

Global Standard on Sustainable Development

Rabobank Group



The Cooperative **Rabobank**

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1 Introduction

Sustainability strategy and approach

As a sustainable cooperative bank, sustainability is integrated into all of our business operations. Our inclusive approach is aimed at helping our clients to become progressively more sustainable and at making ourselves progressively more sustainable. We use our financial solutions, industry knowledge and networks to empower clients to future-proof their activities, homes and businesses.

Transition to a sustainable world

Driven by our cooperative mentality, we work together on solutions that benefit everyone: solutions that are good for our clients, society and the world around us and for ourselves. Our goal is to stimulate the transition to a sustainable world in which taking care of people, nature and the climate go hand-in-hand with (new) revenue models. We support the Sustainable Development Goals, with a particular focus on contributing to the energy and food transitions and realizing a circular economy and the financial wellbeing of our members and other clients.

About this Standard

This Global Standard on Sustainable Development (Global Standard) outlines what we expect from our clients and business partners with regard to sustainability. It contains mandatory but practical guidelines, and guides our own business operations. The Global Standard comprises four components, namely:

1. The overarching framework that applies to all our clients and business partners and all our products and services (chapters 1, paragraph 2.5, chapter 3 and chapter 4);
2. Core policies that apply to all clients and business partners and address key environmental, social and governance issues (paragraph 2.2.1 - 2.2.4);
3. Theme-based policies on specific issues (paragraph 2.3.1 - 2.3.5);
4. Sector-based policies on issues for specific sectors and value chains (2.4.1 - 2.4.13).

1.1 Objectives

Purpose

The Global Standard supports our business decision-making at all levels and provides a frame of reference for how we want to deal with business opportunities and risks in the context of direct and indirect sustainability impacts.

Managing impact

The Global Standard aligns with the Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD). Our policies address the (potential) direct impacts we could create because of our own operations, as well as the (potential) indirect impacts we could create - both positive and negative - because of our clients' activities and their value chains. The policies outline how we identify, prevent, mitigate, remedy and account for sustainability risks and performance of our own operations, and of those of our clients and business partners. This includes our assessment of how our clients identify, prevent, mitigate, remedy and account for risks in their value chains.

1.2 Policies and Procedures Management

Rabobank has a Policies and Procedures Management (PPM) framework in place that defines mandatory requirements relating to (amongst others) the development and structure of policies. Following the PPM-framework, policies are categorized into (i) Global Policies, (ii) Global Standards and (iii) Procedures.

- Global Policies outline the business principles Rabobank wishes to adhere to following its mission and strategy. The Global Policies are high level documents ('why').
- Global Standards include mandatory but practicable guidelines ('what').

- Global Procedures describe how Policies and Standards should be implemented and operationalized in processes. These documents are usually developed by the commercial departments ('how').

The Global Policy on Sustainable Development outlines the business principles Rabobank wishes to adhere to regarding sustainability following our mission and vision. Following the PPM-framework, this document is a 'Global Standard' given the fact that it describes what we expect from our clients in relation to our business relationship through our products and services that we provide. The hierarchy of the different sustainability policies is depicted below. We refer to the content in this Global Standard as 'policy' or 'policies' (with a lowercase letter). We refer to the entire document as the 'Global Standard on Sustainable Development'.

1.3 Scope

This Global Standard applies to the Coöperatieve Rabobank U.A., including all legal entities under its control (>50% capital or voting rights)¹. It must be applied by all locations, business units, departments and subsidiaries, unless stated otherwise in this Global Standard.



1.4 Content of this Global Standard

This Global Standard covers three different types of policies:

1. core policies;
2. theme policies; and
3. sector policies.

See chapter 2 for more information on the different types of policies, the applicability to clients and business partners, the policy structure and its practical implications for engaging with clients and business partners.

1.5 Related Internal Global Policies & Standards or Relevant Other Documents

This document should be read in conjunction with the following documents, all of which can be found on the Policy House Portal:

- Global Policy on Sustainable Development
- Global Standard on embedding sustainability in credit risk assessment for wholesale clients
- Armaments industry implementation guidelines
- Implementation guidelines extractive industries
- Issue engagement procedure on material sustainability signals involving clients
- Rabobank Sustainability Policy Framework (external version of this Global Standard)
- Risk Appetite Statement Rabobank Group
- Global Policy on Corruption.

¹ To improve the readability, the users of products and services of Rabobank and all legal entities under its control (>50% capital or voting rights) will be referred to as clients in the remainder of the framework, including the products and services mentioned here. In the case of Private Banking, there is the objective to bring its services in line with the sustainability policy where possible.

1.6 Our Commitment to Sustainability Initiatives

With the objective of reaching a higher level of sustainability, Rabobank participates in many global and local initiatives. Examples include the United Nations Environment Partnership, membership of the World Business Council for Sustainable Development and participation in several round tables, as well as several initiatives of external bodies related to sustainability and/or the financial sector. The key external ones are described below.

United Nations Sustainable Development Goals

The Sustainable Development Goals (SDGs) were drawn up to end poverty, protect the planet and ensure prosperity and well-being for all. This new global sustainable development agenda must be achieved by 2030. As a cooperative bank wanting to realize social impact and with a mission of *Growing a better world together*, Rabobank feels a responsibility to make a meaningful contribution to achieving the 17 SDGs. For this reason we have embedded our contribution to the global goals in our strategic ambitions and our strategic priorities have touchpoints with many SDGs. By focusing on these priorities in our decisions, we make a meaningful contribution to the following SDGs in particular: SDG2 (Zero Hunger), SDG7 (Affordable and Clean Energy), SDG8 (Decent Work and Economic Growth), SDG11 (Sustainable Cities and Communities), SDG12 (Responsible Consumption and Production), SDG13 (Climate Action), SDG15 (Life on Land) and SDG17 (Partnerships for the Goals).

UN Global Compact

Global Compact asks companies to embrace universal principles and to partner with the United Nations. It has grown to become a critical platform for the United Nations to engage effectively with enlightened global businesses.

UNEP Finance Initiative

The United Nations Environment Programme Finance Initiative (UNEP FI) was established in 1992 as a platform associating the UN and the financial sector globally. It is a global partnership of more than 200 institutions, including banks, insurers and fund managers, working with UNEP to understand the impacts of environmental and social considerations on financial performance. Rabobank endorses the UNEP Statement of Commitment by Financial Institutions on Sustainable Development and is guided by its commitments.

UN Principles for Responsible Banking

The Principles for Responsible Banking are a framework for ensuring that signatory banks' strategy and practice align with the vision society has set out for its future in the SDGs and the Paris Climate Agreement. Rabobank was one of the first banks to sign up to the Principles for Responsible Banking ahead of the official global launch in September 2019.

UN Guiding Principles on Business and Human Rights

The UN Guiding Principles on Business and Human Rights (UNGPs) is an instrument consisting of 31 principles implementing the United Nations' "Protect, Respect and Remedy" framework, and provides a global standard for preventing and addressing the risk of adverse impacts on human rights linked to business activity. Rabobank upholds the UNGPs.

OECD Guidelines for Multinational Enterprises

The mission of the Organisation for Economic Cooperation and Development (OECD) is to promote policies that will improve the economic and social well-being of people around the world. The OECD provides a forum in which governments can work together to share experiences and seek solutions to common problems. It strives to work with governments to understand what drives economic, social and environmental change. The OECD also sets the international standards on a wide range of things, from agriculture and tax to the safety of chemicals. Rabobank endorses the OECD Guidelines and is guided by its principles.

Equator Principles

The Equator Principles (EP) is a voluntary risk management framework, adopted by financial institutions, for determining, assessing and managing environmental and social risk in projects and project related finance. It is primarily intended to provide a minimum standard for due diligence and monitoring to support responsible risk decisionmaking.

The EPs apply globally, to all industry sectors and to five specific financial products above certain thresholds. The specific products are: 1) project finance advisory services, 2) project finance², 3) project-related corporate loans, 4) bridge loans and 5) project-related refinance, and project-related Acquisition Finance. Rabobank applies the EP.

Finance for Biodiversity Pledge

In the Finance for Biodiversity Pledge financial institutions commit to share knowledge, engage with companies, assess impact, set targets and publicly report on progress by 2024 about the positive and negative impacts of their financing on biodiversity.

Natural Capital Declaration

The Natural Capital Declaration (NCD) is a global finance-led and CEO-endorsed initiative to integrate natural capital considerations into financial products and services, and to work towards their inclusion in financial accounting, disclosure and reporting. The initiative is jointly convened by the United Nations Environment Programme Finance Initiative (UNEP FI) and the Global Canopy Programme (GCP). Rabobank is a signatory to the NCD and is a member of the NCD Working Groups.

² Rabobank defines 'project finance' as a method of finance whereby we look primarily to the revenues generated by a single project, both as the source of repayment and as security for the exposure. Repayment therefore depends primarily on the project's cash flow and on the collateral value of the project's assets. "Project-related corporate loans" are defined by Rabobank as corporate loans whereby the majority of the proceeds are related to a single project. For definitions of "project finance advisory services" and "bridge loans", we apply the definitions of the Equator Principles.

1.7 Waiver

If an entity, business line or department can temporarily not comply with this Global Standard or part of this Global Standard, the management of each entity, business line or department must apply for a Waiver. Waivers are required when all or parts of this Global Standard cannot be implemented by the deadline set or when this Global Standard conflicts with local regulation or laws.

The following procedure must be followed when requesting a waiver:

- The management of the entity or business line or department should initiate a waiver request in writing (using the PPM template for waivers, and sending it to sustainabilitypolicies@rabobank.nl);
- The Group Sustainability & Climate Department decides upon the Waiver request. The Group Sustainability & Climate Department may decide to seek approval from (one or more) Global Management Team(s), or from (members of) the Managing Board;
- The Group Sustainability & Climate Department provides a response to the requestor in writing using the PPM template for waivers;
- The Group Sustainability & Climate Department notifies the Global PPM Coordinator in case a waiver is granted;
- The Group Sustainability & Climate Department keeps a record of all approved and rejected waivers.

1.8 Exception and Breach Management Process

See paragraph 5.1.3 for our exception and breach management processes.

1.9 Disciplinary Action

Everyone who works for Rabobank is expected to act in accordance with Rabobank's ethical and professional standards of conduct as laid down in Rabobank's Code of Conduct, its internal policies, standards and procedures and/or the applicable national financial-, civil-, criminal, and disciplinary law and industry codes.

Violation of our standards of conduct may have serious consequences for Rabobank, its employees, its clients and business partners. Everyone who works for Rabobank is therefore expected to behave in accordance with the standards of conduct outlined in this Standard and to discuss undesirable incidents transparently. This is how we live up to our values of professionalism and courageousness as described in our Code of Conduct and how we contribute to the mission and reputation of Rabobank as a rock solid bank.

Violation of the standards of conduct outlined in this Standard may lead to internal disciplinary action, up to and including termination of employment. Depending on the violation, everyone who works at Rabobank may also be subject to (national) disciplinary law, civil proceedings and criminal investigations. If applicable, additional remuneration related measures will be taken in accordance with the Global Policy on Remuneration. In determining the appropriate level of disciplinary action, all relevant circumstances will be taken into account.

The process of a disciplinary action and employees' rights therein are governed by the Global Standard on Disciplinary Action.

2 Requirements of the Global Standard

2.1 Overview and policy types

2.1.1 Policy types

This Global Standard includes three types of sustainability policies:

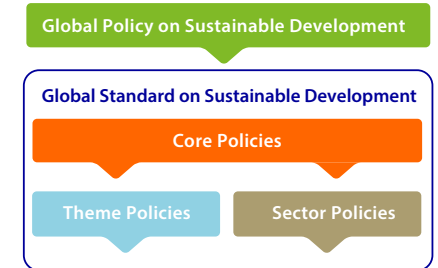
- **Core Policies** are related to core environmental, social and governance issues and are applicable for our clients in all sectors, through all products and services and for our business partners.
- **Theme Policies** are related to thematic issues that we consider to be material for our business. The theme policies are applicable when the theme is of relevance for a specific client or business partner.
- **Sector Policies** are related to industries and their value chains which we consider to have the most material (potential) social and environmental adverse impacts. The sector policies are applicable to clients and business partners operating in those specific sectors, industries or value chains.

Rabobank has also identified activities the bank does not want to be involved in. It includes processes and the production and trade of specific products. These are described in each of the individual policies and are summarized in the [Rabobank Exclusion List](#). See paragraph 2.5. The Exclusion List is reviewed periodically.

2.1.2 Applicability to Clients and Business Partners

Requirements detailed in the core policies are always applicable for all clients and business partners. The theme policies are applicable when the specific theme is of relevance for a client or business partner. The requirements outlined in the Sector policies are only relevant for clients and business partners operating in those specific sectors, industries or value chains.

2.1.3 Policy overview



2.1.4. Reading Guide

In this document, definitions are italicized. References to other parts of the document and references to another (internal) Global Standard, Global Policy or other publications are shown in orange.

2.1.5 Policy Structure and the Practical Implications for Engaging with Clients

All core, theme and sector policies follow the same structure so that users can easily navigate to those parts most relevant to their needs:

Why this policy?

- Each policy starts with a description for both external and internal audiences of the importance, the context and the potential adverse impacts related to the topic or sector.

Purpose

- Describes the overall goal the policy aims to achieve

Scope

- Describes for which parties in the value chain the policy is applicable

The policy

- Each policy starts with a description of Rabobank's commitments on our own activities e.g. by providing and developing products and services, sharing knowledge, connecting our networks and innovating.
- The paragraph 'what we expect of others' sets out the sustainability business principles we expect each client and business partner to adhere to, as a baseline requirement.
- The paragraph 'what we exclude' sets out the activities or clients that are not compatible with Rabobank's business principles on sustainability or our mission. We also summarize them in the Rabobank Exclusion List (see paragraph 2.5).

How we monitor performance

- Describes examples of indicators for Rabobank to keep track of the sustainability performance of clients and business partners and how Rabobank may engage with clients. The (potential) adverse impacts of sustainability risks may vary depending on the specific activity, the sector, the size of the client company, the geography, the product Rabobank offers and Rabobank's exposure and relation to the client or business partner. Rabobank can apply different risk based mitigation and implementation measures, with thresholds and frequencies that are proportionate to those risks.

How we encourage continuous improvement

- Describes how we want to promote best practices and continuous improvement and engage with our clients and business partners to facilitate sustainability transitions.

Practical implications for engaging with clients

There are four sections that are of specific relevance for our client engagement.

- the section 'what we expect of others' describes the values and business principles which we expect each client and business partner to adhere to (or to convincingly commit and work towards to). Rabobank strives for an engagement approach rather than excluding business relations with clients who do not yet

meet these expectations: see paragraph 5.1.1 for more information on our approach under 'engagement'. A client that does not adhere to these values and principles and that is not convincingly committed to work towards these values and principles, is considered non-compliant with our policy.

- The section 'what we exclude' sets out the activities or clients that are not compatible with Rabobank's business principles on sustainability or mission. The activities on this list are not subject to our engagement approach. Clients or activities that are excluded, are considered non-compliant with our policy.
- The section 'how we monitor performance' guides our regular engagement with clients and business partners, keeping track of operational key controls that provide evidence of the (continued) compliance with our sustainability business principles.
- The section 'how we encourage continuous improvement' is included to motivate our clients and business partners to continuously improve beyond compliance with the key controls of our policies.

Legacy issues

We acknowledge that legacy issues may arise from services provided before the implementation of this policy, or from client relationships entered into before the implementation of this policy. Existing contractual commitments will be honored, but we take into account this policy when renewing or expanding these engagements on a case by case basis.

2.1.6 External Version of our Policies

This Global Standard outlines what we expect from our clients and business partners with regard to sustainability. That is why we also have a public version which is known as the 'Sustainability Policy Framework'.

Colleagues are invited and encouraged to share the external version of our policies with clients and business partners. The external version of our policies can be found on our website.

As to the content, there are no differences between the internal version of our policies (the Global Policy on Sustainable Development and this Global Standard on Sustainable Development), and the external version of our policies, the 'Sustainability Policy Framework'. The internal version of our policies does however include more information on the internal processes, key controls and other information that is mandatory based on the Global Standard on Policies and Procedures Management.



① Applicable for all clients

② Applicable for specific clients based on industry

Core Policies



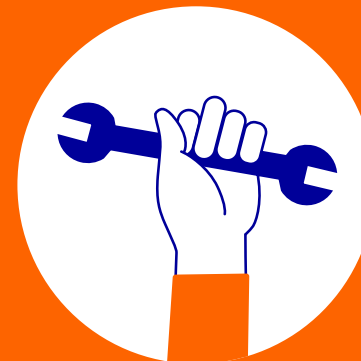
Environment



Human Rights



Anti-corruption



Labor Rights



Environment Policy

Why this policy?

Rabobank recognizes that its own economic activities and that of its clients can create or contribute to impacts that could threaten the environment. Risks to all living and non-living things in the natural environment include environmental pollution, natural resource scarcity, climate change, water availability, loss of biodiversity and ecosystems.

Businesses that do not effectively address their potential environmental impacts can cause serious longterm and possible irreversible environmental damage, whilst at the same time create significant business risk and decrease economic vitality. The challenge is to ensure the world's economic activities stay within planetary boundaries and that all businesses including our own take sufficient responsibility for actions.

Purpose

The purpose of this core policy is to establish a precautionary approach towards assessing our environmental challenges, and those of our clients and business partners. It is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This core policy is applicable to our own operations and activities, and to all clients and business partners. It applies proportional to business type, size, products, activities and geographies, and includes the responsibility and controls over value chains, and in particular their potential adverse impacts on natural resource use (including the generation of waste), the quality of soil, air and water. Note, Rabobank also has a [Biodiversity Policy](#), which relate closely to environmental issues.

Definitions

Circular economy: In a circular economy, products are designed to be more efficient and materials are reused as much as possible. This does not only require fewer raw materials, but also contributes to reducing carbon emissions and promotes innovation, new business and more employment opportunities.

Planetary boundaries: According to the Stockholm Resilience Center, planetary boundaries is a conceptual framework that defines a safe operating space for humanity for the international community, including the private sector, as a precondition for sustainable development, based on scientific evidence that human actions since the Industrial Revolution have become the main driver of global environmental change.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and by working together with its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding the environment, for our own activities we will:

- identify and engage the clients in our portfolio that could create exposure to material adverse social and environmental impacts;
- in relation to our own operations, use natural resources, such as energy and water, as efficiently and optimally as possible, and protect or enhance the environment (e.g., through sustainable procurement, sustainable real estate, and sustainable IT);
- promote the development of a circular economy.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding the environment, Rabobank does business with clients and other business partners that:

- know their potential impacts on the environment, take them into account when making business decisions, and seek to avoid, or when avoidance is not possible, minimize adverse impacts;
- are aware of the environmental risks in their value chain and limit dealings to suppliers and contractors that can demonstrate that they apply good industry standards and practices.

We recognize that a client's ability to do this with suppliers will depend on the influence the client has in the value chain, and its relative size compared to other players.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding the environment, we will not do business related to:

- production of, or trade in, products containing PCBs (Polychlorinated biphenyls) or other Persistent Organic Pollutants (POPs) that are subject to international bans or phase outs³;
- production of, or trade in, Ozone Depleting Substances (ODS) that are subject to international bans or phase outs⁴;
- production or trade in pharmaceuticals that are subject to international bans or phase outs.

