

HUMAN RIGHTS POLICY

This document sets out the policy of the Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO) regarding Human Rights. This Policy has been approved by the Management Board and is effective as of January 1, 2013 and may be revised as deemed necessary.

FMO recognizes the responsibility of businesses to respect human rights, wherever they operate and independently of States' abilities and willingness to fulfill their human rights obligations. FMO itself respects human rights, and also acknowledges the responsibility of its business clients to respect human rights. This means to avoid infringing on the human rights of others and to address adverse impacts business may cause or contribute to. Meeting this responsibility also means creating access to an effective grievance mechanism that can facilitate early indication of, and prompt remediation of various project-related grievances.

FMO is committed to the International Bill of Human Rights¹ and the International Labour Organization Declaration on Fundamental Principles and Rights at Work. We further support the approach outlined in the United Nations Protect, Respect and Remedy Framework and the supporting Guiding Principles on Business and Human Rights.

FMO's human rights due diligence with respect to clients is guided by its Environmental and Social Policy, which is based on the IFC Performance Standards. The IFC Performance Standards support the private sector's human rights responsibility. Consistent with this responsibility, FMO undertakes due diligence of the risk and impact assessment process carried out by (prospect) clients, commensurate with country, sector and sponsor capacity.

FMO seeks to provide accurate and timely information regarding its investment activities as well as more general institutional information. It recognizes the importance of disclosing such information, both for itself and its clients, as a means of managing environmental, social, and human rights risks.

FMO supports its clients in addressing environmental, social and human rights issues by requiring them to set up and administer appropriate mechanisms and/or procedures to address grievances and complaints from affected communities. Most of FMO's human rights due diligence focuses on its clients. Poor health and safety practices, for example, could violate workers right to security and life and the lack of a human resources policy could infringe the Fundamental Principles and Rights at Work, especially in businesses with large low-skilled labor forces. Uncontrolled pollution caused by businesses may interfere with affected communities' right to health and adequate standards of living, including rights to food, water and housing. The same is true for a poorly managed resettlement process or adverse business impacts on forests and other natural resources that local people depend on for their living. On the other hand, business enterprises may undertake other commitments or activities to support and promote human rights. If due diligence findings are deemed of high risk, they are discussed with the client and actions are agreed to address these issues.

Nonetheless, there may be cases where grievances and complaints from those affected by FMO-supported business activities are not fully resolved at the business activity level. People who want to raise a complaint or engage in a conversation about a potential or perceived human rights issue related to FMO's work are encouraged to use FMO's [complaint procedure](#).

At a corporate level FMO has committed to equal opportunity and non-discrimination in hiring and employment practices, the appointment of confidential advisors to whom employees can address grievances and the participation of employees in decision making through the FMO Works Council has also been implemented. Furthermore, FMO is a signatory to Talent to the Top which underpins FMO's aim to have 40% of management positions filled by women. FMO is also a signatory to the FNV 'Golden Standard', which demonstrates FMO's recognition of the importance of and respect for contracted facility services staff.

¹ The International Bill of Human Rights consists of the Universal Declaration of Human Rights and the main instruments through which it has been codified: the International Covenant on Civil and Political Rights and the International Covenant on Economic Social and Cultural Rights.