

**Business waste:** the total amount of waste collected, in kilograms, divided according to paper and cardboard and other waste. Data regarding business waste are based on actual weighed quantities and on collections by the waste collector based on the average weight of containers emptied.

**Organic catering:** organic products are all those products in company restaurants which bear the EKO certification.

**Energy use:** gigajoules of electricity, gas, heating and diesel consumed in the reporting year, in buildings and as fuel and kilometres travelled on the basis of annual calculations or from meter readings.

**Green electricity:** the overwhelming proportion of green electricity is generated from natural and sustainable energy sources such as water and wind and not from fossil fuels or nuclear power.

**Paper consumption:** the quantity of A4 papier, envelopes and printed materials (including bank statements and policies) purchased in the reporting year, in kilograms.

**Emissions of greenhouse gases:** the CO<sub>2</sub> emissions from energy use in buildings, both directly (CO<sub>2</sub> emissions from SNS REAAL premises) and indirectly (CO<sub>2</sub> emissions by energy companies) and from travel by company car and air travel.

**Water consumption:** the amount of water consumed, in m<sup>3</sup>, in the reporting year for sanitation, in drinks machines, company restaurants, cleaning, fire extinguishers and air conditioning, based on meter readings. All water consumed is drawn from Dutch mains water companies.

**Units applied:** GJ (gigajoules), kg (kilogram), FTE (full-time equivalent, refer also to P&O definitions), litre, % (percent), m<sup>3</sup>, (cubic metre).

## MATERIALS

### EN1 Total quantity of materials used according to weight and volume

#### Paper consumption

The following diagrams show SNS REAAL's paper consumption. The first figure gives total paper consumption per FTE at SNS REAAL. Paper use per FTE was reduced by 6% in 2010, from 210 kg per FTE in 2009 to 198 kg per FTE in 2010.

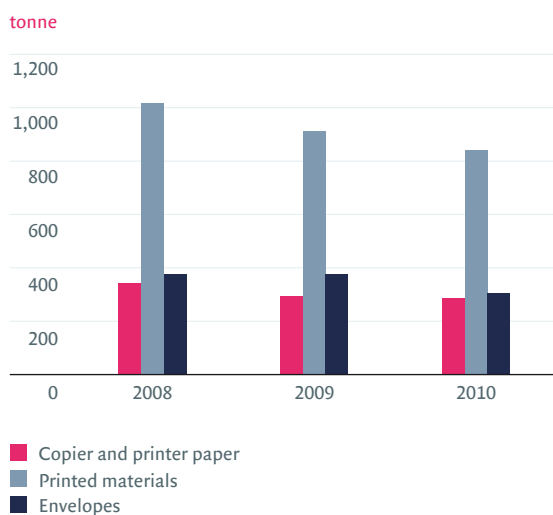
The second figure shows total paper consumption split into three categories: copy and printer paper, envelopes and printed materials (including bank statements and policies). During 2010, 1% less copier and printer paper was purchased compared to 2009, and 8% less printed materials and bank statements. The amount of envelopes purchased in 2010 fell by 18% (374,000 kg in 2009 and 308,000 kg in 2010).

The reduction in the amount of envelopes was due to an increasing number of account holders opting for electronic bank statements and by REAAL largely substituting physical mailings by e-mails.

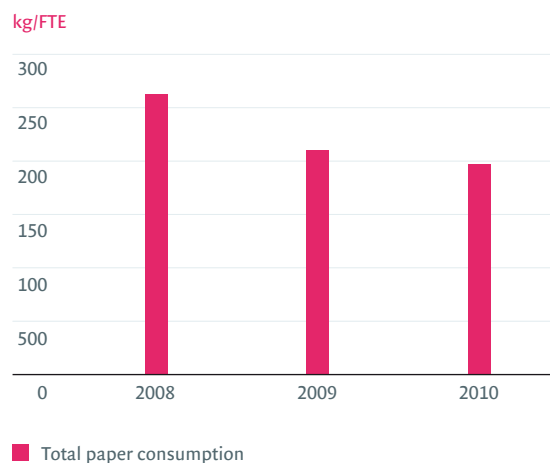
TABLE 2: PAPER

		2008	2009	2010
Total paper consumption in kg per FTE	kg/FTE	262	210	198
Copier and printer paper	ton	345	293	290
Printed materials	ton	1.013	915	838
Envelopes	ton	373	374	308

### 1 Paper consumption by type



### 2 Paper consumption



### Organic catering

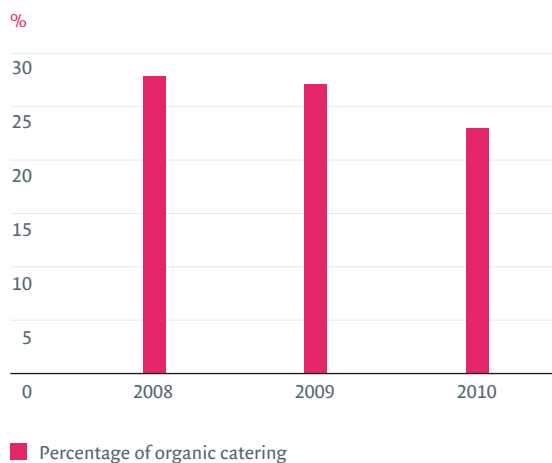
Sales of organic food products accounted for 23% of catering turnover in 2010, a 15% reduction compared to 2009 when organic catering was 27% of turnover.

Figure 4 shows the percentages of organic catering by business location.

Purchases of Max Havelaar and EKO-certified coffee and tea during 2010 are not included in the organic catering turnover of 23%. During 2010, 3,860 kg of fair trade drinking chocolate, 1,155 kg of fair trade tea and 24,397 kg of fair trade and organic coffee were purchased for drinks machines. Through its coffee purchases, SR has made a contribution to improving the livelihoods of 65 families of coffee growers.\*

\* Source: Stichting Max Havelaar and our coffee supplier

### 3 Percentage of organic catering



### 4 Organic catering by location

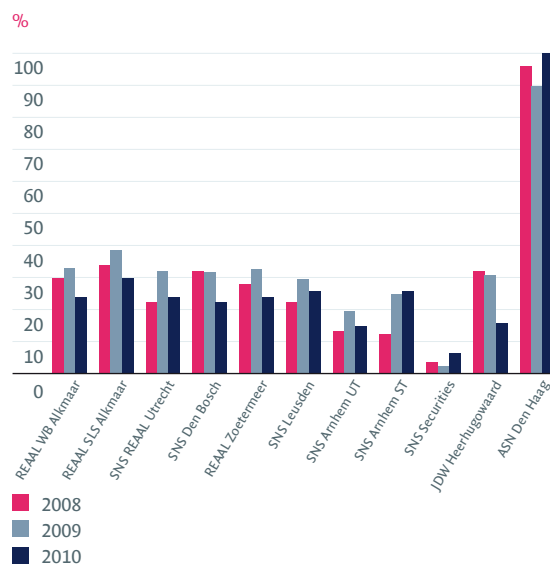




TABLE 3: ORGANIC CATERING

		2008	2009	2010
Average percentage of organic catering	%	28	27	23
Reaal WB Alkmaar	%	30	33	24
Reaal SLS Alkmaar	%	34	39	30
SNS Reaal Utrecht	%	22	32	24
SNS Den Bosch	%	32	32	22
Reaal Zoetermeer	%	28	32	24
SNS Leusden	%	22	30	26
SNS Arnhem UT	%	13	20	15
SNS Arnhem ST	%	12	25	26
SNS Securities	%	3	2	6
JDW Heerhugowaard	%	32	31	16
ASN Den Haag	%	96	90	100

EN2 **Percentage of used materials that consist of waste from external sources**

SNS REAAL is a service provider. This item is therefore not applicable.

## ENERGY

EN3 **Direct consumption of energy**

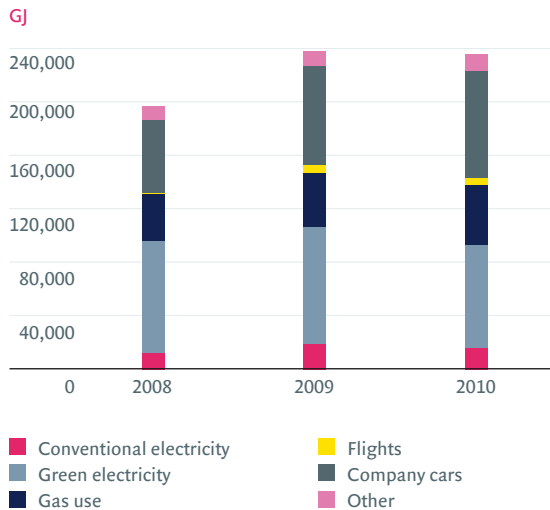
A large share of the environmental impact of an office-based service provider like SNS REAAL arises from energy use. The following diagrams show the energy used in SNS REAAL's office premises and for transport. Figure 6 presents the total energy use per FTE for SNS REAAL. Energy consumption per FTE rose 3% during 2010 to 32.44 GJ per FTE, compared to 31.49 GJ per FTE in 2009.

Figure 5 shows total energy consumption broken down according to energy source. The percentage of green electricity in 2010 - 83% - was unchanged from 2009. Use of gas, measured in GJ, increased by 10% from 40,959 GJ in 2009 to 45,192 GJ in 2010. Electricity use decreased by 18%.

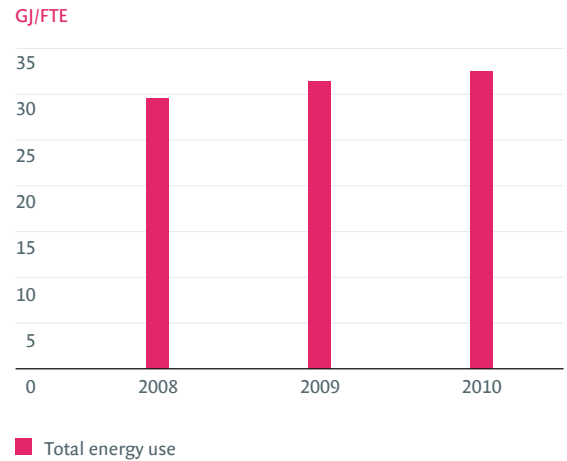
TABLE 4: ENERGY USE

		2008	2009	2010
Total energy use in GJ per FTE	GJ/FTE	29.58	31.49	32.44
		2008	2009	2010
Conventional electricity	GJ	12,492	19,316	15,850
Green electricity	GJ	83,599	86,894	79,543
Gas use	GJ	35,489	40,959	45,192
Flights		1,282	5,891	4,535
Company cars	GJ	54,740	74,766	80,652

## 5 Energy use by source



## 6 Energy use in GJ per FTE



### EN4 Indirect consumption of energy by source

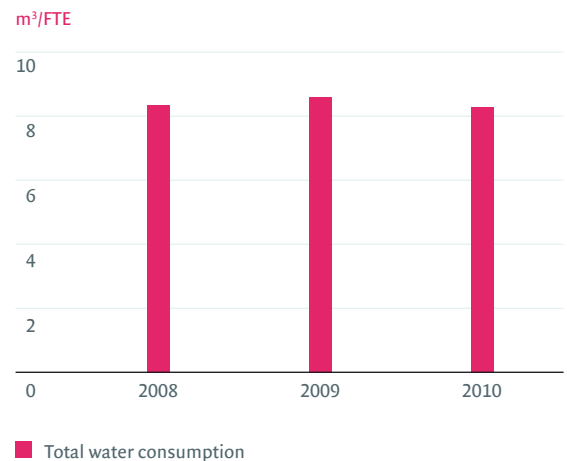
Refer to EN3

## WATER

### EN8 Total water extraction by source

Water consumption, in cubic metres per FTE at SNS REAAL, decreased to 8.3 m<sup>3</sup>/FTE in 2010 from 8.6 m<sup>3</sup>/FTE in 2009.

