



# Corporate Social Responsibility Policy

*Allfunds*



# Version control

Version	Date	Author	Modifications
1.0	March 2018	Board of Directors	New document
2.0	April 2021	CSR Department	Policy review and updated

# Introduction

Considering that Allfunds' first social responsibility is to generate value in a profitable and sustainable way in the long term, and that we base social responsibility on strict compliance with applicable regulations, this Corporate Social Responsibility (CSR) Policy has been created to contextualise Allfunds' intention to integrate sustainability, environmental and social contribution strategies into its good corporate governance, globally and across all areas of the company.

## *General principles governing Allfunds actions*



This Corporate Social Responsibility policy is inspired by the best practices found in international conventions and protocols, Allfunds' codes of conduct and internationally applicable guides on social responsibility (**ISO 26000**), such as the **Principles of the United Nations Global Compact**, **United Nations Principles for Responsible Investment**, and the regulations applicable to each of the countries where the entity operates.

## Scope of application

This Corporate Social Responsibility Policy applies to ALLFUNDS BANK, S.A.U. and all its subsidiaries and branches, including ALLFUNDS BANK INTERNATIONAL, S.A. and its respective branch offices, jointly referred to herein as "Allfunds" or the "Allfunds Group".

Accordingly, this policy affects all personnel at, and all the activities pursued by the Allfunds Group, its subsidiaries and branch offices in the different countries where they operate. Moreover, it also applies to those companies that pursue activities on behalf of the Allfunds. It shall also be extended to include all Allfunds stakeholders.

# Ethics and good governance

Allfunds bases its decisions, implementation and operations on **ETHICAL VALUES**, such as:



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These principles encourage **ETHICAL BEHAVIOUR**

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They involve **CARE** for people and the environment, respect for human rights, the fight against corruption, moneylaundering and financing of terrorism.

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Good governance, promoted by the company's management, includes both formal and informal governance mechanisms, which arise from the connection between the **company's culture** and **values**. Allfunds is aware that leadership is key to govern the organisation effectively. Therefore, the company has integrated and implemented in all processes, systems, structures and other management tools social responsibility principles and practices to **promote the benefit** of Allfunds and **contribute to sustainable development**.

## Commitments



**CREATING STRATEGIES, OBJECTIVES AND POLICIES** that reflect our commitment towards social responsibility and building an ethical culture and environment within the organisation, regarding decision making and interactions with others.



**DEFINING AND COMMUNICATING**, via Allfunds' General Code of Conduct, the ethical behaviour rules that we expect from our governance structure, shareholders, personnel, suppliers and clients. Establishing query and complaint channels and sufficient supervision and control mechanisms to maintain and reinforce ethical behaviour.



**ANALYSING SOCIAL, ENVIRONMENTAL AND GOOD GOVERNANCE RISKS** before establishing commercial relationships or any other kinds of relationships in sensitive sectors due to their high impact on society.



**EFFICIENTLY USING** financial, natural and human resources.



**PUBLISHING NON-FINANCIAL INFORMATION** as transparently as possible, ensuring accountability for the consequences of the company's decisions and activities, whether positive or negative.



**POSITIVELY INFLUENCING THE BEHAVIOUR OF OTHERS** – employees, clients, suppliers or any other stakeholder – in situations where they might be the cause of human rights violations or other legal and good governance violations in which Allfunds could be involved.

## Respect for Human Rights

**ALLFUNDS RESPECTS HUMAN RIGHTS** and acknowledges both their importance and universality that are indivisibly applicable in all countries, cultures and situations where Allfunds operates.

In situations where human rights are not protected, Allfunds will take steps to respect human rights and avoid benefiting from these situations.



**ENSURING THERE IS NO DISCRIMINATION, AND THAT EQUAL TREATMENT AND OPPORTUNITIES ARE NOT DENIED** to employees, suppliers, clients, or anyone else with whom Allfunds has any kind of contactor might impact.

**CONTRIBUTING TO THE EFFECTIVE IMPLEMENTATION OF FUNDAMENTAL RIGHTS IN THE WORKPLACE** in each and every country where Allfunds employs people. These rights include:

- Eliminating all kinds of forced or obligatory labour.
- Effectively abolishing child labour.
- Freedom of association and collective bargaining.
- Responsible hiring, guaranteeing good working conditions and a fair salary.
- Establishing safe working conditions to protect the health of workers, and eliminating, preventing and managing workplace hazards.
- Equal opportunities and access to promotions and career development, training and any other company benefit offered by the company.
- Human growth and development, balancing working life and personal and family life.



