

# Addiko Bank

The background features three overlapping, red-tinted images. The top-left image shows a large stadium at night with bright lights. The middle image is a high-angle view of a city skyline with a prominent skyscraper. The bottom-right image shows a person sitting on a modern chair, looking down. The images are separated by white diagonal lines.

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## ESG Strategy



VISION

## Environment



- ✓ Support transition to **carbon-neutral economy**, further reduce of Scope 1 and Scope 2 emissions.
- ✓ Support **lower carbon footprint indirectly** through our lending activities.
- ✓ C&E **risk factors** are the integral part of existing risk types.

## Social



- ✓ Acts as a **responsible organization** in the society.
- ✓ Fosters a **positive workplace culture** and employee conduct, that reflect the Addiko values.
- ✓ **Supports social equality and diversity** at all levels.

## Governance



- ✓ **Facilitates sustainable behavior** and addressing climate change and other sustainability issues.
- ✓ Ensures that **Sustainable Development Goals** are holistically promoted through the bank.
- ✓ Ensures that **target-setting on Sustainable Development Goals**, are part of remuneration components.
- ✓ Promoting **Codes of Business Conduct and Ethics** and sets the **robust risk and compliance framework**.

STRATEGY

- **Addiko** presents a comprehensive ESG strategy which serves as a governance roadmap for managing ESG agenda.
- In order to have a targeted, specific and measurable approach to the ESG agenda, Addiko identified the most relevant **Sustainable Development Goals**.



## Addiko's ESG Framework

Consists of 4 strategic pillars

ESG Governance

ESG Assessment & Reporting

ESG Strategy

ESG Risk Management & Compliance

CORPORATE SUSTAINABILITY

## Strategic Objectives

**E**nvironment



- Electromobility
- Green products
- No-go zones for financing
- Paperless branches

**S**ocial



- Personal progress
- Well-being
- Diversity and inclusion
- Supporting communities

**G**overnance



- Disclosure and reporting
- Membership in associations
- Financial literacy
- Digital governance

➤ Addiko environmental, social and governance (“ESG”) strategy is **interconnected** with Addiko **business strategy** and **risk strategy**.

# Addiko's sustainable development goals



**E**nvironment

**S**ocial

**G**overnance

**Vision**

Carbon footprint reduction

Committed to the good

Making ESG work through good governance

**Mission**

Addiko helps its employees and customers to become more climate neutral

Addiko supports social equality on all level

Sound principles of governance in Addiko's DNA

**15 Initiatives**

- Electromobility
- Office space optimization
- Environmentally Friendly Banking Services
- Purchased electricity from renewable resources
- Green products enabling partnership & No-go zones for financing

- Diversity and inclusion
- Future of work
- Personal progress & Well-being
- Supporting communities
- Feedback culture

- Corporate bodies & Code of conduct
- Financial literacy
- Education
- Membership in associations
- Supply chain management



## Environmental



### Carbon footprint reduction

Reduce more than 33% already in direct CO<sub>2</sub> emissions

5 initiatives

**Addiko** helps its employees and customers to become more climate neutral

#### 1. Electromobility

- ✓ Replacing the car-fleet with the electric cars
- ✓ Car's usage optimization through car sharing

#### 2. Office space optimization

- ✓ Reducing office spaces and number of branches
- ✓ Supporting hybrid working model

#### 3. Environmentally Friendly Banking Services

- ✓ Reduce paper consumption through digitalization
- ✓ Striving to operate paperless branches and introduce digital-first banking to the extend permitted by legislation

#### 4. Purchased electricity from renewable resources

- ✓ Buying clean electricity

#### 5. Green products enabling partnership & No-go zones for financing

- ✓ Addiko will enrol commercial partners focused on green products & services
- ✓ Addiko will lower carbon footprint indirectly, through lending activities



## Social



Committed  
to the good

Addiko is recognized  
as amongst  
Top Employers

5  
initiatives

## Addiko supports social equality on all levels

### 1. Diversity and inclusion

- ✓ Further strengthen diversity and inclusion (gender, age and national equality)

### 2. Future of work

- ✓ Hybrid work, celebrating kids' days at workplace
- ✓ Supporting the work-life balance of our employees
- ✓ Eco-friendly offices

### 3. Personal progress & Well-being

- ✓ Employees health checks
- ✓ Supporting employee's professional development and advancement through comprehensive education
- ✓ Talent development and retention

### 4. Supporting communities

- ✓ Employee volunteering programs and charity work

### 5. Feedback culture

- ✓ Conducting frequent surveys to measure employee satisfaction



Employer Recognition awards across Addiko Group 2017 - 2022



## Governance



Make ESG  
work through  
good governance

Design and  
implement ESG  
related targets  
and KPIs

5  
initiatives

### Sound principles of governance in Addiko's DNA

#### 1. Corporate bodies & Code of conduct

- ✓ ESG agenda is regularly discussed at the management board level
- ✓ To update guidelines (the rules of conduct and declaration of the commitments and responsibilities) to contain ESG-related matters
- ✓ Whistleblowing & complaints, the goal is to address and implement feedback directly

#### 2. Financial literacy

- ✓ Promote financial literacy and education for sustainable growth

#### 3. Education

- ✓ Addiko Academy, ESG internal and external courses for clients how to reduce negative impacts on environment

#### 4. Membership in associations

- ✓ Commit to initiatives that support development ESG and enable to constantly learn and follow to latest trends

#### 5. Supply chain management

- ✓ Regular update of ESG rules for external partners