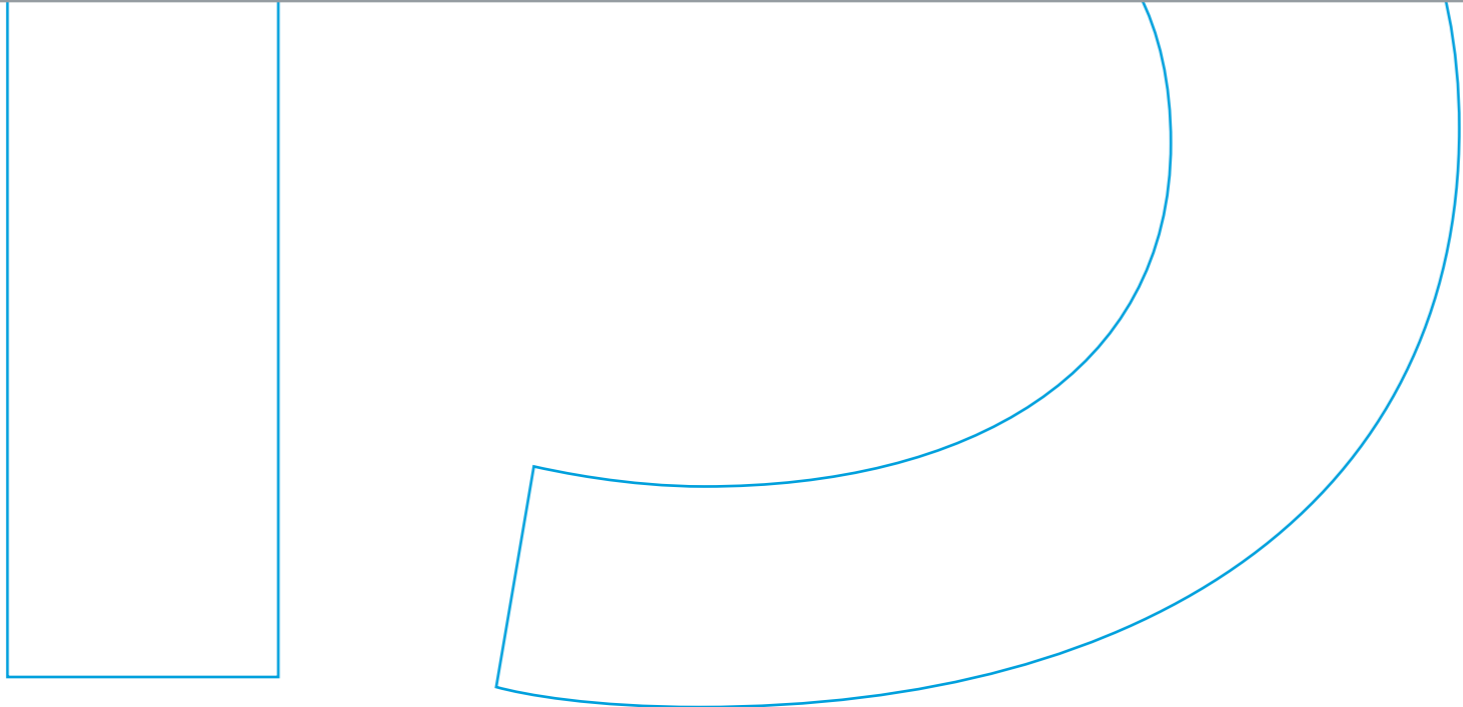


GRI Index

BNG Bank 2015



In this document, BNG Bank will report in accordance with the GRI system. In accordance with G4 approach, the table on the next pages includes all GRI indicators being reported – where applicable – with notes and/or references to the annual report and the pages and web pages containing the information concerned. This document forms an integral part of BNG Bank’s 2015 Annual Report.

DISCLAIMER

This is an unofficial translation of the GRI Index BNG Bank 2015 (Dutch GRI-index BNG Bank 2015.pdf), which is provided for convenience purposes only. In the event of any ambiguity, the Dutch text will prevail.

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GRI INDEX

NOTES

General

STRATEGY AND ANALYSIS

G4-1

Statement from the most senior decision-maker on the relevance of sustainable development for the organisation and its strategy

See foreword.

G4-2

Description of key impacts, risks and opportunities

See the [CSR Policy](#) and the Strategy section in the [Annual Report](#).

ORGANISATION PROFILE

G4-3

Name of the organisation

Official name (under the Articles of Association): N.V. Bank Nederlandse Gemeenten.

G4-4	Primary brands, products and services	BNG Bank provides customised financial services, ranging from loans and advances, payment services, consultancy services , electronic banking and asset management . BNG Bank also participates in public-private partnerships (PPS) through its subsidiary BNG Gebiedsontwikkeling .
G4-5	Location of headquarters	The Hague, The Netherlands.
G4-6	The number of countries where the organisation operates relevant to sustainability topics	The Netherlands.
G4-7	Ownership structure and legal form	A publicly held corporation under Dutch law with the following shareholders: the State of The Netherlands, municipalities, provinces and a district water board.
G4-8	Markets served (geographical breakdown, sectors and types of clients)	BNG Bank focuses primarily on Dutch government authorities and Dutch public housing, healthcare, education and public utilities institutions. The bank provided limited financial services to governments and institutions in other EU Member States. For the purpose of obtaining funding, BNG Bank is active on the international money and capital markets.
G4-9	Business size	See the selected financial data , the Shareholders and Financial sections in the Annual Report .

G4-10

Total number of employees, broken down by type of work and employment contract, internal and external staff, and by region

EMPLOYEES BY AGE GROUP AND GENDER**INTERNAL:**

GROUP	2015				2014				2013			
	Total	Male	Female	Fte	Total	Male	Female	Fte	Total	Male	Female	Fte
TOTAL	298*	203	95	285.0	290*	196	94	278.0	284*	197	87	271.9

* This figure excludes the Supervisory Board members and redundant employees.

OF WHOM WITH A TEMPORARY CONTRACT:

GROUP	2015			2014		
	Male	Female	Total	Male	Female	Total
Age						
34 and younger	5	3	8	3	4	7
35 – 44	2	3	5	2	2	4
45 – 54	1	1	2	3	0	3
55 – 64	1	0	1	0	0	0
65 and older	1	0	1	0	0	0
TOTAL	10	7	17	8	6	14

EXTERNAL:

GROUP	2015			
	Total	Male	Female	Fte
TOTAL	25	22	3	25

GROUP	2014				2013			
	Total	Male	Female	Fte	Total	Male	Female	Fte
TOTAL	7	6	1	7	3	1	2	3

All employees work in The Netherlands. No substantial seasonal fluctuations occurred in the size of the workforce.

G4-11

Percentage of employees covered by the collective labour agreement (CLA)

14 employees (including Executive Board members/Management) fall outside the scope of the General CLA for the Banking Industry as at December 31, 2015, which equates to 4.7% of 298 employees.

G4-12

Description of the supply chain

See the supply chain section in the [CSR Policy](#). Developments relating to loans, advances and funding are described in the Clients and Investors section.

G4-13

Changes regarding the organisation's size, structure, ownership and its supply chain

There were no substantial changes in the organisation, nor in the supply chain. There were no acquisitions or disposals in 2015.

G4-14	Application of the precautionary principle	New products and services are either subject to the bank's product approval process or that of BNG Vermogensbeheer. New lending by the bank as well as new projects undertaken by BNG Gebiedsontwikkeling are subject to a prior risk assessment. For our risk policy, see the Risk Appetite section in the Annual Report .
G4-15	Externally developed economic, environment-related and social charters, principles or other initiatives endorsed	BNG Vermogensbeheer is a signatory to the UN Principles for Responsible Investment. BNG Vermogensbeheer is a member of the Dutch Association of Investors for Sustainable Development (VBDO). BNG Vermogensbeheer collaborates with Sustainalytics and uses Sustainalytics data for the purpose of its investment funds and for mandated client investment portfolios, in consultation with the relevant clients. BNG Bank has signed the Dutch Banking Association's climate statement. The bank observes the Dutch Banking Code and the Corporate Governance principles.
G4-16	Membership of associations and/or national or international interest groups	BNG Bank is a member of the Dutch Banking Association. BNG Bank employees are members of the Association's board, committees and working groups. BNG Bank also is a member of the European Association of Public Banks (EAPB). BNG Bank believes that membership of both associations is vital as they provide a platform through which it can structurally bring the specific interests of the bank and its clients to the attention of the Dutch and European regulators. BNG Vermogensbeheer is a member of the Dutch Fund and Asset Management Association. BNG Bank, including BNG Vermogensbeheer, is a member of the Dutch Securities Institute.

IDENTIFIED ASPECTS AND SCOPE

G4-17	List of associates included in the consolidated financial statements Entities included in the consolidated financial statements but not included in the report	Each year BNG Bank prepares consolidated financial statements which include the parent company and its subsidiaries. The consolidated financial statements comprise all subsidiaries over which BNG Bank has control. Control exists if BNG Bank has the power to determine, either directly or indirectly, an entity's financial and operational policy in order to derive economic benefits from the entities' activities. A list of the consolidated subsidiaries is included in Appendix A to the Annual Report . A complete list of subsidiaries has been filed with the Chamber of Commerce in The Hague.
G4-18	Process for defining the content and aspect boundaries of the Annual Report	The material aspects are identified under CSR Policy . The various aspects of the management approach are stated in the Disclosures of Management Approach (DMAs). The CSR Policy sets out the themes and subthemes that BNG Bank identifies.
G4-19	Results of the materiality analysis in the process for defining report content	See Annex on the determination of materiality process in the Annual Report .
G4-20	The boundaries of the material aspects within the organisation	The aspects defined as material apply to BNG Bank and its subsidiaries as a whole. The column Scope shows whether the aspect is material within the organisation and, if so, for which business units.

G4-21	Aspect boundaries outside the organisation	The column Scope shows whether, and if so, for which stakeholders outside the organisation the aspect is material.
G4-22	Report of the effect of any restatements of information provided in previous reports, and the reasons for such restatements	N/A.
G4-23	Significant changes in the scope and aspect boundaries	Since the 2014 Annual Report reporting has been done on the basis of GRI-4. Starting with the 2015 Annual Report the comprehensive approach is applied. Additional information has been included where possible and where relevant for other reports.

STAKEHOLDER INVOLVEMENT

G4-24	List of stakeholder groups engaged by the organisation	See the CSR Policy .
G4-25	Basis for selection of stakeholders	See the CSR Policy .

G4-26	Approach to stakeholder engagement in the organisation, including as part of the report preparation process	See our CSR policy on consultations with stakeholders concerning topics relevant to the respective stakeholder group and the bank. The input received from stakeholders at the stakeholder meeting and through the year is checked to see to what extent it should potentially be a point to consider in the reporting.
G4-27	Key themes raised by stakeholders and how the organisation has responded	See bngbank.nl/mvo and various sections of the Report of the Executive Board.

