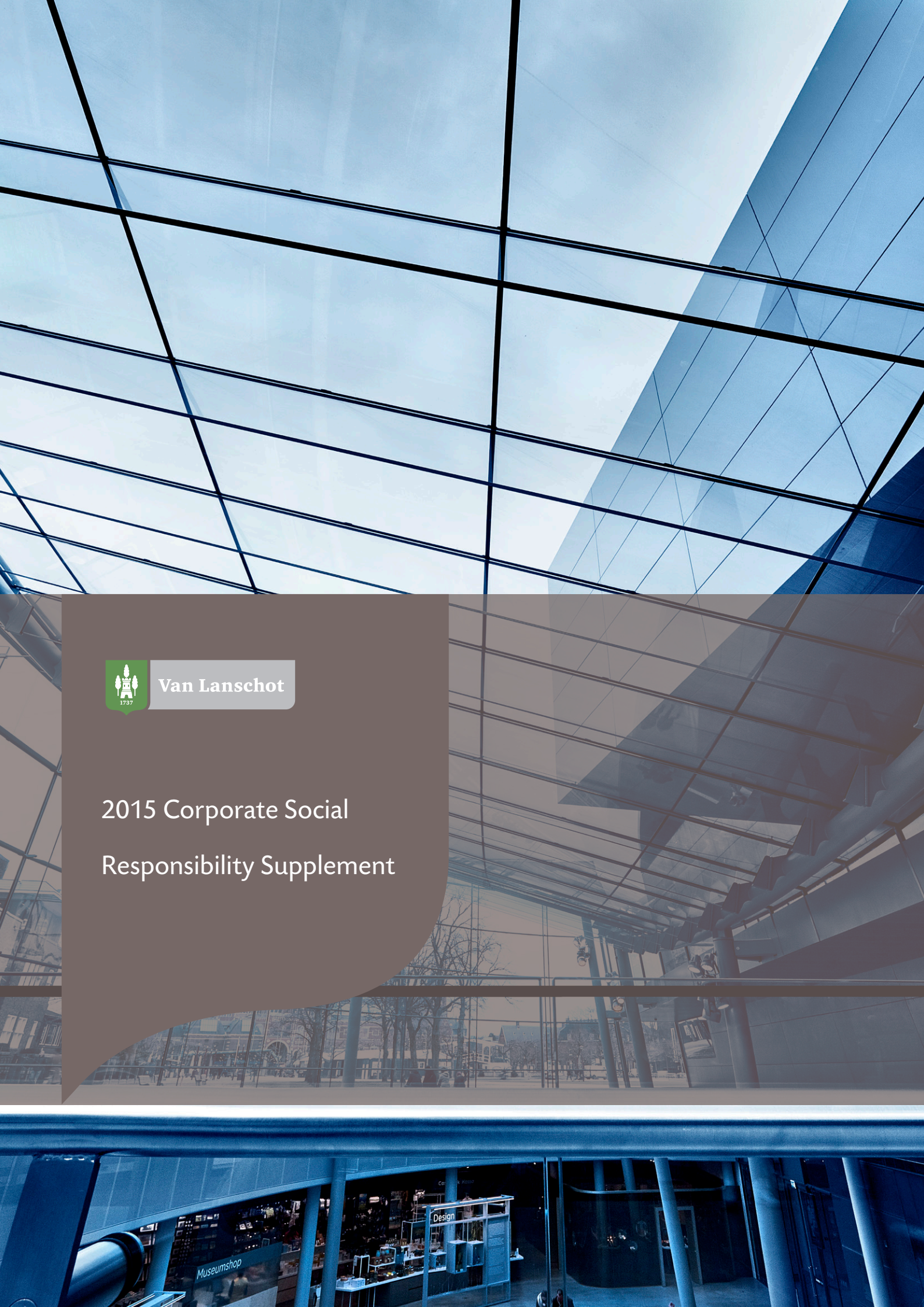




Van Lanschot

2015 Corporate Social Responsibility Supplement



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About this supplement

Van Lanschot publishes an integrated annual report that includes both financial and non-financial information. The most material information from the CSR report we produced in recent years has now been incorporated in the integrated report. Other information is set out in this supplement or on our website at corporate.vanlanschot.nl/en/responsible. To summarise, you will find in this supplement:

- Further details concerning the information on corporate social responsibility contained in the annual report;
- Less material information, which has only been requested by a few stakeholders.

This supplement is available in Dutch and English at corporate.vanlanschot.nl. In the event of discrepancies between the Dutch and the English versions, the Dutch will take precedence.

1. Framework and overview

The framework set out below supplements our annual report and offers a more detailed overview of our corporate social responsibility policy. It shows the most important risks, targets (KPIs) and achievements in each of the four focus areas.

Focus areas	GRI Aspects ¹	Key risks	KPIs for 2015	Achieved 2014	Achieved 2015	KPI achieved?	More info
1. Core banking activities – Client acceptance – Responsible/sustainable investments – Impact investing – Corporate Finance & Securities – Responsible lending	1, 3 through 9	Reputational damage, e.g. via dishonest clients, irresponsible lending and investment	KPI 1: Higher client loyalty score than previous year	61 points	64 points	●	AR p. 11
			Growth in assets under screening (AuS) ²	71%	78%		
			KPI 2: Private Banking KPI 3: Asset Management	68% 73%	80% 76%	● ●	AR p. 37 AR p. 37
			KPI 4: Screening balance sheet for responsible use of entrusted funds	Forum Ethibel certificate achieved	Forum Ethibel certificate achieved	●	AR p. 32
2. Good employment practices – Training – Talent development – Employability – Diversity	1 through 6	Employees who are not sufficiently client-focused or sufficiently expert and engaged	KPI 5: Enhancing employee engagement	No score	71%	●	AR p. 48
3. Environmental management and purchasing – Carbon reduction – Responsible purchasing	1, 3, 6	Reputational damage – due to dishonest or irresponsible business partners – due to greenwashing	KPI 6: For the 2011-20 period: a carbon reduction per FTE of average 2% p.a.	Carbon emissions 6,362 tonnes Per FTE: 3.36 tonnes	Carbon emissions 5,351 tonnes (-15.9%) ³ Per FTE: 2.88 tonnes (-14.4%) ³	●	CSR supplement p. 11
4. Social engagement and external assessment – Sponsorship and donations – Stakeholder dialogue – Transparency	2, 7, 8, 9	Reputational damage – due to insufficient attention to transparency and society's expectations – through donations to or sponsorship of dishonest organisations	KPI 7: Transparency benchmark: top 20	11th in list of 240 companies	16th in list of 245 companies	●	CSR supplement p. 5
			KPI 8: Sustainalytics: top 10	1st in peer group	1st in peer group	●	CSR supplement p. 5

● KPI fully achieved ● KPI largely achieved ● KPI stable; partially achieved ● KPI achieved to a small extent ○ KPI not achieved

¹ For GRI Aspects, see Section 7, p. 18

² 'Assets under screening' refers to assets that are screened on environmental, social and governance aspects as a percentage of total assets under management (AuM). The definition of AuM was revised in 2015. AuS have been calculated using the new definition, which has also been applied retrospectively.

³ The carbon reduction in 2015 partly reflects an adjustment in the calculation method.

The table shows that all the KPIs for corporate social responsibility were met in 2015. New KPIs for the for the 2016-17 period will be set in 2016.

Overview of non-financial data

The following overview of non-financial data, broken down by division, is provided as a supplement to the non-financial key data in the annual report.

