

Approved by Decision (Protocol No. 05)  
of the Supervisory Board of  
"UNIBANK" Commercial Bank  
Open Joint Stock Company  
Dated 24.06.2025

Chairman of the Supervisory Board  
  
E. Garibov



## **Sustainability Policy of the “UNIBANK Commercial Bank” Open Joint-Stock Company**

## **Mündəricat**

<b>1. General provisions .....</b>	<b>3</b>
<b>2. Purpose of the Policy.....</b>	<b>3</b>
<b>3. Organization of activities.....</b>	<b>3</b>
<b>4. Principles.....</b>	<b>4</b>
<b>5. Final provisions .....</b>	<b>5</b>
<b>Annex 1. Exclusion List .....</b>	<b>7</b>

## **1. General provisions**

- 1.1. The Sustainability Policy (hereinafter referred to as the "Policy") of "Unibank" Commercial Bank Open Joint-Stock Company (hereinafter referred to as the "Bank") has been developed in accordance with the regulatory acts of the Central Bank of the Republic of Azerbaijan, the "Sustainable Finance Principles," the International Finance Corporation's "Performance Standards on Environmental and Social Sustainability" and "Corporate Governance Matrix," the recommendations of the Task Force on Climate-related Financial Disclosures, as well as other international standards and best practices.
- 1.2. This Policy establishes the principles that define the Bank's approach to sustainability and responsible banking, its corporate governance model, and the integration of climate, environmental, and social considerations into the Bank's operations and decision-making processes.

## **2. Purpose of the Policy**

- 2.1. The Bank adheres to a sustainable and responsible banking approach with the aim of contributing to the development of the economy, the environment, and society while striving to create long-term value for stakeholders.
- 2.2. The Bank is committed to supporting the International and country's climate goals and contributing to the national priority of making Azerbaijan a "clean environment and green growth" country, as set forth in the document "Azerbaijan 2030: National Priorities for Economic Development", approved by the Decree of the President of the Republic of Azerbaijan dated February 2, 2021.
- 2.3. The Bank contributes directly or indirectly to the Sustainable Development Goals and country's achievement of sustainable development goals by incorporating and applying economic, environmental, social, and governance (ESG) factors in its activities and decision-making processes.
- 2.4. The Bank's sustainability policy is shaped within the framework of its responsibilities and commitments toward the environment, its customers, society, and its role as an employer.

## **3. Organization of activities**

- 3.1. The Bank's Management establishes a corporate governance model that supports the implementation of a sustainability and responsible banking approach, as well as the execution of related measures and projects..
- 3.2. The Sustainability Committee of the Supervisory Board oversees the integration of sustainability and responsible banking principles, as well as climate risks and opportunities, into the Bank's strategic goals and operations.

- 3.3. The Sustainable Finance and ESG Committee, led by the Chairman of the Management Board, is responsible for developing the Bank’s sustainability approach, policy, and strategic objectives, implementing related measures and initiatives, and strengthening the Bank’s sustainable finance and ESG profile.
- 3.4. The Sustainability Manager ensures and coordinates the application of sustainable finance principles and ESG factors in the Bank’s operations, corporate governance system, financial services and products, as well as in risk management and internal control frameworks.
- 3.5. This Policy supports the Bank’s Sustainability Strategy and its implementation..
- 3.6. Issues arising from this Policy are regulated by relevant internal documents.

