

## STANDING RULES OF THE IMPACT COMMITTEE

OF

## NEDERLANDSE FINANCIERINGS-MAATSCHAPPIJ VOOR ONTWIKKELINGSLANDEN N.V.

### Article 1. Preliminary provisions

- 1.1 These standing rules have been drawn up by the Supervisory Board of the Nederlandse Financierings - Maatschappij voor Ontwikkelingslanden N.V. ("FMO"), in accordance with the provisions of article 10 paragraph 3 of the Standing Rules of the Supervisory Board and form an appendix to the Standing Rules of the Supervisory Board.
- 1.2 These Standing rules are effective as of June 30, 2019.
- 1.3 These Standing rules may be supplemented and amended by resolution of the Supervisory Board after consultation with the Management Board.
- 1.4 The text of these Standing Rules has been brought to the attention of the Management Board and the Works Council.
- 1.5 Where these Standing Rules refer to "the Management Board", this means "the Management Board under the Articles of Association" ("de statutaire directie"), unless expressly stated otherwise.
- 1.6 Impact is defined as how FMO intends to contribute to the realization of the SDG's.
- 1.7 ESG are defined as the standards that FMO is following through in respect of the Environmental, Social and Governance aspects of every transaction.

### Article 2. Objectives

The Impact Committee shall assist the Supervisory Board in overseeing the quality and integrity of FMO's statements regarding development Impact. The Impact Committee shall advise the Supervisory Board on its decision-making as meant in article 3 under a. The Impact Committee also carries out supervision of the Management Board, at least regarding the matters specified in article 3 under a, and operates as a sparring partner for the Management Board.

### **Article 3. Duties & responsibilities and Impact Topics**

The duties and responsibilities of the Impact Committee are the following:

- a. Prepare the decision-making (and or the advices) of the Supervisory Board around:
  - FMO’s strategy (including policies and targets) around Impact
  - FMO’s strategy (including policies and targets) around ESG
  - FMO’s reporting (internally and externally) around Impact:
    - Financial and Non Financial reporting around impact in FMO’s financial accounts
    - Definitions used by FMO in respect of Impact
    - Management reporting around Impact
  - FMO’s reporting (internally and externally) on ESG’s:
    - Public disclosures of projects
    - Human rights reporting
    - Financial and Non Financial reporting around ESG in FMO’s financial accounts
    - Definitions used by FMO in respect of ESG
    - Management reporting around ESG
  - FMO’s reporting on the risk aspects around Impact as well as the ESG
- b. Review and discuss methodology, definitions, objectives, evaluations and progress monitoring regarding Impact and ESG
- c. Review and discuss any reports of the Independent Complaint mechanism with the Management Board
- d. Review and discuss international standards around ESG and Impact
- e. Review and discuss all international harmonization efforts in respect of Impact as well as ESG
- f. Report at least annually to the Supervisory Board on the matters raised under a.

### **Article 4. Composition**

- 4.1 All members of the Impact Committee are members of the Supervisory Board. The members’ term of office shall be the same as each member’s term of office on the Supervisory Board. In case a member changes Supervisory Board committees, the terms of office combined shall be the same as that member’s term of office on the Supervisory Board.
- 4.2 The Impact Committee is to be composed in such a way that all its members can operate independently and critically in respect of each other and in respect of the Management Board.
- 4.3 The Chair of the Supervisory Board and former members of the Management Board of FMO cannot be appointed as the Chair of the Impact Committee.

## **Article 5. Mode of operation**

- 5.1 At least two meetings shall be held per year. The Impact Committee shall not hold a meeting unless at least two members are present.
- 5.2 The Corporate Secretary of FMO shall be appointed as secretary of the Impact Committee.
- 5.3 The secretary together with the Chair of the Impact Committee shall prepare an agenda for each meeting. The agenda is to be distributed to the members of the Impact Committee, the Supervisory Board and others attending the meeting. The members of the Impact Committee will receive the agenda and the associated documents at least seven days in advance, not counting the day of the notice and the day of the meeting. In urgent cases, the Chair of the Impact Committee may determine that the agenda and/or the associated documents can be sent out on a shorter notice.
- 5.4 Chief Investment Officer shall be invited to attend all meetings of the Impact Committee, the CEO will have a standing invitation for all meetings.
- 5.5 The Impact Committee determines who is to be present at its meetings, and who apart from the Supervisory Board is to receive the minutes of the Impact Committee's meetings. If the need arises, the external auditor can ask the Chair of the Impact Committee for permission to attend a meeting of the Impact Committee.
- 5.6 The Chair of the Impact Committee shall report its findings and recommendations at a meeting to the Supervisory Board. Once every year, a report setting out the Impact Committee's activities during the year together with its most important results, deliberations and findings will be submitted to the Supervisory Board.
- 5.7 The composition of the Impact Committee, the number of meetings of the Impact Committee and the principal matters it has dealt with are shown in the report of the Supervisory Board.

## **Article 6. Powers**

- 6.1 The Impact Committee has the power to request all information it considers necessary. FMO's employees will be instructed by the Management Board to comply fully with the Impact Committee's requests for information.
- 6.2 The Impact Committee has the right to seek independent advice.
- 6.3 The Impact Committee has no independent decision-making powers in respect of its findings and recommendations; these powers are reserved for the Supervisory Board.

## **Article 7. Final provision**

These Standing Rules, together with the composition of the Impact Committee, shall be placed on the FMO website.