



PRINCIPLES OF RESPONSIBLE BANKING SELF - ASSESSMENT

2022

In blue: mandatory standard question from UNEP-FI Report template

In black: our reinstatement of the principle, evidence supporting our commitment to the principles and self-assessment outcome.



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Principle 1: Alignment

“Our business strategy will be aligned to remain consistent with the Sustainable Development Goals, the Paris Climate Agreement and the relevant national and regional frameworks so as to contribute to the needs and goals of both individuals and society.”



1.1 Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Oragroup is listed on the BRVM, the regional stock exchange for all the eight Member States in the West Africa Economic & Monetary Union (WAEMU). The market capitalization stands at XOF 175 billion as of August 3, 2023. The group's total balance sheet stands at XOF 4,732 billion in 2022. In 2022, the group Net Banking Income (NBI) stood at XOF 222 billion.

Orabank is a banking group managed by Oragroup, a holding company based in Lomé, Togo. It operates in 12 West and Central African countries including Benin, Burkina Faso, Côte d'Ivoire, Gabon, Guinee, Guinee-Bissau, Mali, Mauritania, Niger, Senegal, Chad et Togo

The group is present in Benin, Burkina Faso, Côte d'Ivoire, Gabon, Guinee, Guinee-Bissau, Mali, Mauritania, Niger, Senegal, Chad et Togo

As of 31.12.2022, Orabank serves over 717,000 active clients over the following segments:

- Retail clients: they represent the group's largest customer base with over 686,000 active clients comprising **586,000 consumers, 63,000 micro-companies and 37,000 freelancers** and other small service providers ("professionals").
- Businesses & Corporates: **29,000 active SMEs, private NGOs and corporate clients.**
- Public Sector entities and States: **1,587 active clients.**

1.2 Strategy Alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

☒ **Yes** ☐ No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Oragroup creates value through **4 strategic areas**:

1. Acting and interacting in favor of responsible and ethical finance.
2. Become a recognized employer of reference throughout the region.
3. Become a key reference point for economic and social development in Africa.
4. Supporting environmental protection economically.

Oragroup is currently elaborating Key Performance Indicators (KPIs) to document how these 4 pillars contribute to our impacts (both positive and negative) on the communities and the environment in which the group and its subsidiaries operate. The result of this exercise will allow us to come up with a sustainability value driver. To evaluate the progression of our sustainability driver, we have identified the following impact areas:

- a)** Infrastructure,
- b)** Trade,
- c)** Financial inclusion,
- d)** Value creation through entrepreneurship,
- e)** Female economic participation,
- f)** Climate change and green finance.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

- ☐ UN Guiding Principles on Business and Human Rights
- ☒ **International Labour Organization fundamental conventions**
- ☐ UN Global Compact
- ☐ UN Declaration on the Rights of Indigenous Peoples
- ☐ Any applicable regulatory reporting requirements on environmental risk assessments, e.g., on climate risk - please specify which ones:
- ☐ Any applicable regulatory reporting requirements on social risk assessments, e.g., on modern slavery - please specify which ones:

- ☐ None of the above





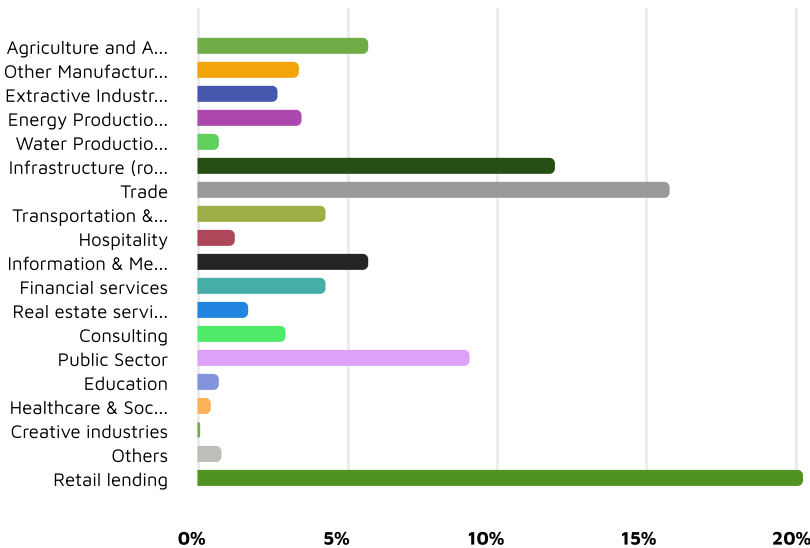
Principle 2: Target & Impact Settings.