³ As listed by the Stockholm Convention on <http://chm.pops.int/TheConvention/ThePOPs/tabid/673/Default.aspx>

⁴ As listed with target reduction and phase out dates by the Montreal Protocol on <http://ozone.unep.org/en/treaties-and-decisions/montreal-protocol-substances-deplete-ozone-layer>

At a glance

- The challenge is to ensure the world's economic activities stay within planetary boundaries and that our clients take sufficient responsibility for their actions.
- Risks to all living and non-living things in the natural environment include environmental pollution, natural resource scarcity, climate change, water availability, loss of biodiversity and ecosystems.
- Clients and business partners need to know and take into account the potential impact of their activities on the environment and seek to avoid or, otherwise, minimize these impacts.
- Clients and business partners need to have appropriate policies and programs or activities to prevent and mitigate adverse impacts.

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates they:

- meet our expectations listed above and - if that is not yet fully the case - show continuous improvement;
- apply industry-specific good operating principles, management practices and best available technologies that do not degrade the surrounding environment;
- use natural resources, including water, efficiently and optimally.

For those clients whose activities have been identified with significant potential adverse impacts, we also collect information that demonstrates they:

- have an environmental policy, which awareness of their risks of environmental damage, and that they communicate those risks transparently;

- have and maintain an environmental management system, which includes monitoring impacts and implementing control measures commensurate with their risks and controls;
- assess and address, during decision making, the foreseeable environmental impacts associated with their processes, goods and services, over their full life cycle;
- apply pollution prevention principles and techniques and the most appropriate technologies in the specific circumstances, consistent with good international practice, notably preventing water pollution;
- avoid, minimize and control the intensity of the release of pollutants due to routine, non-routine and accidental circumstances with the potential for local, regional and trans-boundary impacts;
- have mechanisms in place for immediate reporting of serious accidents and emergencies to the competent authorities;
- implement management practices to one or more relevant and credible standards, as demonstrated by independent verification or certification, when relevant production practices have been codified in globally, nationally or regionally recognized standards.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding the environment, we encourage our clients and business partners to:

- use as little water as possible, and conduct water scarcity impact assessments especially in water scarce regions;
- include clauses about compliance with environmental criteria in their contracts with subcontractors and suppliers.



Human Rights Policy

Why this policy?

Human rights are universally protected and everyone is entitled to them regardless of their nationality, race, gender, religion or culture. Underpinned by the principles of dignity, equality and mutual respect, Rabobank believes that the upholding of human rights is crucial for strong and inclusive communities, and considers any infringements upon human dignity unacceptable.

We believe that we have the responsibility to respect and uphold the international human rights described in the Universal Declaration of Human Rights and codified in international law⁵. As such, we have identified that client acceptance, provision of loans and leasing products, project finance and equity investments pose our highest potential risk for human rights impacts, and therefore conduct *human rights due diligence* as a way to proactively manage any potential human rights violations.

Purpose

The purpose of this core policy is to protect and uphold human rights, and to identify, prevent and mitigate adverse impacts of our own operations, and those of our clients and business partners. It supports our adherence to the United Nations Guiding Principles on Business and Human Rights, the global authoritative standard that guides states to protect human rights, businesses to respect human rights and victims to be provided with access to remedy. This policy is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This core policy is applicable to our own operations and activities, and to all clients and business partners. It applies proportional to impacts per business type, size, products, activities and geographies, and includes the responsibility and controls over value chains.

Definitions

Human rights due diligence: According to The Office of the High Commissioner for Human Rights, human rights due diligence is a way to proactively manage potential and actual adverse human rights impacts, with four components: (i) identifying and assessing impacts that an enterprise may cause or contribute to through its own activities, or which may be directly linked to its operations, products or services by its business relationships; (ii) integrating and taking appropriate action across relevant company processes; (iii) tracking the effectiveness of measures and processes to address impacts; (iv) communicating on how impacts are being addressed and showing (affected) stakeholders that there are adequate policies and processes in place.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and by working together with its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners.

⁵ Rabobank recognizes the human rights as codified in the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the Convention on Elimination of All Forms of Discrimination Against Women, the Convention on the Rights of the Child, the UN Declaration on the Rights of Indigenous Peoples, as well as the International Labor Organization's conventions.

Regarding human rights, for our own activities we will:

- respect and uphold the human rights described in the Fundamental Declaration of Human Rights and codified in international law;
- adhere to the United Nations Guiding Principles on Business and Human Rights;
- promote and contribute positively to human rights wherever and whenever we can;
- periodically assesses human rights risks by analyzing our financial products and services, relationships and portfolios;
- conduct reasonable and appropriate *human rights due diligence* within our commercial relationships, including suppliers and other business relations: see below more about how *human rights due diligence* monitors progress;
- prevent and mitigate adverse impacts on human rights from our own activities and our relationships with clients and business relations, employees and other stakeholders in society;
- include human rights principles in the process of establishing joint ventures or making acquisitions;
- apply country risk and sanction exclusions, including sanctions due to human rights violations;
- conduct thorough research and engage⁶ in dialogue with stakeholders in order to provide specific guidance to our employees, managers, directors and members of our Supervisory Board⁷.

Furthermore, as an employer we will fully respect the rights of our employees, as outlined in our [Labor Rights Policy](#).

⁶ Rabobank recognizes that human rights require meaningful engagement with internal and external stakeholders. Stakeholder engagement is particularly important in relation to identifying, assessing and remedying grievances among any of Rabobank's stakeholders.

⁷ Human rights principles form an integral basis for dialogue and decision-making processes in Work Councils, our Ethics Committee, NGOs, unions and other stakeholders.

What we expect of others

As a values driven organization, we do business with those who share our principles. Therefore regarding human rights, Rabobank does business with clients and other business partners that:

- respect and uphold all human rights as described in the Universal Declaration of Human Rights, and related international legislation and regulations, including the UN Guiding Principles on Business and Human Rights;
- avoid causing or contributing to human rights violations by identifying, preventing, mitigating and accounting for any actual or potential adverse human rights impacts that are related to their operations, products and services through business relationships including clients, as well as business associates and society.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding human rights, we will not do business with those that:

- knowingly and structurally violate internationally accepted human rights;
- undertake any transaction that may be in conflict with sanctions imposed by the United Nations, the European Union or any other legislated sanctions that apply to the countries in which the bank operates, including human rights sanctions.

At a glance

- Rabobank conducts *human rights due diligence* in our relationships with our clients and business partners. The Rabobank due diligence process assesses adverse human rights impacts that we may cause or contribute to through our own operations and activities, and the impacts we may be directly linked to through relationships with our clients and their value chains, business partners or other state and non-state entities in countries of our operation.
- Clients and business partners must respect human rights as described in the UN Guiding Principles on Business and Human Rights in their business decisions and require their suppliers to do the same.
- Clients and business partners must know and show they respect human rights in practice. For unavoidable adverse impacts, they must cooperate in remediation through legitimate processes.

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates:

- compliance with the expectations listed above.

The core features of our *human rights due diligence* process are that it:

- aims at demonstrating that human rights are not infringed;
- varies in complexity according to the size of the business enterprise, the risk of severe human rights impacts and the nature and context of the operations;
- is an ongoing process of identifying and assessing actual and potential human rights impacts (on individuals and communities and on their rights), acting upon the findings, tracking

the effectiveness of the response and showing how human rights impacts are addressed.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding human rights, we encourage our clients and business partners to:

- include clauses about compliance with criteria on identified potential human rights impacts in their contracts with subcontractors and suppliers;
- be transparent about their risks of causing or contributing to adverse human rights impacts and how they manage those risks;
- be transparent about any violations of human rights it has caused or contributed to and provide for or cooperate in remediation through legitimate processes⁸;
- report publicly about their *human rights due diligence* efforts and results;
- operate effective stakeholder engagement including an operational level grievance mechanism for any adverse human rights impacts they have caused or contributed to, and involve affected stakeholders well before establishing new operations in a process of, and duly recorded, consultation and with respect for the vulnerability of human rights defenders;
- advise Rabobank of grievance related information or signal any non-compliance with this policy.

⁸ Even with the best preventive policies and practices in place, Rabobank may inadvertently cause or contribute to an adverse impact. If this is the case, we will endeavour to remedy or co-operate in the timely remediation. Rabobank therefore has grievance mechanisms in place and we expect that the collaborative and multistakeholder initiatives in which Rabobank participates also provide for effective grievance mechanisms and/or other measures of adequate accountability.



Labor Rights Policy

Why this policy?

Labor rights are human rights related to relations between workers and their employers. Labor rights are described in various codes and conventions of the International Labour Organization (ILO) and are an integral part of the UN Guiding Principles on Business and Human Rights and the United Nations Sustainable Development Goals (SDGs). The SDGs aim to achieve decent work for all and promote a *living wage*. Core labor rights include freedom of association and the right to collective bargaining, elimination of forced and compulsory labor (also referred to as *modern slavery*), the abolition of child labor, and the elimination of discrimination in the workplace. Other rights that are widely accepted relate to working conditions such as health and safety and the maximum number of working hours.

Purpose

The purpose of this core policy is to support labor rights, aimed at protecting both workers and their employers. It is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This core policy applies to Rabobank itself and to all clients and business relations, including their value chains.

Definitions

Living wage: The remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family.

Modern slavery: The condition of being forced, by threat or violence, to work for little or no pay, and of having no power to control what work you do or

where you do it. Modern slavery includes human trafficking, domestic slavery, forced participation in crime and debt-bonded labor. It is also an economic crime often coinciding with money laundering.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and by working together with its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding labor rights, for our own activities we will:

- uphold the principles concerning fundamental rights described in the core conventions of the International Labour Organization (ILO) as set forth in the Declaration on Fundamental Principles and Rights at Work⁹ and avoid causing or contributing to the violation of labor rights;
- fully respect the rights of our employees, including the freedom of association and the right to collective bargaining and provide a safe and healthy work environment;
- promote a corporate culture of human rights and labor rights awareness by means of disseminating and providing access to information and training;
- eliminate discrimination in the workplace and respect diversity and inclusion (including gender, ethnicity, nationality, disability and sexual orientation);
- provide access to grievance mechanisms through which labor related complaints and disputes can be resolved effectively.

⁹ Rabobank recognizes the United Nations Convention on the Rights of the Child, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the International Labour Organization's Tripartite Declaration Concerning Multinational Corporations and Social Policy, and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding labor rights, Rabobank does business with clients and business partners that:

- respect all labor rights as described in the ILO Declaration on Fundamental Principles and Rights at Work;
- identify, prevent, mitigate and account for any actual or potential violation of labor rights caused, contributed to, or that are directly linked to their operations, products and services through business relationships, including their value chains;
- provide for or cooperate in remediation through legitimate processes for violations of labor rights that they have caused or contributed to;
- be transparent about their risks of causing or contributing to violations of labor rights and how they manage those risks (including *modern slavery*);
- operate effective stakeholder engagement including an operational-level grievance mechanism for any violations of labor rights (including gender-based violence and harassment) that they have caused or contributed to.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities.

At a glance

- Rabobank aims to protect both workers and their employers by requiring clients and business partners to respect and promote labor rights as described in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and related conventions.
- Clients and business partners need to respect the right to collective bargaining and prevent violations (*modern slavery*, child labor) and to use their influence with their business partners to do the same.

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates that they:

- reconfirm compliance with the requirements listed above and – if that is not yet fully the case – show continuous improvement, notably on the points below;
- apply labor rights considerations in their business decisions, including fair recruitment practices and the prevention of *modern slavery*, and respecting standards on maximum working time;
- respect and encourage equal opportunities and diversity in the workplace (including but not limited to gender diversity);
- work on systematically improving the health and safety of employees and develop a preventive culture in this field;
- are transparent about any breaches of labor rights.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding labor rights, we encourage our clients and business partners to:

- determine and work towards paying a *living wage* to their employees;
- include clauses on the compliance with criteria on labor rights in their contracts with subcontractors and suppliers.



Anti-corruption Policy

The Global Policy on Corruption is maintained by Rabobank's Compliance Department and therefore not subject to this PPM document. In this section we summarize and refer to the Global Policy on Corruption and related documents.

Why this policy?

Rabobank promotes a strong culture of transparency and integrity. We believe that for businesses to be sustainable, they need to be accountable and act with integrity to establish trust with their stakeholders. Corruption is misusing your position for personal- or business benefits. Corruption can consist of bribing, extortion or laundering. Rabobank has had a zero-tolerance position for years in regards to corruption. For more than a decade, Rabobank is a member of the UN Global Compact. The organization is committed to avoid bribes, extortions and any other form of corruption. We do not tolerate it in our own business nor from our clients or business partners.

Purpose

The Global Policy on Corruption and related Global Standards are intended to protect the integrity of our business. It provides a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This core policy is applicable to our own operations and activities, and to all clients and business partners. It applies to all of our employees, and to parties that represent Rabobank, including all business partners with whom we work. Additional guidance related to this policy can be found in our *Anti-Corruption Statement*.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and through its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding anti-corruption, for our own activities we will:

- uphold all laws aimed at countering bribery and corruption in all the countries where we operate, including the UK Bribery Act 2010 and the US Foreign Corrupt Practices Act;
- urge staff that have any suspicion of bribery or any other form of corruption to report this suspicion, regardless of whether it is within or related to Rabobank. The procedure, described in Rabobank's *Whistle-blower Policy*, outlines the ways corruption related suspicion can be raised, including via Bureau Speak Up, and the Trusted Committee;
- maintain and operate effective organizational and administrative arrangements with a view to taking all reasonable steps to identify and manage conflicts of interest as reflected in Rabobank's *Conflict of Interest Statement*;
- fully commit to strict adherence of Anti-Money Laundering and Counter-Terrorist Financing and to the prevention of violation of sanctions laws and other relevant regulations issued by governments and regulatory agencies ;
- our conduct reflects our ambitions and intentions as described in the Rabobank Code of Conduct.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding anti-corruption, Rabobank does business with clients and other business partners that commit to avoiding bribery and corruption in all forms in their business and mitigate and manage all risks related to bribery and corruption in their own activities.

At a glance

- Rabobank is committed to consistently applying high standards of honesty and integrity across our global operations and in all our business dealings.
- We operate according to our corporate values and are committed to preventing bribery and corruption in all its forms, and do not tolerate it in our business or from those with whom we do business.

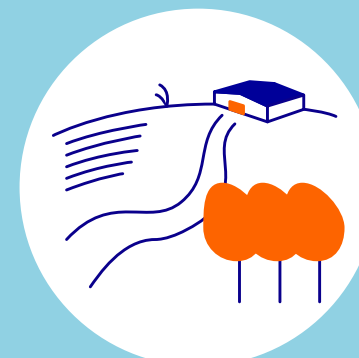
Theme Policies



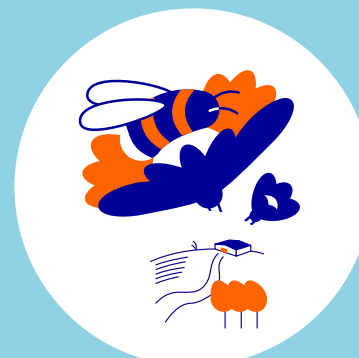
Agricultural Commodity
Derivatives Trading



Animal Welfare



Land Governance



Biodiversity



Plant Gene Technology



Agricultural Commodity Derivatives Trading Policy

Why this policy

Agricultural commodities derivatives can be futures contracts, forward contracts, options and swaps of agricultural commodities. It is our view that the derivatives market plays a vital role in offsetting price risk and in price discovery. Tighter and more volatile markets increase the need for all stakeholders in the food and agribusiness value chain to have access to instruments to offset these growing price risks. As a leading food and agribusiness bank, and a strategic partner of companies throughout the global food chain, we facilitate our food and agribusiness clients in using agricultural commodities derivatives to offset price risks.

Despite the important role trading in agricultural commodities derivatives can play in hedging risk, it can also be used for speculative purposes. There is ongoing debate about the possible downsides of using agricultural commodities derivatives for speculation because of its potential to create adverse impacts, such as a destabilizing the agricultural commodities markets.

Purpose

The purpose of this policy is to outline our position on the type of trading of agricultural commodities derivatives we find acceptable. This policy is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to clients and business partners that trade agricultural commodities derivatives via Rabobank, and when derivatives trading is considered material to their activities.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and by working together with its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding agricultural commodity derivatives trading, for our own activities we will:

- engage in proprietary trading in commodity derivatives for non-speculative purposes only;
- support research and further analysis on the impacts of commercialization of the agricultural commodities markets, including diminishing price risks for small-scale producers;
- engage with, amongst others, policy makers, regulators and commodity futures exchanges on the longterm stability of agricultural commodities markets, and to improve governance and transparency of commodity futures and over-the-counter markets.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding agricultural commodity derivatives, Rabobank does business with clients and other business partners that:

- use agricultural commodity derivatives only for hedging purposes or hedge enhancement purposes.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding agricultural commodity derivatives, we will not:

- facilitate trading in commodity derivatives for speculative purposes.

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates that:

- the purpose of trading agricultural commodity derivatives via Rabobank is only hedging price risks.

At a glance

- Rabobank facilitates clients on the agricultural commodity derivatives market because it can play a vital role in offsetting price risk (hedging).
- To avoid destabilizing food markets, Rabobank will not engage in proprietary trading in commodity derivatives for speculative purposes.



Animal Welfare Policy

Why this policy

Animal welfare is the well-being of animals, which from a human interaction perspective, includes providing for their physical and mental needs. Rabobank believes that good animal welfare implies that an animal is healthy, well-nourished, safe, comfortable, able to express innate behavior, and that it is not suffering from pain, fear nor distress. Good animal welfare also requires disease prevention and veterinary treatment, appropriate shelter, management, and humane treatment. Animal welfare is an important issue recognized by relevant industry standards and good practices, and to varying degrees, addressed in local legislation. There are also regional differences in current practices to be considered.

We recognize that sound animal welfare practices can result in sound financial livestock enterprises. Despite intensive farming often being efficient, it may not always safeguard animal welfare. This policy outlines our minimum acceptable standards and sets our global benchmark.

Purpose

The purpose of this policy is to support the recognition that animal welfare management needs to include both the minimization of negative experiences, and the provision of opportunities to have positive experiences¹⁰. To minimize negative experiences, and to provide for the physical needs of animals, as well as opportunities to express normal behavior, we believe that the Five Freedoms need to be safeguarded. These are:

1. Freedom from hunger and thirst, by ready access to fresh water and a diet to maintain full health and vigor;
2. Freedom from discomfort, by providing an appropriate environment including shelter and a comfortable resting area;
3. Freedom from pain, injury, or disease, by prevention or rapid diagnosis and treatment;
4. Freedom to express (most) normal behavior, by providing sufficient space, proper facilities and company of the animal's own kind;
5. Freedom from fear and distress, by ensuring conditions and treatment that avoid mental suffering.

This policy is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in the livestock farming sector and its value chain, from rearing animals, to transportation, processing (slaughter) and food manufacturing, including but not limited to meat, dairy, eggs, fish, leather. It also applies to those that are active in businesses related to companion pets and animals used for experimental purposes. For requirements on other important sustainability issues see also our [Agriculture Policy](#) and [Aquaculture and Fisheries Policy](#).

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and by working together with its networks. We distinguish between impacts in our

direct control and those that are directly linked through our relationships with clients and business partners. Regarding animal welfare, for our own activities we will:

- actively promote the respect for and protection of the well-being of animals;
- keep our food and agriculture research and sustainability expertise up to date on generally accepted, contemporary, and scientific understandings of animal welfare that emerges from the recognition that animals are sentient beings;
- be active members of the Global Roundtable on Sustainable Beef and the Dairy Sustainability Framework;
- help existing clients and business partners that are active in animals for entertainment and cultural events to transition their businesses to other sectors.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding animal welfare, Rabobank does business with clients and business partners that:

- are aware of their potential to cause or contribute to adverse animal welfare issues and that take active precautionary measures to avoid them by safeguarding the Five Freedoms (as described above), and that are able to properly describe and evidence the management of key risks to infringement of these freedoms during breeding, fattening, slaughtering and/or transportation;
- respect and protect the well-being of animals by promoting positive experiences, and providing animals with enriching opportunities to engage in behaviors that increase their comfort, confidence and capacity to make rewarding choices;
- make a continuous effort to increase the level of animal welfare, in accordance with internationally recognized benchmarks and good practices as outlined by the Animal Welfare legislation of the European Union, the International Finance Corporation (IFC) Good Practice Note: Improving

Animal Welfare in Livestock Operations, and the Terrestrial and Aquatic Animal Health Codes of the World Organization of Animal Health (OIE), commensurate with differences in local legislation on animal welfare and market practices in animal husbandry in different geographical locations;

- are not involved in research on sentient animals.