CR key data	Van Lanschot			Private Banking		Asset Management + Merchant Banking	
	2015	2014	KPI achieved?	2015	2014	2015	2014
1. Core banking processes							
Client satisfaction (loyalty index)	64	61	●	64	61	–	–
Assets under screening (%) ¹	78	71 ¹		–	–	–	–
– Private Banking	80	68 ¹	●	80	68 ¹	–	–
– Asset Management	76	73	●	–	–	76	73
Responsible lending policy	Forum Ethibel certificate	Forum Ethibel certificate	●	Forum Ethibel certificate	Forum Ethibel certificate	–	–
2. Employees							
Employees (FTEs)	1,666	1,712		1,208	1,262	458	450
Women (%)	39	39		42	42	30	30
Employee motivation and engagement (%)	71	–	●	71	–	–	–
Sick leave (%) ³	3.7	4.0		4.1	4.5	2.5	2.7
Investment in training (€ m)	4.3	4.1		3.2	3.2	1.1	0.9
3. Environmental management and purchasing							
Energy consumption (million Kwh)	8.1	9.2 ²		5.2	6.0 ²	2.9	3.2
Green energy (%)	96	93		94	90	100	100
Natural gas consumption (m ³)	506,524	513,955 ²		450,628	472,501 ²	55,896	41,454
Water consumption (m ³)	20,770	21,575 ²		12,416	16,312 ²	8,354	5,263
Paper consumption (kg)	91,515	114,337		78,260	100,692	13,255	13,645
Paper recycling (kg)	113,852	143,730		92,243	118,476	21,609	25,254
Waste (kg)	186,844	250,826		112,881	166,959	73,963	83,867
Company cars A/B/C label (% of total)	92	91		91	90	98	97
Company car kilometres (million)	12.7	13.6		11.1	11.8	1.6	1.8
Company car petrol (litres)	410,057	509,467		312,134	353,670	97,923	155,797
Company car diesel (litres)	415,099	424,030		395,948	409,257	19,151	14,773
Company car LPG (litres)	999	781		999	781	–	–
Carbon emissions (tonnes)	5,351 ⁴	6,362 ²	●	3,813	3,957 ²	1,538	2,405
4. Social involvement and external assessment							
Transparency benchmark (position)	16th	11th	●	–	–	–	–
Sustainalytics (position)	1st	1st	●	–	–	–	–
GRI	GRI4 Comprehensive	GRI4 Comprehensive		–	–	–	–

● KPI fully achieved ● KPI largely achieved ● KPI stable; partially achieved ● KPI achieved to a small extent ○ KPI not achieved

1 'Assets under screening' refers to assets that are screened on environmental, social and governance aspects as a percentage of total assets under management (AuM). The definition of AuM was revised in 2015. AuS for 2015 and 2014 have been calculated using the new definition.

2 Revised figures based on final 2014 data.

3 The number of days lost to sick leave (excluding maternity leave) as a percentage of the potentially available number of working days in 2015.

4 Based on adjusted method.

2. Stakeholder dialogue

Dialogue with our stakeholders is a key driver of the ongoing development of our corporate social responsibility policy. It tells us what our stakeholders expect of us, and what they genuinely consider to be most important.

We identify six groups within Van Lanschot's stakeholders: clients, employees, shareholders (and other capital providers), civil society organisations, government/regulators, and other banks. The table below sets out the key expectations, discussion topics and forms of dialogue (including the frequency of this dialogue) for each stakeholder group. The final column shows the results of the dialogue with each of the groups.

The table was compiled based on a variety of sources: discussions with clients and periodic client satisfaction surveys, meetings with shareholders, and analysis of recurring questions and comments from various external stakeholders, including civil society organisations and regulators. The abbreviations used are explained in the glossary at the end of this supplement.

Actions arising from the dialogue

We begin by taking the recommendations and suggestions that have arisen during the dialogue with our stakeholders and testing them against our strategy. The next step is to assess how other stakeholders would be affected if they were to be implemented. Recommendations and suggestions that are in line with our strategy and compatible with the interests of other stakeholders may result in new services or policy adjustments. Here are a few examples from 2015:

- Development of our healthcare planning service to help clients prepare financially for the kind of care they want in the future.
- Further expansion of our range of sustainable investment funds by including several third-party passive funds of this type in our investment advice service.
- Further adaptation of our remuneration policy.
- Development of a method for measuring the climate impact of our investment portfolios.

Dilemmas

Our stakeholder dialogue sometimes turns up a dilemma, where stakeholders have different or contradictory interests. To give an idea of the issues that can arise, a few of the dilemmas addressed in 2015 are summarised below.

1. Positive and less positive consequences of our strategic focus

We tightened up Van Lanschot's policy at the beginning of 2013 and made a clear choice in favour of wealth management. Winding down our corporate loan portfolio should improve our profitability and strengthen our capital position – positive long-term outcomes not only for our shareholders, but for all our stakeholders. All the same, no matter how carefully Van Lanschot approaches this process, it is bound to have a negative impact on some of our stakeholders.

It is not always easy, for instance, for clients with real estate loans to find alternative funding in the current market. It can also be difficult for employees facing involuntarily redundancy to find new paid employment in today's job market.

Stakeholder event 2015

We organised a stakeholder event in November 2015, just as we have done in previous years. A large group of clients, employees, external specialists, civil society organisations and representatives of other banks came together with our Statutory Board and other senior managers to discuss corporate social responsibility in relation to Van Lanschot's strategy. The focus this year was on materiality and value creation, with the following key questions:

- Which material themes should Van Lanschot target?
- How does Van Lanschot go about adding financial and non-financial value?

The event generated a series of suggestions for further sharpening the methodology we use to identify material themes. We also received some good advice on presenting our value creation process more effectively. Many of the suggestions and recommendations have already been taken on board for the 2015 annual report, and we will tackle others in the year ahead. You can find a report of the discussions at the 2015 stakeholder event on our website (corporate.vanlanschot.nl/responsible/policy).

2. Responsible investment: where do we draw the line?

Civil society organisations regularly ask us critical questions about the companies in which we invest. They expect us to tackle the businesses in question about abuses, even when these are situated deep within the production chain. In practice, this has proved far from simple. First of all, we invest in too many companies for such intervention to be always feasible. Many of these businesses also have long and complex production chains, which often makes it difficult to establish their direct involvement: there are simply too many links in the chain separating the company from the environmental breach, poor working conditions or corruption case. We have regularly found, moreover, that alleged wrongdoing is the result of patchy or unclear legislation, or of geopolitical or local tensions.

Lastly, essential information is frequently unobtainable, or else different sources contradict one another. The question is what Van Lanschot ought to do in situations like this as a responsible investor. How far does our responsibility extend? Who decides, and based on what information? These are difficult questions, not least because our clients also have very different opinions on these issues.

Three external specialists share their thoughts

“In March 2015 I introduced a meeting attended by investment experts from Van Lanschot and Kempen. The aim was to highlight the risks to which investors expose themselves if they don’t take climate factors into account in their analysis and risk models. How big a likelihood is there of stranded assets, for instance? And what can Van Lanschot and Kempen do to mitigate those risks? It was an interesting afternoon with some good discussion. It’s clear from this annual report that Van Lanschot has since made a start on measuring the carbon impact of its investment portfolios. These are positive steps for both clients and the climate.”

Jan Paul van Soest, climate expert and Partner at De Gemeynt

“In 2015 Van Lanschot took part in the Eco Drivers League – a challenging competition to reduce the carbon impact of business travel. It gave employees at all levels of the organisation a clearer insight into their driving habits and led to a worthwhile reduction in emissions. As far as Van Lanschot was concerned, the important thing wasn’t just cutting fuel costs and carbon emissions, but also the internal discussion sparked by the competition. We were delighted to read in the 2015 annual report that this discussion has since been extended to include Van Lanschot’s investment portfolios. Now that a method has been developed for measuring the carbon emissions associated with these portfolios, positive opportunities will hopefully also arise for further reducing these emissions within Van Lanschot’s core activities.”

Daniëlle de Bruin, Carbon Adviser, Climate Neutral Group

“Van Lanschot holds an annual stakeholder event at which a wide-ranging group of interested parties discuss the bank’s sustainability policy. Eumedion has taken part in these events several times and was impressed by their openness and by the responsibility the bank shows towards its sustainability policy. Van Lanschot displayed a constructive approach during the meetings, looked for ways to improve its performance, and was not afraid to address difficult subjects. One of the events concluded that there’s still room for the bank to become more proactive. I would very much like to see Van Lanschot respond to this in 2016, given the opportunities that sustainability can offer in fields such as impact investing.”

Daan Spaargaarden, Sustainability Policy Officer, Eumedion

3. Satisfying external guidelines and benchmarks is difficult

Our ambition at Van Lanschot is to satisfy the most important guidelines in the area of corporate social responsibility. We are also working hard to improve our position in external sustainability benchmarks. In practice, this is not always easy: the number of guidelines is increasing, and their content is changing constantly too. There can be a tension, moreover, between the guidelines and the requirements set by the external benchmarks. We follow the Global Reporting Initiative GRI4 guidelines, for instance, which require us to report primarily on material issues in our annual report. If we were to do that consistently, however, our position in other benchmarks would suffer, as these also expect us to report on less material issues.

