

bunq - Environmental, Social, and Governance Policy

June 2023

To our users,

At bunq, we believe in transparency and having an inside=outside approach to our policies and procedures. We want to be fully transparent with our users and inform them of anything you may want to know. For this reason, we aim to make our policies publicly available, where we (legally) can!

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Summary

This policy will outline bunq's intended Environmental, Social, and Governance framework, measures currently in place, and future initiatives. This includes reporting, disclosures, business operations, procedures, investments, board activities, stakeholder engagement, and other relevant practices.

1. Introduction

Our users are the heartbeat of our business, and everything we do, we do for them. If something is important to Eva (our user), it is important to Adam (our employee). According to a survey conducted in 2022, almost 70% of Evas see climate change as a significant issue, with 60% indicating that being a member of a bank committed to sustainability is important to them.

If efforts are not made by businesses and individuals to prevent climate change, there will be catastrophic and irreversible damage to our planet and all of its inhabitants. In order to build a truly sustainable future, greater emission reduction efforts are a must. bunq's sustainability roadmap is aimed towards environmentally sustainable initiatives that deliver efficiency, profit, and growth for our business, our employees, our users, and the wider community.

This Environmental, Social, and Governance Policy is about bringing these issues together under one banner, to demonstrate the positive impact bunq as a company can have on its users and the world.

2. Purpose of this Policy

This policy aims to provide information about ESG and enable bunq stakeholders, such as our users (Evas) and our employees (Adams) to better understand how bunq is dealing with ESG. By engaging about ESG with stakeholders such as employees and users, we can provide a critical understanding of some relevant issues and opportunities that can affect the business. After reading this policy, you should understand what ESG efforts bunq is making, why we are committed to making these efforts, and how we implement them.

3. Our Stance on Climate Change and the Environment

We are dedicated to creating a greener world for Eva and for future generations. We are committed to driving down our energy and carbon impacts while simultaneously enabling our users to do the same.

Measures currently in place

At bunq, we strive to be sustainable and to make it as easy as possible for our users to be more sustainable, with these measures:

- **Easy Green Plan:** Through our revolutionary Easy Green plan we enable our users to reduce their carbon impact on the environment, by planting a tree on their behalf for every €100 they spend using their bunq card. Additionally, if a bunq employee refers someone for a job and they are hired, 1,000 trees are planted in the referrer's name.
 - To date, we planted over 10 million trees together, with thousands more being planted each day.
- **Paper-free and Digital:** We actively promote a paper-free office and we make all efforts to be a digital-first business, as is fitting with our exclusive online banking platform. Additionally, we aim to reduce, reuse and recycle plastic within our own operations and we are making steady efforts to reduce waste.
- **Sustainable investing:** We recognize that sustainable investing is investing in progress, and believe that companies tackling climate change are best positioned for the future.
 - bunq is an active member of the Partnership for Carbon Accounting Financials, an organization that created a harmonized and transparent approach to measuring and reporting the greenhouse gasses resulting from a financial institution's investment portfolios. Furthermore, bunq has a Socially Responsible Investment Policy to promote ESG-friendly investments (e.g. green bonds, energy-saving loans), excludes industries with a strong negative ESG impact and severe breaches of the Ten Principles of the United Nations Global Compact.
- **Mortgages and energy efficiency:** bunq has partnered with ASR and Venn to offer mortgages, and more recently with Tulp to offer a bunq mortgage to our users. As part of its mortgage offering, bunq offers a mortgage of up to 106% of the property value in order for customers to boost their home's energy efficiency, as can be seen on the mortgage page of our website.

Legal framework

We seek to abide by environmental legislation and work toward minimizing the impact of our activities on the environment. It is imperative that we comply with all mandatory legislation in order to decrease the risk of disruptions to our operations, penalties, lawsuits or fines. We are dedicated to becoming compliant with the Corporate Sustainability Reporting Directive (CSRD) framework, as this legislation will be mandatory for bunq from 2025

onwards. Additionally, bunq is fully committed to setting targets with the Science Based Targets Initiative to ensure that we are contributing to limiting the global average temperature increase to 1.5 °C, in line with the Paris Agreement.

4. Our Stance on Social Responsibility

At bunq, we invest in our employees and listen to what our users want. We take pride in offering the best user experience by building features that our users really want and need. For example, many of our users indicated that we should invest responsibly and safely, so Freedom of Choice was introduced in 2019. Freedom of Choice lets users indicate how they want bunq to invest their money.