## 7 Water consumption in m<sup>3</sup> per FTE



## BIODIVERSITY

### EN11 Location and area of land in or bordering on protected areas

SNS REAAL is an office-based service provider located exclusively in towns and cities. Its direct impact on biodiversity is therefore negligible.

### EN12 Description of significant consequences of activities, products, and services on biodiversity in protected areas

SNS REAAL is an office-based service provider located exclusively in towns and cities. Its direct impact on biodiversity is therefore negligible.

## EMISSIONS TO THE AIR, WASTE WATER AND OTHER WASTES

### EN16 Total direct and indirect emissions of greenhouse gases by weight

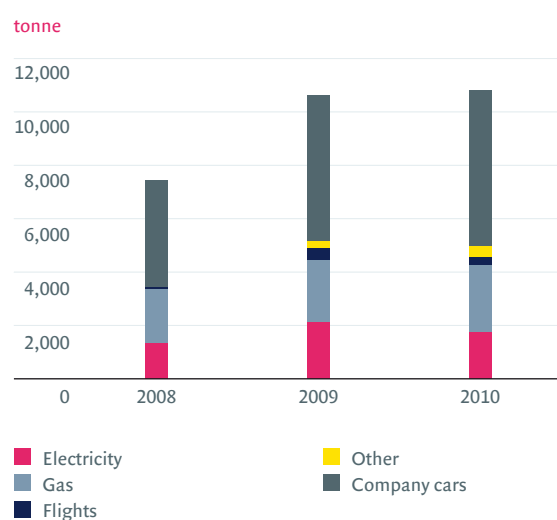
The proportion of green electricity in total power consumption was the same in 2010 as in 2009. Green certificates were purchased in 2008, 2009 and 2010 covering electricity use in all offices owned by SNS REAAL in order to reduce our CO<sub>2</sub> emissions. The following diagrams show the CO<sub>2</sub> emissions by SNS REAAL's office buildings and transport. Figure 9 shows total CO<sub>2</sub> emissions per FTE at SNS REAAL. This reveals that CO<sub>2</sub> emissions per FTE rose from 1,413 kg per FTE in 2009 to 1,490 kg per FTE in 2010. Compensation for CO<sub>2</sub> emissions via the purchase of green electricity certificates has a significant impact on our CO<sub>2</sub> footprint.

Figure 8 shows total CO<sub>2</sub> emissions according to source. Emissions in 2009 amounted to 10,627 tonnes. This increased to 10,832 tonnes in 2010. Of this, 54% can be attributed to company cars, 23% to gas consumption, 16% from electricity use, 3% due to flights and 4% from other fuels.

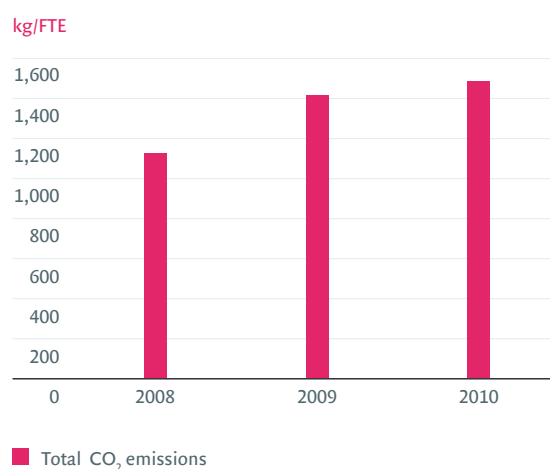
TABLE 5: CO<sub>2</sub> EMISSIONS

		2008	2009	2010
Totale CO <sub>2</sub> uitstoot in ton per fte	CO <sub>2</sub> (kg)/FTE	1,128	1,413	1,484
CO <sub>2</sub> emissions				
Electricity	CO <sub>2</sub> (tonnes)	1,368	2,173	1,726
Gas	CO <sub>2</sub> (tonnes)	1,991	2,297	2,535
Flights	CO <sub>2</sub> (tonnes)	93	410	321
Other	CO <sub>2</sub> (tonnes)	3	305	383
Company cars	CO <sub>2</sub> (tonnes)	3,987	5,442	5,821

8 CO<sub>2</sub> emissions by source



9 CO<sub>2</sub> emissions in kg per FTE



### EN17 Other relevant indirect emissions of greenhouse gases by weight

SNS REAAL is an office-based service provider and emits no (significant) quantities of other greenhouse gases.

### EN18 Initiatives to reduce greenhouse gas emissions by weight

Green electricity certificates have been purchased. More sustainable transport policy.

### EN19 Emissions of ozone depleting substances by weight

SNS REAAL is an office-based service provider and emits no (significant) quantities of ozone depleting substances.

### EN20 NO, SO and other significant emissions to the air by type and weight

SNS REAAL is an office-based service provider and emits no other (significant) emissions to the air.

### EN21 Total water discharged by quality and destination

Refer to EN8

## EN22 Total weight of waste by type and method of removal

Within SNS REAAL, waste is generated in the form of paper and cardboard, hazardous waste (such as toner and other minor chemical waste) and other business waste (such as catering waste, glass and plastic). The following diagrams show the quantity of paper and cardboard and other business waste. Starting from 2011, 'other waste' will be broken down into at least six distinct waste streams.

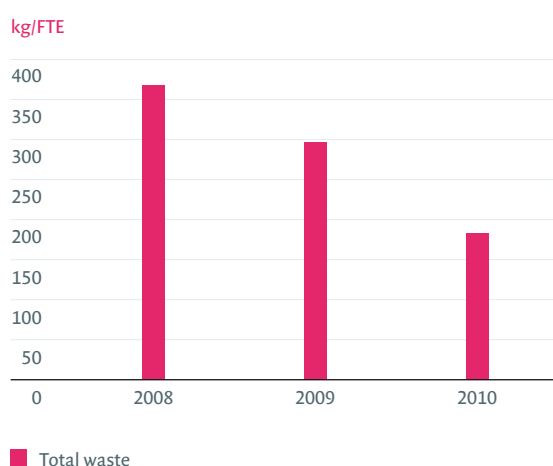
Figure 10 shows the total quantity of waste per FTE at SNS REAAL. In 2010, this fell significantly, to 183 kg/FTE compared to 297 kg/FTE in 2009. From 1 April 2010, waste is paid for on a per kilo basis. Prior to this, payment for waste was per container. Introduction of this new methodology means that data for waste generated in 2009 and 2010 cannot be compared side by side.

In 2010, quantities of paper and cardboard waste fell compared to 2009 from a total of 1,462 tonnes in 2009 to 750 tonnes in 2010. The quantity of other waste fell from 776 tonnes in 2009 to 582 tonnes in 2010. Again, due to the new measuring methodology, amounts of other waste and paper/cardboard waste in 2009 and 2010 cannot be compared directly.

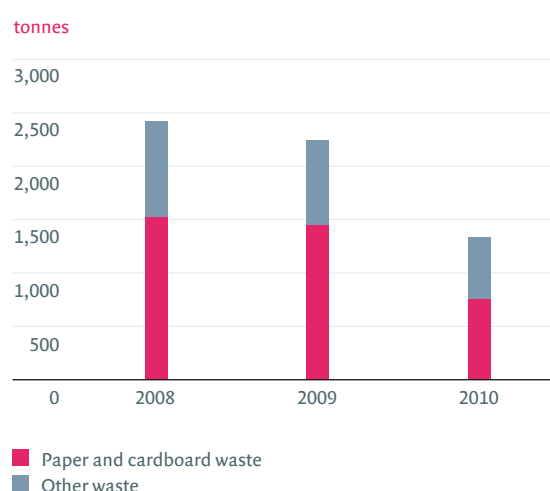
TABLE 6: WASTE

		2008	2009	2010
Total waste in kg per FTE	kg/FTE	367.01	297.28	183.00
Paper and cardboard waste	tonnes	1,519.03	1,462.15	750.00
Other waste	tonnes	903.62	776.45	582.00

10 Waste in kg per FTE



11 Waste by type in tonnes



## EN23 Total number and volume of significant discharges

SNS REAAL is an office-based service provider that does not make significant discharges.  
Products and services

## EN26 Initiatives for compensating for the environmental consequences of products and services

Refer to F1-F16 for the initiatives that SNS REAAL has introduced to incorporate environmental aspects into the company's products and services.

## EN27 Percentage of products sold from which the packaging is collected

SNS REAAL is an office-based service provider. This item is therefore not applicable.

## EN28 Monetary value of significant fines and sanctions due to non-compliance with environmental laws and regulations

In 2010, no significant fines or sanctions were incurred due to non-compliance with environmental laws and regulations.

## TRANSPORT

### EN29 Significant environmental impact from the transport of products and employees

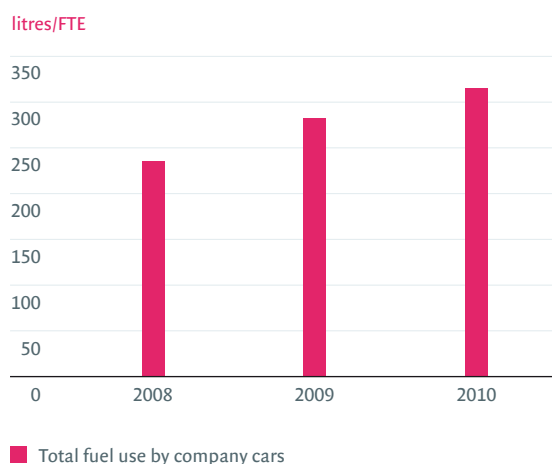
#### Company cars

The number of litres of fuel per FTE consumed in company cars rose by 12% in 2010 - from 282 litres/FTE in 2009 to 315 litres/FTE in 2010. The total amount of petrol consumed rose by 21%. Diesel consumption fell by 6% and use of LPG fell by 37%.

