

# **bunq - Socially Responsible Investing**

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!

**bunq**

BANK OF THE FREE

## Introduction

We take pride in offering the best banking experience by building features that our users actually want and need. Many of our users indicated that we should invest responsibly and safely, which led to the introduction of Freedom of Choice in 2019. Freedom of Choice lets users decide if and how their money is invested. Since its introduction, we have continued to align our investment portfolio with the desires of the bunq community. To help achieve this, all investments are assessed against the following strict socially responsible investing criteria.

## bunq Investments 🌸

bunq does not finance, or invest in, companies that directly use:

- Coal-fired power
- Fossil fuel-fired power

bunq does not finance, or invest in, companies which are active in:

- Fossil fuel-fired power generation and/or extraction of oil and gas for any part of their business activities
- Coal-fired power generation and/or coal mining for any part of their business activities
- The production of tobacco and tobacco-based products
- Nuclear energy
- Mining activities
- Asbestos mining
- Uranium mining
- Mountaintop mining
- The development of new coal mines
- Gambling
- Armament
- The genetic modification of animals
- The use of wild animals for entertainment

- Controversial behavior determined by frequent and severe breaches of The Ten Principles of the United Nations Global Compact:

#### Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: Make sure that they are not complicit in human rights abuses.

#### Labor

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: The elimination of all forms of forced and compulsory labor;
- Principle 5: The effective abolition of child labor;
- Principle 6: The elimination of discrimination in respect of employment and occupation.

#### Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: Undertake initiatives to promote greater environmental responsibility; and
- Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

#### Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

bunq's investment portfolio consists of Dutch residential mortgages, Green Bonds, bank deposits, corporate loans, structured loans, and a lending portfolio consisting of a number of loans to Small and Medium-sized Enterprises (SMEs) in Ireland. bunq has outsourced our mortgage portfolio's daily management and origination to ASR, Tulp, and Venn. Our mortgage investments align with the criteria described at the beginning of this policy. 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.

To support bunq's environmental and social responsibility, we have adopted the Environmental, Social, and Governance (ESG) Policy. The purpose of this policy is to provide information about ESG and to enable bunq stakeholders such as our employees and users to better understand how bunq is dealing with ESG. By engaging about ESG with stakeholders, we improve our understanding of some relevant ESG issues and opportunities that can strengthen the business and the environment. This policy ensures that we hold ourselves to the same standards that we expect from our associates in the finance sector. This policy can be found in the transparency section of our website.