

**SUSTAINABLE DEVELOPMENT POLICY**

# **Sustainable Development Policy**

## SUSTAINABLE DEVELOPMENT POLICY

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## SUSTAINABLE DEVELOPMENT POLICY

### 1. INTRODUCTION

At Optima bank S.A. (**hereafter the “Bank”**) and Optima Group’s subsidiaries<sup>1</sup>, we recognize that the long-term success of a financial institution is inherently linked to sustainable development. Sustainability serves as a critical pillar of the business strategy, since it aims to generate enduring value for stakeholders<sup>2</sup>, society, and the environment. The Sustainable Development Policy (“Policy”) outlines the approach for evaluating how ESG-related factors may influence the Bank, its services and products, and its decision-making processes. The Bank’s approach is aligned with national and global standards and established frameworks such as the United Nations Sustainable Development Goals (SDGs), the Paris Agreement and the National Climate Law.

The Sustainable Development Policy focuses on key objectives such as climate change adaptation and mitigation, energy efficiency, waste management, and promotion of sustainable banking. The Bank also promotes fair working conditions, equal opportunities for all, customers’ satisfaction and data protection, including personal data protection. The Policy also addresses material governance aspects such as ethical business conduct, prevention of corruption, and transparency. Regular monitoring and stakeholder feedback ensure that the Policy effectively guides the Bank towards the implementation of its sustainability goals.

### 2. SCOPE AND DURATION OF IMPLEMENTATION

The Bank acknowledges the importance of environmental, social and governance pillars in achieving long- term success and creating value for its stakeholders. As such, the Bank is committed to promoting sustainability in all aspects of its operations. This Policy reflects the Bank’s approach towards the integration of sustainability into its business strategy.

The Sustainable Development Policy applies to all employees, business partners and all stakeholder groups of the Bank and the subsidiaries of the Group. The Sustainable Development Policy has been designed to enable ongoing enhancement and adaptability in response to new sustainability challenges, opportunities, and circumstances.

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<sup>1</sup> The Group is consisted of the Bank and its subsidiaries, which are included in the companies that consolidate their financial data.

<sup>2</sup> Stakeholders are natural and legal persons who influence and are influenced or are expected to be significantly influenced by the Bank’s decisions, activities and general operation. Key stakeholder groups are:

- Customers and Clients
- Employees
- Investors and shareholders
- Suppliers and Partners
- Society and Communities (NGOs/Non-Governmental and Non-Profit Organizations, Associations, media, local authorities, etc.)
- Government and Regulators (Ministries, Supervisory Authorities, International Government Organizations, etc.)

**SUSTAINABLE DEVELOPMENT POLICY****3. PURPOSE**

The Sustainable Development Policy lays the groundwork for embedding sustainability into the Bank's overall operations, aiming to create value by protecting the environment, promoting social well-being, and enhancing good governance practices. By doing so, the Bank aims to minimize the environmental footprint directly and indirectly, support its employees, customers, and stakeholders, and uphold the highest standards of transparency and ethics.

The Sustainable Development Policy takes into consideration the interests, views, and perspectives of stakeholders, ensuring and addressing their diverse needs and expectations in conjunction with the achievement of sustainable objectives. Valuable insights from ongoing communication with stakeholders, have informed the Policy's goals and objectives, to contribute to a more sustainable future.

The Bank acknowledges the connection between economic growth and sustainable development. Recognizing this interconnection, the Bank is committed to:

- Support the Energy Transition
- Create Value for People and Society
- Maintain a Sound Governance Model

The achievement of the commitments is accomplished through specific ESG goals and targets, as defined by the Bank's strategy and corresponding actions. The Sustainable Development division of the Bank's Strategy, IR and Sustainable Development division that has the overall responsibility of the implementation of the sustainability strategy and targets, provides regular progress updates to the Bank's Sustainability Management Committee that oversees any sustainability related issues.