TABLE 7: TRANSPORT

		2008	2009	2010
Litres of fuel per FTE	litres/FTE	235.20	282.26	315.00
Petrol	x 1000 litres	679.64	1166.96	1413.00
Diesel	x 1000 litres	819.95	881.51	831
LPG	x 1000 litres	52.96	77.06	48.55

#### 12 Fuel use by company cars



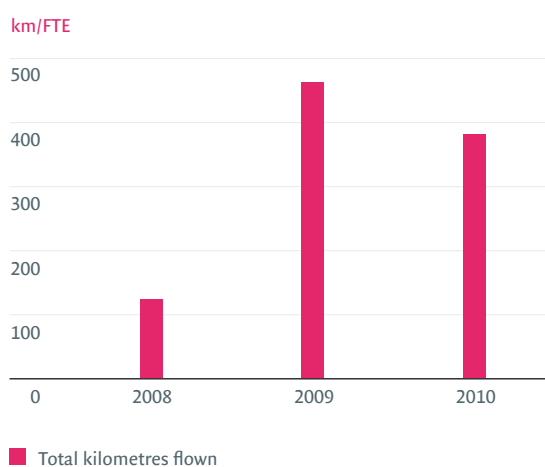
#### Air travel

Starting in 2008, SNS REAAL has reported on the number of kilometres flown. In 2009, the distance flown per FTE was 462 km. In 2010, the number of kilometres by air travel fell to 380 km/FTE.

#### 13 Fuel use by company cars by fuel type



#### 14 Kilometres flown per FTE



# Societal performance indicators

## SOCIETY

### SO1 Nature, scope, and effectiveness of all programmes and methodologies that determine and manage the effects on the community of activities, including location, activities and point of departure

Description of policy and activities of SNS REAAL Fund  
SNS REAAL Fund

Culture is an important feature of a colourful and dynamic society. It stimulates, surprises and brings people together. SNS REAAL Fund occupies a central position in society and considers it vital to make a positive contribution. The Fund creates opportunities for new initiatives in culture, cultural education and science. It aims to lend a helping hand to innovative projects by artists. Moreover, SNS REAAL Fund brings young people in touch with art and culture through educational cultural projects. We welcome supporting scientists undertaking research in social and societal fields.

In 2010 we received 1,744 applications for financial support. We provided support to 799 projects and initiatives with total funds amounting to around € 16.9 million compared to € 15.4 million in 2009. SNS REAAL aims to continue making annual disbursements of around € 16.5 million. Refer also to the section concerning SNS REAAL Fund in this report.

Local initiatives

Kindly visit the SNS REAAL Fund website for an overview of initiatives that have been supported through the SNS REAAL Fund.

### 31 Grants to charitable organisations

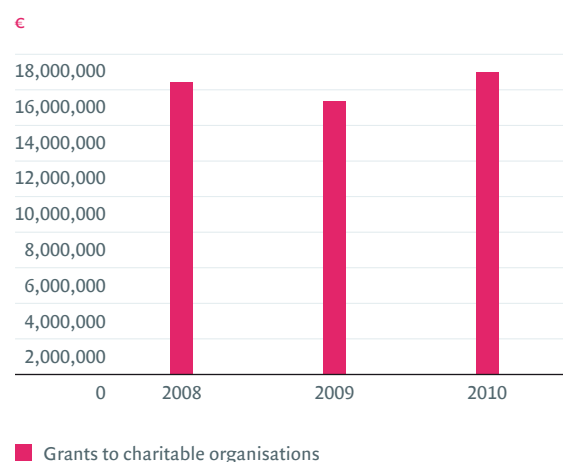


TABLE 8: GRANTS TO CHARITABLE ORGANISATIONS

		2008	2009	2010
Grants	€	16,400,000.00	15,394,622.00	16,900,000.00

## CORRUPTION

### SO2 Percentage and total number of business units analysed according to corruption-related risks

No such instances were noted in 2010.

Measures for control and prevention are the code of conduct and governance of SNS REAAL. There are few issues which may be decided by one person alone.

### SO3 Percentage of personnel that have undergone organisational training in anti-corruption policy and procedures

85% of SNS REAAL's employees have pursued integrity training. Integrity is also included as an item in performance appraisals.

The goal of the programme was to achieve a sound mindset in responding to integrity-based risks within SNS REAAL. At the start of 2009, the programme was integrated into regular organisational activities.

For all employees, training in handling dilemmas and ensuring familiarity with the code of conduct was rolled out via e-learning. Where required, rules have been simplified and made more accessible via a helpdesk and a website. In addition,

tion, integrity is raised as an issue during the recruitment procedure, the introduction to the company, assessment and training of employees and managers. Periodic line reporting concerning integrity has also been introduced. Business dilemmas also regularly feature on the organisation's agenda, the results being recorded and monitored through internal reporting.

SO4 **Measures adopted in the event of corruption**

Not applicable

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## PUBLIC POLICY

SO5 **Standpoints concerning public policy and participation in its development, including lobbying**

SNS REAAL does not report against this indicator as it is not regarded as being most relevant.

SO8 **Total number of court cases resulting from anti-competitive practices, cartel-forming and monopolistic practices as well as the results of these legal proceedings**

No legal proceedings have arisen as a result of anti-competitive practices, cartel-forming and monopolistic practices. Also, there are no results to report from past legal proceedings related to anti-competitive practices, cartel-forming and monopolistic practices. Refer also to the chapter on Corporate Governance in the annual financial report.

# Human rights

## INVESTMENT AND PURCHASING POLICY

- HR1 Percentage and total number of significant investment agreements in which clauses concerning human rights are included or on which compliance is assessed**  
Our investment policy specifies that for all investments we analyse the extent to which an enterprise in which we invest is involved in breaches of human rights.
- HR2 Percentage of leading suppliers and contractors that are assessed in relation to compliance with human rights and measures implemented**  
While a limited number of suppliers has been assessed, we are not in a position to provide a concrete percentage.  
Prohibition of discrimination
- HR4 Total number of cases of discrimination and the measures implemented**  
There were no cases of discrimination in 2009.  
Freedom of association and collective employment negotiations
- HR5 Activities having been established as potentially constituting a significant risk in relation to freedom of association and collective employment negotiations and the measures implemented**  
SNS REAAL, with the exception of SNS Property Finance, operates exclusively in the Dutch market. This indicator is therefore of little relevance and we do not report on it.  
Child labour
- HR6 Activities having been established as potentially constituting a significant risk in relation to child labour and the measures implemented**  
SNS REAAL, with the exception of SNS Property Finance, operates exclusively in the Dutch market. This indicator is therefore of little relevance and we do not report on it. Refer also to the business principles.  
Forced and indentured labour
- HR7 Activities having been established as potentially constituting a significant risk in relation to forced labour and the measures implemented**  
SNS REAAL, with the exception of SNS Property Finance, operates exclusively in the Dutch market. This indicator is therefore of little relevance and we do not report on it. Refer also to the business principles.



# Social performance indicators

## DEFINITIONS APPLIED

### Scope of employee data

Data concerning employees refer to all business divisions of SNS REAAL's organisation. FinanCenter, an independent company with 20 FTEs, is not included.

**Number of employees:** number of persons as per 31 December in the reporting year who had been in service for a minimum of 1 calendar day.

**FTE (Full-Time Equivalent):** the ratio of the total number of agreed working hours per week in relation to the applicable norm for that function. In principle, in accordance with the CAO (collective bargaining agreement), the norms for all positions are of 36, 38 or 40 hours. Reporting covers all persons who had been in company service for a minimum of 1 calendar day.

- Number of employees, in FTEs, at year end: FTEs as per 31/12 in the reporting year
- Average number of employees, in FTEs: the average of the number of FTEs at year end in the previous and current reporting year

**Average complement:** weighted average of the employee complement in FTE over the 12 month period.

**Inflow:** the number of new employees in the reporting year (in FTEs), compared to the average employee complement in the reporting year.

**Executives:** people classified as executives within the spectrum of company functions.

**Training costs:** costs of courses, seminars, travel costs and overnight accommodation recorded in the reporting year as being related to training, divided by the average number of FTEs.

**Outflow:** the number of employees (in FTEs) that left company service in the reporting year, in relation to the average employee complement during the reporting year.

- Of their own accord: number of employees (in FTE) that left the company of their own accord in the reporting year in relation to the average employee complement during the reporting year.
- At the initiative of the employer & other: number of employees (in FTE) that left the company at the initiative of the employer or for other reasons (WAO, deceased, pension and early retirement) in relation to the average workforce during the reporting year.

### Permanent/temporary employment

- Permanent employment: total FTE with permanent contracts as per 31 December in the reporting year
- Temporary employment: total FTE with temporary contracts as per 31 December in the reporting year

### Full-time/part-time

- Full-time: % of the total number of employees as per 31 December in the reporting year who worked 100% of their standard number of hours
- Part-time: % of the total number of employees as per 31 December in the reporting year who worked less than 100% of their standard working hours

**Sickness absenteeism percentage:** the number of days of absence divided by the number of calendar days that an employee has been in service in the period concerned. Sickness absenteeism is calculated over the first two years of illness. Thereafter follows possible (partial) employment disability. Data concerning this fall outside of the reporting framework. Werkgelegenheid

## LA1 Total workforce by type of work, employment contract and region

TABLE 9: **WORKFORCE AND TURNOVER**

		2008	2009	2010
Number of employees at year end	number	8105	7981	7492
Number of employees in FTE at year end	FTE	7535.5	7519.6	7113.0

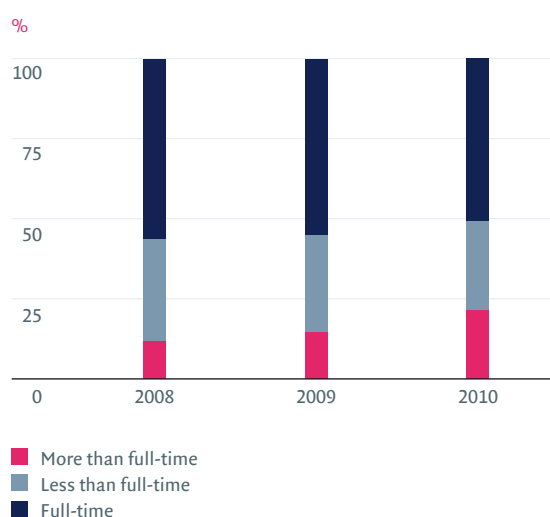
TABLE 10: **TEMPORARY PERSONNEL**

		2008	2009	2010
Employees on temporary contracts	number	961.7	917.0	708.0
Percentage of employees on temporary contracts	%	12.8	12.2	10.0

TABLE 11: **PERSONNEL BY TYPE OF CONTRACT**

		2008	2009	2010
Temporary contract	%	31.5	30.1	27.8
Permanent contract	%	56.4	54.8	50.8
More than a full-time contract	%	12.0	15.1	21.4