"We will continue to increase our positive impact while reducing negative outcomes on, and managing the risks to, people and the environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant environmental and social impact."

2.1 Impact Analysis

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly ^[1] and fulfil the following requirements/elements (a-d) ^[2]:

Portfolio Composition



^[1] That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.

^[2] Further guidance can be found in the [Interactive Guidance on impact analysis and target setting](#)

a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

Our assessment of the effects commenced with reference to the United Nations Sustainable Development Goals (SDGs) and the African Union's Agenda 2063. We integrated our comprehension of Africa's prevalent challenges and prospects, alongside the imperative for African economies and enterprises to both alleviate and conform to climate change, aligning with the principles of the Paris Agreement. We are conducting an evaluation of our operational engagements spanning our retail, business, and institutional customer segments, encompassing the spectrum of our presence in 12 African markets.

Even if the largest share of Oragroup's business resides in the business and institutional banking division, because the Bank is systemic at the WAEMU level and at the national level in Togo, we want to include the consumer banking segment in our scope. This appraisal aims to ascertain the potential of these activities to drive advancements in alignment with the SDGs and the African Union's Agenda 2063.

b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per i) geographical scope by sectors & industries for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or ii) by products & services and by types of customers for consumer and retail banking portfolios. If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

Lending to retail customers (22%), Trade (17%) and Infrastructure (13%) are the Top 3 exposures of Oragroup in countries where it operates.

The top 5 countries with the highest credit exposure are: Senegal (19%), Togo (19%), Cote d'Ivoire (14%), Gabon (9%) and Benin (8%).

c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis. This step aims to put your bank's portfolio impacts into the context of society's needs.

Sustainable development challenges and priorities in West and Central Africa are multifaceted, reflecting the diverse socioeconomic, environmental, and political contexts of the region. Here are some of the main challenges and priorities:

☆ **Challenges :**

- **Poverty and Inequality:** Many countries in West and Central Africa face high levels of poverty and income inequality, with limited access to basic services and opportunities.

■ **Food Security and Agriculture:** The region struggles with food insecurity due to factors such as limited agricultural productivity, climate variability, and inadequate infrastructure for storage and distribution.

■ **Healthcare and Disease:** Health challenges include inadequate healthcare infrastructure, limited access to quality healthcare services, and ongoing threats from diseases such as malaria, HIV/AIDS, and emerging infectious diseases.

■ **Education:** Low levels of access to quality education, especially for girls and marginalized communities, hinder human capital development and economic growth.

■ **Conflict and Instability:** Some countries in the region face political instability, conflict, and security challenges, which can disrupt development efforts and lead to displacement and humanitarian crises.

■ **Environmental Degradation:** Deforestation, land degradation, pollution, and inadequate waste management contribute to environmental challenges and affect the livelihoods of communities.

✧ **Priorities :**

■ **Poverty Reduction:** Strategies for poverty alleviation should include measures to promote inclusive economic growth, create jobs, and ensure access to essential services.

■ **Agricultural Productivity:** Enhancing agricultural productivity through sustainable practices, technology adoption, and improved infrastructure can boost food security and rural development.

■ **Healthcare Access:** Strengthening healthcare systems, improving disease prevention and treatment, and enhancing public health infrastructure are critical priorities.

■ **Education Access and Quality:** Efforts to increase access to quality education, particularly for girls and marginalized groups, can have long-term positive impacts on human development.

■ **Peace and Stability:** Addressing the root causes of conflict and promoting good governance, rule of law, and political stability are crucial for sustainable development.

■ **Environmental Sustainability:** Implementing sustainable land management, biodiversity conservation, and renewable energy initiatives can mitigate environmental degradation and support resilience.

■ **Infrastructure Development:** Investments in transportation, energy, and digital infrastructure can stimulate economic growth, improve connectivity, and support regional integration.

■ **Climate Change Adaptation and Mitigation:** Given the vulnerability of the region to climate change impacts, integrating climate resilience and mitigation strategies into development plans is essential.