REPORT

G4-28	Reporting period	January 1, 2015 – December 31, 2015. Since 2014, the Annual Report integrates the financial and CSR reports. The financial statements and the explanatory notes were published on March 7, 2016, prior to the publication of the integrated report. The full Annual Report will be published on April 21, 2016. In the light of the bank's public role and in accordance with the principle of due care, it is the bank's policy to publish the Annual Report after it has been approved by the shareholders. The shareholders are public authorities. The report is sent to and received by the shareholders well in advance.
G4-29	Previous report	BNG Bank Annual Report 2014 .
G4-30	Reporting cycle	Annual.
G4-31	Contact persons	See publication details in the Annual Report .

G4-32

The type of 'in accordance' option the organisation has chosen; the GRI Index for the chosen option and the reference to the external assurance report

BNG Bank reports in accordance with the comprehensive GRI-4 guidelines. The GRI Index forms an integral part of the [Annual Report](#) and is published on [bngbank.nl](#). External assurance has been obtained from EY aimed at obtaining reasonable assurance that the non-financial information in the chapters:

- Addendum on key figures
- Objectives and results achieved
- Report of the Supervisory Board, Sustainability/Corporate Social Responsibility
- Strategy
- Shareholders – Sustainability as a core value in BNG's identity: added value for stakeholders
- Customers – Social added value
- Customers – Care for customers
- Customers – Dialogue with and for its customers
- Customers – Customer satisfaction
- Customers – The world behind the customer
- Investors – Second SRI bond highly successful
- Employees
- Regulators and laws and regulations – Regulators
- Materiality assessment appendix
- Data measurement technique appendix – Social report with appendices 'BNG Bank CSR policy' and 'GRI Index BNG Bank 2015'. Data measurement technique for CSR elements;

have been represented correctly in the BNG Bank report, in all aspects of material importance, in accordance with the 'Sustainability Reporting Guidelines' G4 (Core) of the Global Reporting Initiative, the Guide for corporate social responsibility reporting of the Dutch Accounting Standards Board and the internal reporting criteria of BNG Bank;

		This includes the appendices 'BNG Bank CSR Policy' and 'GRI Index BNG Bank 2015'. The information in the GRI table has been included in the scope of the assurance engagement. The associated independent auditor's report has been included in the report.
G4-33	Policy and current practice with regard to seeking external assurance for the report	See the external assurance report in the Annual Report . BNG Bank seeks external assurance for corporate social responsibility reporting. The relationship between BNG Bank and its external auditor is that of a client/contractor respectively. The company secretary is involved in the process of obtaining external assurance. He provides direct feedback to the Executive Board. One of the members of the Executive Board is responsible for CSR Policy within the Board.

GOVERNANCE

G4-34	Governance structure and committees responsible for decision-making on economic, social and environmental impacts	The organisation is managed by the Executive Board. Special Executive Board meetings are as follows: 1) Management-level discussions, 2) Asset and Liability Committee. Furthermore, BNG Bank has the following committees, each of which are headed by a member of the Executive Board: 3) Credit Committee, 4) Investment Committee, 5) Financial Counterparties Committee, 6) Capital Policy and Financial Regulation Committee and 7) Sustainability Committee. Decision-making on CSR is carried out by the Executive Board. One of the members of the Executive Board is responsible for preparing and implementing CSR Policy . The management approach to CSR is described in the CSR Policy . CSR is a topic addressed during management meetings. The bank's activities are supervised by the Supervisory Board. CSR Policy is discussed during Supervisory Board meetings and approved by the Supervisory Board.
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G4-35	The process for delegating authority	The members of the Executive Board are responsible for implementing policy on the various themes. They receive assistance on the various aspects from the senior management members responsible for achieving the different CSR objectives and for the corresponding measurement methods.
G4-36	Reporting	The Executive Board monitors the implementation of the annual plans based on quarterly reports, which are discussed with the relevant directors and senior managers.
G4-37	Consultation process between stakeholders and the highest governance body on economic, social and environmental topics	Each BNG Bank shareholder has the formal right to submit written proposals for the agenda of the general meeting of shareholders (AGM). All BNG Bank employees are formally represented by the elected Works Council, which holds regular meetings with the Executive Board (six meetings a year). For the manner in which stakeholders and the Executive Board maintain dialogue, see the section on Stakeholder Policy in the CSR Policy .
G4-38	Composition of the Executive Board and the Supervisory Board	See the Organisation section in the Annual Report .
G4-39	Chair of the highest governance body	BNG Bank has a two-tier board, whereby management and supervision are segregated between the Executive Board and the Supervisory Board respectively. See the Organisation section in the Annual Report .
G4-40	Selection and appointment process for the Executive Board and the Supervisory Board	A profile has been drawn up for Executive and Supervisory Board members. See: the profile of the Executive Board and the profile of the Supervisory Board . In the event of a vacancy, an individual profile is drawn up based on a review of the requisite knowledge and experience. The procedure includes an assessment by the supervising authority of the competencies required of executive and supervisory board members.

G4-41	Procedures to avoid conflicts of interest	<p>The Supervisory Board supervises the activities of the Executive Board. Internal supervision of the Executive Board is performed by the Compliance Department and the Internal Audit Department (IAD). A number of internal regulations exist aimed at avoiding conflicts of interest, such as those relating to private investment transactions, information segregation, loans to members of the Executive Board, ancillary activities, accepting gifts from business relations and private transactions with suppliers. BNG Vermogensbeheer has its own specific policy aimed at avoiding conflicts of interest. Members of the Executive Board may not serve on the Supervisory Board and vice versa. BNG Bank's shares may only be held by public bodies, which precludes any cross-shareholding between BNG Bank and its shareholders. The Executive Board operates independently of its shareholders. The list of BNG Bank shareholders can be found in Annex C to the Annual Report.</p>
G4-42	Role of the Executive Board and management in the development, approval and updating of the mission, vision and strategy, policy and objectives relating to CSR Policy	<p>See the Process section in the CSR Policy.</p>
G4-43	Executive Board and Supervisory Board education program	<p>The Executive and Supervisory Board members take part in an annual, tailor-made permanent education program. For the program contents, see the Report of the Supervisory Board.</p>

G4-44	Evaluation of performance with respect to governance of economic, environmental and social topics. Action taken following the evaluation	The Supervisory Board supervises the activities of the Executive Board. Internal monitoring is performed by the Compliance Department and the IAD. BNG Bank's business processes, including those of its subsidiaries, are subject to regular audits by the IAD. Each year, the IAD reviews the CSR sections of the Annual Report and the GRI Index containing the environmental and social aspects. The Supervisory Board assesses the performance of the Executive Board each year: see the report of the Supervisory Board in the Annual Report . The Supervisory Board's performance is evaluated annually. The process and the action to be taken on the basis of the results of the evaluation are set out in the Report of the Supervisory Board. An external supervisor is engaged for this purpose once every three years.
G4-45	Executive Board role in the identification and management of risks and opportunities, and the stakeholders' role in this process	The management approach to the categories identified by GRI is set out in BNG Bank's CSR Policy . The internal risk management and control systems are described in the Annual Report Corporate Governance section. The management systems are periodically audited by the IAD. The IAD issues an opinion on the quality and reliability of the systems. The IAD performs an internal audit of CSR reporting. The manner in which the organisation manages the various risks to which the bank is exposed is explained in the Risk Appetite Chapter of the Annual Report , which is discussed in the AGM.
G4-46	Role of the Executive Board in reviewing the effectiveness of the risk management processes	See the Risk Appetite chapter in the Annual Report .
G4-47	Risk assessment frequency	See the Risk Appetite chapter in the Annual Report .

G4-48	Governance body that formally reviews and approves the CSR report	CSR Policy and the report on CSR aspects are determined by the Executive Board and approved by the Supervisory Board.
G4-49	Risk reporting process	The relevant developments, including the risks, are set out in the quarterly report and are discussed by the Executive Board and the Supervisory Board. Furthermore market and operational risks are reported to the Executive Board on a monthly basis.
G4-50	Number of substantial risks reported	No incidents with a substantial risk have been reported.
G4-51	Remuneration scheme and policy for the Executive Board	See the Report of the Supervisory Board in the Annual Report . See also Note 33 to the consolidated financial statements in the Annual Report and the remuneration policy .
G4-52	Procedure for determining the level of remuneration	See the Report of the Supervisory Board in the Annual Report . The external auditor examines whether this procedure is applied correctly but does not have an advisory role in determining the level of remuneration.
G4-53	Stakeholder involvement in remuneration policy	The remuneration policy for the Executive Board and the Supervisory Board and any amendments thereto are discussed in the AGM. The AGM determines the level of remuneration. The level of remuneration for Supervisory Board members was unanimously adopted by the AGM in 2012. The policy on Executive Board member remuneration was adopted by a vast majority of the votes cast in the AGM in 2011.

G4-54	Ratio of the Executive Board Chairman's salary to the median salary	The salary of the Executive Board Chairman in 2015 was 5.86 times (2014: 6.11 times) the median salary of BNG Bank employees. The conditionally awarded variable remunerations for 2014 and 2015 have been included in the calculations; the actual payments, in 2014 and 2015, of the conditionally awarded variable remunerations for 2010 and 2011 have not been included.
G4-55	Ratio of percentage increase in the salary of the Executive Board Chairman to the median salary increase for employees	The salary of the Executive Board Chairman in 2015 fell by 6.4%, while the median salary of BNG Bank employees fell by 2.6%. The calculation is based on the same principles as those used for the information under G4-54.

INTEGRITY AND ETHICS

G4-56	Values, principles, standards and codes of conduct	The bank has a Company Code of Practice and associated internal regulations and procedures. The Company Code was drawn up by the Human Resources Department in association with the Compliance and Communications Department. Following the approval of the Executive Board and the Supervisory Board it was distributed to the employees together with background information. The Executive Board is responsible for the Company Code of Practice. On commencing employment, particular attention is paid to the integrity of employees and executives. BNG Bank pursues a pre-employment screening policy. All employees, directors and supervisory directors have taken the financial sector oath/affirmation. See also the Corporate Governance chapter and the Employee section in the Annual Report .
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G4-57	Mechanism for seeking advice on ethical behavior	BNG Bank has regulations concerning the reporting of suspected misconduct which apply to both internal and external stakeholders. The bank also has regulations concerning inappropriate behavior.
G4-58	Procedures for reporting unethical behavior, such as escalation to line management, whistleblower policy and procedures or hotlines	Unethical behavior is reported to the reporting officer. Two designated confidential counsellors have been appointed for reporting inappropriate behavior. BNG Bank has a complaints procedure in place for handling external complaints. In the reporting year no reports were received and resolved.