4. Client acceptance: many shades of grey

Van Lanschot has no desire to establish or maintain relations with clients who could harm our bank’s reputation. We have therefore set up a committee that makes a binding recommendation as to whether we should enter into, continue or terminate a relationship. The underlying principle is that everyone is innocent until proven guilty, unless Van Lanschot takes the view that there are obvious indications of potential wrongdoing. Applying this principle in practice means we are regularly confronted with dilemmas. How should we respond, for instance, to potential or existing clients who have been accused of dishonest behaviour but were not ultimately found guilty? Does it make a difference if the individuals in question agreed a settlement with the investigating authorities? We know from experience that there are no standard answers to questions like these. One could argue, for instance, that these clients haven’t been found guilty and so we should continue to work with them. Or you could take the view that there is too great a risk of the negative publicity surrounding these clients harming the reputation of Van Lanschot and its other stakeholders, and that they should therefore be dropped.

External assessment by stakeholders

Van Lanschot’s CSR performance is assessed by a variety of external organisations.

- In 2015, for instance, we were included as a ‘leader’ in the Transparency Benchmark for the third successive year, ranking sixteenth in a list of 245 rated companies.
- We also topped the Sustainalytics league table in 2015 – as we did in 2014 – in the small banks peer group.
- Our average score in the Fair Bank and Insurance Guide rose in 2015 from 6.3 to 6.7, maintaining our above-average position within the sector.
- The Belgian research agency Forum Ethibel once again awarded us two sustainability certificates in 2015, one for the audit of our balance sheet and the other for the audit of our responsible investment policy.

Stakeholder	Stakeholder expectations	Discussion topics in 2015
Clients	<ul style="list-style-type: none"> - Clients' interests first - Expert, client-centric staff - Use of modern communication and service concepts - Responsible use of client assets - Financial solidity 	<ul style="list-style-type: none"> - Impact of strategy - Service quality - Solidity - Client care - Investment performance - Responsible/sustainable/impact investment - Social entrepreneurship and charity - Remuneration policy - Winding down corporate loans - Branch reorganisation
Employees	<ul style="list-style-type: none"> - Clients' interests first - Employment terms - Personal development - Clear communication - Financial solidity 	<ul style="list-style-type: none"> - Impact of strategy - Service improvement - Enhanced efficiency/efficacy - Changing employment terms - Investment in professional skills - Personal development
Shareholders (and other capital providers)	<ul style="list-style-type: none"> - Strategy implementation - Profitability - Protecting reputation - Effective risk management - Financial solidity - Transparency - Corporate social responsibility 	<ul style="list-style-type: none"> - Progress in strategy implementation and targets - Financial results and capital base - Funding strategy - Credit rating - Risk management - Remuneration policy - Impact of regulation - Shareholder base and liquidity
Civil society organisations (society at large)	<ul style="list-style-type: none"> - Active contribution to a sustainable and stable society - Openness to dialogue - Transparency - Financial solidity - Responsible remuneration policy 	<ul style="list-style-type: none"> - Tax avoidance - Remuneration policy - Controversial weapons - Diversity policy - Fossil fuels/mining - Climate change - Social entrepreneurship
Government/ regulators	<ul style="list-style-type: none"> - Financial solidity - Client interests first - Compliance with laws and regulations - Controlled and sustainable remuneration policy - Professional risk management - Good governance 	<ul style="list-style-type: none"> - Financial solidity - Client interests first - Compliance with laws and regulations - Asset quality review
Other banks	<ul style="list-style-type: none"> - Constructive industry consultation - Financial solidity - Fair competition 	<ul style="list-style-type: none"> - Laws and regulations - Responsible and sustainable banking

Stakeholder	Form of dialogue	Frequency	Result of the dialogue
Clients	- Client meetings	D	- Financial ratios in order
	- Client events	W	- Growth in AuM
	- Stakeholder events	A	- Increased client satisfaction
	- Client surveys	A	- Simplified product range
	- Client portals	D	- More online service provision
	- Client management	D	- Wealth planning service - Additional sustainable products; incl. addition of third-party passive sustainable investment funds to investment advice service - More client information on responsible investment - Charity service grew - Product awards Kempen & Co - Integrated annual report
Employees	- Performance management system	SM	- Optimisation of organisation
	- Work meetings	W	- Reduction in FTEs
	- Health and engagement scan	A	- Education and training
	- Works Council	M	- Adjusted employment terms
	- Intranet	D	- Well-informed and involved employees
	- Training courses	A	
	- Internal meetings	Q	
Shareholders (and other capital providers)	- General Meeting of Shareholders	A	- Financial ratios in order
	- Roadshows, conference calls and other bilateral consultation	Q	- Strategy on schedule - Diversified funding
	- Press releases, trading updates and annual reports	Q	- Standard & Poor's credit rating confirmed at BBB+ (outlook unchanged and stable) and Fitch Ratings from A- to BBB+ (outlook from negative to stable)
	- Credit rating reviews	A	
	- Website and social media	M	- Adjusted remuneration policy
Civil society organisations (society at large)	- Bilateral consultation	Q	- Further integration of responsible investment
	- Participation in PRI, UN GC, MVO NL, VBDO, CDP, etc.	Q	- Higher assets under screening (AuS, as % of AuM) - Method for measuring carbon impact of investments
	- Research by civil society organisations	M	- No sustainability issues in the corporate loan portfolio - Lower carbon emissions
	- Website and social media	M	- Social projects, donations, sponsorship
	- Stakeholder event	A	- High sustainability ratings - Forum Ethibel certificate - Integrated report (GRI4 and externally verified) - Industry-wide consultation on human rights (SER, IMVO)
Government/ regulators	- Consultation with Netherlands Authority for the Financial Markets (AFM) and De Nederlandsche Bank (DNB)	M	- Financial ratios in order - Various client-interest projects completed
	- Self-assessments, audits and controls	Q	
Other banks	- Bilateral consultation	M	- NVB Climate Statement signed
	- Industry consultation via NVB, DUFAS, E-RISC (UNEFPFI), GRESB	M	- Sustainability policy for financial institutions continued - Industry-wide consultation on human rights (SER, IMVO)

Frequency:

D: daily

W: weekly

M: monthly

Q: quarterly

SM: six-monthly

A: annually

3. Responsible investment and lending

It is important to many of our stakeholders that Van Lanschot uses client assets in a responsible way, in terms of both investment and lending. Our annual report contains a detailed description of how we go about achieving this, and some supplementary information is also provided below.

Responsible and sustainable investment

In addition to responsible investment, which centres around dialogue with companies and investment funds, Van Lanschot offers our clients the opportunity to invest in sustainable funds, in which the emphasis is on exclusion rather than engagement.

Van Lanschot and Kempen Capital Management (KCM) have offered three sustainable investment funds since 2013: Kempen Global Sustainable Equity Fund, Kempen (Lux) Euro Sustainable Credit Fund and Kempen (Lux) Sustainable European Small Cap Fund. These sustainable funds are subject to more stringent exclusion criteria than apply to responsible investment solutions. For instance, they exclude companies that are active in nuclear energy, tobacco, fur, weapons and alcohol, or which are involved in animal testing or genetic modification. The funds are also prohibited from investing in businesses that contravene the UN Global Compact. For further information, see Kempen's website (<http://www.kempen.nl/finfiles.aspx?id=34997&langtype=1033>).

Responsible lending

Van Lanschot's corporate loan portfolio stood at €2.7 billion at year-end 2015 (2014: €3.8 billion).

The bank has virtually zero corporate credit exposure in sectors such as agriculture and fishing, chemicals, utilities, and oil and gas, all of which are more sensitive in sustainability terms. The same goes for borrowers with production located in low-wage countries, which likewise barely feature in the portfolio.

For the past five years, a risk filter has been used to screen the sustainability of corporate loans. This process did not identify any material sustainability issues in the portfolio. The number of loans subject to screening declined once again in 2015, due in part to the winding down of our corporate lending portfolio. The number of corporate loans for which screening is required stood at 122 at the end of the year.

Progress in implementation of responsible lending policy	2015	2014
Corporate loans	2,785	ca 3,000
– of which exempt from responsible lending policy*	2,663	ca 2,800
Items to be screened	122	ca 200
– of which 'potentially high risk'	42	72

* Relates to business professionals, commercial real estate, Dutch medical sector and other relationships regarding which the risk is zero, due for instance to the nature and location of the business operations. These are screened, however, for involvement with financial crime (CDD).

Of all the loans screened over the past five years, 138 were designated as 'potentially high risk'. Forty-two of these remained in the portfolio at year-end 2015 (2014: 72). In the other 96 cases, the loan relationship has since been redesignated as 'low risk' or has been terminated altogether.