**RESPECTING AND ENCOURAGING** the rights established in the Universal Declaration of Human Rights across the supply chain and **extending our commitment** to human rights through our Supplier Selection Procedure and the Supplier Code of Conduct.



**ENSURING THAT ALLFUNDS' SUPPLIERS do** not contribute to modern slavery under any circumstances as human trafficking, forced labour, servitude, forced or servile marriage, descent-based slavery and domestic slavery.

# Actively listening to stakeholders

**ALLFUNDS ACKNOWLEDGES ITS RESPONSIBILITY** towards people or groups of people who are affected by the decisions the company makes.

Acknowledging this responsibility involves identifying the interested parties and respecting their interests, expectations and needs, as well as their legal rights.

## Commitments



**DEVELOPING ACTIVITIES AND ESTABLISHING COMMUNICATION CHANNELS** to create opportunities for dialogue between Allfunds and interested parties.



**DEDICATING TIME AND SPACE FOR DIALOGUE** to understand the expectations and needs of people who depend on or have an influential relationship with the company.



**CONSIDERING THE EXPECTATIONS AND NEEDS** of stakeholders when making company decisions for building long-term valuable relationships.



**ENCOURAGING INFORMATION TRANSPARENCY AND COMMUNICATING** with stakeholders in a simple, close and straight-forward manner.

# Vocation and value creation

**ALLFUNDS WANTS TO BUILD SOLID LONG-TERM RELATIONSHIPS** with its clients.

To this end, it works to continually improve the solutions it offers to its clients, with vocation, quality, innovation, information safety and by creating shared value for all stakeholders.

## Commitments



**ESTABLISHING VALUABLE RELATIONSHIPS WITH CLIENTS** based on trust, transparency, honesty and independence.



**UNDERSTANDING CLIENT NEEDS AND EXPECTATIONS**, in order to provide them continuous information, so they can make informed decisions.



**GUARANTEEING THE SUPPLY OF RELEVANT INFORMATION** and access to it quickly, easily, and securely.



**CONSIDERING THE OPINION AND EXPECTATIONS** of all our stakeholders in the process of designing the company's products and services.



**DEVELOPING ALLFUNDS' ECONOMIC ACTIVITY IN ACCORDANCE WITH THE SPECIFIC LAWS AND REGULATIONS** of the sector, the company's General Code of Conduct, the rules of fair competition, the fight against bribery, corruption, money laundering and financing of terrorism.

## Environmental protection

**ENVIRONMENTAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT** is an essential condition for the survival and prosperity of human beings and is a priority for Allfunds. The [Climate Change Management and Environment Policy](#) of the organization define its commitment to environmental protection and the fight against climate change.

Moreover, Allfunds has implanted an environmental management system accordance with the ISO 14001 standard to continually improve the environmental performance of the organization.

### Commitments



**CHOOSING A SUSTAINABLE PERSPECTIVE** based on environmental risks management and environmental education of people who make up Allfunds to assess, avoid, reduce and mitigate environmental risks and impacts associated to the company's activities.



**PREVENTING POLLUTION** by identifying and assessing our environmental impacts and establishing control mechanisms to gradually minimise it.



**CONTRIBUTING TO MITIGATE THE CLIMATE CHANGE**, calculating our carbon footprint and making action plans to reduce it as the purchase of electricity from renewable energy sources.

**USING RESOURCES SUSTAINABLY**, by combining or replacing non-renewable resources for renewable resources in key areas such as the use of materials and facilities, and water consumption.



**ESTABLISHING ENVIRONMENTAL CRITERIA** when selecting suppliers and encouraging environmentally responsible actions in Allfunds' scope of influence.



**MEASURING, RECORDING AND REPORTING** the company's main environmental indicators in a transparent manner.

## Social Commitment

**ALLFUNDS CARRIES OUT ITS ACTIVITIES TAKING THEIR SOCIAL IMPACT INTO ACCOUNT.** The company aims to make the most of its opportunities to contribute to the sustainable development of the communities where it operates, and other particularly vulnerable communities.