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### 4. POLICY Pillars

#### Environment

The Bank recognizes its responsibility to protect the environment and actively addresses any climate challenges. The sustainability strategy focuses on Climate Action, Resource Efficiency, and Sustainable Banking, driving meaningful change towards a greener future and supporting the energy transition.

- **The Bank is committed to minimize the carbon footprint stemming from the Group's operational activities**

*Green energy considerations are integrated into the Bank's strategy, ensuring compliance with legislative requirements. Through energy-efficient technology implementation, and energy-use optimization, the Bank significantly lowers Greenhouse Gas (GHG) emissions across all operational activities. The Bank has set specific targets and objectives as outlined in its strategy-action plan, which guides internal efforts towards reducing emissions and improving energy efficiency. The Bank actively monitors energy consumption and makes continuous and targeted actions to reduce it across all operational activities, supporting sustainable energy use. Key efforts include energy-efficient operations and responsible energy sourcing, enabling adaptation to climate risks and reduction of GHG emissions in line with the Bank's decarbonization goals.*

*With regards to its climate change mitigation and adaptation strategy, the Bank focuses on reducing energy consumption in buildings, vehicles, and IT systems, including the use of energy-efficient solutions. The Bank also assesses the environmental impact of its financial products, prioritizing green investments and financing projects that support renewable energy, energy efficiency, and other sustainability-driven objectives. Climate related considerations are also embedded into the Bank's decision-making process, in order to safeguard the orientation to sustainable and energy-efficient solutions.*

- **The Bank promotes sustainable finance and supports the transition of SMEs and large corporates to sustainable business models.**

*Through sustainable finance and other solutions, the Bank aims to help businesses adopt sustainable practices, invest in clean technologies, and enhance resource efficiency, positioning itself as a strategic partner in their green transition. The Bank assesses environmental and climate risks within its decision-making processes and develops strategies to mitigate these risks. Through a range of financial solutions, advisory services, and tailored products, the Bank facilitates investments in renewable energy, energy efficiency, and waste reduction initiatives. By enabling the access to sustainable financing and promoting environmentally friendly projects, the*

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*Bank fosters economic resilience and meets the growing demand for responsible business practices.*

- **The Bank places resource efficiency at the center of its environmental efforts.**

*The Bank takes comprehensive actions to reduce waste, promote recycling, and ensure proper disposal protocols across its operations and value chain. The focus is on reducing the use of virgin resources and promoting circular economy principles, with a particular emphasis on waste reduction. To implement these efforts effectively, the Bank raises internal awareness and ensures that responsible practices are being implemented across the organization. The Bank is committed to sustainable sourcing, the use of renewable resources, and minimization of waste through strategies that prioritize waste prevention and re-use over disposal and treatment. In its operations, the Bank promotes the use of electronic documents instead of paper ones and incorporates recycled materials in printed forms. Additionally, the Bank has eliminated paper-based advertising and replaced all debit cards with recyclable materials. At the Bank's headquarters, a recycling and upcycling system is in place to support waste management and circular economy projects. Through these initiatives, the Bank aims to reduce its environmental footprint, support sustainable business practices, and contribute to the development of the circular economy.*

**Society**

The Bank is committed to creating value for people and society through the development of an inclusive and respectful working environment and the provision of equal opportunities to all.

- **The Bank aims to ensure a safe and balanced working environment that promotes equal opportunities and diversity.**

*The Bank's commitments focus on enhancing employee satisfaction, ensuring fair and inclusive workplace conditions, safeguarding stakeholders' rights, and expanding access to financial services. Through dedicated initiatives and continuous efforts, the Bank demonstrates its dedication to employee- well-being through the prioritization of fostering better working conditions and supporting work-life balance that safeguard high levels of employee satisfaction. The Bank promotes respect for human rights and provides an inclusive, and discrimination-free work environment while ensuring that every employee feels appreciated, supported, and empowered to achieve their full potential. It also ensures fair treatment through equal pay for work and diversity, and takes comprehensive measures against discrimination, violence, and harassment in the workplace. The Bank respects the right of expression and freedom of association and promotes participation in employees' unions.*