Economic indicators

ECONOMIC PERFORMANCE

SCOPE	ALL INTERNAL AND EXTERNAL STAKEHOLDERS
G4-DMA	<p>BNG Bank's mission and strategy are set out in the Strategy chapter in the bank's 2015 Annual Report. The bank's strategic objectives have also been defined as the CSR objectives under the theme A Safe Bank. Achievement of the objectives is contingent on:</p> <ul style="list-style-type: none"> – maintaining an excellent credit rating; – retaining an excellent funding position; – managing the bank's business as effectively and efficiently as possible. <p>Market shares in the core sectors are above – in some cases far above – target owing to the reticent attitude of BNG Bank's competitors. The return on equity serves to endorse the bank's policy in meeting the European leverage ratio requirement with effect from 2018.</p> <p>BNG Bank's market presence is limited almost exclusively to The Netherlands and does not give rise to any particular areas of concern. The Annual Report presents a detailed account of BNG Bank's economic performance. The bank broadly promotes its core task and the efforts it makes through its services to support government policy (public policy).</p>

Compliance with laws and regulations, including environmental legislation, is the guiding principle underlying BNG Bank's business activities and those of its subsidiaries. It is vital for the bank to maintain an excellent reputation in order to maintain ratings that are in line with those of the State of The Netherlands as far as possible. This forms the basis for accomplishing the bank's mission.

The economic results are reported in the summary of Objectives and Results Achieved in the Report of the Executive Board Report in the [Annual Report](#).

The manner in which this aspect is managed and evaluated internally is set out under 'Process' in the [CSR Policy](#). BNG Bank strategy was reassessed in 2015, for which see the report of the Executive Board in the [Annual Report](#).

BNG Bank's performance is evaluated by the external rating agencies Moody's, Standard & Poor's and Fitch. BNG Bank is regarded as one of the world's safest banks and has been awarded triple A ratings by Moody's and Standard & Poor's and an AA+ rating by Fitch. These ratings are in line with those of the State of The Netherlands. If these ratings are to be maintained, the risks must be adequately controlled.

G4-EC1

Direct economic value generated and distributed

See the Report of the Executive Board, the financial statements, the key figures and [CSR Policy](#).

G4-EC2	Financial implications and risks and opportunities due to climate change	In respect of climate change, models and initiatives have been developed for financing sustainable investments for clients, such as solar panels and the greening of buildings, in which various parties are involved. BNG Bank is also involved in financing wind parks, installations that use residual heat from power stations and waste treatment plants. See the Client section in the Annual Report . The exact volume of lending is difficult to estimate since this at present is largely carried out by means of balance-sheet financing and there is no way of knowing in advance whether or to what extent the relevant loans are intended for financing sustainable investments. In 2015 BNG Bank issued a Socially Responsible Investment Bond, the proceeds of which are being used to provide financing to the ‘best-in-class municipalities’ in terms of sustainability performance. The bank thus aims to promote sustainable business operations among the municipalities. The opportunities and threats have been included in the SWOT analysis in the CSR policy .
G4-EC3	Defined benefit plan obligations	See the accounting policies for the consolidated financial statements in the Annual Report under Employee benefits.
G4-EC4	Financial assistance received from the government	The State of The Netherlands and almost all municipalities and provinces in The Netherlands, as well as a water board are BNG Bank shareholders. BNG Bank receives no other form of financial assistance or financial benefit from the government.

MARKET PRESENCE

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-EC5	Ratios of standard entry level wage compared to the minimum wage at significant locations of operation	This indicator is not material. BNG Bank is located in The Netherlands, applies the General CLA for the Banking Industry and works in accordance with a job evaluation system.
G4-EC6	Proportion of senior management hired from the local community	This indicator is not material. BNG Bank is located in The Netherlands. All managers and department heads were recruited from the Dutch labour market.

INDIRECT ECONOMIC IMPACTS

	SCOPE	EXTERNAL STAKEHOLDERS: CLIENTS, SHAREHOLDERS AND THE GOVERNMENT
G4-DMA		In quantitative terms, the significance of BNG Bank is apparent from the indirect economic impacts of its long-term loans which are offered at low rates. This lowers the cost of public facilities. By creating social value, the bank indirectly serves the interests of Dutch citizens: they benefit from lower municipal rates, lower social housing rents, lower healthcare charges and lower education fees. The specific impact cannot be uniformly measured on account of the multiplicity of financial positions and the autonomous policies pursued by the wide range of institutions. This partially relates to the effect BNG Bank's rates can have on the quotations of other lenders.

The material key indicator here is the relative share of long-term lending in the core client sectors in the loan portfolio.

Granting loans for sustainable investments that can lend shape to environmentally conscious business operations for our clients forms a key aspect of the bank's [CSR Policy](#). The key objectives are: financing more sustainable social property and housing association homes, and financing the generation of renewable energy. The progress made in these areas forms part of the theme Responsible Growth and is described in the Report of the Executive Board in the [Annual Report](#).

The bank is aware of the societal need for public infrastructure and other services in the core client sectors based on the day-to-day contacts maintained by account managers with clients. The bank is aware of a large part of the demand for loans. This also applies to the demand for loans among consortia.

In qualitative terms, in pursuing responsible growth BNG Bank must offer an appropriate range of products. BNG Bank avoids complex, exotic products, such as derivatives with option-style elements and products which it believes carry high or even excessive risks for the client. In this respect the bank's core client sectors are also guided by the government through laws and regulations. Consumer health and safety is not an issue for financial products. However, the labelling of products and services is given particular attention in the context of the duty of care and the duty of disclosure.

The development of new products is subject to a product approval process at BNG Bank which is also used to evaluate existing products periodically. A number of the bank's business units are responsible for specific parts of this process. BNG Vermogensbeheer has implemented the statutory requirements concerning the

proper treatment of clients in procedures for making enquiries about clients and in the prior assessment of a recommendation or a transaction against the client profile. The IAD periodically reviews the structure, existence and operation of these processes.

A [complaints procedure](#) is in place for handling stakeholder complaints in the proper manner.

New policies and procedures are communicated in presentations to the departments concerned and/or in email messages and/or through the intranet. The remuneration policy in place at BNG Bank and its subsidiary BNG Vermogensbeheer does not contain any incentives that might give rise to the negligent treatment of clients. The IAD audits compliance with policy and procedures. Where applicable, BNG Vermogensbeheer employees and those working in the Treasury and Capital Markets departments have been entered in the relevant Dutch Securities Institute registers as mandatory; they periodically take a test serving to guarantee their level of knowledge and integrity. Each year employees draw up a personal development plan which also highlights training courses that should be followed. Human Resources determines the organisation's need for group training courses.

The manner in which this aspect is managed and evaluated internally is set out under 'Process' in the [CSR Policy](#). The evaluation of the external developments and the role that the bank seeks to play have led to a review of the strategy, as explained in the Report of the Executive Board in the [Annual Report](#). The bank's performance is externally evaluated on the basis of periodic customer satisfaction surveys. The surveys have shown that the bank enjoys a high level of customer satisfaction.

		Alongside the economic results benefiting society as a whole, the bank supports artistic and cultural activities through BNG Cultuurfonds and is socially active. See the chapter on Clients in the Report of the Executive Board.																												
G4-EC7	Development and impact of infrastructure investments and services	BNG Bank operates on the Dutch market. It has no operations in developing countries. Incidentally, as part of a consortium BNG Bank finances infrastructure investments in The Netherlands arising from public-private partnerships, in design-build-finance-operate-maintain (DBFMO) or other constructions.																												
G4-EC8	Insight into and description of significant indirect economic impacts, including their extent	<p>The services provided by BNG Bank contribute indirectly to efforts to keep the costs of social provisions for Dutch citizens as low as possible. The services provided by BNG Bank also contribute to the quality of the infrastructure in The Netherlands, the affordability of public-sector rented accommodation and the accessibility of education and healthcare. Long-term loans to these client groups – the public sector, housing associations, healthcare and educational institutions – amounted to EUR 78.2 billion for the year ending December 31, 2015, 95% of the bank's long-term loan portfolio (2014: EUR 78.9 billion, 95%).</p> <table border="1"> <thead> <tr> <th></th> <th>2015</th> <th>2014</th> <th>2013</th> </tr> </thead> <tbody> <tr> <td>MARKET SEGMENTS</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Public sector</td> <td>28,786</td> <td>28,745</td> <td>28,119</td> </tr> <tr> <td>Public housing</td> <td>41,202</td> <td>41,925</td> <td>42,383</td> </tr> <tr> <td>Healthcare</td> <td>7,292</td> <td>7,324</td> <td>7,391</td> </tr> <tr> <td>Education</td> <td>919</td> <td>839</td> <td>828</td> </tr> <tr> <td>TOTAL</td> <td>78,199</td> <td>78,883</td> <td>78,721</td> </tr> </tbody> </table>		2015	2014	2013	MARKET SEGMENTS				Public sector	28,786	28,745	28,119	Public housing	41,202	41,925	42,383	Healthcare	7,292	7,324	7,391	Education	919	839	828	TOTAL	78,199	78,883	78,721
	2015	2014	2013																											
MARKET SEGMENTS																														
Public sector	28,786	28,745	28,119																											
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PROCUREMENT POLICY

	THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-EC9	
Percentage of spending on local suppliers at significant locations of operation	The indicator is not material. BNG Bank is an office-based organisation which only has one office.

Environment

G4-DMA

The financial services sector is deemed to be a sector that is not particularly harmful to the environment. In view of its limited office space the benefits to be derived by BNG Bank are small in absolute terms. However, if CSR is to be credible it must include environmentally conscious internal operations. BNG Bank's initiatives focus on energy conservation and consequently the reduction of CO₂ emissions, as well as sustainable procurement. We therefore report on developments relating to energy consumption, CO₂ emissions, the volume of waste produced and paper consumption. This also ties in with the request for information based on the sector-specific DMA. Because this is not a material theme, the bank has opted not to compare environmental performance in the recent period with developments at the global, regional or local levels.

BNG Bank has no direct involvement in national and regional energy agreements, regulations and covenants, but they are reflected in the loans the bank concludes for clients.

Facility Services is the organisational unit responsible for coordinating environmentally aware internal business operations. Various departments are involved in implementing these operations, depending on the subject.

The CSR committee, which holds periodic meetings, evaluates the effectiveness of the management approach. Furthermore the IAD performs an operational effectiveness audit. Internal monitoring and evaluation are carried out in the manner described under 'Process' in the [CSR Policy](#).

MATERIALS

THIS ASPECT IS NOT MATERIAL FOR BNG BANK

G4-EN1

Materials used by weight or volume

BNG Bank is an office-based organisation. The indicator is not material. Paper consumption amounted to 8,916 kg in 2015 (2014: 21,001 kg). The additional correspondence within the context of the bank's 100th anniversary celebrations in 2014 resulted in a relatively high consumption figure for that year. Furthermore, extra quantities of paper were purchased in 2014 in connection with the expected development of prices at the time. Energy and water consumption is shown in EN3.

G4-EN2

Percentage of recycled materials in the total amount of recycled input materials

The indicator is not material. BNG Bank does not use any recycled materials from external sources.

ENERGY

INTERNAL: ALL BUSINESS UNITS

SCOPE

See the general DMA under environment.