Allfunds' main social contribution is developing a business activity which contributes to creating wealth and employment while applying strict ethical, legal and environmental standards. Therefore, one of the most relevant factors for the company is fiscal responsibility. To this end, Allfunds has a fiscal strategy that complies with the principles of integrity, transparency and prudence. It also aims to encourage a relationship with tax authorities based on trust, good faith, professionalism, collaboration, loyalty and reciprocity.

In addition, Allfunds structures its social contribution through its Charity Fund, whose objective is to contribute to social development by financing initiatives aimed at caring for life and health, protecting children, promoting culture and education, scientific research and economic development. Its main beneficiaries are children, young people, the elderly, women and people dealing with illness.

### Commitments



**COMPLYING WITH TAX OBLIGATIONS** in the different countries and territories where Allfunds operates, avoiding any kind of practice that involves illegal tax avoidance or harming the treasury.



**NOT CARRYING OUT TRANSACTIONS** between related entities exclusively for the purpose of avoiding taxes or transferring profits to low-tax territories, according to OECD guidelines on BEPS.



**CONTRIBUTING TO THE FEASIBILITY OF THE CHARITY FUND** through raising awareness among employees and other stakeholders within the company's scope of influence and control.



**ENSURING EQUAL OPPORTUNITIES FOR ACCESS** to the Charity Fund, structuring projects, and reporting results and positive impacts on society with transparency.

## Our CSR Lines of action

Our commitments in Corporate Social Responsibility are developed through the main lines of action of our Strategic Social Responsibility plan, typical of an extended CSR that involves all the company's departments and global teams.

These main lines of action are Ethics and Good Governance, Human Talent Management, Digitalisation, Responsible and Sustainable Investment, Assistance to child protection and development and Environmental Care.

- **Ethics and Good Governance.** All governing bodies, as well as all the people who make up the company, are subject to the company's General Code of Conduct. In addition, specific policies and procedures have been developed for important aspects such as anti-corruption, conflict of interest, money laundering, terrorist financing and other risks related to environmental, social and governance (ESG) issues.
- **Human Talent Management.** This strategic line aims at attracting, fostering, and retaining talent through the provision of quality employment, respecting diversity, and promoting equal opportunities.
- **Digitalisation.** Thanks to our investment in technology, Allfunds is placing confidence in digitalisation and a wealthtech model, improving our business model and supporting transparency, traceability, and data security achieved through our information security systems.
- **Responsible and Sustainable Investment.** Allfunds is adhered to the Principles for Responsible Investment (PRI) because we believe and foster the development of a more sustainable global financial system. We incorporate ESG issues into investment analysis and decision-making processes as service provider.
- **Assistance to child protection and development.** The solidarity line is materialised through the actions of Allfunds Charity Fund that contributes to help the society through financing assistance projects in the countries in which Allfunds is present and in many developing countries.
- **Environmental Care.** We are very aware that our actions have an impact on the planet and therefore the care of the environment has an important place within the strategy of our global CSR plan. Through Allfunds Environmental we implement measures that fortify the prevention and reduction of the environmental impact of Allfunds' business.

# Supervision and compliance

The fulfilment of the policy is ensured through internal good governance processes led by the Board of Directors and company management. In particular, this policy is supervised by the Corporate Social Responsibility Committee

The identification, evaluation and management of financial risks - credit risk, market risk (position and interest rate), operation risk, risk of liquidity - and non-financial risks - concentration risk, technological risk, reputation risk, **SOCIAL AND ENVIRONMENTAL RISKS**) - that may affect the performance and reputation of the company are listed in Allfunds' risk map. The Risks and Audit Committee and the internal Risk Committee are responsible for updating, monitoring, managing, mitigating and validating this list, according to the degree of risk aversion established by the company's Board of Directors.

The ethical behaviour and good conduct of the company are regulated by Allfunds' General Code of Conduct. The Human Resources Department, together with the Regulatory Compliance Unit, will ensure that all employees and individuals to whom the General Code applies are made aware that they must comply with the said Code. The Regulatory Compliance Unit will send regular reports to the Board of Directors through the Risks and Audit Committee on compliance with the regulations by everyone subject to the General Code of Conduct.

In addition, Allfunds has an Internal Code of Conduct on Stock Markets, which applies to all employees, members of the Directive Committee and other officers, as well as the members of the Board of Directors. Compliance with this Code is monitored by the Risks and Audit Committee and the Regulatory Compliance Unit.

## Approval

**ALLFUNDS'** corporate social responsibility policy has been approved by the Board of Directors, on **April 2021**.