18 Number of employees by type of contract

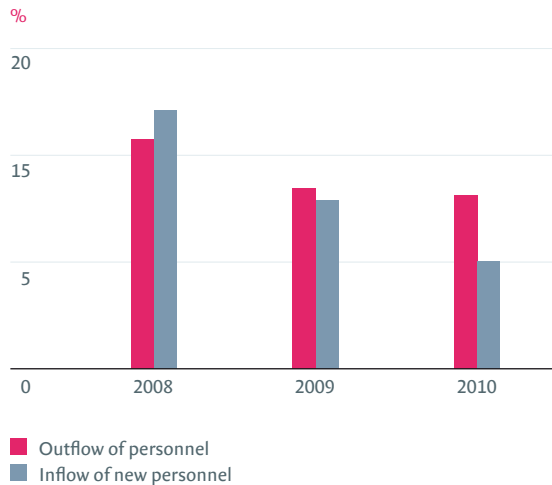


## LA2 Total number and speed of personnel turnover by age group, gender and region

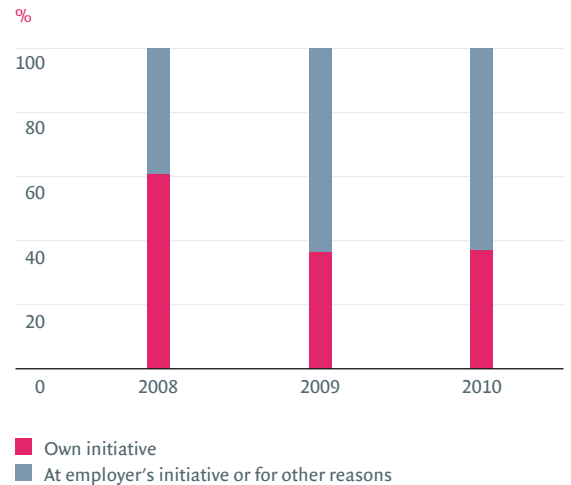
TABLE 12: **IN- AND OUTFLOW OF EMPLOYEES**

		2008	2009	2010
Inflow of new personnel	%	16.2	10.5	6.7
Outflow of personnel	%	14.3	11.3	10.9
Outflow of personnel on own initiative	%	61.2	36.7	37.2
Outflow of personnel on employer's initiative or for other reasons	%	38.8	63.1	62.8
Outflow of female personnel	%	51.2	43.9	39.6
Outflow of male personnel	%	61.5	56.1	60.4

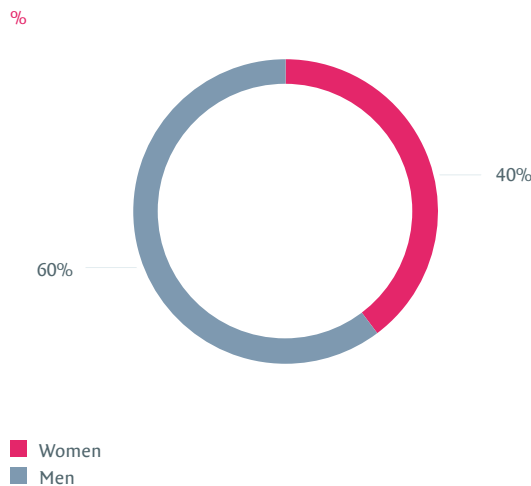
## 19 Inflow and outflow of personnel



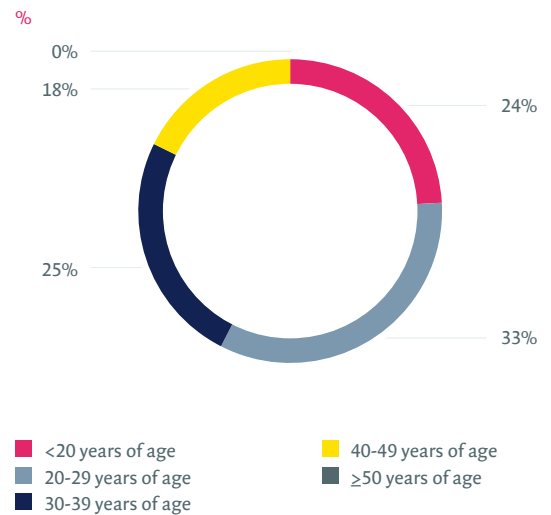
## 20 Outflow by initiative



## 21 Outflow by gender



## 22 Outflow by age



# RELATIONSHIP BETWEEN EMPLOYER AND EMPLOYEE

## LA4 Percentage of employees included in the collective bargaining agreement (CAO)

Refer also to the chapter concerning the CAO in the annual financial report

## 23 Number of employees included in the CAO



## LA5 Minimum period of notice in connection with operational changes

The minimum period of notice within SNS REAAL is laid down within the collective bargaining agreement (CAO).

## HEALTH AND SAFETY

### LA6 Percentage of the total workforce that is represented in formal joint occupational welfare committees of employers and employees that contribute to control over and advice about employment welfare programmes

Discussions within SNS REAAL are characterised by equality and consideration for each other's responsibilities. The employer is responsible for the formulation of company policy. Where possible, in operationalising the resulting policy frameworks, discussions are held as close as possible to where working activities take place particularly when this is of relevance to working conditions, procedures and working times and options concerning how work is rewarded.

No policy developments.

There are no specific programmes for employee participation. The organisation has a structure for consultation that involves participation (trade unions and the works council). It is the central Works Council's function to handle employee participation at organisational level and deal with matters concerning SNS REAAL as a whole. Cases that are specific to a division of SNS REAAL are dealt with by the Works Council for the division concerned.

Modernisation of employee participation procedures calls for a flexible approach concerning different levels. Particular issues of concern can be dealt with by working groups comprising participatory representatives and colleagues/experts engaged on the basis of their expertise for a specified period of time. The advantage of this approach is that colleagues do not have to commit themselves for a three-year period. This lowers the threshold for becoming involved in activities related to participation. This approach also allows for expertise to be called upon on an ad hoc basis to advise on issues of concern to the Works Council. Participatory bodies can also set up sounding boards and network groups to ensure continued contact with the workforce, concerned employees and local managers. Such groups are able to arrange meetings with colleagues and/or management representatives either on a regular basis or by topic. Briefly stated, these discussions contribute to informal exchanges of information and visions.

SNS REAAL and trade union representatives met during the course of 2010 to discuss a new collective bargaining agreement (CAO) and Social Plan. The first of these sessions was an exploratory meeting. Discussions centred on important (societal) topics and developments affecting SNS REAAL's policy regarding terms and conditions of employment now and in the future. Such as the new mission, strategy and core values of SNS REAAL and the (financial) situation of the company. Topics also include developments in the employment market, sustainable deployability, flexibility, performance and working productivity. The employer and the trade unions are agreement concerning relevant developments and the leading topics for consideration. The parties plan to engage in tackling the following topics over the coming period: employment security, sustainable deployability, diversity, flexibility, health, participation and productivity.

The entire employee complement (100% of FTEs) is represented in formal joint occupational welfare committees formed of employers and employees.

Refer also to the annual financial report.

### LA7 Injury, occupational disability, lost days and absentee data and the number of work-related deaths by region

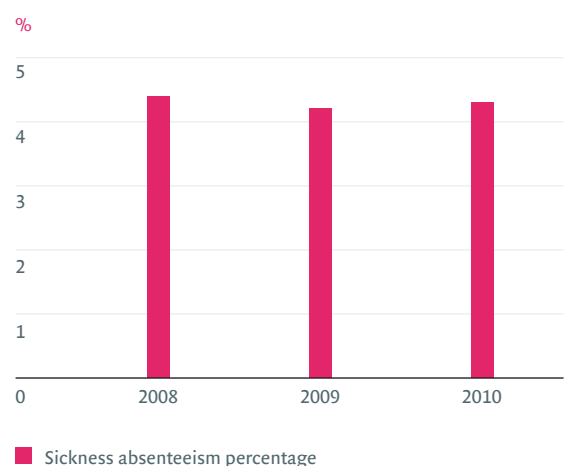
#### Industrial accidents

We maintain an industrial accident register in which material damage (such as damaged clothing) and possible accidents are recorded. Registration is unlikely to be entirely complete as we believe that not all such events are reported.

#### Work-related illness

According to the Netherlands Center for Occupational Diseases, diagnoses and work-related causes show that the pattern of absenteeism at SNS REAAL is in line with health-related risks within the overall sector. The most common work-related illnesses are psychological in nature. Pressure of work, stress and change-related processes are the most significant risks in connection with absenteeism.

#### 24 Sickness absenteeism percentage



## Aggression and violence

SNS REAAL does not operate a centralised reporting system, so we are unable to provide statistics for aggressive behaviour by clients.

### LA8 Education, training, advice, prevention, and risk-management programmes for personnel, their families and local inhabitants in connection with serious illness

Healthcare policy can be divided into policies covering prevention, sickness absenteeism and rehabilitation. Engaging the external occupational welfare organisation Beter, has allowed SNS REAAL to fairly comprehensively elaborate its process for case management and the round the clock contract the company has with the Institute for Psychotrauma within absenteeism policy and aftercare. Additional attention was devoted to an integrated approach to prevention policy during 2010.

Although there were no developments as regards policy, progress was made with implementation through the GOED BEZIG! campaign.

GOED BEZIG! is the campaign SNS REAAL began in 2010 to provide an impulse to healthcare policy. It also forms part of our policy for sustainable deployability. The campaign chiefly focuses on prevention policy in line with the BRAVO life-style behaviour principles: being more active, stopping smoking, moderating alcohol consumption, a healthy diet and adequate relaxation.

Beyond use being made of the means we already have, such as the health check and the services of the occupational welfare service, during 2010 a range of engaging activities were organised such as participation in the national stair climbing week. And to encourage a more active lifestyle for our employees we are offering opportunities for company fitness. This has been promoted by offering employees the chance of a year-long membership to fitness sessions.

## EDUCATION AND TRAINING

### LA10 Average number of hours that an employee spends on training, broken down according to category of employee

The number of hours that employees participate in training each year is not recorded, though the annual costs per employee are. Training expenditure per FTE declined slightly in 2010. This is not in contradiction to SNS REAAL's continuing commitment to maintain investment in its employees. Rather, training was organised more cost efficiently - one reason being that we now work with preferred suppliers.

### LA11 Programmes for competence management and life-long learning

SNS REAAL provides expert, professional and engaged employees with opportunities to develop their talents to the maximum extent in order to improve their performance and their deployability inside and outside of the organisation. For SNS REAAL, it remains essential to continue creating value for clients on the structural level. Crucial to this is the ongoing development of new concepts and working procedures as well as the development, exchange and retention of expertise. In recent years SNS REAAL has continued to focus on the development of its personnel. The varied range of professional training courses on offer, the Performance and Competence Evaluation cycle, the provision of generic training schemes, traineeships, and the Talent Development and Management Development programmes are examples of this.

Attention focused especially on the deployability of personnel who were internally reassigned. Where their positions disappeared, for instance due to reorganisation, it was the task of a mobility manager and a career adviser to provide intensive support in the search for a new position within the organisation, or externally. The principle behind the Social Plan is 'from work to work'. In the course of 2010, 322 reassigned personnel moved either to a new function within or outside the organisation, or received a financial departure package. Of this group, 76 employees were re-engaged internally.