G4-DMA

G4-EN3

Energy consumption within the organisation

	2015	2014	2013
GROUP			
Electricity (MWh)	1,593.0	1,564.2	1,480.0
District heating (GJ)	2,473.3	2,220.2	2,939.0
Natural gas (m ³)	5,887.0	4,437.0	7,007.0
BUSINESS TRIPS			
By lease cars	Liters fuel	Liters fuel	Liters fuel
Petrol	72,682	68,532	88,034
Diesel	45,892	48,735	46,063
Aircraft (km)	km	km	km
	493,262	370,672	498,414

Total energy consumption amounted to 12,261.6 GJ. This does not include the energy consumption for the number of kilometers flown.

G4-EN4

Energy consumption outside of the organisation

Given the nature of the organisation (financial service provider), this does not apply to BNG Bank.

G4-EN5	Energy consumption per unit		2015	2014	2013
		<p>GROUP</p> <p>Consumption</p> <p>Electricity (MWh)</p> <p>District heating (GJ)</p> <p>Natural gas (m³)</p> <p>Gasoline (l)</p> <p>Diesel (l)</p> <p>Aircraft (km)</p>	<p>Per fte</p> <p>5.6</p> <p>9.2</p> <p>401.4</p> <p>255.0</p> <p>161.0</p> <p>1,730.7</p>	<p>Per fte</p> <p>5.6</p> <p>8.4</p> <p>289.4</p> <p>246.5</p> <p>175.3</p> <p>1,333.4</p>	<p>Per fte</p> <p>5.4</p> <p>11.5</p> <p>437.9</p> <p>323.8</p> <p>169.4</p> <p>1,833.1</p>
G4-EN6	Measures taken to reduce energy consumption	<p>In the corridors, all non-fluorescent lighting has been replaced with LED lighting. In the parking garage the fluorescent lighting has been replaced with LED lighting. In 2016 the replacement of the halogen lighting in office spaces with LED lighting will continue. Circumstances have led to delay in the installation of solar panels, which will now be installed in the first quarter of 2016. Other things being equal a modest reduction in energy consumption will be achieved as a result. Incidentally, this will not affect the carbon footprint, given that the bank uses green electricity.</p>			
G4-EN7	Measures to reduce energy requirements of products	<p>N/A. BNG Bank is a financial institution whose products and services do not require energy.</p>			

WATER

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK															
G4-EN8	Total water withdrawal by source	<p>BNG is a financial service provider with a single office building. Water consumption figures are presented in the table below.</p> <table border="1"> <thead> <tr> <th></th> <th>2015</th> <th>2014</th> <th>2013</th> </tr> </thead> <tbody> <tr> <td>GROUP</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Water consumption (m³)</td> <td>2,217</td> <td>2,129</td> <td>1,990</td> </tr> </tbody> </table>					2015	2014	2013	GROUP				Water consumption (m ³)	2,217	2,129	1,990
	2015	2014	2013														
GROUP																	
Water consumption (m ³)	2,217	2,129	1,990														
G4-EN9	Water sources significantly affected by withdrawal of water	The indicator is not material. BNG Bank is a financial service provider with a single office building.															
G4-EN10	Percentage of total volume of water recycled and reused	The indicator is not material BNG Bank is a financial service provider with a single office building.															

BIODIVERSITY

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK			

G4-EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The indicator is not material. BNG Bank is a financial service provider with limited office space in The Hague.
G4-EN12	Significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	The indicator is not material. Loans issued by BNG Bank may indirectly impact biodiversity. Loans for the purpose of such investments are issued in The Netherlands and any biodiversity issues are usually addressed, either partially or fully, in the phase prior to the financing application in accordance with license application procedures and the applicable laws and regulations, etc.
G4-EN13	Habitats protected or restored	The indicator is not material. BNG Bank is a financial service provider and does not conduct any activities affecting biodiversity in protected areas.
G4-EN14	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	The indicator is not material. BNG Bank is a financial service provider and does not conduct any activities affecting biodiversity in protected areas.

EMISSIONS

	SCOPE	INTERNAL: ALL BUSINESS UNITS
G4-DMA		See the general DMA under environment.
G4-EN15	Direct greenhouse gas emissions in metric tons (scope 1)	For the calculation base, see the Annex on the data measurement technique for CSR elements in the Annual Report . Carbon emissions (scope 1) in 2015 amounted to 358.5 tons (2014: 351.4 tons).
G4-EN16	Indirect greenhouse gas emissions arising from energy purchased (scope 2)	For the calculation base, see the Annex on the data measurement technique for CSR elements in the Annual Report. In 2015 CO ₂ emissions within scope 2 amounted to 68.3 tons (2014: 67.6 tons).
G4-EN17	Other relevant indirect greenhouse gas emissions (scope 3)	For the calculation base, see the Annex on the data measurement technique for CSR elements in the Annual Report. In 2015 CO ₂ emissions within scope 2 amounted to 84.6 tons (2014: 61.3 tons).

G4-EN18

Greenhouse gas emissions intensity

	2015		
INTENSITY PER FTE CO ₂ emissions per FTE/year (ton)	Scope 1	Scope 2	Scope 3
	1.26	0.24	0.30

	2014		
INTENSITY PER FTE CO ₂ emissions per FTE/year (ton)	Scope 1	Scope 2	Scope 3
	1.26	0.24	0.22

In 2013 CO₂ emissions per FTE were 2.1 tons, in 2014 1.7 tons.

G4-EN19

Measures taken to reduce greenhouse gas emissions

Conventional lighting is gradually being replaced with LED lighting. More than 30% of the leased cars are now hybrid models. This will lead to reduced fossil fuel consumption. No judgment is made on the development of carbon emissions. The deciding factors in this regard, fuel consumption and air miles, depend very much on the business activities. In 2016 a room will be equipped for video conferencing with a view to cutting the number of miles travelled.

G4-EN20	Emissions of ozone-depleting substances in metric tons	The indicator is not material. BNG Bank is an office-based organisation.
G4-EN21	NO _x , SO _x and other significant air emissions by type and weight	The indicator is not material. BNG Bank is an office-based organisation.

EFFLUENTS AND WASTE

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK																																																																				
G4-EN22	Total water discharge by quality and destination	The indicator is not material. BNG Bank is an office-based organisation.																																																																				
G4-EN23	Total weight of waste by type and disposal method	<table border="1"> <thead> <tr> <th></th> <th colspan="2">2015</th> <th colspan="2">2014</th> <th colspan="2">2013</th> </tr> <tr> <th></th> <th>Total</th> <th>Per FTE</th> <th>Total</th> <th>Per FTE</th> <th>Total</th> <th>Per FTE</th> </tr> </thead> <tbody> <tr> <td>GROUP CONSUMPTION</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Paper (kg)</td> <td>19,767</td> <td>69.4</td> <td>22,192</td> <td>79.8</td> <td>23,721</td> <td>87.2</td> </tr> <tr> <td>Plastic (kg)</td> <td>0</td> <td>0.0</td> <td>0</td> <td>0.0</td> <td>0</td> <td>0.0</td> </tr> <tr> <td>Wood (kg)</td> <td>900</td> <td>3.2</td> <td>900</td> <td>3.2</td> <td>1,200</td> <td>4.4</td> </tr> <tr> <td>Minor chemical waste (kg)</td> <td>0</td> <td>0.0</td> <td>150</td> <td>0.5</td> <td>45</td> <td>0.2</td> </tr> <tr> <td>Residual waste (kg)</td> <td>18,093</td> <td>63.5</td> <td>20,042</td> <td>71.9</td> <td>16,536</td> <td>60.8</td> </tr> <tr> <td>TOTAL (KG)</td> <td>38,760</td> <td>136.1</td> <td>43,284</td> <td>155.4</td> <td>41,502</td> <td>152.6</td> </tr> </tbody> </table>							2015		2014		2013			Total	Per FTE	Total	Per FTE	Total	Per FTE	GROUP CONSUMPTION							Paper (kg)	19,767	69.4	22,192	79.8	23,721	87.2	Plastic (kg)	0	0.0	0	0.0	0	0.0	Wood (kg)	900	3.2	900	3.2	1,200	4.4	Minor chemical waste (kg)	0	0.0	150	0.5	45	0.2	Residual waste (kg)	18,093	63.5	20,042	71.9	16,536	60.8	TOTAL (KG)	38,760	136.1	43,284	155.4	41,502	152.6
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G4-EN24	Total number and volume of significant spills	The indicator is not material. BNG Bank is an office-based organisation.
G4-EN25	Weight of transported, exported or treated waste deemed hazardous under the Basel Convention Annex I, II, III and VII and percentage of transported waste shipped internationally	The indicator is not material. BNG Bank is an office-based organisation.
G4-EN26	Identity, size, protected status and biodiversity value of water bodies and related habitats significantly affected by the organisation's discharges of water and run-off	The indicator is not material. BNG Bank is an office-based organisation.

PRODUCTS AND SERVICES

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-EN27	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	The indicator is not material. BNG Bank is an office-based organisation.
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	The indicator is not material. BNG Bank is an office-based organisation.

COMPLIANCE WITH LAWS AND REGULATIONS

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-EN29	Fines and sanctions for non-compliance with environmental laws and regulations	The indicator is not material. In 2015 no sanctions or fines were imposed on BNG Bank, including its subsidiaries, for non-compliance with environmental laws and regulations. In 2015 no lawsuits were brought against BNG Bank, including its subsidiaries, for non-compliance with environmental laws and regulations.

TRANSPORT

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-EN30	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	The environmental impact of transporting members of the workforce is the only factor relevant to BNG Bank. This is included in the CO ₂ footprint. The impact is not significant.

OVERALL

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-EN31	Total environmental protection expenditures and investments by type	The indicator is not material. BNG Bank is an office-based organisation.

SUPPLIER ENVIRONMENTAL ASSESSMENT

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK

G4-EN32	Percentage of suppliers that were screened using environmental criteria	The indicator is not material. BNG Bank is an office-based organisation.
G4-EN33	Significant actual and potential negative impacts on the environment and supply chain	The indicator is not material. BNG Bank is an office-based organisation.

ENVIRONMENTAL GRIEVANCE MECHANISMS

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-EN34	Number of grievances about environmental impacts filed, addressed and resolved through the complaints procedure	The indicator is not material. No complaints on environmental impacts were filed.

Labour practices and decent work indicators

G4-DMA

Engaged employees represent BNG Bank's most important asset, and they work in an environment which is subject to constant change as a consequence of – often complex – laws and regulations. The bank pays special attention to employee development potential and motivation. Our employees' current level of expertise is the bank's strength and must be retained and where necessary reinforced. Employees should and must continue to be flexibly deployed. The ageing of the workforce ultimately means that emphasis must also be placed on employee vitality (prevention/ monitoring sickness absence, etc.). One of the key focus areas is the appropriate allocation of staff. Incidentally new employees should be able to be deployed quickly and flexibly. Recruitment efforts should focus on seeking the appropriate balance between junior and senior staff who bring knowledge and experience from outside the organisation. Diversity should always be taken into consideration.