Farmed animals

Regarding farmed animal value chains, we do business with clients and business partners that are committed to good practices in:

- feed and water - all animals must have access to sufficient feed and water to meet their functional and behavioral requirements. Medicated or enriched food and water should only be used on professional advice and when it is not detrimental to animal health and welfare;
- hormones and antibiotics - use of hormones and antibiotics on animals must comply with all applicable laws and regulations and antibiotics should not be used for routine disease prevention or growth promotion. Antibiotics intended for human purposes may not be used for animals in food production;
- animal caretaker - owners or keepers of animals must look after their animals' welfare and, at a minimum, ensure that they do not cause any unnecessary pain, distress or other harm. Welfare enriching opportunities should also be provided.

Companion pets

Regarding companion pets, the same good practice commitments as for farmed animals apply (see above).

Animals used for experimental purposes

Rabobank only does business regarding animals used for the development, manufacturing, assessing of quality, effectiveness and safety testing of medicines, foodstuffs and other substances or products if:

- the principles of the three R's: Replace, Reduce, Refine are applied (see below);

¹⁰ Promotion of the provision of positive experiences refers to improving welfare by providing animals with enriching opportunities to engage in behaviors that increase their comfort, confidence and capacity to make rewarding choices.

- after specific evaluation, the purposes of the experiment/research (i.e., its anticipated benefits) are considered to be justified:
 - in treating diseases or health problems in humans, animals or plants;
 - in treating physiological conditions in humans, animals or plants;
 - for the protection of the natural environment in the interests of humans or animals;
- they can demonstrate through a harm-benefit analysis that the benefits outweigh the harms, and that specific attention has been given to maximizing the benefits and minimizing the harms;
- after the experiments have finished, the well-being of the animal cannot be guaranteed, it must be euthanized by an approved method, as soon, and as painless as possible;
- persons who carry out or take part in experiments are scientifically competent and have the appropriate education and training. Any associated animal breeding, supply and user establishments must be approved by the competent authorities.
- animal fighting for entertainment;
- cultural events and other uses of animals including marine animals or fish for entertainment purposes;
- hunting marine mammals and shark finning;
- cloning of animals for commercial purposes;
- use of endangered species or primates for experimental purposes, except in the following limited very specific cases:
 - if the aim of the experiment/research in question is the preservation of the species concerned;
 - if this species is patently the only one suitable for the biomedical purpose.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding Animal Welfare, we will not do business related to the:

- production, trade and processing of angora wool;
- production, trade and processing of fur;
- traditional foie gras production and trade;
- trade in or unauthorized catching of wildlife or wildlife products from species listed in Appendix I and II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and/or species on the IUCN Red List of Threatened Species;

At a glance

- Rabobank assesses animal welfare based on scientific knowledge and leading, globally accepted best practices and standards.
- Clients and business partners are required to safeguard on the 'Five Freedoms' (freedom from hunger and thirst, from pain, injury and disease, from discomfort, from fear and distress, and freedom to express normal behavior).
- Clients and business partners are also required to continuously improve animal welfare standards and provide animals with opportunities for positive behavior.
- We have strict guidelines regarding animal testing (applying the 'principles of the three R's': Replace, Reduce, Refine), and for cultural events involving animals.

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates:

- application of our guidance (specified below) for animals under care and influence of humans in the following categories: farmed animals, companion pets, animals used for experimental purposes;
- transparency and accountability on any animal welfare incidents.

Farmed animals

Regarding farmed animals (including transport and slaughter), we specifically collect supporting information that demonstrates:

- regarding proper housing systems - when housing systems are used, they must support the behavioral needs of the animals regarding movement, functional areas, environmental enrichment and resting. The housing system must protect the animals from damaging behavior, injury and distress;
- regarding health and disease - a health care program must be in operation, supported by periodic testing of the animals and remedial action being taken when necessary;
- regarding husbandry practices - all husbandry practices used should minimize the distress, injury and pain that animals may experience. Where practicable, alternatives to practices that in their execution cause injury and pain (e.g., dehorning, castration) must be used or pain-relieving measures introduced;
- regarding transport - the time for animals to be closely confined during transport should not exceed responsible minimum standards. The animals should be off-loaded into suitable animal holding facilities during the journey at intervals corresponding to driver fatigue breaks, and they should then be fed, watered and rested. The practices used must minimize distress and risk of injury;

- regarding slaughter - animals must be handled and slaughtered in the least distressing and most pain-free manner possible. Rabobank recognizes that it is necessary to take account of the non-stun slaughter requirements of certain religious rites. In case of the latter, reversible stunning should be practiced;
- regarding genetics and breed selection - the choice of breeds and breeding objectives should not focus only on maximum production and/or profit, but must also include animal welfare requirements. In addition, breeds used must have a demonstrated capacity to adapt to the conditions they live in;
- regarding animal caretaker - as animals may be adversely or beneficially affected by the attitudes and behavior of stockpersons towards them, they should always be treated with consideration. Rabobank stresses the importance of and need for appropriate training of all stockpersons and the introduction of motivating incentives to ensure that good management practices are implemented.

Companion pets

Regarding companion pets, we specifically collect supporting information related to:

- proper housing systems;
- health and disease;
- genetics and breed selection;
- any painful husbandry practices, if performed, needs to be undertaken by a veterinarian;
- special precautions are applied to long distance transport of pets.

Animals used for experimental purposes

Regarding animals used for experimental purposes, we specifically collect supporting information that demonstrates, that when experiments are carried out, the principles of the Three R's (Replace, Reduce, Refine) are applied. This entails the following principles:

- replace the use of animals with alternative techniques, or to avoid the use of animals altogether;

- reduce the number of animals used to a minimum, to obtain information from fewer animals or more information from the same number of animals;
- refine the way experiments are carried out, to make sure animals suffer as little as possible.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding animal welfare, we encourage our clients and business partners to:

- comply with accepted good practice as described in the International Finance Corporation (IFC) Good Practice Note: Improving Animal Welfare in Livestock Operations;
- work towards meeting FARMS Initiative's Responsible Minimum Standards with respect to how farm animals are raised, transported and slaughtered. Regarding housing systems, FARMS Initiative strongly encourages to transition to cage-free housing systems for laying hens and group housing systems for sows by 2025. Other best practices include: a maximum of 30kg/m² for broilers; a minimum of 2.25 m²/animal for sows; and 13.5 m²/animal for dairy cows;
- improve their Business Benchmark on Farm Animal Welfare (BBFAW) score or tier level, if already assessed, or obtain a BBFAW individual self-assessment (available for a fee from the BBFAW Secretariat) to benchmark itself against 150 global food business peers;
- include animal welfare considerations when applying good practices of regenerative farming and local supply chains, notably in supplying feed.



Biodiversity Policy

Why this policy?

Protecting and conserving biodiversity, maintaining *ecosystem services*, and adequately managing natural resources is fundamental to sustainable development. The agriculture sector, in which many of our clients operate, can cause biodiversity loss, but the sector also depends on *ecosystem services* (such as freshwater, carbon storage and soil formation) for its very existence. Many global food crops, including most fruits and vegetables, coffee and cocoa also rely on animals for their pollination. Efforts to enhance, protect and restore *biodiversity* can ensure that farming systems and broader land management can be resilient and prosper.

The five changes in nature with the largest global impact and biodiversity loss are: changes in land and sea use (including land conversion and *deforestation*); direct exploitation of organisms; climate change; pollution; and the invasion of alien species¹¹. There are several underlying causes of these changes, but *deforestation*, particularly due to land conversion for agricultural purposes, is one of the most prominent. The contribution value chains have on *biodiversity* loss varies per sector or product, per origin country or region, and depends on the conservation or carbon values of the *biodiversity* affected. We believe that the best approach to halt and reduce *deforestation* and other *biodiversity* loss is to maintain an agenda of positive engagement with government, society, and the farming community, and to actively promote best practices in production and in sourcing.

Purpose

The purpose of this policy is to encourage our clients and business partners to incorporate the

enhancement of *biodiversity* and *ecosystem services* into the benefit of their business. It also seeks to identify, prevent and mitigate risks to *biodiversity* loss that arise out of their activities. This policy is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to clients and business partners if we consider *biodiversity* impact material to their activities. Material impacts could be direct or indirect via value chains and on *biodiversity* landscapes and seascapes. It therefore applies to: upstream (primary producers with direct impacts); midstream (traders and distributors); and downstream (buyers e.g., consumer goods companies and retailers). *Deforestation* is one of the most prominent, but not the only, causes of *biodiversity* loss in scope of this policy. Water is another important *ecosystem service* for many of our clients in the context of *biodiversity* but also as part of our [Environment Policy](#). The sectors and geographies that Rabobank considers face the highest risks regarding *biodiversity* have specific [sector policies](#). For example, how this policy applies to commercial timber operations is addressed in our [Forestry Policy](#). Currently we have selected the Amazon biome as a high deforestation risk geography.

Definitions

Biodiversity: According to the UN Convention on Biological Diversity (CBD), biodiversity is the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems.

Ecosystem services: According to IFC, Ecosystem services are the benefits that people, including businesses, derive from ecosystems.

¹¹ Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES).

Ecosystem services are organized into four types: (i) provisioning services, which are the products people obtain from ecosystems (e.g., food, freshwater, timber, fibers, medicinal plants); (ii) regulating services, which are the benefits people obtain from the regulation of ecosystem processes (e.g., surface water purification, carbon storage and sequestration, climate regulation, protection from natural hazards); (iii) cultural services, which are the nonmaterial benefits people obtain from ecosystems (e.g., natural areas that are sacred sites and areas of importance for recreation and aesthetic enjoyment); and (iv) supporting services, which are the natural processes that maintain the other services (e.g., soil formation, nutrient cycling, primary production).

Deforestation: According to Accountability Framework, deforestation is the loss of natural forest as a result of: i) conversion to agriculture or other non-forest land use; ii) conversion to a tree plantation; or iii) severe and sustained degradation. Loss of natural forest meeting this definition is considered to be deforestation regardless of whether or not it is legal and without deduction for reforestation or other offset.

High Conservation Values: The HCV Network distinguishes: HCV 1: Concentrations of biological diversity including endemic species, and rare, threatened or endangered species, that are significant at global, regional or national levels. HCV 2: Intact forest landscapes and large landscapelevel ecosystems and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance. HCV 3: Rare, threatened, or endangered ecosystems, habitats or refugia. HCV 4: Basic ecosystem services in critical situations, including protection of water catchments and control of erosion of vulnerable soils and slopes. HCV 5: Sites and resources fundamental for satisfying the basic necessities of local communities or Indigenous peoples (for livelihoods, health, nutrition, water, etc.), identified through engagement with these communities or Indigenous peoples. HCV 6: Sites, resources, habitats and landscapes of global or national cultural, archaeological or

historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or Indigenous peoples, identified through engagement with these local communities or Indigenous peoples.

High Carbon Stocks: According to the High Carbon Stock Approach, high carbon stocks (HCS) is the amount of carbon and biodiversity stored within an area of land varies according to the type of vegetative cover, alongside other landscape considerations such as peat soils. The vegetation in an area of land can be stratified into six different classes using analyses of satellite data and ground survey measurements. These six classes are: High Density Forest, Medium Density Forest, Low Density Forest, Young Regenerating Forest, Scrub, and Cleared/ Open Land. The first four classes are considered potential High Carbon Stock forests. *Zero net deforestation:* According to Accountability Framework, Zero net deforestation is no net loss in forest area between two points in time, taking into account both losses from deforestation and gains from forest regeneration and restoration. Zero net deforestation would typically be assessed with reference to a given geographic area and a given timeframe. Zero net deforestation may be a relevant target at the landscape, jurisdictional, or national scale, considering all sectors and all land uses together.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and through its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding biodiversity, for our own activities we will:

- identify and prevent contributing to adverse impacts on biodiversity and ecosystem services;
- mobilize our products and services to help clients prevent biodiversity loss from land conversion, notably achieve *zero net deforestation*

by promoting clients in forest-rich countries to protect, enhance and preserve biodiversity and *ecosystem services* and only convert degraded land for agricultural production, thus discouraging *deforestation*;

- promote sustainable agricultural practices (notably precision farming) and balanced land-based, climate smart and nature inclusive farming, supported with bottomup solutions such as the development of a Biodiversity Monitor and its planet impact loan (for Dutch farmers), Open Soil Index, organic transition loan (for US farmers);
- engage with stakeholders to co-create *biodiversity* solutions such as the:
 - finance for Biodiversity Pledge, whereby financial institutions commit to share knowledge, engage with companies, assess impact, set targets and report publicly by 2024 on the progress of positive and negative impacts of their financing on *biodiversity*;
 - Informal Working Group in preparation for a Taskforce for Nature-related Financial Disclosures, to resolve the reporting, metrics, and data needs that will enable the financial sector to better understand risks, dependencies and impacts on nature;
 - Natural Capital Declaration (NCD), convened by the United Nations Environment Programme Finance Initiative (UNEP FI) and the Global Canopy Programme to integrate natural capital considerations into our financial products and services, financial accounting, disclosure and reporting.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding *biodiversity*, Rabobank does business with clients and other business partners that:

- show awareness of the risks and opportunities that impact positively and adversely on *biodiversity* and *ecosystem services*, notably the risks of their own operations and value chains on *deforestation* and land conversion, and a

commitment to address these, commensurate with their risks and controls;

- only convert degraded land to prevent causing or contributing to the conversion, degradation or over-exploitation of areas containing *high conservation values* (HCV) or *high carbon stocks* (HCS), even if legally allowed, and for other areas achieve *zero net deforestation*;
- if developing plans that could adversely impact *ecosystem services* and other *high conservation values* with social dimensions (cultural and community values), obtain the Free, Prior and Informed Consent (FPIC) of impacted communities where our assessment has identified that local legislation does not sufficiently address our principles.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding biodiversity, we will not do business related to:

- conversion or *deforestation* of *high conservation values* areas (with e.g., valuable species, landscapes, ecosystems, environmental services, basic needs for local communities, cultural values for Indigenous peoples);
- accepting land in selected high deforestation risk geographies or jurisdictions as collateral if it has been deforested in the last five years, even if performed legally; the intentional introduction of alien species into natural landscapes or marine environments that have not been designated as farming areas;
- trade in or unauthorized catching of wildlife or wildlife products regulated under CITES or species on the IUCN Red List of threatened species.

Moreover, we do not do business with clients or business partners that:

- have been involved in illegal *deforestation* or other illegal land conversion in the last five years;
- have used illegal fires for clearing land in the last five years;
- operate in legally protected areas as designated by national regulations and/or internationally designated for protection by the International Union for the Conservation of Nature (IUCN I and II areas), UNESCO World Heritage sites and/or RAMSAR wetlands;
- cause or intentionally contribute to a reduction in the population of endangered species (on the IUCN Red List of threatened species).

At a glance

- Rabobank strives to enhance *biodiversity* and *ecosystem services* and promote good agricultural practices, which are interdependent.
- Rabobank is committed to avoiding contributing to adverse impacts on *biodiversity* and *ecosystem services* and aims for zero net deforestation.
- Clients and business partners need to not cause or contribute to the conversion of areas containing *high conservation values* or *high carbon stocks*, nor should they operate in legally or internationally protected areas.
- Clients and business partners need to not cause or contribute to net deforestation nor reduction in the population of endangered species.
- Downstream clients need to have a sourcing mechanism and traceability to assess and select suppliers when purchasing from regions that are at risk of deforestation or other adverse *biodiversity* impacts.

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates that:

- in sectors and geographies we have assessed and identified as high risk for biodiversity loss (see also our sector policies), they have applicable and relevant practices commensurate with their risks and control, that monitor and manage the impact on biodiversity of their operations or value chains (including but not limited to e.g., certifications in production or sourcing). Specifically for selected high risk deforestation geographies, we promote the use of geospatial solutions to map landholdings and improve land use monitoring in commodity value chains to avoid financing trade flows directly linked to deforestation.

Upstream

We specifically expect upstream clients and other business partners, to also demonstrate that:

- they have implemented a strategy, commensurate with their risks and control, which prevents and mitigates biodiversity loss with a hierarchy that firstly avoids impacts (i.e., zero net deforestation), then to mitigate unavoidable impacts, and as a last resort, to compensate for impacts that remain after avoidance and mitigation measures fail (i.e. zero net deforestation);
- practices within their control do not lead to accidental or unintended introductions of alien species (including via the transportation) to natural areas.

Midstream and downstream

We specifically expect midstream and downstream clients and other business partners, to also demonstrate that:

- when purchasing from regions or jurisdictions with a high risk of adverse biodiversity impact, they have implemented good industry practices in supplier assessment, selection, transparency and traceability, commensurate with their risks and control (e.g., on the basis of progress towards verification or certification).

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding biodiversity, we encourage our clients and business partners to:

- adhere to the IFC Performance Standard on Biodiversity, especially when we finance projects operating or sourcing from non-OECD countries with higher biodiversity related risks;
- for traders and buyers directly linked to deforestation-risk commodities, commensurate with their risk and control, gradually increasing the proportion of their supply chains controlled by strategies that prevent and mitigate biodiversity loss, e.g., through verified or certified sourcing;
- to commit, beyond zero net deforestation, to No Deforestation, No new plantings on Peat, No Exploitation policies in relevant sectors and geographies;
- actively assess opportunities to invest in innovative solutions such as Payments for Ecosystem Services and other interventions that have a positive impact on biodiversity;
- publicly report on their (potentially adverse) impacts on *biodiversity* and *ecosystem services*.



Land Governance Policy

Why this policy?

Land Governance concerns the rules, processes and structures through which decisions are made about access to land and its use, the manner in which those decisions are implemented and enforced, and the way in which competing interests in land are managed. It also enshrines the concept of *cultural heritage*, and that in many communities, the landscape holds significant cultural value to the communities that live within it. Changes in land use and governance can have both positive and negative economic, social, environmental, and political impacts on communities, families, and other stakeholders. Inherent scarcity of land can lead to profound disputes and conflicts, especially where weak governance exists regarding land tenure, or where there is limited practical state protection of land rights. This can significantly affect communities if they have insufficient countervailing power to defend their legitimate interests.

Rabobank recognizes that across rural populations, different communities can be disproportionately impacted by changes of land use and governance. We recognize that especially our clients in primary production, and food and agriculture value chains can cause or contribute to land governance issues, and that the risks vary depending on the type of commodity and the countries of operation.

Purpose

The purpose of this policy is to ensure that the financial decisions about changes in access to land and land use respect land rights and do not lead to conflict between different users or other adverse impacts. This policy is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to clients and business partners if we consider land governance to be material to their activities. This can be the case if they are impacted by, or have an impact on, rules, processes and structures through which decisions are made about access to land and its use. It specifically relates to companies operating in primary production, food and agriculture and extractive sectors and their value chains, but can be dependent on their level of risk and control or influence in their supply chain.

