



Remuneration Report VIVAT NV 2016

Zwitserleven



actiam

VIVAT



Remuneration

1. Remuneration policy VIVAT in general

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Introduction

The remuneration policy has been applied in full throughout 2016 to all employees of VIVAT NV and its subsidiaries, including their executive directors.

Principles

The 2016 remuneration policy:

- Is compliant with the prevailing laws, rules and regulations;
- Reflects the interests of all the company's stakeholders: customers, employees, shareholders and society at large;
- Is in line with, and contributes to, robust and effective risk management and, concurrently, does not encourage the taking of more risks than acceptable for the company's businesses;
- Supports the ability to attract and retain qualified people, taking into account the specific position occupied by the company in the Netherlands.

Governance

The Supervisory Board is responsible for the implementation of the remuneration policy for the members of the Executive Board that has been adopted by the General Meeting. The Supervisory Board is also responsible for approving the remuneration policy for the senior management and the remuneration policy for other employees.

The Supervisory Board's Remuneration and Nomination Committee (ReNomCo) prepares proposals in respect of the remuneration policy for decision-making by the Supervisory Board. Where necessary, the ReNomCo is assisted by independent remuneration experts. The control departments and various other corporate support departments (Finance, Legal, Human Resources and Audit) are also involved, each in their own capacity. As a result of this combined vetting, a governance framework has been prepared.

Identified Staff

VIVAT designates Identified Staff (employees who could have a material impact on the institution's risk profile) on the basis of applicable laws, rules and regulations.

The list of Identified Staff is kept up-to-date by Human Resources, is checked for its accuracy at least once a year by the control departments and, thereafter it is presented to the Supervisory Board. There are specific rules regarding variable remuneration for employees who qualify as Identified Staff (for further information, see section Performance targets and variable remuneration for Identified Staff).

Composition of primary remuneration

Primary remuneration is made up of fixed and variable pay. Fixed pay is generally made up of 12 times an employee's fixed monthly salary, plus 8% holiday allowance and a 13th-month payment.

Level of fixed remuneration

The fixed monthly salary depends on the level of the employee's role and the employee's knowledge and experience. A decision as to whether to increase the fixed monthly salary is made once a year, on the basis of a competency assessment. The fixed monthly salary is capped and cannot further increase if the maximum salary in the applicable pay scale has been reached.

Level of variable remuneration

Performance targets for Collective Labour Agreement employee are set in the first quarter of a performance period (a calendar year). In 2016, KPI's for senior management were set after the first quarter.

After completion of the performance period, the extent to which the performance targets have been achieved are used as the basis for determining whether an employee is eligible for variable remuneration. In 2015 the 'Act on the Remuneration Policy of Financial Undertakings' (Wet belongingsbeleid financiële ondernemingen, Wbfo 2015 stb 2015, 45) came into effect. The maximum levels of variable compensation as defined by Wbfo were implemented for the majority of Vivat's organizations for the full performance year 2016 (similar regulations apply for ACTIAM).

The Wbfo has provisions that make it possible to apply for an exemption to the regular bonus cap. In 2016, ACTIAM met the applicable exemption criteria of an asset manager and offered a number of specific positions at ACTIAM a variable compensation opportunity up to 50% in the event of stretched performance. This opportunity is in line with CRDIV and AIFMD regulation.

Performance targets and variable remuneration for Identified Staff

For employees who qualify as Identified Staff, specific rules apply for setting performance targets, determining the extent to which performance targets have been achieved, and setting and paying variable remuneration.

Performance targets are divided into financial and non- financial targets and into collective and individual targets. The performance targets are subject to an ex- ante risk assessment.

Variable remuneration is awarded, when applicable, in two portions: an immediate/unconditional portion (60%) and a deferred/ conditional portion (40%). 50% of the variable remuneration of Identified Staff is paid in cash and 50% in share based instruments, while the variable remuneration of Identified Staff of ACTIAM is paid 50% in cash and 50% in a share based instrument (SNS Optimaal Oranje investment fund managed by ACTIAM).

The deferred portion of variable remuneration is paid out over a period of three years following the year of award. The share-based component of the deferred portion of the variable remuneration of Identified Staff of ACTIAM vests four years after the year of award.

The deferred portion of variable remuneration may be adjusted downwards on the basis of the outcome of an ex-post risk assessment. A downward adjustment will be made if the employee has not met relevant standards in respect of competence and appropriate conduct, or was responsible for behaviours that led to a material deterioration in VIVAT NV's financial position (Dutch Financial Undertakings (Remuneration Policy) Act (Wft), Section 1:127, Subsection 2).

VIVAT NV has the power to claw back all or part of any variable pay awarded on the basis of incorrect information about the achievement of targets or the occurrence of circumstances that were a precondition for the variable pay to be awarded (Section 135(8), Book 2 of the Dutch Civil Code). Whole or partial claw back will take place if the employee has not met relevant competence standards and standards for appropriate conduct, or was responsible for behaviours that led to a material deterioration in the financial position of VIVAT NV (Wft, Section 1:127, Subsection 3). This claw back may relate to both the immediately payable portion and the deferred portion of the variable remuneration. Any tax consequences of the claw back of variable remuneration will be borne by the employee concerned.

Performance targets for employees in control functions

Employees in control functions are remunerated on the basis of the achievement of the targets set for their positions, regardless of the business units over which they exercise supervision and the results of the business operations. Employees in control functions are defined as all employees working within the Financial Risk, Non-Financial Risk and Audit departments.

Pension

Almost all employees of VIVAT are members of the same pension scheme. The scheme qualified as a defined contribution scheme for IAS 19 purposes. The contributions are paid by VIVAT NV. Employees contribute towards the contributions in the form of a member's contribution that is deducted from the monthly salary. VIVAT NV does not award any discretionary pensions.