Training and education help employees keep up with and understand new developments and apply them to their work, thus ensuring that BNG Bank can continue to fulfil its role effectively. Training and development was chosen as a primary subtheme because it makes visible the efforts that BNG Bank undertakes in this important area. The subtheme of employee satisfaction was chosen because it uses a single score to show the extent to which BNG Bank succeeds in offering its employees pleasant working conditions and determines the direction for improvements in specific areas.



The [Company Code of Practice](#) applies to BNG Bank employees. The ‘client’s interests take center stage’ is one of the key principles underlying the activities carried out by the bank and its employees. Furthermore BNG Bank has a policy in place aimed at preventing inappropriate behavior. See [G4-LA7](#) for further details. Internal rules of conduct to avoid conflicts of interest constitute rules for accepting and giving business gifts and rules for privately entering into transactions with suppliers.

In view of the bank’s small workforce, the impact of the bank’s human resource policy on the community and employment is deemed not to be material. The bank endeavors to offer competitive terms of employment and adheres to the General CLA for the Banking Industry. The relationship between the employer and employee is regulated by law in The Netherlands. The working conditions (health and safety) meet the high standards applicable in The Netherlands. As regards sickness absence and reintegration policy, the bank abides by Dutch legislation. In view of these high standards, there is no need to pay particular attention to occupational safety aspects (Occupational Health FS DMA). Due attention is paid to diversity and opportunity: the bank undertakes to achieve diversity throughout all levels of the organisation.

The progress made on the theme Engaged Employees is described in the section covering Employees in the Report of the Executive Board in the [Annual Report](#). See also the summary of ‘Objectives and Results Achieved’ in the [Annual Report](#).

Management and Human Resources implement HR policy and the Chairman of the Executive Board holds responsibility for Human Resources.

The manner in which the effectiveness of the management approach is evaluated is set out under ‘Process’ in the [CSR Policy](#). Employee satisfaction is evaluated on the basis of survey conducted by an external agency.

LABOUR PRACTICES

SCOPE

INTERNAL: ALL BUSINESS UNITS
EXTERNAL: CLIENTS AND SHAREHOLDERS

G4-LA1

Workforce profile
and turnover

EMPLOYEES BY AGE AND GENDER

GROUP	2015			
	Total	Male	Female	FTE
Age				
34 and younger	31	20	11	30.5
35 – 44	99	59	40	94.2
45 – 54	98	67	31	91.9
55 – 64	69	56	13	67.7
65 and older	1	1	0	0.7
TOTAL	298*	203	95	285.0

* This figure excludes the Supervisory Board members and redundant employees.

GROUP	2014				2013			
	Total	Male	Female	FTE	Total	Male	Female	FTE
Age								
34 and younger	30	17	13	29.4	30	22	8	30.0
35 – 44	105	64	41	99.9	106	64	42	100.3
45 – 54	93	62	31	87.5	96	67	29	90.9
55 – 64	62	53	9	61.2	51	43	8	50.3
65 and older	0	0	0	0	1	1	0	0.4
TOTAL	290*	196	94	278.0	284*	197	87	271.9

BNG Bank does not record any diversity data other than age, salary and gender.

* This figure excludes the Supervisory Board members and redundant employees.

INFLOW AND OUTFLOW OF EMPLOYEES

INFLOW	2015		
	Male	Female	Total
Age			
34 and younger	6	1	7
35 – 44	3	3	6
45 – 54	2	0	2
55 – 64	2	0	2
65 and older	0	0	0
TOTAL	13	4	17

	2015		
Age	Male	Female	Total
34 and younger	1	2	3
35 – 44	0	0	0
45 – 54	2	0	2
55 – 64	2	0	2
65 and older	1	0	1
TOTAL	6	2	8

	2015	
Age	Male	Female
34 and younger	1	0
35 – 44	2	0
45 – 54	1	1
55 – 64	0	1
65 and older	0	0
TOTAL	4	2

SUPERVISORY BOARD BY AGE AND GENDER

GROUP	2015			2014			2013		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age									
45 – 54	0	1	1	0	1	1	1	1	2
55 – 64	4	1	5	4	1	5	3	1	4
65 and older	1	1	2	2	2	4	2	1	3
TOTAL	5	3	8	6	4	10	6	3	9

G4-LA2

Benefits provided to full-time employees that are not provided to part-time employees, by significant locations of operation

No benefits inapplicable to part-time employees were provided to full-time employees.

G4-LA3	Return to work following parental leave, by gender	In 2015 fourteen men and nine women took parental leave (twenty-three employees in total), all of whom returned or will return to their 'former' position. In 2014 nine men and seven women (sixteen employees in total) utilised this option, and returned to work in their former position.
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LABOUR/MANAGEMENT RELATIONS

	SCOPE	INTERNAL: ALL BUSINESS UNITS EXTERNAL: CLIENTS AND SHAREHOLDERS
G4-DMA		See the general DMA relating to labour practices and the decent work indicators.
G4-LA4	Minimum notice periods regarding operational changes	Pursuant to Article 25 of the Works Councils Act the employee representative body (Joint Works Council) has the right to be consulted on proposed, major organisational changes in the enterprise. The Executive Board members have an obligation to offer the Joint Works Council an opportunity to issue advice on the proposed change. This is not subject to a minimum, specific time limit for announcing organisational changes. BNG Bank desires to comply with the above Act and in the event of organisational changes duly seeks advice from the Joint Works Council.

HEALTH AND SAFETY

SCOPE	INTERNAL: ALL BUSINESS UNITS EXTERNAL: CLIENTS AND SHAREHOLDERS
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G4-DMA		See the general DMA relating to labour practices and the decent work indicators.
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	The Joint Works Council pursues BNG Bank policy and consults with the Executive Board on these matters. The Joint Works Council formulates employee requirements. The Executive Board must seek advice from the Joint Works Council for decisions concerning financial and organisational matters. The Joint Works Council may, in turn, raise a topic for discussion. It also has the right to be informed. This pertains not only to basic information about BNG Bank but equally to economic and financial as well as social policy. The Occupational Health and Safety (OHS) Committee established by the Joint Works Council is a legal requirement and is officially called the VGWM committee. VGWM is the Dutch abbreviation for Health, Safety, Well-Being and the Environment. The committee convenes following legislative amendments and changes relating to occupational health and safety at BNG Bank. The occupational health and safety committees consist of five employees and represent the entire workforce.
G4-LA6	Accidents, sickness and lost days	The Occupational Health and Safety Service and the occupational physician have a statutory duty to report occupational diseases to the Netherlands Center for Occupational Diseases (NCvB). No occupational diseases were reported in 2015 (or in 2014), no accidents occurred at work and there were no work-related fatalities in 2015. BNG Bank takes various preventive measures to minimise sickness absence. Sickness absence rose slightly but remains low at 2.92% (2014: 2.44%). Sickness absence among men (68% of the workforce) amounted to 2.24% (2014: 1.92%). Sickness absence among women (32% of the workforce) amounted to 4.43% (2014: 3.58%). The average age of BNG Bank employees is 47.0 and their average period of employment with the bank is 14.2 years.

The sickness absence figures broken down by bank division and subsidiaries are as follows:

	2015	2014	2013
SICKNESS ABSENCE			
BNG Bank division	2.87%	2.65%	2.59%
BNG Vermogensbeheer	6.67%	1.09%	2.46%
BNG Gebiedsontwikkeling	1.01%	1.50%	5.53%

	2015	2014	2013
CAUSES OF ABSENTEEISM			
Psychological disorders	36%	22%	33%
Cardiovascular disorders	19%	5%	4%
Nervous disorders	5%	22%	33%
Bone, joint, muscle disorders	11%	23%	4%
Other disorders	29%	28%	26%

Absenteeism at BNG Bank continues to remain below the sector average. It seems to be determined by a small number of employees absent for a very long time. The employees concerned are closely monitored by HR and the Occupational Health and Safety Service. There is frequent consultation about them, both ad hoc and at the social medical team meeting. The lines are short. Medical professional confidentiality is strictly observed at these meetings. In most cases the causes are purely medical and have no connection with the work or the working conditions. In the banking and insurance industries, the highest percentage of absenteeism usually is attributable to

		<p>psychological disorders and behavioral disturbances, accounting for around 45% of absenteeism. While it is true that the percentage of absenteeism for psychological reasons at BNG Bank has risen from 22% in 2014 to 36% in 2015, it remains below the sector average. Absenteeism due to psychological conditions is mostly determined by a combination of factors: private problems, personal characteristics, physical state of health and experienced work stress and future uncertainty.</p> <p>The percentage changes can mainly be accounted for by long-term sickness absence among a small number of employees (BNG Bank has a relatively small workforce and a low level of absenteeism and therefore long-term sickness absence has a greater impact on the percentage). The increase in sickness absence should not automatically result in the conclusion, therefore, that ‘stress levels are rising within BNG Bank’. Nor is that the picture that emerges according to the occupational physician in the consultation room.</p>
<p>G4-LA7</p>	<p>Employees with a high risk of diseases related to their occupation</p>	<p>BNG Bank has taken a variety of preventive occupational health and safety measures to prevent sickness absence, such as annual influenza vaccinations and the preventive use of a physiotherapist. BNG Bank regularly offers all employees an opportunity to undergo a general health check. Based on the results individual employees may seek advice or take part in a program designed to improve their physical condition. On account of the nature of its business activities, there are no roles at BNG Bank involving a high risk of work-related disease or disorders, except for office-related disorders. Employees draw up a personal development plan together with their manager each year, serving as guidance for their personal development.</p>

		BNG Bank has a policy in place aimed at preventing inappropriate behavior. BNG Bank has two internal confidential counsellors, who were trained and certified for this role by an outside agency. They undergo refresher and further training courses each year to assist employees in inappropriate behavior cases.
G4-LA8	Health and safety topics covered in formal agreements with trade unions.	In the Netherlands health and safety matters are regulated in the Working Conditions Act.

TRAINING AND EDUCATION

	SCOPE	INTERNAL: ALL BUSINESS UNITS EXTERNAL: CLIENTS
G4-DMA		See the general DMA relating to labour practices and the decent work indicators.

G4-LA9

Average hours of training per year per employee by gender and employee category

BNG Bank reports on the costs rather than the hours of training because our management systems have not been designed to monitor individual hours. Moreover experience shows that employees also take courses paid by the bank in their own time. In 2015 training costs amounted to EUR 455,813 (including conferences and seminars). Well over half of the BNG Bank workforce followed a training course or program. Employee training costs averaged EUR 1,530. The costs are lower than in 2014 (EUR 640,635 and EUR 2,209 respectively). This is due in part to the Basel III training organised internally in 2014, the management training and the English language training, which for a significant degree of the employees were started in 2014.