#### **4. Principles**

- 4.1. In its operations, the Bank adheres to the following principles regarding the environment, its customers, society, and its role as an employer:
  - 4.1.1. The Bank contributes to the country’s climate goals and national strategic priorities by implementing responsible banking practices while considering the impacts of climate change, as well as other environmental risks and opportunities;
  - 4.1.2. The Bank monitors and manages the direct and indirect environmental and social impacts that may arise from its activities;
  - 4.1.3. The Bank sets short-, medium-, and long-term targets related to environmental, climate change, social, and governance factors. Its medium- and long-term strategy is developed with due consideration of the rights and interests of its customers and society. The Bank does not finance activities prohibited by international financial institutions and relevant legislation (Annex 1);
  - 4.1.4. The Bank aims to establish a work environment that meets advanced standards and is based on social justice, ensuring the protection of human rights and informing relevant stakeholders accordingly;
  - 4.1.5. The Bank does not tolerate or accept any form of discrimination that violates the principle of equal opportunities, including discrimination based on religion, gender, race, mental or physical disability, age, or differences in opinion. It strives to eliminate such discrimination and recognizes workforce diversity as a key component of its intellectual capital;
  - 4.1.6. The Bank continuously improves preventive, corrective, and precautionary measures and processes in accordance with legislation on workplace safety and labor protection;
  - 4.1.7. The Bank upholds the principle of fair distribution of the value<sup>1</sup> it creates among shareholders, customers, employees, and other stakeholders;

---

<sup>1</sup> This includes financial values such as income, salaries, and other payments, as well as moral values such as training and development opportunities, ethical principles, and others.

- 4.1.8. The Bank highly values a spirit of teamwork and collaboration within its corporate values and strategic objectives;
- 4.1.9. The Bank supports the training and development of its employees based on the principle of equal opportunities;
- 4.1.10. The Bank prioritizes customer-centricity in its banking operations. It aims to deliver value-added products and services that ensure customer satisfaction and financial inclusion. The Bank encourages its customers to adopt sustainability principles in their operations and supports their transition to sustainable business models. In line with responsible banking practices, the Bank provides its customers with complete, clear, and comprehensible information regarding its products and services;
- 4.1.11. The Bank has zero tolerance for bribery, corruption, and similar unethical practices and enforces appropriate disciplinary measures against such actions;
- 4.1.12. The Bank organizes training and development programs to raise awareness and enhance employees' capacity in sustainability;
- 4.1.13. The Bank ensures that its supplier selection process is fair, transparent, and impartial, adhering to ethical business practices. Procurement and supply chain operations are conducted with professionalism, considering factors such as product and service quality, sustainability, reliability, and price;
- 4.1.14. The Bank seeks to minimize its environmental impact by promoting energy efficiency, efficient use of water resources, reduced reliance on conventional fuel sources, and reduced paper consumption;
- 4.1.15. The Bank is committed to the continuous improvement of its sustainability practices and regularly shares its progress with stakeholders;
- 4.1.16. The Bank actively participates in local, regional, and international sustainability initiatives and collaboration platforms.

## **5. Final provisions**

- 5.1. Members of the relevant management bodies, employees, as well as heads of relevant structural divisions and responsible staff are directly accountable for the proper and timely fulfillment of the functions outlined in this Policy.
- 5.2. This Policy complements various other policies adopted within the Bank, aligning with the general and specific operational principles established herein.
- 5.3. This Policy comes into effect from the date of its approval by the Supervisory Board.

- 5.4. The Sustainability Committee reviews this Policy at least once a year and makes necessary amendments as required.
- 5.5. Amendments to this Policy are made based on the recommendation of the Sustainability Committee and by decision of the Supervisory Board.
- 5.6. Compliance with this Policy is subject to audit within the framework of the internal audit plan.
- 5.7. The Bank regularly discloses information on its sustainability and responsible banking activities on its official website.

## **Annex 1**

### *Sustainability Policy of*

### *The "Unibank" Commercial Bank Open Joint-Stock Company*

#### **Exclusion List**

1. Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB's, wildlife or products regulated under CITES.
2. Production or trade in weapons and munitions.<sup>1</sup>
3. Production or trade in alcoholic beverages (excluding beer and wine).<sup>1</sup>
4. Production or trade in tobacco.<sup>1</sup>
5. Gambling, casinos and equivalent enterprises.<sup>1</sup>
6. Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded.
7. Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
8. Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
9. Production or activities involving harmful or exploitative forms of forced labor<sup>2</sup>/harmful child labor.<sup>3</sup>
10. Commercial logging operations for use in primary tropical moist forest.
11. Production or trade in wood or other forestry products other than from sustainably managed forests..

*A reasonableness test will be applied when the activities of the project company would have a significant development impact but circumstances of the country require adjustment to the Exclusion List.*