Definitions

Cultural Heritage: According to the International Council on Monuments and Sites, Cultural Heritage is an expression of the ways of living developed by a community and passed on from generation to generation, including customs, practices, places, objects, artistic expressions and values. Cultural Heritage is often expressed as either Intangible or Tangible Cultural Heritage.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and by working together with its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding land governance, for our own activities we will:

- respect legitimate land tenure and the rights of local communities and individuals;
- recognize that Indigenous peoples are a particularly vulnerable group in certain communities and have specific internationally recognized rights;

- promote sound and fair land governance practices, including the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT), unless a Rabobank Local Standard has substantiated that this is better regulated by local laws and regulations;
- be responsive to grievances we receive regarding land rights conflicts in our engagement with clients.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding land governance, Rabobank does business with clients and other business partners that:

- respect legitimate land tenure and the rights of local communities and individuals;
- avoid causing or contributing to conflicts related to land ownership and/or the use or access thereof;
- do not engage in land grabbing practices;
- are aware of the risks of land related disputes in their primary operations and/or in their value chain;
- have sustainable and/or responsible business principles that promote good land governance, and implement appropriate governance structures, policies and management systems; provide accessible and accountable grievance mechanisms.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding land governance, we will not do business related to:

- new land development causing land tenure conflicts with local communities or Indigenous peoples.

At a glance

- Rabobank requires clients to promote good land governance, and implement appropriate governance structures, policies and management systems which respect legitimate land tenure rights.
- Clients need to apply inclusive business models and alternative forms of investment that may be more beneficial to existing land users and communities, and that do not require commercial transfer of land tenure in weak governance and conflict-sensitive contexts.
- Rabobank encourages its clients to engage with local communities and maintain open, transparent, effective and accessible mechanisms to record and resolve land disputes.

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates that they:

- know their potential impacts (or contribution to impacts through the value chain) regarding land governance issues, and that they understand local tenure frameworks, including the customary rules, regulations and bureaucratic processes;
- conduct independent social and environmental impact assessments, human rights impact assessments and/or household livelihood impact assessments for new large-scale commercial operations or project finance, and that these assessments identify how the project land interacts with current land use and occupancy, and that they have analyzed the land tenure related risks in the proposed area and at national level;

- in the case of large-scale operations or project finance, adhere to accepted best practices as described in the UN Declaration on the Rights of Indigenous peoples, if new operations or project locations are proposed on lands owned by Indigenous peoples, and when adverse impacts are expected. Where relevant to the project size and location, the IFC Performance Standard 7 on Indigenous peoples may also be required. The Free Prior and Informed Consent (FPIC) of these affected communities need to also be obtained before the project can proceed;
- prevent or mitigate exposure to land conflict risks in value chains and ensure suppliers are in compliance with applicable regulations, notably on FPIC, commensurate with risks and controls over the value chain;
- engage with relevant stakeholders to identify, prevent and mitigate the risks and remedy potential and actual adverse impacts of changes in land governance and land use, in particular with affected local communities, who often hold considerable information of the lands. Potential adverse impacts need to be assessed and documented, as well as the efforts to avoid or minimize these impacts. The client needs to ensure the information flow to affected communities is culturally appropriate and understandable;
- effectively deal with land governance-related disputes and that they have timebound plans and a proven track record of resolving land tenure conflicts;
- monitor and ensure their compliance with the land tenure agreements that have been made with communities and others.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding land governance, we encourage our clients and business partners to:

- deal responsibly with land governance, including respecting land tenure and land rights and the right to free, prior and informed consent of all stakeholders regarding changes in land ownership or land use, applying a context or conflict analysis as well as addressing gender issues;
- avoiding commercial, large scale changes in land tenure rights if alternatives exist that prevent or mitigate adverse impacts to Indigenous peoples and other local communities, including the appropriate compensation in monetary terms and/or through culturally appropriate sustainable development opportunities;
- apply inclusive business models and a landscape approach that looks at the total integral balance of land usage beyond one individual economic activity;
- operate grievance mechanisms that have proportionality, are communicated in a culturally appropriate and understandable way, are accessible, transparent and accountable to all stakeholders, and provide appropriate protection of environmental and human rights defenders that prevents retribution;
- for value chain clients, and commensurate with risks and position in the value chain, apply their control or influence, knowledge and networks (e.g., relevant round tables) to ensure (agribusiness) supply chains are in alignment with voluntary schemes, notably the VGGT and that the rights of Indigenous peoples, pastoralists and other vulnerable groups of local communities are properly addressed.



Plant Gene Technology Policy

Why this policy?

Rabobank strongly believes that plant gene technology can significantly contribute to the sustainable food transition for social problems regarding food security, public health, and the development of environmentally sustainable production processes. Used to engineer crops, plant gene technology can help achieve improved yields, enhanced nutritional value, consumer value, show greater resistance or tolerance to dry weather or soil conditions, and help reduce the application of herbicides or pesticides.

There are however potentially adverse or unintended impacts, such as food safety risks (toxic, allergenic effects), environmental damage, ethical concerns about respecting the integrity and complexity of life forms, limitations in both producer as well as consumer choice, intellectual property rights (patents) or other protection measures leading to concentration of power and undermining inclusive access to food. Furthermore, there are recurrent doubts and differences in opinion about the need for precaution of (unintended) negative effects, particularly concerning *Genetically Modified Organisms (GMOs)* and – more moderately – for New Breeding Techniques (NBTs, notably CRISPR-Cas9), as well as regarding product detection, product quality and mandatory labelling. Different jurisdictions apply different regulation, despite international trade crossing different geographies, regarding either the techniques or the resulting products. But these are in continuous development and are not broadly understood or supported.

Purpose

The purpose of this policy is to outline the conditions for sustainable plant gene technology, so that it is able to play a key role in ensuring food security. This policy is intended to provide a basis that can protect bottom lines, demonstrate business principles and

how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in applying plant gene technology in seed production, when it is considered material to their activities. While general core policies and sector policies continue to apply to farmers using seeds and their product buyers, our policy for companies in the downstream value chain will be derived from impact assessments and stakeholder engagements. The focus of this policy is on product development activities using both *Genetically Modified Organisms (GMOs)* as well as New Breeding Techniques (NBTs) in plants. Animal applications are out of scope and need to be reviewed on a case-by case basis, and in line with our [Animal Welfare Policy](#).

Definitions

Genetically Modified Organisms (GMO): GMO refers to products derived from gene technology or genetic engineering, which introduces DNA from bacteria, viruses or other plants.

New Breeding Techniques (NBTs): NBTs cover a wide range of techniques that use site-directed genome editing and natural genome repair processes, resulting in products similar to those from traditional breeding techniques. New varieties generated can be distinguished as three types: i) plants containing new DNA fragments; ii) plants with mutations in their DNA; and iii) plants without new DNA fragments and without mutations.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and by working together with its networks. We distinguish between impacts in our

direct control and those that are directly linked through our relationships with clients and business partners. Regarding plant gene technology, for our own activities we will:

- clearly acknowledge, and actively and openly communicate with scientists, ethicists, politicians and social organizations about concerns, opportunities and dilemmas regarding plant gene technology;
- evaluate and document credit applications related to product development on a case-by-case basis within their own specific context and only with clear justification for exceptions in the phase of research and development activities on a non-commercial scale.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding plant gene technology, Rabobank does business with clients and other business partners that:

- for product development activities, show due regard for the safety of people, nature and the environment and with a convincing potential to deliver added-value to both the environment as well as to the users of the plant products in which New Breeding Techniques or gene technology is incorporated;
- are transparent, accountable and responsive to stakeholders, including on considerations regarding the extent and type of product labelling relevant to the product type i.e., containing new DNA, mutations, or neither of these;
- for production of, or trade in, living *genetically modified organisms*, obtain permission from the importing country and meet all requirements of the Cartagena Protocol.

In practice, we may engage with clients and business partners that not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding plant gene technology, we will not do business with activities related to the:

- cloning of animals for commercial purposes;
- cloning humans (and related activities).

At a glance

- **Rabobank strongly believes that plant gene technology can significantly contribute to the solution for future social problems regarding food security, public health, and the development of environmentally sustainable production processes.**
- **Our clients and business partners are required to operate responsibly when developing products that use plant gene technology. They are to consider the interests of the community with great care, and communicate transparently and openly.**

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates:

- accountability regarding product purpose (for the environment and product user), the techniques applied, and the prevention or mitigation of any negative impacts on people, nature and the environment;
- products released on a commercial scale have been proven to be safe and accessible to users without discrimination;
- that further to respecting local laws and regulations, they have arrangements in place to monitor and appropriately respond to changes

and differences in market requirements regarding products that contain new DNA and mutations (including customer expectations, if these go beyond legal compliance, e.g., for making transparent consumer choices);

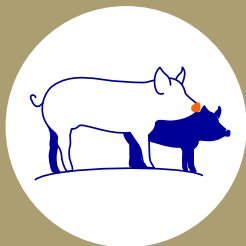
- activities in the field of genetic materials and genetic engineering are only conducted if they meet the permission and processing requirements as described in the UN Convention on Biological Diversity and the related Bonn Guidelines or Nagoya Protocol.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding plant gene technology, we encourage our clients and business partners to:

- engage actively with stakeholders in science, politics and society and be responsive to their environmental, social and ethical concerns, opportunities and dilemmas.

Sector Policies



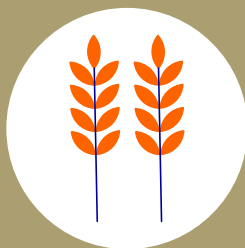
Agriculture



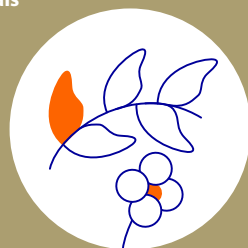
Agrochemicals



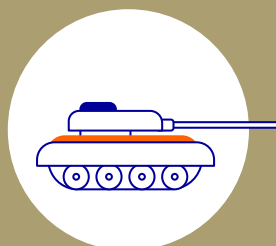
Aquaculture and Fisheries



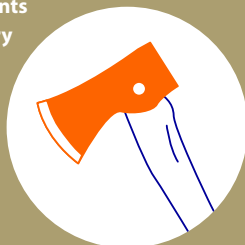
Biomass



Cocoa, Coffee, Tea and Cotton



Armaments Industry



Forestry



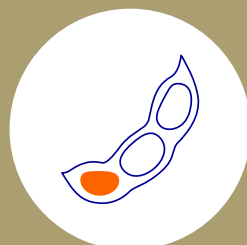
Metals, Minerals and Mining



Palm Oil



Ship Breaking and Recycling



Soy



Sugarcane



Agriculture Policy

Why this policy?

Rabobank acknowledges the existential role agriculture plays in feeding the world and promotes sustainable agriculture for doing this responsibly. As a global food and agribusiness bank, we have significant commercial interests in sustainable production of many agricultural commodity sectors and value chains (e.g., dairy, eggs, meat, plant protein alternatives, grains, oilseeds, potatoes, fruits and vegetables, flowers, wool, leather etc.). We also recognize that managing natural systems and understanding and finding the balance between profit, the planet and its people is highly complex, rarely simultaneous and imperfect in its execution.

Responsible finance and good agricultural practices implicate the preservation of agriculture's primary assets, including land, soil and water. Together with our clients, we strive to prevent irreversible consequences and strengthen current agricultural systems by reducing global greenhouse gas emissions, halting deforestation or ecosystem and biodiversity loss; promoting animal welfare, respecting human rights; preserving water quality and availability; improving soil health; minimizing residues on farm produce; reducing loss and waste (including food waste), and closing the gap in the knowledge of food systems between non-farming urban communities and farming rural communities.

Some of the largest export-oriented companies have highly efficient economies of scale and productivity, including efficiency in land use and managing emissions to air, soil and water. Nonetheless, there are societal concerns around the scale of agriculture, e.g., the use of monocultures, crop protection agents, chemical fertilizers, genetically modified seeds, large-scale irrigation and, in particular, the potential direct and indirect adverse impacts of the livestock farming sector related to animal feed requirements. Concerns need to be reviewed and addressed in light of the fact that small scale

agriculture, with circular and locally focused supply chains, may not be able to feed the world by itself alone. The challenge is, how can we combine the (best of both) systems to ensure a sustainable food and fiber production system.

Purpose

The purpose of this policy is to promote sustainable agricultural practices, which we define as the ability of our clients to financially prosper, whilst ensuring that they act as custodians of the natural environment in which they operate, and that they are able to positively contribute to enhancing their local communities. This policy also aims to contextualize and support transitions and monitoring, and is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in the agriculture value chain, unless explicitly specified. It applies to primary producers, from large farming conglomerates to individual farmers. They have very different operations and in very diverse geographies, some with more strictly enforced regulatory frameworks than others. These primary producers farm livestock at various scales, annual and perennial crops, as well as greenhouse and urban farming systems. Mirroring responsibilities also apply to midstream and downstream activities in the food sector in support of farmers however they have not been detailed in this policy. Furthermore, specific requirements for crops with high-level sustainability risks are addressed in our [sector policies](#)¹³, unless substantiated in Rabobank Local Standards that these specific policies are already covered by local laws and regulations.

¹³ Notably: Agrochemicals, Aquaculture and Fisheries, Biomass, Cocoa, Coffee, Tea and Cotton, Palm oil, Soy and Sugarcane.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and through its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding agriculture, for our own activities we will:

- actively follow the scientific and public debate on the pros and cons of scales of production;
- engage in continuous dialogue with authorities and other relevant stakeholders to promote the United Nations Sustainable Development Goals, among others SDG 2: Zero hunger, with the focus on enabling our clients to optimize their opportunities in meeting the increased demand for food and fiber;
- promote circular economy business models, where relevant to meet the purpose of this policy, especially in livestock feed supply chains;
- actively participate in the leading (global) networks and roundtables, notably:
 - Global Roundtable for Sustainable Beef and its regional chapters, such as US Roundtable for Sustainable Beef;
 - Dairy Sustainability Framework.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding agriculture, Rabobank does business with clients and other business partners that:

- show commitment to our [Animal Welfare Policy](#), [Biodiversity Policy](#), [Land Governance Policy](#), and [Plant Gene Technology Policy](#), if we consider these issues material to their activities;
- take into account local resource availability; (specifically managing land, water, capital, labor, knowledge, climate and infrastructure);

- duly consider the possible effects of transportation (costs, emissions, animal welfare).

In practice, we may engage with clients and business partners that not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding agriculture, we will not do business related to:

- any restricted activities specified in our [Animal Welfare Policy](#).

At a glance

- **We work with large and small farmers in our portfolio of agricultural primary production clients to facilitate optimizing production of marketable commodities and fresh produce, while responsibly managing inputs, land (including any expansions or land use changes from other land use to agricultural land), biodiversity, water, effluents, emissions (including greenhouse gases), safety, and health.**
- **We encourage farmers to continuously improve their farm management and build resilience to climate change.**

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates that they:

- meet the requirements of our [Animal Welfare Policy](#), [Biodiversity Policy](#), [Land Governance Policy](#) and [Plant Gene Technology Policy](#), if we consider these to be material to their activities;

- manage and optimize production of marketable commodities and produce, based on more sustainably produced inputs including:
 - minimized emissions of minerals, metals and greenhouse gases originating from animals, manure, and fertilizers;
 - responsible use of antibiotics, hormones, growth enhancers, drugs and other agrochemicals. This includes the reduction of antibiotics for prophylactic use as much as possible, and in line with local legislation and industry standards;
- improve soil health, minimized erosion while increasing organic matter, and use agricultural inputs responsibly;
- responsibly manage any expansion or land use change (from non-agricultural land);
- maintain the appropriate local licenses and approvals for all irrigation and on farm water systems;
- meet all local Occupational Health and Safety legislation and workplace relations laws, in line with the principles in our [Labor Rights Policy](#).

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding agriculture, we encourage our clients and business partners to:

- develop a whole farm management plan that identifies and plans to continuously improve, among others, biodiversity, adaptability (resilience) to climate change, commensurate to their risks and controls (e.g., size, product portfolio, location and other client conditions);
- reduce air emissions (notably greenhouse gas emissions) and measure or establish estimations per unit of area or unit of production/nutrition and work towards CO2 neutrality;
- improve sub-surface and surface water availability, utilization, and quality, especially water-stressed landscapes;

- reduce the residual toxicity in produce, soil, water, non-farmed vegetation, humans, and wildlife, in line with the principles in our [Environment Policy](#);
- improve breeding selection, alongside high-level criteria on animal welfare and in line with our [Animal Welfare Policy](#);
- materialize circular economy opportunities, such as those in:
 - feed (maximized local sourcing, using waste and by-products from the food industry, using feed that is also grown with sustainable agriculture practices);
 - employing low-emission manure management; and using more sustainable packaging in balance with the need to prevent food waste;
- adopt any other (promising) new technologies and production models that reduce the negative impact on soil, water, climate change and biodiversity, e.g., integrated crop farming and agroforestry systems;
- continuously train, educate, and develop themselves and the agricultural workforce they employ, including succession planning considerations;
- engage stakeholders, including governments, NGOs, intergovernmental organizations, local communities and society at large, into periodic transparency dialogue;
- engage value chain partners to establish practices that support reduced food loss and food waste, longer term and fair-value chain relations (e.g., using true pricing), and value chain transparency and traceability (e.g., supported by digitalization).



Agrochemicals Policy

Why this policy?

Agrochemicals are synthetic active product ingredients and formulations used in agriculture to protect crops and commodities from weeds, animal pests and diseases, to realize higher crop yields and reduce post-harvest losses. They have become an integral part of most farming systems and are instrumental in realizing global food production. They can also enable no-tillage farming systems, which have a positive impact on soil organic matter content and soil structure, and thereby lead to lower GHG emissions. However, agrochemicals by their nature, and without appropriate *Product stewardship*, can also be the source of adverse impacts. In their production (including supply chain), and in their use (including distribution and storage), agrochemicals can cause and contribute to material adverse impacts on: people (e.g., acute and chronic toxicity related to inappropriate handling and applying and other forms of exposure); the environment (e.g., animals, plants, water, soil, and the ozone layer); and – as yet less understood - ecology (e.g., insects, soil life and biodiversity as well as the impacts further down the food chain). There is an ongoing public debate about the future role of crop protection in higher yielding farming systems in comparison to alternatives e.g., circular farming systems, *integrated pest management* and precision agriculture.

Although access to markets, production, distribution and use is regulated, this can be highly differentiated across geographies, and agrochemicals still find their way to markets illegally due to regulatory oversight, non-compliance or lack of enforcement. Rabobank believes that the entire value chain, plus regulators and enforcers, all share the responsibility of ensuring the safe production, handling and use of agrochemicals and to prevent or mitigate adverse impacts as much as possible.

Purpose

The purpose of this sector policy is to support transitions in crop protection towards longterm food security, better public health and decreasing the environmental footprint of farming systems. It is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This sector policy is applicable to agrochemical companies, i.e., large clients producing active ingredients and formulations in the agrochemical sector value chain.

Our core policies and sector policies continue to apply to all clients and business partners that are active in trading, distributing and using agrochemicals. We distinguish the following links in the agrochemicals value chain: upstream (chemical companies that manufacture active ingredients, agrochemical companies that manufacture active ingredients and formulations); midstream (traders and distributors of agrochemicals); and downstream (farmers and primary producers i.e., the users of agrochemicals pre- and post-harvest).

Agrochemicals can include both synthetic crop protection ingredients and formulations as well as fertilizers. The scope of this policy is limited to synthetic crop protection ingredients and formulations only.

Definitions

Higher Risk active ingredients: Active ingredients and formulations that meet Criterion 8 of the definition of Highly Hazardous Pesticides of the International Code of Pest Management by FAO and WHO, based

on a science based, internationally widely accepted and legally or multilaterally accepted classification system have severe adverse impacts on human health and/or the environment or ecology.