	2015	2014	2013
TRAINING COSTS (EUR)			
Total BNG Bank	455,813	640,635	444,000
Average per BNG Bank employee	1,530	2,209	1,564

G4-LA10

Programs for competence-based management and lifelong learning

The bank’s reputation hinges on the professionalism and conduct of its employees. The basic assumption is that each individual employee is responsible for their personal development. The bank creates the conditions for doing so. Managers are expected to indicate what employees require to enable them to perform to the best of their ability. The employee and the manager jointly draw up a Personal Development Plan each year (PDP) which serves as guidance. Furthermore result-oriented agreements are made with BNG Bank employees concerning the results to be achieved, collaboration and customer focus. Most job profiles describe the knowledge and skills required for the relevant position. The extent to which each employee has met the job requirements is determined each year and whether there is any need to make agreements on personal development. BNG Bank has an outplacement program for

		relevant cases. See the report of the Supervisory Board which explains the permanent education program for the Supervisory Board and the Executive Board, and bngbank.nl .
G4-LA11	Percentage of employees receiving regular performance and career development reviews	Periodic performance assessment and career development reviews are conducted with all employees. Please also see LA10 and the section on Employees in the Annual Report .

DIVERSITY AND EQUAL OPPORTUNITY

	SCOPE	INTERNAL: ALL BUSINESS UNITS EXTERNAL: GOVERNMENT
G4-DMA		See the general DMA relating to labour practices and the decent work indicators.
G4-LA12	Composition of governance bodies and breakdown of employees by gender, age and other indicators of diversity	See LA1.

EQUAL REMUNERATION FOR MEN AND WOMEN

	SCOPE	INTERNAL: ALL BUSINESS UNITS EXTERNAL: GOVERNMENT
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G4-DMA		See the general DMA relating to labour practices and the decent work indicators.
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category and location of operation	BNG Bank applies the comparative job ranking method. A company job database containing part of the existing jobs at BNG Bank was created for this purpose. The positions in the database were defined in accordance with the BASYS method, in other words, by means of a position description, an analysis, grading, substantiation and job group ranking. The database is used to comparatively rank the new positions of individual job holders. In line with the procedure, irrespective of whether they are male or female employees are classified in the salary scale corresponding to the position, if they hold the requisite qualifications. BNG Bank has one place of business. A breakdown by country therefore does not apply.

SUPPLIER ASSESSMENT FOR LABOUR PRACTICES

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-LA14	Percentage of new suppliers that were screened using labour practices criteria	The indicator is not material. BNG Bank is located in The Netherlands and largely purchases its office supplies from Dutch suppliers.
G4-LA15	Significant actual and potential negative impacts for labour practices in the supply chain and actions taken	The indicator is not material. BNG Bank is located in The Netherlands and largely purchases its office supplies from Dutch suppliers.

LABOUR PRACTICES GRIEVANCE MECHANISMS

	SCOPE	INTERNAL: ALL BUSINESS UNITS EXTERNAL: GOVERNMENT AND SHAREHOLDERS
G4-DMA		See the general DMA relating to labor practices and the decent work indicators.
G4-LA16	Number of grievances about labour practices filed, addressed and resolved	In 2015 the confidential advisers received no new notifications of matters associated with working conditions. In 2014 and 2013 there were five and two notifications respectively, which were settled. The four notifications that were still being processed at the beginning of 2015 have been settled.

Human rights

G4-DMA

LOANS AND ADVANCES

BNG Bank is an institution that operates almost entirely in The Netherlands. Its clients are mainly located in The Netherlands. Under BNG Bank's Articles of Association the bank's lending activities are limited to European Union member states. In these countries human rights violations are of such a limited scale that they do not play a role in BNG Bank's lending activities.

BNG Bank presumes that its clients – predominantly Dutch government authorities and associated parties – respect human rights.

CLIENT FINANCING APPLICATIONS

Against this background client financing applications are not assessed for any impacts on human rights. Furthermore the financing agreements BNG Bank concludes with its clients do not contain any clauses relating to human rights. Indirectly, attention is given to human rights by BNG Vermogensbeheer in its internationally oriented investment policy in that it offers its clients specific mandates and investment funds embracing sustainability. The BNG Vermogensbeheer portfolio is screened by Sustainalytics, an agency specialised in assessing the sustainability aspects of enterprises and products. This is one aspect of the Responsible Growth theme highlighted in our policy. Indirectly, human rights are also addressed in the planned increase in sustainable procurement. BNG Bank is not permitted to source funds



from parties sanctioned by the United Nations. If a country or a party falls under the UN regime, the bank will scale down or freeze its position in such a country or party depending on the nature of the sanction.

FUNDING (HUMAN RIGHTS FS DMA)

See the BNG Bank [CSR Policy](#) 2015, Funding supply chain responsibility. The lenders generally are Dutch and foreign governments, central banks and institutional investors. Investors that deposit funds directly are assessed on the basis of sanctions, money laundering risk and reputational damage.

In the context of BNG Bank's field of activities, human rights are effectively safeguarded such that the bank considers it unnecessary to devote any special attention to this topic in the provision of its services and business operations. This also applies to the office supplies procurement policy, the ban on discrimination, the freedom of association, collective bargaining and safety policy. Similarly, child labour, forced and compulsory labour, and the rights of the indigenous population do not constitute issues. BNG Bank performs the procurement process with due regard for the recommendations issued by the center of expertise for public procurement (PIANOo). In view of the Dutch situation these Dutch suppliers are not deemed to have a material negative impact on society.

Compliance with the official policy is periodically evaluated during IAD operational audits within the framework set out under 'Process' in the [CSR Policy](#).

INVESTMENTS AND ACQUISITIONS

	SCOPE	INTERNAL BNG BANK AND BNG VERMOGENSBEHEER EXTERNAL: INVESTORS, FINANCIAL COUNTERPARTIES AND CLIENTS
G4-HR1	Percentage and total number of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	As regards its lending activities, BNG Bank operates almost solely on the Dutch market and further assessment using human rights criteria does not apply. The funds of BNG Vermogensbeheer are managed with due consideration for the sustainability principles. Sustainalytics carries out an assessment using sustainability criteria. See also FS8 .
G4-HR2	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	N/A. BNG Bank operates on the Dutch market.

NON-DISCRIMINATION

	SCOPE	INTERNAL BNG BANK AND BNG VERMOGENSBEHEER EXTERNAL: INVESTORS AND FINANCIAL COUNTERPARTIES
G4-DMA		See the Human Rights DMA .
G4-HR3	Reported incidents of discrimination and corrective actions taken	In 2015 no discriminatory incidents were reported by the internal stakeholders.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

	SCOPE	INTERNAL BNG BANK AND BNG VERMOGENSBEHEER EXTERNAL: INVESTORS AND FINANCIAL COUNTERPARTIES
G4-DMA		See the Human Rights DMA .
G4-HR4	Operations (and the operations of significant suppliers) identified in which the right to exercise freedom of association or collective bargaining may be at significant risk, and actions taken to support these rights	N/A. Almost all of the financial services provided by BNG Bank focus on the Dutch market. Investors and financial counterparties with whom BNG Bank directly conducts business are subject to CDD policy, which is based on the ethical business practices requirement stipulated in the Financial Supervision Act and on Dutch anti-money laundering legislation.

CHILD LABOUR

	SCOPE	INTERNAL: NOT MATERIAL EXTERNAL: INVESTORS AND FINANCIAL COUNTERPARTIES
G4-DMA		See the Human Rights DMA .
G4-HR5	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour	Almost all of the financial services provided by BNG Bank focus on the Dutch market. Clients are deemed to comply with Dutch laws and regulations. The majority of office supplies are purchased from Dutch suppliers, who are also deemed to respect Dutch laws and regulations. Investors and financial counterparties with whom BNG Bank directly conducts business are subject to CDD policy, which is based on the ethical business practices requirement stipulated in the Financial Supervision Act and on Dutch anti-money laundering legislation.

FORCED OR COMPULSORY LABOUR

	SCOPE	INTERNAL: NOT MATERIAL EXTERNAL: INVESTORS AND FINANCIAL COUNTERPARTIES
G4-DMA		See the Human Rights DMA .

G4-HR6

Operations identified as having significant risk for incidents of forced or compulsory labour, and relevant measures taken

Almost all of the financial services provided by BNG Bank focus on the Dutch market. Clients are deemed to comply with Dutch laws and regulations. The majority of office supplies are purchased from Dutch suppliers, who are also deemed to respect Dutch laws and regulations. Investors and financial counterparties with whom BNG Bank directly conducts business are subject to CDD policy, which is based on the ethical business practices requirement stipulated in the Financial Supervision Act and on Dutch anti-money laundering legislation.

SECURITY PRACTICES**THIS ASPECT IS NOT MATERIAL FOR BNG BANK****G4-HR7**

Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations

The indicator is not material. BNG Bank is located in The Netherlands. It is neither relevant nor necessary for security personnel to undergo human rights training. It is self-evident that human rights should be respected.

INDIGENOUS RIGHTS

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-HR8	Number of incidents involving rights of indigenous peoples	The indicator is not material. Almost all of the financial services provided by BNG Bank focus on the Dutch market.

HUMAN RIGHTS ASSESSMENT

G4-DMA		See the Human Rights DMA .
G4-HR9	Percentage and total number of operations that have been subject to human rights impact assessments	Almost all of the financial services provided by BNG Bank focus on the Dutch market. With respect to the possibility of screening funding parties, please refer to the CSR Policy and the Management Approach referred to in the GRI Index. All assets under the management of BNG Vermogensbeheer were screened using sustainability criteria.

SUPPLIER HUMAN RIGHTS ASSESSMENT

	SCOPE	INTERNAL: NOT MATERIAL EXTERNAL: INVESTORS AND FINANCIAL COUNTERPARTIES
G4-DMA		See the Human Rights DMA .

G4-HR10

Percentage of significant suppliers, contractors and other business partners that were screened using human rights criteria and actions taken

BNG Bank is an institution that operates almost entirely in The Netherlands. Human rights therefore are not immediately relevant to the bank in view of its services and client groups. Indirectly, attention is paid to human rights by BNG Vermogensbeheer in its internationally oriented investment policy in that it specifically offers its clients sustainable mandates and investment funds. BNG Vermogensbeheer is a signatory to the UN Principles for Responsible Investment. This is one aspect of the responsible growth theme set out in BNG Bank's policy. Indirectly, human rights are also addressed in the planned increase in sustainable procurement. BNG Bank has no desire to source funds from parties sanctioned by the United Nations. If a country or a party falls under the UN regime, the bank will scale down its position in such a country or party. BNG Bank obtains almost all of its funding from the international money and capital market. As the purchase and sale of public BNG Bank paper is unrestricted, we have no insight into the current holders. The financial counterparties with whom the bank directly conducts business fall under the bank's Customer Due Diligence (CDD) policy, which is based on the ethical business practices requirement stipulated in the Financial Supervision Act and on Dutch anti-money laundering legislation.

G4-HR11

Significant actual and potential negative human rights impacts in the supply chain and actions taken

The services provided by BNG Bank are focused on The Netherlands and the bank is located only in The Netherlands.

HUMAN RIGHTS GRIEVANCE MECHANISMS

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-HR12	Number of grievances about human rights impacts filed, addressed and resolved	The indicator is not material. The services provided by BNG Bank are focused on The Netherlands and the bank is located only in The Netherlands.

