

SUS TAIN A·BI LITY

Report 2022



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ABOUT





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The Banco de Fomento Angola, S.A. (hereinafter “BFA Bank” or “BFA”) is releasing its first-ever Sustainability Report (or “Report”) as part of its commitment to the society collectively, strengthened by the ongoing development of its 2023-2027 Sustainability Strategy. The current report aims to disclose sustainability information related to BFA’s performance in its Environmental, Social and Governance (ESG) domains/areas, stemming from its business operations and activities in Angola.

The current document has a reporting scope that encompasses BFA’s business activity during the period from 1st January 2022 to 31st December 2022, in accordance with the scope of the subject matter under review and the Bank’s consolidated financial statements reporting period disclosed in its 2022 Annual Report.

The reporting framework employed and the selection of reported topics, however, are based on a thorough and in-depth materiality analysis process, which was only completed in the course of 2023. The topics addressed are the result of an in-depth assessment of the financial sector, coupled with consultation with internal and external stakeholders.

Well aware about the importance of the different topic areas related to the sustainability matter, BFA’s reporting framework discloses information on the environmental, social and governance topics in order to provide a holistic view of the organisation’s performance regarding these subject matters. Thus, the qualitative and quantitative information reported was drawn up with reference to the Global Reporting Initiative Standards (GRI), including the most significant GRI 1, 2 and 3 as well as the Universal Standards and Topic Standards applicable to the banking sector.

This reporting framework aims to make ESG-related information available to the different stakeholders, highlighting BFA’s current performance and long-term vision of generating value through the fulfilment of its strategic business goals and operational action plan guided by the Sustainability Strategy. The Report also highlights BFA’s performance and engagement towards meeting the United Nations’ Sustainable Development Goals (SDGs).

Narrative

BFA recognizes that to be successful in its sustainability journey, it needs the engagement and participation of all stakeholders through active communication and dialogue. This communication is based on a narrative of “interconnected communities,” symbolized and illustrated through traditional and visual elements of Angolan culture (the sand drawings of the Quiocos and the symbol of “tshota”). The presence of these elements in the sustainability journey aims not only to emphasize the importance of ancestral knowledge in this process but also to facilitate communication through family ties, which help convey new ideas.

Design and layout

In accordance with the corporate goals set by BFA, the Report and its publication have been tailored and developed to take into account sustainability practices in terms of design and communication, particularly with regard to the selection of colours, fonts and image formatting included, which allow for energy savings in the different formats made available. For more information refer to: [Introduce Link or additional source]

Contact information

With a view to facilitate and ensure ongoing improvement regarding sustainability information disclosure, BFA welcomes feedback from its stakeholders on the current report. Please feel free to provide your comments by emailing us at: bfa@bfa.ao





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MESSAGE





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Letter from our CEO

1st BFA's Sustainability Report

Dear Shareholders, Customers, Team Members and other Stakeholders.

I am delighted to introduce BFA's first-ever Sustainability Report, a document that discloses the Bank's business activities regarding the Environmental, Social and Governance (ESG) topic areas.

Within this report you will find information on our efforts to reduce the environmental impact associated with our business operations and activity, foster financial inclusion, as well as to enable and support the development of local communities where we operate and adapt our corporate governance in order to meet international standards and corporate best practices.

Our social purpose

Over the course of its 30 years of history, BFA has always shown a keen interest in social matters, as well as in backing and enabling the development of local communities, having endorsed and provided support for countless projects. This social commitment has served as a roadmap for creating a positive impact in our Society, in alignment with international standards and corporate best practices and the United Nations Sustainable Development Goals (SDGs).

We are a financial institution that aims to represent and embody the diversity of our society, a workplace where our Personnel feel integrated and where career opportunities are

available to everyone equally, where individual performance and skills are the only differentiating factors. We firmly believe that these guiding principles not only create a good working environment, but also make our Bank stronger and ultimately more competitive.

In addition, the financial institution's engagement with national and international partners in sustainable project finance, such as the Commercial Agriculture Development Project (PDAC) and the strategic alliance partnership with Rabobank, highlights our commitment to promoting both economically sustainable and socially responsible practices.

I can therefore clearly state that at BFA the ESG agenda is not just a general guideline, but a key element and a cornerstone feature of our institutional identity and corporate vision for a more inclusive and sustainable future.

Moving towards sustainability

It is undeniable that by following and adopting sustainable corporate practices in the financial sector, embodied through the implementation of ESG criteria, lies the link between the value generated for our shareholders as well as for the wider society, transforming business models and creating products and services that benefit individuals, without losing sight of the importance of the environmental protection theme on planet Earth.

The unfolding climate crisis that we are currently experiencing worldwide requires a collective effort and an all hands on deck approach. This undeniable reality has been increasingly manifested in the growing expectations and concerns of supervisory bodies and other stakeholders regarding the importance of ESG matters and the disclosure of information on corporate performance and the fulfilment of sustainability targets.

In Angola's climate and environmental scenario, BFA's acknowledges the importance of achieving a long-term sustaina-

ble development coupled with the priorities that emerge from this challenge. We have noticed and witnessed a number of positive advancements and encouraging signs on this subject matter. Although Angola does not appear on top of the most polluting countries list, this fact should not constrain its active participation in the climate struggle against greenhouse gas emissions. Furthermore, it is also worth highlighting that Angola in particular and the other African countries in general, although they are not the most polluting countries, they are the ones that could suffer the most from the unfolding climate and environmental crisis. The devastating impacts and negative repercussions of the drought affecting southern Angola stand out in this regard.

Hence, I would like to highlight that the strategic focusing points/ key areas that guide our action plan include the following matters: (a) to foster financial inclusion and provide support to the local communities; (b) the empowerment and enhancement of human capital; (c) sustainable project finance and ESG risk management; and (d) the efficient environmental management related to our operational activities.

I firmly believe that fulfilling our collective ambition will not only transform BFA but will also demonstrate our understanding of the sustainable development paramount importance for both our institution and our country.

A word of appreciation and high regard

Lastly, I would like to thank our teams and our partners for making this report a reality and for being agents of change on our Sustainability Roadmap.

With both a sentiment of thankfulness for the past and optimism for the foreseeable future.

Luís Gonçalves
BFA's CEO



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3.1

Institutional Overview

BFA is a banking institution incorporated in 1993, following the conversion of the Bank BPI, S.A.'s Angolan office into a full Angolan Bank. Since 2017, BFA's shareholder Unitel has held a majority stake of 51.9% of its share capital, with the remaining 48.1% held by the BPI Group.

Headquartered in Luanda and comprised of a management team with a wealth of experience, BFA consolidated its leadership position in the domestic market in FY2022, with a 25.1% market share in terms of financial services offered, thus demonstrating BFA's efforts, hard work and drive to attract and build up strong commercial relationships with the market as well as with its customer base, whilst further boosting the dynamism and growth of the financial sector in Angola.

BFA consolidated its leadership position in the domestic market in 2022



In order to provide a holistic view of its corporate structure, BFA holds an interest in the share capital of the following companies:

EMIS - Interbank Services Company

17,3%

Housing Development Company

50%

Capital Markets Institute

2%

BFA Asset Management

99,99%

BFA Pension Fund Management Company

97,4%

BFA Capital Markets

95%



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BFA's Banking Activity

BFA's commercial network is underpinned by a market segmentation strategy in three main operational areas: Commercial Branches; Retail Customers; and Corporate & Business Customers.

The Bank's 2 797 team members are currently connected to each other and to the market through a commercial network of 194 outlets made up of: 160 branches - geographically spread across the Luanda region (60% of branches), where it has the largest customer base and also its loan portfolio higher exposure, followed by the South of the country (26%) and the North (14%); 22 Corporate Centres; 11 Investment Centres; and 1 Private Banking Centre, serving a **total customer base of over two million customers.**

A customer base of well over 2,000,000 customers highlights BFA's guiding principle of high-quality regarding its financial products and services portfolio, which drives the Bank's activity at all times. As a result, the Bank continues to adjust its corporate practices and systems to meet its customers' needs, leading to an increase in the number of customers within the Retail and Corporate segments over the last two years and a rise in the volume of customer deposits in 2022 YoY.

Commercial Banking Activity

One of BFA's key strategic priorities is to maintain the high quality of its Loan Portfolio. In 2022, the Bank has shown great commitment and provided a strong support to the country's economy by increasing its Total Loan Portfolio by +11.4% YoY. This change was mainly driven by a growth in the heading of 'Loans to Customers' in domestic currency, which made it possible to offset both the negative exchange



Business Areas Development*

Retail & Corporate

+ 7,7%
Customer Base

Investment Centres

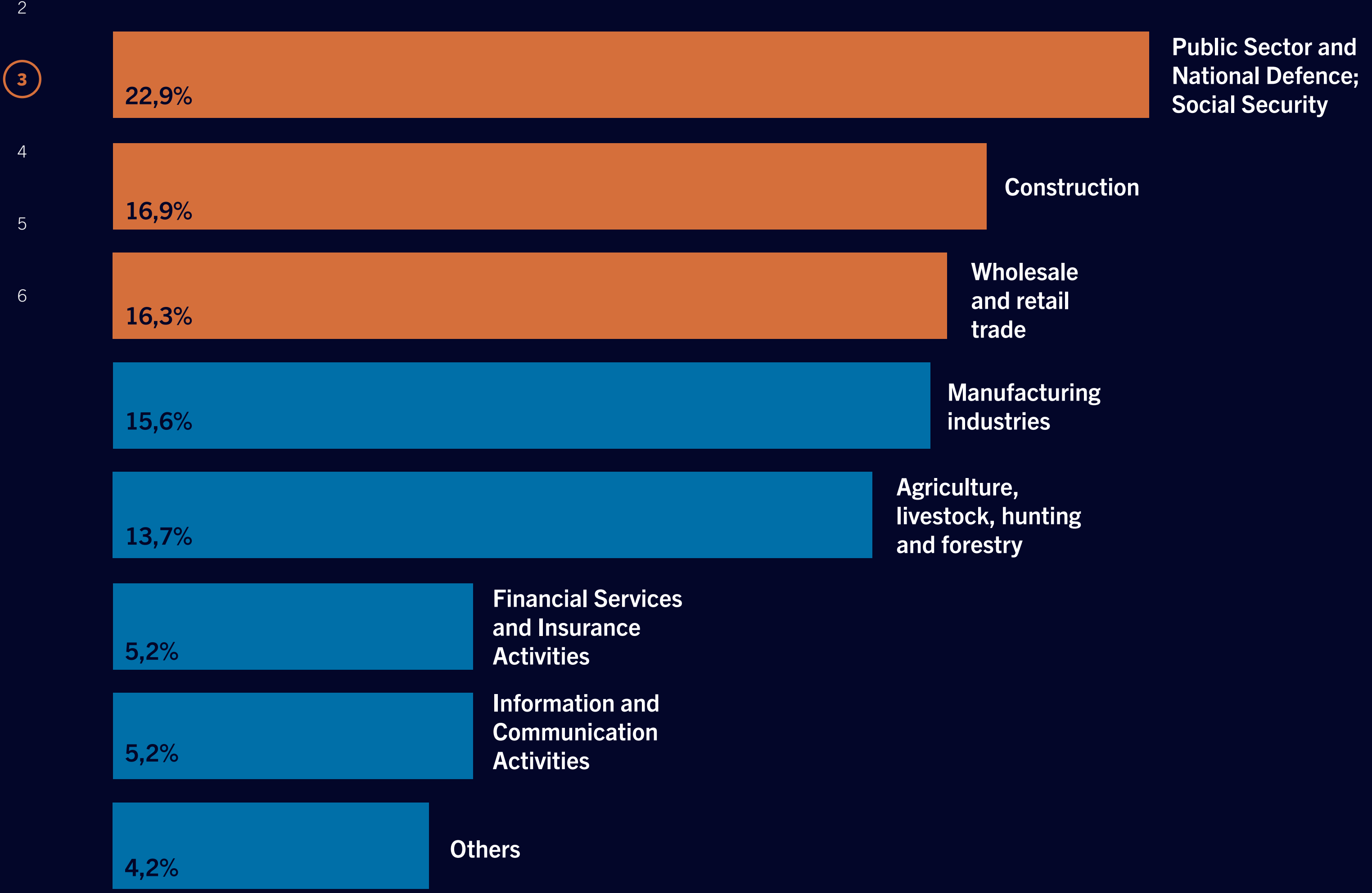
+ 18,5%
Customer Base

Private banking

- 11,4%
Customer Base

* Números face a 2021

At the end of 2022, the breakdown of BFA's Loan Portfolio¹ exposure was as follows:



rate impact and the decrease recorded in the foreign currency loan portfolio.