■ **Regional Cooperation:** Collaborative efforts among countries in the region can enhance trade, share knowledge, and address transboundary challenges such as cross-border conflicts and natural resource management.

■ **Gender Equality and Women's Empowerment:** Promoting gender equality, women's empowerment, and women's participation in decision-making processes can contribute to sustainable development.

These challenges and priorities may evolve over time based on changing circumstances but addressing them collectively is essential for achieving sustainable development in West and Central Africa.

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified ? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2) ^[3] ? Please disclose.

Based on our current portfolio of assets and the priorities of the regions we served, we have selected these 3 impact areas:

- **Financial inclusion** to address poverty reduction by promoting inclusive economic growth and job creation.
- **Infrastructure development** by financing investments in transportation, digital infrastructure, and regional integration.
- **Climate change adaptation and mitigation** by financing activities supporting this impact area.

^[3] To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

d) For these (min. two prioritized impact areas):
 Performance measurement: Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context. In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health inclusion as your most significant impact areas, please also refer to the applicable indicators in the Annex. If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this. The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.



We have not yet measured which sectors and industries as well as customers financed causing the strongest negative or positive impact. We used the context module to understand key impact topics and priorities in the regions Oragroup serves. We are focusing our analysis on the 4 largest countries for the group in terms of loan assets. These countries are Togo, Senegal, Cote d'Ivoire and Gabon.

Sustainable Development Pillars →	SOCIAL					SOCIO-ECONOMIC				NATURAL ENVIRONNEMENT		
Impact areas	<i>Integrity & security of person</i> <i>Health & safety</i> <i>Availability, accessibility, affordability, quality of resources & services</i> <i>Livelihood</i> <i>Equality & Justice</i>					Strong Institutions, peace & Stability	Healthy Economies	Infrastructure	Socio-economic convergence	Climate stability	Biodiversity & Healthy Ecosystems	Circularity
Impact Topics	<i>(Conflict, Modern slavery, child labour, Data privacy, Natural Disasters)</i> <i>---</i> <i>(Water, Food, Energy, Housing, Healthcare & Sanitation, Education, Mobility, Information)</i> <i>(Empowerment, Waves, Social Protection)</i> <i>(Gender equality, Ethnic/Racial, Age discrimination, other vulnerable groups)</i>					Rule of Law, Civil liberties	Sector diversity, Flourishing MSMEs	-	-	-	(Waterbodies, Air, Soil, Species, Habitat)	(Resource intensity, Waste)
SDGs	SDGs 8, 11, 13, 16	SDGs 3	SDGs 2, 3, 4, 6, 7, 8, 9, 11, 16	SDGs 1, 8, 11	SDGs 5, 10	SDGs 16	SDGs 8, 9	SDGs 9	SDGs 10, 17	SDGs 13	SDGs 6, 11, 12, 14, 15	SDGs 11, 12
Côte d'Ivoire	X	X	X	X	X	X	X		X		X	X
Gabon												
Senegal	X	X	X	X	X		X	X		X	X	
Togo	X	X	X	X	X	X	X		X		X	X

On the Social development pillar, Oragroup performed a gender analysis of its current retail portfolio. Out of the 7 subsidiaries and 5 branch offices, 3 subsidiaries and 1 branch office have more than 30% of its retail clients based made of women. Orabank Cote d'Ivoire, Gabon Benin and Guinea Bissau are 2X. This illustrate the group commitment to contribute to the social development of the communities.

Self-assessment summary

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts? ^[4]

Scope :	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Portfolio Composition ^[5] :	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> No
Contexte :	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> No
Performance measurement :	<input type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input checked="" type="checkbox"/> No

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

We are currently reviewing our impact. It is an ongoing exercise that we plan to finalise by the end of 2024. We have already identified the following sectors as the most impactful: Infrastructure, availability, accessibility, affordability and quality of resources & services (housing, healthcare and sanitation, education, water) climate stability and waste management.

^[4] You can respond "Yes" to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.

How recent is the data used for and disclosed in the impact analysis?

- ☐ Up to 6 months prior to publication
- ☒ **Up to 12 months prior to publication**
- ☐ Up to 18 months prior to publication
- ☐ Longer than 18 months prior to publication

^[5] High level breakdown. We currently have in industry classification vs our targeted 990.