Social

G4-DMA

See BNG Bank [CSR Policy](#), mission and strategy section. BNG Bank cooperates loyally on central government policy decisions, but will make its opinion known to stakeholders as the occasion arises. BNG Bank embraces social engagement by, for instance, calling attention to relevant developments in its client sectors. To that end BNG Bank takes a stance in the relevant consultation forums with policy developers and interest groups and seeks attention from the government members accordingly. Examples of this are described in the Report of the Executive Board and at bngbank.nl.

The bank has a [Company Code of Practice](#) and associated internal regulations and procedures. See also the [CSR objectives](#) in the annual report and bngbank.nl. The BNG Company Code of Practice was drawn up by the Head of Human Resources in association with the Compliance Officer and a Communications Department advisor. Following Executive Board and Supervisory Board approval of the Code, it was distributed internally to the employees, together with background information explaining the reasons for the code. The Executive Board is responsible for the Company Code. On commencing employment, particular attention is paid to the integrity of employees and executives. BNG Bank pursues a pre-employment screening policy. The Company Code of Practice is issued to new employees when entering employment.



Clients, financial counterparties and organisations that place money directly with BNG Bank are appraised in accordance with Customer Due Diligence (CDD) policy for compliance with BNG Bank's Articles of Association and standards of integrity, which is based on the ethical business practices requirement stipulated in the Financial Supervision Act and on Dutch anti-money laundering legislation. CDD policy is published on the bank's website. The bank has its own acceptance systems which it uses to appraise the creditworthiness of clients and financial counterparties.

BNG Bank is legally required to prevent conflicts of interest. Pursuant to a statutory provision, BNG Vermogensbeheer applies a separate policy to prevent conflicts of interest. The duty of BNG Bank, including BNG Vermogensbeheer, to act in the interests of the client has a legal and/or contractual basis. The bank's general terms and conditions state that the bank must act in the client's interests. The bank observes the Dutch Banking Code issued by the Dutch Banking Association. The Code stipulates that when weighing the various interests, the client's interests take center stage. The Code also includes an obligation to pay explicit attention to the duty of care towards the client during the product approval process. Based on the statutory provisions concerning a controlled remuneration policy, the remuneration policy of BNG Bank, including its subsidiary BNG Vermogensbeheer, may not contain any incentives that might give rise to the negligent treatment of clients.

POLICY AND PROCEDURES

BNG Bank and its subsidiary BNG Vermogensbeheer have product approval procedures in place that provide for a special focus on the client's interests. The banking division has implemented the duty of care towards the surety/guarantor in policy. BNG Vermogensbeheer has implemented the statutory requirements concerning the proper treatment of clients in procedures for making enquiries about clients and in the prior assessment of a recommendation or a transaction against the client profile.

BNG Bank and its subsidiaries do not offer any banned services or products. If services and products are subject to external criticism they are either adapted or withdrawn. As set out in its mission and in the BNG Company Code of Practice, BNG Bank and its subsidiaries are guided by the principle of acting in the interests of its clients. In 2012 BNG Bank discontinued derivative transactions with authorised market parties.

New policies and procedures are communicated in presentations to the departments concerned and/or in email messages and/or through the intranet. The remuneration policy in place at BNG Bank and its subsidiary BNG Vermogensbeheer does not contain any incentives that might give rise to the negligent treatment of clients. The IAD audits compliance with policy and procedures. Where applicable, BNG Vermogensbeheer employees have been entered in the relevant Dutch Securities Institute registers as mandatory; they periodically take a test which serves to guarantee their level of knowledge and integrity. Each year employees draw up a personal development plan which also highlights training courses that should be followed. Human Resources determines the organisation's need for group training courses.

A complaints procedure is in place for handling client complaints in the proper manner. The Company Code of Practice applies to BNG Bank employees. The 'client's interests take center stage' is one of the key principles underlying the activities carried out by the bank and its employees. Internal rules of conduct to avoid conflicts of interest constitute rules for accepting and giving business gifts and rules for privately entering into transactions with suppliers. A number of internal regulations exist aimed at avoiding conflicts of interest, such as those relating to private investment transactions, information segregation, loans to members of the Executive Board, ancillary activities, accepting gifts from business relations and private transactions with suppliers. BNG Vermogensbeheer has its own specific policy aimed at avoiding conflicts of interest.

Corruption, anticompetitive behavior and compliance with relevant laws and regulations are focus areas under the theme A Safe Bank.

The departments concerned are as follows:

- Compliance (monitoring new obligations, codes of conduct, consultancy, compliance monitoring and disclosures);
- Public Finance (compliance with policy and procedures, and discussing dilemmas); Mid-Office (ditto);
- Human Resources (codes of conduct and training).

Compliance with the official policy is periodically evaluated during IAD operational audits within the framework set out under 'Process' in the [CSR Policy](#). The Supervisory Board supervises the activities of the Executive Board. Internal supervision of the Executive Board is performed by Compliance and the IAD.

COMPLIANCE

BNG Bank is the bank of and for local authorities and public sector institutions. The scope of integrity risks for BNG Bank is relatively small compared with commercial banks. Activities that involve higher integrity risks but are not carried out by BNG Bank are as follows:

- the provision of services to consumers;
- trading for own account;
- the provision of services directly to listed parties;
- employees trading in the bank's own shares (insider trading).

Cross-border services are provided on a very limited scale.

The BNG Bank Compliance Department is entrusted with the task of managing integrity risks. It primarily has an advisory role. Compliance advises and reports on the implementation of and compliance with the integrity regulations: regulations for ethical business practices, service provision observing the principles of due care and ethical market conduct. If the event of an integrity risk or incident, Compliance performs a monitoring and corrective role.

In view of the bank's clients, the risk of money laundering and terrorism financing is low. The bank has long-standing relationships with public sector clients, short internal communication lines, collaborative disciplines and a clear governance structure.

Compliance audits are performed by the IAD.

The effectiveness of the management approach is evaluated within the framework described under 'Process' in the [CSR Policy](#). Sustainalytics evaluates BNG Vermogensbeheer investment policy.

LOCAL COMMUNITIES

THIS ASPECT IS NOT MATERIAL FOR BNG BANK

G4-SO1

Percentage of operations with implemented local community engagement, impact assessments, and development programs

The indicator is not material. For the bank's cultural and social activities, see the [Annual Report](#), Clients.

G4-SO2	Operations with significant actual or potential negative impacts on local communities	The indicator is not material. Almost all of the financial services provided by BNG Bank focus on the Dutch market.
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ANTI-CORRUPTION

	SCOPE	INTERNAL: ALL BUSINESS UNITS EXTERNAL: ALL STAKEHOLDERS
G4-DMA		See the general DMA relating to the Social category .
G4-SO3	Total number and percentage of business units assessed for risks related to corruption	All BNG Bank business units (including BNG Vermogensbeheer and BNG Gebiedsontwikkeling) undergo a periodic integrity risk assessment by the Compliance Department, which includes the risk of a conflict of interests and corruption. The latest risk assessment took place in 2011 and did not reveal any special risks. A new round of assessments is currently underway.
G4-SO4	Employees who have received training on aspects of anti-corruption policies and procedures	<p>All employees have received a copy of the business code. By signing the employment contract they are confirming that they will abide by the code. The code has been published on bngbank.nl. Nine new employees have taken part in an induction meeting at which the usual attention was given to integrity.</p> <p>All employees have taken the bankers' oath.</p>

G4-SO5

Confirmed incidents of corruption and actions taken

In 2015 no incidents of corruption occurred, nor were any corruption-related lawsuits brought against BNG Bank (including BNG Vermogensbeheer and BNG Gebiedsontwikkeling).

PUBLIC POLICY**SCOPE**

INTERNAL: ALL BUSINESS UNITS
EXTERNAL: ALL STAKEHOLDERS

G4-DMA

See the [general DMA relating to the Social category](#).

G4-SO6

Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country

BNG Bank does not make any financial or in-kind contributions to politicians, political parties or related institutions.

ANTI-COMPETITIVE BEHAVIOR**SCOPE**

INTERNAL: ALL BUSINESS UNITS
EXTERNAL: ALL STAKEHOLDERS

G4-DMA

See the general DMA relating to the Social category.

G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices and their outcomes	In 2015 no legal proceedings were instituted concerning anti-trust issues.
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COMPLIANCE WITH LAWS AND REGULATIONS

	SCOPE	INTERNAL: ALL BUSINESS UNITS EXTERNAL: ALL STAKEHOLDERS
G4-DMA		See the general DMA relating to the Social category .
G4-SO8	Penalties and sanctions for non-compliance with laws and regulations	In 2015 no penalties or sanctions were imposed on BNG Bank for non-compliance with laws and regulations.

SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-DMA		See the general DMA relating to the Social category .

G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	The indicator is not material.
G4-SO10	Significant actual and potential negative impacts on society in the supply chain	The indicator is not material.

GRIEVANCE MECHANISMS FOR NEGATIVE IMPACTS ON SOCIETY

	SCOPE	INTERNAL: ALL BUSINESS UNITS EXTERNAL: CLIENTS AND THE GOVERNMENT
G4-DMA		See the general DMA relating to the Social category .
G4-SO11	Number of grievances about negative impacts on society filed, addressed and resolved through formal procedures	No complaints have been lodged.

Product responsibility

G4-DMA

In view of the bank's orientation towards The Netherlands, its activities are governed by the Dutch licensing system and the Dutch legal and regulatory framework. In addition BNG Bank pursues the following policy.

- Environmental aspect: the key policy objectives are stated in the indirect economic aspects DMA. Through its asset management division, BNG Bank also offers 'FIDO-proof' investment products to clients (products compliant with the Local and Regional Authorities (Funding) Act) with a high Sustainalytics score.
- Social aspect: this is also described in the indirect economic aspects DMA.
- Labour practices: this aspect is described in the [Work DMA](#).
- Human rights: this aspect is described in the corresponding [DMA](#).
- Integrity: this aspect is described in the [Society DMA](#).

For the policy on sustainability and corporate social responsibility, please also refer to the [Annual Report](#) and the [CSR Policy](#) on bngbank.nl. The policy was approved by the Executive Board and endorsed by the relevant Supervisory Board committee. It was also discussed in detail with the commercial departments. The input from the discussions was used for a presentation, which all BNG Bank employees were invited to attend. Various concrete initiatives have now emerged which are expected to result in the provision of loans. A product approval procedure is in place as necessary. During the product approval and credit risk assessment processes transactions

are also screened for compliance with legal procedures. Financing sustainable investments is now a regular, recurring item on the agenda of client meetings held by the commercial departments.