BFA's Loan Portfolio totalling 96%, was primarily consolidated in 7 sectors, namely:

- Public Sector and National Defence; Social Security;
- Construction;
- Wholesale and retail trade;
- Agriculture, livestock, hunting and forestry;
- Financial Services and Insurance Activities;
- Information and Communication Activities;
- Others

As much as 47% of BFA's loan portfolio volume is or could be exposed to the impacts of a transition to a **low-carbon economy**. This 47% share is mainly broken down as follows:

- Agriculture
- Forestry & fishing
- Manufacturing industries
- Construction and others (health sector; extractive industries, transportation and energy)

Another highlight in terms of the loan portfolio's exposure is the 15% represented by **'Climate Sensitive' industry sectors**, notably: 'Agriculture', 'Forestry', 'Fishing' and 'Others'.

¹ Source: Guide on climate-related and environmental risks (europa.eu) | BFA's Loan Portfolio as of 31st of December 2022



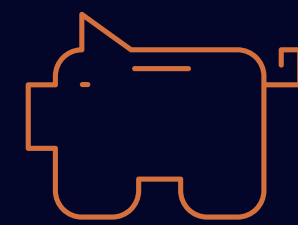
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Financial Products and Services Portfolio

Within the scope of its banking activity, and in particular with regard to its lending function, BFA offers a wide range of fi-

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Deposit services and products

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Loans services and products

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Foreign Exchange Trading



Funds Transfer Services



Payment systems and capital management services



Other financial services and products

nancial products and services tailor-made to meet the specific needs of its customer base. The range of financial products and services offered is made available as follows:

As part of its customer service quality improvement endeavours and activities, BFA has introduced the Mystery Shopper Study, which aims not only to assess the quality of its services from a customer’s point of view, but also to reinforce the quality of its customer service and provide guidance to its sales teams.

During 2022, BFA implemented a set of new initiatives as part of the 2018-2022 Strategic Plan (“MIRAI 22 Project”), which strengthens BFA’s previously outlined strategic goals, as well as highlights one of the key initiatives directly linked to the need to differentiate the offering of banking products and services.

The Digital Programme project enabled and completed the development of a new BFA App, as well as facilitated the implementation of the digital account opening process. Likewise, the Commercial Network Programme also reviewed/res-structured and validated the Retail Customers Monitoring Model through the commercial networks.

The BFA’s Digital Agenda represents one of the financial institution’s key commitments and cornerstones for 2023, with the aim of improving the overall quality of the Bank’s financial services. BFA’s commitment and investment in innovation involves developing a differentiated offer for each market segment, offering tailor-made products and solutions and leveraging new initiatives to modernise the Bank tech-





Highlights of the year

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nologically and operationally, within the scope of the Digital Transformation strategy, which aims to ensure a streamlined performance from BFA’s work teams and to provide an enhanced and improved customer service.

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Best Bank in Angola Award The Banker



The prestigious magazine “The Banker” of the Financial Times group selected BFA as “Bank of the Year in Angola 2022” in recognition of its digital transformation agenda and for the sustainability of a Bank with a 29-year track record.

Best Customer Service Award for Granting Credit Ministry of Economy and Planning

In recognition of BFA’s commitment to granting more quality loans to households and companies, as well as for its contribution to a better business environment and to the



success of the initiatives coordinated by the Programme to Support Production, Export Diversification and Import Replacement (PRODESI), BFA was awarded the Best Customer Service Award.

Brand of Excellence Award Superbrands



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Growth in Lending to the Real Economy

AOA 589 559,6 M

+ 11,4% YOY



The Bankita account attracted more than **133,000 new Customers in 2022**, thus helping to increase access to banking services as well as to the formalisation of the economy.

Growth in BFA Customer Base in 2022

2 616 535

+10,4% YOY



Market leader in Public Debt Securities with a **44,9% market share**.



Approximately **100,000 hours of training** provided during 2022.

BFA commercial services footprint

393 active ATMs

25 661 active POSs

+ 23,8% and 194 branches.



Setting up of **BFA's Environmental and Social Responsibility Committee, an expertise advisory and supporting committee to the Board of Directors.**

Market leader in payment methods offer

14,6% SPI Visa cards

23,3% Credit Cards

29,2% Multicaixa Express market share



Pilot projects aimed at **installing LED bulbs in all BFA's facilities** and other environmental efficiency measures that are already underway.



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3.2

Purpose, Vision and Goals

BFA's ultimate purpose and ambition is **“To be the number one bank for all Angolans, with a focus on transformation, on individuals and on generating economic and social value through innovative and sustainable solutions”**. This goal is embedded into BFA's corporate mission with the aim to develop financial solutions, products and services that foster long-lasting customer relationships and that generate value for its shareholders.

BFA's governance model is underpinned by four inter-connected cornerstones, guaranteeing customer satisfaction, high-quality services and investing in the personal growth and career development of its staff members, always with the values of ongoing innovation, customer closeness and market transparency in mind. The layout of this model provides an overview of how BFA generates value in its different organisational structural areas.

BFA's key commitments

With the Customer

Ensuring the satisfaction and quality of our services

With Angola

Supporting the sustainable development of the national economy

With Team Members

Investing in personal growth and career empowerment

With Shareholders

Generating and adding value



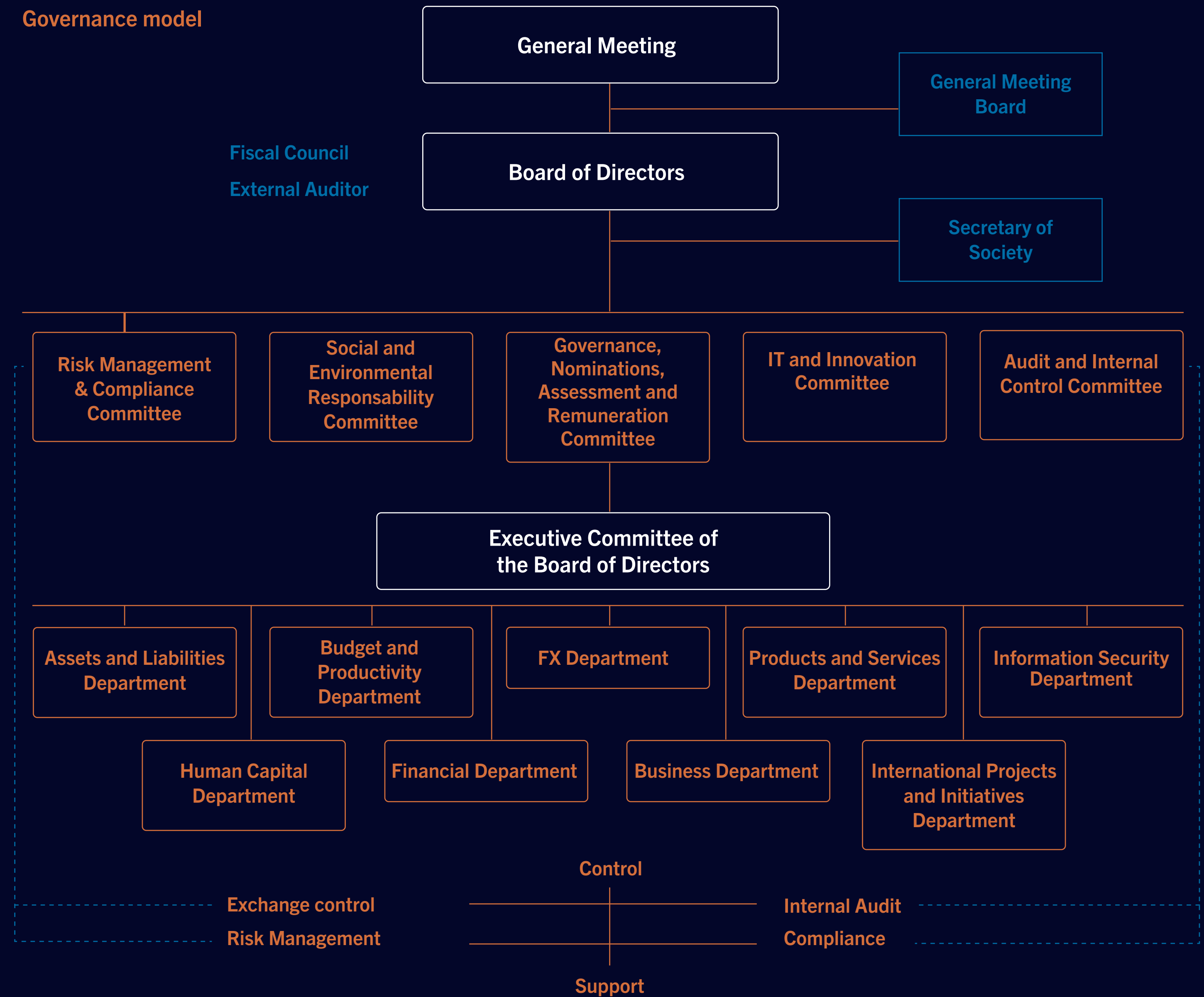
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3.3

BFA's Governance Model

BFA's 2022 governance model is underpinned by a governance structure with a division of duties and functions, in which the members of the governing bodies appointed for the 2020-2022 term of office were elected by unanimous decision at the BFA's Shareholders' General Meeting.

Governance model





Governance Model

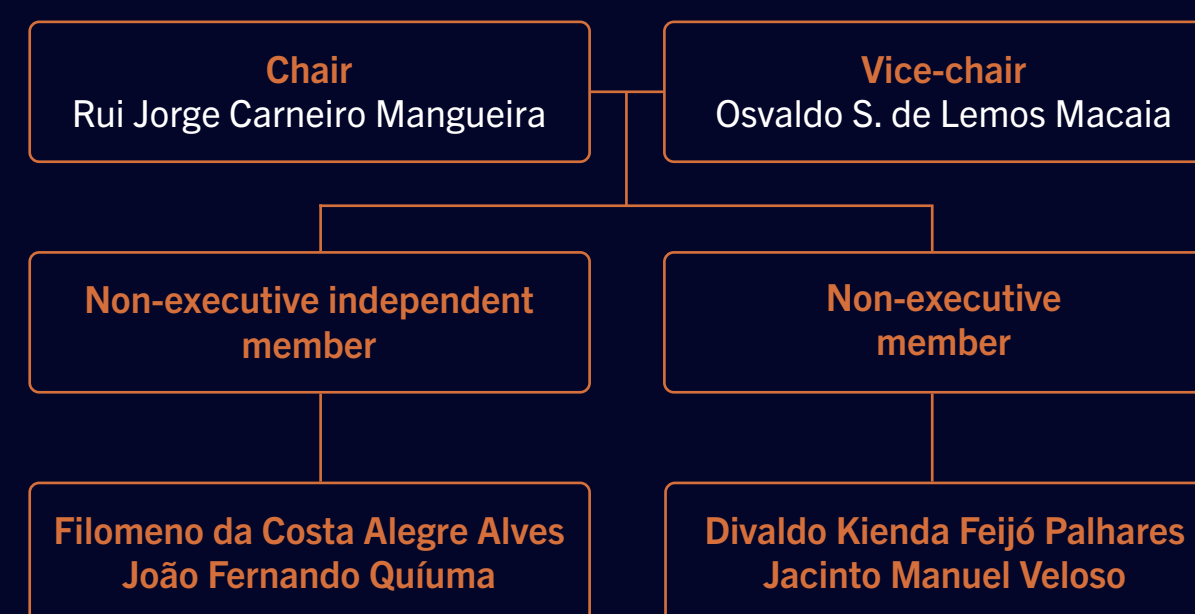
General Meeting

As far as the different individual governing bodies and their relevant functions are concerned, BFA's Shareholders' General Meeting is the governing body comprising all of the Bank's Shareholders, whose organisational operation is regulated and governed by the applicable legislation and in accordance with the provisions laid down in BFA's Articles of Association. Its main duties and powers include amendments to the articles of association, make changes to the organisational structure, profits distribution and other corporate governance matters provided for by law and the Bank's articles of association.

Board of Directors (BoD)

The Board of Directors (BoD) members are appointed by unanimous decision at the Shareholders' General Meeting and is the governing body in charge with setting comprehensive strategic guidelines regarding BFA's business and operational activities. BFA's BoD has the company's broadest management and representation powers, holding monthly meetings, and likewise the BoD shall meet when convened by its Chairman. The BoD is also entrusted with the duties of approving and monitoring the overall business and risk strategy, as well as the policies and activities required to achieve the financial institutions' stipulated strategic goals.

Composition of the Board of Directors



Executive Committee of the Board of Directors (ECBOD)

The Executive Committee of the Board of Directors is made up of seven Directors, including the Chief Executive Officer (CEO), and is in charge of the Bank's executive management in accordance with BFA's Articles of Association and its Board-approved particular rulebook. The ECBOD is also comprised of six advisory and support committees whose main function is to monitor proposals and information concerning the Bank's business and risk management strategy.

Sustainability Governance

Within the scope of BFA's sustainability strategy management, at the end of 2021 BFA's Board of Directors approved the setting up of a Working Group (GTJS) to guide/oversee the study of potential sustainable solutions and the implementation of a Sustainability Strategy. This Group also includes the involvement of CEO Dr Luís Gonçalves, who took an active role in the Sustainability Workshops, as well as in the whole process of approving and drawing up the current BFA Sustainability Report.

