

Human Rights Report

de Volksbank - 2019



Foreword

Dear reader,

Operating with respect for human rights is a key prerequisite for a stable, secure and flourishing society. Our organisation was founded two centuries ago with the goal of contributing to such a society. Based on our core activities of mortgages, savings and payments, we believe that we can have a significant positive impact on sustainability in our chain and the financial resilience of our customers. Operating with respect for human rights fits seamlessly within that goal.

Our mission – banking with a human touch – is described in our Manifesto and is geared to the public appeal to give meaning to helpful banking. A guiding principle in our Manifesto is that our financial services are about benefit rather than return – about value rather than money. To live up to its mission, de Volksbank has formulated the following ambition: optimising shared value. Shared value is directed towards social and economic as well as financial and non-financial aspects. De Volksbank's ambition is to optimise this shared value by creating benefits for customers, taking responsibility for society, giving genuine attention to its employees and achieving adequate returns for its shareholder(s).

The interesting question is, who determines what 'value' is for each of these stakeholders. In my opinion, it is the stakeholders themselves. That is why we have moved away from a product-driven approach and moved towards meeting the needs of these stakeholders. We call this the reversing of our banking model. When we applied this lens to meeting the needs of society it felt like a very natural decision to fully adopt the sustainability policy of our sustainable brand ASN Bank.

ASN Bank has a long history of avoiding adverse impacts on human rights, making investments that make a positive contribution and publicly speaking up for human rights. It is also the first bank in the world to have set the goal to be climate positive in 2030, to create no net-loss of biodiversity in 2030 and to have a long term goal on living wage in the garment industry.

A concrete example of how the adoption of ASN Bank's sustainability policy has impacted our organisation is the exclusion of investments in sovereign bonds issued by countries that have carried out the death penalty in the last ten years. We consider this to be a breach of the Right to Life, which is a fundamental part of the Universal Declaration of Human Rights (UDHR). I dare to say that our sustainability policy is ambitious and I am convinced that it will enhance our entire organisation in our mission to create value for all our stakeholders.

As part of our commitment to creating value for all stakeholders, we endorsed the Dutch Banking Agreement (DBA) on international responsible business conduct in 2016. We value the cooperation with all stakeholders within the agreement and we look forward to continuing this cooperation in the years to come.

This report is our first stand-alone human rights report and I am proud of it. It is aligned with the United Nations Guiding Principles Reporting Framework and it contains an analysis of our most salient issues. We will continue our efforts to mitigate negative impacts on human rights – and we hope to find you on our side.

Maurice Oostendorp
Chief Executive Officer



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1. *Introduction*

Banking with a human touch

De Volksbank has always been a bank deeply rooted in society. We began our journey in 1817 as a regional savings bank – then called the Nutsspaarbank. From the very start, we had one main goal: to enhance people's self-reliance through their savings. Being of service to society was the foundation of our existence two hundred years ago, and today it forms the heart of our Manifesto: Banking with a human touch.

A lot has changed since 1817. Economic development, population growth, tremendous innovation and globalisation have transformed our society, and the world of business and finance would be unrecognisable to our very first customers. But one thing has remained the same: our customers' demand for a reliable and trustworthy financial partner. Their financial resilience is a key component of our Manifesto.

Sustainability – including human rights – is another important component of our Manifesto. Human rights violations exist now just as they existed in the past, but today's interconnected world means that all of us have the potential to be linked to them. This cannot be ignored. We must ask ourselves: What is our impact on human rights and what can we do to mitigate it? That is what this report is all about.

The DBA and the UNGP Reporting Framework

De Volksbank became an adhering bank to the Dutch Banking Sector Agreement (DBA)¹ in 2016. The goal of this agreement between the Dutch government, the Dutch Banking Association (NVB), NGOs, and trade unions is to avoid human rights impacts in bank's corporate lending and project finance activities, by implementing their responsibility to respect human rights in conformity with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and OECD Guidelines.

Endorsing the DBA was a way for us to express our commitment to respecting human rights. Publishing this first stand-alone human rights report is our way of being transparent about our impact. It is complementary to the human rights reporting we have done in the past and will continue to do. We report on our mitigating activities in the annual overview of our sustainable brand ASN Bank, and we also refer to human rights in de Volksbank's integrated annual report.

This report is also aligned with the UNGP Reporting Framework². Most importantly, it includes an analysis of our most salient human rights issues. We would like to emphasise that we have not limited our scope in any way. Our analysis covers our own operations, our own supply chain, the products and services we offer and the investments we make. In other words, it includes anything in our organisation that could have an adverse impact on human rights in the Netherlands and beyond.

About this report

This report starts by describing the evolution of human rights over the past hundred years. We then provide an overview of our organisation in Chapter 3. The geographic context we operate in and the services we offer will provide the reader with a sense of our exposure to human rights risks. In Chapter 4, we describe our human rights policies and the governance we have in place to prevent adverse impacts on human rights. We explain our salience analysis in Chapter 5 and our due diligence for salient human rights issues in Chapter 6. Chapter 7 concludes this report as we look at the next steps we will be taking to further enhance our positive impact on human rights.

¹ <https://www.ser.nl/nl/publicaties/overige/2010-2019/2016/dutch-banking-sector-agreement.aspx>

² <https://www.ungpreporting.org/>



2. Background

Background

Over the past 100 years, human rights have evolved through international norms and conventions. In the 20th century, these norms and conventions were mainly developed as responsibilities for states. It is only since 2011, when the UNGP Reporting Framework were launched, that corporate responsibility for respecting human rights has been explained and universally agreed. To provide context for this report, this chapter explains the evolution of human rights and what is expected from business enterprises with regard to respecting them.

One hundred years of human rights

The International Labour Organization (ILO) is the oldest UN specialised agency, and will be celebrating its centenary in 2019. Founded in 1919, shortly after the first world war, the ILO is regarded as the frontrunner of the Universal Declaration of Human Rights (UDHR). Its founding constitution is built on the concept of social justice and improved working conditions, and most of the constitution's original improvement topics remain highly relevant today. These include the regulation of working hours, the protection of workers, freedom of association, equal remuneration, and a safe working environment that protects workers from harm.

Last year was also the 70th birthday of the Universal Declaration of Human Rights. This historic document's 30 Articles set out, for the first time, the universal protection of fundamental human rights such as the right to life liberty and the right to work and free choice of employment. Other covenants followed, including the International Covenant on Civil and Political Rights (ICCPR, 1966) and the International Covenant on Economic, Social and Cultural Rights (ICESCR, 1966). These three documents have become known as The International Bill of Human Rights.

The International Bill of Human Rights and many of the ILO Declarations are key sources for the protection of human rights today. These documents, however, have been developed primarily in terms of state responsibility. It was only until 2011, when the UNGP Reporting Framework were adopted by the Human Rights Council of the United Nations, that states reached agreement on what should be expected from companies with regard to preventing and mitigating negative impacts on human rights resulting from business operations. The UNGPs do not include new substantive human rights norms, but do elaborate on "the implications of existing standards and practices for states and businesses; integrating them within a single, logically coherent and comprehensive template"³.

At the heart of the UNGPs is the concept of due diligence, which is defined as "an ongoing management process that a reasonable and prudent enterprise needs to undertake, in the light of its circumstances (including sector, operating context, size and similar factors) to meet its responsibility to respect human rights"⁴. Companies have the responsibility to address all adverse impacts, but prioritization of the most severe impacts may be needed if a company cannot address all adverse impacts at the same time. The due diligence process should then include an assessment of (potential) impacts, actions based on the findings, tracking the performance of these actions and communication about how impacts are addressed.

Another important normative framework for responsible business conduct is found within the Organisation of Economic Cooperation and Development (OECD). The OECD Guidelines for Multinational Enterprises, first published in 1976, integrated the work of the UNGPs

³ <https://www.business-humanrights.org/sites/default/files/media/documents/ruggie-statement-to-un-human-rights-council-30-may-2011.pdf>

⁴ United Nations, *The corporate responsibility to respect human rights*, 2012



(which was headed by John Ruggie⁵) into the updated document in 2011. This included a new chapter on human rights that is consistent with the UNGPs. Both documents are now used as instruments to implement and embed responsible business practices throughout organisations.

Dutch Banking Agreement

The Dutch Banking Agreement (DBA) is a covenant between the Dutch government, the Dutch Banking Association (NVB), civil society organisations and trade unions. The DBA was signed in 2016, following an overall sector risk analysis on the environment and labour and human rights of Dutch business. This analysis identified the banking sector as one of the risk sectors in the Netherlands. We have endorsed that DBA⁶ for its entire period (2016 -2019).

This covenant ensures that all parties and related banks strive to achieve a material positive impact for people who might face adverse human rights impacts related to the activities of clients of the Dutch banking sector, and to search for solutions that banks cannot solve by themselves. In this context, parties and banks cooperate on a 'knowing and showing' basis to create structural change.

Although these agreements are voluntary, they also include clear obligations. Banks are expected to report their results via an independent secretariat to the Social Economic Council, a monitoring committee and a steering committee. Banks that do not comply with their agreements are approached by the other parties and can eventually be removed from the covenant.

Human rights have inspired campaigns and influenced investment decisions at our ASN Bank brand for many years. In 1974, ASN Bank launched a campaign called Rente Zonder Bijmaak (Interest without a bad conscience). The title of the campaign referred to an investment policy that excluded South Africa because of the Apartheid regime, and Chile because of the military dictatorship. ASN Bank did not want to be linked to adverse human rights violations in these countries. In the case of South Africa, efforts were made to contribute to positive impact by financially supporting journalists that were part of the anti-Apartheid movement. These campaigns, as well as ASN Bank's work on human rights in the 1980s more broadly, were discussed by three former ASN Bank directors in a very insightful article in ZAM Magazine in 2014¹. ASN Bank also partnered with the civil society organisation Pax. Together, they campaigned against investments in cluster munitions in 2011 and against nuclear weapons in 2014. Other civil society organizations with which ASN Bank has cooperated throughout the years include Amnesty, Oxfam Novib and War Child. Current partnerships include those with Fair Wear Foundation (FWF) and Solidaridad. These are explained further in Chapter 6.

⁵ John Ruggie is the Berthold Beitz Professor in Human Rights and International Affairs at Harvard University. He was the Special Representative of the Secretary-General (SRSG) of the United Nations and developed the United Nations Guiding Principles (UNGPs) framework.

⁶ https://www.imvoconvenanten.nl/banking?sc_lang=en

¹ See for more information: <https://www.zammagazine.com/mandelaspecial/FLASH/index.html> (page 50)

3. *De Volksbank at a glance*

De Volksbank at a glance

In January 2017, SNS Bank N.V. was rebranded to de Volksbank. The strong social focus characterised by all of its predecessors remained. At the same time, the structure of our organisation changed. Two independent banks within our group, ASN Bank and RegioBank, handed in their own banking permits and became a full part of de Volksbank.

De Volksbank is the fourth-largest retail bank in the Dutch market. We target consumers with four brands, each with a distinct identity: ASN Bank, BLG Wonen, RegioBank, and SNS. The core products and services that we offer through our brands are payments, savings, and mortgages. In addition to these products, our SNS brand offers loans to small corporate clients. The majority of these loans consist of mortgages. SNS' corporate clients operate in a highly regulated environment, usually employ a small number of people and have a small number of suppliers. Our sustainable ASN Bank brand also offers investment services to retail clients.

