

# NIBC MODERN SLAVERY STATEMENT

March 2020

## UK Modern Slavery Act

This statement addresses requirements set out in section 54 of the 2015 UK Modern Slavery Act, which requires relevant companies to prepare and publish a slavery and human trafficking statement within six months of its published annual accounts for each financial year.

### What is Modern Slavery ?

Modern slavery refers to criminal abuses of core human rights. It includes the offences of slavery, servitude and forced or compulsory labour, as well as human trafficking.

### NIBC Policies

At NIBC we are committed to respecting human rights and supporting our stakeholders in realizing their human rights obligations.

NIBC does not tolerate modern slavery or other human rights abuses within our own operations, nor within our financings and investments. We are committed to taking appropriate steps to ensure that fundamental rights and freedoms are respected.

NIBC's Code of Conduct underpins everything we do. Compliance with the Code is mandatory and extends to every individual working for NIBC. Our Code of Conduct requires us to act ethically, comply both with the letter and with the spirit of the law and to comply with our own policies and procedures.

Our Code of Conduct and policy framework is supported by a whistle-blower procedure which is designed to encourage employees to report suspected breaches of our code or policies.

Our Sustainability policy, Human Rights policy supplement and sector sustainability policies and procurement policy are aimed at addressing issues which might occur within our financings and investments, within our own operations, and with suppliers.

### Human Rights

Modern slavery, including human trafficking, forced, bonded or compulsory labour and other kinds of slavery and servitude represent some of the most severe forms of human rights abuse.

We believe that respect for human rights includes, amongst others:

- supporting internationally proclaimed human rights;
- eliminating all forms of forced and compulsory labour;
- effective abolition of child labour;
- respecting the rights of women, children, migrant workers, and indigenous peoples;
- avoiding causing or contributing to negative human rights impacts in business activities; and
- seeking ways to prevent or mitigate adverse human rights impact which are linked to business activities.

Our approach to human rights is in line with our commitment to take into account environmental & social criteria in aspects of our business including our financings and investments, and our own operations.

### Putting Policies into Practice

As a bank with a professional workforce, NIBC considers the risk of modern slavery within its direct operations to be low. However, we recognize that through our financings and investments and our supply chain, we can be indirectly exposed to the risk of modern slavery and human trafficking.

Our Executive Committee is ultimately responsible for sustainability issues, including human rights and modern slavery. Day to day responsibility for managing this is delegated to a Senior Sustainability Officer

who reports to our Chief Risk Officer. Our Compliance team oversees our corporate client and transaction due diligence.

NIBC has implemented risk management processes to identify, assess, mitigate and monitor human rights concerns, including modern slavery and human trafficking. For each corporate transaction, a business “deal” team is responsible for assessing and managing the financial and sustainability risks related to their clients and transaction.

Human rights are integrated into our sustainability risk assessment. The assessment is made in a manner appropriate to the size, nature and context of operations and the severity of the risk of adverse human rights impacts.

### Awareness

Our employees receive mandatory training and e-learning programs on compliance and our Code of Conduct. New employees also receive an introduction training which covers these aspects. Dutch employees have signed our “Bankers Oath” mirrors which are publicly visible in our Dutch offices.

Relevant processes and procedures are further elaborated within NIBC’s Compliance Framework and Sustainability Policy Framework.

### Conventions and Standards

In our due diligence processes, we are guided by international conventions, protocols, codes of conduct and industry best practice initiatives with regard to human rights and labour standards. These include:

- United Nations Global Compact
- United Nations Guiding Principles on Business and Human Rights
- United Nations Principles for Responsible Investment
- OECD Guidelines for Multinational Enterprises
- ILO Declaration on Fundamental Principles and Rights at Work
- ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy
- United Nations International Covenant on Civil and Political Rights and International Covenant on Economic, Social and Cultural Rights
- UNICEF Convention on the Rights of the Child
- UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)
- UN Declaration on the Rights of Indigenous Peoples

### Our Progress

In support of the Modern Slavery Act, the Sustainable Development Goals (SDGs) and, more generally, global efforts to improve human rights and the communities we serve, NIBC undertook a number of actions during 2019.

- We reviewed the guidance for our Code of Conduct. All staff received mandatory training and guidance on this policy;
- All staff took part in mandatory e-learning on NIBC’s compliance policies;
- Due diligence for sustainability risks (including human rights risks) was completed for 100% of new corporate loans in 2019 in accordance with our policies and procedures;
- We developed experimental new due diligence tools to help assess potential human rights risks and other sustainability risks.
- We reviewed all of our sustainability policies, updating a number of them; and
- We engaged in numerous formal and informal dialogues with a wide range of stakeholders on human rights issues such as FPIC, gender risk and modern slavery.

Many of these actions are described in further detail in our Annual Report and other public disclosures. Although no instances of modern slavery, human trafficking or other salient severe human rights violations were reported in relation to NIBC's financings, operations, or supply chain in 2019, we continue to be alert to this possibility.

#### Our Commitment

NIBC is committed to fully complying with the UK Modern Slavery Act. We individually and collectively oppose modern slavery and human trafficking.

We will regularly review and enhance how we manage our approach towards human rights due diligence, modern slavery and other human rights and sustainability issues.

We will engage and work with clients, NGOs, authorities and other stakeholders to increase awareness and share knowledge and best practices in relation to modern slavery and other human rights, social and environmental issues.

NIBC will continue to publish a Modern Slavery Statement describing our commitment and progress towards a world where human rights are respected and protected, free from slavery in any form.

Statement for the period 1 January 2019 to 31 December 2019, signed on behalf of NIBC's Executive Committee,

Reinout van Riel  
Chief Risk Officer  
24 March 2020