The Policy's compliance with the integration of ESG risks

The Policy is compliant with the integration of ESG risk in the Bank's operations; ESG risk is understood as environmental, social or governance event or condition that, if it occurs, could cause a negative material impact on the institution, its clients, counterparties or the invested assets. In particular:

1/ the Remuneration Policy ensures transparent remuneration principles linked to the Bank's risk management strategy and reflects its risk appetite. To the extent in which ESG risk is or will become a material risk factor, it is or will be integrated into the Bank's approach in the same way as other, more traditional risk types,

2/ we strive to ensure that the remuneration of the Bank's managers, in particular managers having a material impact on the Bank's risk profile (Risk Takers), is linked to material ESG risk factors specified in the Bank's risk management strategy as regards all key management processes, including risk management, strategic planning, innovations, capital investments and employee management,

3/ the approach to remuneration adopted by the Bank involves differentiating employees' remuneration based on:
   a/ quantitative criteria, such as e.g. the value of sold products, the sales volume, the number of new clients acquired,
   b/ qualitative criteria, such as e.g.: client satisfaction; not incentivising excessive risk, including ESG risk; ensuring compliance with regulatory requirements and internal provisions; honest and fair treatment of clients aimed at avoiding conflicts of interest in business relationships with them; quality of services provided to clients.