We offer our brands' products in the Netherlands. The geographic scope of our investments, the investments of ASN Bank and the investments in the ASN Investment Funds is broader. Examples include our investments in bonds from issuers outside the Netherlands and ASN Bank's investments in projects in a selection of European countries.

ASN Investment Funds has twelve sustainable investment funds which include investments in stock listed companies, projects, micro finance and sustainable bonds⁷ around the world, as well as sovereign bonds from a selected number of countries. The implications of these geographic contexts for our ESG⁸ due diligence are explained further in Chapter 5.

Our Manifesto: Banking with a human touch

Our Manifesto revolves around the concept of 'Banking with a human touch'. It is our raison d'être to help every single individual to be financially resilient in their own way. This reaches back to our social roots and it means that our financial services are about benefit rather than return – about value rather than money. It particularly means that we are sincere in putting our customers' interests first in order to safeguard the fundamental things in life such as housing, education and a buffer for unexpected expenses, now and in the future. Our Manifesto also states:

"We also understand that the Netherlands today is very diverse and that every individual wants to be 'financially resilient' in his own way. That is why de Volksbank is a diverse family of brands: ASN Bank, BLG Wonen, RegioBank and SNS. Together, yet each in its own way, we choose to build a future based on the principle of sustainability."

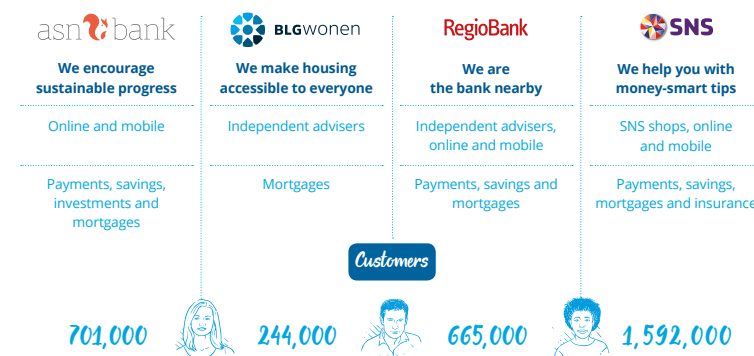
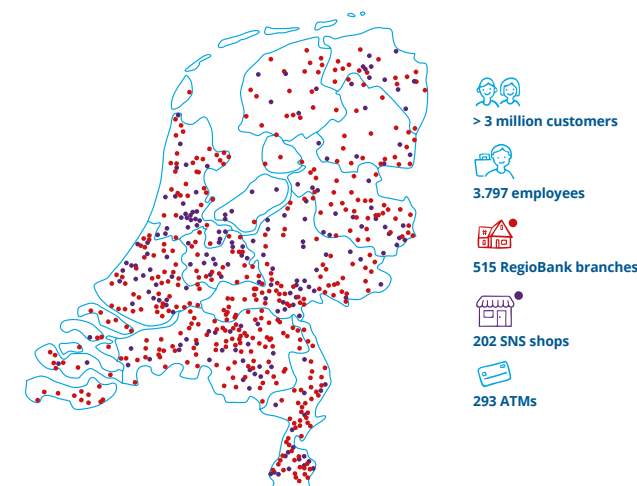
We choose to offer people insight, clarity and prospects in finance as the cornerstone of banking. We are continuously inspired to work closely with our customers and develop simple services that bring back the human dimension in finance.

⁷ These include green bonds, social bonds and climate bonds.

⁸ Environmental, Social and Governance (ESG) criteria are standards that responsible investors integrate in their investment decision-making process.

de volksbank

De Volksbank is the fourth-largest retail bank in the Dutch market, with a focus on mortgages, payments and savings. The bank has four brands: ASN Bank, BLG Wonen, RegioBank and SNS. Each brand has its own identity and image. De Volksbank aims to meet the specific financial needs of its customers in a people-oriented, efficient and sustainable manner.



Our Ambition: Optimising shared value

We have translated the principles in our Manifesto into a concrete ambition: optimising shared value. Shared value means that we want to create value for four groups of stakeholders:

“Shared value is directed towards social and economic as well as financial and non-financial aspects. De Volksbank’s ambition is to optimise this shared value by creating benefits for customers, taking responsibility for society, giving genuine attention to its employees and achieving adequate returns for its shareholder(s).”¹⁹

The customer demonstrates their trust by giving us confidential access to their financial affairs; the employee contributes their personal dedication or human capital; society entrusts us with certain tasks such as money creation, risk transformation and monitoring against money laundering and terrorist financing. The shareholder, finally, invests financial capital.

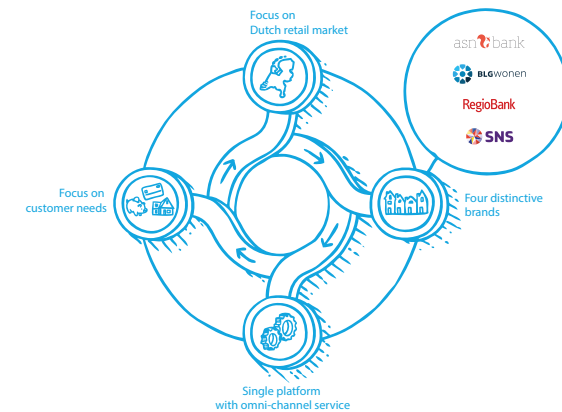
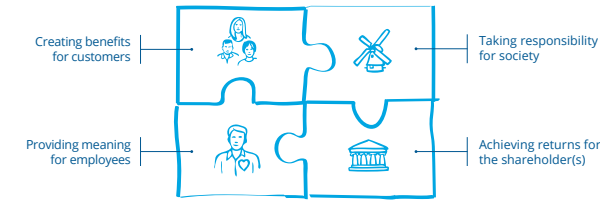
De Volksbank & ASN Bank

We adopted ASN Bank’s sustainability policy – including human rights – in 2017. ASN Bank is leading on sustainability within our organisation. It has been committed to human rights and has been very active in promoting the respect for human rights since its foundation in 1960. This has been recognized by succeeding high rankings in the Dutch Fair Bank Guide (Eerlijke Bankwijzer), which assesses Dutch banks’ sustainability policies on an annual basis.

In 2017, ASN Bank handed in its own banking permit and became a full part of our organisation. Because of its distinctive position on sustainability, we will refer to ASN Bank in this report when it concerns anything that is specifically related to ASN Bank.

ASN Investment Funds is a distinctive entity within our organisation, and it focuses on retail clients. ASN Investment Funds is responsible for the selection of entities in the investment universe. This is particularly important because it only wants to invest in companies that meet the sustainability criteria. To keep this decision-making power, ASN Investment Funds has been legally required to have its own AIFMD licence since 2018. ASN Investment Funds has outsourced its portfolio management activities.

We have visualised the development of our organisation and of ASN Bank on the next page.



9 <https://www.devolsbank.nl/about-us/mission-and-ambition.html>

Foundation of the Nutsspaarbank, a regional savings bank with a mission to enhance people's self-reliance through their savings.

1817

de volksbank

asn bank

On 21 January 1960, ASN (Algemene Spaarbank voor Nederland) is founded. Inspired by its roots in labour unions, ASN has a strong focus on positive socio-economic impacts.

1960

The environment is and continues to be an important issue for ASN.

70's

ASN is the first Dutch bank that decides to no longer invest in South-Africa due to the Apartheid regime.

80's

ASN establishes five investment funds. Investments are made based on sustainability criteria.

90's

ASN changes its name into ASN Bank.

1996

ASN Bank becomes a subsidiary of SNS Bank. Its sustainable mission remains untouched.

1997

Two new investment funds are created. ASN Bank also begins to finance sustainable projects, mainly projects on sustainable energy and energy efficiency.

2000

ASN Bank formulates long term goals on human rights, climate and biodiversity.

2012

On 31 December 2016, ASN Bank's hands in its banking license.

2016

ASN Bank is now a brand of de Volksbank. De Volksbank adopts ASN Bank's sustainability policy.

Property Finance is separated from SNS Bank N.V. and taken over by NL Financial Investments (NLF).

2006

On 18 May 2006, SNS REAAL is stock-listed on the Euronext Amsterdam and acquisition of Property Finance.

2013

SNS REAAL (including subsidiary SNS Bank N.V.) is nationalized.

On 30 September 2015, SNS REAAL sells its shares in SNS Bank N.V. to the Dutch state.

2015

As from 1 January 2017, SNS Bank N.V. is named de Volksbank N.V.

2016

New products are offered, such as payment accounts and credit cards.

Start of unbundling the bank and the insurer.

2014

Signing of the Dutch Banking Agreement.

2017

De Volksbank publishes its first stand-alone Human Rights Report.

2019

ASN Bank is the first bank in the world to strive for being climate positive in 2030.

2018

ASN Bank launches the Platform Living Wage Financials.

ASN Investment Funds receives its AIFMD permit.

Two regional savings banks merge into SNS.

1987

SNS Group acquires all shares of insurance company REAAL Group. Together they form SNS REAAL.

1997

4. Human Rights Governance & Policies

Human Rights Governance & Policies

After we adopted ASN Bank's sustainability policy, we designed a governance model to integrate it in our entire organisation. This is our House of Policies Sustainability (see next page). This chapter discusses the governance model that we have designed to implement ASN Bank's sustainability policies as well as the human rights policies that we have in place.

Sustainability Management Policy

Our Sustainability Management Policy (SMP) is the overarching document in which we have laid down our sustainability management governance. This document explains the structure and scope of the House of Policies, assigns responsibility for sustainability within the Board of Directors and within senior management, and sets forth the mandates of different councils and committees within our organisation. Our sustainability department is part of ASN Bank, but operates as the central point within our organisation for developing sustainability policies and monitoring their implementation.

Human Rights Policy

The overarching human rights policy at level two of the House of Policies and the specific policies at level three apply to everything we do. Human rights is one of the three pillars of our sustainability framework – the other two being climate change and biodiversity. Our human rights policy is based on the normative international human rights frameworks that are discussed in Chapter 2; in particular the UNGP Reporting Framework and the OECD Guidelines for Multinational Enterprises¹⁰. Our policy encompasses all human rights – civil, political, economic, social and cultural – as well as those of special and/or vulnerable groups such as children, minorities and indigenous people.

The specific human rights policies go into more detail and explain our criteria on individual human rights¹¹. We have developed policies on non-discrimination, corporate security, child labour, forced labour, workplace health and safety, living wage, freedom of association, privacy and freedom of speech, local communities and indigenous people and consumer protection. Depending on the investment, we apply minimum standards for the relevant human rights.

In addition to policies on individual human rights, we have also developed exclusion policies for four activities with a severe adverse impact on human rights. These are tobacco, weapons, gambling, and pornography.

We exclude any investment in – or service to – companies in these sectors, because we believe that the adverse impact resulting from these activities is so inherent to the activities that it cannot be mitigated¹².