During 2022, BFA put its commitment to managing these

subject matters into practice and set up the Environmental and Social Responsibility Committee ("ESRC") as one of the Board of Directors (BoD) Expertise Committees. The ESRC main duties and powers are as follows:

To advise the BoD and the ECBOD on the cross-cutting corporate sustainability strategy, with a view to promoting environmentally and socially responsible performance and action standards;

To issue an opinion on the social solidarity, education, science, innovation, environmental and cultural patronage policies implemented by the Bank;

To support the BoD and the ECBOD in drawing up their corporate purpose within the social and environmental framework, as well as in driving and fostering BFA's performance and activities as a sustainable company;

To promote internal and external awareness-raising initiatives on social and environmental sustainability.

Risk Management & Compliance

BFA's risk management model, which is managed by the Board of Directors (BoD), has enabled the Bank to cope appropriately with its evolving economic, social and regulatory environment. BFA seeks an alignment of its internal procedures with international standards and corporate best practices when it comes to global risk management, taking into account the Basel Committee on Banking Supervision (BCBS) and the Committee of Sponsoring Organisations of the Treadway Commission (COSO) guidelines.



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With regard to the Bank's compliance risk management, the BoD ensures compliance with the applicable regulations and has drawn up a strategic plan for this purpose.

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The risk management process goes through the stages of identification, assessment, monitoring, control and reporting to ensure its effectiveness and an appropriate response from the financial institution (BFA).

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As far as the conflicts of interest management is concerned, BFA performs on a regular basis a review and implementation of the 'Identification, Prevention and Conflicts of Interest Management and Related Party Transactions Policy', in order to enhance the processes for identifying and managing conflicts of interest events/cases, a commitment that is cross-cutting to the entire organisational structure of the Bank. The current policy applies to all BFA's Personnel and governing bodies members, namely: the Board of the General Meeting, the Board of Directors, the Supervisory Board, permanent or temporary staff, service providers and external consultants.

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3.3.1 Corporate Governance Practices

BFA has gradually adopted and put in place a wide range of practices, policies and regulations in order to ensure, develop and foster a corporate management based on internal and external transparency regarding its business operations and activities, closer ties with its stakeholders, whilst guaranteeing customer satisfaction, the enhancement and empowerment of its team members as well as the country's economic growth. The following wide range of practices, policies and regulations stand out, according to the relevant governing body and/or management department/area:

Board of Directors

Corporate Governance Policy: The policy's purpose is to lay down and implement a corporate governance framework aimed at complying with the institution's corporate purpose, BFA's strategic objectives and promoting organisational transparency, as well as enhancing and strengthening the institution's corporate culture and oversight.

Regulation of the Audit and Internal Control Committee (AICC)

Regulation of the Environmental and Social Responsibility Committee (ESRC)

Internal Control Policy

BFA Academy

Human Capital Training Policy: The policy embodies BFA's commitment to its team members through ongoing investment in their training and professional growth.

Audit and Monitoring Department (AMD)

Internal Audit Function Regulation

Compliance Department

Compliance Policy: This policy aims to lay down the applicable regulations on the Bank's organisational model and compliance risk management framework, thus establishing a sound and effective compliance corporate culture and continuously fostering and enhancing BFA's personnel awareness, training and commitment as well as of any other natural or legal person working for or acting on behalf of the Bank.

Anti-Bribery and Corruption Policy: This policy aims to ensure that the Bank's business activity complies with applicable national laws and follows the best international practices by setting forth different tiers of duties and powers within the Bank's internal organisational structure, as well as guiding BFA's team members efforts towards anti-corruption and anti-bribery.

Identification, Prevention, Management of Conflicts of Interest and Related Party Transactions Policy: This policy lays down the operating principles (scope of action), guidelines and directives to ensure that the BFA operates in accordance with the best corporate governance practices, guaranteeing the protection of customers, depositors, the safeguard of the shareholders' interests and those of the institution's team

members, as well as the interests of the regulatory and supervisory bodies.

Data Protection Policy: This policy sets forth BFA's principles for processing personal data, which incorporates regulatory requirements with respect to the protection, confidentiality and privacy of the general public in the processing of personal data.

Anti-Money Laundering, Countering Terrorist Financing and Proliferation of Weapons of Mass Destruction Policy (AML/CTF/PWMD): This policy provides the BFA's guidelines, regulations and procedures in force with regard to AML/CTF/PWMD controls and aims to ensure that those to whom it is addressed understand and comply with the applicable laws and regulations, as well as with the sector's best practices.

Whistleblowing Policy: This policy's purpose is to establish the procedures for receiving, processing and record-keeping of irregularities and malpractices reports submitted to the BFA Whistleblowing Channel on matters relating to the financial institution's administrative management, bookkeeping arrangements/ accounting practices, as well as regarding the internal auditing and monitoring procedures of the Bank, its subsidiaries, and affiliates.

Human Capital Department

Human Capital Management Regulation

Safety, Health and Sanitary Regulation: The function of this regulation is to implement and enforce the right to safety and health protection in the workplace, with the aim of organising and developing the bank's activities in accordance with the methods and standards enshrined in the applicable legislation.



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BFA Pension Plan Regulation

Code of Conduct: The code of conduct purpose is to lay down the core ethical standards and principles of professional conduct for BFA's team members and stakeholders. The corporate code of conduct addresses relevant topics for the Bank, namely matters of non-discrimination, equality, financial inclusion and environmental & social responsibility.

Staff Office: With the aim of fostering increased productivity and commitment in each team member's activities, a dedicated channel was set up in October 2022 to communicate staff members' concerns so that they can be efficiently reported and promptly responded to and acted upon.

Risk Management Department

Comprehensive Risk Management Policy: The policy purpose is to set forth the guidelines for an appropriate and sound risk management, formalising the concepts, the principles, the governance model and the organisational structure.

Comprehensive Business Continuity Policy: The policy purpose is to provide comprehensive guidelines for the bank's business continuity, laying down a set of resilience and recovery measures to be followed and implemented by BFA's personnel in the event of a disaster or a serious unforeseen disruption.

Marketing Department

Information Disclosure and Transparency Policy: The policy aims to set forth the principles, guidelines and rules to be met within the scope of BFA's information disclosure and transparency framework, hence ensuring the fulfilment of an appropriate standard of transparency that should underpin the Bank's operational activity, in accordance with legal and regulatory requirements and good market practices.

Organisation and Quality Department

Complaints Management Policy: The policy sets forth the guiding principles regarding the Bank's relationship with customers or third-party providers as well as how to handle/manage any complaints received.

Information Security Department

Comprehensive Information Security Policy: The policy lays down BFA's information security management goals and guidelines, ensuring that all personnel act in accordance with it.



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ROAD MAP.





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The growing expectations of BFA’s broad range of stakeholders regarding sustainability information disclosure, particularly from correspondent banks and capital market players, as well as taking into account the financial institutions’ responsibility towards society collectively, all these combined elements have driven and prompted BFA to develop its Sustainability Roadmap.

BFA is well aware that it is taking its first steps towards transforming its business model in accordance with sustainable finance and acknowledges that this path is absolutely critical towards its market differentiation and projection as a future-ready Bank.



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As part of this process, BFA is mapping out and gradually integrating into its business agenda subject matters such as: BFA 's input into national and international sustainable development policies, the monitoring of the main sustainability trends and practices within the financial sector as well as addressing Angola's particular social needs.



Paris Agreement and National Strategy for Climate Change (ENAC)



Agenda Africa 2063



Africa Green Recovery Action Plan



Cooperation framework between Angola and the United Nations



National Development Plan (PDN) and Angola Long-Term Strategy (ELP)

The process of kick-starting the Sustainability Roadmap followed a stage-by-stage approach:





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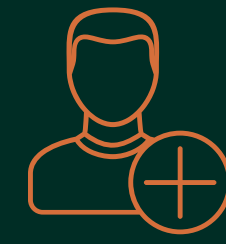
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4.1 The Sector's Environment and Trends

The worldwide climate and environmental crisis have become a global concern cross-cutting all sectors of the economic activity, highlighting the urgent need for global action on the part of all international entities and Intergovernmental Organizations (IGOs). Hence the critical need to implement sustainability strategies and adopt ESG criteria - environmental, social and governance - in alignment with the key international commitments on this subject matter. The Financial Services Industry (FSI) as a whole and the Financial Institutions (FIs) in particular have a key role to play in the transition to a more sustainable global society, where the main priorities are set forth in the United Nations' 17 Sustainable Development Goals (SDGs).

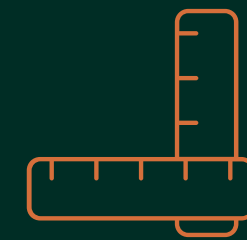
The BFA highlights some of the key drivers that have increased the importance of integrating ESG criteria, recognising and acknowledging the underlying trends that are shaping sustainable transformation within the financial sector:



Social pressure, which is reflected by the growing scrutiny and pressure from stakeholders, who are becoming more and more demanding when it comes to holding the financial institutions accountable, both in terms of their direct financing operations and throughout their value chain.

Increasing expectations and changes in customers' and other stakeholders' needs in terms of ESG domains/areas and a shift in market value perception;

Ever-increasing pressure on Product and Portfolio alignment to manage and mitigate finance-related activities' carbon emissions footprint.



Regulatory pressure, which is reflected in the incentives and amendments to current principles and regulatory frameworks in terms of the central banks and other regulatory bodies. In Angola, with respect to the ongoing process to obtain supervisory equivalence status by the National Bank of Angola (BNA) before the European Union, it is expected that the BNA will strengthen its regulations in order to be in alignment with the best ESG practices being applied both in Europe and Internationally, namely by the Basel Committee for Banking Supervision (BCBS), the European Banking Authority (EBA) and the European Central Bank (ECB).

The Bank's strategy is aligned with the UN's 2030 Agenda SDGs, the Paris Agreement and/or other global commitments and frameworks;

A trend towards fully integrating ESG criteria into the internal governance structure (in corporate-related processes such as risk culture, risk appetite, compensation, among others) in order to manage both organisational conduct and reputation;

An increasing integration in annual/financial reports of non-financial risks and ESG factors and risks that should be accounted for in the company's financial analysis.



Climate Risks

Natural material risks such as extreme weather events, water scarcity, rising sea levels, changes in agricultural output and other factors can impact on an organisation's economic growth and increase the pressure to mitigate finance-related activities' carbon emissions footprint¹;

Transition risks, which trigger disruptions at the society's fabric, the labour market, technology and current laws and regulations in force

The growing importance of climate-related and biodiversity risks, which have an impact on socio-economic factors and must be incorporated into risk management procedures and product portfolio.

¹Greenhouse gas emissions caused by finance-related activities performed in a company's value chain



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Furthermore, the financial sector's particular capacity/role as a provider and facilitator of third-party financing gives it a unique position, more than any other sector, to lobby for the integration of ESG criteria into long-term business and investments, both nationally and internationally.



Angolan Market Overview

The National Bank of Angola (BNA) is in the process of obtaining supervisory equivalence with the European Central Bank, where the BCBS (Basel Committee on Banking Supervision) criteria are being implemented. Accordingly, since the BNA's agenda includes analysing the subject matter concerning environmental and climate changes and their impact on the national financial system, it is foreseeable that the BNA will continue to draw up and implement regulations in alignment with the best ESG practices that have been applied in the European and international environments. In January of 2023, as a result of the ESG challenges for the country's financial system and the Strategic Guidelines approved by the Financial System Supervisors Council (FSSC), the BNA announces that an Operational Plan is underway to promote the drafting of ESG criteria policies cross-cutting the entire Angolan financial system. This plan will be channeled and incorporated into a strategic plan to be implemented during the reporting period.

In order to strengthen its position in the Angolan financial market and in alignment with international standards and national best practices, the BFA is currently implementing its sustainability strategy and incorporating it into its ongoing Operational Plan.



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4.2 Materiality

The BFA understands that the materiality analysis should be a strategic tool, with implications extending beyond the sustainability information reporting, giving exposure to the subject matters that should shape the Bank’s priorities in terms of sustainability activities and/or action plans.

The approach followed was based on three guiding outlooks:

Global Outlook

Analysis of global sustainability trends, regulations and initiatives, including the contribution to the Sustainable Development Goals.

Sectoral Outlook

Analysis of relevant initiatives and best practices within the financial sector.

Organisational Outlook

In alignment with the organisation’s strategy, commitments and key stakeholder expectations.

Materiality Analysis

The materiality analysis was carried out taking into account the following aspects:

The main outcomes obtained in the screening of the most relevant sustainability topics for the financial sector and its peers;

The performance of a round of consultations with senior management and team members from different business areas to assess the topics’ importance and their potential impact on the business activity;

The performance of a round of consultations with external and internal stakeholders in order to ascertain which subject matters they consider to be the most important ones to be addressed by BFA.

