Human Rights Statement

Why does ABN AMRO have a Human Rights Statement?

ABN AMRO aspires to play a prominent role in sustainable business development. Respecting human rights is an integral part of responsible business behaviour and builds on our corporate values: trusted, professional and ambitious. We want to fulfill society’s expectation of business: that it should treat people conscientiously and with dignity.

ABN AMRO acknowledges that companies, including financial service providers, can potentially have an impact on human rights. In addition, we recognise that as a service provider we can contribute to or be linked with potential adverse human rights impacts via our business relations.

ABN AMRO recognises the importance of human rights and already expressed its position in a statement in 2008. For a company, respecting human rights means doing the right thing: putting continuous effort into ensuring that day-to-day business decisions can stand up in the ‘court of the public opinion’ where human rights are concerned.

ABN AMRO is an active participant in the UN Global Compact, a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, and anti-corruption.

What is the purpose and scope of this statement?

The bank’s statement applies across all of the bank’s business activities and relationships with third parties associated with those activities. And it applies to ABN AMRO's entire organisation.

Activities that fall within the scope of the statement are:

- **Employee relations**: governed by the bank’s human resource policies;
- **Business engagements**: assessments of clients and all forms of commercial business engagements such as project finance, credit facilities, cash management, investments and advisory services for retail and corporate clients. This statement is aligned with the Sustainability Risk Framework and the ABN AMRO’s Exclusion List and in particular with sector policies for sensitive sectors susceptible to human rights issues;
- **Supplier engagements**: screening and selection of suppliers and service suppliers.

What human rights standards does ABN AMRO apply?

ABN AMRO supports the ‘Protect, Respect and Remedy’ Framework including the Guiding Principles on Business and Human Rights as endorsed by the UN Human Rights Council. The framework rests on three pillars that should be understood as a coherent whole:

1. The state duty to protect human rights;
2. The corporate responsibility to respect human rights;
3. The need for greater access to remedy for victims of business-related abuse.

For ABN AMRO, a company's corporate responsibility to respect human rights means:

- Adherence to the International Bill of Human Rights, the [Universal Declaration of Human Rights](#), the [International Covenant on Civil and Political Rights](#), and the [International Covenant on Economic, Social and Cultural Rights](#). In addition, adherence to the principles of the eight [International Labour Organisation Core conventions](#).
- Applying responsibility across all business activities and through relationships with third parties associated with those activities, such as in the supply chain.
- Applying responsibility across the whole organisation.
- Where national law conflicts with human rights responsibility, complying with national law while respecting the international rights principles.
- Commitment to robust ‘human rights due diligence’. Such due diligence should include the assessment of actual and potential human rights impacts, and acting upon findings.
- Commitment to engage continuously with external stakeholders in order to strengthen capacity to improve.
- Commitment to track progress and performance, and report about these.

In its interaction with its employees, the bank does not tolerate any human rights violations. ABN AMRO strives through the bank's human resources policies and procedures to fully respect the human rights of its employees. ABN AMRO's policy is to ensure that the bank's global operations are consistent with its human resources policies and standards.

The human resource policies and procedures include, but are not restricted to:

- Fully respecting and complying with national laws and international standards in the countries where the bank operates;
- Creating a culture of diversity that offers equal opportunities to all;
- Providing and maintaining a safe and healthy work environment for every employee;
- Recognising the rights of employees to freedom of association and collective bargaining;
- Providing fair and competitive compensation which is commensurate with the job or task at hand;
- Providing a workplace that is free from any form of harassment;
- Encouraging its employees to uphold human rights throughout the bank;
- Providing employees with a formal procedure to deal with complaints and grievances and with an avenue for reporting malpractices without fear of reprisal, as governed by the bank's whistle-blowing policy.