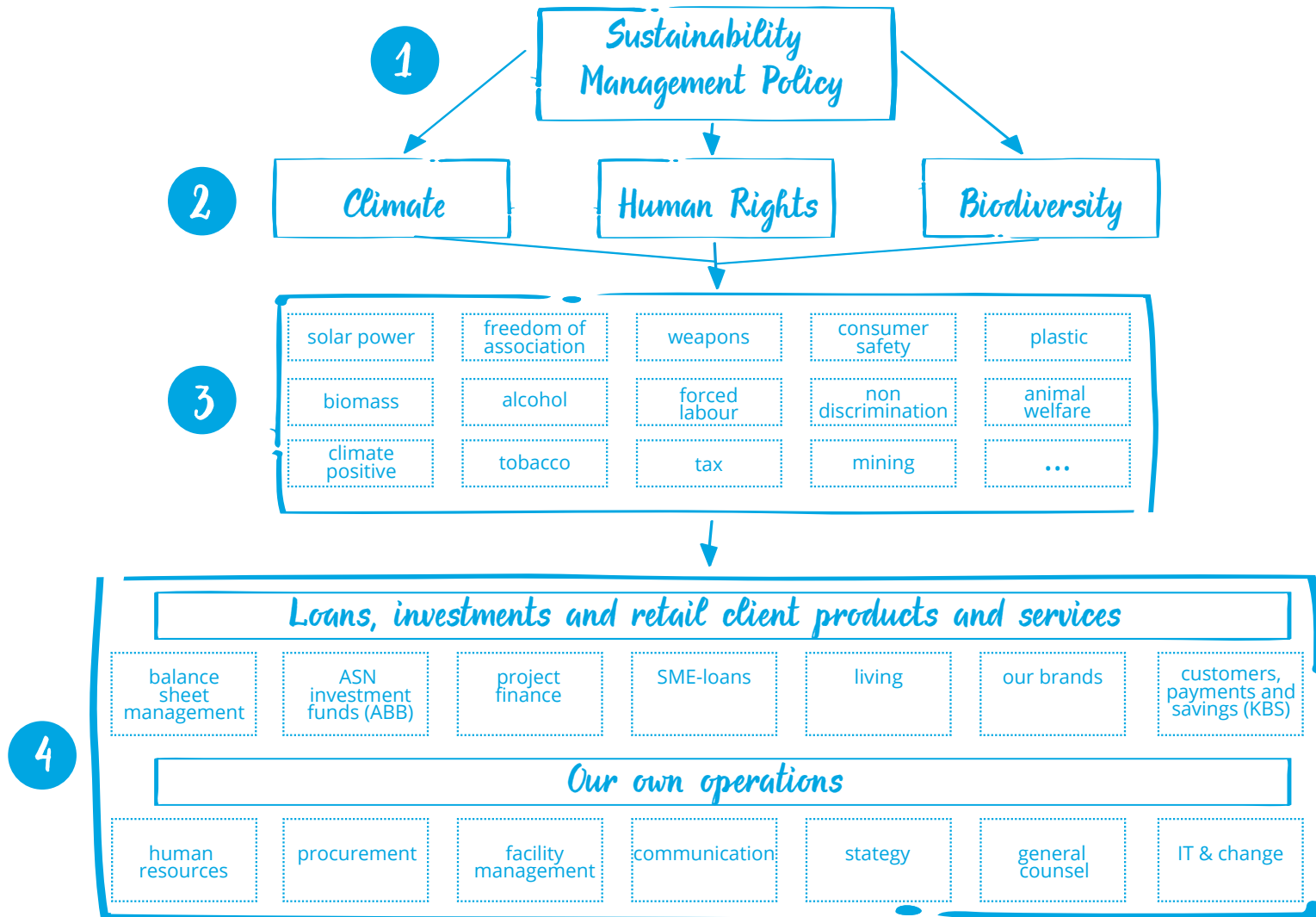
How our human rights policy evolved

Our human rights policy has been developed by our ASN Bank brand. ASN Bank has included human rights in its guiding principles from the start. When it introduced its first investment fund, the ASN Aandelenfonds, it developed investment criteria to guide its investments. These criteria included a reference to the Universal Declaration of Human Rights. In 2006, the human rights policy was further developed after the United Nations published the Draft Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises (The Norms) and after consulting with Amnesty International in the Netherlands. The new policy was discussed with some of the investee companies at the time, with human rights experts from the University of Utrecht and with the ASN Bank Advisory Board. The new human rights policy was approved at ASN Bank's annual shareholders meeting in 2007. Since then, it has been updated frequently to reflect new developments (e.g. UNGPs in 2011) or to include new or more stringent criteria. As we develop our policies, we remain in close contact with our stakeholders and actively seek expert opinions from civil society and academia. We also work with the government and the NGOs that are a party to the Dutch Banking Agreement.

¹⁰ Our human rights policy is published at: <https://www.asnbank.nl/over-asn-bank/duurzaamheid/beleidsdocumenten.html>

¹¹ The specific human rights policies are currently included as chapters in our human rights policy. We are working on separating our human rights policy document into a human rights vision document and separate policy statements.

¹² For a complete list of our exclusion criteria, see our sustainability guide at: <https://www.asnbank.nl/over-asn-bank/duurzaamheid/beleidsdocumenten.html>



Human Rights Due Diligence

The fourth level of our governance framework is the level at which our human rights policies are implemented. Our sustainability department has developed tools for the different departments with which they can conduct their due diligence themselves. Project finance and corporate loans play a central role in the DBA, so we will use these two activities as examples of how we conduct due diligence using these tools. We also explain our due diligence for the ASN Investment Funds, because only through these investments are we linked to countries with a high risk of human rights violations.

SME loans

As explained in Chapter 3, our SNS brand provides loans to small companies. Examples include local bakeries, dentists, farms, etc. These are companies with a small number of employees, a small number of suppliers, and operations in a country with strong regulatory frameworks for respecting human rights. As we developed our ESG due diligence on SME loans, we assessed that sustainability risks, including the risk of adverse impacts on human rights, would be limited. Given this low exposure, we judged the tool we had developed for our corporate loans department to be sufficient for mitigating these risks. Our sustainability department monitors the entire portfolio on an annual basis and assists in cases in which we suspect that a (potential) client might not meet our criteria.

Project finance

We have developed a tool for ASN Bank's and ASN Investment Funds' project finance investments that is similar to the tool for SME loans. The geographic scope for the majority of the project finance investments is a selection of high income countries in Europe¹³. Projects that ASN Bank and ASN Investment Funds invest in always aim for a strong social or environmental impact. Example projects include wind parks, solar parks, social housing, and investments in education¹⁴. These projects must meet strict regulatory requirements from the respective countries in order to be developed, which limits the exposure to (potential) adverse impacts on human rights. We therefore believe that the project finance team at ASN Bank and ASN Investment Funds is very well equipped to conduct human rights due diligence with the tool that our sustainability department has developed for them. As with SME loans, our sustainability department monitors the project finance portfolio once a year and assists where necessary.

Aside from the investments in projects in high income countries, ASN Investment Funds invest in projects in low and middle income countries. If it invests in projects in low and middle income countries, it always does so through FMO (the Dutch development bank). Contrary to ASN Investment Funds, FMO has the capacity to conduct on- the-ground risk assessments as part of their human rights due diligence¹⁵. Because our policies align with FMO's policies, this creates the possibility to widen the scope of our investments and it allows us to make a positive impact in countries in which we would otherwise not invest. The sustainability manager of the ASN Investment Funds also conducts environmental and social due diligence on these investments, in addition to FMO's analysis.

ASN Investment Funds

The due diligence for stock listed companies, sustainable bonds and sovereign bonds in the ASN Investment Funds is conducted by our sustainability department. In this department, a team of sustainability analysts conducts research on every individual company or

Sustainability Council

Our Sustainability Council meets eight times a year to discuss our sustainability policies. This council is headed by ASN Bank's Head of Sustainability. Council members are representatives from departments at our organisation which might be impacted by existing or new sustainability policies. This is the forum where we jointly discuss how we want to enhance our position as a social and sustainable bank and how we can further shape and realise our shared value strategy through our sustainability policies. New sustainability policies are generally developed by our sustainability department. To ensure a smooth implementation, these are discussed in our Sustainability Council. The Sustainability Council advises the board of ASN Bank, which has the mandate to decide which sustainability policies apply to our entire organisation.

¹³ Countries eligible for investment are: the Netherlands, Belgium, Luxembourg, Germany, France, the United Kingdom, Denmark, Norway, Sweden and Finland.

¹⁴ All our project finance investments have to comply with the Equator Principles. For more information, see: <https://equator-principles.com/about/>

¹⁵ See FMO's recent human rights report for their approach to human rights due diligence: <https://www.fmo.nl/l/library/download/urn:uuid:3cd201628ce3-4d33-ab8c-249811d357ac/>

bond that ASN Investment Funds considers investing in. Stock listed companies that ASN Investment Funds considers investing in must meet a set of minimum requirements to be eligible for the investment universe. What these minimum requirements are in terms of the 'S' in ESG depends on the company's risk profile. This risk profile is determined by country-specific risks and sector-specific risks. Our sustainability research team conducts research on both elements. Based on their research, all countries in the world are categorized into low, medium or high risk. Specific sector analyses identify the key issues and risks in a specific sector. Country risks are then used to tailor the risks identified in the specific sector in which a company operates. The social or human rights criteria that we apply are based on the overarching and specific human rights policies¹⁶.

As part of the due diligence for ASN Investment Funds, we also monitor a company's possible involvement in controversies. When a company is allegedly involved in a serious controversy or grave misconduct, ASN Investment Funds' investment committee could consider engaging with that company. If a company's response is unsatisfactory, the investment committee might, as a last resort, decide to divest.

With regards to sustainable bonds, we look at projects that are financed with the proceeds. If these projects include activities that we exclude, such as fossil fuels, we advise ASN Investment Funds to disapprove the bond for investment. If an issuer has an exclusion list that matches ours, ASN Investment Funds can decide to approve the issuer. This means that any sustainable bond of the issuer is eligible for investment.

We also apply a set of sustainability criteria to sovereign bonds before we advise investing in them. First, we apply a set of exclusion criteria. These consist mainly of treaties that a country should have ratified and conventions that a country should be a member of. Examples include the Convention Against Torture (CAT), the Treaty on the Non-Proliferation of Nuclear Weapons, and the Convention on Cluster Munitions¹⁷. From the countries that have not been excluded, we select the best performing countries, using a number of additional criteria (e.g. risk of corruption, risk of violations of the freedom of association, risk of child labour). Our current list of eligible sovereign bonds for our investment funds consists of 16 countries. Our current list of eligible sovereign bonds for our balance sheet consists of 37 countries¹⁸.

Grievance mechanism

We are keen to maintain an open dialogue with our stakeholders. In cases of adverse impacts on any of our stakeholders, a complaint can be submitted through our grievance mechanism. This enables us to take responsibility for any adverse impact we cause, contribute to or are linked to. We provide more details about our complaints mechanism on our website¹⁹. No complaints were reported in 2018.

¹⁶ How we exactly apply our criteria is explained in our sustainability guide. For more information, see: www.asnbank.nl/over-asn-bank/duurzaamheid/beleidsdocumenten

¹⁷ See our sustainability guide for all criteria: <https://www.asnbank.nl/over-asn-bank/duurzaamheid/beleidsdocumenten.html>

¹⁸ The difference is caused by the fact that our investment funds only invest in Eurobonds.