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- **The Bank is oriented to high customer satisfaction**

*The Bank improves employee satisfaction and employees' development through the provision of specialized training programs and individualized career opportunities. Furthermore, the Bank is oriented in building internal ESG capacity, by enabling employees and other stakeholder groups to incorporate sustainability principles into their work and incorporating ESG standards into compensation guidelines to align performance with long-term objectives.*

*In terms of customer satisfaction, innovation and digitalization are in the core of Bank's mission to improve and optimize operations. By providing accessible, efficient, and tailored banking solutions, the Bank ensures outstanding customer experience. The digital platforms offered enable customers to seamlessly access services, whether managing accounts, conducting transactions, or obtaining personalized financial insights and assistance. With a strong focus on customer needs, the Bank strives to offer the optimum banking experience.*

- **The Bank prioritizes its stakeholder's data protection.**

*The Bank places a strong emphasis on trust and transparency in its relationships with stakeholders. Comprehensive measures are being implemented to safeguard the privacy and confidentiality of stakeholder sensitive information and data, including personal data. By adhering the necessary technical and organizational measures such as indicative strong security standards, the Bank ensures the protection of sensitive/confidential information, including the personal data of customers, employees, partners and stakeholders. In this direction, advanced technologies are employed to prevent unauthorized access to sensitive/confidential information and illegal processing of personal data. In the context of the above, the Bank also ensures full compliance with the currently applicable privacy and personal data protection laws and regulations, as well as with the Acts of the Supervisory Authorities.*

### **Governance**

The Bank is committed to maintaining a sound governance model by fostering a strong corporate culture of ethical behavior and integrity, prohibiting, thus, corruption and bribery.

- **The Bank upholds a corporate culture that promotes integrity.**

*The Bank implements a culture of ethical conduct, ethics and integrity by upholding strong policies and procedures against corruption and bribery. The Bank is strongly committed to maintaining the highest standards of ethical conduct throughout its operations. Integrity, transparency, and accountability are crucial in fostering trust with the Bank's stakeholders, and the broader community. These values that are embedded in the Bank's corporate culture guide its actions and decisions at all levels. The Bank promotes an environment where ethical behavior is prioritized. Regular training and resources are being provided to ensure that all employees understand and adhere to the Bank's ethical standards, as defined in the currently applicable*

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*Code of Ethics and Conduct of the Bank. Furthermore, open communication and stakeholders' engagement is encouraged, fostering a culture where everyone feels empowered to express their opinion and concerns.*

- **The Bank enforces a zero-tolerance culture towards corruption and bribery.**

*The Bank maintains a no-tolerance approach to corruption and bribery, ensuring that all actions align with ethical standards. The Bank has implemented comprehensive policies and procedures to prevent and address any corruptive behavior. In addition, innovation and technology is leveraged to address anti-corruption and bribery issues, as well as strengthen risk management practices. Regular monitoring of internal operations and thorough due diligence processes are implemented to identify and prevent any corruption incidents. The Bank is constantly trying to stay true to its commitment to maintaining a corruption-free environment through regular audits, policies, training programs, and clear reporting mechanisms. With regards to whistleblowing, the Bank protects all employees who wish to report any misconduct in good faith and is committed to maintaining the whistleblower's anonymity. Clear policies have been established to protect whistleblowers from discrimination or retaliation.*

## **5. Innovation and Digitalization**

The Bank is committed to support innovation and digitalization, by investing in cutting-edge technologies to ensure efficiency and reliability.

- **The Bank digitally transforms the customer experience.**

Innovation and digitalization play a pivotal role, for the Bank, in driving progress and implementing solutions across all ESG (Environmental, Social, and Governance) pillars. By leveraging advanced technologies and prioritizing customer-focused digital practices, the Bank elevates the banking experience while promoting sustainable growth, operational excellence, and strong governance standards. The Bank focuses on creating digital solutions that prioritize the customer experience, aiming to simplify daily banking through advanced technologies.