With regard to sustainable effectiveness, the following range of instruments are at the disposal of employees and their managers:

- Strategic personnel planning (the impact of internal and external developments on the complement of personnel, both quantitatively and qualitatively);
- Performance and Competence Evaluation (PCB) cycle, which is our management performance cycle;
- Personal Development Plan (POP) for development and career discussions;
- Team Development Scan (the right person in the right place)
- Highlighting available talent, through 'showcasing';
- Management Development, Talent Development, Management and Financial trainees;
- The range of training opportunities, as well as SNS REAAL's career development site.

- Most important are individual consultations with employees regarding their deployability and career possibilities.

Education and training were the most important areas of attention in 2009 in relation to the policy for sustainable deployability. In 2010, health (see below) and strategic personnel planning were the focus within this policy. Strategic personnel planning is a process for ensuring that the personnel complement as far as possible meets the need for personnel which is constantly changing under the influence of internal and external developments. A roadmap with a corresponding set of instruments for integrated personnel planning has been developed to assist managers within the organisation. The roadmap comprises two mutually-dependent tracks: the business objectives of SNS REAAL and the goals set by employees (the best use of their talents, ambition and passion). Through integrated personnel planning we can ensure that these twin tracks are intertwined in a logical fashion in order that the personnel complement as far as possible satisfies employees' needs both quantitatively and qualitatively. The performance evaluation is the point at which the tracks intersect. After the pilot projects which were conducted in 2010 have been evaluated the roadmap for integrated personnel planning will be implemented across the organisation.

SNS REAAL's diversity policy is included in the company's code of conduct under the heading of 'Respect and professional conduct'. The key principle is equal treatment for everyone. Every person is unique. At SNS REAAL, we work in a respectful way with each other and with everyone together. That means being open and equal, with an eye to and appreciation for the other - irrespective of nationality, culture, religious belief, gender, age or state of health.

SNS REAAL's diversity policy remained unchanged during 2010.

The progression of female staff to senior positions within the company is an important issue for SNS REAAL and one to which attention was devoted in 2010. By focusing attention on the percentage of women in each echelon, and on the ratio of male and female personnel in various forums (such as management teams), we ensured that this topic regularly appeared on the discussion agenda and that progress in this area was discussed. The percentage of women occupying more senior positions within the company increased during 2010.

We operate no organisational-wide diversity programmes. Where there is a need for diversity programmes, these are tailored to specific requirements.

#### LA12 **Percentage of employees that are regularly informed about performance and career development**

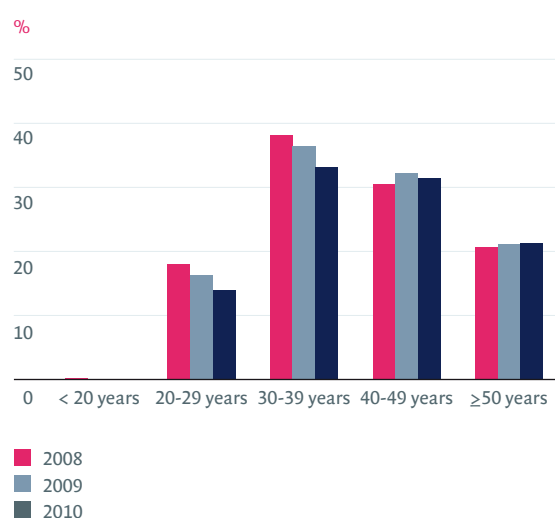
The entire workforce (100% of FTEs) is kept regularly informed about performance and career development via the intranet and in the course of planning, assessment and evaluation discussions.

Diversity and opportunities

#### LA13 **Summary of governance bodies and break down of employees by category according to gender, age group and membership of a particular social minority**

Refer to LA1 and LA2.

##### 25 Breakdown of employees by age



##### 26 Percentage of women per echelon

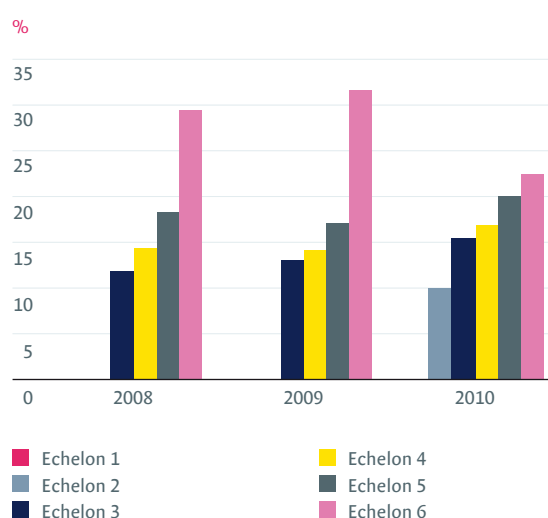


TABLE 13: BREAKDOWN OF MALE AND FEMALE EMPLOYEES

		2008	2009	2010
Female employees	% of FTE	37.9	37.2	37.7
Male employees	% of FTE	62.1	62.8	62.3

TABLE 14: PERCENTAGE VROUWEN PER ECHELON

		2008	2009	2010
in % of FTE				
Female employees	% of FTE	37.9	37.2	37.7
Male employees	% of FTE	62.1	62.3	62.3
in % of managers in total FTE or by echelon				
Female managers	%	17,290.0	17,690.0	13,940.0
Women in echelon 1	%	0.0	0.0	0.0
Women in echelon 2	%	0.0	0.0	10.0
Women in echelon 3	%	11.8	13.1	15.4
Women in echelon 4	%	14.4	14.3	16.9
Women in echelon 5	%	18.3	17.0	20.1
Women in echelon 6	%	29.5	31.6	22.5

TABLE 15: BREAKDOWN OF EMPLOYEES BY AGE

		2008	2009	2010
Number of employees under 20 years of age	FTE	14.00	3.00	1.60
Number of employees aged 20-29 years	FTE	1,360.00	1,234.00	989.50
Number of employees aged 30-39 years	FTE	2,878.00	2,739.00	2,365.60
Number of employees aged 40-49 years	FTE	2,296.00	2,416.00	2,235.30
Number of employees aged 50 years or over	FTE	1,557.00	1,589.00	1,521.00
Percentage of employees under 20 years of age	%	00	00	00
Percentage of employees aged 20-29	%	18	16	14
Percentage of employees aged 30-39	%	38	36	33
Percentage of employees aged 40-49	%	30	32	31
Percentage of employees aged 50 or over	%	21	21	21

## LA14 Relationship between basic salaries for men and women according to employee category

These data are not available.

# Performance indicators for product liability

## HEALTH AND SAFETY OF CONSUMERS

### PR1 Lifespan over which the health and safety consequences of products and services are evaluated

SNS REAAL is a service-based organisation. This item is therefore not applicable.  
Labelling of products and services

### PR3 Type of information about products and services that is required by procedures and the percentage of leading products and services to which such information requirements pertain

Refer to the supplementary section on Financial Service Provision (FS1-FS16)

### PR5 Client satisfaction research conducted, including results

Refer also to the annual financial report

#### SNS Bank:

- Client satisfaction research during contact with clients: real-time and online measurement of satisfaction regarding contact with and general level of satisfaction with SNS Bank (contact opportunities: advisory discussions, e-mail, telephone, and product purchasing via internet)
- Client satisfaction research among clients with whom there was no contact
- Satisfaction research regarding the complaints procedure
- Opinions about the new shops
- Opinions about the new 'Mijn SNS' online environment
- Opinions about 'inbound marketing'

#### Results:

- Newer clients are more satisfied than 'older' clients.
- Client satisfaction research provides a good basis for further improvement: following two amendments to the IVR menu we observed an increase in satisfaction levels on both occasions.

#### REAAL Verzekeringen:

- A REAAL undertook client satisfaction research in 2010. The topics included were:
- 1 general level of satisfaction among private damage and life insurance clients.
  - 2 the degree to which they would recommend their insurance company
  - 3 client-focus
  - 4 written communication materials
  - 5 telephone contact with the insurer
  - 6 process for claims payment
  - 7 complaints procedure
- B REAAL also participated in the life insurance performance survey 2010 and the damage insurance performance survey 2010.

#### Results:

- 1) An important finding is that REAAL has regained its position among the leaders of the life insurance market. Regarding damage insurance, the combination of attractive premium arrangements, flexibility and acceptance and a client-focused internal service lies at the heart of REAAL's success in both the private and business damage insurance market.

#### Zwitserleven:

Topics which have been the subject of research:

- Overall satisfaction of the end-user (i.e. an employee)
- Whether this client (i.e. an employee) would recommend us
- What we can do better
- The image that the end-user (i.e. an employee) has of the insurer



- The level attention that staff internally and account managers devote to the business relationship
  - Accessibility of the appropriate employee internally
  - Delivering on agreements
  - Speed of answering questions
  - Co-operation between account management and the organisation internally
  - Decision-making capability of staff
  - Expertise of internal staff and account management
  - Quality and error-free quotations and policies
  - Speed and error-free administration processes
  - Quality of the amendment process
  - Predictability of policy duration
  - Quality of claim handling payment process
  - Quality of tax-related legal assistance
  - Quality of marketing and training
  - Product quality
  - Possibilities for tailoring work to individual situations
  - Attractiveness of premium structure
  - Payments to intermediaries
  - Operation of extranets
  - User-friendliness of electronic tools
  - The complete online product range
- Results from 2010 are not yet available in their entirety
  - Zwitserleven scored highest in terms of general level of satisfaction and gained the highest NPS score among its peers
  - Zwitserleven achieved the highest score among its peers for 'caring about the client' and was in second place with regard to 'caring about society' and 'caring for its employees'

#### **ASN Bank:**

On a monthly basis, each client opening an account with ASN in the previous month are asked how satisfied they are about ASN and about the process of opening the account. We also ask clients for their evaluation of our speed, clarity, whether any errors have been made and about simplicity.

Clients are invited to provide ASN with any suggestions or ideas for improving service provision. In addition, clients are asked about whether they would recommend ASN (Net Promotor Score, NPS)

Furthermore, a half-yearly client satisfaction survey is conducted in conjunction with SNS REAAL. This gauges the general level of client satisfaction and NPS and allows for comprehensive explanation of the scores. A number of image propositions are also presented to clients about issues which ASN regards as being extremely important. For example, trustworthiness, transparency, social responsibility.

#### **Monthly research**

In general, clients are extremely satisfied about ASN. Overall, ASN achieves an average score of 8.0 and its account opening process a 7.9. A substantial group of clients would recommend ASN to their family, friends and acquaintances. This is frequently reflected in practice. New clients cite these groups among the top three sources of information that they consulted in deciding to open a new account.

Clients attach enormous value to the bank's sustainability policy in combination with competitive rates and good service. They are also attracted to the insights provided about what ASN achieves with their money.

The most frequent response to open questions is 'Carry on doing what you're doing!' Happily, points for improvement are also thrown up, mostly with regard to the time involved in the process and the desire for clearer explanation of the various steps involved in the process.