¹⁹ <https://www.devotksbank.nl/corporate-responsibility/contact.html>



5. *Saliience analysis*

Salience analysis

In May 2018, we initiated our salience analysis with the support of Sustainalize – an external advisory company. The goal was to determine our connection to actual and potential adverse impacts on human rights. Our sustainable ASN Bank brand conducted a salience analysis in 2015, when it was still operating as an independent bank as part of SNS Bank N.V. In that analysis, living wage in the garment industry was identified as a salient risk and many of our efforts in the past three years to respect human rights have focused on that issue. The scope of this analysis is wider, and it includes all different aspects of de Volksbank. In this chapter, we first explain the concept of saliency. We then explain in more detail how we conducted the analysis and its results.

Salient human rights risks

The UNGPs and their corresponding Reporting Framework provide companies with a framework to identify salient human rights risks and to report on their due diligence for these risks. In particular, the UNGPs help to combat many companies' belief that human rights are too abstract to integrate into existing management systems, or should not be publicly disclosed. They help to convince companies that steps can and should be taken. Salience analysis is the central tool for taking these steps. It provides an effective and consistent way for companies to identify the human rights issues on which they should report, in line with the UNGPs focus on the severity of negative impacts.

Companies that focus on the most severe negative impacts also identify human rights issues that can be expected to converge strongly with risk to the business. This can involve operational disruptions or delays, lost productivity or business opportunities, or reputational harm.

Determining our roles

We began our analysis by defining our roles, which we grouped around our own operations (including our supply chain), our role as a lender (corporate loans and project finance) and our role as an investor. This categorisation enabled us to structure the collection of information.

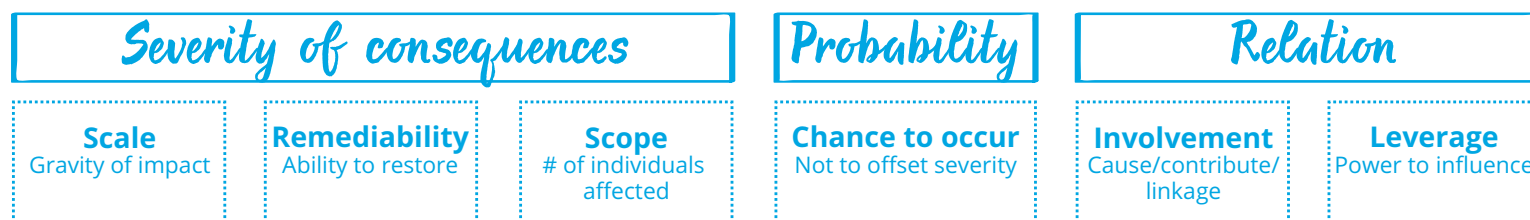
We began the analysis by creating an initial list of all potential human rights issues that we could be exposed to in each of these roles. To do this, we assessed the risks in the sectors of our investment universe (our investor role), and the risks in our corporate loans and our project finance portfolio (our lender role). Furthermore, we made an initial assessment of our exposure to potential human rights violations in our own organisation and supply chain (our operations role). This initial assessment resulted in a list of more than 100 potential issues. The next step was to determine the saliency of all these potential issues.

Determining severity and probability

To determine saliency, we assessed the severity and the probability of each individual issue. The scale we used to determine the severity of the different human rights issues consisted of the scale of the (potential) human rights issue (gravity), the scope of the issue (the number of individuals potentially affected) and the ability to restore the issue (remediability). To determine the saliency of the issue, we also assigned a score to the probability that the issue occurs or will occur. Our scoring was based on informed professional judgement.



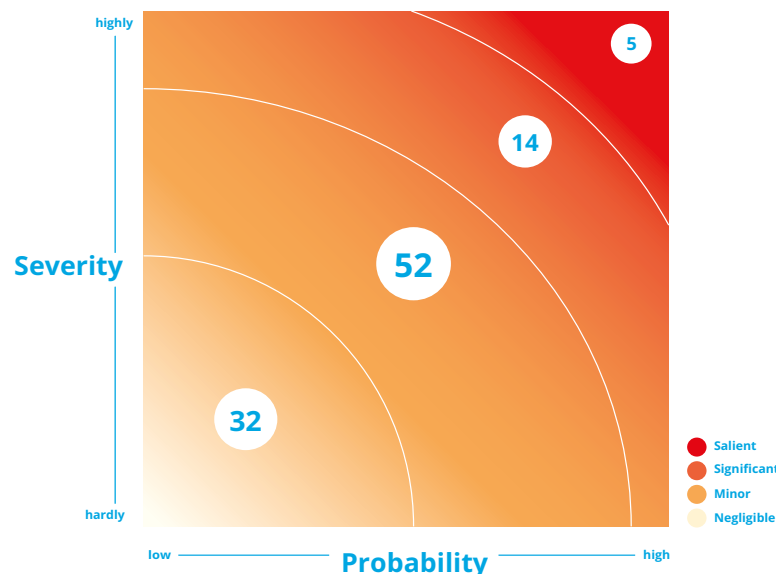
The first source we used to determine the saliency of all issues for our organisation consisted of all the policies and processes we have in place to mitigate against adverse impacts on human rights. The second source was a set of interviews with internal stakeholders to get first-hand insights from colleagues within our business and support departments. We held interviews with representatives from human resources, procurement, corporate strategy, asset management, and project finance. When required, we conducted interviews with multiple team members to ensure sufficient understanding and information completeness. These interviews enabled us to check our assessment based on desk research with the people actually working on the issues. It opened up the opportunity to gain new insights into our (potential) impact on human rights²⁰.



Prioritisation and validation

In line with the UNGP Reporting Framework, we prioritised all issues based on their severity and their probability. The first prioritisation revealed some interesting observations about our operations role, our lender role and our investor role.

The issues in our operations role and our lender role were less salient than the issues in our investor role. This is mainly explained by the geographic scope of our operations and of our corporate loans and project finance portfolios (see Chapter 4 for an explanation). Human rights in the Netherlands and Western-European countries (for some project finance investments) are protected by strong legislation that reduces our exposure to (potential) human rights risks. In addition, our human rights policies also apply to our own organisation, our corporate loans and project finance portfolios. Although we operate in – and lend money to – companies and projects in highly regulated countries, we conduct additional due diligence to prevent negative impacts.



Saliency and materiality explained

A company's salient human rights issues are those human rights that stand out because they are at risk of the most severe negative impact through the company's activities or business relationships. The concept of saliency uses the lens of risk to people, not the business, as the starting point, while recognizing that where risks to people's human rights are greatest, there is strong convergence with risk to the business. According to the UNGP Reporting Framework the emphasis of saliency lies on those impacts that are:

Most severe: based on how grave and how widespread the impact would be and how hard it would be to put right the resulting harm;

Potential: meaning those impacts that have some likelihood of occurring in the future, recognizing that these are often, though not limited to, those impacts that have occurred in the past;

Negative: placing the focus on avoiding harm to human rights rather than unrelated initiatives to support or promote human rights;

Impacts on human rights: placing the focus on risk to people, rather than on risk to the business.

Materiality is a concept used to determine the contents of annual, sustainability or integrated reports, alongside a range of other types of information. Definitions of materiality can centre on valuation-based decisions by shareholders, on broader interests of shareholders, or on the perspectives of a wider set of stakeholders combined with assessments of the company's positive and negative impacts on society. While saliency is solely based on adverse impacts, materiality takes a broader risk and opportunity perspective.

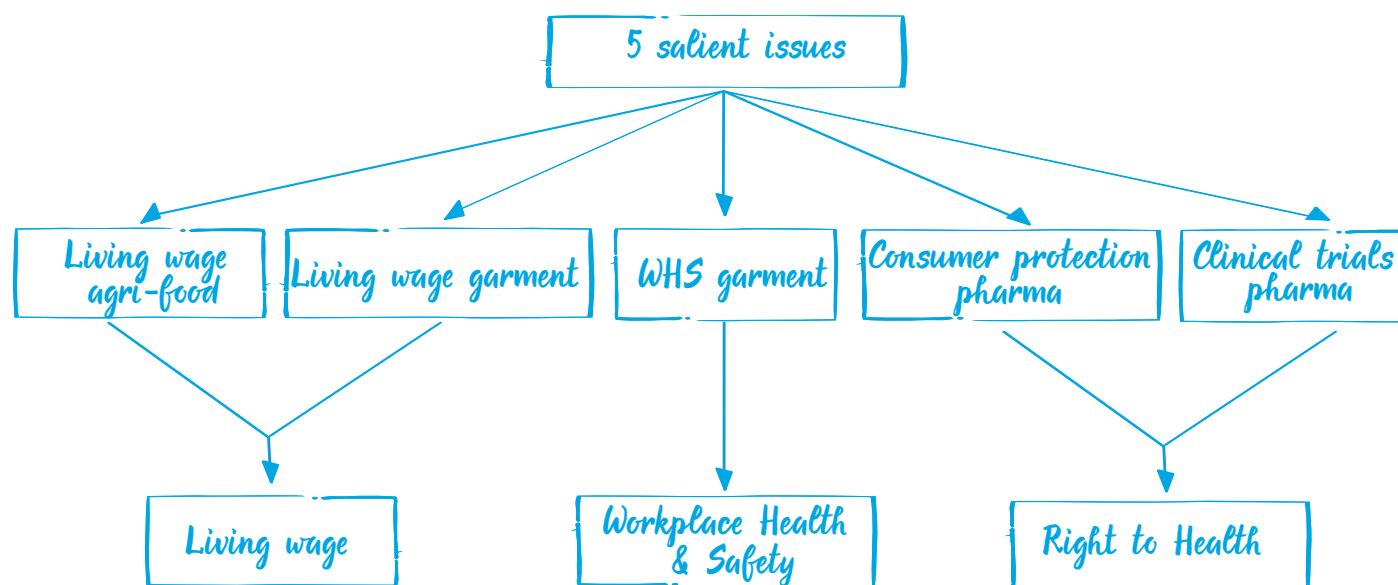
²⁰ See Appendix 1 for a full overview of consulted stakeholders.

In a first attempt to limit the number of issues, we removed all least severe issues from the list. This reduced the list to 59 issues. During an internal stakeholder meeting in July 2018, we discussed and prioritised these 59 issues²¹. The goal of the internal stakeholder meeting was to discuss our analysis and, together, further reduce the number of issues. At the end of the session, 24 issues were left. These issues were thought of as potentially salient and were all related to our role as an investor.

After the first internal stakeholder meeting we went through another prioritisation exercise to further reduce the number of issues. By conducting additional interviews and by having follow-up discussions with internal stakeholders, we further shortened the list of issues to seven. To validate these issues, we organised another internal stakeholder meeting in August 2018²². In this meeting, we again explained to all participants how we performed our analysis, whom we spoke to and why we made the choices we made. The five issues that we had identified in our analysis were validated during this meeting.

Salient issues

The issues that came out as most salient for our organisation were all located in the ASN Investment Funds. Investments in listed companies do not cause human rights violations nor do they contribute to them. Through these investments, we are linked to these issues. The outcome of our analysis partly confirms the prioritisation of human rights risks that ASN Bank has made in the past, and has also identified some new issues. In the remainder of this report we will explain our efforts to mitigate adverse impacts on the five issues we have identified. We have grouped our efforts around living wage, workplace health and safety and right to health.



