



**WE EMPOWER PEOPLE  
TO OWN THE FUTURE**

# Sustainability Policy

*'We empower people to own the future'*

**November 2024**

# Version history

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# Introduction

At Finabank, we understand that sustainability is not just a trend, but an essential foundation of responsible banking. As drivers of economic growth and gatekeepers of the financial system, we acknowledge the significant influence we have on our society and the environment. Therefore, we are committed to integrating sustainability into our business and operations.

Through our sustainability policy, we want to empower people to make an impact on their own future, ensuring that our actions reflect our values and ambitions for a better tomorrow.

# Our purpose statement



## We empower people to own the future



Our **customers** are people with wishes, dreams, and goals. We provide the financial services to help them achieve their wishes, dreams, and goals. Accordingly, we do our utmost to understand our customers and offer solutions that support them in achieving their goals.



Our **society** is evolving. We want to make a clear, positive, and sustainable contribution to our society. In the first place by playing a constructive role in the sustainable development of the economy by means of our products and services, but certainly, also by playing a leading role in the development of the financial sector in Suriname.



Our **employees** seek work that offers them satisfaction, commitment, security, and development. We offer a modern working environment in which everyone can develop to their fullest potential, both professionally and personally, and make a meaningful contribution to our customers, colleagues, and society.



Our **shareholders** make it possible for us to do our job. To reward them for their commitment, we aim for an attractive and sustainable return, which is achieved by a Bank that our shareholders can be proud of.



Our **suppliers** are our partners who support us to offer our financial services to our customers and to create a modern working environment for our employees. We offer our suppliers the opportunity to grow together with us and thus provide them with the opportunity to further develop the relationship in the future in a sustainable manner.

# Our approach to Sustainability

Our sustainability policy is grounded in our purpose statement and prioritizes all our stakeholders. We strive to meet the needs so that those of future generations are not endangered.



## ENVIRONMENTAL

- Respect and protect the environment
- Offer services and products to contribute to sustainable development of the environment



## SOCIAL

- Respect and protect human rights and well-being
- Respect and protect labor rights and well-being
- Respect the rights of persons with disabilities
- Closing the social gap
- Stimulating financial inclusion
- Empowering entrepreneurship



## GOVERNANCE

- Maintaining an accountable and transparent governance structure
- Implementing robust risk management practices
- Operating with integrity
- Empowering stakeholders to comply with our Sustainability policy

# Environment: Small steps, big impact

We are committed to respect and protect our environment, independently and/or through partnerships. Therefore, we are dedicating 5% of our funding base to financing sustainable projects and investments. Our focus areas are:

## **Respect and protect the environment**

Our goal is to protect and preserve our environment to ensure a better tomorrow. This includes preventing of pollution, preserving biodiversity and mitigating the impact human activities have on ecosystems. Therefore, we invest in respecting and protecting our environment by continuing with our waste management practices, increasing our use of renewable energy and educating stakeholders.

## **Offer services and products to contribute to sustainable development of the environment**

Our goal is to allocate capital towards environmentally sustainable projects and activities, thereby impacting the transition towards green energy such as solar power, and to impact investments that generate positive social and environmental outcomes, while also delivering financial returns. Amongst others, through green financing and community financing, we are dedicated to making a meaningful impact, enhancing the well-being and development of our society and preserving our environment.

# Social: Respecting human and labor rights and well-being

We are committed to creating a better future for our people and the community we support. By empowering our people and the community independently and/or through partnerships, we want to contribute to creating a better future.

## **Respect and protect human rights**

Our goal is to respect and protect human rights; by creating a safe environment where everyone is accepted regardless of race, ethnicity, gender, religion, nationality or socioeconomic status. Therefore, we celebrate diversity, advocate for equality, and foster a culture of inclusivity within our bank and beyond. In our Corporate Social Responsibility, our commitments and promises are outlined.

## **Respect and protect labor rights and well-being**

Our goal is to promote a fair working environment where our team is treated with respect and equality, regardless of their background and circumstances. By offering fair compensation, a safe working environment and promoting well-being, we aim to respect and respect and protect the labor rights of our team. Our commitments and ambitions are outlined in our HR-framework.

## **Respect the rights of persons with disabilities**

In our commitment to respect the rights of persons with disabilities, we will ensure that they have access to our physical branches, facilities, and financial services. We'll also provide equal employment opportunities and actively prevent any discrimination based on disability.



# Social: Empowering societies

To support the minority and marginalized groups in creating a sustainable lifestyle, we are dedicating 5% of our funding base to finance sustainable projects and investments, independently or through partnerships.

## Closing the social gap

Our goal is to empower a fair and unbiased society, where everyone can thrive and participate fully in economic and social life, regardless of their background or circumstances. Therefore, we want to empower the minority and marginalized groups in creating a sustainable lifestyle.

## Stimulating financial inclusion

Our goal is to stimulate economic development, reducing poverty, promoting social equity, and building more resilient and inclusive societies. Through financial education for our stakeholders, with a special focus on Indigenous and Tribal People, we want to provide access to banking. Having access to financial services, allows people to be part of the formal economy. With access to financial services, individuals and businesses can better manage their finances, plan their future and achieve goals.