These organised activities were carried out sequentially, in four different phases:

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Benchmark & Industry analysis

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A broad array of initial and / or introductory material topics

3

The performance of a round of consultations with external and internal stakeholders

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Final materiality framework



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Stakeholders' Consultation Process

With the aim of gathering a broad array of potential material topics for BFA, we took into account the viewpoints of the key stakeholder groups, including leading national and international institutions/organisations and relevant shareholders, validated by an ESG trend analysis, organised on the basis of the key ratings, regulators and sustainability frameworks pertinent to the financial sector (MSCI ESG Indices, Sustainability Accounting Standards Board (SABS), S&P - The Sustainability Yearbook).

The incorporation of stakeholders' engagement into BFA's governance, strategy and operations requires that the stakeholders' engagement process be carried out in a systemic and regular manner, encompassing the entire organisation. The stakeholder engagement was conceived and planned to be properly aligned with the corporate goals in order to improve BFA's performance over time, through the inputs and insights of the main stakeholder groups, which promote and drive better business outcomes through product and process enhancements, improved risk management, as well as a better management of the organisation's reputation.

The entire process of engaging BFA's stakeholders was designed according to the following principles:



Transparency



Accountability



Active Listening



Consensus
(Common ground)



Participation and
Engagement



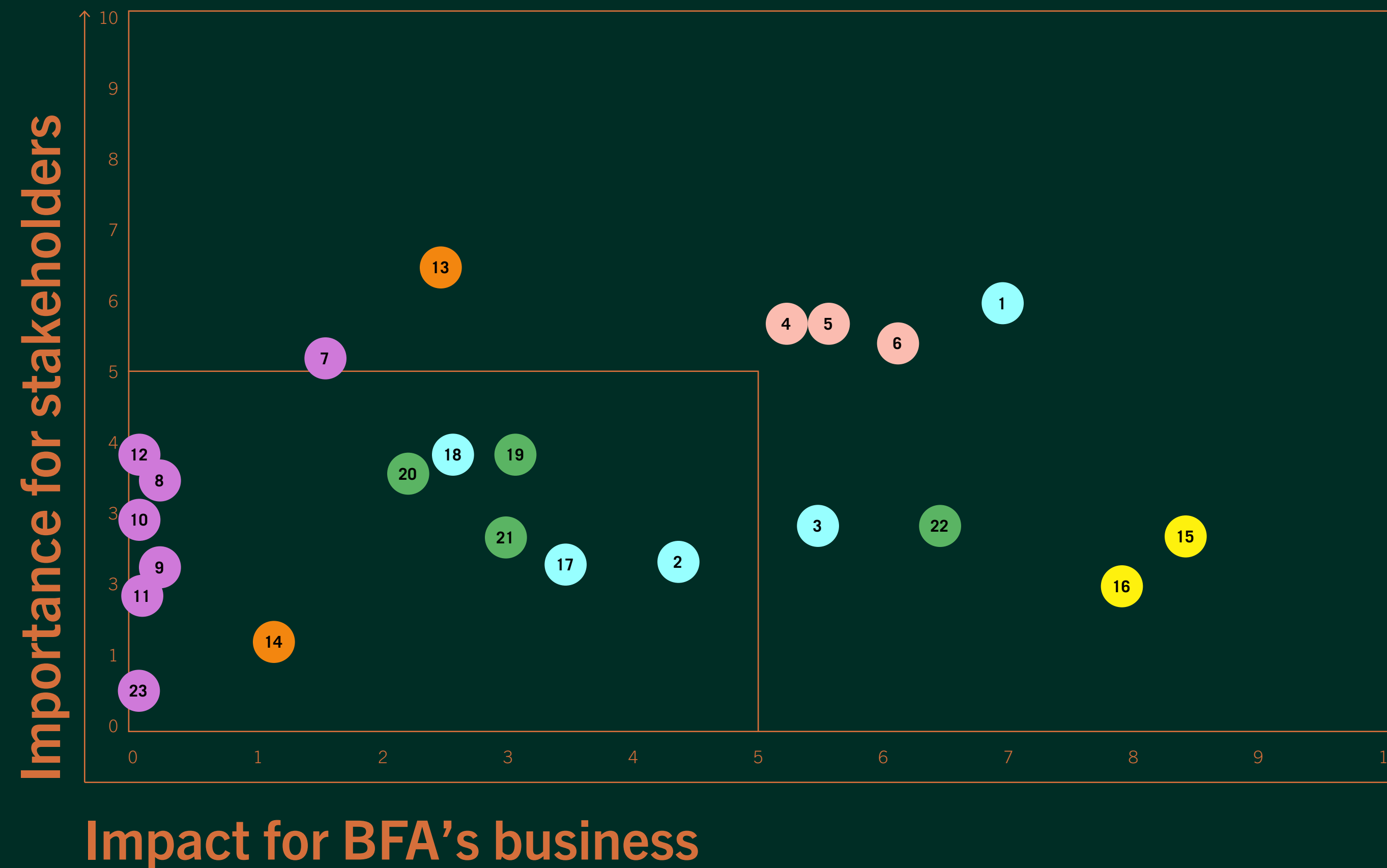
Collaboration



BFA's Materiality Matrix

Following the benchmarking analysis, establishing the range of preliminary topics and carrying out a round of consultations with the main stakeholders, the inputs were incorporated into the materiality analysis and produced BFA's materiality matrix. The matrix diagram provides an overview of each topic's materiality, serving as a basis for establishing the 2023-2027 Sustainability Strategy and helping to shape the alignment of the current Sustainability Report's structure. The outcome enables BFA to focus its efforts on the business activity strategic areas as well as the key areas of concern for the Bank's main stakeholders.

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- Sustainable Finance and ESG Risk Management (1)
- Sustainable Products with Environmental and Social Value (3)
- Human Capital Empowerment, Attraction and Retention (4+5)
- Equality, Diversity and Inclusion (*)
- Team Members' well-being, health and safety (6)
- Effective corporate governance practices (7)
- Financial Inclusion and Literacy (13)
- Technological Innovation (15)
- Multichannel and Digitalisation (16)
- Operational Eco-Efficiency (22)

* This topic was added later due to its importance for the bank's strategy



Following the identification of the material topics, they were categorised and clustered/organised into focus areas and each topic was correlated with its particular input to the key Sustainable Development Goals (SDGs).

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Material Topic	Approach	Inputs to the SDGs
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Human Capital





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Talent Development	To ensure the provision of a functional-appropriate set of skills by continuously reinforcing team members' know-how and knowledge through tailor-made training and programmes.	SDG 4  
Human Capital Attraction and Retention	Enhancement of personnel attraction and retention through talent attraction programmes, internal mobility, respect for and protection of labour rights, among others.	
Personnel well-being, health and safety	To ensure proper working conditions, health and safety, to undertake initiatives to enable a work-life balance, fair labour practices, remote working policies and flexible working days.	
Equality, diversity and inclusion	To ensure equality and fairness for all team members, implementing the relevant tools and processes, creating a culture of diversity and an inclusive work environment that respects individual differences.	

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ESG Risk Management and Sustainable Finance

ESG factors integration into the risk management framework	Integration of the ESG principles and factors into the Bank's comprehensive risk management framework, including the Risk Assessment System (RAS), credit risk management, operational risk, market risk and other risk categories.	SDG 8   SDG 9 SDG 11   SDG 13
Developing products with social and environmental value	Provision of a product portfolio in line with sustainability targets and goals and stakeholder expectations.	
Best Corporate Governance Practices	To ensure effective corporate governance practices across a wide range of areas, including the following: ownership & control, management board, remuneration, accounting, transparency, fairness, accountability, corporate responsibility.	



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Financial inclusion and social support for local communities

<p>Financial literacy and inclusion</p>	<p>To ensure equal provision of and access to financial services and relevant information, and to tailor financial products and services to customers' needs by incorporating social factors (e.g. savings products tailor-made according to household budgets, setting up favourable credit conditions to enable access for small business).</p>	<p>SDG 1   SDG 3   SDG 4   SDG 6   SDG 8   SDG 10  </p>
<p>Promote a multichannel and digitalisation approach</p>	<p>To guarantee access to financial services by improving and increasing access in disadvantaged regions, as well as the streamlining of digitalisation processes.</p>	

Eco-Efficiency of Business Activities

<p>Eco-efficiency scope and within business operations</p>	<p>Efficient use of resources, namely energy, water and operating materials within the Bank's business activities and operations.</p>	<p>SDG 11   SDG 13  </p>
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SDGs integration into the Sustainability Strategy

Following the identification of the material subject matters and their corresponding focus topic areas, a list of ten (10) key Sustainable Development Goals (SDGs) were identified to be addressed by the Bank, aligning its corporate commitments with the international agenda and focusing its business activities towards the relevant areas with the greatest potential impact. The process of identifying and setting the key SDGs also took into account the country's needs, which were combined with the areas in which BFA was already active as part of its corporate social responsibility:

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How can BFA provide its inputs?



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Eradicate poverty. Promote employment and social innovation by supporting NGOs, Foundations and other organisations.



Health and well-being. Ensure healthy lives and promote well-being for all at all ages.



Quality education. Foster financial literacy among the general public, thus contributing to a better management of personal finances as well as supporting entrepreneurship.



Gender equality. Strengthen the Bank's position with regard to promoting gender equality and non-discrimination.



Drinking water and sanitation. Ensure drinking water supply and its sustainable management, as well as sanitation and hygiene services for all.



Decent work and economic growth. Provision of innovative financial products and services that can contribute to the economic growth and development within the countries where BFA conducts its business operations.



Industry, innovation and infrastructure. Develop high-quality, resilient and sustainable infrastructures that support economic growth and human well-being.



Reduce inequality. Support the development of organisations in the social economy sector through the provision of management training.



Sustainable cities and communities. Providing access to safe, accessible, sustainable and affordable transport systems for all.



Climate action. Strengthen and enhance resilience and the capacity to adapt to climate-related risks and natural disasters in all countries.



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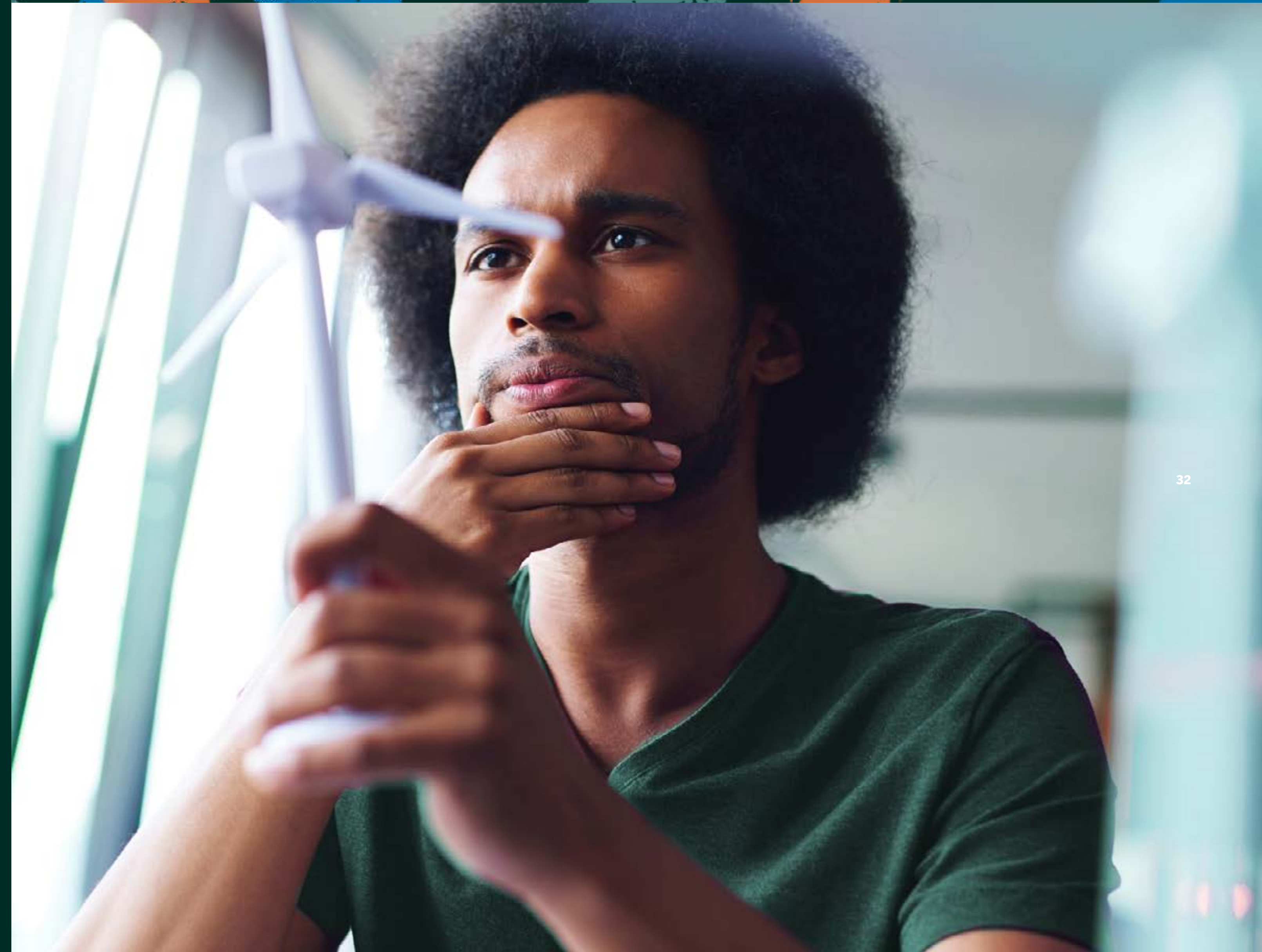
Sustainability Strategy

BFA's 2023-2027 Sustainability Strategy embodies the acknowledgement that it is time to take action, accepting a leadership position towards shaping the transformation of the financial sector in Angola.