Listening to users

In order to continuously cater to Eva's needs, we rely on feedback from our users. If you have a question or feedback, you can open a ticket via the bunq app, which will usually be addressed by one of our guides within 1-2 working days. Additionally, if you wish to lodge a complaint, you can do this by opening a ticket in the app or sending an email to support@bunq.com. bunq is also a member of the Dutch Institute for Financial Disputes (Kifid), which gives you the possibility to appeal our decisions.

According to 'Understand Eva' research conducted in 2022, 50% of Evas surveyed stated that when choosing a company as a customer, the extent to which this company empowers people is important to them. Here at bunq, we share the same philosophy as Eva. We have a zero-tolerance approach to gender discrimination against both our users and our employees. We believe that every person should be treated equally, no matter how they identify. This is why, when you open a bunq account, we offer three options for your gender; 'man', 'woman', and 'other'. Additionally, if you wish to change their gender within the bunq app, this can easily be requested via our support chat.

Employee Diversity and Inclusion

In the aforementioned survey, 50% of Evas also stated that when choosing a company, diversity within that company is a significant factor in the decision-making process. We are committed to provide a dynamic, inclusive and diverse work environment that supports employees' professional development, as well as promoting a good work-life balance that prioritizes their overall health and wellness. When recruiting and hiring candidates, we never let someone's gender, sexual orientation, religion, race, age or nationality influence our decision on whether or not we will hire them. Instead, we focus exclusively on the candidate's skill set, capability and what value they can add to bunq. By hiring people based on merit as

opposed to any other aspect, we have seen that equality and diversity follow naturally and are arguably some of the most recognizable aspects of our eclectic workforce. This is yet another feature that sets us apart from conventional banks as we do not follow the same prejudice system of an 'old boy's network', which has been the norm in the banking industry for hundreds of years.

To further cultivate the well-being, rights, and protection of our employees we adhere to the ILO Declaration on Fundamental Principles and Rights at Work, the main aims of which are to promote rights at work, encourage decent employment opportunities, enhance social protection, and strengthen dialogue on work-related issues. bunq vows to respect, to promote, and to realize, in good faith and in accordance with the Constitution, the principles concerning the fundamental rights, which are as follows:

- freedom of association and the effective recognition of the right to collective bargaining;
- the elimination of all forms of forced or compulsory labor;
- the effective abolition of child labor;
- the elimination of discrimination in respect of employment and occupation; and
- a safe and healthy working environment

Indigenous people

At bunq, we believe that indigenous people have the right to own, use, develop, and control the lands, territories and resources that they possess by reason of traditional ownership, or other traditional occupation or use, as well as those which they have otherwise acquired. This is why we abide by the Declaration on the Rights of Indigenous Peoples, which requires organizations to consult and cooperate in good faith with the Indigenous peoples concerned through their own representative institutions in order to obtain their free, prior, and informed consent (FPIC) before adopting and implementing legislative or administrative measures that may affect them.

5. Our Stance on Ethical Governance

Our focus is to promote strong oversight, transparency, and risk management at all levels of our organization, ensuring the resilience and long-term preservation of value for our business. bunq maintains a strong corporate governance structure through board stewardship, accountability of management, and proactive risk management, which can be seen in our extensive Risk Management policy. We promote security hygiene across all bunq

offices to ensure that we avoid security risks. A couple of examples of such measures are the officers having NDA zones, in which no one can enter unless they have signed a non-disclosure agreement, and training our employees to always lock their laptops when they are not working on it.

Anti-bribery and Corruption

Here at bunq, we have a zero-tolerance approach when it comes to bribery and corruption. All Adams are expected to strictly comply with our internal Anti-Bribery & Corruption Policy and take the rules and guidelines set out in this policy into account when dealing with Business Partners, Government Officials, or any other third party. bunq may take strict disciplinary measures against any employee who violates this policy. Such measures include suspension, demotion, and instant dismissal. bunq is not a part of any lobby or political organizations and currently has no plans to join any.

Tax obligations

At bunq, we aim to be open and transparent about our tax obligations across our organization and the jurisdictions we work in, and we maintain strong procedures to protect against tax evasion and avoidance. The bunq Systematic Integrity Risk Analysis (SIRA) is updated regularly, and includes tax evasion as an integrity risk to detect, prevent and/or report. To date, bunq has not been involved in any court cases in regards to tax evasion.