Highly Hazardous Pesticides: Pesticides meeting one or more of the Criteria 1 to 8 of the International Code of Pest Management by FAO and WHO (i.e., Pesticides categorized as 1A or 1B by WHO; categorized as 1A or 1B by Globally Harmonized System on Classification and Labelling of Chemicals (GHS); substances banned under the Stockholm Convention on Persistent Organic Pollutants (POP); or substances listed in Annex III of the Rotterdam Convention and other pesticides that show a high incidence of severe or irreversible adverse effects on human health or the environment).

Integrated Pest Management (IPM): An ecosystem approach to crop production and protection that combines different management strategies and practices to grow healthy crops and minimize the use of pesticides. IPM is an approach-based method for analysis of the agro-ecosystem and the management of its different elements to control pest and keep them at an acceptable level (action threshold) with respect to the economic, health and environmental requirements¹⁴.

Product stewardship: An approach to managing materials and products that reduces their impact on the environment, human health and safety throughout their lifecycle.

¹⁴ Source: <http://www.fao.org/agriculture/crops/thematic-sitemap/theme/spi/scpi-home/managing-ecosystems/integrated-pestmanagement/en/>

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors, by providing financial products and services, sharing knowledge and through its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding agrochemicals, for our own activities we will:

- support the transition towards longterm food security, better public health and decreasing the environmental footprint of our food system by facilitating more sustainable farming systems;
- facilitate and stimulate the dialogue with, and between, stakeholders on more sustainable farming systems, *product stewardship*, and the possibility of urgently replacing categories of agrochemicals with high levels of negative side effects with effective solutions that have as few side effects as possible;
- take appropriate measures as soon as a science based identification and classification of the impact of *Higher Risk active ingredients* on people, the environment or the ecology is accepted.

What we expect of others

As a values driven organization, we do business with those who share our principles. Therefore regarding agrochemicals, Rabobank does business with clients and other business partners that:

- replace *Highly Hazardous Pesticides* and *Higher Risk active ingredients*, or that reduce their production, or replace them with other effective, and as least harmful as possible, active ingredients and formulations from either biological or chemical origin, or with technologybased solutions or alternative farming practices;
- adopt *Product stewardship*, including production, distribution and measures that prevent the illegal sale of (formulations) of their agrochemicals, and ensure the safe storage and use of their agrochemicals;

- are willing and able to remain up to date on the scientific debate around the adverse impacts of agrochemicals on the environment, and have a nuanced position on such.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding agrochemicals, we will not do business with:

- clients or business partners that have been proven to not meet local laws and regulations with respect to market access, production, distribution and use of agrochemicals.

At a glance

- **We support the transition towards longterm food security, better public health and decreasing the environmental footprint of our food system through more sustainable farming systems.**
- **Rabobank, its clients and its business partners need to keep up to date on the scientific debate around adverse impacts of agrochemicals.**
- **We believe that:**
 - **there is a need to replace *Highly Hazardous Pesticides* and *Higher Risk active ingredients* with other effective, less harmful solutions or practices;**
 - **the entire value chain, plus regulators and enforcers, all share the responsibility of ensuring the safe production, handling and use of agrochemicals and to prevent or mitigate adverse impacts as much as possible.**
- **Our clients need to adopt *Product stewardship*, including production, distribution and measures to prevent the illegal sale of agrochemicals and ensuring the safe storage and use.**

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates:

- the urgent replacement of *Highly Hazardous Pesticides* and gradual replacement of *Higher Risk active ingredients* occurs within a reasonable timeframe, described in timebound plans and with proactive investments in alternative solutions (including those in R&D and the scale-up of production) justifying an extended timeframe of legacy portfolios;
- compliance with all relevant local laws and regulations with respect to market

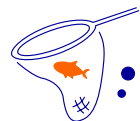
- access, production, distribution and use of agrochemicals;
- all reasonable steps to prevent the illegal sale and use of (formulations of) their agrochemicals have been taken;
- guidance on the safe storage and use of agrochemicals has been provided, and that takes the conditions in the target markets into consideration;
- adherence to international standards of managing the environmental, health and safety (EHS) risks and hazardous waste at their production facilities (e.g., IFC Performance Standard and World Bank EHS Guidelines) and their supply and distribution chains (e.g., participation in the Together for Sustainability initiative);
- adherence to the International Code of Conduct on the Distribution and Use of Pesticides issued by the Food and Agriculture Organisation (FAO) concerning the manufacture, sale, distribution and advertising of pesticides;
- active pursuance of and/or participation in the scientific debate on the adverse impacts of pesticides on human health and/or the environment and ecology, and that they have a nuanced position on such.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding agrochemicals, we encourage our clients and business partners to:

- gradually replace, based on a science based plan, WHO Class 2 agrochemicals for all uses except for those for which there is no best alternative *Integrated Pest Management (IPM)* method available;
- adopt and adhere to *Product stewardship* best practices;
- underpin their commitment to support the transformation to more sustainable farming systems by conducting R&D and investing in:

- new biologicals and less harmful agrochemicals;
- data driven technologies aimed at supporting the adoption of biologicals and lowering the application rates of agrochemicals in the field (e.g., precision farming);
- new farming systems;
- agronomy aimed at increasing the productivity of the agrochemicals and/or minimizing their harm.
- in the public domain, share information on all R&D results, (re)registration processes and their public affairs strategy;
- engage in an open dialogue with society.



Aquaculture and Fisheries Policy

Why this policy?

Fish farming and wild catch contribute to the provision of nutritious food for local, national and international markets, and they generate income that supports local and national economies. However, the seafood sector is also linked to potential adverse impacts on the environment and livelihoods with increasing demand also challenging future fish production.

In this sector, both upstream activities (including input supply chains), and midstream processing (including distribution and storage), can cause and contribute to material adverse impacts on: people (e.g., food security for local communities, poor labor conditions, food safety); animals (e.g., welfare in fish farms); the environment and climate (e.g., pollution of surface water, unsustainable fishing methods, loss of biodiversity, the depletion of wild stocks, catching and trading of endangered species); and social and environmental impacts further up or down the value chain.

Purpose

The purpose of this policy is to outline the conditions for a sustainable aquaculture, fisheries and seafood processing sector, to enable it to play its key role in ensuring food security. It is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in aquaculture, fisheries (wild catch) and seafood processing sector value chains, unless explicitly specified. Aquaculture involves fish farming, which takes place under

controlled conditions. Activities lead to the raising and/or harvesting of aquatic organisms such as fish, crustaceans, mollusks and plants. The fishery sector involves taking wild catch. The seafood sector involves processing and trading activities. Due to the difference between aquaculture, fisheries (wild catch) and seafood processing, we have specified different requirements for each activity.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and by working together with its networks.

We distinguish between the impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding aquaculture and fisheries, for our own activities we will:

- promote sector initiatives such as the Marine Stewardship Council (MSC) and the Aquaculture Stewardship Council (ASC).

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding aquaculture, fisheries and seafood processing, Rabobank does business with clients and other business partners that show commitment to our [Animal Welfare Policy](#), [Biodiversity Policy](#) and [Land Governance Policy](#), if we consider these to be material to their activities. In practice, we may engage with clients who do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

Aquaculture

Regarding aquaculture value chains, we do business with clients that are committed to good practices in:

- applying food safety standards;
- establishing traceability back to the farm.

Fisheries (wild catch)

Regarding fisheries (wild catch) value chains, we do business with clients that are committed to good practices in:

- conducting the fishery in a manner that does not lead to over-fishing or depletion, and that demonstrably leads to the recovery of populations that are depleted, including no fisheries in Marine Protected Areas and the Natura 2000 network of protected areas; and
- using catching methods that minimize the impact on other marine species and/or habitats and avoid the capture of non-target species.

Seafood Processing

Regarding seafood processing value chains, we do business with clients that are committed to good practices in:

- procurement paying attention to the sustainability issues for the seafood sector; and
- applying food safety standards.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Specifically regarding aquaculture and fisheries, we will not do business related to:

- illegal, unrecorded and unregulated (IUU) fishing, fishing related activities and processing;
- hunting of marine mammals and shark finning;
- the use of dynamite and poison in fishery practices; or
- drift net fishing in marine environments using nets in excess of 2.5 km in length.

At a glance

- Rabobank believes sustainable seafood can contribute to food security.
- Clients operate in three business segments – aquaculture, fisheries (wild catch) and seafood processing – each with specific requirements, being:
- Aquaculture clients are required to establish safeguards by working towards certification under a credible scheme, such as that of the Aquaculture Stewardship Council (ASC) and purchase feed from responsible suppliers.
- Fisheries (wild catch) clients are required to become certified under a credible scheme such as that of the Marine Stewardship Council (MSC) and not be involved in unauthorized catching and trading of endangered species.
- Seafood Processing clients are required to establish traceability in their supply chain to leverage sustainable fish farming and wild catch practices.

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates meeting the expectations listed above through credible (progress towards) relevant certification. All clients operating in the aquaculture, fisheries and seafood processing sector, need to meet the requirements of our [Animal Welfare Policy](#), [Biodiversity Policy](#) and [Land Governance Policy](#), if we consider these to be material to their activities.

Aquaculture

Regarding aquaculture, we specifically expect clients and other business partners to:

- take action to become certified under a credible scheme, e.g., the Aquaculture Stewardship Council (ASC) standard or the Best Aquaculture Practices (BAP);

- take adequate measures to safeguard the undiminished quality and availability of surface water and aquifer;
- take adequate measures to minimize the harmful effects of introducing non-native species or genetically altered stocks into waters;
- purchase feed from reliable suppliers that have a responsible approach to sourcing raw materials (from plant and animal origin), preferably from suppliers with Global Standard for Responsible Supply (IFFO RS) certification; and
- undertake social and environmental impact assessments prior to establishing new aquaculture operations, and incorporate results into planning, management and operations.

Fisheries (wild catch)

Regarding fisheries (wild catch), we specifically expect clients and other business partners, to:

- take action to become certified under a credible scheme, e.g., the Marine Stewardship Council (MSC) standard for sustainable fishing.

Seafood Processing

Regarding seafood processing, we specifically expect clients and other business partners to:

- establish, to the best of their abilities, better traceability and certification in their supply chain.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement.

Aquaculture

Specifically regarding aquaculture, we encourage our clients and business partners to:

- adhere to Accepted Good Practices as published by the IFC guidelines on aquaculture in the Good Practice Note: Improving Animal Welfare in Livestock Operations;

- show commitment to closed systems for the control of water use, diseases and brood stock;
- seek sustainable alternatives for fish oil and fish meal used as feed; and
- be transparent about their plans to increase the production of sustainable farmed fish.

Fisheries (wild catch)

Specifically regarding fisheries (wild catch), we encourage clients and other business to:

- deploy good industry practices, using energy efficient vessels, securing sufficient health and safe working conditions, and providing a sufficient remuneration for their employees; and
- be transparent about their plans to increase the proportion of sustainably caught fish.

Seafood Processing

Specifically regarding seafood processing, we encourage clients and other business partners to:

- be transparent about their current fish production or procurement and their plans to increase the portion of sustainably caught or farmed fish; and
- trace back the wild catch they source to specific vessels and sources to avoid sourcing endangered or threatened species and to avoid becoming implicated in adverse human rights and labor issues.



Armaments Industry Policy

Why this policy?

Armaments are weapons, equipment (including product-specific parts) used in activities such as war, crime, hunting and law enforcement, and can be described as either controversial or non-controversial. We acknowledge the right of democratic countries to defend themselves, yet it is difficult to reconcile the *armaments industry* and human rights because weapons, the trade in weapons and the *armaments industry* can lead to the violation of human rights, especially in conflict situations and in countries governed by a *controversial regime*.

Although Rabobank's primary focus is the food and agribusiness sector, it is essential that we have a position on the *armaments industry* because business activities related to this industry are often conducted under the umbrella of large conglomerates. We do not in any way whatsoever want to be involved in *controversial armaments*. For non-controversial armaments we apply a 'No, unless' principle with strict requirements for (prospective) clients to meet.

Purpose

The purpose of this policy is to make clear which controversial activities and clients are excluded by Rabobank and which preconditions apply for the 'No unless' principle to non-controversial armaments activities. This policy is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in the *armaments industry* value chain (including production, research, development, services, management, system

integration, testing, selling, distribution and maintenance).

Definitions

Armaments: are generally referred to as arms, weapons and weapon systems, including productspecific components, partial systems, spare parts, maintenance, operation, intermediation and advisory services that are designed for and can be used in armed conflicts and represent a substantial contribution to that end. Armaments can be described as either controversial or noncontroversial.

armaments industry: the generally accepted and realistically applicable definition of the Armaments Industry is an industry in which armaments and derivative products are manufactured for, and purchased by, the armed forces, private security organizations or the police force of a country. *Controversial armaments*: Rabobank distinguishes seven types of controversial weapons: cluster munitions, anti-personnel mines, white phosphorus used in incendiary weapons or munitions, depleted uranium munitions, biological, chemical and nuclear weapons¹⁵. These are considered controversial because of their humanitarian impact and/or the large numbers of civilian casualties they cause, often for many years after the conflicts in which they were deployed have ended.

Controversial regimes: countries that are subject to both an armaments embargo and financial sanctions and travel restrictions as defined and imposed by the United Nations, the United States of America, and/or the European Union, and countries that are

¹⁵ There is no universally accepted definition of controversial armaments. Rabobank therefore defines 'controversial armaments' based on the following: Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction (Ottawa Treaty, 1997); Convention on the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their destruction (1972); Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction (1993); Convention on Cluster Munitions (Oslo Convention, 2008); and the Non-proliferation Treaty (1968).

not subject to those sanctions, but which Rabobank deems to be at greater risk of armed conflict and/or violating human rights.

Controversial purposes: the purpose of (noncontroversial) armaments is considered controversial if the armaments have the potential to be used to provoke conflict or contribute to increased tension, and thus have a negative impact on the peace, safety and stability of a place.

Dual use: products and technologies normally used for civilian purposes, but which may have military applications.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and by working together with its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners.

Regarding the *armaments industry*, we pursue a policy based on the 'No, unless' principle. In addition to what we expect of others, this means we will not facilitate direct investments within the framework of our investment services (including asset management and associated advisory services) in *controversial armaments*. Furthermore we will not invest our own funds in:

- any activity that is linked to *controversial armaments*; or
- government bonds issued by *controversial regimes*; or
- securities issued by companies that produce or trade in armaments with *controversial regimes*.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding the *armaments industry*, Rabobank does business with clients and other

business partners involved in non-controversial armaments if:

- the company complies with all relevant laws and regulations, including holding the appropriate export license in cases concerning the export of military goods and *dual use* goods, to ensure they have a civilian purpose; and
- the company does not have business relationships with intermediaries (because this can quickly obscure the actual purpose of the financing and the ultimate use of the armaments related product); and
- Rabobank has been assured that the *armaments* will not be used for *controversial purposes*.

In practice, the 'No, unless' principle means we will not engage with clients who do not yet fully meet all these expectations.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Specifically regarding the *armaments industry*, we consider the activities to be so detrimental, that we do not want to enter into business with companies that:

- develop, produce, trade, market, sell, distribute, transport and/or maintain *controversial armaments*.
- develop, produce, trade, market, sell, distribute, transport and/or maintain non-controversial armaments and munitions that can be used for *controversial purposes*
- supply non-controversial armaments or armaments-related products to government agencies in *controversial regimes*.

Furthermore, Rabobank chooses not to enter into business with government agencies of *controversial regimes*, including their central banks.

At a glance

Rabobank will not:

- invest our own funds in activities connected to *controversial armaments* or *controversial regimes*.
- provide financial services to companies involved in *controversial armaments*.
- provide financial services to companies involved in (non-controversial) *armaments* unless they meet strict conditions to avoid their use for *controversial purposes*.
- facilitate direct investments within the framework of our investment services (including asset management and associated advisory services) in activities connected to *controversial armaments*.

How we monitor performance

Rabobank reviews the performance of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information. Rabobank has additional internal Implementation Guidelines aligned with our [Armaments Industry Policy](#) to provide further details and guidance on how we put our [Armaments Industry Policy](#) into practice.



Biomass Policy

Why this policy?

Biomass, biogas and biofuels are primarily derived from either residual *feedstock* (e.g., sewage sludge, organic waste, used cooking oils and manure), and to a limited extent from crops (e.g., sugarcane, corn, soy and palm oil) and forestry (e.g., from pruning, forestry refuse, wood cultivation, and logging, and scrap wood from construction). The use of biomass can reduce the use of fossil resources currently meeting fuel and energy needs for transport, heat and electricity, and can therefore contribute to positive environmental and climate impacts. *Biomass* is also increasingly being used as raw material in construction (e.g., timber frames, bio-concrete), chemical applications (e.g., bio-composites), and as a soil improver. Its diversity and ability to service both the food and energy markets positively benefits farmers globally. Furthermore, *biomass* residual *feedstock* also has the extensive potential as input into a circular economy. This is particularly the case towards the top of the value pyramid, which ranks biomass as a food and pharmaceutical source, above being a source of animal feed, fiber and fuel. There is however, potential for *biomass* and biofuel derived from food crops, wood cultivation and logging to create adverse environmental impacts (on biodiversity, air, soil and water) and societal considerations, depending on the scale of production and geographical location.

Purpose

The purpose of this sector policy is to ensure that our financing activities of (notably non-residual) biomass *feedstock* (in all application forms) provide balanced and net positive impacts. This needs to be underpinned by a hierarchy that supports clients' use of *feedstock* at the most appropriate level in the value pyramid. This policy is intended to provide a basis that can protect bottom lines, demonstrate

business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in the biomass value chain, unless explicitly specified. It includes upstream (*biomass* producers), midstream (processors, traders and transporters), and downstream companies (sourcing *biomass*¹⁶). All biomass *feedstock* is in scope, as well as all biomass applications in *biofuels, biogas, bioenergy* and biomaterials (e.g., bioplastics and biofoams), and biochemistry (e.g., fertilizers and lubricants).

Definitions

Biofuels: Liquid fuels derived from *biomass*, used mainly in transport. The most common biofuels are bioethanol (a substitute for petrol) and biodiesel (a substitute for diesel).

Biogas: Gas derived by the breakdown of *biomass feedstock* (mostly agricultural/plant residues, waste and manure), primarily resulting in methane and CO₂.

Biomass: Living or recently dead organisms from plants or animals.

Feedstock: Every region has its own locally generated *biomass feedstock* from agriculture (purposely grown or residual flows), forest and urban sources. The most common biomass feedstocks are: grains and starch crops (sugar cane, corn, wheat, sugar beets, industrial sweet potatoes); agricultural residues (corn stover, wheat straw, rice straw); food waste; forestry materials (logging residues, forest thinning, wood cultivation and forest logging); animal byproducts (manure); energy crops (switch grass, miscanthus,

¹⁶ For whom below applies indirectly (via midstream and downstream companies) and apply for the activities related to *biomass* as e.g., crop producers, produce not only for *biomass* purposes.

hybrid poplar, willow, algae); and urban and suburban wastes (municipal solid waste, sewage sludge, used cooking oil).

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and through its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding *biomass*, for our own activities we will:

- support the development of a bio-based and circular economy. Where biomass and notably the residual streams are used as *feedstock* for the green building blocks of bio-based applications;
- take a balanced and precautionary approach in which the aim of reducing greenhouse gas emissions (by means of *biomass*) is as important as preventing other significant harm aspects (e.g., to biodiversity, communities, and water, etc.);
- consider the net greenhouse gas emission benefits of using *biomass* and the number of years to re-sequester carbon in comparison with the reduction potential of avoided deforestation (CO₂ abatement) to contribute to the global 2030 and 2050 climate goals;
- monitor the debate in science and in multistakeholder networks such as the Roundtable on Sustainable Biomaterials, the EU Taxonomy, certification schemes (ISCC, FSC, NTA8080) and adjust this policy accordingly where deemed necessary.

