



## **Environmental and Human Rights Policy**

**Adopted: August 29<sup>th</sup>, 2013**

### **Mission**

**GIEK aims to be a driving force in promoting sustainable solutions that benefit society and the environment. As an integrated part of the Norwegian state providing support to exporters, we conduct appropriate due diligence to avoid or mitigate potential negative impacts on the environment and human rights in all the transactions that we support. GIEK is committed to integrating environmental and human rights aspects into our risk assessment and assisting our clients with practical and solution-oriented advice on managing their potential impacts and associated risks. It is our belief and experience that proper management of potential impacts decreases operational, financial, and reputational risks related to specific projects and as such makes these projects and our clients more attractive and profitable.**

### **Commitments to National and International standards**

GIEK is committed to operating in accordance with international commitments made by Norway as well as by government policy as outlined in the white paper on Corporate Social Responsibility [Report No 10 (2008-2009)]. GIEK implements the OECD Common Approaches on Environmental and Social Due Diligence (2012), and commits to operationalize the UN Guiding Principles on Business and Human Rights.

### **Environmental and Human Rights Due Diligence**

GIEK's due diligence process is based on (1) identifying actual or potential environmental and human rights impacts, (2) assessing actual or potential negative impacts, (3) acting to seek to prevent, mitigate and remediate those impacts through the appropriate exercise of leverage, (4) accounting for how those impacts are addressed through follow-up and monitoring, and (5) communicating with and disclosure to relevant stakeholders on the management of impacts.

The IFC Performance Standards (2012) along with World Bank Group's Environmental Health and Safety Guidelines are used as the primary point of reference for benchmarking all projects and deliveries to projects. Assessments are carried out in accordance with the expectations of the UN Guiding Principles on Business and Human Rights. Decisions will take into account various aspects of a project, such as the size of the project, the context of the operations, extent and likelihood and severity of potential negative impacts. GIEK solicits feedback from stakeholders, including affected stakeholders, as part of its own assessment processes.

In determining potential action to be taken by GIEK, GIEK's ability to exert leverage, for example as a result of the significance of GIEK's share in the overall project, will be particularly relevant. There is a mini-

minimum requirement that the projects GIEK is to support have appropriate and robust management systems to identify, prevent, mitigate and account for potential negative environmental and human rights impacts, and to remediate them where appropriate. Adherence to local laws and regulations is also a standard requirement in all transactions.

### **Mobile Units**

Ships and vessels that are by their nature mobile and thereby cannot be associated to a specific geographical location shall be reviewed with respect to environmental and human rights risks, however with a varying degree of focus in the operational and construction phases. Mobile units, such as drilling vessels, oil platforms, or other offshore vessels that operate in a specific and identifiable geographical location over a 2 year period of time shall be evaluated in the same manner as any other project with a fixed land-based location. Conditions at shipyards where vessels are being constructed, as well as at shipyards that produce hulls for vessels receiving GIEK support, will fall within the scope of GIEK's due diligence process.

### **Co-operation with Exporters, Project Developers, and Lending Institutions**

GIEK recognizes that exporters, particularly small and medium exports, may not always have the capacity or expertise to easily identify and manage environmental and human rights risks and impacts in the business dealings in which they wish to obtain GIEK support. It is for this reason that GIEK takes an active role in advising and giving practical support to exporters and project developers from the time of submission of an application. GIEK assists clients in understanding their risks and potential impacts, as well as suggests practical steps that can be taken in order to manage these. GIEK is also committed to cooperating with Equator Principle Financial Institutions, Multilateral Lending Institutions, Export Credit Agencies, and other lending institutions on specific projects where these may be involved, as well as in international fora, in order to work toward developing and maintaining a level playing field with respect to environmental and human rights issues.