²¹ See Appendix 1 for a list of attendants.

²² See Appendix 1 for an overview of the participants of the different sessions.

Stakeholder feedback

We have invited a number of external stakeholders to provide us with feedback on our analysis and on the outcome. Some of the stakeholders that we interviewed recognised a proactive approach similar to our peers. Some also noticed our move towards increased transparency in this area. Finally, the salient issues we have identified are all in our investor role, and certain stakeholders indicated it might be worthwhile to also discuss some of the issues in our other roles. Chapter 6 therefore briefly discusses some of the issues that we found to be non-salient.

The corporate responsibility to respect human rights, as laid down in the UN Guiding Principles on Business and Human Rights, also applies to banks. Timely and adequate human rights due diligence processes can help banks to prevent getting involved in human rights abuses. But when abuses do occur in their operations or value chains, a focus on remedy to the victims is essential, also in situations where a bank is 'only' directly linked to the abuses through clients or investee companies.

Jeanet van der Woude (Senior Policy Officer Business & Human Rights, Amnesty International the Netherlands)

This human rights report shows how a bank can have a meaningful process including stakeholder engagement to identify salient human rights risks. By identifying these salient human rights risks, de Volksbank shows a strong commitment to make a difference on these issues where they have the largest impact.

Maryse Hazelzet (Sustainability Advisor, Nederlandse Vereniging van Banken (NVB))

Identifying salient human rights issues is key for a robust human rights program. As each bank has its character, salient issues will differ. However the starting perspective for the Volksbank and ABN-AMRO is the same: the people who we affect.

In our experience, reporting on our human rights program acts as a management tool. It helps to identify gaps and dilemma's and to set priorities for future steps. It also reminds us that the debate around human rights is never finished.

Human rights are subject to a constant changes in the world. Banks play an important role to find answers taking on complex questions. For example, what are the human rights implications of climate change? And how do we make sure that investments in green infrastructure do not trump peoples' land-rights? It is good to see that a growing number of companies join the quest for answers and take action based on an approach that puts people centre stage.

Ruben Zandvliet (Environmental, Social and Ethical Risk Advisor, ABN AMRO)

6. *Our salient issues*

Our salient issues

The salient issues identified in the previous chapter are in the ASN Investment Funds. ASN Bank's sustainability department has been working on some of these issues, such as living wage in the garment industry and consumer safety in the pharmaceutical industry, for several years. Other issues, such as workplace health and safety in the garment industry, are relatively new and potential areas for future action. In this chapter we set forth the mitigating actions on the issues we have identified in the previous chapter. We also briefly discuss some of the issues that turned out to be non-salient, as we like to share our efforts in mitigating adverse impacts on human rights that go beyond our investor role.

Living Wage

Our analysis identified living wage as a salient issue in two industries: the garment and agri-food industries. The former confirms the outcome of the analysis that ASN Bank did in 2015; the latter is a new salient issue. Since 2015, ASN Bank has been focusing on living wage in the garment industry.

The need for a living wage

Wages²³ lower than a living wage estimate are a severe and widespread human rights risk in the garment industry and the agri-food industry. In many garment-producing countries, the minimum wage is two to three times lower than the living wage estimate. In many countries that produce agri-commodities, the income of smallholders or the wages of workers are very often insufficient to cover basic needs. This situation exists despite the fact a living wage has been recognized by many international declarations going back to 1919 when the ILO was founded. Terminology like 'the right to just and favourable remuneration' is used alongside living wage.

Workers who earn a living wage can meet their own basic needs and those of their families. Basic needs include food, clothing, housing, education, and health care and a percentage of discretionary income (e.g. for savings). This wage or income should be earned within a regular work week of a maximum of 48 hours. Workers who earn a living wage have less need to work overtime shifts and are also more likely to send their



²³ Many of the producers in the agri-food industry are smallholders which are not on a payroll but who earn their own income. When we speak of living wage in the agri-food industry in this report, this also includes living income.



children to school instead of sending them to work. A focus on living wage therefore advances respect for a number of other fundamental human rights – and Sustainable Development Goals (SDGs) – in global supply chains²⁴. In short: Living wage is an ‘enabling human right’.

Between 2011 and now, many initiatives have been taken to address this thorny issue of a living wage. The Dutch government has also taken the lead in co-hosting international conferences and sponsoring approaches to calculate living wage benchmarks. Despite these initiatives, the current state of affairs is unsatisfying. Gaps between minimum wages and living wage benchmarks still exist and impact hundreds of thousands of people, many of them with limited means to protect themselves.

ASN Bank’s commitment to living wage in the garment industry

ASN Bank committed to address living wages in the garment industry in 2012. To reinforce this commitment, ASN Bank formulated a long-term goal:

ASN Bank uses all its leverage to positively influence the garment sector so that the following goal can be reached: By 2030 the garment sector has implemented all necessary processes to enable a living wage for workers in their supply chain.

To reach this goal, ASN Bank developed a strategy that entails assessing, engaging, supporting, and monitoring the garment companies in our investment universe. To assess garment companies, ASN Bank developed its own methodology together with the Impact Centre of the Erasmus University in Rotterdam. In 2018, ASN Bank updated the methodology with the help of international tax and accounting firm Mazars to align it with the UNGPs²⁵. Mazars also provided an independent assurance on the assessment that ASN Bank did, based on the updated methodology.²⁶

A lack of methodologies to address human rights issues was also referred to by John Ruggie when he stated that “the S remains the weakest link of the ESG chain”²⁷. By developing this methodology and by making it available to other investors, ASN Bank hopes to contribute to strengthening the social dimension of ESG.

ASN Bank has been assessing garment companies annually since 2016, and it uses the outcome of these assessments as the basis for its engagement conversations with the garment companies. By assessing these companies and by engaging with them at least twice a year, ASN Bank is able to measure progress towards the goal that it has set. The approach is constructive and supportive rather than naming and shaming. ASN Bank hopes to help these companies in their journey toward the payment of living wages for factory workers. In fact, some of the companies have indicated that the input has been very helpful to them:

“Both Esprit and ASOS explicitly mention our living wage project on their websites, stating they have benefited from our engagement with them. Generally speaking, we hear back from sustainability departments that our engagement as a financial institution helps them bring the sensitive topic of living wage into the mainstream business operations of the company. And this is what is needed – the integration of human rights into the core business model so that it becomes ‘business as usual’. That is why it is good that the financial world has now learned to engage on human rights in a profound way, including extensive knowledge and scientific data to measure progress.”

Irina van der Sluijs, Senior Human Rights Advisor, ASN Bank.

²⁴ See <https://www.livingwage.nl/platform-living-wage-financials/>

²⁵ For more information, see: <https://www.asnbank.nl/over-asn-bank/duurzaamheid/mensenrechten/asn-bank-working-towards-a-living-wage-in-the-garment-industry.html>

²⁶ For more information, see the Living Wage Report 2018 on the above mentioned page.

²⁷ Money, Millennials and Human Rights: Sustaining ‘Sustainable Investing’, Harvard Kennedy School, John G Ruggie and Emily K Middleton, 2018.

Stakeholder engagement

Stakeholders are an important part of ASN Bank’s work on living wage. ASN Bank engages with stakeholders bilaterally and it is also a supporting member of the Dutch agreement on international responsible business conduct in the garment industry. One such partnership has been our cooperation with Solidaridad, which used ASN Bank’s financial contribution for the further development and roll out of the QuizRR tool. Factory management can use this training tool to educate workers on their rights and improve social dialogue. For instance, Solidaridad has allocated our funds to set up a QuizRR tool in factories in China where at least two of ASN Bank’s investee companies source from.

Currently, ASN Bank also has a partnership with Fair Wear Foundation (FWF). FWF has a longstanding history of collaborating with a variety of public and private stakeholders with the aim to improve labour conditions in the garment industry. Its tools and pilot projects serve as best practices for the entire industry. FWF is a well-experienced and valuable sparring partner in the engagement on living wage in the garment industry.

“Through our partnership with ASN Bank we have the possibility to cooperate in defining the role investors can play in promoting a living wage. Together we can develop a set of tools investors can use to better assess the performance of clothing brands and to promote progress towards living wages. Over the past years different FWF members have implemented projects to increase wages at their production locations. The partnership with ASN Bank allows for the lessons from FWF members to be shared with larger companies, contributing to change in garment factories.”

Anne van Lakerveld, Fair Wear Foundation.

Working together with financial institutions

When ASN Bank started to focus on living wage in the garment industry, it collaborated from the start with the Dutch pension asset manager MN and the Dutch organisation Triodos Investment Management. After three years of pioneering, the time was ripe to scale up the collaboration to further increase leverage.

In 2018 ASN Bank was one of the founding members of the Platform Living Wage Financials (PLWF). The PLWF is an investor coalition “that encourages and monitors investee companies to address the non-payment of living wage in global supply chains of the garment industry”²⁸. As of January 2019, the PLWF had brought together ten Dutch investors and one foreign investor, totalling over two trillion assets under management.

Scaling-up the collaboration has the advantage of increasing leverage over investee companies and of widening the scope of the project. There are thirteen garment companies in the investment universe of ASN Investment Funds, but other partners within the PLWF invest in more – and other – garment companies. The methodology and all the materials that ASN Bank developed in cooperation with civil society organisations and relevant experts are open-source, meaning that they are available to anyone wishing to use them. This includes fellow investors within the PLWF, who have applied the methodology to garment companies that ASN Bank would not or could not invest in (e.g. private companies or companies that are involved in one of the exclusion criteria).

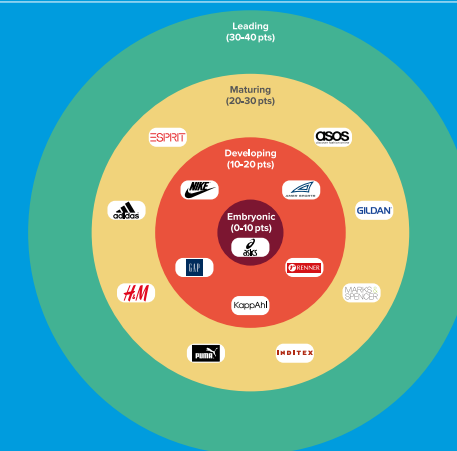
Another advantage of the PLWF is knowledge sharing. By discussing the issue with other investors, ASN Bank learns from them and vice versa. An example of the latter: some of ASN Bank’s partners in the PLWF have taken the initiative to adjust and apply the methodology to the agri-food and the food retail industry. Wages lower than the living wage estimates in the agri-food sector also came out as a salient risk. Through ASN Bank’s collaboration in the PLWF it is able to address the issue in this industry more efficiently as we not only share knowledge but also time and costs. This enables ASN Bank to widen the scope of its focus on living wage to include the agri-food industry.

Next steps & communication

As the figure on the assessment results (to the right of this paragraph) shows, most companies that ASN Bank assesses and engages with are in the developing or in the maturing phase. ASN Bank will be re-assessing these companies in 2019, and it will encourage in particular the companies that currently lag behind to progress to the next phase. The plan is to update the methodology after our assessment in 2020 to slightly move the focus from policy to practice. For companies to be able to implement practical actions, they first should have their policies in place. This will be one of the focus points for the near future.