What we expect of others

Being a values driven organization, we do business with those who share our principles.

Therefore regarding *biomass*, Rabobank does business with clients and other business partners that:

- are transparent about their current *biomass* production, processing, trading and sourcing and their plans to ensure the sustainable production/ use of *biomass* in future, e.g., only using wood pellets with credible certification;
- avoid a technological or asset lock in by aligning investment periods and technologies with the Paris Agreement.

Upstream

Specifically regarding upstream clients, Rabobank does business with clients and other business partners that:

- respect land governance and biodiversity in line with principles in our [Land Governance Policy](#) and [Biodiversity Policy](#) (notably in preventing deforestation).

Midstream and downstream

Specifically regarding midstream and downstream clients, Rabobank does business with clients and other business partners that:

- have a sourcing policy or purchasing guidelines that guarantees the biomass adheres to the above stated principles, ensures traceability and the principles described in our [Palm Oil Policy](#), [Sugarcane Policy](#), [Soy Policy](#), [Forestry Policy](#) and [Biodiversity Policy](#), if applicable.

Downstream

Specifically regarding downstream clients, Rabobank does business with clients and other business partners that:

- only use *biomass* to transition rather than to extend the lifespan of power plants in support of governmental energy transition plans towards a low carbon economy.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding biomass, we will not do business related to:

- conversion or deforestation of high conservation value areas, even if legally permissible (see our [Biodiversity Policy](#));
- new land development causing land tenure conflicts with local communities or Indigenous peoples.

Moreover, we don't do business with clients or business partners that:

- have been involved in illegal deforestation or other illegal land conversion in the last five years;
- have used illegal fires for clearing land in the last five years;
- operate in legally protected areas as designated by national regulations and/or internationally designated for protection by the International Union for the Conservation of Nature (IUCN I and II areas), UNESCO World Heritage sites or RAMSAR wetlands.

At a glance

- **Biomass should be used in a hierarchy that prefers pharma, food, then feed, fiber and finally fuel.**
- **For energy purposes residual biomass is preferred and should serve transition to a low carbon economy.**
- **Rabobank requires clients to avoid feedstock obtained from high carbon stock areas (HCSA), or if it replaces food staple crops when there are indications of (local) food insecurity.**
- **While preventing significant social and environmental harm, biomass needs to provide greenhouse gas emission benefits, taking into account the entire lifecycle of the raw material compared to fossil resources**

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates that clients and business partners:

- ensure to their best ability that the biomass used does not replace (land for) staple crops when there are indications of local food insecurity, or degrades the environment, biodiversity or quality of living for local communities;
- if using non-residual feedstock, that they possess a relevant certification such as the Roundtable on Sustainable Biomaterials, FSC, ISCC, NTA8080, REDII and/or Better Biomass. Additionally, for nonresidual wood (e.g., pellets) further environmental and social due diligence is required if the biomass is sourced from outside the Benelux or Germany.

Downstream

Specifically regarding downstream clients, supporting information that demonstrates:

- that the biomass used does not have significant negative impact from a social and environmental perspective e.g., odor, emissions;
- for existing technologies, a climate risk analysis has been performed based on the GHG Protocol, an international GHG reporting standard of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD);
- for new technologies, environmental and social benefits have been validated by an independent environmental and social due diligence including an LCA calculation.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding biomass, we encourage our clients and business partners to:

- innovate and develop the use of biomass feedstock as high as possible in the value pyramid;
- remain up to date on new policy developments and public concerns through international cooperation and stakeholder dialogue, with a special focus on local community concerns;
- provide additional benefits to local communities, e.g., livelihood opportunities, energy and fuel security, and economic and social stability.



Cocoa, Coffee, Tea & Cotton Policy

Why this policy?

Cash crop commodities such as cocoa, coffee, tea and cotton are grown by millions of farmers worldwide, including by many smallholder farmers, and traded globally for use in consumer products such as food and beverages, consumables and clothing. The production of these crops faces serious sustainability challenges and they are being increasingly recognized for associated potential adverse impacts, especially in emerging market origins. Issues that potentially undermine the longterm sustainability and viability of these sectors include living income for farmers, poor working conditions, human rights violations, environmental damage, and poor agricultural practice that create yield and productivity challenges. Furthermore, climate change is pushing the production of these crops closer to the limits of physiological tolerance. Value chain responsibility has translated into certification and chain of custody approaches, but the effectiveness of these remains debatable. There is no one-size-fits-all solution for the transformation of these sectors, and different links in the value chain, as well as regulators and NGOs, all have an important role to play.

Purpose

The purpose of this policy is to support trading companies and consumer goods manufacturers downstream in the coffee, cocoa, tea and cotton value chain to effectively address the adverse impact to potentially cause, contribute to or be directly linked to, and to reduce business risks as well as contribute to improvement opportunities. This policy is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in the coffee, cocoa, tea and cotton value chain, including producers, traders, and processors and wholesalers and retailers. It focuses on how the downstream value chain deals with the issues in primary production, commensurate with its risks and the level of control or influence it can have. Additional downstream issues in the coffee, cocoa, and cotton sectors (processing or manufacturing) are out of scope, unless they are addressed in our core or theme policies.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and through its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding cocoa, coffee, tea and cotton, for our own activities we will:

- support and promote relevant sector initiatives with multi-stakeholder approaches, as they gradually develop, e.g., Better Cotton Initiative, Global Coffee Platform, and World Cocoa Foundation;
- support (smallholder) farmers in emerging markets by providing financial services (e.g., blended finance) and cooperative capacity building through the activities of Rabobank Partnerships and Rabobank Foundation and via their partners, including our corporate clients.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding cocoa, coffee, tea and cotton,

Rabobank does business with clients and business partners that:

- show commitment to the principles in our [Land Governance Policy](#) and [Biodiversity Policy](#), if we consider these themes material to their activities.

For traders and downstream processors / retailers

Specifically for traders and downstream processors and retailers, Rabobank does business with clients and business partners that:

- commit to zero net deforestation and sourcing from production sites that protect High Conservation Value forest (see further our [Land Governance Policy](#) and [Biodiversity Policy](#));
- commit to respecting human rights including the provision of good working conditions and paying a decent wage to workers in their own operations and in their supply chain;
- are members or otherwise supportive of a relevant sector initiative in order to demonstrate that they take value chain responsibility and ensure they comply with local environmental and social laws and regulations in their supply chain.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding cocoa, coffee, tea and cotton, we have no additional exclusions.

At a glance

- To support the longterm sustainability and viability of the cocoa, coffee, tea and cotton sectors, Rabobank believes that each different link in the value chain has an important responsibility and role to prevent or mitigate adverse impacts.
- Clients and business partners are required to translate their commitments into purchasing practices and other measures to facilitate the sustainable production of these commodities.

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates:

For primary producers / farmers

- they are making progress on environmental and social performance and resource efficiency including measures on safeguarding water quality and quantity, soil management practices, usage, application and storage of agrochemicals and waste management.

For traders and downstream processors / retailers

- they have a purchasing policy that takes value chain responsibility into account and that pays attention to the material impacts in their supply chain;
- they support or realize ambitious sourcing targets, commensurate with their risks and levels of influence they have in the value chain, to increase the volume and chain of custody controls of sustainable crops as a proportion of the total volume entering supply chains.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding cocoa, coffee, tea and cotton, we encourage our clients and business partners to:

- show commitment to longterm trade relations with farmers;
- become member of industry initiatives such as Better Cotton Initiative (BCI), World Cocoa Foundation, Global Coffee Platform, 4C, Ethical Tea Partnership etc., to help further develop and use good agricultural practices and industry best practices;
- show commitment to working towards living incomes for producers and living wages for hired labor on the farms;
- invest actively in sustainability programs for (smallholder) farmers and their communities, in reforestation programs and in climate smart agriculture.



Forestry Policy

Why this policy?

Forestry is the practice of creating, managing, using, conserving, repairing, and caring for forests, in both natural and plantation habitats. The forestry sector includes the supply of raw materials to many other sectors in the economy. However, the sourcing and the processing of forestry products can cause and contribute to material adverse impacts on: people (e.g., poor treatment and violations of the rights of Indigenous peoples and local communities, profound disputes over land tenure and land use); the environment (e.g., deforestation in temperate, boreal and tropical zones resulting in irreversible negative impacts, human disturbance of preserved or protected areas, soil and water erosion and pollution, forest or peat land disturbance or clearance and fires, desertification); and the climate (e.g., large amounts of greenhouse gas emissions and related climate change impact). Furthermore, there is a risk of timber trade from illegal or unknown origin, timber from endangered and red list species, and timber trade that fuels violent armed conflicts.

Purpose

The purpose of this policy is to promote sustainable forestry, and identify, prevent and mitigate adverse social and environmental risks related to the sector. It is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in the forestry sector value chain, unless explicitly specified. For the purpose of defining different requirements, this policy distinguishes the following links in the value chain: Upstream (primary producers, growers and

harvesters of timber in industrial tree plantations and forestland, in temperate, boreal and tropical zones); and midstream or downstream (traders, wholesale wood suppliers, and companies in the charcoal, pulp and paper industries, and retailers).

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and through its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding forestry, for our own activities we will:

- support and promote principles of sustainable forest management as certified by the Forest Stewardship Council (FSC), and the Programme for the Endorsement of Forest Certification (PEFC);
- aim to help corporate clients achieve zero net deforestation in e.g., paper packaging.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding forestry, Rabobank does business with clients and other business partners that:

- show commitment to our [Biodiversity Policy](#) and our [Land Governance Policy](#) if we consider these themes material to the client's activities;
- achieve certification according to the Forest Stewardship Council (FSC) or if it can be justified this is not (yet) feasible the Programme for the Endorsement of Forest Certification (PEFC) or other schemes which can demonstrate equivalence;

- have a purchasing policy that considers sustainable forest management;
- aim to be net positive in capturing carbon.

For clients that have not yet achieved full FSC or PEFC certification, we specifically expect them to:

- commit to achieving certification or verification in primary production or processing against FSC certification or PEFC national certification schemes, according to an acceptable timebound plan;
- prevent deforestation of primary forests or wetlands in temperate, boreal and tropical zones;
- adopt sustainable forest management practices that avoid negative impacts on the environment and biodiversity;
- establish a documented traceability system.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding forestry, we will not do business with those that:

- cause or contribute to illegal trade and to harvest and trade in endangered timber species that are protected under CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora) without the necessary permits; or
- have used illegal fires for clearing land in the last five years;
- logging or purchasing of logging equipment for use in primary tropical moist forest.

Moreover, we will not do business related to:

- conversion or deforestation of high conservation value areas.

At a glance

- Rabobank expects clients to demonstrate sustainable forest management practices, notably by achieving certification according to the Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC).
- Clients are required to show progress towards achieving a net positive carbon balance.
- Downstream clients need to have a purchasing policy that considers sustainability issues for forestry.
- Those working towards certification or certified sourcing need to have an acceptable timebound plan.

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates:

- they meet the requirements of our [Biodiversity Policy](#) and [Land Governance Policy](#), if we consider these to be material to their activities;
- progress in certifying the company and its wood products according to the FSC scheme or one of the PEFC national certification schemes;
- plans and progress towards achieving a net positive carbon balance;
- a sourcing policy that effectively pays attention to sustainable forest management;
- a documented traceability system has been established;
- progressive increase in the volume of wood entering their supply chains that is sourced from FSC certified forestry units or PEFC national certification as a proportion of the total volume.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding forestry, we encourage our clients and business partners to:

- further develop and use industry best practices, including sustainability reporting;
- if construction companies, only use wood certified according to the Forest Stewardship Council (FSC) forest management certification;
- be transparent about effectiveness of traceability and impacts, including carbon balance.



Metals, Minerals and Mining Policy

Why this policy?

Extracted resources (metals and minerals) are processed and used in various industrial and consumer products, e.g., phosphate mining provides raw material to produce fertilizers, lithium and various other metals are used in batteries, and silicon in solar panels. Rabobank is convinced that *extractive industries* are partly indispensable in supplying minerals and metals (e.g., for construction, infrastructure, renewable energy), and that they can become more sustainable by adopting new technologies and improved (supply chain) management techniques, in combination with various environmental and social conditions.

Almost all our clients operate in midstream and downstream minerals and metals value chains, not in mining itself; phosphate mining being the main exception. They may not have the direct control over the exploration and production of natural resources (including fossil resources). Nevertheless, they do form part of the value chain, and therefore face the same associated challenges and risks. We want to service our clients in the most responsible way, notably on the leverage they have in their supply chains on sustainability transitions, and within the legal possibilities of the jurisdictions in which they operate. The upstream *extractive industries* typically have a large footprint and numerous social and environmental impacts in the geographies in which they operate. Their challenges include:

- fair treatment of Indigenous peoples and local communities, including the avoidance of cultural disruptions and conflicts over land and natural resources tenure;
- mitigating the effects of the conversion of natural habitats that results in a loss of biodiversity, land and livelihoods of directly impacted communities and those living downstream of operations;
- avoiding waste and pollution of ground and surface water, air and soil;

- finding ways to minimize greenhouse gas emissions and related climate change impacts, and reach the Paris Agreement goals;
- contributing to economic and social progress of the country and local communities with accountability and transparency;
- avoiding corruption, bribery and misappropriation of funds from mining in conflict areas i.e. conflict minerals.

Purpose

The purpose of this policy is to support our clients to continuously increase their environmental performance and carbon efficiency in terms of their products and their processes, and to increase transparency on these issues. It is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in the Metals, Minerals and Mining Industry and value chains, unless explicitly specified. Upstream processes include mining, dredging, quarrying and drilling of metals, minerals, aggregates, coal, oil and gas from the earth, as well as deep-sea mining. Midstream activities, including *hard commodities* trading, transport, storage and supply management are in scope, as are traders and distributors of natural resources (wholesalers and retailers), and part of the offshore service sector. This policy also applies to businesses with assets in shipping, pipeline transport, tank storage, or suppliers of equipment and services to extraction companies, refining and manufacturing.

Definitions

Extractive industries: Extractive industries involve the extraction of metals, minerals, aggregates, oil and gas from the earth. Extractive processes include mining, dredging, quarrying and drilling, and deep sea mining.

Hard commodities: A commodity that is mined or obtained from some non-agricultural source (contrary to soft commodities). Hard commodities include metals, oil and diamonds.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and through its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding metals, minerals and mining, for our own activities we will:

- commit to transition our portfolio to diminish financing provided to companies that underperform in terms of transparency or goal setting related to carbon efficiency and environmental performance;
- discuss concerns with a wider range of (noncommercial) stakeholders and stay up to date on new insights.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding metals, minerals and mining, Rabobank does business with clients and other business partners that:

- show commitment to the requirements in our [Biodiversity Policy](#) and [Land Governance Policy](#), if we consider these themes material to the client's activities;
- for midstream and downstream, have a sourcing policy that pays attention to the sustainability issues for mining production, in particular on ensuring upstream suppliers meet all expectations.

Upstream

Specifically regarding upstream clients, Rabobank does business with clients and other business partners that:

- commit to planning, operating and closing operations in a manner that enhances sustainable development;
- avoid operations in national or international legally protected or preserved areas with a significant concentration of biodiversity values including High Conservation Values, High Carbon Stocks and peat areas;
- refrain from activities that could significantly negatively affect the livelihood of local communities;
- perform additional due diligence to ensure the avoidance of contributing to armed conflict through corruption, bribery, money-laundering and any other misappropriation of funds generated from raw materials mined from conflict affected areas and used to fund militias (conflict minerals) and when operating in mining activities of Tantalum or Coltan (Columbite-tantalite), Tin (Cassiterite), Tungsten (Wolframite) and Gold, have a statement regarding the avoidance of conflict minerals.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding the metals, minerals and mining sector, we will not do business related to:

- production, trade or use of unbounded asbestos fibers¹⁷;
- mining and/or trading in rough diamonds unless Kimberly Process certified;
- mountaintop removal;
- riverine tailings disposal and sub-marine tailings disposal.

¹⁷ This does not apply to the purchase and use of bounded asbestos cement sheeting where the asbestos content is less than 20%.

At a glance

- Rabobank is convinced that metals, minerals and mining are indispensable and can become more sustainable by adopting new technologies and improved management of their value chains, which typically have several environmental and social challenges.
- We want to support clients and business partners to continuously improve their products and their business process, notably on the leverage they have in their supply chains on sustainability transitions, including carbon efficiency, land governance, biodiversity protection and avoiding conflict-minerals..

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates:

- they meet the requirements in our [Biodiversity Policy](#) and [Land Governance Policy](#), if we consider these themes material to the client's activities;
- they have systems in place to ensure that all (hard) commodities originate from legally operated processes.

Upstream

Specifically regarding upstream clients, Rabobank also collects supporting information that demonstrates:

- planning, operating and closing operations occurs in a manner that enhances sustainable development (e.g., mine reclamation, disturbed area restoration and decommissioning of offshore facilities);
- mitigation of the likelihood of accidents by making use of the best available techniques, and having contingency plans, notably for risks in managing tailings;
- continuous improvement in environmental

performance based on defined goals to prevent or mitigate pollution and other adverse impacts;

- use of properly trained security forces in protection of public security in line with the Voluntary Principles on Security and Human Rights;
- reporting on payments and revenues and progress made towards achieving concrete sustainability goals;
- effective operating of grievance mechanisms (see also our [Human Rights Policy](#)).

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding metals, minerals and mining, we encourage our clients and business partners to:

- be transparent about their sustainability policies and performance in accordance with international reporting guidelines (e.g., the Extractive Industries Transparency Initiative) and about the impact of their business operations on climate change and the reverse i.e. how climate change affects business;
- ensure that metals are produced in a responsible manner with strong end-of-life management to promote circularity and urban mining;
- discuss concerns with a wider range of (noncommercial) stakeholders.

Upstream

Specifically for upstream clients and business partners, we encourage them to:

- adopt the good practices promoted through guidance documents and reports (such as the Voluntary Principles on Security and Human Rights), including securing sufficiently healthy and safe working conditions, and providing sufficient remuneration for employees;
- use more energy efficient extraction and production methods, e.g. by having plants partly operating on solar energy.



Palm Oil Policy

Why this policy?

Palm oil is the most widely used vegetable oil, and demand continues to grow. *Palm oil* is edible and can be used in a variety of ways, including in food and personal care products. It is also an important biofuel source. However *palm oil* companies that do not effectively address potential adverse impacts can cause serious ecological and social damage, which can also lead to significant business risk.

Despite the relative high productivity of oil palms, the large scale land use adaptation required to establish plantations can cause deforestation (of biodiverse forests), habitat loss, peatland conversion, and contribute to greenhouse gas emissions. It can also place commercial pressure on the land rights of Indigenous peoples and local communities, and lead to the exploitation of plantation labor. To mitigate these risks, multi-stakeholder initiatives have generated value chain collaboration, including certification, but the extent of positive impacts remains challenged due to the existence of market outlets for less sustainably produced *palm oil*.

Purpose

This purpose of this sector policy is to stimulate and support a sustainable *palm oil* sector. It is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in the *palm oil* value chain, unless explicitly specified. To differentiate requirements, this policy distinguishes the following links in the value chain: upstream (production, growers of oil palms and millers); and midstream

and downstream (traders, transporters, processors, manufacturers, wholesalers and retailers).

Definitions

Palm oil: All products that fall within the Roundtable on Sustainable Palm Oil (RSPO) scope and definitions, including (crude) palm oil, palm kernel expeller, palm kernel oil and their palm oil derivatives.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and through its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding palm oil, for our own activities we will support and promote the:

- Roundtable on Sustainable Palm Oil (RSPO) and its certification scheme.

