

## **Reputation Institute Award The Netherlands 2009: For the third time, Philips is the most highly rated company.**

### ***Reputation of banks continues downward slide, with only Rabobank holding up well***

Rotterdam, 8 April 2009 --- Research from Reputation Institute shows that the reputation of Dutch financial institutions has sustained tremendous damage over the past year. The only exception is **Rabobank**, which enjoys great public confidence, has in fact even managed to strengthen its image, and came in second in a reputation ranking of Dutch companies. Of all Dutch financial services providers, the reputation of Fortis has suffered the most, and the company is at the bottom of the new ranking. Fellow banks **ABN Amro** and **ING** are not doing significantly better. NS (Netherlands Railways), which had the weakest reputation of all companies last year, has now been graded "sufficient" for the first time. As it did last year, NS has made the greatest strides of all. Once again, Philips has won the Reputation Award – the prize that goes to the Dutch company with the best reputation. Yesterday, the prestigious award was presented for the ninth time.

The survey of the reputations of Dutch companies is part of global reputation research carried out by Reputation Institute examining 32 countries. The rankings are drawn up using the RepTrak™ model, developed by Reputation Institute. This model measures reputations by examining people's feelings towards companies, as well as the rational basis for their opinion with respect to seven "reputation drivers," namely 1) products & services, 2) workplace, 3) innovation, 4) corporate governance, 5) citizenship, 6) leadership and 7) financial performance. Each company has received an overall grade by at least 300 Dutch people who are familiar with the company and has also been judged on how well it performs in these seven specific areas.

Cees van Riel, co-founder of Reputation Institute and Professor of Corporate Communication at the Rotterdam School of Management at Erasmus University can see three striking results in the 2009 ranking, of which the first is the dramatic loss in standing suffered by financial institutions. Van Riel says, "Over many years, Reputation Institute has been using this method for measuring reputations. As a result, we have at our disposal data spread out over a long period of time and can discern clear trends. Last year, well before the banking crisis, we concluded that the reputations of financial institutions in the Netherlands were suffering. The financial crisis has been the final blow for them."

Since Reputation Institute measures reputations in 32 countries with the same method, it is able to put the Dutch findings in a global perspective. Cees van Riel comments, "*If we compare the reputations of Dutch banks to foreign ones, things aren't that bad. There are multiple foreign financial services providers whose reputations show an immense decrease. In that light, the performance of the Rabobank is all the more impressive. While public confidence in financial services providers has weakened, Rabobank has managed to strengthen its reputation.*" Bert Heemskerk, CEO of the Rabobank Group, says about the results, "*I'd like to warmly congratulate Philips with its No. 1 position. I am pleased with being runner-up. What is most satisfying is that independent research shows that Rabobank has an ironclad reputation and remains largely unaffected by the financial crisis. We're going through tough times for financial institutions. We've seen many things that can have an impact on the reputation of banks. Fortunately, we as a cooperative organization have quite a robust reputation and people continue to have confidence in us in these turbulent times. That is crucial for a bank.*"

What also stands out is, of course, that Philips is once again topping the list. *"A consistent strategy and beautiful, innovative products made by a through-and-through Dutch company find favor with the Dutch public,"* says Cees van Riel. Gerard Kleisterlee, President and CEO of Royal Philips Electronics, comments on winning the Reputation Institute Award: *"Being awarded the Reputation Award once again is for us an important achievement, particularly during an economic recession. The fact that we've now earned the Reputation Award for the third time in four years is, in my view, a strong sign that the transformation of Philips – aimed at becoming a leading brand in the areas of health and wellbeing – is yielding good results. That is a strong boost to our morale and paves the way for further success."*

The performance of NS (Netherlands Railways) also deserves mention, says Cees van Riel. He praises the railway company's consistent good performance and strong focus on a number of reputation drivers, which have produced a continually strengthening reputation. Bert Meerstadt, CEO of NS, is delighted with his organization's improvement in the ranking compiled by the Reputation Institute: *"It is rewarding to see that NS has improved its standing. In recent years, we have managed to keep improving our services for customers step by step. At present, 75% of our customers give us a grade of 7 or higher out of 10. We are pleased that, over the past four years, our reputation has been getting better, with the biggest jump seen in 2008. From my own background, I am aware of the importance of communication and consistent image management. That requires great awareness, creativity and a great deal of staying power. The trust given to us by the customers makes clear that we are on the right track and is a great compliment to all NS employees, who have contributed to our improved reputation."*