#### **Half-yearly survey**

With a score of 8.0, ASN enjoys a high degree of client satisfaction along with a high Net Promotor Score of 19. This is an excellent result given that most banks achieve strongly negative scores.

#### **SNS Asset Management:**

- relationship managers (accessibility, engagement, proactive stand, etc)
- reporting (clarity, relevance, timeliness)
- performance (absolute and relative)
- SNS AM in general (product range, service provision)

## Results

Clients are satisfied about results achieved and about the information provided regarding the portfolios. Regarding the product range, there are expectations to be met and improvements can be made in the overall service provision to the client. In the latter area, clients are keen to see a more proactive stance concerning developments within the client's own field of interest.

## MARKETING COMMUNICATION

- PR6 Programmes for compliance with laws, standards and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship**

See SO3  
Privacy of clients

- PR8 Number of substantiated complaints concerning breaches of client privacy and loss of client data**

During 2010, there are no known complaints concerning client's privacy.  
Compliance

- PR9 Monetary value of significant fines arising from non-compliance with laws and regulations concerning the supply and use of products and services**

See SO8  
Supplementary section on financial service provision

- FS1 Policy with specific environmental and social components**

### SNS REAAL

Refer to the chapter concerning strategy in the annual financial report

### SNS Bank:

The credit policy for responsible business was established in April 2010.

### ASN Bank:

The credit provision process is based on ASN Bank's sustainable investment criteria, meaning that all financing is required to meet the sustainability criteria applied by the bank.

The criteria explicitly state what the bank's investments need to satisfy. Criteria give equal importance to human rights (social) and environmental aspects. The credit department and the sustainability policy department together evaluate loans against the criteria.

In 2010, sustainable investment criteria were implemented within the process for sustainable financing.

Policy: ASN bank's mission is to promote sustainability within society. This is put into practice by maintaining strict investment criteria and choosing to invest only in companies and organisations that explicitly take into account people, animals and the environment. Alongside concerns about climate change and the environment, human rights also constitutes a substantial element of ASN Bank's sustainability policy. Since its establishment in 1960, ASN Bank has developed into a leader in the field of sustainable financial services and is the largest sustainable bank in the Netherlands. Just as in previous years, 2009 saw substantial growth in the number of clients and assets under management.

### SNS Asset Management:

SNS AM imposes requirements on its investments, as formulated in the fundamental policy principles. SNS AM also manages a number of products which are screened against supplementary ESG (Environmental, Social, Governance) criteria. The SNS Institutional Microfinance Fund, being a socially-focused form of investment in itself, was a difficult investment category in which to include social and environmental aspects. There was little information available. Nonetheless, SNS AM succeeded in including this screening in the selection process for suitable investments in this category.

Link to fundamental business principles

### SNS Property Finance:

SNSPF is a member of the Dutch green building council. It has no further specific policy.

Environmental aspects are treated as standard issues in the permitting procedure for property development.

- FS2 Procedures for assessing and screening environmental and social risks of the business divisions**

See FS1

- FS3 **Processes for monitoring of clients regarding the implementation of and compliance with environmental and social requirements including specifications in contracts and transactions**
- As a general principle, business is not conducted with sectors and clients who do not conduct themselves in line with principles concerning social, community and environmental aspects which are generally accepted and upheld by SNS REAAL. These principles may be further elaborated on by each of section of the company. In its principles SNS REAAL commits itself, for example, to comply with the OECD Guidelines for Multinational Enterprises and to the UN Global Compact. Leading risks are reported by business units each quarter via Integrity & Compliance (I&C) reporting.
- FS4 **Process for improving skills of employees regarding social and environmental policy and by applying procedures**
- See FS 1 and LA1 to LA 14 inclusive.
- FS5 **Interactions with clients/companies in which investments are made/business partners concerning environmental and social risks and opportunities**

#### **SNS Bank:**

Participation in the *Eerlijke Bankwijzer* (honest bank indicator). During the year an increasingly higher score was achieved. Regular contact with interest groups such as those representing the elderly, and the less able, and contacts in relation to the transition of SNS Bank: Vizirus, Bartimeus and ANBO.

#### **SNS Asset Management:**

With a number of our clients we have entered into specific agreements about sustainability analyses in addition to an asset management contract. In addition, we have held a number of formal and informal meetings with clients in order to make this issue more concrete in connection with their implementation in investment portfolios.

#### **ASN Bank:**

ASN Bank maintains close contact with a range of stakeholders in the social and environmental fields. A number of examples are:

- 1 Strategic co-operations with various organisations with the aim of exchanging knowledge and seeking to establish common objectives. Examples of organisations with which ASN Bank works are: Amnesty International, Cordaid, Oxfam Novib, *Milieudefensie*, *Stichting Natuur en Milieu* and Greenpeace.
- 2 Active approaches to stakeholders in which (mutual) proactive and reactive communication with clients is central. Examples of this are annual events such as the annual general meeting of the ASN investment funds and the active provision of information via the magazine *Spaarmotief* and through the ASN Bank website. Three client days were also organised across the country during 2009.
- 3 The active online community [www.voordewereldvanmorgen.nl](http://www.voordewereldvanmorgen.nl) (for tomorrow's world) where people can exchange views and can set up their own activities to promote sustainability. In this, ASN Bank provides a means of communication to bring people together but also plays an active role on the platform in remaining in contact with clients along with those who are sympathetic to issues related to sustainability. Via the ASN Bank World Prize, the bank invited clients and members of the community to participate in workshops for those arranging various initiatives.

#### **SNS Property Finance:**

Environmental aspects are included as standard in the permitting procedure for property development.

# Supplementary information concerning the financial services sector: Performance indicators

## PRODUCT PORTFOLIO

FS6 Percentage of the portfolio according to region, sector and size

SNS Asset Management Portfolio by region 2010

27 Asset Mananagement portfolio by region

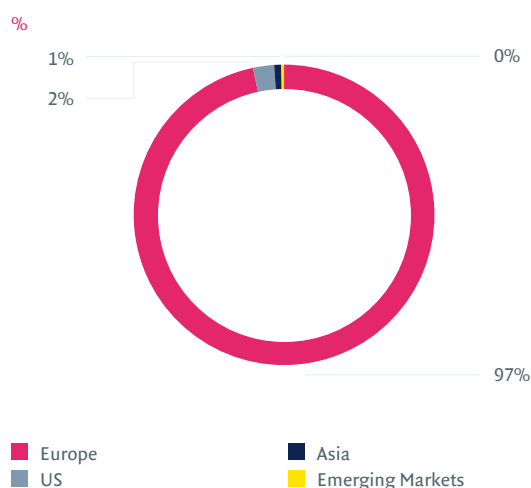


TABLE 16: MANAGED ASSETS BY PERCENT

		2008	2009	2010
Micro companies	%	1.37	1.02	0.69
SMEs	%	0.00	0.00	0.00
Large companies	%	100.00	100.00	100.00
Percentage of the portfolio in Europe	%	67.4	96.5	96.6
Percentage of the portfolio in the US	%	23.5	2.3	2.3
Percentage of the portfolio in Asia	%	6.4	0.5	0.9
Percentage of the portfolio in emerging markets	%	2.7	0.7	0.3
Percentage of RB credits	%	1.00	1.00	1.00
Percentage of managed assets with added social value	%	86	100	96
Percentage of managed assets screened against environmental criteria	%	86	100	96

TABLE 17: MANAGED ASSETS IN EURO'S

		2008	2009	2010
RB Credits	€	5,251,000,000.00	6,623,000,000.00	8,395,000,000.00
Managed Assets with added social value	€	20,439,000,000.00	29,981,414,000.00	48,700,650,000.00
Managed Assets screened against environmental criteria	€	20,439,000,000.00	29,981,414,000.00	48,700,650,000.00
Managed assets with voting rights	€	0.00	6,177,535,961.60	6,429,300,000.00

## FS7 Monetary value of products and services of each business division having social added value

All of the assets managed by SNS Asset Management itself are responsibly managed. These account for 96% of managed assets.

### 30 Percentage of sustainable assets managed by SNS Asset Management



### 29 Number of ASN Bank clients



The proportion outsourced to external managers (4%) do not yet meet all responsibility criteria.

## FS8 Monetary value of products and services of each business division that have added value for the environment

See FS7

## AUDIT

### FS9 Coverage and frequency of audits for assessing the implementation of environmental and social policy and risk assessment

On the basis of risk analyses, Group Audit systematically carries out controls and provides work-related advice on issues of societal relevance such as integrity, duty of care, product development and risk management.

## ACTIVE OWNERSHIP

### FS10 Percentage and number of companies in the portfolio with which there is communication concerning environmental and social aspects

Since the 1970s, SNS Asset Management (SNS AM) has taken social and ethical criteria into consideration in the course of investing funds from clients. Criteria concerning the environment and corporate governance were added during the 1990s, and SNS AM has developed a comprehensive approach for including ESG aspects which it has continued to develop. SNS AM now undertakes ESG research on behalf of internal and external clients, and also provides them with advice, in the field of constructive dialogue and voting. SNS AM believes that ESG selection criteria can reduce both reputational and financial risks and have the potential to promote improved performance. For these reasons this form of investment is particularly appropriate for institutional investors bearing longer-term responsibilities, such as pension funds. SNS AM has completely integrated its responsible investment profile into its investment process which comprises investment, constructive dialogue and voting. A team of economists, social scientists and environmental experts investigates and evaluates companies, institutes and countries based on environmental and social criteria and in relation to sound governance (ESG). These criteria are rooted in the fundamental business principles of SNS AM, on which SNS AM's investment decisions are based, and/or in clients' investment policy. To guarantee sound integration and understanding of our responsible investment strategy, based on these fundamental policy principles, the ESG research department regularly organises training sessions and internal meetings with other departments within SNS AM.

Specifically, the following fundamental policy principles constitute the basis of the asset management services provided by SNS AM:

Aan de vermogensbeheerdiensten van SNS AM liggen de volgende Fundamentele Beleidsuitgangspunten ten grondslag:

- avoidance of the most serious violations of human rights,
- avoidance of the worst forms of child labour,
- avoidance of involvement in forced labour,
- avoidance of serious forms,
- respect for the core rights of the individual,
- avoidance of the worst forms of child labour,
- avoidance of involvement in forced labour,
- avoidance of serious forms of corruption,
- avoidance of serious forms of environmental pollution,
- no involvement in the production of weapons systems whose impacts are disproportional or which do not distinguish between military and civilian targets,
- respect for generally accepted ethical principles which apply in a humane society.

