Sustainability Policy

Introduction to the Sustainability Policy

• Banco Interatlântico (BI) is committed to its important role in promoting sustainable development in Cabo Verde and consequently in contributing to an increased social inclusion and to a greater management of natural resources. Conscious of that, BI feels compelled to consolidate its Sustainability Policy, stating in this document its concerns over the sustainability of the Planet, ecosystems, respect for human dignity and the dissemination of a culture of socio-environmental responsibility.

• BI's Sustainability Policy is aligned, at a corporate level, with Caixa Geral de Depósitos' (CGD) Sustainability Policy. This policy has five guidelines based upon Stakeholders' involvement:

- ✓ Responsible Banking – Develop balanced, transparent and responsible relations with customers;
- ✓ Foster a Future – Acknowledge the importance of banking activity to sustainable development, aimed at contributing towards a better future;
- ✓ Environmental Protection – Promote an active response to society's environmental problems;
- ✓ Community's Engagement – Invest in the community and promote the community's development in general;
- ✓ Human Asset Management – Look for employees' development as a distinctive feature and acknowledge it.

BI believes it may contribute to an increased social inclusion, to a greater management of natural resources and increasing transparency through:

- ✓ The adoption of a Sustainability Policy;
- ✓ The implementation of an Environmental and Social Risk Policy concerning credits and investments made at a business level;
- ✓ Promoting a systemized dialogue with Stakeholders, encouraging collective participation and transparency on relations.

Performance Areas of the Sustainability Policy

BI's Sustainability Policy is aligned with the corporate guidelines of CGD's Sustainability Policy. It reflects adjustments to the circumstances of Cape Verde and issues of relevance to the country's sustainable development. BI's Sustainability Policy is therefore aligned with the United Nations' Global Compact Principles. It embodies four performance areas:

1. Protection of Human Rights

a) Promote financial inclusion;

b) Social support to the community, children and their education in particular;

c) Promote the Human Rights protection among Stakeholders;

d) Incorporate social matters on the risk credit evaluations and on the selection of the operations to be financed.

2. Promotion of Employees' Professional and Personal Development

a) Constant training of employees throughout the various areas of activity, incorporating the different aspects of Sustainability;

b) Respecting diversity and freedom of association;

c) Guarantee of equality and opportunity;

d) Encourage the eco-efficiency of operations, reducing the consumption of materials, energy and other resources.

3. Protection of Natural Resources

a) Implement the precautionary principle in the Bank's procedures, on an environmental level;

b) Promoting environmental responsibility among all the Stakeholders;

c) Promoting the development of businesses and technologies that can protect the natural resources management;

d) Incorporate environmental matters in credit risk evaluations and for the selection of the operations to be financed.

4. Collective participation of the various Stakeholders in promoting Transparency:

a) Pro-active dialogue with the various Stakeholders, including other Banks;

b) Promoting transparency and good management practices, fighting corruption;

c) Public disclosure of BI's activities regarding sustainability matters.

Conceptual Model of Sustainability Policy

BI's Sustainability Policy

Model of Sustainability Policy

- The Board of Directors appoints the Sustainability Manager as well as the Ambassadors of each department;
- Each department should have an appointed employee in order to answer requests of the Sustainability Manager. This employee will be the designated Sustainability Ambassador of that department;
- The Sustainability Manager should always ask the various departments for information;
- The Sustainability Manager can call for joint meetings with the Social and Environmental Risk Manager and the remaining Ambassadors whenever necessary;
- There will be an annual meeting with the Sustainability Manager, the Social and Environmental Risk Manager and the Ambassadors, in order to review executed tasks, to identify improvements and new actions to be taken the following year.

In this model:

- ✓ There will be a Sustainability Manager who will report to the Board Member responsible for Sustainability;
- ✓ In each department, there will be a Sustainability Ambassador responsible for providing information to the Sustainability Manager whenever requested;
- ✓ There will be a Social and Environmental Risk Manager who will report to the Coordinator of Risk Office and to the Board Member responsible for Risk.

Job Description

Model for Sustainability Management Description

1. Board of Directors (CA)

It is a governing body with maximum responsibility, accountable for the Sustainability Policy approval, the Social and Environmental Risk Policy approval as well as to determine the sustainability strategy. CA is also responsible for approving the activities' proposals and related budgets presented by the Executive Committee. It is also the governing body with maximum responsibility empowering the Structural Bodies into implementing their actions.

2. Some of the tasks of the Board Member responsible for the Sustainability Policy:

• Pass on to the CA, concerns, proposals and actions taken by BI, regarding sustainability;

• Pass on to the CA, discussed matters among his team about sustainability;

• Submit for the CA's approval, action proposals and related budgets presented by his team towards the compliance of the Sustainability Policy.

3. Some of the tasks of the Sustainability Manager:

• Coordinating various actions that fulfill the Bank's sustainability strategy;

• Assembling, at the end of the year, all the sustainability strategy related departments and make an assessment of the activities undertaken, bearing in mind new suggestions from the departments for activities to be developed the next year;

• Presenting an annual report to the CA about the activities undertaken, the good practices carried out by the Bank, making an assessment about what went right and wrong and about what needs to be improved;

• Proposing in the annual report, a set of new actions to implement in the following year that are an outcome of proposals from the Social and Environmental Risk Manager and remaining Ambassadors;

• Sustainability is a cross-cutting issue for BI, this entails communication among the various departments. Therefore, the Sustainability Manager must act as needed throughout the year, namely:

- Request all information from other departments that are required to implement the sustainability strategy and the foreseen actions;

- Answer all social and environmental questions by CGD and other entities;

- Assure the implementation of the sustainability strategy and the actions established.

• The Sustainability Manager is the point of connection between BI and other banks and organizations with respect to sustainability matters;

- Regarding the connection to CGD, the Sustainability Manager is:
  - The point of contact between BI and CGD with respect to sustainability matters;
  - Responsible for reporting the information required by CGD, every year;
  - Responsible for identifying the internal procedures of BI and simplify the gathering of the necessary data required by CGD;
  - Responsible for requesting to each department to comply with the Bank's internal procedures and for collecting the related information;
  - Responsible for sending the information to CGD in the format they requested;
  - Responsible for keeping a database with all the information reported to CGD.
- The spokesperson for sustainability matters of BI. The job descriptions of the Member of the Board responsible for the Social and Environmental Risk Policy as well as the job descriptions of the Social and Environmental Risk Manager are duly identified in the Social and Environmental Risk Policy document.

Policy Review

The current Sustainability Policy has not end date although its content may suffer stand-alone revisions whenever necessary and suitable for BI.
Any BI's Structural Body or employee that detects any incompatibilities, inconsistencies, queries or divergences derived from the application of this Policy should report to the Sustainability Committee.

Banco
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Grupo **Caixa Geral de Depósitos**

Distinga-se!