Screening the corporate loan portfolio: a practical example

We were approached in 2015 by one of our corporate borrowers, which is active as a retailer in the clothing sector. Although this client has never been in disrepute, it has been designated as 'potentially high risk' for some time because of the nature of its operations. It recently noticed that it has a relatively low score in one of the public sustainable clothing rankings and approached us to help it think constructively about possible improvements. Thanks to our knowledge of the sector, we were able to draw the client's attention to existing sustainability initiatives such as WRAP, BSCI and SA8000. We also referred them to the Fair Wear Foundation, which might also be able to help them design more effective sustainability policies. It became clear during our discussion of these sustainability initiatives that the client would benefit significantly simply from communicating its existing policy more effectively – a conclusion that most likely applies to other businesses too.

Complaints management

Our aim at Van Lanschot is to offer our clients the high-quality service and personal attention they expect and demand. If clients feel that we have not lived up to these expectations, we urge them to let us know, either through their banker or via the Complaints department. We want to make it easy to submit complaints and we do our best to pick up any signs of dissatisfaction. In addition to the issues that clients raise with us directly – personally or in writing – we keep a close eye on social media.

Our objective when dealing with complaints is to put things right between ourselves and the dissatisfied client. Like our clients, we want to pursue a long-term and mutually rewarding relationship, and an important principle in this regard is that equal cases must be treated equally in practice. The members of our Statutory Board and senior management play an active role in dealing with complaints. They are readily approachable by clients, and place great importance on responding in person to complaints addressed to them.

The Complaints department analyses the cases we receive to identify trends and developments, which it then reports to the Statutory Board and senior management. Complaints provide us with valuable signals for improving our service and we set out to learn as much from them as we can. The department constantly talks to colleagues elsewhere in the bank in order to improve our processes and products. We set up a new training programme in 2013, which uses complaints to show employees how similar cases can be avoided in the future or dealt with swiftly and to the client's satisfaction. The programme is structural in character and is repeated every year.

Kempen follows the same principles as Van Lanschot when it comes to dealing with complaints: members of the Management Board are involved and investigations are also made to see whether other clients might be in a similar position. The Compliance and Group Risk Management departments are notified about complaints, so that the wider organisation can learn from them as well.

Most of the remaining 42 'potentially high risk' corporate borrowers are businesses in 'sensitive sectors' (e.g. clothing, wood-based products and other manufacturing) which import from or have production facilities in non-western countries. Potential risks in this regard include illegal logging, poor working conditions, human rights violations and serious environmental pollution. Only two of the 42 cases relate to borrowers with an indirect involvement in the arms sector. The underlying risk in one case relates to gambling.

In all 42 of the cases mentioned above, we engage the borrower on the precise risks and how the company in question might go about mitigating them. Many businesses appreciate this commitment and have already responded by taking the necessary measures. There is a small group for which further improvement is still possible, and it is these that we will continue to monitor particularly actively.

4. Our employees

Supplementary data is set out below regarding Van Lanschot's employees.

The number of full-time equivalents (FTEs) fell by 46 in 2015, due to the implementation of our strategy and to natural wastage.

Number of employees	2015		2014	
	Number	FTEs	Number	FTEs
Van Lanschot Netherlands	1,107	1,041	1,177	1,106
Van Lanschot Belgium	150	143	141	135
Van Lanschot Switzerland	24	23	23	22
Kempen & Co	477	459	471	449
Total	1,758	1,666	1,812	1,712

The proportion of men (61%) compared to that of women (39%) was unchanged in 2015.

Gender breakdown (number, %)	2015		2014	
	Number	%	Number	%
Men	1,070	61	1,100	61
Women	688	39	712	39
Total	1,758	100	1,812	100

The percentage of employees with less than five years of service increased in 2015.

Length of service (%)	2015		2014	
	Men	Women	Men	Women
< 5 years	39.9	34.6	38.6	32.7
5 to 10 years	26.6	23.4	28.9	25.6
10 to 15 years	10.7	9.0	11.5	11.9
15 to 20 years	12.4	20.4	10.1	17.1
20 to 25 years	2.6	4.5	2.9	4.9
> 25 years	7.8	8.4	8.0	7.7
Total	100	100	100	100

The proportion of employees working full-time rose slightly compared to the previous year. This was the case for both male and female staff.

Type of service / gender	2015						2014					
	M	%	F	%	Total	%	M	%	F	%	Total	%
Full-time	950	89	305	44	1,255	71	971	88	299	42	1,270	70
Part-time	120	11	383	56	503	29	129	12	413	58	542	30
Total	1,070	100	688	100	1,758	100	1,100	100	712	100	1,812	100

The average age of our employees was 42.5 in 2015, the same as in 2014.

Average age	2015		2014	
Men	43.1		43.1	
Women	41.6		41.6	
Total workforce	42.5		42.5	

A total of 310 employees left Van Lanschot in 2015 (2014: 316). Staff turnover was stable at 17%.

Employment ended	2015		2014	
	Number	%	Number	%
End of temporary contract	28	9	30	10
At employee's request	94	30	83	26
At employer's request	182	59	194	61
Retirement	4	1	7	2
> 2 years work incapacity	1	0	1	0
Death	1	0	1	0
Total	310	100	316	100
Natural wastage*		17		17

* The natural wastage figure is obtained by comparing the number of departures in 2015 with the average number of employees for that year.

There was additional investment in employee training in 2015, with an increase on the previous year in both the training budget and the number of hours training received. On average, each employee devoted 9.9 days to training (7.9 in 2014). This increase was not structural in character, and chiefly reflected the fact that employees have to meet the professional requirements set out in the Financial Supervision Act. Some 93% of our staff already met the new requirements at the end of 2015 – one year before the legal deadline of 1 January 2017.

Training hours	2015	2014
Total number of hours, individually and collectively	82,365	70,071

5. Environmental management and purchasing

As a financial services provider, Van Lanschot’s direct environmental impact is relatively limited. All the same, we have worked hard in recent years to reduce our environmental footprint – efforts that are increasingly bearing fruit.

Calculating our environmental footprint

We began to calculate Van Lanschot’s carbon footprint in 2011, in line with the international Greenhouse Gas Protocol (see the tables at the end of this section). The footprint shows at a glance where the most material emissions occur, making it a useful guide when drawing up carbon reduction measures.

Environmental policy objective

Van Lanschot has an environmental policy geared towards our own organisation, the objective of which is to reduce our average carbon emissions per FTE by 2% a year in the 2011–20 period.

Policy implementation

Van Lanschot set up a Green Team in 2008 to implement this policy, consisting of employees from Purchasing, Contract Management & Facilities, Human Resource Management, Corporate Social Responsibility and the branch organisation. The Sustainability Team at Kempen is a similarly multidisciplinary group.

Both teams once again carried out a variety of measures in 2015 to reduce their organisations’ environmental footprints (and carbon emissions). Examples can be found on our website at corporate.vanlanschot.nl/responsible/environment.

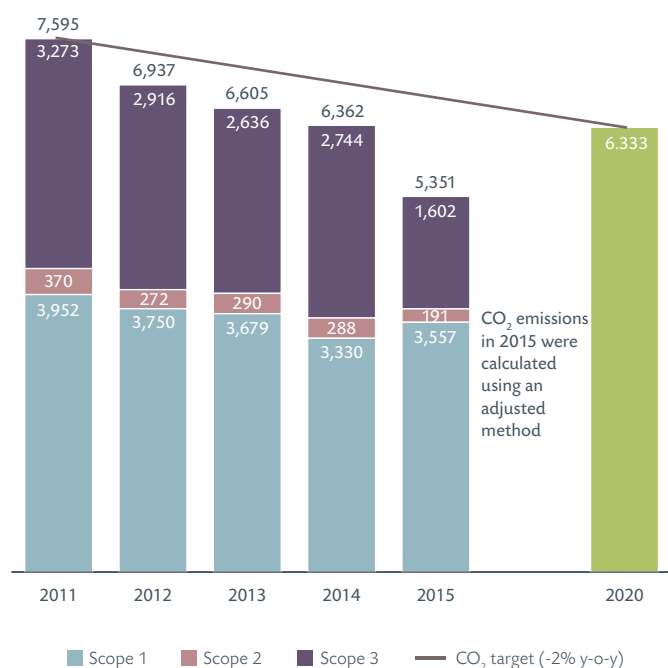
Reductions achieved in 2015

More efficient organisation and specific reduction measures contributed to a further decline in 2015 in our consumption of gas, electricity, paper, water, and in the fuel consumed by company cars and goods transport. The number of kilometres travelled using public transport increased. Air travel was the only relevant component for which no reduction was observed, due in particular to the increase in international clients at Kempen.