During discussions with clients, clients are asked whether they have any sustainable investment plans focusing on energy savings. Sustainable investment opportunities are also pro-actively discussed with clients. Financing sustainable investments for clients is a fixed, recurring discussion topic. BNG Bank has a team of employees specialised in assessing the feasibility of DBFMO projects (the design–build–finance–maintain–operate approach applied to the transfer of public sector projects to private partnerships). This has meanwhile spurred growing interest in the possibilities offered by BNG Bank in these fields. A system of standards for lending and a product approval procedure also apply. For more information, please see the [Annual Report](#). Client progress regarding the implementation of and compliance with environmental and social criteria is not monitored. See also BNG Bank's [CSR Policy](#).

Internal meetings are organised on relevant topical themes and are open to all BNG Bank employees (in the context of 'BNG Update sessions'). A fixed recurring topic applies to a number of meetings, one of which is employee training courses to improve certain skills. Financing sustainable investments is an item on the agenda of meetings held with clients and partners. An external agency conducts a customer satisfaction survey every two years on behalf of BNG Bank. The structure of the survey enables improvement actions to be formulated for the responsible departments. A so-called mirror survey is conducted among a number of BNG Bank staff. They receive the same questionnaire as clients and are challenged to act though they were clients enabling a comparative analysis to be made between the client's perception and that of the employee. The difference in perception may prompt scrutiny of specific aspects of service or client communication during training sessions.

It is the bank's policy not to disclose information about individual clients. External/press enquiries are channeled through the bank's spokesperson. If clients believe that their privacy has been infringed, they may submit a complaint in accordance with the [complaints procedure](#).

As regards marketing communication, the bank is subject to the provisions of the Financial Supervision Act and the Telecommunications Act. Since BNG Bank has no retail division, it does not conduct any marketing activities on the consumer market, although it does seek brand awareness in the public sector through BNG Cultuurfonds. BNG Cultuurfonds has an independent governing body and determines its own appraisal criteria.

The effectiveness of the management approach is evaluated in the manner described under 'Process' in the [CSR Policy](#). Each year the internal and external auditors carry out an audit. The audit review includes corporate social responsibility which covers the environmental and social aspects. This is based on an integrated [annual report](#) for which the external auditor issues reasonable assurance. There were no non-compliance issues concerning environmental and/or social policy. Environmental and social aspects do not have a particular role in the voting policy for shares, with the exception of our subsidiary BNG Vermogensbeheer; the Principles for Responsible Investments (PRI) are observed when voting rights are exercised.

CONSUMER HEALTH AND SAFETY

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-PR1	Percentage of product and service categories for which health and safety impacts are assessed for improvement	The indicator is not material. BNG Bank is an organisation that provides financial services.
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products	The indicator is not material. BNG Bank is an organisation that provides financial services.

PRODUCT INFORMATION

	SCOPE	EXTERNAL: CLIENTS
G4-DMA		See the general DMA under Product Responsibility .

<p>G4-PR3</p>	<p>Type and amount of product information required for internal procedures in this area</p>	<p>In accordance with internal procedures the following product information must be provided:</p> <table border="1" data-bbox="1086 410 2579 993"> <thead> <tr> <th></th> <th>YES</th> <th>NO</th> </tr> </thead> <tbody> <tr> <td>Origin of components</td> <td></td> <td>X</td> </tr> <tr> <td>Composition</td> <td></td> <td>X</td> </tr> <tr> <td>Safe use</td> <td></td> <td>X</td> </tr> <tr> <td>Disposal</td> <td></td> <td>X</td> </tr> <tr> <td>Other: Duty to disclose information relating to offering investment funds and providing investment services (BNG Vermogensbeheer)</td> <td>X</td> <td></td> </tr> </tbody> </table> <p>Approximately 22% of BNG Bank’s significant products or services, including those of its subsidiaries, are subject to the duty to disclose information. In 2012 the bank decided to exercise extreme restraint in granting derivatives to clients. This policy has remained in full force ever since. The collective and individual asset management products offered by BNG Vermogensbeheer are subject to obligations, including the duty to disclose information to clients.</p>		YES	NO	Origin of components		X	Composition		X	Safe use		X	Disposal		X	Other: Duty to disclose information relating to offering investment funds and providing investment services (BNG Vermogensbeheer)	X	
	YES	NO																		
Origin of components		X																		
Composition		X																		
Safe use		X																		
Disposal		X																		
Other: Duty to disclose information relating to offering investment funds and providing investment services (BNG Vermogensbeheer)	X																			
<p>G4-PR4</p>	<p>Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information, by type of outcomes</p>	<p>In 2015 no incidents were reported relating to non-compliance with regulations concerning product information.</p>																		

G4-PR5	Customer satisfaction	An external agency, Integron, conducted a customer satisfaction survey in autumn 2014 on behalf of BNG Bank. Clients gave BNG Bank (including its subsidiaries) an average score of 8.00 in 2014 (2012: 7.96). According to Integron's report, the entire financial sector scored 7.58. The next survey is planned for 2017.
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MARKETING COMMUNICATIONS

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-PR6	Sale of products banned or disputed in certain markets	The indicator is not material. BNG Bank does not offer any banned products. BNG Bank informs its clients of the potential risks attached to its products.
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomest	The indicator is not material. No incidents of non-compliance with external regulations concerning marketing communications and advertising were reported in 2015.

CUSTOMER PRIVACY

	SCOPE	INTERNAL BNG BANK EXTERNAL: CLIENTS
G4-DMA		See the general DMA under Product Responsibility .
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	No significant incidents occurred in 2015. No complaints were lodged by clients regarding breaches of client privacy or losses of client data.

COMPLIANCE WITH LAWS AND REGULATIONS

	SCOPE	INTERNAL: ALL BUSINESS UNITS EXTERNAL: GOVERNMENT, CLIENTS, SHAREHOLDERS AND REGULATORY AUTHORITIES
G4-DMA		See the general DMA under Product Responsibility .
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	No incidents were reported in 2015. No fines were imposed.

Sector specific

G4-DMA

When applying the sustainability theme to the product portfolio, the following guiding principles are observed: a link to the bank's strategy and business activities, a positive incentive for sustainable client investments and creating a win-win situation for both the client and the bank.

By providing financial services the bank aims to play a supporting role in implementing Dutch government policy and in this context the bank has defined the following key objectives: financing more sustainable social property and housing association homes and the generation of renewable energy.

As a financial services provider, the bank believes it has an important role in raising awareness among its clients as follows:

- as an advisor on the financial structure of concrete investment projects, in other words pro-actively advising clients of sustainability opportunities;
- as a provider of tailored financing arrangements for sustainable investments that are acceptable to the bank in terms of risk profile. This concerns tailored services which are shaped and implemented in collaboration with the client. BNG Bank's strong position on the financial markets means that clients benefit from competitive rates;
- as a guide: where applicable, for lending activities the bank imposes the requirement that the borrower must meet the relevant legal requirements including those under environmental legislation;

- as a provider of sustainable investment options, Sustainalytics pre-screens the investment portfolios and retroactively determines on an annual basis whether the portfolios have indeed been invested sustainably. This information is applied to investment funds as well as to individual investment portfolios, if desired.

In practice there are three financing options;

- balance-sheet financing: the bank follows the client;
- project financing: the client/government are the initiating party, the bank seeks the client/project;
- pro-active financing: the bank develops the financing solution, making life easier for the client.

During discussions with clients, clients are also asked whether they have any sustainable investment plans focusing on energy savings, and opportunities for sustainable investments are discussed. Consultations are held with the initiators of solar energy generation and sustainable accommodation projects to discuss the implementation and financing of such projects. Consultations are also held with the initiators of an organisational model designed to accommodate a range of sustainable projects.

As stated above, the bank acts as the link between investors with a preference for sustainable investments and government/semi-government authorities who wish to make sustainable investments by issuing Socially Responsible Investment Bonds.

More details are provided in the Report of the Executive Board in the [Annual Report](#). For more information, visit bngbank.nl. The CSR committee, which holds periodic meetings, evaluates the effectiveness of the management approach. Furthermore the IAD performs an operational effectiveness audit. Internal monitoring and evaluation are carried out in the manner described under 'Process' in the [CSR Policy](#).

The progress made on the bank's initiatives in this area is described in the summary of ['Objectives and Results Achieved'](#) and in the GRI Index.

The CSR committee, which holds periodic meetings, evaluates the effectiveness of the management approach. Furthermore the IAD performs an operational effectiveness audit. Internal monitoring and evaluation are carried out in the manner described under 'Process' in the [CSR Policy](#).

PRODUCT PORTFOLIO

		INTERNAL: ALL BUSINESS UNITS EXTERNAL: ALL STAKEHOLDERS
G4-DMA	SCOPE	See the general DMA under Sector Specific .
G4-FS6	Portfolio breakdown	See the market segment breakdown under EC8 .
G4-FS7	Loans advanced with social significance	The significance of BNG Bank in terms of social value is reflected especially in long-term lending to core client sectors. The value that BNG Bank adds for the benefit of shareholders is reported in the consolidated profit and loss account.

G4-FS8

Value of products and services of each business unit with added value for the environment

The investment of excess liquidity of clients is managed by BNG Vermogensbeheer, which comes within the scope of the AIFM Directive. In its report on BNG Financial Bond Fund, BNG Covered Bond Fund, BNG Government Bond Fund, Onderwijs Liquiditeiten Fonds, BNG APPA Fund and BNG Deposito Fund dated January 19, 2016, Sustainalytics observes that all of these funds are being managed with due regard for sustainability principles. These funds represent an amount in excess of EUR 800 million. A very large majority of the corporate entities included in these funds achieve higher sustainability scores than the average for their respective sectors. None of the issuers included is directly involved in the development, testing, production or maintenance of controversial weapons. All the institutions in the portfolio comply with the UN Global Compact principles. All the government-related investments included in these funds focus exclusively on countries that have signed and ratified all the principal treaties and conventions pertaining to human rights, employment rights and the environment. Sustainalytics reviews the environmental policies of the various countries, and this therefore forms part of the selection process.

ACTIVE OWNERSHIP**SCOPE****EXTERNAL: CLIENTS, INVESTORS AND GOVERNMENT****G4-DMA**

See the [general DMA under Sector Specific](#).

G4-FS10	Businesses in the portfolio with which there has been communication about environmental and social aspects	Financing sustainable investments is discussed as standard when regularly liaising with clients.
G4-FS11	Percentage of assets in the portfolio screened for positive and negative environmental and social criteria	Client assets under the management of BNG Vermogensbeheer amounted to EUR 4.9 billion as at December 31, 2015. BNG Vermogensbeheer maintains prudent investment objectives for the amount entrusted to it and applies the principles of the underlying laws and regulations to the local and regional authorities, which serve as guidance in developing and managing investment portfolios. The organisation collaborates with institutions specialising in sustainability.

SOCIETY

		THIS ASPECT IS NOT MATERIAL FOR BNG BANK
G4-FS13	Access points in sparsely populated or economically deprived regions	The indicator is not material. BNG Bank provides its services almost entirely to the Dutch market.
G4-FS14	Initiatives to improve access to financial services for people with a disability	The indicator is not material. BNG Bank does not grant loans to private individuals.

COLOPHON

Editorial: BNG Bank

Design & production: Ron Goos, Rotterdam

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