Dedicated and committed to helping build and shape a sustainable future, BFA aims to be a household name when it comes to environmental, social and governance best practices. The financial institution acknowledges that it has a long journey ahead and is in the early stages of developing and implementing its Sustainability Strategy.

BFA's proposal for generating value strengthens the organization's values and commitments, and, as such, the financial institution aims to be recognized as:

The Best Bank for Shareholders, the Best Bank for Customers, the Best Bank to Work for, and the Best Bank for the Community





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To ensure the success of this roadmap and provide an enhanced performance of the Bank, which will shape a new path for BFA, a wide range of proposals have been identified to help strengthen the sustainability strategy as an integral component of the Bank’s operations and activities, with the aim of bringing long-term value to the financial institution. These initiatives focus on the following aspects:

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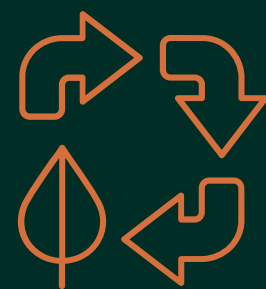
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Establishing sustainability as a standard, regular and business-as-usual subject matter by integrating it into BFA’s corporate strategy and governance structures;

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Adding a diversity of skills and experience to support the Board’s decision-making process.



Incorporating and aligning ESG metrics into effective salary compensation by integrating ESG-related KPIs into the remuneration policy, in accordance with the Bank’s strategy;

Setting up a sound and solid system for the sustainability reporting process, aiming for transparency and a thorough information disclosure approach, including sharing the milestones and successes, the challenges and difficulties that the organisation may face in the course of its journey. Furthermore, it will be necessary to assess materiality in order to identify the key sustainability KPIs. Moreover, it will be appropriate to assess whether the Bank has suitable risk management and internal controls in place to measure and report on the sustainability-related KPIs and their impact on the financial statements.

Sustainability Management Model

As a clear statement regarding its commitment and concern about the sustainability topic, BFA currently has in place within its corporate organisational structure the Environmental and Social Responsibility Committee (“ESRC”), which is responsible for the Bank’s endeavours and activities related to these subject matters. The Sustainability Working Group, coordinated by the CEO of BFA’s Executive Committee, was also recently set up with the purpose of monitoring the progress, performance and implementation of the Sustainability Strategy.

With a view to providing support for the Sustainability functions, BFA identified the need to create a sound organisational ecosystem aligned with its purpose, creating and fostering synergies between the Bank’s numerous business areas in order to leverage the different initiatives that are being proposed.

The cross-cutting integration of sustainability into BFA’s organisational structure will entail the establishment of designated management structures to support the implementation of the Sustainability Strategy. BFA is currently in the process of setting up and implementing the final governance

structure with regard to this subject matter.

The key functions assigned to BFA’s organisational structure entrusted with the responsibility for managing this subject matter are as follows:

Promote liaison between BFA’s business areas that are involved in the sustainability initiatives outlined in the action plan, as well as providing support and assistance in their implementation;

Ensure the ongoing sustainability information disclosure as well as the regular reporting of sustainability activities and progress within the scope of the Annual Sustainability Report.

Ensure increased awareness-raising and skills-building/training for internal teams engaged with sustainability topics and promote an open, active, and collaborative communication strategy with all relevant stakeholders.

Furthermore, within the scope of the sustainability activities carried out by the Bank and during the development of the sustainability strategy, a wide range of international Commitments and Frameworks were mapped out, particularly those deemed to be instrumental in strengthening the sustainability strategy and to which BFA could be committed, with a view to certifying the financial institution as a household name in Angola and on the African continent, as well as being positioned and aligned with the rest of the world’s leading organisations.



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Opinion





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BFA's corporate vision is to be **the number one bank for all Angolans and to contribute to Angola's sustainable development**. As a consequence, BFA has focused its attention and efforts on the integration and implementation of activities and initiatives to improve and drive its environmental, social and governance performance, which in turn will enhance and boost the sustainable development of its business operational activities.

BFA has identified four strategic topic areas, which cluster together material subject matters stemming from the materiality analysis, thereby providing a baseline framework for BFA's sustainability-related activities. A strategic goal is established within each topic area, guiding the goal setting and initiatives to be performed during the action plan implementation currently undergoing the approval process.



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Financial Inclusion and Community Support

Financial Inclusion and Literacy

Promotion of Multichannel and Digitalisation

Technological Innovation

Community Support

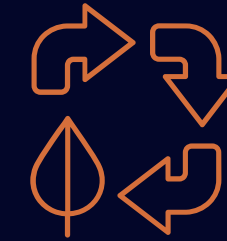


Human Capital

Human Capital Empowerment, Attraction and Retention

Equality, Diversity and Inclusion

Team Members' well-being, health and safety



Sustainable Finance and ESG Risk Management

Integration of ESG Risk Factors into the Risk Management Framework

Development of Sustainable Products with Environmental and Social Value

Effective corporate governance practices



Operational Eco-Efficiency

Operational Eco-Efficiency



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5.1

Financial Inclusion and Community Support

Strategic Goal

To be recognised as a household institution in supporting Angola's sustainable development, with a particular focus on financial inclusion

Since its inception, BFA has endeavoured to boost social and economic development in Angola through multiple operational areas. Currently, the financial inclusion agenda is at the core of the business expansion strategy, where technological and digital innovation areas have the potential to fast-track and drive the entire socio-economic development process. On the other hand, community support initiatives are already rooted into the Bank's day-to-day operations and provide a strategic and key reinforcement towards the strategic goals of improving the living conditions of all Angolans.

In view of the broad scope of different factors and elements connected with these topic areas, it is necessary to liaise between different operational structures in order to manage this topic area. The Social Responsibility Department has emerged as a central coordinating hub for community-oriented actions, in conjunction with the Marketing Department, the International Relations Department and the BFA Academy.





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5.1.1

Financial Inclusion and Literacy

Financial inclusion has the potential to integrate the most precarious and disadvantaged populations into the financial system (who would otherwise be excluded), hence boosting a collective sustainable economic development. The lack of financial literacy is one of the main factors contributing to financial exclusion, particularly for the populations located in more rural areas, which are also often recognised as being the ones with the highest levels of difficulty in accessing banking financial services. The financial inclusion survey, carried out by the National Financial Stability Council, revealed that in 2021 the Banking Services Access Rate in Angola was **49%**, and in areas associated with informal markets it was approximately **36.7%**. However, among merchants who do not have access to Banking Financial Services, **69%** would like to have a bank account.

BFA acknowledges both financial inclusion and financial literacy as a strategic goal to be pursued as part of its business operations growth, considering that it can enable and boost a higher level of economic development, greater financial security and, consequently, lower unemployment and poverty rates. In view of the fact that this is a highly relevant and extremely important subject matter to its stakeholders, BFA understands that it must ensure the equal access and provision of financial services as well as the relevant related financial information at all times, tailoring its financial products and services portfolio offer to meet its customers' needs.

As a means of managing and showcasing its corporate commitment, BFA has developed and implemented a set of initiatives, programmes and products aimed at boosting the positive impacts and mitigating the challenges connected with financial inclusion and literacy, as highlighted hereunder:



P2P Transfers – A service feature that enables money transfers through phone contacts only. BFA has promoted this new service through communication campaigns, as a vehicle for introducing and publicising the new feature to the widest number of customers.



Bankita Account – Due to regulatory pressure to increase financial literacy and as a driver element for the financial inclusion of people and communities, BFA has joined the Bankita account initiative, a low-cost banking service, attracting more than **133,000 customers** during 2022, thus adding its input to the growth of banking services access, financial inclusion and financial literacy



BFA EDUCATION App - Designed and aimed at raising awareness and fostering the concepts of financial literacy among younger audiences. All the information provided is aimed at sharing knowledge about financial literacy, with the subject matters being approached in a user-friendly manner through a game-like format. During the course of the game and at each level, an array of concepts is addressed, such as savings, household budgets, profit and expenditure.

In Angola, the level of insight and awareness about elementary financial concepts is considerably limited. With this in mind, BFA has increased the number of awareness-raising campaigns aimed at promoting both 'Financial Education' and 'Financial Inclusion', as well as raised the number of lectures held on 'Financial Education'. As a guideline target for the upcoming year, BFA intends to focus its attention and efforts on the development of even more inclusive financial solutions that are tailor-made to the particular needs of a wide range of customers.



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Promotion of Inclusion and Accessibility

With a view to ensure that all customers and other entitled beneficiaries are kept abreast of the progress and latest developments regarding the financial products and services offering, BFA has undertaken and implemented a wide range of initiatives:



Awareness-raising campaigns on Financial Education and Financial Inclusion amongst informal markets.

Awareness-raising campaigns held in collaboration with the National Bank of Angola, whose main purpose is to encourage salespeople, retailers and merchants and the general population at large to open Simplified Banking Accounts, as well as to raise participants' awareness about the importance of Savings.



Participation in the 4th Annual World Investor Week (WIW). The WIW is an event sponsored by the International Organisation of Securities Commissions (IOSCO) and is currently being hosted in Angola under the umbrella of the Capital Markets Commission (CMC). Its main purpose is to promote a savings-oriented culture among economic agents, students and society collectively.



NCFS Contest Sponsorship - "Who Knows Best" contest, a television programme that emerged from a partnership between "Zap Viva" and the National Council for Financial Stability (NCFS). The TV programme aimed to promote financial literacy through a competition specifically targeted at university students.



In terms of initiatives implemented aimed exclusively at improving access for individuals with reduced mobility, BFA has built and installed new access ramps in its numerous commercial branches.



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5.1.2 Promotion of Multichannel and Digitalisation

A well-designed multichannel strategy makes it possible to provide services through a wide variety of communication channels, tailoring the process to customers' needs and preferences. Digitalisation is key to accomplish these outcomes, even though there are currently a number of challenges connected to demographic distribution, access to entry-level services or technology, or even different customer expectations and preferences.

With this in mind, BFA is actively working to find solutions to further enhance and streamline access to financial services through simplifying digitalisation processes. With a focus on innovating means of payment and digital channels, ensuring customers' security/safety and personal convenience, BFA has invested in the provision of the following services and products:



Increased exposure on digital media - Promoting and boosting BFA's online exposure on social networks such as Face-

book, LinkedIn and Instagram in order to increase its footprint in the Angolan market and build closer relationships with current and potential Customers. During 2022, BFA reached **1,900,000 users** and grew its online audience in terms of active followers by +32% YoY. On Instagram, a popular social platform used to reach younger audiences, BFA experienced a growth of +35% YoY, adding **+21,000 new followers** and reaching **190,000 views**.



POS cash withdrawal – a service feature that makes feasible to supplement the existing ATMs and commercial branches network with cash withdrawal points, particularly on the outskirts and in the countryside, making it possible to expand the footprint and outreach of this service nationwide.



BFA App 2.0 and digital account opening – BFA designed and launched a new home banking App during 2022. The application focuses on improving the mobile services provided and has incorporated new features that have broadened the range of products and services available through this new app. Among the new features, highlights the option to Open a Digital Account, which allows users to open a BFA Simplified Account remotely. The new app also allows fully remote

access to banking services. With a view to drive and boost the marketing disclosure of the new BFA App 2.0, a promotional campaign was designed and implemented aiming to communicating the new BFA App 2.0 to the customer base as well as to the general public.

Promotion of Access Improvement

Notwithstanding the initiatives that were carried out and implemented during 2022, there is a clear need to address and manage this subject matter firmly and effectively, mainly due to the -0.1 % decline recorded in the BFA Net Penetration Rate (9.1% in 2022) YoY. As a result, BFA regards the topic as a key element and an essential part of its ongoing business strategy, trusting in the idea of a digitalisation-based reinvention of the banking customer experience. Digital transformation is seen as a key strategic area in order to transform the Bank's operations from an organisational and human standpoint, ultimately contributing and leading towards a more sustainable and future-ready BFA.