Impact through increased ownership and transparency

The main conclusions of ASN Bank’s 2018 assessment were that a majority of the companies under review embrace the living wage concept, that most of the companies define a living wage but do not include all elements, and that more transparency and ownership is needed. This is a topic we discuss with all companies, regardless of their score. Transparency on wage data and data on wage-related issues remains a challenge for the entire industry, and it is only through transparency that we as an investor are fully able to assess how well a company is mitigating its adverse impacts on workers by working towards higher wages. It is a promising signal that many of the companies we have assessed now disclose a supplier list and also provide a lot of relevant and related data. What is still missing is concrete wage data, and we will keep pushing the companies to disclose this information.



ASN Bank will also explore new ways to creatively engage with investee companies. It wants to shy away from obligatory annual phone calls with identical agendas, and instead move to personal contact and co-creation in solution making. To stay up to date, key experts in the living wage field have been invited to the monthly PLWF meetings. They provide the investor coalition with best practices and pilot projects that show success. The PLWF can use these examples in our engagement trajectories.

Our colleagues at ASN Bank have presented their work on living wage in the garment industry at the OECD Forum on Due Diligence in the Garment and Footwear Industry (January 2018) and at the UN Forum on Business and Human Rights (November 2018). Together with its partners, it also organised an event to officially launch the Platform Living Wage Financials in September 2018. The event was held at the premises of ASN Bank's partner MN and was attended by representatives from civil society, government, trade unions, and companies. ASN Bank will continue to bring its work to the attention of investee companies, investors, civil society organisations, government bodies and other stakeholders in its shared challenge to lift wages towards living wage estimates.

Living wage in the agri-food industry

Wages aren't just a salient human rights risk in the garment sector. In many food-producing countries where international companies source tea, coffee, bananas, and cocoa, the wages and income of smallholders (and plantation workers) are on or below the poverty line. The dynamic to help raise wages in this sector is different from the garment sector, mainly because smallholders must earn income themselves instead of earning a salary in a factory. Another factor is vulnerabilities due to widespread seasonal work and child labour that are still prevalent in this sector. At the moment, members of the PLWF are looking into adapting the original methodology to assess garment companies so that it can be used for agri-food and retail companies. They are doing this with the help of experts from organisations such as Rainforest Alliance, The Living Wage Lab and IDH sustainable trade. As this work is still in its infancy, more news will become public in the months to come. What is important is that the more financial institutions assess and engage on living wage/ income in these high risk sectors, the more impact we can create on a larger scale.



Workplace Health and Safety

A third salient issue we identified in our analysis concerns Workplace Health and Safety (WHS) in the garment sector. Assuring adequate WHS conditions for workers has proven to be a major challenge. Garment brands source from countries where there is often a lack of adequate regulation and/or labour law enforcement to protect the health and safety of workers.

The importance of Workplace Health and Safety

WHS concerns multiple issues; the prevention of deadly or severe accidents, injury and occupational diseases; (internal and external) safety inspections and the maintenance of buildings; preventing excessive working hours, and ensuring the right to breaks, free days and holidays; it also involves regulation on exposure to hazardous chemicals as well as the prevention of discrimination, humiliation, and harassment in all forms, for which especially women are vulnerable.

Safeguarding and improving WHS serves multiple goals. Providing workers with WHS reduces stress and anxiety and ensures that they are not physically, mentally or sexually abused. This increases motivation, which in turn results in higher productivity through happy and healthy employees. Hence, similar to a living wage, there is not only a need but also a clear business case for WHS.

Unfortunately, WHS has been neglected by many for too long. It was only in April 2013, when Rana Plaza collapsed (see text box), that the international community realized that garment workers work under detrimental conditions. Since this disaster, WHS has gained increased attention from brands, governments and buyers.

Our commitment to Workplace Health and Safety

As an investor in garment companies, ASN Investment Funds is linked to WHS. ASN Bank conducts the due diligence on these investments. It wants to take up the responsibility to remind investee companies of their duty to respect WHS and to positively influence and stimulate companies to improve WHS conditions. This is done in two ways. First, garment companies in (or potentially approved for) the investment universe are thoroughly assessed according to our sustainability criteria. Regarding WHS²⁹, this means that companies should offer safe and healthy working conditions ranging from clean facilities to protective clothing and emergency plans for calamities. The risks of insufficient WHS conditions in the garment sector lie mainly in the supply chain of the companies. Therefore, an adequate supply chain policy and transparency regarding a company's suppliers are crucial. If a company is not involved in serious violations of health and safety conditions, such as illegally constructed buildings, deadly accidents or serious injuries, it cannot be approved for the investment universe.

ASN Bank expects garment and footwear companies to prohibit any form of harassment, violence and threats. It also demands that immediate measures be taken to remedy and prevent incidents. It is highly recommended for companies to have a complaints procedure in place for workers which is actively communicated towards employees. This also goes for external certifications schemes such as OHSAS 18001 (Health and Safety Management System), additional programs to protect vulnerable employees such as pregnant women, and collaborations with experts and specialist organisations.

²⁹ See our sustainability guide for all criteria: <https://www.asnbank.nl/over-asn-bank/duurzaamheid/beleidsdocumenten.html>

Rana plaza and the Bangladesh accord

On 24 April 2013, Rana Plaza, a building that mainly housed textile factories, collapsed. Over 1,100 workers were killed and over 2,500 were injured. One day before the disaster, cracks in the building were discovered, but the textile workers were ordered to come to work the day after¹. Rana Plaza was not made for industrial use and the upper three floors were illegally built². The collapse painfully revealed the detrimental conditions under which our clothes are made. In response on 1 May 2013, over 200 fashion brands and retailers, labour rights groups, Bangladeshi trade unions and global Union Federations signed the Accord on Fire and Building Safety. The accord was legally-binding, and required signatory brands to disclose their suppliers, conduct independent building inspections for fire, electrical and structural safety, and hold worker rights trainings. Inspections were carried out by safety inspectors from international firms and Bangladeshi engineers³. At the end of term, the remediation progress rate across all covered Accord factories was 84 per cent⁴. However, many argue that much more work needs to be done. As the Accord expired in 2018, it was extended by another three years by the Transition Accord, ensuring continuing efforts to improve factory safety and to protect Bangladeshi garment workers. Unfortunately, this accord was restrained by the High Court in Bangladesh in April 2018, as the Bangladeshi government is seeking to withdraw from the Accord⁵. A premature ending would have a negative effect on workers and their safety.

- ¹ <https://waronwant.org/media/rana-plaza-three-years-garment-workers-still-exploited>
- ² <https://www.theguardian.com/cities/2015/apr/23/rana-plaza-factory-collapse-history-cities-50-buildings>
- ³ <http://cleanclothes.org/safety/accord>
- ⁴ http://trade.ec.europa.eu/doclib/docs/2018/september/tradoc_157426.pdf
- ⁵ <https://www.business-humanrights.org/en/bangladesh-accord-on-fire-building-safety-to-cause-operations-in-country-by-end-of-nov-2018-unless-govt-grants-extension>

If companies do not have adequate policies in place, or are involved in controversies, there are usually two options for ASN Bank. First, it can advise ASN Investment Funds' investment committee to engage with the company and pose questions on the issues that need clarification. Based on the answers given by the company, the investment committee can then decide to approve or maintain the company in the universe, or to offer the company some time to improve on certain issues. Second, analysis of the company can prove that there is no reason to invest in this company. In that case, the company will not be approved for (or will be withdrawn from) the investment universe.

The second path we walk to positively influence WHS conditions in the garment industry is through the Platform Living Wage Financials (see section on living wage). Though this platform centrally focuses on living wage, ASN Bank and its partners do not hesitate to bring up issues around WHS when this is deemed necessary.

Looking forward

WHS will remain a salient issue in the near future and ASN Bank will continue its efforts to improve conditions by influencing and positively engaging with the (potential) investee companies in the universe, as well as through its work in the PLWF. Furthermore, it will continue its collaboration with Solidaridad and Fair Wear Foundation, whose expertise and knowledge of the field are of great value. We will also monitor the developments on WHS in the garment producing countries. If, for example, the Bangladesh Accord is forced to end (this will most likely be decided in Court in the first quarter of 2019), ASN Bank may rethink its position around this salient risk. In that case, a more proactive effort to contribute to better WHS in the garment sector in 2019 will be adopted.



Right to Health

Our salience analysis identified another two salient issues in the ASN Investment Funds: consumer protection and clinical trials in the pharmaceutical industry. These issues have been of concern to ASN Bank's sustainability department over the past years. In particular, ASN Bank has been extensively dialoguing on consumer protection with the pharmaceutical companies in the investment universe of ASN Investment Funds. The basis for these conversations has been a scorecard rating system that we developed together with Sustainalytics³⁰.

The need for action in the pharmaceutical industry

Pharmaceutical companies have an important role to play in a sustainable society. They manufacture medicines which are indispensable for human health and well-being, and without which the universal right to health for many people would be jeopardised. It is one of the reasons why pharmaceutical companies have been included in the ASN investment funds for many years.



The pharmaceutical companies in the investment universe meet our ESG-criteria. Despite the policies that these companies have in place to guide their conduct, ASN Bank's sustainability department became aware several years ago that many of these companies were frequently involved in controversies on a number of different issues. These issues included unethical behaviour such as bribing doctors and scientists, the falsification of test results, and off-label marketing which can result in adverse impacts on consumers due to inappropriate drug use or wrongly prescribed drugs.

The observed gap between well-established policies on the one hand and recurring misconduct on the other led us to the conclusion that many pharmaceutical companies do not put policy into practice. Where these companies can potentially have a great positive impact on public health, their behaviour leads to situations in which adverse impacts on people and their rights occur. This happens so often and at so many companies that it appears to be a structural and sector-wide problem.



30 Sustainalytics is an independent global provider of ESG and corporate governance research and ratings to investors

Focusing on consumer protection in the pharmaceutical industry

The widespread involvement of the pharmaceutical companies' involvement in controversies was a signal to ASN Bank that something needed to be done in this industry. It therefore decided in 2015 to make the pharmaceutical industry a priority in its work on human rights, with a specific focus on consumer protection. Other issues, such as access to medicine and clinical trials, also drew ASN Bank's attention. To maximise its impact, however, it wanted to focus on only one of these issues. After consultation with stakeholders ASN Bank came to the conclusion that it could be of most added value by focusing on consumer protection³¹.

Consumer protection comprises four topics: ethical conduct (including corruption and bribery), remuneration, responsible marketing and safe medicines. ASN Bank decided to include these four elements in its engagement strategy. As the analysis of the sector showed, most companies already had sufficient policies in place. ASN Bank therefore decided to focus on the implementation and anchoring of these policies as a link between policy and misconduct in practice.

From Policy To Practice

The basis for the engagement with the pharmaceutical industry on consumer protection was a 2016 report that Sustainalytics wrote at ASN Bank's request³². This report describes a variety of unethical business practices that can adversely affect product quality and safety. It also confirmed the gap between policy and practice that ASN Bank had observed.