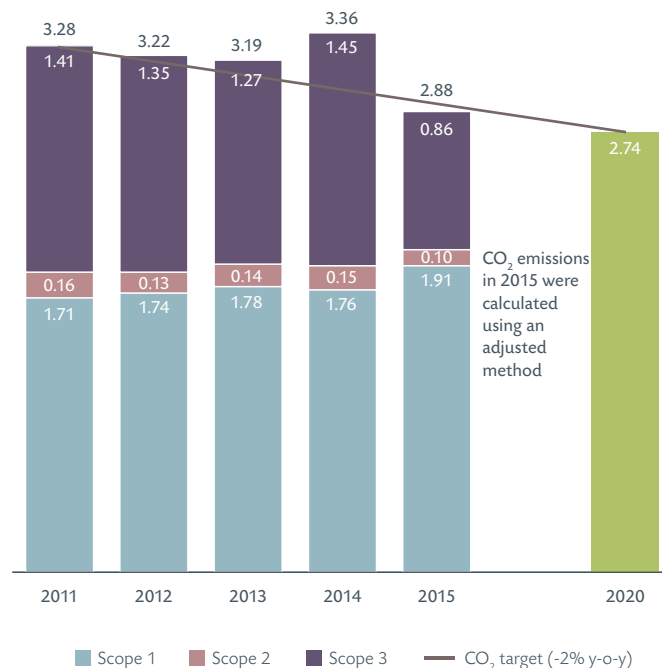
Carbon emissions in 2015

Van Lanschot’s total calculated CO₂ emissions fell by 1,012 tonnes in 2015 (-15.9%) to 5,351 tonnes. Emissions per FTE were down 14.4% to 2.88 tonnes, due to reduction measures and to adjustments in the method of calculation (see below).

Emission targets and achievements (in tonnes)



Emission targets and achievements (in tonnes/FTEs)



Adjustments to the calculation method for carbon emissions

Two adjustments were made in 2015 to the carbon calculation method:

- The previously used carbon conversion factors dated from 2011, so these were updated in 2015 in line with the factors available publicly at www.co2emissiefactoren.nl. This resulted in an increase in the conversion factor for most of the carbon components, the only exceptions being district heating, paper and water (unchanged conversion factor) and air travel (lower conversion factor).
- More detailed air travel data has been available for Kempen since 2015 thanks to the improved administration of this type of travel. This led to a substantial increase in the number of flights (including connecting flights) reported at Kempen in 2015, although when combined with the new carbon conversion factors, the result was a lower figure for carbon emissions.

Forecast

We have considerably reduced Van Lanschot's carbon emissions in recent years and certain elements of the calculation method have also been adjusted in the meantime. Our long-term target for reducing our carbon emissions will therefore be revised in 2016, at the same time as all our KPIs in the area of corporate social responsibility.

Carbon offset

Van Lanschot focuses on carbon offsetting as well as on reducing our emissions. We offset 45% of our total carbon emissions at year-end 2015 (2014: 36%) through the purchase of carbon certificates. The offsets related to the following emissions:

- Gas consumption (Van Lanschot Netherlands): fully offset since 2011 via voluntary emission-reduction units from emission-reducing projects. There was no offset in Belgium or at Kempen.
- Company cars (Van Lanschot Netherlands): the carbon emissions of all our company cars were offset by planting trees or by sustainable energy projects.
- Postal deliveries (Van Lanschot Netherlands and Kempen): all our post is delivered carbon-neutrally. This means that the carbon emissions associated with these deliveries are offset by international sustainability projects designated as Gold Standard.

CDP

Van Lanschot also reports our annual carbon data to CDP (formerly the Carbon Disclosure Project). This provides institutional investors affiliated to CDP with access to harmonised climate data, which they can then use to make their own investment policy more sustainable. For more information, see www.cdp.net.

Purchasing

Van Lanschot has been assessing the sustainability of its suppliers since 2009, with a key role played by the group-wide Purchasing, Contract Management & Facilities Service Centre. All purchasing processes at Van Lanschot and Kempen in which the Service Centre is involved are subject to specific CSR monitoring.

We incorporated our responsible purchasing policy within a broader framework in 2015 – the business partner due diligence (BPDD) policy, which applies to all our divisions.

Van Lanschot works with a variety of business partners, comprising individuals and companies with a commercial relationship with the bank in areas such as purchasing. The BPDD policy ensures that we only work with business partners who meet our integrity and CSR standards. It is used to analyse and manage risks prior to and during collaboration. A supplier's statement enables us to identify the stability, country, industry, integrity, reputation and other risks associated with a business partner. Annual purchasing training – aimed especially at employees who are regularly involved in procurement – is also geared to this. Van Lanschot does not enter into relationships with business partners that fail to satisfy the BPDD policy.

We signed the Sustainability Manifesto in 2015, together with 40 other companies. The manifesto is intended to encourage responsible purchasing and to inspire other companies and their suppliers. For more information, see our website at corporate.vanlanschot.nl/responsible/environment.

2015 Carbon reporting according to Greenhouse Gas Protocol	VL 2015	Unit	In different units				Con- version factor ¹	In tonnes of CO ₂				VL 2015 (tonnes of CO ₂)
			Private Banking					Private Banking				
			VL NL	VL B	VL CH	Asset Manage- ment and Merchant Banking		VL NL	VL B	VL CH	Asset Manage- ment and Merchant Banking	
Scope 1 (direct emissions)												3,557
Heating								812	73	12	170	1,068
– Natural gas consumption	506,524	m ³	405,384	38,730	6,514	55,896	1.88	764	73	12	105	954
– Diesel consumption	527	litres	400	127	0	0	3.19	1	0	–	–	2
– District heating	6,686	GJ	2,818	0	0	3,868	16.80	47	–	–	65	112
Company car use (business and private)	825,156	litres						1,626	527	–	336	2,489
– Petrol cars	410,057	litres	304,194	7,940	0	97,923	2.80	852	22	–	274	1,148
– Diesel cars	415,099	litres	239,626	156,322	0	19,151	3.23	774	505	–	62	1,341
– LPG cars	999	litres	999	–	0	–	1.81					
Scope 2 (indirect emissions electricity)												191
Electricity consumption	8,082,979	kWh						–	142	49	–	191
– Non-green electricity	363,864	kWh	0	270,864	93,000	0	0.53	–	142	49	–	191
– Green electricity	7,719,115	kWh	4,441,979	377,136	–	2,900,000	–	–	–	–	–	–
Scope 3 (other indirect emissions)												1,602
Business air travel³	3,790²	flights	308	0	94	3,388 ²		90	0	28	971²	1,088²
– Of which Zone 1 flights	3,433	flights	290	0	90	3,053	0.297	86	–	27	907	1,020
– Of which Zone 2 flights	307	flights	14	0	4	289	0.200	3	–	1	58	61
– Of which Zone 3 flights	50	flights	4	0	0	46	0.147	1	–	–	7	7
Business car use (non-company cars; petrol)	54,889	litres	49,796	4,094	–	999	2.80	139	11	–	3	154
Business public transport kilometres	739,639	km						20	2	–	11	33
– Of which bus	37,322	km	18,502	2,548	–	16,272	0.146	3	0	–	2	5
– Of which train	702,317	km	455,689	36,550	–	210,078	0.039	18	1	–	8	27
Paper	91,515	kg	68,879	8,631	750	13,255	3.33	229	29	2	44	305
Goods transport (couriers)	55,178	km	55,178	0	0	0	0.296	16	–	–	–	16
Water	20,770	m ³	11,410	853	153	8,354	0.3	3	0	0	3	6
CO₂ total (tonnes)								2,937	785	91	1,538	5,351
FTE internal												1,666
FTE external												194
CO₂ (tonnes) per FTE												2.88

1 Most of the conversion factors were updated in 2015 (source: www.co2emissiefactoren.nl). Not adjusted compared to 2014: district heating, paper and water.

2 More detailed air travel data has been available for Kempen since 2015. This meant the calculation method was further refined in 2015, increasing the number of flights for Kempen. The conversion factors were adjusted at the same time, however, resulting in an overall reduction in carbon emissions compared to 2014.