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5.1.3 Technological Innovation

Technology is currently incorporated into every area of banking, and there are several reasons why the financial market is embracing it and developing more technological solutions. Customers have demanded that more financial services must be available digitally and they expect to have a similar experience across different communication channels. The mainstreaming and widespread use of digital technologies in the financial market implies a growing need for innovation, while the risks connected to cybersecurity create the need to protect digital systems in line with current regulations and international standards and corporate best practices. Furthermore, making progress towards the achievement of financial inclusion and financial literacy goals as well as the promotion of multichannel and digitalisation processes are all interconnected elements inherently linked to technological innovation.

BFA is committed to further investing in technology, innovation and interconnectivity in order to develop tailor-made financial products and solutions. To support the Bank’s modernisation and innovation plans, BFA has planned a wide range of initiatives to be implemented from 2023 onwards that will boost the products and services portfolio offering and their market/segment target audiences so as to support a sustainable transition.

Furthermore, during the course of 2022, we would highlight the following initiatives carried out to address this subject matter:



Strategic Information Systems Plan (SISP 21-23): Implementation of the SISP aimed at addressing the challenges related to technological development, BFA’s Team Members’ exposure to new skills, professional careers and working models, as well as the need for enhanced responsiveness and improved/closer contact with the Customer through technological means. The SISP is underpinned by four areas of action: technology, human-centered, customer-orientation and cost-cutting programme (overheads streamlining).

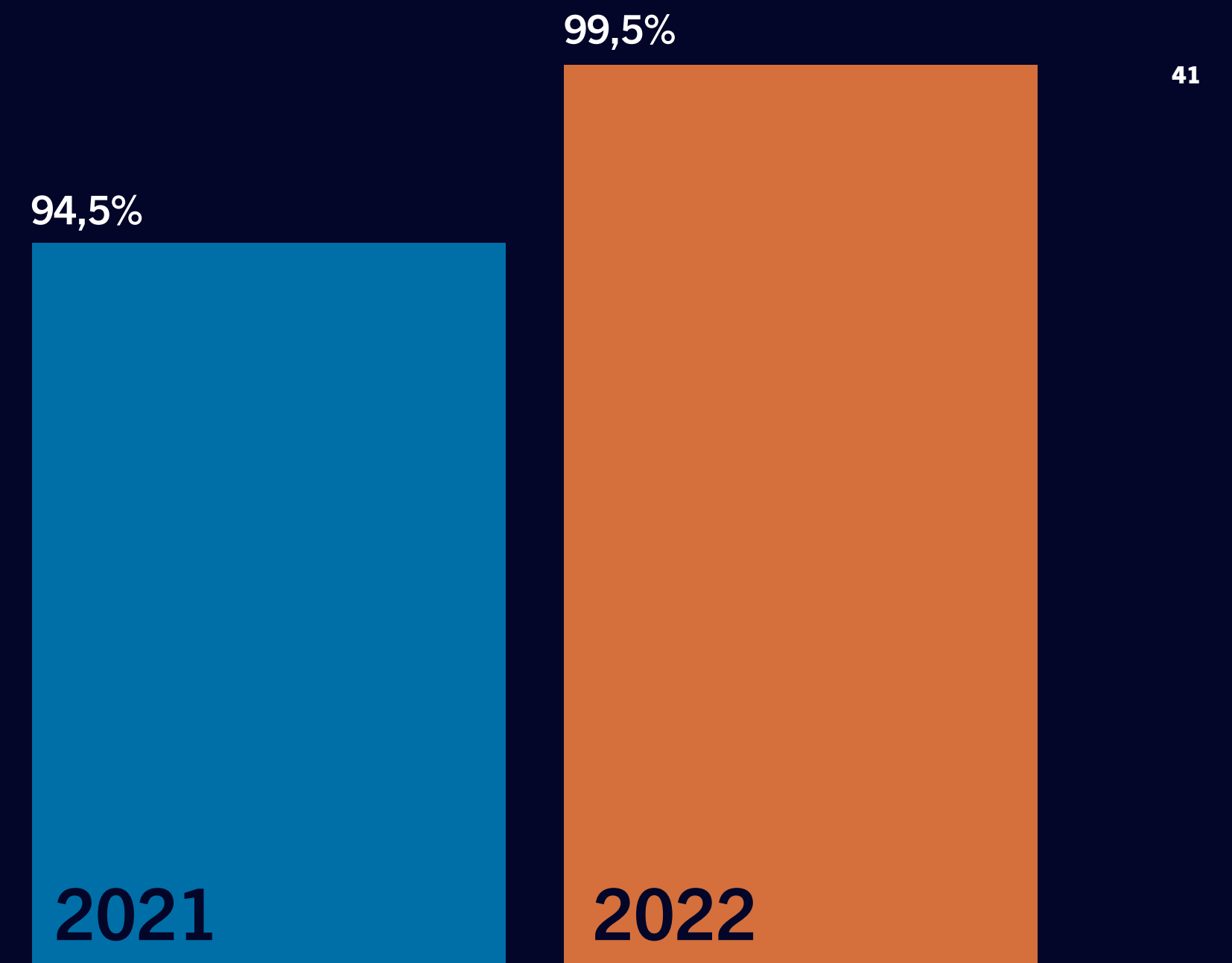


Agile methodologies: Three multidisciplinary teams have been set up using the Agile methodology, with the aim of enabling the Bank to develop more efficient solutions to certain business challenges. Each team operates within a particular scope of intervention, namely: Personal Loan Process, KYC / KYT / KYCC Processes, Procurement and Supplier Payment Processes.



Technological Refresh – An endeavour comprising the development and implementation of two data centers and their associated infrastructures. The initiative made it possible to increase the real-time transactions rate successfully completed, with a turnaround time of less than 5 seconds, from 94.5% in 2021 to 99.5% in 2022.

Real-time transactions rate successfully completed, with a turnaround time of less than 5 seconds:





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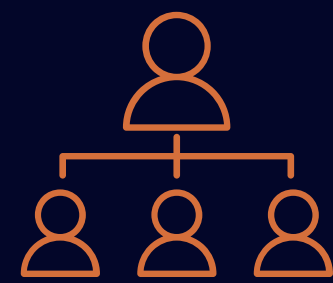
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Information Security Investments – The aim of making investments in this area is to mitigate risks in order to ensure the Bank’s structural integrity. In 2022, a number of key milestones were achieved in this area: installation of security tools and services, approval and publication of regulations and standards, information security training and awareness-raising activities.



New governance and collaboration models and tools implementation – the year 2022 was shaped by the introduction and implementation of new governance and collaboration models, backed up by the implementation of new tools aimed towards supporting them.

With the growing number of options for digital channels and the adoption of new technologies, there is also an increasing concern about information security across organisations. BFA aims to ensure Information Security by creating an underlying framework for the entire organisational structure and guaranteeing applicability to all processes in order to ensure protection against internal and external threats, guaranteeing the confidentiality, integrity, availability and resilience of the supporting IT systems. Accordingly, the Bank lays down the goals and broad guidelines regarding Information Security within its Comprehensive Information Security

Policy, which are then enshrined into company-specific policies and in-house individual regulations. These documents can be found and accessed on the BFA Online Portal.

The year of 2022 was instrumental in consolidating new state-of-the-art technologies that enabled BFA to move forward with its technological development goals, whilst ensuring ongoing mobility and resilience throughout its business operations and activities. Technological innovation based on digitalisation will remain a top priority for the financial institution, enabling the ongoing improvement of banking services and the development of tailor-made financial products and solutions.

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5.1.4 Community Support

Within the scope of sustainability-based growth, encompassing its three key elements of Economic, Environmental and Social Development, BFA has performed its role in a consistent manner over the years on the subject matter of social responsibility, a topic area that has been an integral part of BFA's corporate development track record.

The boosting of community support initiatives has been primarily focused on the Education, Social and Health topic areas, in accordance with the United Nations Sustainable Development Goals (SDGs), which have been identified as a priority for Angola, in particular:



BFA's long-term vision and aspiration has been to make a positive contribution to society collectively, having shown this commitment by sponsoring and endorsing key initiatives that have a positive impact on low-income communities in Angola, notably:

BFA Solidarity Programme: a programme aimed at fostering the well-being and training of children and young people from low-income households, providing support and addressing the areas related to education, healthcare, social and financial inclusion. The programme supports non-governmental and non-profit organisations with the mission of enhancing the living conditions of Angolan children and young people. In addition to improving and boosting educational and healthcare conditions, the project benefits organisations whose activities promote the skills-building, vocational empowerment, training, social and financial inclusion of children and young people from low-income backgrounds. The outcome of this programme was the construction of two vocational training centres in the Camizungo community located in Luanda during 2022, dedicated to providing IT (computer courses) and electrical training. This project benefits particularly young people from low-income households, offering them the chance to pursue a skilled occupation and contribute to the well-being of their families.

Charitable Christmas: An annual project that aims to benefit vulnerable and underprivileged children living in social housing in Angola by organising festive activities that include theatre, music and dance.



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“+Water, +Life Project”: In partnership with the Cunene Provincial Government and UNICEF, BFA has mobilised its resources to support the population affected by the drought in the Cunene Province. The project involves a total investment of 2 million USD and aims to support the construction of “Safe Harbours” for the children affected by the drought in the Ombadja Municipality, Cunene Province.

The project contributed to the construction of two brick-and-mortar schools in 2022 and the distribution of 4,979 education kits containing emergency supplies (learning, school and recreational kits) for children in 10 “Safe Harbours” schools. Furthermore, it rehabilitated two water points in selected communities and schools as well as promoted basic sanitation through various activities and the construction of 50 gender-sensitive pit toilets in 5 schools in Ombadja.

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Brick-and-mortar schools

4 979

Education kits containing emergency supplies

3 000

Children admitted for treatment of severe acute malnutrition, of which 47.5% were successfully treated

“BFA + Nourish” Project: In partnership with Unicef, the “BFA + Nourish” project aims to reduce child mortality in Bié province through an all-inclusive approach, focussing on reducing acute and chronic malnutrition among children in this province and ensuring that pregnant women and children up to the age of 5 are monitored. The outcome of this project was that in 2022 around 3,000 children were admitted for treatment of severe acute malnutrition (SAD), of which 47.5% were deemed to have been successfully treated. The aim of this initiative is to reach 15,000 children from 10,000 households.

Community support will continue to be an essential cornerstone of BFA’s activity development, with a focus on increasingly monitoring the impact on society, with a view to enhancing the lives of as many people as possible through these collective efforts and activities.



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5.2

Human Capital

Strategic goal

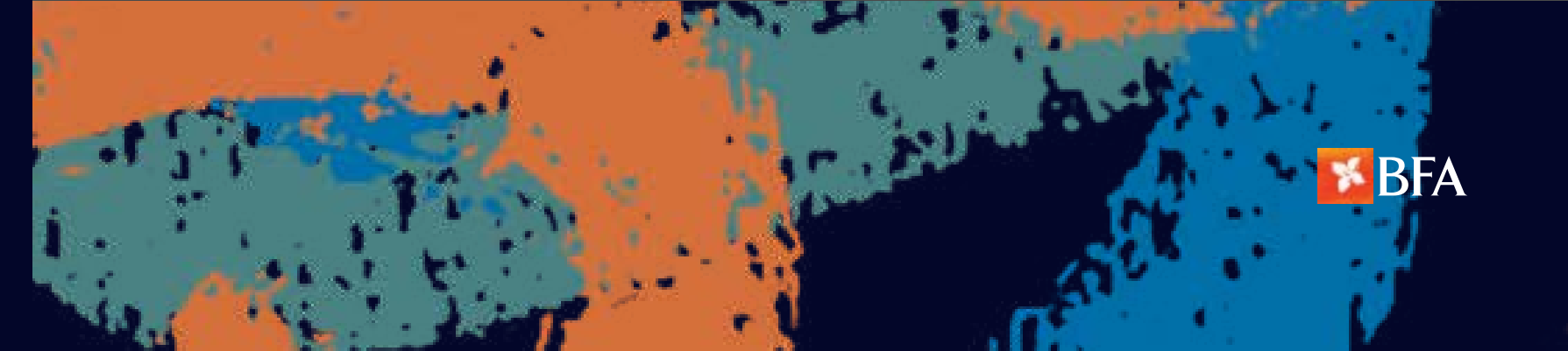
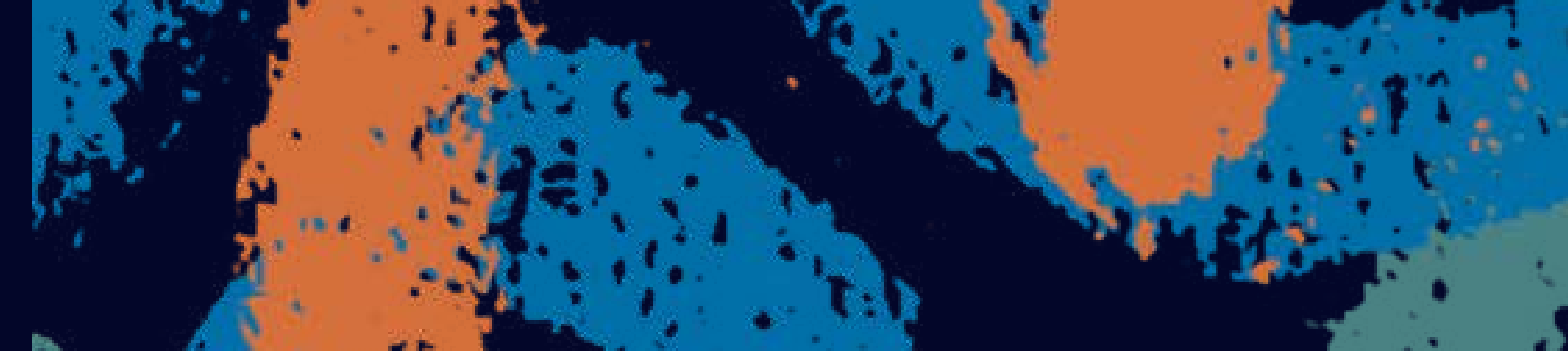
Ensure the ongoing empowerment of human capital and foster diversity

High-Level Professional Performance in the provision of services within the financial sector depends primarily on the capacity to attract and retain qualified human capital that is committed to and aligned with BFA's values.