ABN AMRO expects its suppliers to act fairly and with integrity towards their stakeholders, including the persons, organisations and legal entities that are involved in, have an interest in, or are affected by their activities. ABN AMRO uses a supplier code of conduct as part of the legal agreement with suppliers, screens suppliers and expects suppliers to respect at least the following human rights principles:
- Respect internationally proclaimed human rights.
- Comply with national law and international regulations related to child labour. Suppliers are asked to remedy violations.
- Respect the equality of all human beings and refrain from discrimination on the grounds of race, cast, origin, religion, disability, gender, sexual orientation, union or political affiliation, and age;
- Respect the integrity of all workers. Suppliers will refrain from physical or psychological coercion of work.
- Comply with applicable laws and regulation regarding working hours and wages.
- Provide safe working conditions for their workers.

ABN AMRO seeks to engage with clients whose business practices demonstrate a high degree of governance and responsibility, including the responsibility to respect human rights in accordance with the bank’s human rights statement and sustainability (sector) policies.

ABN AMRO has policies and procedures in place for selecting and screening bank's clients, based on a number of criteria including human rights. In assessing clients who operate in certain sensitive sectors, the policies help to identify material human rights issues in such sectors, and include the Oil and Gas Policy, Agri Commodities Policy, Defence Policy, Metals and Mining Policy, Shipping Policy, Dams Guidelines, and Equator Principles Policy. In the due diligence, ABN assesses:

- The client's policies and practices in dealing with human rights relevant to its operations, including but not limited to workers rights, labour rights, land rights, children's rights, the right to an adequate standard of living, and the rights to life, liberty and security of person.
- Whether the client's policies and practices follow international standards as set by the UN, and international good practices such as membership of UN Global Compact, grievance mechanisms and principles such as Free Prior and Informed Consent.

ABN AMRO applies a strict Exclusion List of practices that contravene conservation efforts, sub-standard practices and practices considered unethical, harmful, exploitative or abusive. Many of these excluded practices are directly and indirectly linked to respect for human rights.

**How does ABN AMRO put its standards into practice?**

ABN AMRO seeks to ensure responsible business engagements by highlighting those countries that are of particular concern to the bank from the perspective of protecting the bank's reputation, and by managing its engagements in or withdrawal from such countries as appropriate. To enable it to undertake country assessments, ABN AMRO has developed a Sustainability Country Risk Tool that helps to identify country-specific human rights issues. For transactions in high risk countries and conflict areas, ABN AMRO always applies an enhanced human rights due diligence. ABN AMRO refrains from transactions that violate imposed sanctions, mostly those agreed by the UN or the EU.

In addition to the existing policies and procedures regarding employee rights, client due diligence, supplier selection and country assessments, the bank is currently reviewing its corporate
commitments and policies in order to align these with the Protect, Respect and Remedy Framework. To make this process as dynamic as possible, both internal and external stakeholders are involved. Bank employees from different departments, including Procurement, Human Resources, Compliance and Legal, are involved in order to raise the level of awareness and knowledge about human rights. The review will further tighten the bank’s human rights policy through a more coherent and consistent human rights framework that connects our human rights impact with pro-active measures in all our operations.

ABN AMRO recognises that a financial service provider can have an impact on the entire spectrum of internationally recognised human rights, and the bank does not exclude, a priori, subsets of rights from its responsibility. However, due to the nature of the bank’s business, certain rights are expected to be more at risk than others. Consequently, it is important to work continuously on the human rights mapping of the bank’s operations. We are actively engaged in the UNEP FI human rights work stream and the UN Global Compact, and try to be present in relevant discussions when we have the opportunity.

In order to recognise, prevent and mitigate risks related to human rights, the bank will continuously promote an environment that is conducive to human rights due diligence. To this end, we will continuously work on:

- Promoting a rights-aware culture and appropriate grievance mechanisms;
- Guidance for conflicting standards and situations and for conflict areas;
- Roles and responsibilities involving (senior) management as well as the workforce;
- Developing capacity – including psychological capacity – to respond to dilemmas.

We will report annually on progress and be transparent towards stakeholders.