## Empowering entrepreneurship

Our goal is to empower entrepreneurship amongst women, minorities such as Indigenous and Tribal People, and specific sectors, by offering financial and business advice and capital. Empowering entrepreneurship stimulates economic growth, innovation, creates jobs and enhances overall well-being.

# Our sustainability loans

To empower entrepreneurship, stimulate growth, enhancing the well-being and development of our society and preserving our environment, we offer sustainability loans to specific sectors, with a maximum of USD 1.000.000.



## Green finance

The goal of green financing is to allocate capital towards environmentally sustainable projects and activities, thereby impacting the transition towards green energy such as solar power.

- Investment in waste management
- Investment in biodegradable products
- Investment in renewable energy | solar products
- Investment in the education of people in the sector



## Community finance

The goal of community financing is to impact investments that generate positive social and environmental outcomes, while also delivering financial returns.

- Investment in public healthcare
- Investment in public schools



## Closing the social gap

The goal is to empower the minority and marginalized groups in creating a sustainable lifestyle.

- Investment buying or construction of first house
- Investment in buying first piece of land



## Health & wellbeing

Investments to foster health, and ensure sustainability, with a focus on personal development and overall well-being.

- Investment in private medical clinics
- Investment in private schools
- Investment in gyms

# Our sustainability loans continued



## Agriculture

Agriculture can help reduce poverty, raise incomes and improve food security for 80% of the world's poor, who live in rural areas and work mainly in farming.

Investments in:

- Machines used for processing
- Property to develop the industry
- Working capital to invest in the end product
- Investment in the education of people in the sector
- Fishery only for sustainability purposes



## Production

To produce finished goods in Suriname, specifically:

- Raw materials bought in Suriname
- Machines used for processing
- Investment in the property to enhance processing process or diversify business
- Investment in machine and/or car park to distribute products
- Investment in biodegradable packaging
- Designing furniture with Surinamese wood
- Producing end products with 80%-90% Surinamese raw materials (such as juice, chips, chocolate)



## Tourism

Investment in real estate to promote tourism.

- Investment in the property to boost tourism (hotels, resorts, restaurants)
- Investment in machines and/or boats to transport tourists to resorts in the interior
- Investment in educating personnel and villagers
- Investment in inventory (such as bed sheets/plates etc.)



## IT

Investments in innovation, efficiency, and growth, specifically in:

- Investment in developers and programmers
- Investment in internet infrastructure
- Investment in expanding data capacity

# Governance: Leading with integrity

## **Maintaining an accountable and transparent governance structure**

Our goal is to maintain an accountable and transparent governance structure, to promote trust, integrity and sustainability within our bank and beyond. Within our Integrity Framework and Corporate Governance Code, our commitments and regulations, based on international standards, are outlined.

## **Implementing robust risk management practices**

Our goal is to pro-actively identify, address and mitigate potential risks. This will enhance our resilience and support our sustainable growth. Within our Enterprise Risk Framework (ERMF), the potential risks and mitigating measures are outlined.

## **Operating with integrity**

Our goal is to consistently adhere to ethical principles within our bank and beyond, to stimulate trust and credibility. Therefore, we are creating a culture of compliance through setting principles in behavior embedded in our HR-framework, Integrity Framework and organizational culture.

## **Empowering stakeholders to comply with our Sustainability policy**

Our goal is to provide our stakeholders with the knowledge and support necessary to adhere to our Sustainability policy. Through stakeholder engagement, education and guidance, we want to empower our stakeholders to not only adhere to our policy, but to implement their own sustainability policy.

# Our governance structure

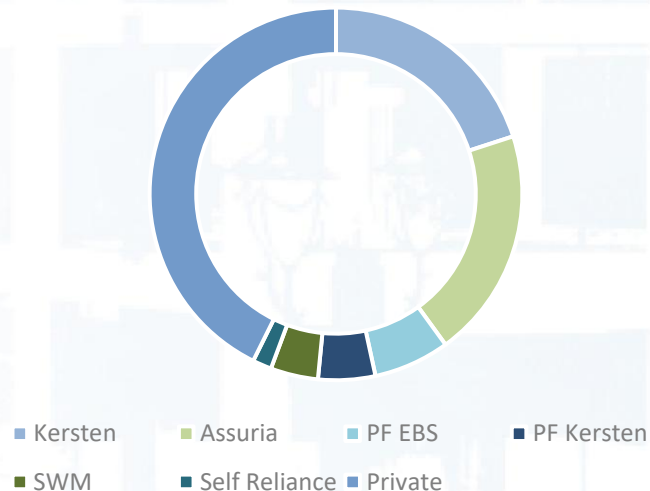
Our Executive Board, with expertise in banking, finance, sustainability, and related fields, provides strategic guidance to our Bank. The Board and its committees oversee the Bank's progress towards key objectives across sustainability and other areas, ensuring that our integrity framework, ERMF, cybersecurity, and other crucial practices align with industry and international standards and expectations.

Finabank is 100% privately owned. One of the four system banks, leading in terms of governance, risk management, profitability and sound banking ratios.