At the current time, BFA workforce is comprised of over 2,000 people (**1,248 women and 1,461 men**) who are actively helping to shape and build the Bank's history on a daily basis, with the opportunity to collaborate in the pursuit and achievement of BFA's vision and positively impact the lives of its Customer base.

BFA endeavours to offer a healthy working environment with suitable working conditions for personal and career development, believing that motivated and dedicated team members increase the overall quality of the services provided and, consequently, customer satisfaction and loyalty.

Hence, the ongoing sustainability strategy currently under development is aimed at managing these topic areas through initiatives focused on developing a culture of sustainability cross-sectional to the entire BFA's organisational structure. The Human Capital Department is the primary management unit entrusted with the responsibility for promoting these activities in liaison with the BFA Academy.



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5.2.1 Human Capital Empowerment, Attraction and Retention

With the corporate motto “**The right people in the right places**”, the Bank is committed to a personnel skills-building programme aimed at retaining talent by promoting in-house professional growth in a wide scope of BFA’s business areas.

The underlying foundation of this motto is supported by the Human Capital Training Policy, which aims to strengthen the way in which BFA manages its team members, including the full definition of the Bank’s entire organisational structure, the Career Management Plan, Succession Management Plan, functions and powers model, among other topics.

Within this scope, 48 training sessions were held with an 80% average personnel attendance rate. The training sessions were focused on the following topics: ‘We are BFA Workshop’, ‘Human Capital Tech Days Workshop’, ‘SAP Workshops’ and ‘Ethics Workshop’.

As part of the Career Management Plan in 2022, BFA achieved the following results:

97 cases of internal mobility

67 promotions and appointments

80% hybrid work modality (combines working in an office environment and working online from home) and **20%** standard learning and game-based learning

46

BFA’s Team Members

In alignment with its corporate motto, BFA’s hiring and turnover rates in 2022 stood at 1% and 3%, respectively, thus showcasing the organisation’s low personnel turnover, both in terms of entrants and departures from the institution.

In terms of hiring, the following figures stand out:

38 New hires

1% New hires rate

73 Departures

3% Turnover rate



Hires by age group

■ up to 30 years old ■ between the ages of 30 and 50



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Hires by gender

■ Female ■ Male



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In terms of human talent attraction and retention at BFA, one of the key indicators that can be analysed within this scope is the personnel return rate after taking parental leave. In Angola, only women are entitled to parental leave. In this regard, and in accordance with the domestic legal framework, all female Employees (46% of the total workforce) have this right. In 2022, 208 female team members benefited from parental leave, and all returned to work after this time period, representing a 100% return rate.

Team Members' Empowerment

2022's Key highlights on human capital talent empowerment, attraction and retention:

Internship programme: Integration of young graduates into the labour market, ensuring a technical and behavioural component supported by a monitoring programme.

Bright for all: A biannual training plan implemented by the BFA Academy with the aim of developing and guiding team members towards the provision of more efficient, innovative services, focused on digital transformation and customer engagement and closeness (customer-centered).

Scholarship programme: support of higher education for Angolan students at international universities. It includes a partnership with the City of Lisbon Foundation and the Nuno Krus School (totalling 70,000 USD) and direct support for student José Lumango (15,000 USD).

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Within the scope of the measures connected with personnel enhancement and empowerment, performance assessments are an integral element of the programme. Out of those team members eligible for this assessment, 89% were assessed during 2022.

89% Team Members with performance assessment



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Training

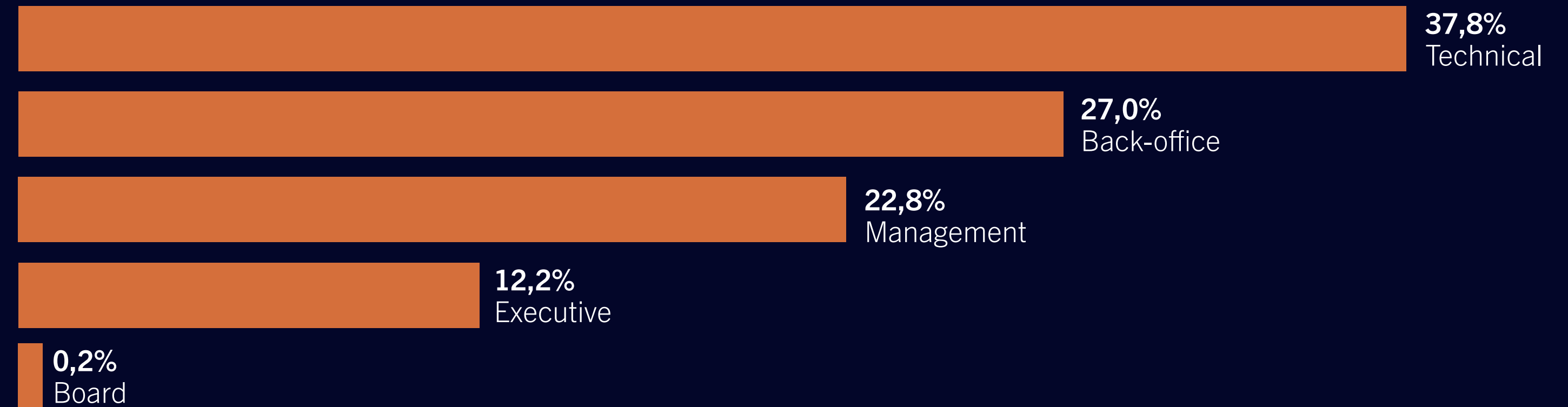
In terms of training indicators, in 2022 BFA carried out a total of 105,808 hours of training on a variety of topic areas, averaging 39 hours of professional training per team member.

Training hours	105808
% of staff engaged / received training	97%

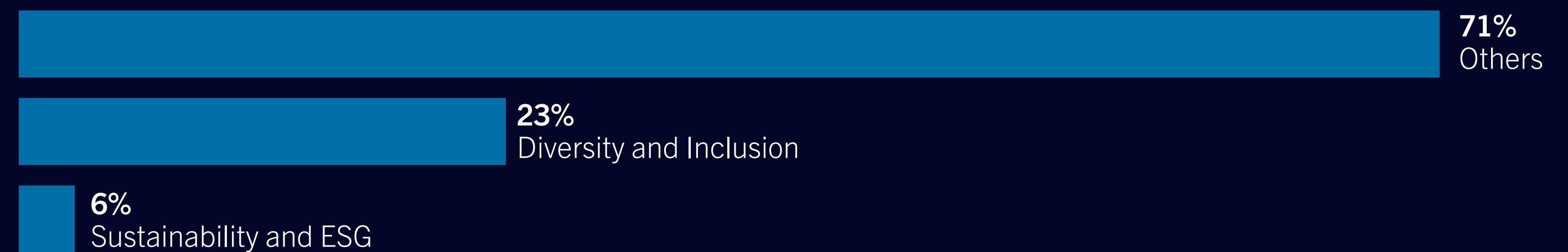
39

Average number of training hours per Team Member

Breakdown of training hours by personnel functional category



Breakdown of training hours according to the topic area addressed



Amongst the subject matters and topic areas covered, the training programmes focused on sustainability and ESG (6% of the total), diversity and inclusion (23%) and others (71%) topic areas, including specific training for BFA's different business areas and departments, training on the Bank's operational activity, risk management and compliance.



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5.2.2

Team Members' well-being, health and safety

As a financial institution with a vested sense of commitment, duty and care towards its personnel, BFA considers their well-being, health and safety to be of the utmost importance and endeavours to encourage and stimulate healthy practices, with the aim of enhancing the quality of each team member's personal and professional life.

Hence, 2022 was a year highlighted by the strengthening of health promotion initiatives already carried out by the Bank, namely agreements with gyms, the existence of a sports group and occupational gymnastics sessions. Furthermore, BFA has the support of an assigned labour inspector to communicate and raise awareness among personnel on the subject of occupational accidents and work-related diseases prevention.

As part of the next steps moving forward and in order to continue demonstrating its commitment to its team members and ensuring higher occupational satisfaction, BFA is planning to set up a Well-being Programme with a wide range of high-profile and noteworthy initiatives, as follows:



Ergonomics Learning Activities



Setting up regular team building activities



Awareness-raising sessions on well-being



Flexible workplace location according to employees' needs (on site vs remote)



Periodic medical screenings including prostate cancer screening - Blue November (an initiative previously undertaken by the Bank), breast cancer screening (Pink October), diabetes and hypertension



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Team Members' Occupational Health and Safety

Within the scope of occupational accidents and work-related illnesses prevention, BFA has set forth an Occupational Safety, Health and Hygiene Regulation, outlining the Bank's and its Team Members' main duties and responsibilities, as well as a set of procedures aimed at making accidents/incidents reporting reliable and effective. In order to guarantee proper and safe workplace conditions for all its Personnel, BFA has begun a risk assessment of all its working buildings and facilities with the aim of identifying the main associated risks, setting out mitigation plans and the appropriate measures to be implemented and monitored by the Workplace Accident Prevention Committee.

In addition, BFA has been actively performing awareness-raising activities among its Team Members regarding the subject matter of occupational safety, organising workshops (e.g. Tech Days Workshop) which also address the occupational accidents topic.

With regard to Team Members' well-being, health and safety performance and goals monitoring, BFA reports the number of occupational accidents and work-related illnesses that have taken place. During the year under review, there were a total of 10 occupational accidents involving BFA personnel, all during home-to-work commutes, two of which resulted in serious outcomes.

These figures indicate a recorded occupational accident rate of 2.3% and a 0.6% work-related accident rate with a serious outcome. Furthermore, there were no recorded cases of staff suffering from occupational illnesses and **zero accidents** or illnesses resulting in a fatality.

2,3
accident rate



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5.2.3

Equality, Diversity and Inclusion

BFA is a workplace that actively promotes the integration and equal opportunities of its Personnel, with individual skills capacity and performance (results-based merit) being the key differentiating criteria.

In accordance with its Personnel commitment and compliance with its Code of Conduct, BFA's operational activities are guided by compliance with the legislation in force and high professional ethical standards, among which the following stand out:

Equal treatment and opportunities

Respect for each individual person and their dignity

The balance between work and personal life, family and career

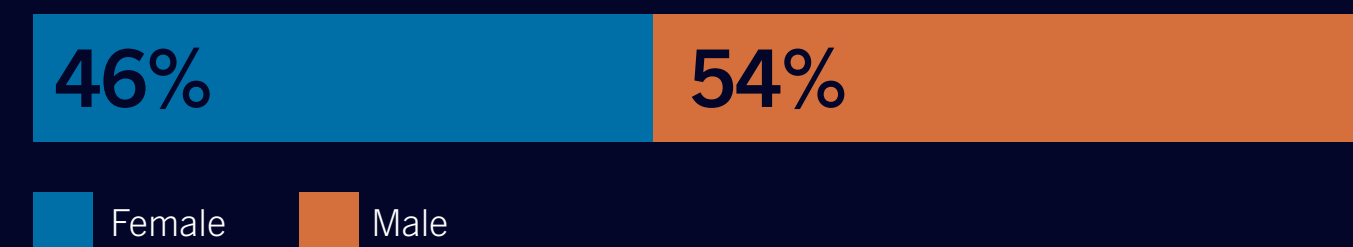
With regard to the relationships with and between team members, any kind of individual discrimination contrary to the individual dignity is strictly forbidden, particularly those related to one's background, ethnicity, gender, sexual orientation, political or ideological convictions/religion.

BFA's aim is to ensure that equality, diversity and inclusion are an integral part of its corporate identity (Institutional DNA), through attracting and integrating individuals with different profiles, knowledge, cultures, genders and ages with a view to enhancing and strengthening the organisation. BFA intends to step up its endeavours on this subject matter during the next reporting period.