2.2 Target Settings (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) Alignment: which international, regional, or national policy frameworks to align your bank's portfolio with have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

Our commitment to sustainable finance is intertwined with various Sustainable Development Goals (SDGs) and encompasses ecological and societal objectives. The group is currently working on its responsible framework. This framework encompasses diverse sectors, including but not limited to renewable energy, energy efficiency, environmentally sound stewardship of natural resources, stimulation of job creation (with potential focus on SME financing and microfinance), and socio-economic progress and empowerment.

b) Baseline: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

We are currently determining a baseline for selected indicators for financial inclusion, socio-economic development, climate stability and circularity. Once the performance measurement assignment is complete, we will be able to set indicators for the baseline. We expect this stream of work to be completed by December 2024.

c) SMART targets (incl. key performance indicators (KPIs) ^[6]): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

Since we have not yet cleared out the performance measurement exercise, we

are not yet able to disclose our KPIs for the 2 most significant areas of impact.

Oragroup's goal is to disclose its target for the 2 most significant impact areas by the end of December 2024.

d) Action plan: which actions including milestones have you defined to meet the set targets? Please describe.

We are still working on measuring our impact and defining our targets.

^[6] Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.

Self-assessment summary

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...

	... first area of most significant impact: ... (please name it)	... second area of most significant impact: ... (please name it)	(If you are setting targets in more impact areas) ...your third (and subsequent) area(s) of impact: ... (please name it)
Alignment :	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Baseline :	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No
SMART Targets :	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No
Action plan :	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input checked="" type="checkbox"/> No

Principle 3: Clients & Customers

“ We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.”



3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers ^[7] in place to encourage sustainable practices?

☐ Yes ☒ **In progress** ☐ No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

☐ Yes ☒ **In progress** ☐ No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities ^[8]. It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

- **Retail Customers:** To address transportation-related pollution, Oragroup exclusively funds next-generation vehicles that consume less fuel and produce lower carbon emissions. The group has also developed an extensive array of products that can be accessed via smartphones or internet-connected laptops thereby reducing the necessity of visiting bank branches.
- **Business & Institutional Banking:** Oragroup developed an ESMS ^[9] allowing it to identify environmental and social risk for each financing opportunity assessed. The group's ESMS includes an ESG policy, a set of detailed procedures that ensures the harmonization of ESG risk management practices across all subsidiaries of Oragroup. This ESMS also incorporates the IFC exclusion list.

^[7] A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

^[8] Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

^[9] Environmental and Social Management System

The next step for the group is to identify the most impactful clients (both positive and negative) and to encourage sustainable practices through commercial incentives and awareness campaigns.

3.2 Business Opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

- The Group through its bank subsidiaries has over \$950m ^[10] outstanding in loans and credit facilities to SMEs in the 12 countries it serves.
- In 2022, Oragroup participated in the first Green Bond issued by Gabon and its sovereign fund to finance sustainable real estate infrastructure.
- The group has also provided financing to renewable energy, energy efficiency and climate smart agriculture projects in Togo, Benin & Cote d'Ivoire for up to \$5m.
- To have a more systematic approach of the group's portfolio allocation, we are currently working on a suite of products specifically catering to positive impact areas identified as part of our impact analysis. Our goal is to finalize the design of these products by end of 2024 and to launch them after a pilot phase by June 2025.

^[10] As of 31.12.2022, exchange rate used XE Currency



Principle 4: Stakeholders

“ We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society’s goals. ”

4.1 Stakeholder Identification and Consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups^[1]) you have identified as relevant in relation to the impact analysis and target setting process?

☒ **Yes** ☐ In progress ☐ No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/ results achieved and how they fed into the action planning process.

Since 2017, when Oragroup engaged with 2,300 stakeholders, both internal and external, through

an extensive online consultation to conduct a materiality assessment, we have not formally re-engaged with all stakeholders. Between 2017 and 2023, the group has significantly grown in size and regional relevance, becoming a listed entity on the regional stock exchange. Consequently, the group is currently working on two key initiatives: a) launching a new materiality/ impact assessment with external stakeholders, and b) determining the most effective way to regularly engage with stakeholders.