3 Zone 1: Europe and North Africa; Zone 2: North America, Central Africa, Middle East, India and Russia; Zone 3: US West Coast, South America, Southern Africa, South-East Asia and Japan.

2014		Unit	In different units				Con- version factor	In tonnes of CO ₂				VL 2014 (tonnes of CO ₂)
Carbon reporting according to Greenhouse Gas Protocol	VL 2014		Private Banking			Asset Management en Merchant Banking		Private Banking			Asset Management and Merchant Banking	
			VL NL	VL B	VL CH			VL NL	VL B	VL CH		
Scope 1 (direct emissions)												3,330¹
Heating								798¹	85	13	104	1,000¹
– Natural gas consumption	513,955 ¹	m ³	417,830 ¹	47,245	7,426	41,454	1.79	748 ¹	85	13	74	920 ¹
– Diesel consumption	3,297	litres	3000	297	0	0	2.68	8	1	–	–	9
– District heating	4,218 ¹	GJ	2,460 ¹	0	0	1,758	16.80	41 ¹	–	–	30	71 ¹
Company car use (business and private)	934,278	litres						1,500	418	–	411	2,330
– Petrol cars	509,467	litres	349,511	4,159	0	155,797	2.39	835	10	–	372	1,218
– Diesel cars	424,030	litres	253,353	155,904	0	14,773	2.62	664	408	–	39	1,111
– LPG cars	781	litres	781	–	–	–	1.61	1	–	–	–	1
Scope 2 (indirect emissions electricity)												288¹
Electricity consumption	9,214,220¹	kWh						–¹	275	14	–	288¹
– Non-green electricity	613,654	kWh	0	584,819	28,835	0	0.47	–	275	14	–	288
– Green electricity	8,600,566 ¹	kWh	5,240,777 ¹	109,624	50,165	3,200,000	–	– ¹	–	–	–	– ¹
Scope 3 (other indirect emissions)												2,744
Business air travel²	1,998	flights	184	4	106	1,704		245	4	105	1,829	2,182
– Of which Zone 1 flights	1,847	flights	146	4	103	1,594	0.95	139	4	98	1,514	1,755
– Of which Zone 2 flights	115	flights	30	0	3	82	2.47	74	–	7	203	284
– Of which Zone 3 flights	36	flights	8	0	0	28	3.99	32	–	–	112	144
Business car use (non-company cars; petrol)	55,955	litres	49,998	3,988	–	1,969	2.39	119	10	–	5	134
Business public transport kilometres	716,154¹	km						18¹	2	–	10	30¹
– Of which bus	39,527	km	20,410	2,494	–	16,624	0.083	2	0	–	1	3
– Of which train	676,627 ¹	km	413,464 ¹	37,595	–	225,569	0.039	16 ¹	1	–	9	26 ¹
Paper	114,337	kg	87,936	11,256	1,500	13,645	3.33	293	37	5	45	381
Goods transport (couriers)	65,102	km	65,102	0	0	0	0.169	11	–	–	–	11
Water	21,575¹	m ³	15,185 ¹	953	174	5,263	0.3	5¹	0	0	2	6
CO₂ total (tonnes)								2,988¹	831	137	2,405	6,362¹
FTE internal												1,712
FTE external												180
CO₂ (tonnes) per FTE												3.36¹

1 Revised figures based on final 2014 data.

2 Zone 1: Europe and North Africa; Zone 2: North America, Central Africa, Middle East, India and Russia; Zone 3: US West Coast, South America, Southern Africa, South-East Asia and Japan.

Offset CO ₂ emissions 2015	CO ₂ emissions ¹ (tonnes)	CO ₂ offset ² (tonnes)	Offset type
Natural gas consumption Van Lanschot Netherlands	764	764	VER ³
Company cars Van Lanschot Netherlands	1,626	1,626	VCS & Gold Standard ³
Postal deliveries Van Lanschot Netherlands & Kempen	31	31	Gold Standard ³
Total	2,421	2,421	100%
Offset as % of total CO₂ emissions (5,351 tonnes) in 2015			45%

Offset CO ₂ emissions 2014	CO ₂ emissions ¹ (tonnes)	CO ₂ offset ² (tonnes)	Offset type
Natural gas consumption Van Lanschot Netherlands	748 ⁴	748	VER ³
Company cars Van Lanschot Netherlands	1,500	1,500	VCS & Gold Standard ³
Postal deliveries Van Lanschot Netherlands & Kempen	61	61	Gold Standard ³
Total	2,310	2,310	100%
Compensation as % of total CO₂ emissions (6,363 tonnes) in 2014			36%

1 Calculation Van Lanschot.

2 Reported by supplier.

3 See glossary for explanation.

4 Revised figure based on final 2014 data.

6. Social engagement

Van Lanschot is a wealth manager engaged not only with our clients, employees and shareholders, but also with the world around us. We contribute to the wider community through sponsorship, donations and our employees' time.

Sponsorship

Our sponsorship activities have a clear social focus: art (Van Gogh Museum, PAN Amsterdam, Holland Festival and the Van Lanschot Art Prize) and sport; see pages 32 and 43 of our annual report. Our other sponsorship projects have clear social elements too. Van Lanschot works with TiasNimbas, for instance, to support the Business Transfer Academy – a course, launched in 2010, for people involved with the transfer of family businesses, either internally or externally. For more information, see www.tias.edu/opleidingen/certificaatprogrammas/detail/van-lanschot-academie-voor-bedrijfsoverdracht (in Dutch). Van Lanschot also collaborates with Tilburg University on the annual Theo Kraan Award for the best Master's thesis on an investment-related subject. You can find out more about our sponsorship activities on our website at corporate.vanlanschot.nl/sponsorship.

Donations and social projects

In addition to sponsorship, Van Lanschot donates to a variety of civil society organisations. Our contributions are not only financial – we combine donations as much as possible with our employees' time.

- Most of our donations to social institutions are part of our Next Generation programme, which fosters an entrepreneurial mentality among young people, contributes to financial literacy and generally promotes entrepreneurship. In 2015 we supported projects run by Young Enterprise (Bizworld and Bizwiz), JINC, Giving Back, Basisuniversiteit, Bank voor de Klas and IMC Weekend School, in which several hundred of our employees once again took part. For more information about these projects and the Next Generation programme, see corporate.vanlanschot.nl/en/responsible/social-involvement.
- Many Van Lanschot employees are also involved in charity work on a personal basis. They can apply for a donation for their favourite cause through our Charity Committee. Fourteen donations of this kind were granted in 2015.
- A group of employees at Kempen set up a social enterprise in 2010 to enable colleagues to donate their time and skills to charities and civil society organisations. Kempen collaborates in this way with organisations such as Stichting Zingeving Zuidas, JINC, and Bank voor de Klas. These activities were expanded in 2015 to include the Scholenstrijd (IEX) project, which is an investment game for secondary schools.

Future activities

Preparations began at the end of 2015 for the creation of a Van Lanschot/Kempen Foundation to combine all charitable initiatives within Van Lanschot and Kempen. The foundation is expected to be launched in 2016.

7. Reporting principles

Purpose of the report

The 2015 annual report (including this supplement) is intended to inform the stakeholders of Van Lanschot and Kempen of our corporate social responsibility policy and the associated efforts and results recorded in 2015.

Scope

The report will, as far as possible, cover the entire Van Lanschot organisation (including Kempen) in the Netherlands, Belgium, the United Kingdom, the United States and Switzerland. Where acquisitions or disposals have occurred, these are explicitly reported and it is stated whether or not they have been included for reporting purposes. One acquisition was completed in 2015 (MN UK, since renamed Kempen Fiduciary Management), the data for which has been fully incorporated in the 2015 annual report and this supplement. No entities were divested in 2015.

Reporting period

The report covers the period from 1 January 2015 to 31 December 2015 inclusive, while also including data from the previous year in order to provide a clearer picture of developments over time. Brief reference is made in a number of places to relevant developments following the closure of the reporting period; where this is the case, it is explicitly noted that the development in question occurred during the first months of 2016.

Reporting process

We have set out Van Lanschot's annual reporting process in an internal reporting protocol. This specifies who is involved in the drafting of the report, how the subjects to be covered in the report are determined, how the data for the report is collected, what definitions are used for this data, how the collected data is verified, processed and consolidated, and how the final report is published. The reporting protocol is updated annually.