Ethics of the company

We are committed to high ethical standards, as can be observed in our Rules of Conduct and our ESG Report. bunq promotes a culture of integrity by encouraging their employees to speak up if they see something wrong. Additionally, bunq has a designated Company Confidant to whom you can report any issues you may have, no matter how big or small, with 100% confidentiality.

6. ESG and transparency

We want all our stakeholders, from Eva to Adam to third parties, to be well-informed about how our business makes a positive contribution to the world. We do this through means such as publishing an annual transparent ESG report that includes data such as bunq's gender diversity, a pay equity breakdown per department, our scope 1 and 2 emissions and the carbon impact of our investments. Additionally, we publish several sustainability blogs on our website every year, all of which can be found [here](#).

Furthermore, we aim to make our policies public. This initiative will lead to bunq operating with an inside=outside approach, allowing our users and other stakeholders to understand

how bunq approaches a variety of areas, from Risk Management to Data Privacy to ESG (this policy!).

7. Adam's Role to Play in ESG

Adam has a crucial responsibility to ensure that they play their part. This means understanding their role in each area of ESG. Every new Adam starts to do this by familiarizing themselves with the concept of ESG and bunq's stance on various ESG topics, through this policy and our ESG Report. They should know:

- The bunq ESG email: esg@bunq.com
- The ESG efforts we are currently making
- How to discuss our ESG practices with users and third parties
- Where to report potential concerns or actions which go against our policy:

On an individual level, we all have a role to play in reducing carbon emissions and getting to net zero. Here are several ways to align your personal activities with our ESG objectives:

- **Speak up:** We are the first generation to know we're destroying the world, and we could be the last that can do anything about it. Speaking up is one of the most powerful things you can do, especially if it's to the right people.
- **Educate yourself:** We have the world at our fingertips, so learn from influential people, keep up with the news and research organizations that are working to make our planet a better place.
- **Responsible travel:** One of the most efficient ways of lowering your environmental impact is by traveling responsibly. This means, whenever you can, choose a more sustainable way to get from A to B - walk or cycle when you can (after all, the Netherlands has one of the best cycling infrastructures in the world!).
- **Eat sustainably:** Moving away from a meat-dominated diet towards a more plant-based diet can lower your impact on the environment. Our in-house chefs offer a nutritious vegan and vegetarian lunch option every day!
- **Watch what you buy:** Use your purchasing power and make sure your money is going towards positive change. By supporting eco-friendly products which are less damaging to the environment, you're encouraging companies to source and produce their products in a sustainable way.

- **Reduce waste:** We need to make wasting our resources unacceptable in all aspects of our life. Every product we buy has an environmental footprint and could end up in a landfill. The impact of plastic pollution on our oceans is becoming increasingly clear, having drastic impacts on marine life.

On a social level, building a diverse and inclusive workforce where everyone feels valued is every Adam's responsibility. Understanding your role in bringing people together is critical to our success as a business. From hiring the best talent to encouraging each Adam to thrive, we want a workplace where people work to be the best they can be. You can help by:

- Challenging and reporting discriminatory or offensive behavior to HR or the aforementioned Company Confidant;
- Understanding our Diversity and Equal Treatment Policy;
- Being an active ally and voice for groups that are often underrepresented;
- Leading by example in your work.

Furthermore, good governance goes beyond having the right policies and procedures in place; it's about embedding compliance in your day-to-day work. From completing training on time to actively understanding how regulations affect your work, good governance starts from the individual. Take governance to heart by:

- Applying the bunq principles in your work (more detail in our Code of Conduct);
- Abiding by the policies and procedures; if necessary improve them
- Not being afraid to call out poor behavior or report failures.

8. Who is Responsible for this Policy?

bunq's Managing Board has overall responsibility for the effective operation of this policy. However, the responsibility for overseeing its implementation has been designated to an internal ESG Specialist.

All Adams have the day-to-day responsibility to uphold and observe this policy. By operating as a collective, we can work toward achieving our ESG goals on a consolidated basis across the company and in doing so, make the world a more sustainable place.

This policy is reviewed annually by the Management Board. Changes may be made at any time as government guidance develops.

9. Monitoring and Enforcement

We seek to prevent and mitigate non-compliance with this policy. If bidders wish to report any (potential) breaches or concerns, they should report as soon as possible via email to ESG@bunq.com.

Progress on activities described in this policy is reported to the Board on a regular basis. Active participation and engagement at all levels of the business is crucial to ensure compliance with this policy by all Adams.