What we expect

Being a values driven organization, we do business with those that share our principles. Therefore regarding palm oil, Rabobank does business with clients and business partners that:

- show commitment to the principles of our [Biodiversity Policy](#) and [Land Governance Policy](#), if we consider these to be material to their activities;
- are a member of the RSPO, and have a timebound plan for achieving RSPO certification or verification of their production or their sourcing against the RSPO Principles & Criteria, which ensures production or sourcing does not cause or contribute to deforestation, new plantings on peatland and exploitation (NDPE)

and the prevents land tenure conflicts with local communities or Indigenous peoples.

In practice, we may engage with clients and business partners who do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding *palm oil*, we will not do business related to:

- conversion or deforestation of high conservation value areas, even if legally permissible (see our [Biodiversity Policy](#));
- new land development causing land tenure conflicts with local communities or Indigenous peoples.

Moreover, we don't do business with clients or business partners that:

- have been involved in illegal deforestation or other illegal land conversion in the last five years;
- have used illegal fires for clearing land in the last five years.

At a glance

Because of the potential adverse impacts associated with *palm oil*, including deforestation and exploitation, Rabobank requires clients to:

- achieve the Roundtable on Sustainable *Palm Oil* (RSPO) certification against the RSPO principles and criteria based on a timebound plan (if in production);
- progressively increase the volume of RSPO certified *palm oil* as a proportion of the total volume of *palm oil* entering their supply chains (if in sourcing).

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates:

- they meet the requirements of our [Biodiversity Policy](#) and [Land Governance Policy](#), if we consider these to be material to their activities;
- compliance with the principles and criteria of the RSPO by certification or verification based on a timebound plan (for production);
- progressive increase in the volume and chain of custody controls of RSPO certified *palm oil* as a proportion of the total volume of *palm oil* entering their supply chains, based on a purchasing policy that takes into account the sustainability issues for *palm oil* production (for sourcing).

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding *palm oil*, we encourage our clients and business partners to:

- further develop and use industry best practices, e.g., through participating in additional sector initiatives, investing in sustainability programs for (smallholder) farmers and their communities, and in reforestation programs and climate smart agriculture.



Ship Breaking and Recycling Policy

Why this policy?

Ship recycling is the demolition and recycling of ships and vessels systems for offshore applications and shipping materials. Rabobank believes that governments and the private sector are responsible for contributing to the sustainable development of the Shipping Industry and for avoiding and mitigating the risks associated with irresponsible ship recycling practices. In contrast, responsible ship recycling can contribute to sustainable development and to building a circular economy, as well as increase the wealth and welfare of communities, which by extension can help improve market opportunities.

The Ship Breaking and Recycling Industry disassembles steel and other recyclable items of end-of-life vessels. Many parts of a ship, from the hull structure to the machinery, can be recycled and reused as scrap metal. However, if this task is not conducted in a proper and safe way, ship recycling poses high-level risks to human beings and the environment, and can lead to high rates of fatalities, injuries and work-related illnesses. Ships contain many hazards, such as carcinogens and toxic substances that can intoxicate workers and can easily be dumped into the soil and coastal waters, which results in significant negative impacts on the environment.

There is an increased risk of negative social and environmental impacts when the work is performed under poorly monitored conditions on beaches, using what is known as beaching or slipway methods, or if health and safety measures are disregarded.

Purpose

The purpose of this policy is to describe how Rabobank contributes to the development of a more sustainable Ship Breaking and Recycling Industry.

It is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in the Shipping Industry value chain, primarily in the demolition and recycling of ships and vessels systems, unless explicitly specified. This includes companies that own, operate, manage and charter vessels or that are involved in the construction, sale and, mostly indirectly, in recycling of ships or offshore vessels and systems. The policy only applies to clients and business partners working with ships that have more than 500 tons gross tonnage.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and by working together with its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners. Regarding ship breaking and recycling, for our own activities we will:

- promote responsible shipping, offshore activities and ship recycling;
- promote awareness of the economic, social and environmental risks inherent to ship recycling to businesses, employees and communities;
- foster a more circular economy by contributing to the introduction of vessels that are more environmentally friendly, that use materials, natural resources and fuels more efficiently, and that are designed to promote recycling.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore, regarding ship breaking and recycling, Rabobank does business with clients and business partners that:

- demonstrably avoid or mitigate risks relating to ship recycling;
- commit to working towards adherence to the Responsible Ship Recycling Standards (RSRS);
- proactively invest in improving the sustainability of their value chain.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding ship breaking and recycling, we will not do business related to those that:

- recycle ships at a site where the vessel is beached. We consider this dismantling method to be harmful to workers and the environment;
- sell vessels at the end of their lifespan to purchasers so that the vessels can be reflagged to avoid having to comply with laws and regulations around ship recycling. Such purchasers or intermediaries are sometimes referred to as cash buyers in this context.

At a glance

- **Rabobank promotes safe and environmentally sound ship recycling.**
- **This policy applies to clients and business partners working with ships that have more than 500 tons gross tonnage.**
- **We expect clients and business partners to have, or work towards, adherence to the Responsible Ship Recycling Standards (RSRS)**
- **Our own investments need to consider precautionary measures on the social and environmental sustainability of a ship's end-of-life.**

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information that demonstrates:

- that in addition to applicable laws and regulations, there is a sustainability policy in place that addresses the key risks in the Ship Breaking and Recycling Industry (e.g., environmental risks, human rights risks);
- specific precautions are taken to prevent the negative social and environmental effects of ship recycling:
 - in relation to location and processes and procedures (including the beaching or slipway methods referred to above); or
 - as a result of partnering with companies whose certification or authorization, does not comply with the standards;
- adherence to the letter and the spirit of the Responsible Ship Recycling Standards (RSRS);
- compliance with all international conventions, including the:
 - Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention)
 - International Convention for the Safe and Environmentally Sound Recycling of Ships of the (IMO Hong Kong Convention)

- Safety and Health in Ship Breaking: Guidelines for Asian Countries and Turkey
- conventions of the Organisation for Economic Co-operation and Development (OECD);
- conventions of the European Union, including the EU Ship Recycling Regulation.
- the existence of an Inventory of Hazardous Materials that describes the materials present in a ship's structure and equipment that may be hazardous to human health or the environment, plus their respective location and approximate quantities.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding ship breaking and recycling, we encourage our clients and business partners to:

- further develop and apply industry best practices (e.g., Sustainable Shipping Initiative);
- adopt a proactive approach and invest in improving the sustainability of their value chain;
- publicly report on their sustainability performance.



Soy Policy

Why this policy?

Soybeans are nutrient-dense and packed with protein, which makes it suitable for the production of vegetable oil, and animal feed and human consumption. But, soy is cultivated in large plantations and the scale and the global nature of production and trade make it controversial. It is also associated with potential adverse impacts, including:

- extensive greenhouse gas emissions caused or directly linked to deforestation, forest fires or other land use conversion;
- disturbance of preserved or protected areas and loss of biodiversity due to conversion of natural habitats into plantations;
- poor treatment and violations of the rights of Indigenous peoples and local communities;
- poor working conditions;
- poor arable land processing, soil erosion and degradation, including loss of soil carbon;
- irresponsible use of fresh water, especially in water-stressed environments;
- pollution of ground and surface water.

Multi-stakeholder initiatives have generated value chain collaboration including certification, however the extent of positive impacts remains debatable.

Purpose

The purpose of this policy is to describe how Rabobank contributes to the development of a more sustainable Soy Industry. This policy is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in the soy value chain, unless explicitly specified. For the purpose of defining different requirements, this policy distinguishes the following links in the value chain: soy growers and mills upstream; traders and processors midstream; and (consumer-facing) manufacturers, wholesalers and retailers downstream.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and by working together with its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners.

Regarding soy, for our own activities we will:

- be an active member of relevant networks, such as the Round Table on Responsible Soy (RTRS);
- help the sector transition towards sustainable soy production, e.g., encouraging the cultivation of underused farmland and better farming practices, as well as shifting market demand and accountability.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding soy, Rabobank does business with clients and other business partners that:

- show commitment to our [Land Governance Policy](#), [Biodiversity Policy](#) and [Plant Gene Technology Policy](#), if we consider these to be material to their activities;
- ensure production or sourcing does not cause or contribute to land conversion and deforestation which is not in line with the RTRS Standard for Responsible Soy production.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles. We will not provide our products and services to these activities. Regarding soy, we will not do business related to :

- conversion or deforestation of *high conservation value areas*, even if legally permissible (see our [Biodiversity Policy](#));
- new land development causing land tenure conflicts with local communities or Indigenous peoples.

Moreover, we don't do business with clients or business partners that:

- have been involved in illegal deforestation or other illegal land conversion in the last five years;
- have used illegal fires for clearing land in the last five years.

At a glance

- Rabobank requires clients to operate according to industry best practices such as those of the Round Table on Responsible Soy (RTRS) standard.
- To exclude deforestation and land right conflicts from the supply chain, midstream and downstream clients in this sector are encouraged to progressively increase the proportion of sustainable soy in their value chain.

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information.

Upstream and downstream

Regarding all clients, upstream to downstream, we collect supporting information that demonstrates that they have established and work to improve sustainable production and sourcing practices, including chain of custody controls, notably through RTRS certification or production or sourcing of RTRS certified soy. They also need to demonstrate they meet the requirements of our [Biodiversity Policy](#), [Land Governance Policy](#) and [Plant Gene Technology Policy](#), if we consider these to be material to their activities.

Upstream

Regarding upstream clients, we collect supporting information that demonstrates that they:

- maintain sustainable business practices, notably the responsible use of land and water, soil management and the use of agrochemicals;
- undertake a social and environmental impact assessment for new developments and include results into planning of operational management.

Mid- and downstream companies

Regarding mid- and downstream companies, we collect supporting information that they:

- have a purchasing policy that pays attention to the sustainability issues for soy production;
- are transparent about their current sourcing and plans to increase sourcing of sustainably produced soy.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding soy, we encourage all clients, upstream and downstream, to:

- further develop and use industry best practices in sustainable production or sourcing;
- progressively increase the proportionate volumes of sustainably produced or sourced soy (according to the RTRS principles and criteria (or any other scheme they can show to be equivalent)).



Sugarcane Policy

Why this policy?

Sugarcane accounts for almost 80% of global sugar production. The main product of sugarcane is sucrose, which is extracted from the plant's stalk and processed for use in food. The crop also offers alternatives for energy production, particularly biofuels (sugar based ethanol) and co-generation of electricity (cane bagasse). However, sugarcane companies that do not effectively address potential adverse impacts can cause serious ecological and social damage, such as cane burning, water pollution caused by run-off, labor rights issues, which can also create significant business risks. Multi-stakeholder initiatives have generated value chain collaboration including certification, but the extent of positive impacts remains debatable.

Purpose

The purpose of this policy is to describe how Rabobank contributes to the development of a more sustainable Sugarcane Industry. This policy is intended to provide a basis that can protect bottom lines, demonstrate business principles and how to achieve them, facilitate improvements and encourage best practices where possible.

Scope

This policy is applicable to all clients and business partners that are active in the sugarcane value chain, unless explicitly specified. This includes: growers, harvesters, mills (upstream); and traders, processors, biofuel companies, the food and beverage industry and retailers (mid- and downstream). See also our [Biodiversity Policy](#), and our [Biomass Policy](#), which covers the bioplastics and *biofuels* links in the value chain.

The policy

Rabobank aims to positively affect its own sustainability performance as well as that of its individual clients, client portfolios and wider sectors by providing financial products and services, sharing knowledge and by working together with its networks. We distinguish between impacts in our direct control and those that are directly linked through our relationships with clients and business partners.

Regarding sugarcane, Rabobank commits to:

- helping the sector transition towards increased resilience and sustainable production as supported by sustainable certification schemes, taking Bonsucro as the benchmark.

What we expect of others

Being a values driven organization, we do business with those who share our principles. Therefore regarding sugarcane, Rabobank does business with clients and other business partners that:

- show commitment to our [Biodiversity Policy](#) and [Land Governance Policy](#), if we consider these to be material to their activities;
- ensure production or sourcing does not cause or contribute to land conversion and *deforestation* which is not in line with the Bonsucro Standard for sustainable sugarcane production.

In practice, we may engage with clients and business partners that do not yet fully meet all our expectations if they have an acceptable timebound plan to do so.

What we exclude

The [Rabobank Exclusion List](#) defines activities that are incompatible with our mission and principles.

We will not provide our products and services to these activities. Regarding sugarcane, we will not do business related to:

- conversion or deforestation of high conservation value areas, even if legally permissible (see our [Biodiversity Policy](#));
- new land development causing land tenure conflicts with local communities or Indigenous peoples.

Moreover, we don't do business with clients or business partners that:

- have been involved in illegal deforestation or other illegal land conversion in the last five years;
- have used illegal fires for clearing land in the last five years.

At a glance

- Rabobank requires its clients to operate according to industry best practices such as the Bonsucro standard, which includes responsible agrochemical use, respect for labor rights, and measures related to the protection of soil and ground and surface water.
- To exclude deforestation and land right conflicts from the value chain, midstream and downstream clients in this sector are encouraged to progressively increase the proportion of sustainable sugarcane in their value chain.

How we monitor performance

Rabobank reviews the performance and progress of clients during the initial credit assessment and at periodic intervals. We do so by applying a risk based approach, and by collecting supporting information.

Upstream and downstream

Regarding all clients upstream to downstream, information needs to demonstrate that they have established and work to improve sustainable

production and sourcing practices, including chain of custody controls, notably committing to achieving product certification against credible sustainable certification schemes such as Bonsucro. This includes the commitment to zero net deforestation, not using fires for clearing, using water responsibly and maintaining water quality. They also need to demonstrate they meet the requirements of our [Biodiversity Policy](#) and [Land Governance Policy](#), if we consider these to be material to their activities.

Upstream

Regarding upstream companies, information needs to demonstrate transparency about current production and that there are plans to increase the production of sustainably produced sugarcane according to industry best practices. This includes:

- adopting sustainable business practices such as actively managing biodiversity and the responsible use of land and water, soil (to maintain and enhance structure and fertility, and to prevent erosion and degradation);
- taking adequate measures to safeguard and improve the quality and quantity of ground and surface water;
- respecting land rights and improve livelihoods of local communities;
- documenting all use of agrochemicals and monitoring all handling, storage, collection and disposal of chemical waste and empty containers;
- undertaking social and environmental impact assessments for new developments such as new plantings or new operations and include results in the operational planning.

Mid- and downstream

Regarding mid-and downstream companies, information needs to demonstrate:

- the existence of a purchasing policy that pays attention to the sustainability issues for sugarcane production;
- transparency about their current sourcing and plans to progressively increase sourcing of sustainably produced sugarcane.

How we encourage continuous improvement

We encourage the transition towards more sustainable practices and continuous improvement. Specifically regarding sugarcane, we encourage our clients and business partners to:

- undertake social and environmental impact assessments for existing potential adverse impacts and include results in the operational planning;
- further develop and use industry best practices, e.g., through managing input, production and processing efficiencies to enhance sustainability;
- invest in sustainability programs for (smallholder) farmers and their communities, in reforestation programs and in climate smart agriculture.

Exclusion list

General information

Excluded Activities

The Exclusion List defines activities that are incompatible with Rabobank's mission and vision. Rabobank will not provide its services to directly facilitate the Excluded Activities listed in the Exclusion List. This list is based on Rabobank policies and the exclusion list of the IFC. Please note that we may choose to do business with clients involved in Excluded Activities, provided that our services will not be used directly for the excluded activities.

Excluded Clients

Some Excluded Activities are considered to be so detrimental to sustainable development, that Rabobank does not want to enter into business with companies involved in these activities. If and when entering into business with a company is excluded in its entirety due to involvement in Excluded Activities, this is explicitly mentioned in the list below.

Legacy issues

We acknowledge that legacy issues may arise from services provided before the implementation of this policy, or from client relationships entered into before the implementation of this policy. Existing contractual commitments will be honoured, but we will not expand or renew these engagements. Practical implications will be determined on a case by case basis.

Excluded Activities

Rabobank will not provide its services to directly facilitate activities listed below:

- production of, or trade in, products containing PCBs (Polychlorinated biphenyls) or other Persistent Organic Pollutants (POPs) that are subject to international bans or phase outs¹⁸;
- production of, or trade in, Ozone Depleting Substances (ODS) that are subject to international bans or phase outs¹⁹;
- production or trade in pharmaceuticals that are subject to international bans or phase outs;
- facilitate trading in commodity derivatives for speculative purposes;
- production, trade and processing of angora wool;
- production, trade and processing of fur;
- traditional foie gras production and trade;
- trade in or unauthorized catching of wildlife or wildlife products from species listed in Appendix I and II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and/or species on the IUCN Red List of Threatened Species;
- animal fighting for entertainment;
- cultural events and other uses of animals including marine animals or fish for entertainment purposes;
- use of endangered species or primates for experimental purposes, except in the following limited very specific cases:
 - if the aim of the experiment/research in question is the preservation of the species concerned;
 - if this species is patently the only one suitable for the biomedical purpose;
- conversion or deforestation of high conservation value areas (with e.g., valuable species, landscapes, ecosystems, environmental services, basic needs for local communities, cultural values for Indigenous peoples);
- accepting land in selected high deforestation risk geographies or jurisdictions as collateral it it has been deforested in the last five years, even if performed legally;
- the intentional introduction of alien species into natural landscapes or marine environments that have not been designated as farming areas;
- new land development causing land tenure conflicts with local communities or Indigenous peoples;
- cloning of animals for commercial purposes;
- cloning humans (and related activities);
- illegal, unrecorded and unregulated (IUU) fishing, fishing related activities and processing;
- hunting of marine mammals and shark finning;
- the use of dynamite and poison in fishery practices;

- drift net fishing in marine environments using nets in excess of 2.5 km in length;
- production, trade or use of unbounded asbestos fibers²⁰;
- mining and/or trading in rough diamonds unless Kimberly Process certified;
- mountaintop removal;
- riverine tailings disposal and sub-marine tailings disposal;
- oil and gas exploration and production in the Arctic region;
- exploration and extraction of natural gas below the Wadden Sea;
- the exploration and production of shale gas or other non-conventional minerals (oil from tar sands and oil shale, fuel from liquefied coal and shale gas) and the supply of specifically designed and dedicated services and means;
- exploration, extraction or production of coal used for power generation, coal fired power generation and trade of coal used for power generation. For clients for whom coal for energy generation contributes to their revenue, we expect that they have a maximum relative revenue in thermal coal trading or utilization of 5%;
- ship recycling at a site where the vessel is beached;
- selling vessels at the end of their lifespan to purchasers so that the vessels can be re-flagged to avoid having to comply with laws and regulations around ship recycling.

Excluded Clients

In addition, Rabobank does not want to enter into business with clients or business partners that:

- knowingly and structurally violate internationally accepted human rights;
- undertake any transaction that may be in conflict with sanctions imposed by the United Nations, the European Union or any other legislated sanctions that apply to the countries in which the bank operates, including human rights sanctions;
- have been involved in illegal deforestation or other illegal land conversion in the last five years;
- have used illegal fires for clearing land in the last five years;
- operate in legally protected areas as designated

- by national regulations and/or internationally designated for protection by the International Union for the Conservation of Nature (IUCN I and II areas), UNESCO World Heritage sites and/or RAMSAR wetlands;
- cause or intentionally contribute to a reduction in the population of endangered species (on the IUCN Red List of threatened species);
- have been proven to not meet local laws and regulations with respect to market access, production, distribution and use of agrochemicals;
- develop, produce, trade, market, sell, distribute, transport and/or maintain *controversial armaments*;
- develop, produce, trade, market, sell, distribute, transport and/or maintain non-controversial armaments and munitions that can be used for *controversial purposes*;
- supply non-controversial armaments or armaments-related products to government agencies in *controversial regimes*;
- are government agencies of what we consider to be *controversial regimes*, including their central banks;
- cause or contribute to illegal trade and to harvest and trade in endangered timber species that are protected under CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora) without the necessary permits;
- logging or purchasing of logging equipment for use in primary tropical moist forest;
- are active in tobacco manufacturing²¹.