Global Reporting Initiative (GRI)

Van Lanschot has been following the guidelines of the Global Reporting Initiative (www.globalreporting.org) for its corporate social responsibility reporting since 2009. GRI is the international standard for transparent CSR reporting. The GRI table showing how the various GRI themes have been incorporated in our 2015 annual report can be found on our website (corporate.vanlanschot.nl/external-assessment). We believe that our 2015 annual report meets the standards of the G4 'Comprehensive Option'.

Stakeholder engagement

Our stakeholder dialogue is the most important source of information on what our stakeholders expect of us. In our annual report and in this supplement we set out how we engage our stakeholders in the development of our policy. We also describe the topics that stakeholders raised with us in 2015 and how we responded to them. We warmly invite you too to share your opinions and views with us – contact details can be found on the final page of this supplement.

Materiality

Van Lanschot's 2015 annual report chiefly contains information on material topics. A topic is deemed to be material if it is important to our stakeholders (i.e. it can significantly influence their view of the topic and the decisions they take in response) and is also important to Van Lanschot (i.e. it could have significant positive or negative economic, environmental or social consequences for the bank). The identification of material topics involved several steps.

Step 1: Identification of potentially material topics

The first step at the end of 2015 was to establish potentially material topics based on information from a large number of available sources. The latter include:

- The 2014 annual report and CSR report (also drawn up based on GRI), including the KPI results they contain;
- The GRI indicator list (GRI4);
- A broad set of information sources that became available in the course of the year: results of the client satisfaction survey and client panels (Kroonadviesraad, KAR); client feedback during client meetings; complaints submitted to the Complaints department; employee feedback (through employee surveys and ideas committees); shareholder feedback during the Annual General Meeting of shareholders and bilateral discussions; responses and suggestions from the regulators; feedback from various stakeholders directly to the Corporate Social Responsibility department; results of Van Lanschot's own research (Family Business Barometer, Vermogend Nederland); feedback from third parties (via vanlanschot@vanlanschot.com, verantwoordondernemen@vanlanschot.com or social media); analysis of other banks' annual reports (best practices); external benchmarks and rating results (e.g. from the Transparency Benchmark, Sustainalytics, the Fair Bank and Insurance Guide, Eumedion and the Dutch Association of Investors for Sustainable Development (VBDO)).

Step 2: Identification of material topics, scope and outlines

The list drawn up during Step 1 was then further structured and condensed to create a more concise one in keeping with the structure of ISO 26000. This list contains five main themes (organisational governance, labour practices, the environment, fair operating practices, and community themes) which are then broken down into 30 sub-topics. The latter were incorporated in a survey that was presented in the fourth quarter of 2015 to a large group of Van Lanschot stakeholders (clients, employees, shareholders, civil society organisations and other banks).

The survey invited stakeholders to indicate:

1. Which of the 30 topics they considered the most/least important (from their own point of view and in their own interests); and
2. Which of the 30 topics they considered to be the most/least decisive to the success of Van Lanschot (with this defined broadly to mean financial, reputational and operational success).

The stakeholders' responses resulted in a 'materiality matrix' (see annual report page 16). The vertical axis in this figure corresponds with the first survey question (relevance to stakeholders) and the horizontal axis with the second (impact on Van Lanschot). The matrix shows that the topics under the themes 'organisational governance' and 'fair operating practices' score the highest on both axes, followed at some distance by a number of labour and community themes. These topics are, therefore, the most material for Van Lanschot's stakeholders. GRI4 specifies that material topics must be expressly included in the annual report. Topics with a relatively low score on both axes are not included in the annual report, but are presented in this supplement or on our website.

ISO 26000

ISO 26000 is an international standard on corporate social responsibility drawn up in consultation with organisations and experts from 94 countries. The standard offers a practical guide to integrating socially responsible behaviour in a company's existing strategies, processes, systems and working practices. The advantage of ISO 26000 is its clear structure: corporate social responsibility is broken down into just over 30 topics, divided into five main themes.

The materiality matrix was discussed in detail at the annual stakeholder event on 24 November 2015 with clients, employees, civil society organisations and other interested parties. The event generated a series of suggestions for further sharpening the methodology we use to identify material themes. Many of the suggestions and recommendations have already been taken on board for the 2015 annual report, and we will tackle others in the year ahead. A report on the meeting can be found on our website at corporate.vanlanschot.nl/responsible/policy.

Determining GRI Aspects

GRI does not work with the ISO 26000 themes that we use but with its own GRI 'Aspects'. We have therefore linked the most material topics from the materiality matrix to the GRI Aspects. The results can be found in the table below.

The table shows that the material GRI Aspects were the same in 2015 as in 2013. A few limited shifts can be detected, however, in the underlying material topics. The topics social engagement (28) and employee development (13) have gained in materiality, for instance, and have therefore now been classified as 'material'. The opposite applies to three other topics: safety and health/working environment (12), fair competition (20) and cooperation/partnerships (21) are no longer material.

It should also be noted that three material topics are not linked to a GRI Aspect. These are variable remuneration (10), external communication (5) and decision-making/stakeholders (2). The lack of a link reflects the fact that GRI4 does not include any Aspects corresponding with these topics. This does not, incidentally, prevent Van Lanschot from reporting in detail on these material topics. For (10), for example, see our remuneration policy on page 71 of our annual report, for (2) the description of stakeholder dialogue on page 16 of our annual report, and for (5) the annual report and our website.

We would also point out that GRI has made material Aspects 7, 8 and 9 mandatory for financial institutions. For further information in this regard, see the GRI Financial Services Sector Supplement.

Material GRI Aspects (GRI4)	Corresponding topic from materiality matrix	
	2015	2013
1. Economic performance	1, 3, 23, 24	1, 3, 23, 24
2. Indirect economic impacts	27, 28	27
3. Compliance	4, 18, 22, 23	4, 18, 22, 23
4. Product and service labelling	4, 22, 23	4, 22, 23
5. Customer privacy	25	25
6. Training and education	13	–
Added based on GRI sector supplement		
7. Product portfolio	4, 23	4, 12, 21, 23
8. Audit	–	–
9. Active ownership	4, 23	4, 23
Topics that could not be linked to GRI Aspects	10, 5, 2	20, 10, 5, 2

Choices made when reporting activities in the value chain

Beginning this year, our report incorporates a value creation model (see annual report p. 15), which is the result of a project begun in September 2015 with the support of an outside consultant. The elements to be included in the model were chosen in the course of several sessions with internal and external stakeholders held between September and January. Materiality, as defined by the GRI, was an important selection criterion. The Executive Board had the final say in deciding the model.

As was the case for the value creation model, we use materiality as the basic principle for the further reporting of our activities in the value chain. What this means in practice is that we chiefly report on topics within our own organisation, topics within our sphere of influence, and topics that are material to our stakeholders. We do not generally report on chain issues or other topics that are otherwise situated outside Van Lanschot, over which we have no direct influence, or which our stakeholders do not consider material.

Data collection process

The non-financial data for the 2015 annual report was collected in the same way as in previous years. The Corporate Social Responsibility department played a leading role in this process, using qualitative and quantitative surveys based on a variety of external guidelines endorsed by Van Lanschot and on internal policy principles. The surveys were sent to all relevant divisions and/or departments within the organisation. A specific individual was designated within each division and each department to collect the data and report it to the Corporate Social Responsibility department. Some of the data is drawn from central management information systems and some of it from local sources. The Corporate Social Responsibility department performs a plausibility check on the data supplied and collates it.

Accuracy

Most of the data in this supplement was drawn from standard reporting systems and supplier invoices. Assumptions or estimates have, however, been made in a number of cases where hard data was lacking. This is particularly the case for the carbon calculations:

- Because no final annual accounts were available at the beginning of 2016 for Van Lanschot's gas, electricity and water consumption in the Netherlands, these figures have been partially estimated for 2015.
- Diesel consumption when testing emergency systems within Van Lanschot in the Netherlands was estimated.
- Average fuel consumption of non-company cars for business travel is not known. We therefore used a figure equal to the average petrol consumption of company cars.
- Several assumptions and estimates were used for all business travel using public transport when converting expense claims into kilometres travelled.
- Total transport in kilometres for the delivery of office supplies and catering relates solely to Van Lanschot's activities in the Netherlands and is based in part on estimates.

There is very little likelihood that potential errors or inaccuracies in the estimates and assumptions referred to above would have a significant impact on the final results, given that the elements in question only account for a limited proportion of total calculated carbon emissions.

Carbon emissions were calculated and reported in line with the Greenhouse Gas Protocol (www.ghgprotocol.org). Calculation of the emissions occurred using the conversion factors set out by internationally recognised organisations. Having used conversion factors dating from 2011 for a number of years, we updated these in 2015 to current levels. Consequently, the factor used for most components of the bank's carbon emissions is higher than in previous years. Air travel was the only component for which this was not the case.

