

NIBC and the world around us

INTRODUCTION

We believe transparency facilitates trust between an organisation and its stakeholders. NIBC applies the G4 *Global Reporting Initiative (GRI)* guidelines to its 2015 annual report for the third time. The materiality process helps us understand what our stakeholders find relevant and material. The annual report provides an overview of the themes and indicators we have identified as most relevant to us as a company and to our stakeholders.

We define stakeholders as groups or individuals who are affected by or can affect the achievement of our objectives. We engage with our stakeholders to understand their expectations and interests. Details about our stakeholder engagement in 2015 can be found [here](#).

This document gives an overview of the materiality assessment process and the outcomes. It describes how we (i) identified our sustainability context and relevant topics and (ii) determined the most material themes and aspects.

DETERMINING RELEVANT THEMES AND ELEMENTS

Our materiality assessment in 2015 built upon the in-depth analysis which we performed in 2014 and 2013. During this assessment we reviewed a number of various internal and external sources, including stakeholder requests and interests, transparency guidelines, governmental and regulatory criteria, studies and benchmarks. We reviewed the approach of peer banks and considered our own strategic priorities.

CONSULTING STAKEHOLDERS

We engage with our stakeholders to understand their expectations and interests. In general, stakeholder engagement takes place in different forms, from regular and ongoing dialogues to direct feedback requests and specific consultation sessions.

In 2015, there have been various interactions with our stakeholders. We consulted our Advisory Board regarding their views on material sustainability themes for NIBC; we held one-on-one meetings with stakeholder groups and participated in a number of events.

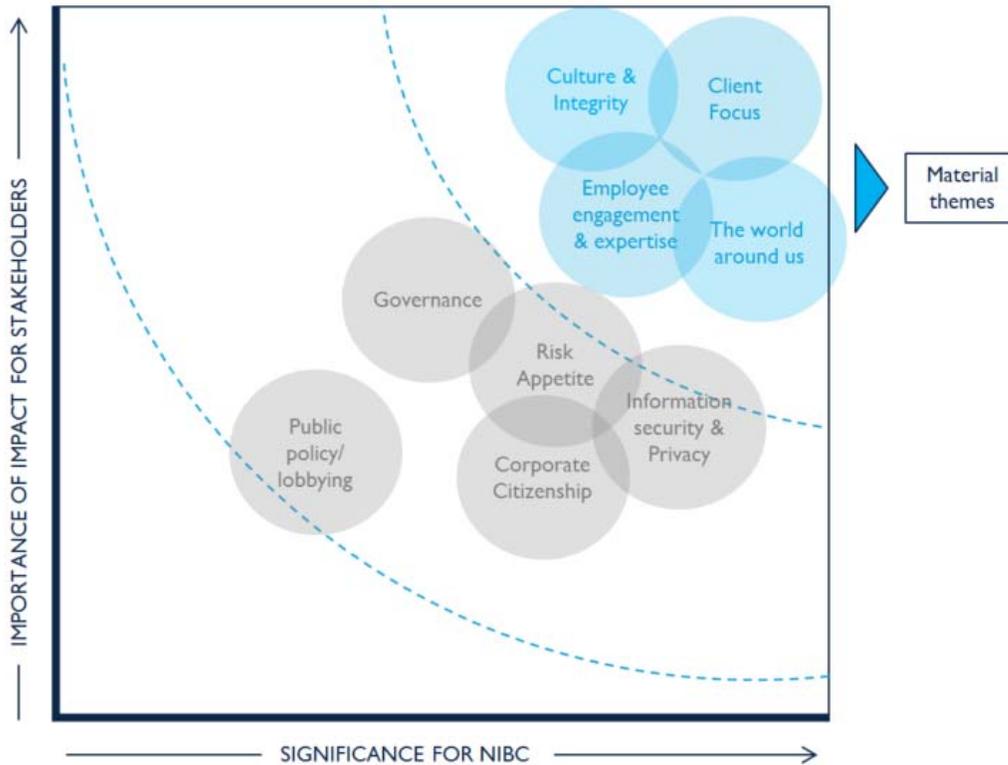
We analysed documentation to learn which topics stakeholders consider to be material. In 2015, an increased number of external meetings with civil society stakeholders were held. Furthermore we continued to hold recurring internal stakeholder sessions in which employees who frequently interact with stakeholders participate. During these sessions the variety of themes and topics that our stakeholders find material are shared, aimed at creating further awareness and understanding.