The only financial institution in Suriname with a credit risk rating and ISO certification:

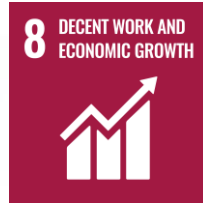
- Credit risk rating: CariCRIS A+/A
- Certification: ISO/IEC 27001:2022

Shareholders



# Our link with the SDGs

Our sustainability policy aligns with several of the Sustainable Development Goals (SDGs) of the United Nations.



# Our Sustainability governance structure

Our Sustainability governance structure consists of:



# Exclusion

Finabank refrains from financing any activities, productions, uses, distributions, businesses, or trades associated with the sectors and activities outlined below. This commitment is guided by internal policies, its partnerships, including with IDB Invest, and the exclusion list maintained by the IFC.

There may be occasions when a stakeholder doesn't entirely meet the bank's sustainability policy standards. However, this won't lead to an immediate rejection of their credit application, if they develop a clear improvement action plan. This plan describes precise steps and goals for the stakeholder to comply with our requirements. Moreover, it encompasses a timetable, distribution of tasks, necessary budget, and a bank-appointed supervisor.

The full exclusion list is available in the appendix.



# Our reporting

Yearly we will report to our shareholders based on the International Financial Reporting Standards, *S1 General Requirements for Disclosure of Sustainability-related Financial Information* and *S2 Climate-related Disclosures*.

Integrating ESG reporting within the framework of IFRS enhances our transparency, promotes sustainable practices, and contributes to long-term value creation for both our Bank and our stakeholders.



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# Appendix

# Exclusion list

## Activities

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>• Production and trade of controversial weapons and ammunition such as cluster munitions, antipersonnel mines, biological weapons, chemical weapons, and nuclear weapons</li></ul>      | <ul style="list-style-type: none"><li>• Production or trade of products containing PCBs or other persistent organic pollutants (POPs) internationally banned or discontinued in production.</li></ul> |
| <ul style="list-style-type: none"><li>• Production and processing of tobacco products.</li></ul>  | <ul style="list-style-type: none"><li>• Production or trade of drugs internationally banned or phased out in production.</li></ul>  |
| <ul style="list-style-type: none"><li>• Gambling companies, casinos, and equivalent enterprises.</li></ul>  | <ul style="list-style-type: none"><li>• Production or trade of pesticides/herbicides internationally banned or phased out in production.</li></ul>  |
| <ul style="list-style-type: none"><li>• Trade in or unauthorized capture of wild animals or products from wild animals under the supervision of CITES or species listed on the IUCN Red List of Threatened Species.</li></ul> | <ul style="list-style-type: none"><li>• Production or trade of ozone-depleting substances internationally banned or discontinued in production.</li></ul>   |
| <ul style="list-style-type: none"><li>• Production and trade of radioactive material.</li></ul>   | <ul style="list-style-type: none"><li>• Sea fishing with drift nets using nets longer than 2.5 km.</li></ul>  |
| <ul style="list-style-type: none"><li>• Production, trade, or use of asbestos fibers.</li></ul>   | <ul style="list-style-type: none"><li>• Cross-border trade in waste or waste products, except for non-hazardous waste intended for recycling.</li></ul>   |
| <ul style="list-style-type: none"><li>• Forestry projects or activities that do not comply with the IDB's Environment and Safeguards Compliance Policy.</li></ul>   | <ul style="list-style-type: none"><li>• Production or trade of persistent organic pollutants (POPs).</li></ul>  |

# Exclusion list

## Activities

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>• Lead paint or coatings in the construction of buildings and roads.</li></ul>  | <ul style="list-style-type: none"><li>• Money transfer offices and currency exchange offices.</li></ul>                             |
| <ul style="list-style-type: none"><li>• Coal mining or coal-fired electricity generation.</li></ul>   | <ul style="list-style-type: none"><li>• Organizations and individuals listed on FATF, OFAC, UN, EU, and other blacklists.</li></ul> |
| <ul style="list-style-type: none"><li>• Upstream oil extraction and development projects.</li></ul>   | <ul style="list-style-type: none"><li>• Shell banks.</li></ul>  |
| <ul style="list-style-type: none"><li>• Upstream gas extraction and development projects. Under exceptional circumstances and on a case-by-case basis, consideration will be given to financing upstream gas infrastructure where there is a clear benefit (access to energy for low-income populations, minimizing greenhouse gas (GHG) emissions, projects consistent with national climate change objectives, and risks of stranded assets are properly analyzed).</li></ul> | <ul style="list-style-type: none"><li>• Hawalas and similar structures</li></ul>  |
| <ul style="list-style-type: none"><li>• Non-compliance with fundamental labor regulations and rights.</li></ul>   | <ul style="list-style-type: none"><li>• Cryptocurrency service providers and participants in cryptocurrency services.</li></ul>     |
| <ul style="list-style-type: none"><li>• Savings and credit cooperatives without banking licenses.</li></ul>   | <ul style="list-style-type: none"><li>• Providers of pyramid schemes and gambling activities.</li></ul>                             |



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