The tax law was amended to disallow a tax-facilitated pension accrual on an employee's salary in excess of € 101,519 (2016). In dialogue with the trade unions, the premium rate paid by the employer in 2016 on salaries in excess of € 101,519 was converted into an allowance of 16.35% on an employee's pensionable salary in excess of € 101,519. This agreement will be in effect until 1 January 2018, after which it will be subject to review.

Special arrangements on employee benefits

At VIVAT NV, special arrangements for employee benefits refer to retention and/or welcome bonuses and material redundancy packages. VIVAT NV exercises great restraint when agreeing such arrangements. Such arrangements may be agreed only if they are in accordance with legislation and regulations.

Number of employees with total remuneration in 2016 exceeding € 1 million

In 2016, no VIVAT employee received a total remuneration exceeding € 1 million.

Variable remuneration for the year 2016

An annual performance-related bonus for 2016 was paid to employees governed by the Collective Labour Agreement. In total an amount of € 3.5 million was paid to 2,549 employees.

For Senior Management of VIVAT no variable remuneration related to performance 2016 was awarded taking into account the redundancy program of over 1,200 employees. In 2016 VIVAT made a retention bonus available to 7 employees for a total amount of € 0.5 million of which 50% in cash and 50% in share based instruments. The retention bonus is partly unconditionally awarded (60%) and partly conditionally (40%). The payment of this variable remuneration will be made in accordance with the rules governing the payment of variable remuneration and the applicable variable remuneration policy for Identified Staff.

In 2016, an amount of € 0.9 million was provided in the form of variable remuneration for 58 ACTIAM NV employees. The extent to which this amount will actually be paid out depends on both the performance of the individual employee and the financial position of VIVAT NV and ACTIAM NV. For some of these employees payment of the variable remuneration will be made according to the rules that apply to Identified Staff.

Other remuneration information

For further information regarding remuneration of Identified Staff we refer to the website of VIVAT. Information will be published as of May 2017.

2. Actual remuneration (former) members of the Executive Board

The Executive Board

The Executive Board is responsible for the strategy and management of the company. The Executive Board as of 31 December 2016 consists of the following:

Name	Nationality	Position	Date of appointment
J.J.T. (Ron) van Oijen	Dutch	Chief Executive Officer	14 March 2016
F. (Feng) Zhang	Chinese	Chief of Staff	26 July 2015
L. (Lan) Tang	British	Chief Risk Officer	26 July 2015
X.W. (Xiao Wei) Wu	Chinese	Chief Transformation Officer	26 July 2015
Y. (Yinhua) Cao	Chinese	Chief Financial Officer	23 October 2015
W.M.A. (Wendy) de Ruiter-Lörx	Dutch	Chief Commercial Officer	24 May 2016
J.C.A. (Jeroen) Potjes	Dutch	Chief Operating Officer	24 May 2016

Ron van Oijen, the new CEO, took office on 14 March 2016, after which Albert Bakker relinquished his role as Acting CEO and also as a member of the Executive Board. On 24 May 2016, Wendy de Ruiter-Lörx and Jeroen Potjes were appointed as members of the Executive Board of VIVAT.

Actual remuneration (former) members of the Executive Board

The following table provides an breakdown of the total remuneration of the Executive Board for the year 2016, including former and existing key management.

Breakdown of remuneration key management personnel

In € thousands	2016	2015
Short-term employee benefits	4,419	6,099
Post-employment benefits	125	270
Other long-term benefits	-	104
Termination benefits	695	3,389
Share-based payment	-	131
Total	5,239	9,993

The transfer of shares of VIVAT NV to Anbang and changes in the composition of management boards during 2015 led to changes in the composition of key management personnel in 2015. As a result, the key management personnel from the end of 2015 and the year 2016 consists exclusively of the members of the Executive Board.

Loans

There are no loans outstanding on 31 December 2016 (and 2015) and/or granted to members of the Executive Board during 2016.

3. Actual remuneration (former) members of the Supervisory Board

The Supervisory Board Composition, appointment and role

Name	Nationality	Position	Date of appointment
M.W. (Maarten) Dijkshoorn	Dutch	Chairman	23 December 2016
M.R. (Miriam) van Dongen	Dutch	Member	26 July 2015
M. (Ming) He	American	Member	26 July 2015
K.C.K. (Kevin) Shum	British	Member	26 July 2015
P.P.J.L.M.G. (Pierre) Lefèvre	Belgian	Member	26 July 2015

J.J. (Jan) Nooitgedagt stepped down as chairman of the Supervisory Board as of 1 December 2016.

Actual remuneration (former) members of the Supervisory Board

The following table provides an overview of the total remuneration of the Supervisory Board members in 2016 (excluding 21% VAT).

Breakdown of remuneration (former) members of the Supervisory Board

In € thousands ¹	2016	2015 ²
Total fixed actual remuneration of Supervisory Board members	543	240
Total remuneration for delegated Supervisory Board members	188	112
Total remuneration for the members of the Supervisory Board's Committees	25	11
Total	756	363

¹ On 26 July 2015 (date of transfer of shares) VIVAT NV has established their own Supervisory Board. Before this date the Supervisory Board of SNS REAAL NV formed the Supervisory Board of SNS REAAL NV, SNS Bank NV and VIVAT NV. The remuneration for the year 2015 disclosed above concerns the remuneration of the Supervisory Board of VIVAT NV from 26 July 2015 until 31 December 2015.

² Figures are on an accrued basis and the comparative figures have been adjusted

Loans

There are no loans outstanding on 31 December 2016 (and 2015) and/or granted to members of the Supervisory Board during 2016.