This fresh impact assessment proposal is slated for the 2024 budgetary session. Pending approval by the board of directors, it will be carried out in 2024, with the objective of sharing its results in our 2024 Principles of Responsible Banking report. Alongside disclosing the findings of the stakeholder impact assessment, we will also communicate the frequency and approach we've chosen to engage with stakeholders.

^[1] Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations

Principle 5: Governance & Culture

“ We will implement our commitment to these Principles through effective governance and a culture of responsible banking. ”



5.1 Governance Structure for the Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

☐ Yes ☒ **In progress** ☐ No

Please describe the relevant governance structures, policies, and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),*
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as remuneration practices linked to sustainability targets.*

- Oragroup has assigned the responsibility for addressing potential negative impacts, as outlined in the ESMS, to the Risk Committee. However, the sustainability strategy, along with the approval and monitoring of associated targets, has not been assigned to a specific committee at this time.

- The implementation of PRB initiatives is currently overseen by the Group's CEO, while the development of remuneration practices tied to sustainability targets has not been fully elaborated. The PRB implementation action plan is scheduled for submission to the Group's board of directors in Q4 2023, with anticipated adoption in 2024. It's worth noting that the Group's board of directors convenes on a quarterly basis.

5.2 Promoting a culture of responsible banking

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

An awareness campaign on Corporate Social Responsibility has been conducted by the group in 2020. 100% of the permanent staff of the group has attended an e-learning session on this topic. However, to go a step further and to ensure alignment of client-facing employees, the group is currently engaging with Impact Funds and Development Financial Institutions willing to support the group's institutional capacity with regards to its mission to become a responsible bank.

The Human Capital and ESG department of the group are currently designing a capacity building program for client-facing roles. The group impacts' goals have not yet been included in remuneration structures and performance management. The goal is to finalize our impact goals by the end of 2024 and to have them included in remuneration structures and performance management by then.

5.3 Policies & Due Diligence Process

Does your bank have policies in place that address environmental and social risks within your portfolio? ^[12] Please describe.

- the scope of application of the ESMS: the ESMS is mainly applied to the group lending activities and not to the group treasury activities (deposit and treasury management).
- the lack of action plan pre-approval of a client, a loan, or an investment to mitigate on-going negative impacts, which endorsement by the client could be a condition precedent to the start of the relationship.
- the lack of monitoring of the negative impact post- approval.

Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the principles through the bank's governance system?

☒ **Yes** ☐ **No**

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

☐ **Yes** ☒ **No**

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

☐ **Yes** ☐ **In progress** ☒ **No**

^[12] Applicable examples of types of policies are: exclusion policies for certain sectors/activities; zero-deforestation policies; zero-tolerance policies; gender-related policies; social due diligence policies; stakeholder engagement policies; whistle-blower policies etc., or any applicable national guidelines related to social risks.



Principle 6: Transparency & Accountability

“ We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society’s goals. ”

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

☐ Yes ☐ Partially ☒ **No**

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- ☒ **GRI**
- ☐ SASB
- ☐ CDP
- ☐ IFRS Sustainability Disclosure Standards (to be published)
- ☐ TCFD

6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis ^[13], target setting ^[14] and governance structure for implementing the PRB)? Please describe briefly.

- Finalize the impact analysis and the target setting for both retail and business banking segments.
- Improve the group's ESMS scope and monitoring of outcomes.
- Formalize and measure how we engage with Stakeholders and Clients.
- Formalize the governance structure for implementing and monitoring the application of the PRB.



^[13] For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement

^[14] For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

6.4 Outlook Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualize the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Embedding PRB oversight into governance | <input type="checkbox"/> Customer engagement |
| <input checked="" type="checkbox"/> Gaining or maintaining momentum in the bank | <input type="checkbox"/> Stakeholder engagement |
| <input type="checkbox"/> Getting started: where to start and what to focus on in the beginning | <input type="checkbox"/> Data availability |
| <input type="checkbox"/> Conducting an impact analysis | <input type="checkbox"/> Data quality |
| <input checked="" type="checkbox"/> Assessing negative environmental and social impacts | <input type="checkbox"/> Access to resources |
| <input type="checkbox"/> Choosing the right performance measurement methodology/ies | <input type="checkbox"/> Reporting |
| <input type="checkbox"/> Setting targets | <input type="checkbox"/> Assurance |
| | <input type="checkbox"/> Prioritizing actions internally |
| | <input type="checkbox"/> Others |