OUTCOME

The feedback we received from our stakeholders in 2015 was in line with their feedback in 2014. There were no material changes. To improve the clarity of the materiality matrix, we decided to group the topics that stakeholders deemed material as follows:

1. Client focus
2. Culture & Integrity
3. The world around us
4. Employee engagement and expertise

The materiality matrix below shows the most material themes. Details about the various topics and indicators that belong to these themes are described in the next paragraph.



The materiality process and the outcome of the stakeholder consultations were discussed with the Sustainability Board, and further reviewed with two Managing Board members.

MATERIAL THEMES AND INDICATORS

The four themes are addressed in our annual report through qualitative information (narratives, statements, examples). The reported non-financial key figures and GRI aspects support these themes and are the indicators considered most material.

The overview below explains where and how material information is reported in our 2015 annual report. Further details can be found in the GRI content index.

Client Focus		
Client Focus is the most important theme for NIBC and stakeholders. Material information about this theme is reported throughout the annual report:		Where
	Client focused business model	p. 9, 16, 49
	Customer satisfaction	p. 7, 37

	Transparent & responsible products	p. 35
	Sustainable client business	p. 44
The following non-financial key figures support this theme:		
	Corporate client NPS	
	NIBC Direct customer satisfaction score	
	Regulatory compliance/ fines	
Culture & Integrity		
NIBC and stakeholders recognise that culture & integrity are relevant themes in the financial sector. Material information about this theme is reported throughout the annual report:		Where
	Culture	p. 39
	Regulatory compliance	p. 65, 68, 81
	Banking on Trust	p. 15, 41
	Remuneration	p. 58, 61
The following non-financial figures support this theme:		
	Regulatory compliance / fines	
	Corporate client NPS	
	NIBC Direct customer satisfaction score	
	Employee engagement	
The world around us		
The world around us is constantly changing. NIBC wants to be agile to adapt to these changes, and engages with stakeholders to understand the developments that are relevant for our clients and NIBC. Transparency is a key element in the interaction with the stakeholders in the world around us. Material information about this theme is reported throughout the annual report:		Where
	Agility & Flexibility	p. 8, 15, 20
	Stakeholder engagement	p. 44, 47
	Sustainability	p. 44
	Transparency	p. 15, 51
	Supporting social projects	p. 51
The following non-financial key figures support this theme:		
	Percentage of clients screened against sustainability policy framework	
	Number of project finance transactions in line with Equator Principles	
Employee Engagement & Expertise		
The quality of our people determines our success as a business. Material information that drives our employee engagement and expertise is included in the annual report:		Where
	Our people	p. 39

The following non-financial key figures relate to employees:	
Total number of FTEs	
Absenteeism	
Employee engagement	
Employee development: training expenses per employee	
Diversity (male/female) ratio	
Diversity (male/female) ratio top management	
Employee turnover (employees left/joined)	

BOUNDARIES

We recognise that our impact on environment and society results from our own operations as well as from our clients' business activities. We differentiate between direct and indirect impact.

All material aspects and figures are directly relevant to NIBC. Certain environmental and social themes may also have an impact in relation to our clients and investors. The key figures that evaluate these impacts for our clients are:

- Percentage of clients screened against sustainability policy framework
- Number of project finance transactions in line with Equator Principles

Disclosures on management approach in the GRI matrix provide further information about how NIBC manages its direct and indirect impact on the environment, society and people.

CHANGES

The 2015 materiality process generally confirmed the strategy of the previous years. Yet, feedback showed some clear distinctions compared to last year. Some topics seemed to be considered less or more material.

Material aspects for shareholders and investors focused on core financials like return on equity. The newly adopted sustainable development goals and the COP21 climate summit in Paris were relevant developments for civil society stakeholders during the second half of 2015. Competitiveness in the banking market was raised by clients, who would like to see NIBC become a challenger bank to the larger institutions. A number of stakeholders mentioned transparency as an increasingly material aspect.

No changes have been made to the non-financial key figures that were selected and reported for 2015.

OTHER RELEVANT THEMES

Our annual report contains information on themes and indicators that are most material to NIBC and its stakeholders. The topics that are not labelled material are not considered unimportant; these are considered basic conditions or 'hygiene factors' that stakeholders expect us to have in place but are not most material. As we still wish to show our stakeholders that these topics are indeed addressed, these are either reported in the annual report, or in the GRI content index with links to information about these topics.