- **The Bank supports the environment through innovative practices.**

The Bank's commitment to digital transformation helps the protection of the environment through the reduction of paper consumption and optimization of resource efficiency. It also enhances accessibility, fosters financial inclusion, and strengthens governance by ensuring that internal systems are secure. The Bank is dedicated to minimizing its environmental impact by implementing digital processes that reduce reliance on paper-based transactions and documentation wherever possible. By leveraging automation, digital tools, and data-driven systems, the Bank enhances efficiency while promoting sustainability.



**SUSTAINABLE DEVELOPMENT POLICY****6. Relationship with suppliers**

The Bank provides transparent information in procurement processes to its suppliers, ensuring compliance with legislative requirements in labor and environmental matters, respecting human rights, promoting the transition to a low carbon economy and stimulating the demand for socially responsible products and services. Environmental protection and respect for human rights is a fundamental value for the Bank; therefore, the Bank does not tolerate any violation of human rights including trafficking in human beings, forced or compulsory labor, or child labor from any of its business partners.

**7. Functions and Duties****7.1 Board of Directors**

The Board of Directors oversees the overall sustainability strategy and the implementation of related targets and policies.

**7.2 Sustainability Management Committee**

The Sustainability Management Committee is responsible for:

- providing Sustainability strategy direction to the Board of Directors for the ESG initiatives of the Bank and the Group,
- evaluating the Sustainability strategy before its approval,
- integrating the Sustainability strategy into the business plan and the business operations of the Bank and the Group
- ensuring proper implementation of the Bank's and Group's policies and procedures related to ESG, in accordance with supervisory requirements and best practices.

**7.3 Strategy, IR and Sustainable Development division**

The Sustainable Development department of Strategy, IR and Sustainable Development Division, is responsible for formulating and endorsing for approval to the senior management and the BoD of the Bank and the Group, a detailed sustainability strategy (alignment of the Bank's business objectives, with simultaneous value creation for the society and the environment), and the alignment of the initiatives undertaken with best practices.

**7.4 Divisions**

The heads of divisions, in accordance with the current organizational structure of the Bank, are tasked with embedding ESG principles within their areas of oversight. All employees are expected to familiarize themselves with this policy and support its implementation through their daily activities and decision-making processes.

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### 8. Values and Guidelines

The five values that the Bank follows and promotes are:

1. **Simplicity:** We create simple products and services that make our customers' everyday life easier.
2. **Quality:** Our priority is quality of service, designing products and services that serve our customers' needs.
3. **Transparency:** We operate with honesty and respect, applying clear terms and procedures.
4. **Trust:** Our goal is to build long-lasting relationships of trust with our customers, offering the best banking experience, and helping them meet future challenges by putting their interest first.
5. **Flexibility:** The key to the way we operate and serve our customers.  
True to its values, Optima bank responds to the needs of its stakeholders, and builds relationships of trust for a new, optimum, banking experience. Integration of sustainability related issues that are aligned with its values, in its daily operation, is what safeguards the Bank's license to operate in the broader community.

### 9. Duration-Review and Monitoring

- Sustainable Development Policy is reviewed by the Sustainability Management Committee as needed and at least annually, to determine the extent to which it needs to be updated and considering the effectiveness of its implementation, to reflect any changes in relevant regulatory requirements and to align with current sustainability standards.
- The Sustainability Management Committee monitors the implementation of the policy and informs the BoD accordingly.
- This Policy and any revision thereof, is approved by the Sustainability Management Committee and subsequently approved by the Bank's BoD, and is effective upon its approval by the Bank's BoD.

### 10. Publication

The Bank ensures that all stakeholder groups are informed about the contents of the Sustainable Development Policy. The Sustainable Development Policy is published in a prominent place on the corporate website and on the Portal.

### 11. Application of Policy at Group Level

The Policy should be adopted at a Group level, i.e. it will be adopted and applied, to the extent possible, (based on their size, internal organization, scale and complexity of their operation) by the subsidiaries included in the Bank's consolidated financial statements.