#### ASN Bank:

ASN Bank maintains close contact with a range of stakeholders in the social and environmental fields. A number of examples are:

- 1 Strategic co-operations with various organisations with the aim of exchanging knowledge and seeking to establish common objectives. Examples of organisations with which ASN Bank works are: Amnesty International, Cordaid, Oxfam Novib, Milieudefensie, Stichting Natuur en Milieu and Greenpeace.
- 2 Active approaches to stakeholders in which (mutual) communication with clients, both active and proactive, is central. Examples of this are annual events such as the annual general meeting of the ASN investment funds and the active provision of information via the magazine Spaarmotief and through the ASN Bank website. Three client days were also organised across the country during 2009.
- 3 The active online community [www.voordewereldvanmorgen.nl](http://www.voordewereldvanmorgen.nl) (for tomorrow's world) where people can exchange views and can set up their own activities to promote sustainability. In this, ASN Bank provides a means of communication to bring people together but also plays an active role on the platform and so comes into contact with clients and those who are sympathetic to issues related to sustainability. Via the ASN Bank World Prize, the bank invited clients and members of the community to participate in workshops for those arranging various initiatives.

The voting policy on sustainability was amended this year and further extended to additional companies. ASN Bank indicated how, in addition to the selection of its investments, it also intends to add substance to achieving its sustainability mission. Aspects which have been added include: the link between remuneration and sustainability performance; whether information concerning sustainability is included in an annual report; and supporting shareholder proposals concerning sustainability.

#### FS11 Percentage of assets in the portfolio which are screened against positive and negative environmental and social criteria

See FS10

TABLE 18: MANAGED ASSETS BY PERCENT

		2008	2009	2010
Micro companies	%	1.37	1.02	0.69
SMEs	%	0.00	0.00	0.00
Large companies	%	100.00	100.00	100.00
Percentage of the portfolio in Europe	%	67.4	96.5	96.6
Percentage of the portfolio in the US	%	23.5	2.3	2.3
Percentage of the portfolio in Asia	%	6.4	0.5	0.9
Percentage of the portfolio in emerging markets	%	2.7	0.7	0.3
Percentage of RB credits	%	1.00	1.00	1.00
Percentage of managed assets with added social value	%	0.86	1.00	0.96
Percentage of managed assets screened against environmental criteria	%	0.86	1.00	0.96

## FS12 Environmental and social aspects in the voting policy for shares where voting rights or voting advice is applicable

### SNS Asset Management:

The investment process begins with ESG criteria. SNS Asset Management places specific requirements on its investments. The fundamental policy principles which SNS AM adheres to are:

- respect for the core rights of the individual,
- avoidance of the worst forms of child labour,
- avoidance of involvement in forced labour,
- avoidance of serious forms of corruption,
- avoidance of serious forms of environmental pollution,
- no involvement in the production of weapons systems whose impacts are disproportional or which do not distinguish between military and civilian targets,
- respect for generally accepted ethical principles which apply in a humane society.

All products operated by SNS Asset Management meet particular responsible principles (fundamental principles). SNS Asset Management offers total solutions in the fields of fixed interest and business securities. The latest products available are the SNS Responsible Index Fund Equity - US, introduced in January 2009, followed in December 2009 by the SNS Responsible Index Fund Equity - Pacific.

SNS Asset Management's performance shows a rising trend in its compliance with UNPRI guidelines. Implementing the guidelines takes time but SNS AM has achieved a great deal in a short period. SNS Asset Management is already ranked among the leaders as regards the most important aspects of the guidelines, such as the integration of environmental, social and governance factors in investment policy, and reporting on these issues. For other guidelines regarding the promotion and dissemination of UNPRI guidelines to other investors and to the companies in which we invest, we achieve an above average score. This places in a position to take further necessary steps.

SNS AM is yet 100% compliant with the UNPRI. The current priority is on our own organisation and on reporting. Only then can we devote effort to creating awareness externally.

Risk Metrics Group voted on behalf of SNS AM during shareholder meetings in the past year. RMG took ESG factors into account in its voting stance.

SNS AM reports as standard (and also publicly) on its exclusions as well as on its engagement and voting activities.

### SNS Beleggingsfondsen Beheer (SBB):

Our investment process begins with ESG criteria. We place specific demands on our investments. The fundamental policy principles which SBB applies are:

- respect for the core rights of the individual,
- not being guilty of unacceptable forms of child labour,
- avoidance of involvement in forced labour,
- avoidance of serious forms of corruption,
- avoidance of serious forms of environmental pollution,
- no involvement in the production of weapons systems whose impacts are disproportional or which do not distinguish between military and civilian targets,
- respect for generally accepted ethical principles which apply in a humane society.

SBB reports as standard, and publicly, on exclusions, engagement and voting activities.

### ASN Bank:

ASN Investment Funds manages its own specific, open sustainable voting policy and engagement policy. It also publicises its voting behaviour.

ASN Bank's sustainable investment criteria ([link](#)) are specific in stating the requirements which the bank's investments must satisfy. The criteria place equal weight on human rights (social) and environmental aspects. All investments are assessed against these strict criteria that cover the entire spectrum of human rights and the environment.

ASN Bank also intends to continue writing and publicising issue papers concerning investment policy on specific topics. Consultations are held periodically with SNS Asset Management's ESG research team, as are meetings with the selection committee.

#### REAAL:

REAAL's goal is to be perceived as an accessible and approachable insurer in area of chronic illnesses. With regard to its responsible investment policy, REAAL's objective for 2011 is to further develop and improve its responsible investment policy covering questions of exclusion, voting and engagement (the green insurer).

## SOCIETY

### FS13 Points of access in thinly populated or economically deprived regions

With the exception of SNS Property Finance, SNS REAAL operates exclusively in the Dutch market. This indicator is therefore of little relevance for the company's direct impact and is not reported on.

### FS14 Initiatives to improve the access to financial services for people with a handicap

Accessibility for people with a handicap:

#### SNS Bank:

As the only bank in the Netherlands, SNS Bank has ensured since September 2009 that its website is universally accessible for those suffering from a visual impairment.

The bank's website received the highest rating from Stichting Waarmerk Drempelvrij, with a score of 16 out of 16. All SNS shops have one or more internet work stations with wheelchair access where clients can arrange their banking affairs, with or without assistance from an employee.

#### ASN Bank:

ASN Bank is a 'direct' bank: all of its products are accessible and can be opened and managed via the internet or telephone. For the partially sighted and those who are less able-bodied with their hands ASN Bank provides an extra large digital pass (digipas). In addition, during 2009 ASN Bank introduced a talking digipas for the visually impaired. The website has also been updated with an audio application for people with a visual handicap.

#### Zwitserleven:

Zwitserleven introduced special invalid parking spaces and wheelchair access.

## PERFORMANCE INDICATORS FOR PRODUCT LIABILITY

### FS15 Policy for honest design and sales of financial products and services

#### REAAL:

The product approval process has been introduced within REAAL, involving a product development and portfolio safeguard procedure that guarantees that the design and sale of our financial services satisfies conditions including the duty of care. The most important principles in this are that the interests of the client remain central and the five promises to our clients.

Products and services offered by REAAL damage insurances are accessible to all our intermediaries and all information concerning products is provided online for both intermediaries and clients. We are currently engaged in redrafting the entire range of product cards to ensure they are clearly understandable.

#### SNS Bank:

The design and sale of products is required to meet the brand values of accessibility, client-friendliness and simplicity. Every procedure and product should satisfy criteria that are laid down for the brand.

#### Zwitserleven:

- Within Zwitserleven a particular product development process has been developed (PAP) in which all relevant disciplines are involved and whose approval is required.
- Within Zwitserleven active market teams focus on specific market segments and follow market developments and identify corresponding client requirements. This serves as the basis for initiatives leading to the introduction of new products and/or changes to existing products which are then put through the product development process.
- Changes in legal requirements and regulations can also lead to modifications to products. These also go through the product development process.
- The product groups, in which all relevant disciplines are represented, are responsible for product specifications.



- Alongside this, tax and legal affairs, operational and financial risk management and compliance play an important role in the process and experts in these fields provide their own judgements on a product's development.
- Within Zwitterleven a separate Product Market Pricing Committee, comprising managers and other members, decides on product development and the introduction of new products.

#### **SNS Asset Management:**

In the regulated environment in which SNS Asset Management operates information and transparency are extremely important. SNS Asset Management provides clients with comprehensive information prior to them deciding to purchase a particular financial service. A variety of services are also developed as a result of dialogue with (potential) clients.

#### **ASN Bank:**

ASN Bank's mission is expressed in six so-called business principles. All of ASN Bank's products and services must be assessable and satisfy these business principles.

##### **Business principles**

- ASN Bank chooses to work together with parties who, like ASN Bank, strive to promote sustainable development.
- ASN Bank provides capital to businesses and organisations that promote a sustainable society. Companies and sectors which undermine a sustainable society are excluded from ASN Bank's activities and products.
- ASN Bank develops sustainability criteria for its products and services.
- ASN Bank evaluates each capital provision in advance against its sustainability criteria, devoting a level of attention to research that corresponds to the nature and scale of the activity.
- ASN Bank consults interested parties in establishing or substantially amending sustainability criteria.
- ASN Bank is transparent and reports on the policies it pursues.

##### **Strategic principles (steps towards realising the mission and vision)**

ASN Bank has the ambition and sufficient assets for it to play a leading role as a sustainable financial services provider. To this end, ASN Bank in the first instance places demands upon itself, taking into account external interests. In conducting our work we have to deliver the highest level of performance, according to the most stringent criteria for sustainability, fairness, transparency, expertise and trustworthiness. We are active and determined, sincere and principled, in our efforts to create a sustainable society. Where possible in seeking to achieve our mission, we work together with partners who are making a positive contribution to achieving these objectives, including civil society organisations and companies which operate sustainably. As the specialist in sustainable asset accumulation, we also aim to be the authority on the combination of sustainability and financial return in the Dutch market.

#### **SNS Property Finance:**

No specific policy as SNSPF is engaged in business-to-business activities.

SNS Property Finance has a straightforward product range involving the provision of short- or long-term finance regarding property. The product is simple and transparent. This is also contained in the framework for product standards.

## **OVERIGE KPI'S**

### **FS16 Initiatives for improving financial literacy**

#### **SNS REAAL:**

Contribution to Weet wat je besteed! (Know what you spend!)

#### **SNS Bank:**

Improving financial literacy is one of the priorities of SNS Bank's RB policy. SNS Bank believes greater accessibility to its services and straightforward products are the first steps in improving financial literacy. The bank has therefore further simplified and revamped its range of savings products and has established clear, logical and transparency pricing levels for mortgages and savings. At the same time, SNS Bank is continuing to design so-called 'do-it-yourself' products enabling clients to as far as possible manage their own banking arrangements. In addition, SNS Bank provides training in internet banking, chiefly for senior citizens. It is expected of marketing staff that they regularly lead training sessions and provide information about banking and financial independence, for instance to schools. SNS Bank is also an active participant in Weet wat je besteed!.

#### **ASN Bank:**

As a sustainable bank, transparency is an indispensable component of how it does business. Transparency is therefore fully integrated into business operations at both process and product level. In concrete terms, ASN Bank attaches extremely high

importance to clear and transparent communication about its products. This applies to the conditions and characteristics of the product as it does to the marketing and external communication of products and the positioning of ASN Bank. This results in fewer kinds of savings accounts, leaflets, transparent products, etc.