Comparability

We are publishing an integrated annual report this year for the first time. This means that the information that was previously set out in the annual financial report and in our CSR report has now been concentrated to as great an extent as possible in the integrated annual report. Less material topics are discussed in this supplement. Our policy and objectives in terms of the social aspects of doing business have not changed compared to the previous reporting period. All the definitions we use are also still in line with our report for 2014 as far as possible, so that the data remains readily comparable. Where earlier definitions or figures have been adjusted in the course of 2015, this is expressly stated in the text or in the footnotes.

Ambition for reporting policy

We intend to continue reporting in line with GRI4 in 2016 and beyond, and to further improve our integrated report. We will seek, for instance, to refine several aspects of our value creation model and the materiality matrix. We will invite our stakeholders to contribute constructively to our thinking in this regard.

Verification

Earlier versions of the annual report and this supplement were submitted for comments to the divisions and the Supervisory Board. The final version of this report has been approved by the Statutory Board.

Van Lanschot asked Ernst & Young Accountants LLP (EY) to verify the annual report, this supplement and the underlying data collection and data aggregation processes. For more information on the scope of this verification, the activities performed by EY and the results of these activities, please refer to EY's assurance statement (p.226 in our annual report).

Other relevant publications on corporate social responsibility

In addition to Van Lanschot's 2015 annual report and this supplement, detailed public information on our corporate social responsibility policy can be found on the Van Lanschot and Kempen websites.

8. Glossary

AFM

Netherlands Authority for the Financial Markets. The Dutch regulator for financial institutions. www.afm.nl/en

Assets under screening (AuS)

The part of the assets under management that are screened for sustainability issues.

Business Social Compliance Initiative (BSCI)

Companies seeking to improve working conditions in their chains can sign up to the Business Social Compliance Initiative. The BSCI is a sector-independent organisation that has drawn up a code of conduct for its members and monitors compliance with it. www.bsci-intl.org

Business Transfer Academy (Academie voor Bedrijfsoverdracht)

Training offered by Van Lanschot and TiasNimbas for people involved – both internally and externally – with the transfer of a family business. www.tias.edu/en

CDP

The Carbon Disclosure Project is a not-for-profit organisation that collects, harmonises and publishes environmental data. Van Lanschot affiliated to the CDP in 2014 and also supplies it with environmental data. www.cdp.net

CSR Netherlands (MVO Nederland)

Dutch knowledge and networking organisation, set up in 2004, for corporate social responsibility (CSR). Van Lanschot is a member. www.mvonederland.nl/csr-netherlands

DNB (De Nederlandsche Bank)

The Dutch central bank. www.dnb.nl

DUFAS

Dutch Fund and Asset Management Association. DUFAS is an industry association for asset managers and investment institutions active in the Netherlands. www.dufas.nl

Engagement

A sustainability strategy that seeks to persuade companies, fund managers, borrowers and other stakeholders through active dialogue that their sustainability policy should be made compatible with international treaties and conventions.

E-Risc

Environmental Risk Integration in Sovereign Credit Analysis. A UNEP FI project in which investors, credit rating agencies and universities have jointly developed a model to incorporate environmental indicators in the assessment of a country's creditworthiness.

ESG Council

The Environmental Social Governance Council is an internal Van Lanschot committee responsible for formulating and implementing responsible/sustainable investment policies within Van Lanschot. The ESG Council meets four times a year.

Ethical Council

An internal Van Lanschot committee that meets periodically to discuss corporate social responsibility issues within the organisation and social issues that touch on Van Lanschot's activities.

Fair Bank and Insurance Guide (Eerlijke Bank- en Verzekeringswijzer, EBVW)

The Fair Bank and Insurance Guide is an initiative of Oxfam Novib, Amnesty International, Friends of the Earth Netherlands, the trade union FNV, the Dutch Society for the Protection of Animals and the peace movement Pax. The organisation evaluates and compares the sustainability of Dutch banks and insurers. www.eerlijkebankwijzer.nl

Fair Wear Foundation

The Fair Wear Foundation (FWF) is a not-for-profit organisation that aims to improve the working conditions of garment workers. By joining the FWF, brands and shops make a statement that they want to actively support this goal. www.fairwear.org

Fitch

Credit rating agency. www.fitchratings.com

Forum Ethibel

Forum Ethibel is a Belgian consultancy in the field of corporate social responsibility (CSR) and socially responsible investment (SRI). www.forumethibel.org

Giving Back

A Dutch not-for-profit organisation focused on stimulating and guiding talented and ambitious school students who, because of their background, have fewer prospects to use their talents. www.givingback.nl

Gold Standard

The Gold Standard is an independent sustainability label for carbon offset projects. Several of Van Lanschot's carbon offset projects qualify for the label. www.cdmgoldstandard.org

Greenhouse Gas Protocol

The Greenhouse Gas Protocol is the worldwide standard for accounting for and reporting greenhouse gas emissions by companies. www.ghgprotocol.org

Green Team

A team that identifies and implements potential environmental improvements within Van Lanschot.

GRESB

The Global Real Estate Sustainability Benchmark (GRESB) is a worldwide sustainability benchmark for real-estate companies. www.gresb.com

GRI

The Global Reporting Initiative (GRI) is an independent organisation that develops guidelines for sustainability reports. Van Lanschot's report is based on GRI. www.globalreporting.org

ILO

The International Labour Organisation is a United Nations agency to which over 180 countries are affiliated. The ILO draws up international labour conventions. www.ilo.org

ISO 26000

ISO 26000 is an international guideline for corporate social responsibility. The standard offers a practical guide to integrating socially responsible behaviour in a company's existing strategies, processes, systems and working practices.

JINC

A Dutch not-for-profit organisation that gives youngsters from eight to sixteen a flavour of the job market and what knowledge and skills are needed for particular professions. www.jinc.nl/english

Kroonadviesraad (KAR)

An advisory council made up of a representative selection of our clients, which takes part in Van Lanschot's digital client surveys.

MSCI ESG Research

Data provider specialising in non-financial investment information. Van Lanschot has been using MSCI ESG Research's services for its responsible/sustainable investment process since 2015. www.msci.com/research/esg-research

NVB (Nederlandse Vereniging van Banken)

The Dutch Banking Association. www.nvb.nl/en

PRI

The Principles for Responsible Investment consist of six guidelines to which financial institutions can sign up, and which are intended to stimulate responsible investment. Kempen Capital Management signed the PRI in 2009. www.unpri.org

SA8000

SA8000 is an international standard for determining whether the social conditions within a business or chain are being properly managed. www.sa-intl.org

Standard & Poor's

Credit rating agency. www.spratings.com

Sustainalytics

A Dutch research agency that rates the sustainability of companies worldwide. Sustainalytics reports are widely commissioned by institutional investors, banks and asset managers. www.sustainalytics.com

The Next Generation

Van Lanschot's social programme, which sets out to stimulate entrepreneurship and talent development in the Netherlands.

Transparency benchmark

Benchmark created by the Dutch Ministry of Economic Affairs to clarify the way companies in the Netherlands report on their corporate social responsibility activities. www.transparantiebenchmark.nl/en

UNEP FI

United Nations Environment Programme Finance Initiative. A joint sustainability initiative between the United Nations and the global financial sector. www.unepfi.org

UN Global Compact (UN GC)

The UN Global Compact is a United Nations initiative geared towards corporate social responsibility. It consists of ten sustainability principles to which companies are invited to sign up. www.unglobalcompact.org

VBDO

The Dutch Association of Investors for Sustainable Development (VBDO) has set itself the goal of making the capital market more sustainable. The VBDO has over 700 individual and institutional members. www.vbdo.nl/en

VCS

The Voluntary Carbon Standard determines whether a sustainable project actually reduces emissions. VCS is used to obtain Verified Emission Reduction credits (VERs).

VER

A Verified Emission Reduction credit is awarded retrospectively by an independent organisation to verify a reduction in carbon emissions. VERs are used in the voluntary offset market.

WRAP

Worldwide Responsible Accredited Production (WRAP) is an independent not-for-profit organisation that uses certification and training to promote responsible production worldwide. www.wrapcompliance.org

Young Enterprise

A Dutch not-for-profit organisation that gives young people the chance to discover their inner businessperson through entrepreneurship programmes. www.jongondernemen.nl

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