¹⁸ As listed by the Stockholm Convention on <http://chm.pops.int/TheConvention/ThePOPs/tabid/673/Default.aspx>

¹⁹ As listed with target reduction and phase out dates by the Montreal Protocol on <http://ozone.unep.org/en/treaties-and-decisions/montreal-protocol-substances-deplete-ozone-layer>

²⁰ This does not apply to the purchase and use of bounded asbestos cement sheeting where the asbestos content is less than 20%.

²¹ As defined in industry code 312230: "This industry comprises establishments primarily engaged in stemming and redrying tobacco and/or manufacturing cigarettes or other tobacco products." One of Rabobank's commitments is the care for society and its communities. In this light we see and acknowledge the importance of keeping track of human wellbeing throughout the value chain of any sector wherein we operate. This exclusion includes e-cigarettes in accordance with the Dutch Tobacco Act.

4 Roles and responsibilities

The responsibility for the delivery of this Global Standard on Sustainable Development is that of all Rabobank employees. All employees that prepare and conduct approval and/or review of Rabobank clients and transactions with other business partners are required to use these guidelines to structure their analysis, with the ultimate responsibility resting with the Managing Board.

This Global Standard is implemented according to Rabobank's Three Lines of Responsibility model (3LoR). First-line functions own and manage risks within the bank, the second line functions (Risk Management and Compliance) oversee and advise on risk. An independent third-line function (Audit) provides assurance on the effectiveness of the first and second lines of responsibility. The 3LoR model provides clear division of activities and responsibilities in risk management across the organization.

4.1 First Line of Responsibility

4.1.1 Business Unit Management

The management of the business units or other entities of Rabobank is responsible for appraising the policy issues in their own activities, services and markets and for taking appropriate steps to ensure that clients and business partners meet our policy requirements.

The alignment of local credit policies, client acceptance tools, and financing conditions with the Global Standard on Sustainable Development is the responsibility of Rabobank management at the subsidiary or local level, as appropriate for their geographies and products/services. These local policies, standards and procedures can only be approved after a consultation process with the Global Standard Owner, the Group Sustainability & Climate Department.

4.1.2 Business Units

The primary responsibility for the application of the Global Standard on Sustainable Development lies with the Business Units. The Business Units are responsible for:

- Identifying material sustainability risks and issues that are relevant for their client portfolio and individual clients.
- Periodically providing an explicit judgement on whether the client (fully) meets the expectations as set out in the Global Standard on Sustainable Development.
- Completing a sustainability assessment on clients using Client Photo tooling (GAIA, Duurzaamheidsmatrix or Rural Client Photo) if applicable: see further paragraph 4.1.
- Completing a sustainability assessment on business partners.
- Following-up on material sustainability concerns on own initiative or when requested by the Group Sustainability & Climate Department and engage with client on improving their sustainability performance.

4.1.3 Credit analysts

The Credit Analyst is responsible for addressing and weighing non-financial and sustainability risks (including those identified in the theme and sector policies) in the credit application and the credit process.

4.2 Second Line of Responsibility

The Second Line of Responsibility, including Credit Approval, proactively challenges the risk taking by the first line through analysis, advice and opinions. The Second Line of Responsibility also proactively advises on compliance matters and provides effective & efficient approval and oversight via delegated authority.

4.3 Third Line of Responsibility

The Third Line of Responsibility (audit) provides independent assurance, advice and insights on the quality and effectiveness of internal governance, internal control, risk management and risk reporting. Furthermore, the Third Line of Responsibility performs a periodic assessment of the quality and effectiveness of accountabilities, responsibilities and activities.

4.4 Group Sustainability & Climate Department Responsibility

The Group Sustainability & Climate Department writes and updates the Global Standard on Sustainable Development (at least every two years). The Global Standard on Sustainable Development is approved by the Managing Board. In the context of the Global Standard on Sustainable Development, the Group Sustainability & Climate Department performs the following tasks:

- Developing further guidance (if needed) for Know-Your-Customer analysts, Credit Analysts and Relationships Managers on the interpretation and implementation of the Global Standard on Sustainability.
- Providing an expert opinion for clients on the "high sustainability risk list" following the Global Standard Embedding Sustainability in Credit risk assessment for Wholesale clients.
- Following-up on material sustainability concerns, following the Issue engagement procedure on material sustainability signals involving clients.
- Acting as the primary point of contact for NGOs and other civil society groups and actively engage with them in dialogue on signals, trends and concerns and on Rabobank's Sustainability policies.

5 Implementing, Monitoring & Reporting

5.1 Implementing

5.1.1 Implementing - General principles

Responsibility, transparency and accountability

Our clients should avoid causing or contributing to adverse social and environmental impacts. An adverse impact is a negative effect that goes against desired conditions in our policies. They should seek to prevent or mitigate an adverse impact when the impact is directly linked to their operations or products and services, and they should account for how they address their actual and potential adverse impacts. When needed, they need to provide remedy on grievances. In addition, they are responsible for correctly and transparently documenting their steps towards sustainability. Rabobank considers this process of identifying, preventing, mitigating and being accountable to be a necessary and integral part of our clients' business decision making and risk management systems. It forms the basis of our implementation framework for client assessment and client relationship management, and has been consistently applied in all of our sustainability policies.

Materiality

The scope of our policies is based on the principle of materiality and our exposure to risk, which means we limit client and business partner assessments to the potential adverse impacts that we and our stakeholders consider to be material. We determine materiality based on the impact of issues, relevance over time and on whether a client has the ability to create a direct or indirect impact on society and/or the environment, be it positive or adverse. We also take our clients' industry and their countries of operation into account.

Regular Engagement

We are aware that the process of implementing sustainable management standards and practices is challenging and takes time. We accept that some

clients or business partners are more advanced than others in their ability to show significant progress of implementing environmentally and socially responsible management practices, and of responsible purchasing practices. Applying a risk based approach, we may engage with clients because we believe that facilitating clients and business partners to improve their sustainability performance demands meaningful and proactive dialogue. We aim to constructively share our knowledge and our networks with our clients to motivate them to responsibly manage their sustainability impacts.

In line with our values and mission, Rabobank primarily takes an engagement approach towards clients and business partners who share our business principles rather than excluding business relations with clients who do not yet fully meet all expectations as set out in our policies (see further the '*What we expect of others*'-sections of our policies). Where needed we ask clients to convincingly commit and work towards to our expectations.

The activities listed on [Rabobank Exclusion List](#), however, are not subject to our engagement approach, these activities are outside Rabobank's risk appetite and remain incompatible with our mission and business principles.

Quality and responsiveness

We encourage our clients to implement good practices, including monitoring and adaptive management, so that they can be responsive to changing conditions, and can avoid or minimize their adverse impacts. We help them identify and resolve problems to improve their sustainability performance and minimize risks. This approach enables us to gradually diminish unsustainable operational practices, and to support our clients improve their sustainability performance, their business success, and their contribution to society in general.

5.1.2 Implementing measures for credit clients

Risk-based approach

Rabobank implements this policy in a risk based manner. The impact of sustainability risks may vary depending on the specific activity, the sector, the size of the client company, the geography, the product Rabobank offers and Rabobank's exposure and relation to the client or business partner. Rabobank can apply different risk based mitigation and implementation measures, with thresholds and frequencies that are proportionate to those risks.

Assessment process

The Sustainability Assessment is embedded in the Credit Risk Assessment process for corporate clients with a credit exposure above a EUR 1 million threshold.

Rabobank Relationship Managers use a sustainability assessment tool (Client Photo) to gain insight into client approaches and achievements related to environmental, social and governance related matters. The Relationship Managers profile their clients performance and assign them a rating of A, B, C, D+ or D, as follows:

Rating Description

- A Outperformer
- B Average performer
- C Underperformer
- D+ Non-compliant with sustainability policies but has a sufficiently ambitious timebound plan in place to become compliant.
- D Non-compliant with sustainability policies and without a sufficiently ambitious timebound plan in place to become compliant.

This sustainability assessment provides a basic insight into relative sustainability performance and enables Rabobank to identify frontrunners in a sector. This is a robust check on whether clients are compliant with Rabobank policies and also provides valuable input for strategic discussions with clients.

High sustainability risk list

Rabobank's Sustainability Department maintains a list of high sustainability risk clients. The criteria for including clients on this list is detailed in the Global Standard on embedding sustainability in credit risk assessment for wholesale clients. It includes:

- a known or alleged breach of Rabobank policies;
- a group exposure of more than EUR 200 million combined with activities in one or more high risk sectors;
- exposure to controversies; or
- serious reputational risks.

Expert opinion sometimes required

For clients on the high sustainability risk list, a Rabobank Sustainability Expert is responsible for providing an expert opinion. The Relationship Manager then takes into account the information, considerations and opinion of the Sustainability Expert in the credit application. The Credit Analyst verifies whether an expert opinion is required for the credit application and takes into account the information, considerations and opinion of the Sustainability Expert in the credit application.

5.1.3 Legality, engagement, non-compliance, remediation and grievance mechanisms

Legality

The Rabobank sustainability policies include binding conditions between the bank and its clients based on potential adverse impacts that we consider to be material. Contractual clauses regarding compliance with our sustainability policies may be inserted into the relevant contracts or letters for prospects. Should serious issues that breach our policy and/or international norms and standards not be rectified through engagement, Rabobank may decide to terminate the client relationship.

Engagement on issues

Rabobank has engagement processes in place to follow up signals on material adverse sustainability impact. When such signals involve our clients, our 'Issue Engagement Process' is triggered. Rabobank reports on these engagements in an anonymized way in our Annual Report to strike a

balance between external accountability and client confidentiality.

If we have reason to believe the client does not comply with the conditions described in our sustainability policies, or that the client shows insufficient progress integrating sustainability measures in its daily operations, we will engage with the client to submit a sufficiently challenging timebound plan, which describes how the client intends to improve its practices in the future, and which includes specific goals and credible timescales.

Non-compliance

Rabobank accepts a certain degree of risk as a result of clients that are not (yet) compliant with Rabobank's Global Standard on Sustainable Development. Compliance is monitored for clients with an exposure above the EUR 1 million threshold via the Sustainability Assessment (Client Photo): see further paragraph 4.1 above. The risk appetite for non-compliance with our Global Standard on Sustainable Development is integrated into Rabobank's Risk Appetite Statement (internal document that limits the nature and extent of risks Rabobank is willing to take).

Rabobank monitors each quarter whether the non-compliance risk stays within the established risk parameters for clients with an exposure above the EUR 1 million threshold.

Remediation

Even with the best policies and practices in place, Rabobank may cause or contribute to an adverse impact that it has not reasonably been able to foresee or prevent. If this happens, Rabobank will endeavor to remedy or cooperate in the remediation of the situation. In case of direct link, Rabobank will endeavor to allow the relevant client to provide a remedy.

Grievance mechanisms

Rabobank has a whistleblower policy for employees, including contractors and directors. Our whistleblower program is implemented at

regional and/or local level, and all entities within the Rabobank have an external hotline or alternative external reporting mechanism. Whistleblowers can confidentially report concerns via telephone and email to an independent trusted party on a 24/7 basis, and where local legislation permits or prescribes, they can also report anonymously. All whistleblowers acting in good faith are protected from retaliation. The whistleblower policy is also available to former employees of Rabobank.

A separate complaint channel is available for clients and other stakeholders. Stakeholders also have the possibility to recourse to the OECD National Contact Point (NCP). Rabobank will abide by the decisions of the NCP.

5.2 Monitoring & Reporting

5.2.1 Monitoring

Compliance with our sustainability policies is monitored by the first line as part of their day-to-day business and via our implementing measures: see further paragraph 5.1.2. Internal compliance with our sustainability policies and the way in which the implementation measures are carried out, is also monitored. There are several monitoring checks in place:

- Risk appetite limit: The Rabobank Group Risk Appetite Statement includes a risk appetite limit on the number of clients that are not compliant with the Global Standard on Sustainable Development and without a sufficiently ambitious management action plan to comply within three years (at a maximum).
- Client progress assessment: Monitoring of progress towards establishing full coverage of a client assessment (see paragraph 5.1.2) for all clients with an exposure above the EUR 1 million threshold.
- Ethical dilemmas: Cases arising from the application of sustainability policies can be brought to the attention of Rabobank Ethics Office and the Rabobank Ethics Committee can be consulted to provide guidance

This corresponds with the following controls:

Control Description

Control 1:

Enabling each Entity, business line or department to implement the requirements associated with this Global Standard, by providing clear communication regarding the document and the associated changes as indicated by PPM Template.

Control 2:

Implementing the Global Standard on Sustainable Development by the First Line of Responsibility.

Control 3:

Using a Sustainability Assessment tool for all clients with an exposure above the EUR 1 million threshold. Statistics are organized to evaluate the quality and response time of the client assessments.

Control 4:

Periodic updating of the Global Standard on Sustainable Development based on the "Global Standard on PPM".

5.2.2 Reporting

- Quarterly internal reporting on the number of clients that are not compliant with the Global Standard on Sustainable Development and without a sufficiently ambitious management action plan to comply within three years (at a maximum).
- Annual reporting on the Issue Engagement Process (see paragraph 1.7) in an anonymized way in our Annual Report to strike a balance between external accountability and client confidentiality.
- Annual reporting on the coverage of the Sustainability Assessments: see paragraph 5.1.2.

6 Annexures

Annex I - References

CORE:

Environment References

- Stockholm Resilience Center
- Need for a circular economy, Rabobank

Human rights References

- International Covenant on Civil and Political Rights
- International Covenant on Economic, Social and Cultural Rights
- Convention on Elimination of All Forms of Discrimination Against Women
- Convention on the Rights of the Child
- UN Declaration on the Rights of Indigenous Peoples
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights

Labor rights References

- ILO Declaration on Fundamental Principles and Rights at Work
- IFC Performance Standard 2 on Labor and Working Conditions
- ILO Fundamental Declaration on Labor Rights
- OECD Guidelines for Multinational Enterprises
- Rabobank Statement on Modern Slavery
- Tripartite Declaration Concerning Multinational Corporations and Social Policy
- UN Convention on the Rights of the Child
- UN Guiding Principles on Business and Human Rights
- UN Sustainable Development Goals (SDGs)

Anti-corruption References

- Bureau Speak Up
- Ethics Office

THEME:

Animal welfare References

- Animal welfare legislation of the European Union
- Business Benchmark on Farm Animal Welfare (BBFAW)
- Convention on International Trade in Endangered Species of Wild Fauna and Flora checklist of CITES Species
- Dairy Sustainability Framework
- FARMS Initiative, Responsible Minimum Standards
- Five Freedoms
- Global Roundtable on Sustainable Beef
- International Finance Corporation (IFC), Good Practice Note: Improving Animal Welfare in Livestock Operations
- IUCN Red List of Threatened Species
- World Organisation for Animal Health (OIE), Terrestrial Animal Health Code (Chapter 7, Animal Welfare) and Aquatic Animal Health Code (Chapter 7, Welfare of Farmed Fish)

Biodiversity References

- Accountability Framework CITES
- Finance for Biodiversity Pledge
- Global Canopy Programme
- HCV Network
- IUCN Red list of Endangered Species
- International Union for the Conservation of Nature
- Natural Capital Declaration
- RAMSAR
- United Nations Environment Programme Finance Initiative (UNEP FI)
- UN Convention on Biological Diversity
- UNESCO World Heritage List

Land governance References

- IFC Performance Standard 7 on Indigenous Peoples.
- Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT).
- UN Declaration on the Rights of Indigenous Peoples

Plant gene technology References

- Bonn Guidelines
- Cartagena Protocol
- Nagoya Protocol.
- UN Convention on Biological Diversity

SECTOR:

Agriculture References

- Dairy Sustainability Framework
- Global Roundtable for Sustainable Beef (and its regional chapters)
- US Roundtable for Sustainable Beef
- United Nations Sustainable Development Goals

INTERNAL REFERENCES

- Manual and Definitions E-rating (work-in-progress)

Agrochemicals References

- Globally Harmonized System on Classification and Labelling of Chemicals (GHS)
- International Code of Conduct on the Distribution and Use of Pesticides
- International Code of Pest Management
- International Finance Corporation Performance Standards
- Rotterdam Convention (Annex III)
- Stockholm Convention on Persistent Organic Pollutants (POP)
- Together for Sustainability
- World Bank Environmental, Health and Safety (EHS) Guidelines

Aquaculture and Fisheries References

- Aquaculture Stewardship Council (ASC)
- Best Aquaculture Practices (BAP)
- Global Standard for Responsible Supply (IFFO RS)
- Marine Protection Areas
- Marine Stewardship Council (MSC)
- Natura 2000

Armaments Industry References

- Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction (Ottawa Treaty, 1997)
- Convention on the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their destruction (1972)
- Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction (1993)
- Convention on Cluster Munitions (Oslo Convention, 2008)
- Non-proliferation Treaty (1968).

INTERNAL REFERENCES

- Armaments Industry Implementation guidelines (internal document): These implementation guidelines provide further details on how Rabobank puts the Armaments Industry Policy into practice.
- Company armaments exclusion list (internal document): list that is established by Rabobank each quarter and that contains information on companies that are involved in or linked to the seven identified controversial armaments.
- Country armaments exclusion list (internal document): list that is established by Rabobank each quarter and that contains information on countries that meet the definition for controversial regimes.

Biomass References

- Roundtable on Sustainable Biomaterials
- FSC
- ISCC
- NTA8080
- REDII
- Better Biomass
- International Union for the Conservation of Nature (IUCN I and II areas)
- UNESCO World Heritage
- RAMSAR wetlands
- Global 2030 and 2050 climate goals;
- Roundtable on Sustainable Biomaterials
- EU Taxonomy

INTERNAL REFERENCE

- Value pyramid
- Biomass value chain

Cocoa, coffee, tea and cotton References

- 4C
- Better Cotton Initiative
- Global Coffee Platform
- World Cocoa Foundation
- Ethical Tea Partnership

Forestry References

- CITES
- Forest Stewardship Council (FSC)
- Programme for the Endorsement of Forest Certification (PEFC)

Metals, Minerals and Mining References

- Extractive Industries Transparency Initiative (EITI)
- Paris Agreement
- Voluntary Principles on Security and Human Rights

INTERNAL REFERENCES

- Rabobank Implementation guidelines Extractive industries
- IFC Industry Sector Guidelines on Mining, Base Metal Smelting and Refining, Integrated Steel Mills and Foundries, and Construction Materials Extraction
- OECD Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

Palm oil References

- Consumer Goods Forum
- Roundtable on Sustainable Palm Oil

Ship breaking and recycling References

- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention)
- EU Ship Recycling Regulation
- International Convention for the Safe and Environmentally Sound Recycling of Ships (IMO Hong Kong Convention)
- Responsible Ship Recycling Standards (RSRS)
- Sustainable Shipping Initiative
- Safety and health in ship breaking: Guidelines for Asian Countries and Turkey

Soy References

- Consumer Goods Forum
- Round Table on Responsible Soy (RTRS)

Sugarcane References

- Bonsucro

**“We believe
that facilitating clients
and business partners to
improve their sustainability
performance demands
meaningful and proactive
dialogue”**

