



Rapport 2019 mensenrechten BNG Bank

Koninginnegracht 2
2514 AA Den Haag
T 070 3750 750
www.bngbank.nl

UN GUIDING PRINCIPLES REPORTING FRAMEWORK

BNG Bank heeft haar mensenrechtenbeleid gedefinieerd volgens de UN Guiding Principles on Business and Human Rights. Volgens de Principles dienen instellingen jaarlijks publiek te rapporteren over aspecten van mensenrechten in hun bedrijfsactiviteiten. Onderstaande rapportage is opgesteld volgens het UN Guiding Principles Reporting Framework. Dit raamwerk gaat uit van het "Protect, Respect and Remedy"-raamwerk van de Verenigde Naties. Het Framework bestaat uit 3 delen met vragen om te kunnen bepalen in hoeverre de Guiding Principles worden nageleefd.

PART A: GOVERNANCE OF RESPECT FOR HUMAN RIGHTS

Policy commitment

What does the company say publicly about its commitment to respect human rights?

1.1 How has the policy commitment been developed?

The human rights policy has been discussed in the Sustainability Committee and is approved by the Management Board.

1.2 Whose human rights does the public commitment address?

It addresses the potential human rights issues related to BNG Bank itself and its customers.

1.3 How is the public commitment disseminated?

The policy is published on the website of BNG Bank.

Embedding respect for human rights

How does the company demonstrate the importance it attaches to the implementation of its human rights commitment?

2.1 How is day-to-day responsibility for human rights performance organized within the company, and why?

The Public Finance department has regular contacts with clients and applies the CDD-policy of BNG Bank. The Management Board takes responsibility through monitoring and adoption of policy and procedures.

2.2 What kinds of human rights issues are discussed by senior management and by the Board, and why?

Potential Human Rights issues that are related to project finance are being discussed between account manager and risk reviewer and can ultimately be discussed in the Credit Committee.

2.3 How are employees and contract workers made aware of the ways in which respect for human rights should inform their decisions and actions?

At the start of their employment, new employees are obliged to follow online courses and are encouraged to go to introductory internal meetings where they are made aware of the existing policy and procedures in place.

2.4 How does the company make clear in its business relationships the importance it places on respect for human rights?

BNG Bank stresses the importance and relevance of human rights through dialogue with our stakeholders.

2.5 What lessons has the company learned during the reporting period about achieving respect for human rights, and what has changed as a result?

It is important to create awareness that human rights risk are not always far away risks, related to third world countries. Although human rights in the Netherlands are protected by national laws, they can still come under pressure (albeit mostly to a lesser extent). For instance privacy, equal treatment, lax climate policy or health issues due to pollution. The Sustainability Policy and the Human Rights policy were subject to review and have been approved by the Management Board in 2020. The CDD-policy is aligned to the aforementioned, reviewed policies.

PART B: DEFINING THE FOCUS OF REPORTING

1. State the salient human rights issues associated with the company's activities and business relationships during the reporting period.

A human rights risk assessment was performed and revealed that potential risks may occur in project finance activities, like equal treatment of employees (labour immigrants), health issues, degrading of living environment. So far no actual risks have been determined in direct relation with the bank's activities and business relationships.

2. Describe how the salient human rights issues were determined, including any input from stakeholders.

BNG Bank uses a high risk assessment scheme, that has been discussed with stakeholders.

3. If reporting on the salient human rights issues focuses on particular geographic areas, explain how that choice was made.

Not applicable. BNG Bank's direct credit activities are restricted to the Netherlands.

4. Identify any severe impacts on human rights that occurred or were still being addressed during the reporting period, but which fall outside of the salient human rights issues, and explain how they have been addressed.

We received input about the use of solar panels, produced by a company, that is part of a conglomerate of which another daughter company is involved in producing cluster munition. As a result, BNG Bank adjusted its exclusion list. BNG Bank is mainly active in the Dutch public sector and on behalf of social institutions that are closely related to the Dutch public sector. No adverse impact occurred.

PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES.

1. How does the company make clear the relevance and the significance of the policy of addressing salient human rights issues to those who need to implement them?

The bank has discussed and explained the relevance of the human rights policy and procedures in the context of the Equator Principles with relevant employees.

What is the company's approach to engagement with stakeholders in each salient human rights issue?

2.1 How does the company identify which stakeholders to engage with in each salient issue, and when and how to do so?

This is done mainly on a case by case approach.

2.2 During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why?

Not applicable.

2.3 During the reporting period, how have the view of stakeholders influenced the company's understanding of each salient issue and/or its approach to addressing it?

Not applicable.

How does the company identify any changes in the nature of each salient human rights issue over time?

3.1 During the reporting period, were there any notable trends or patterns in impacts related to a salient issue, and if so, what were they?

Not applicable.

3.2 During the reporting period, did any severe impacts occur that were related to a salient issue, and if so, what were they?

Not applicable.

How does the company integrate its findings about each salient human rights issue into its decision making processes and actions?

4.1 How are those parts of the company whose decisions and actions can affect the management of salient issues, involved in finding and implementing solutions?

Concerning human rights a case-by-case approach is applicable.

4.2 When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed?

Should tensions occur, the Executive Board will decide on a suitable solution.

4.3 During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue?

Not applicable.

How does the company know if its efforts to address each salient human rights issue are effective in practice?

5.1 What specific examples from the reporting period illustrate whether each salient issue is being managed effectively?

Not applicable.

How does the company enable effective remedy if people are harmed by its actions or decisions in relation to a salient human rights issue?

6.1 Through what means can the company receive complaints or concerns related to each salient issue?

Complaints can be submitted to a specific e-mail address of BNG Bank. The procedure is explained on the website of the bank.

6.2 How does the company know if people feel able and empowered to raise complaints or concerns?

On the web page BNG Bank explains the procedure and the willingness to find a solution for complaints.

6.3 How does the company process complaints and assess the effectiveness of outcomes?

Complaints are taken care of by the complaints manager. Stakeholders which submitted complaints will be informed in three working days how the complaint will be solved. The Management Board discusses every quarter a survey of complaints received and how they are dealt with.

6.4 During the reporting period, what were the trends and patterns in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned?

No complaints concerning human rights issues were received in 2019.

6.5 During the reporting period, did the company provide or enable remedy for any actual impacts related to a salient issue and, if so, what are typical or significant examples?

Not applicable.