To assess individual companies' performance and to measure progress. ASN Bank developed scorecards with detailed questions on consumer protection. It has assessed the pharmaceutical companies in the investment universe on an annual basis from 2016 and has published the scorecards on its website³³.

To stimulate change in the different components of consumer protection, ASN Bank has been engaging in a number of ways with the pharmaceutical companies. It regularly contact them by e-mail and over the phone. It also visited the Annual General Meeting (AGM) of two pharmaceutical companies in 2015 and four pharmaceutical companies annually from 2016.

The AGMs were a good opportunity for ASN Bank to raise awareness for consumer protection among these companies' senior management and other investors. It asked critical questions about payments to healthcare professionals, remuneration to sales personnel and transparency on these topics. Other topics that have been discussed are product safety, malpractice reporting, external audits, and marketing budgets, depending on how well-developed a company was in these areas.

Main observations

When ASN Bank started its engagement trajectory in 2015, it decided that it would engage with the pharmaceutical industry for a period of four years. This period is close to an end and ASN Bank commissioned Sustainalytics again to write a report on the pharmaceutical companies, including the developments in the sector and the companies it has engaged with. This report is expected to be published in

Clinical trials

New medicines require clinical testing on human subjects before they enter the market. This testing ensures that the medicines are effective and safe to use. In recent years, however, the industry has seen a shift in clinical trials from high-income to low-income countries. Clinical trials are now increasingly conducted in Eastern Europe, Asia, and Latin America. This allows for faster and cheaper participant recruitment, but it also introduces a variety of risks. It can lead to the exploitation of vulnerable (often poor) people, who might be dependent on clinical trials for their living. There is also the risk that clinical trial subjects might be ill-informed or unaware of the potential negative effects of clinical trials.

One of the criteria in the analysis of pharmaceutical companies is that they must provide test subjects with sufficient information (e.g. about possible negative side effects) to make an informed decision). Relevant standards in this regard are the Good Clinical Practice and the Declaration of Helsinki. Most of the pharmaceutical companies in the universe have the correct policies in place, but there is again a gap between their policies and their conduct. Although conducting ethical clinical trials was not the main subject of ASN Bank's engagement with the pharmaceutical companies, it is linked to consumer protection and therefore included in the engagements. Sustainalytics wrote in its 2016 report that "the results of an estimated half of all clinical trials are withheld from regulators and the public, and the results that are disclosed are frequently incomplete or misleading". Therefore, transparency was a key topic within the engagement.

³¹ Stakeholders we engaged with included Wemos and the Access to Medicine Foundation.

³² For more information, see: www.asnbank.nl/over-asn-bank/duurzaamheid/mensenrechten/eerlijke-farma.html

³³ www.asnbank.nl/over-asn-bank/duurzaamheid/mensenrechten/eerlijke-farma.html

the first months of 2019. As a result, this human rights report includes just some of the general experiences within the engagement trajectory with the pharmaceutical industry.

Most of the companies that ASN Bank approached were very responsive and cooperative. During some of the AGMs ASN Bank visited, it spoke to the Board of Directors and also more informally with senior sustainability officers to explain the importance it attaches to the issues that the company was engaged on.

A majority of the companies ASN Bank engaged with showed a moderate improvement in one or several of the issues, but further progress is yet to be made. Controversies are still widespread in the sector. This also includes controversies from the past, which have been under investigation or which have been part of a lawsuit.

Next steps

ASN Bank will advise the ASN Investment Funds' Investment Committee based on the outcome of the engagement. There are three possible options. The first option is that the companies have made sufficient progress on the issue and that ASN Bank will advise approving the companies again for our universe. The second option is that ASN Bank will advise extending engagement with the pharmaceutical companies. The third option is that ASN Bank advises divestment from these companies. ASN Investment Funds has already decided to divest its shares in one of the companies due to ongoing involvement in serious controversies.

Engagement success: the case of Astrazeneca

One of the focus areas of engagement with pharmaceutical companies was the payments to healthcare professionals. Patients should be able to fully trust their doctor and know that their doctor puts their health first. Therefore, ASN Bank believes that patients have the right to full transparency and should know whether their doctor received payments from pharmaceutical companies. ASN Bank is not necessarily against payments and there can be good reasons for them, such as education or co-operation with research. But we do believe that transparency is needed.

Most pharmaceutical companies disclose payments to healthcare professionals only in countries where this is legally required. For other countries, it remains unclear most of the time which payments a company has made. ASN Bank is therefore unable to assess the potential risks for consumers that may emerge as a result of these payments. It is for this reason that it has been pressing pharmaceutical companies to increase transparency beyond legal requirements.

One of the companies whose AGMs ASN Bank visited over the past years is AstraZeneca. During the last visit, our colleagues asked them to be fully transparent about their payments to healthcare professionals. The company promised that it would disclose all payments to healthcare professionals, even in countries in which this was not legally required. ASN Bank received an update from the company in November 2018 in which it committed to disclosing its payments to healthcare professionals in eleven additional countries in Latin America, North Africa and the Middle East.

The UK newspaper the Times wrote an article on ASN Bank's engagement with AstraZeneca (4 June 2018) in which it stated:

ASN Bank, a Dutch investor with a small stake in Astrazeneca, has been pressing drugs companies to "become fully transparent". Jonna Tjapkes, an analyst at ASN, said that the "clear stated ambition" of Astrazeneca was an "important step towards improvement, not just for the company, but for the sector as a whole." ASN said that "as far as we know" Astrazeneca would be the "first to publish all payments to healthcare professionals in countries where this not mandatory by law. This would set a new best practice and hope other companies will follow shortly."

Non-Salient Issues

The issues that we have identified as most salient are linked to us through our investor role. The issues to which we are connected in our other two roles were in either the negligible category or the minor category in our salience analysis (see page 23). To give a sense of these issues, we conclude this chapter by briefly discussing some of them, as well as what we do to prevent or mitigate any adverse impact.

Diversity

One of the four stakeholders for whom we want to create value through our shared value ambition are our employees. As we operate in the Netherlands only, many of our employees' basic labour rights are protected by the Dutch law. Many of these rights are also included in our code of conduct, as an expression of our commitment to these values. Preventing an adverse impact on human rights through legislation or internal policies can have a great impact, but sometimes more can be done to make an even bigger positive impact. One way in which we attempt to make a positive impact is through our inclusiveness policy (Thuis bij de Volksbank). At de Volksbank, we believe it is important that everyone can be themselves and feel at home within our organisation.

Our inclusiveness policy refers to all aspects on which people can differ, such as personality, gender, age, sexual orientation, background, education and (professional) experience, nationality, vitality, etc.

We adopted our policy following an internal diversity analysis. This analysis showed that our workforce was already fairly diverse, but we felt that we could do more. That is why we, as part of our inclusiveness policy, set targets for the male/female ratio for our Supervisory Board, our Board of Directors, our managerial positions, and our employees. For our Board of Directors, for example, the target was to have at least 30% women in 2018. We reached that target with the appointment of Marinka van der Meer as Chief Customer Officer in 2018. With the intended appointment of Mirjam Verhoeven as Chief Operations Officer as of 1 January 2019 our board will consist of three women and two men.

We also strive to further balance the male/female ratio in our managerial positions. Our goal for 2019 is to have at least 35% women in managerial positions in 2019 and 35%-40% in 2020. The inclusion of people with a multicultural background in our workforce and our management is another component of our diversity policy, as well as how we can involve people with limited access to the labour market in our organisation.

Consumer protection

In January 2017, we stopped handing over claims on customers to debt collection agencies. We have also actively retrieved cases which had already been transferred to these agencies. Payment problems often result from personal circumstances such as sickness or a divorce. In these situations, we believe our customers are better off with a contact person at our bank. In our experience, the use of these agencies did not contribute to maintaining the relationship with our customers. Ending our contracts with debt collection agencies fits within our mission and contributes to our ambition of optimizing shared value.



Privacy

The privacy of our customers is of a vital importance to us. In our opinion, personal data and payment data belong to our customers and it is our customers who decide with whom they want to share their data. We see it as our role to help customers use and share their data consciously. Our CEO Maurice Oostendorp stated this very clearly in the foreword of our Annual Report 2017³⁴:

"We want to set the standard in reliable and secure customer data management. We regard this data as the property of our customers and do not want to earn money by selling it. Furthermore, within the context of PSD235, we offer our customers the unique opportunity to switch on or switch off the transfer of payment data to third parties at any time by means of a 'main switch.'"

Our policy is laid down in our view on data³⁶ and it uses our mission – 'Banking with a human touch' – as a guiding principle. To become a trusted and reliable partner for our customers with regard to data security and privacy, we cooperate with the Privacy First Foundation in developing a PSD2 Code of Conduct. We also work with the start-up Schluss on developing a digital safe in which our customers can store their personal data.

Our supply chain

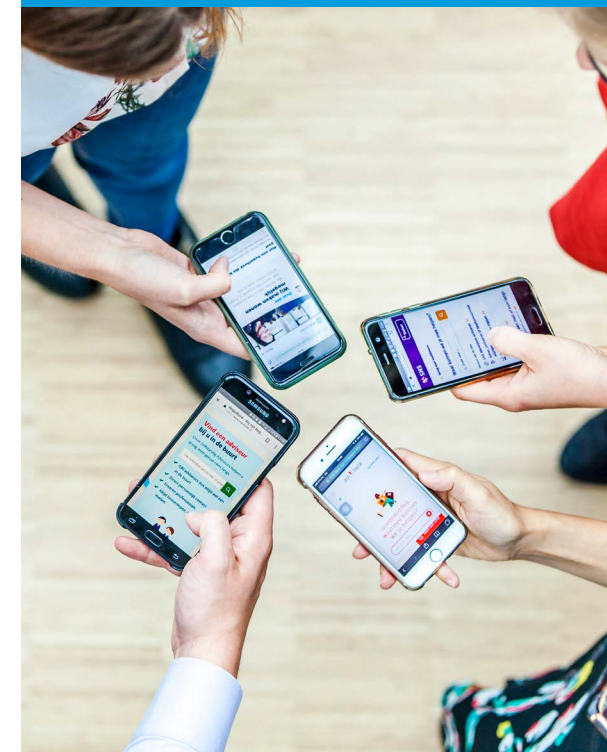
Another issue that we have identified as non-salient is the impact we have through our supply chain. Although we serve over three million customers with financial services and employ 3797 people, we have a fairly limited impact on human rights through our supply chain compared to other companies (e.g. manufacturers). Nevertheless, we have a responsible procurement policy³⁷ in place. Our policy includes a reference to the United Nations Declarations of Human Rights, the ILO Conventions and the OECD Guidelines as well as a number of individual human rights a supplier should commit to.

³⁴ <https://www.devолksbank.nl/investor-relations-1/annual-report-2017.html>

³⁵ PSD2 is a European directive which states that banks can give access to customers' payment account to third parties provided that customers have agreed to it.

³⁶ <https://www.devолksbank.nl/web/file?uuiid=7c949bad-d95c-49a9-92da-7159f2ea2488&owner=cf9a47-a6c0-4190-81eb-68b77153b203&contentid=3524>.