#### REAAL:

- 1 The life insurance language use taskforce (Taskforce Taalgebruik Leven) was set up within REAAL in 2010. Its task is to amend all (life insurance) materials using clear, straightforward (B1 level) wording.
- 2 In the context of delivering on SNS REAAL's mission, a goal for 2011 is to implement the simplicity scan in the product development process. This involves a number of 'rules' for making (commercial) product information more transparent and simple.

#### Zwitserleven:

- Initiatives undertaken in this area have focused on the development of clients' pension awareness by use of open and understandable communication (B1 level).
- Concerning the handling of complaints, a special sympathetic process has been set up within Zwitserleven so that complaints are handled with care and to the client's satisfaction. Complaints have a high priority within Zwitserleven.
- Good scores emerging from client satisfaction research show that Zwitserleven has achieved a high level of satisfaction among its clients.
- In 2010, Zwitserleven released a special publication to provide clients with a clear insight into the relevance of pension-related financial products. The publication makes it evident for consumers which steps are relevant for them in a variety of situations.

#### SNS Asset Management:

SNS Asset Management operates its own website which has a summary of products and services. Clients, and potential clients, are free to request further information about a specific product (product flyers and Information Memoranda) and our sales and relationship managers are available to meet to provide additional details. SNS Asset Management is also pleased to support general awareness of sustainable and responsible investing by participating in seminars. In 2010, for instance, SNS Asset Management organised a seminar (for pension funds and insurers) in conjunction with the association of investors for sustainable development (VBDO). SNS AM also participated in a meeting of SNS Investment Funds Management where further information was provided about sustainability policy. (From this year, all SNS house funds have met the terms of the fundamental policy principles). A presentation was also made at the annual European TBLI conference. SNS AM also arranged a meeting of participants in microfinancing funds and index-linked funds.

#### SNS Property Finance:

This area receives no attention given the business-to-business nature of operations.

#### Other KPIs

Overview of new, and the growth in current, RB products and services by business division:

#### SNS Bank:

Investments: based on our policy principles, companies are excluded from investing if they are involved in unacceptable breaches of human rights, child labour, forced labour, corruption, environmental pollution, the production of weapons whose impacts are disproportionate, and violation of generally accepted ethical principles. Payments: services to make internet banking easier for those with a disability, examples being: the talking digital pass, a pass with larger buttons, SNS Digihulp, and SNSBank.nl receiving an award for being the most universally accessible bank for persons with a handicap.

#### REAAL:

- 1 Responsible Living Mortgage: this highly transparent and accessible 'what-you-see-is-what-you-get' product was introduced in September 2009
- 2 *KiesVrij Beleggingsverzekering 2.0* (free choice investment insurance 2.0), *OpstapVerzekering 2.0* (step-in insurance 2.0) and *LijfrenteBeleggingsverzekering* (annuity investment insurance) (introduced in April 2009): transparent products with the SNS Sustainable Share Fund and certain ASN Funds
- 3 Bank savings (introduced in Spring 2009)
- 4 Value transfer PSP. (This is not a product or a service but a facility we have made available in the interests of clients)

In 2010, REAAL damage insurances completed an update of the *Bedrijven Totaal Plan* including a more attractive discount programme and higher discounts for this package of business insurances. REAAL also updated an occupational disability insurance product.

#### SNS Asset Management:

Since the 1970s, SNS Asset Management (SNS AM) has taken social and ethical criteria into consideration in the course of investing funds from clients. Criteria concerning the environment and corporate governance were added during the 1990s, and SNS AM has developed a comprehensive approach for including ESG aspects which it has continued to develop. SNS AM now undertakes ESG research on behalf of internal and external clients, and also provides them with advice, in the field of constructive dialogue and voting. SNS AM believes that ESG selection criteria can reduce both reputational and financial risks and have the potential to promote improved performance. For these reasons this form of investment is particularly appropriate for institutional investors bearing longer-term responsibilities, such as pension funds. SNS AM has completely integrated its responsible investment profile into its investment process which comprises investment, constructive dialogue and voting. A team of economists, social scientists and environmental experts investigates and evaluates companies, institutes and countries based on environmental and social criteria and in relation to sound governance (ESG). These criteria are rooted in the fundamental business principles of SNS AM, on which SNS AM's investment decisions are based, and/or in clients' investment policy. To guarantee sound integration and understanding of our responsible investment strategy, based on these fundamental policy principles, the ESG research department regularly organises training sessions and internal meetings with other departments within SNS AM.

Specifically, the following fundamental policy principles constitute the basis of the asset management services provided by SNS AM:

- avoidance of the most serious violations of human rights,
- avoidance of the worst forms of child labour,
- avoidance of involvement in forced labour,
- avoidance of serious forms ... ??? TEXT MISSING

#### ASN Bank:

No new introductions, although products have been updated and the number of savings products has been reduced. Refer also to the annual financial report and the ASN Bank website.

#### SNS Property Finance:

No specific RB products

#### Zwitserleven:

- The Zwitserleven Exclusive Pension, in which all costs are transparent and fall outside of the invested pension premium. The product was introduced in 2010.
- The Zwitserleven i-Pension Capital Guarantee, whereby capital is guaranteed. This was also introduced during 2010.
- Sustainable investment funds: as of 1 November 2010, Zwitserleven applies sustainability criteria to its investment funds. This development follows from the integration of Zwitserleven Asset Management into SNS Asset Management on 1 April 2010. SNS Asset Management abides by a number of fundamental policy principles concerning sustainability in arranging its investment portfolios. The principles includes areas such as human rights, child labour, forced labour, corruption, serious environmental destruction and controversial weapons, such as landmines and cluster munitions. From 1 November 2010 these principles also apply to Zwitserleven's investment funds.

## COMPLIANCE & NON-COMPLIANCE: FRIJNS CODE AND BANKING CODE

SNS REAAL largely complies with these codes. The exceptions (areas of non-compliance) are indicated in the chapter on Corporate Governance in SNS REAAL's annual financial report. [Link](#)

#### Miscellaneous:

- subject expertise  
SNS Asset Management has a selection committee which decides on companies it is appropriate to invest in, based on the fundamental policy principles. In addition to this, SNS ASSET Management has its own research department which is active on this question. A sounding board group on RB was established in 2009.
- mobilising employees  
Responsible business is part of the core business of SNS Asset Management and is reflected in both its products and its provision of services. This therefore involves a large proportion of employees. In terms of products, this applies to the entire organisation, both back office and front office. Regarding service provision, this applies to the front office. Refer also to the chapter about GEEF! (CARE!) in the RB annual report.
- SMART objectives

#### SNS REAAL:

The approved audit plan meets SMART criteria.

#### REAAL:

##### Objectives:

- 1 Add substance to the mission of 'Simplicity in Money Matters'
- 2 Retain certification for client-focused insurances
- 3 Place the client at the centre of the operation

REAAL's goal is to be perceived as an accessible and approachable insurer in area of chronic illnesses. With regard to its responsible investment policy, REAAL's objective for 2011 is to further develop and improve its responsible investment policy covering questions of exclusion, voting and engagement (the green insurer).

#### Zwitserleven:

- Zwitserleven's strategy includes as the objective for RB that investments must be sustainable by the end of 2010.
- Zwitserleven operates according to the agreed governance model which is aligned with that of the group.
- New products must satisfy the changing framework of standards.
- All employees undergo screening prior to them joining Zwitserleven.
- Each employee must be considered by the Recruitment & Selection panel.
- Following their appointment, each employee takes part in the training course 'writing with feeling' and also receives compliance awareness training.
- Every employee takes part in the E-learning course about the SNS REAAL Code of Conduct (common sense, healthy conscience)

#### SNS AM:

Client satisfaction research is conducted annually. SNS AM also relies, as standard, on a minimum of two information sources to support facts reported in ESG research, including all parties mentioned in question 1. In addition, SNS AM further contributes to awareness of Responsible Business by keeping its website up to date, by regularly participating in seminars for business relations and clients to exchange knowledge and expertise of RB and by publishing articles and books on the topic.

#### ASN Bank:

The ASN Bank attaches considerable value to transparency and communication. The bank publishes its own annual sustainability report which is integrated into its annual financial report. Insights into investment policy, selection criteria and the spectrum of investments are also available via the website [www.asnbank.nl](http://www.asnbank.nl). Objective: proactive media policy to enhance transparency and strengthen positioning in the area of environment and human rights. For 2010, SMART objectives have been formulated for sustainability - refer to the annual report.

#### SNS Bank:

Additional simplification of the product range.

## PROGRESS IN QUANTIFYING IMPACTS OF PRODUCTS AND SERVICES

#### SNS REAAL:

Based on risk analysis, Group Audit systematically conducts control and advisory activities on issues of societal relevance, such as integrity, duty of care, product development and risk management. The societal impact of these services is not directly quantifiable as GA reports internally to the Executive Board and the Audit Committee.

#### SNS Bank:

SNS Bank regularly assesses its website and the SNS shops for their user-friendliness for people with a disability. In relation to simplicity in money matters and simple products, client research is undertaken concerning the criterion of 'simplicity'

#### ASN Bank:

ASN Bank's three share funds are assessed for their performance with regard to climate-friendly investment. At the request of the honest banking indicator ([www.Eerlijkebankwijzer.nl](http://www.Eerlijkebankwijzer.nl)), ASN Bank is taking part in quantifying the performance of investments in sustainable energy and working conditions in the clothing sector.

#### REAAL:

- 1 REAAL is improving its focus on the client through a programme known as Darwin. An essential component of the programme is the 'voice of the client' by means of which REAAL seeks to engage clients at an early stage concerning products and services destined for the market. We intend to achieve this by ensuring that we continually listen to

clients and internally translate the wishes and needs of our clients and intermediaries into our new products, services and service provision. The first client panel sessions were held in April 2010.

- 2 During 2010 REAAL was also involved in the client satisfaction survey concerning life insurance and injury insurance. The research focuses on three distinct groups of clients:
  - a New clients: those who purchased a policy less than 18 months ago
  - b Existing clients
  - c Clients who have submitted claims (concerning damage/injury), and clients who have received payouts (life insurance).

#### Zwitserleven:

- Zwitserleven toetst haar producten en diensten aan de interne en externe richtlijnen en wet-en regelgeving.
- Zwitserleven streeft naar een VO-benchmark voor pensioenproducten en heeft hiervoor contact opgenomen met betreffende instanties.

#### SNS AM

SNS AM 'measures' all of its investments by screening them against the fundamental policy principles. And, via engagement, we attempt to achieve an impact for ESG; namely, we are committed to improving companies' policy and behaviour. On a relatively frequent basis, research is conducted into the social effect of our investments in the field of impact investing, such as microfinancing. A concrete example of this is the development of a scorecard for microfinancing funds which helps during screening of responsible conduct by microfinancing institutions. The UNPRI survey devotes considerable attention to this best practice. The text from the report is reproduced here.