³⁷ For more information, see: <https://www.devолksbank.nl/corporate-responsibility/sustainable-procurement-1.html>



7. Looking forward

Looking forward

Respect for human rights is a guiding principle in everything we do. The analysis in this report has been a very helpful exercise for us to identify salient issues and to be able to report on our mitigating activities. Moreover we do our utmost to have positive impact by working with other financials and stakeholders on finding creative solutions to often complex issues that are inherent to respecting universal human rights. We want to conclude this report by looking forward and by sharing some of the plans we have to tackle human rights risks to the best of our abilities in the years to come.

Platforming Living Wage Financials

We have discussed the next steps on mitigating impact on our salient issues in the previous chapter. In addition to these next steps, we already look forward to the one-year anniversary of the Platform Living Wage Financials (PLWF). ASN Bank, together with its partners, plans to organise a roundtable to discuss living wage with its stakeholders and to further increase awareness among investors. As the 2018 PLWF launch event focussed on the garment sector, the 2019 roundtable will probably look at the issue of living income in agri-food.

Within PLWF, ASN Bank and its partners will continue to engage with investee companies to move them in the right direction so that workers in supply chains can reach a decent living standard. These engagement trajectories will include innovative approaches by teaming up with stakeholder initiatives that dare to tackle this thorny issue of wages, pricing and competition. It is pioneering work as no other financial institution to date has taken the step to deep dive into the human rights sphere in such a profound way.

Meaning that ASN Bank and partners are the first to translate the UNGPs into a methodology and actually assessing investee companies on a yearly basis so that actual progress can be measured in a systematic way. This is new ground to cover as human rights issues are hard to quantify. With the on-going assurance of an external partner such as Mazars, the living wage work will continue to mature and act as best practice in responsible investing on the 'S'.

The interest in PLWF keeps on growing, also with international investors such as Amundi, the largest asset owner in Europe. In 2019 the focus will therefore be on setting up a governance structure to accommodate new members. But also consolidate the work that was set up in 2018, so that the platform continues to act as a credible collaboration that produces solid research and stimulates progress on the ground. The PLWF website³⁸ will be filled with more content so that stakeholders keep being informed about the activities of all members.

Human rights within de Volksbank

Another next step for us is the further integration of ASN Bank's sustainability policy in our entire organisation. After adopting ASN Bank's sustainability policy in 2017 and designing our House of Policies we have started the implementation in 2018 and we will continue this in 2019. We will also continuously enhance our due diligence wherever we see the need for it. In the meantime, we will stay conscious for any (new) adverse impact we are connected to through our own operations, our lender role or our investor role and we will do our best to mitigate adverse impacts where they occur.

³⁸ www.livingwage.nl



We also want to increase the human rights awareness of our employees. We only operate in the Netherlands and we are in the lucky position that human rights are safeguarded by strong regulations. Nevertheless, adverse impact can occur anywhere in our organisation and by creating an increased awareness for these issues we hope to avoid these impacts to occur.

Stakeholders

We highly value the cooperation with our stakeholders and the input they have provided to this report. Cooperation is essential for us in mitigating any adverse impact and making a positive impact. We therefore invite all our stakeholders to stay involved in the work we are doing. Whether it is through formal partnerships such as with Fair Wear Foundation, or through more informal ones. In all cooperation we seek to co-create innovative approaches to these issues, not shying away from trial and error. And always with open source and transparency in view.

Reporting

This report is our first stand-alone human rights report. The analysis we did in 2018 identified five salient human rights issues and we will continue our efforts to mitigate negative impact on these issues. We plan to publish an update on our efforts annually. In addition to our stand-alone human rights reporting we will also discuss human rights in our integrated Annual Report. ASN Bank also publishes an annual overview which includes an overview of their mitigating activities on human rights. With this work we align with the idea behind the UNGPs, that due diligence in a circular process, not a linear one. Meaning that we will continue to improve and report on progress as human rights get embedded into our organisation more and more as mainstream business practices.

"The UNGP reporting framework enables business enterprises to "know" and "show" whether they are doing business with respect for human rights. By adhering to the Dutch Banking Sector Agreement, banks have agreed to work towards reporting in line with (or equivalent to) the UNGP reporting framework. We are glad to see that more and more adhering banks are living up to this commitment."

Jacqueline Cramer (Independent Chair of the Dutch Banking Agreement)



Appendix 1: Stakeholders that informed our analysis

Human Rights issue identification	
Internal stakeholders - Interviews	
Name	Department
Yvonne van Hoof	ASN Project Finance
David ten Hoonte	SME loans
Sjirk Prins	Sustainability
Harro Roetman	Procurement
Karin Romeijn	Procurement
Bernd Jan Sikken	Strategy
Irina van der Sluijs	Sustainability
Mariëtta Smid	ASN Investment Funds
Arno Veenman	Human Resources

Calibration	
Internal Workshop -12 July 2018	
Name	Department / Organisation
Stephan Langen	ASN Investment Funds
Sjirk Prins	Sustainability
Irina van der Sluijs	Sustainability
Mariëtta Smid	ASN Investment Funds
Piet Sprengers	Sustainability
Pieter van 't Hoff	Sustainalize
Tobias Hofland	Sustainalize
Arco ten Klooster	Sustainalize
Susan van Kruijsbergen	Sustainalize
Rob Vullings	Tekstschrijvers.nl

Prioritisation & Validation	
Internal Workshop – 21 August 2018	
Name	Department / Organisation
Stephan Langen	ASN Investment Funds
Sjirk Prins	Sustainability
Irina van der Sluijs	Sustainability
Mariëtta Smid	ASN Investment funds
Piet Sprengers	Sustainability
Pieter van 't Hoff	Sustainalize
Susan van Kruijsbergen	Sustainalize
Stephen Johnston	Tekstschrijvers.nl

Feedback from external stakeholders	
Name	Department / Organisation
Nadia Cicek / Wilke de Boer	Social and Economic Council of the Netherlands (SER)
Maryse Hazelzet	Dutch Banking Association
Tessel van Westen / Ceyda Karaca	Dutch Ministry of Foreign Affairs
Jeanet van der Woude	Amnesty International the Netherlands
Ruben Zandvliet	ABN AMRO

Appendix 2: de Volksbank UNGP Reporting Framework Index

#	Topic	Question	Reference
A	Governance of Respect for HuR	General comment: Part A has two overarching questions, each with one or more supporting questions, which focus on the company's commitment to and governance of HuR risk management.	
A1	Policy commitment	What does the company say publicly about its commitment to respect HuR?	Page 16 - 17
A.1.1	Development of public commitment	How has the public commitment been developed?	Page 16 - 17
A.1.2	Public HuR commitment	Whose HuR does the public commitment address?	
A.1.3	HuR campaign	How is the public commitment disseminated?	
A2	Embedding respect	How does the company demonstrate the importance it attaches to the implementation of its HuR commitment?	Page 17 - 19
A.2.1	Responsibility for HuR performance	How is the day-to-day responsibility for HuR performance organised within the company, and why?	Page 16 - 18
A.2.2	Senior management & board involvement with HuR	What kinds of HuR issues are discussed by senior management and by the Board, and why?	
A.2.3	Embedment of HuR throughout the organisation	How are employees and contract workers made aware of the ways in which respect for HuR should inform their decisions and actions?	Page 17 - 19
A.2.4	Business relationships and HuR	How does the company make clear in its business relationships the importance it places on respect for HuR?	Page 16 - 19
A.2.5	Lessons learned on HuR	What lessons has the company learned during the reporting period about achieving respect for HuR, and what has changed as a result?	Page 18 - 19
B	Defining a Focus of Reporting	General comment: Part B provides a filter point for the reporting company to narrow the range of HuR issues on which it will focus the remainder of its reporting under Part C. The focus is on those HuR issues that are salient within its activities and business relationships.	

B1	Statement of salient issues	State the salient human rights issues associated with the company's activities and business	Page 22 - 25
B2	Explanation of salient issues	Describe how the salient human rights issues were determined, including any input from stakeholders.	
B3	Geographical focus (if any)	If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made.	
B4	Additional severe impacts (if any)	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	
C	Management of Salient HuR Issues	<p>General comment: Part C has six overarching questions, each with one or more supporting questions, which focus on the effective management of each of the salient HuR issues on which the company is reporting.</p> <p>The overarching questions in Parts A and C focus on general, relevant information about the company's efforts to meet its responsibility to respect HuR. They are designed to enable responses from any company, including small companies and those at a relatively early stage in the process."</p>	
C1	Specific Policies	Does the company have any specific policies that address its salient HuR issues and, if so, what are they?	Page 16 - 17
C1.1	Communication of HuR issues to policy makers	How does the company make clear the relevance and significance of such policies to those who need to implement them?	Page 17
C2	Stakeholder Engagement	What is the company's approach to engagement with stakeholders in relation to each salient HuR issue?	Page 27, 29
C2.1	Stakeholder identification	How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so?	Page 27, 29
C2.2	Stakeholder engagement during the reporting period	During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why?	Page 27, 29
C2.3	Stakeholder influence on company	During the reporting period, how have the views of stakeholders influenced the company's understanding of each salient issue and/or its approach to addressing it?	Page 27, 29
C3	Assessing impacts	How does the company identify any changes in the nature of each salient HuR issue over time?	Page 28, 33, 34

C3.1	Trends or patterns in impacts	During the reporting period, were there any notable trends or patterns in impacts related to a salient issue and, if so, what were they?	Page 28, 33, 34
C3.2	Severe impacts	During the reporting period, did any severe impacts occur that were related to a salient issue and, if so, what were they?	Page 28, 33, 34
C4	Integrating Findings and Taking Action	How does the company integrate its findings about each salient HuR issue into its decision-making process and actions?	Page 27, 28, 29, 32, 33
C4.1	Identification of company stakeholders	How are those parts of the company whose decisions and actions can affect the management of salient issues, involved in finding and implementing solutions?	Page 27, 28, 29, 32, 33
C4.2	Addressing tensions between HuR and other business objectives	When tension arises between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed?	Page 27, 28, 29, 32, 33
C4.3	Actions taken to prevent or mitigate potential impacts	During the reporting period, what action has the company taken to prevent or mitigate potentials impacts related to each salient issue?	Page 27, 28, 29, 32, 33
C5	Tracking Performance	How does the company know if its efforts to address each salient HuR issue are effective in place?	Page 28, 33, 34
C5.1	Effective management of salient issues	What specific examples from the reporting period illustrate whether each salient issue is being managed effectively?	Page 28, 33, 34
C6	Remediation	How does the company enable effective remedy if people are harmed by its actions or decisions in relation to a salient HuR issue?	Page 20
C6.1	Medium(s) through which to raise complaints or concerns	Through what means can the company receive complaints or concerns related to each salient issue?	Page 20
C6.2	Ability to raise complaints or concerns	How does the company know if people feel able and empowered to raise complaints or concerns?	Page 20
C6.3	Processing complaints	How does the company process complaints and assess the effectiveness of outcomes?	Page 20
C6.4	Trends and patterns in complaints and lessons learned	During the reporting period, what were the trends and patters in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned?	Page 20
C6.5	Occurrence and example of remediation	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?	Page 20

De Volksbank values your opinion on this report.
We invite all stakeholders to ask questions, express complaints
and share tips and feedback via communicatie@devolksbank.nl.

Colophon

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