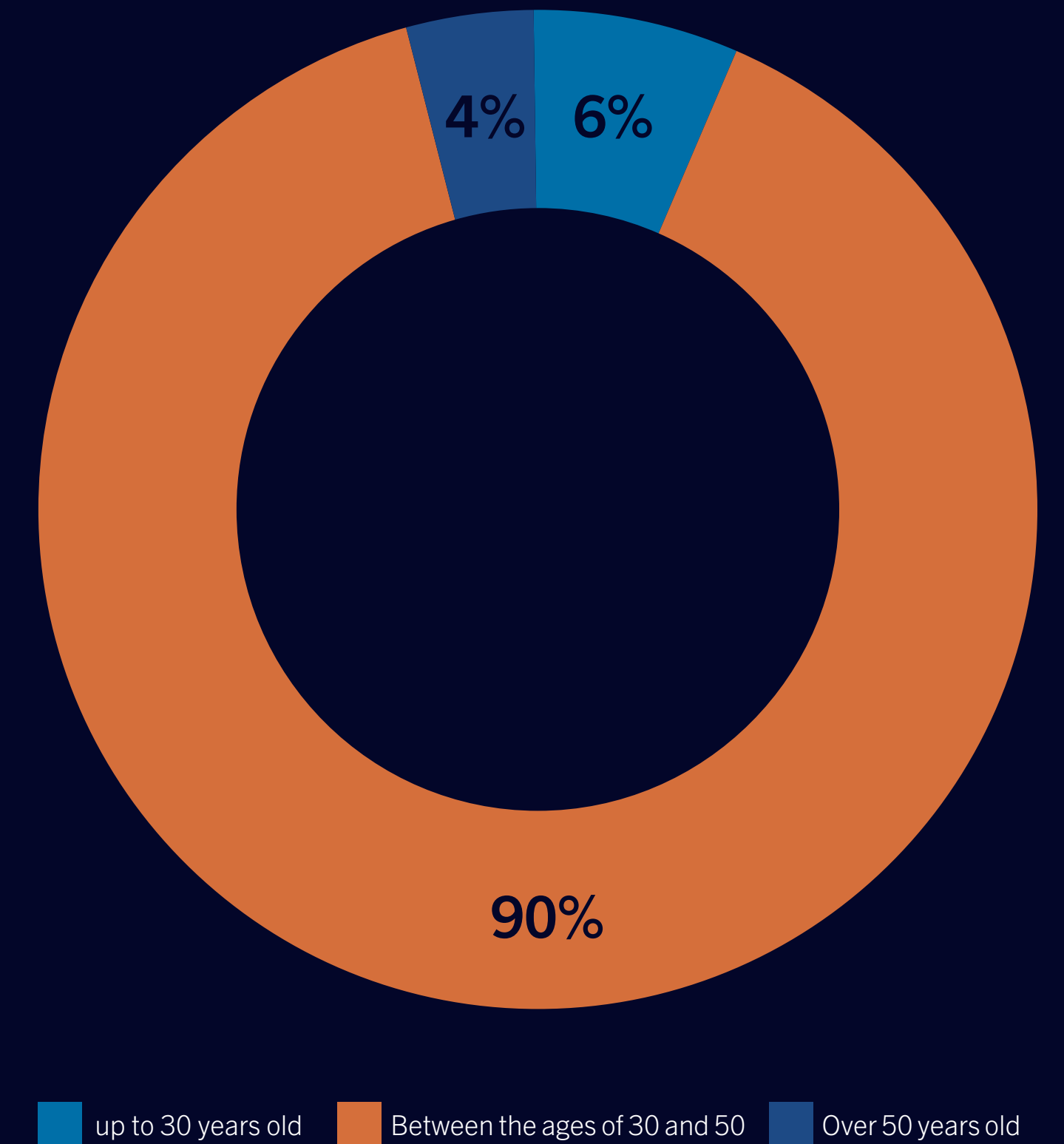
BFA's Workplace Diversity

As a visible display of its ongoing commitment to equality and diversity, BFA has also been producing and running Podcasts aimed at its Team Members, highlighting the importance of the female role. This commitment is also illustrated in the Bank's Human Capital structure, where out of 2,709 Team Members, 1,274 (46%) are female, of whom **more than 100 female staff members** hold senior Board Director and Executive Management functional positions (accounting for 47% of these roles).

To further describe and qualify BFA's workforce in terms of age and academic qualifications, **BFA's staff members have an average age of 38 years old and 86% have a higher education degree.**



Generational Diversity at BFA

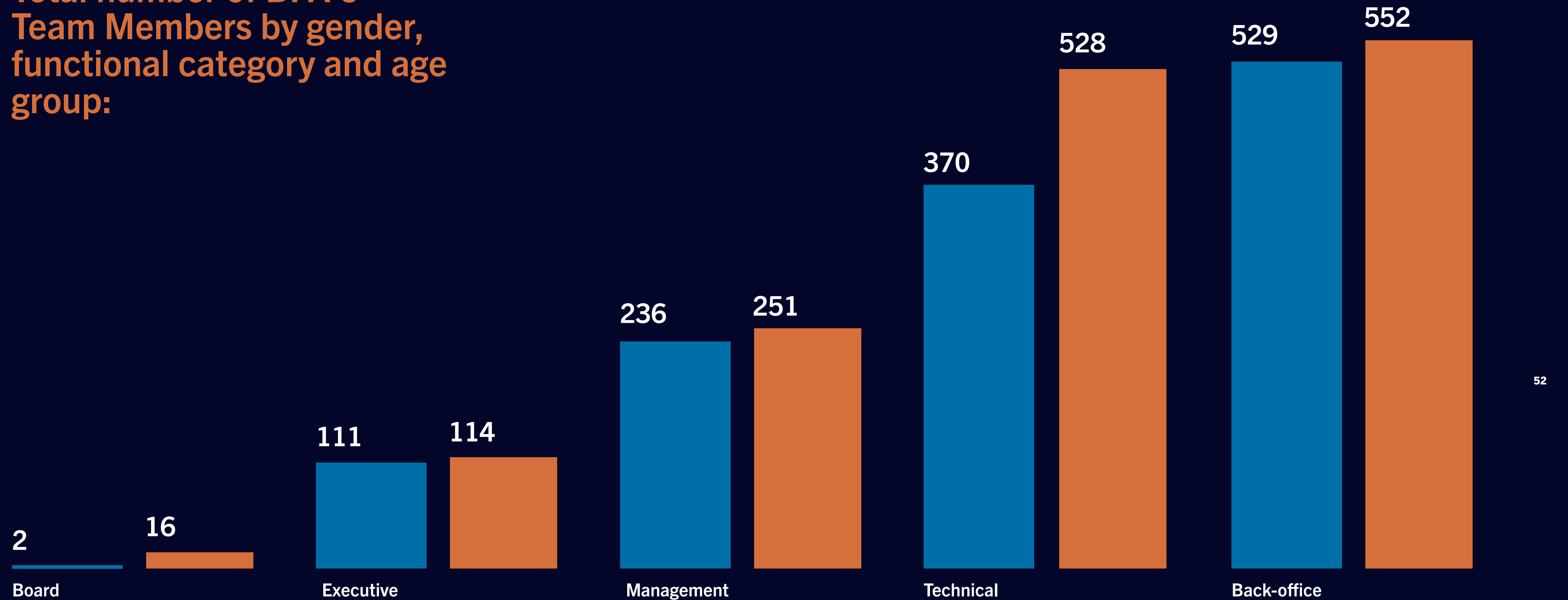


Academic Qualifications



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Total number of BFA's Team Members by gender, functional category and age group:



■ Female ■ Male

In order to showcase BFA's roadmap on the equality topic area, it is important to disclose salary compensation indicators. With regard to gender equality, in 2022 the ratio between female and male salary compensation stood at 0.96, which is very close to gender pay equality standards (1).

Another salary compensation indicator that illustrates BFA's remuneration policy is shown on the **4.6-fold ratio** between the lowest salary applied at BFA and the national minimum wage.



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5.3 Sustainable Finance and ESG Risk Management

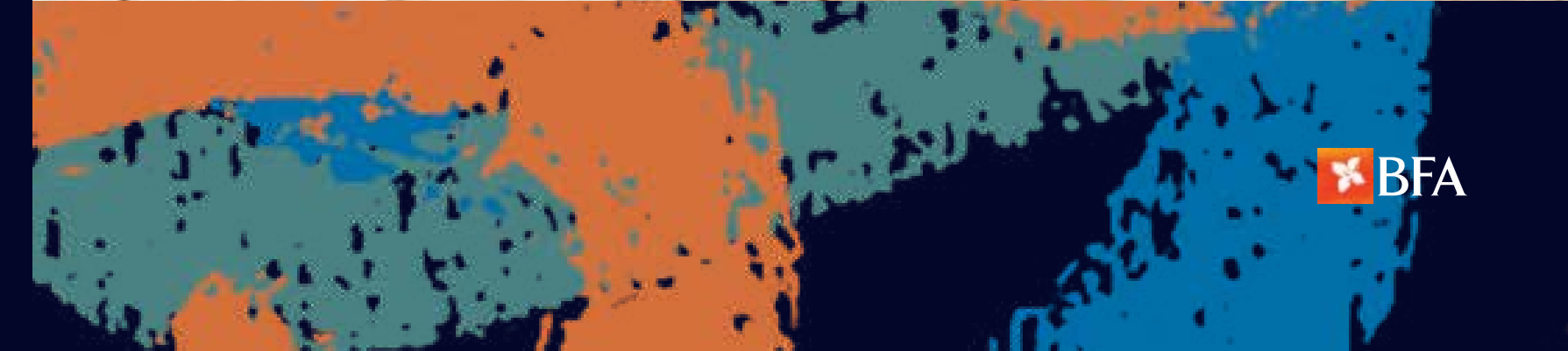
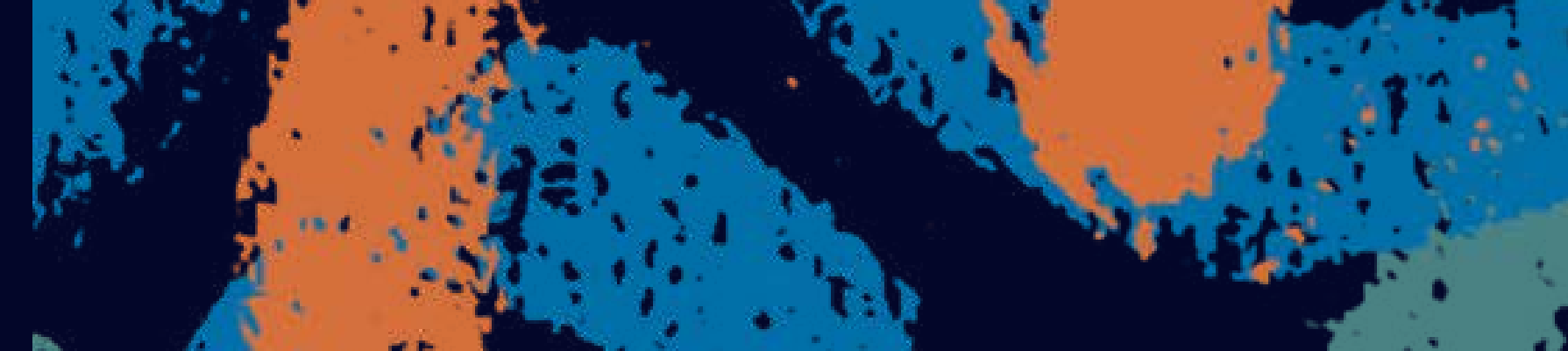
Strategic Goal

To be a trustworthy partner to all Customers in ESG-related criteria integration and to ensure the effective management of the associated risks within the Bank

The Financial Institutions are increasingly aware of the strategic importance of integrating ESG criteria into their management models, risk assessment and integration processes, as well as into their products and services offering made available to their Customer base. The integration of ESG criteria into an organisation's numerous internal processes involves undergoing major operational changes, although it is associated with an enhanced economic performance and improved risk management, thus strengthening the financial institution's long-term resilience and soundness.

The banking sector has a very relevant and key role to play in leveraging and driving the incorporation of ESG criteria cross-cutting the entire economy. The banking sector is perfectly positioned to encourage customers and partners to implement procedures that incorporate ESG-related topics into their business. Internally, it can ensure that current investment and risk management policies are based on criteria that, in addition to the traditional elements, also consider other standard criteria within the scope of Environmental, Social and Governance topic areas.

With regard to BFA's position in the short and medium-term, it is expected that this commitment and approach will lead to changes in credit granting and risk assessment processes, as well as boosting other Sustainable Finance dimensions in terms of products and services. As the Bank is still at an early stage of maturity with respect to this topic areas, such increased responsibility related to ESG criteria management regarding each one of these subject matters, inevitably leads to the need to provide specialised training for the actively engaged business units/ departments in order to reinforce their understanding, know-how and expertise knowledge.





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5.3.1

Effective corporate governance practices

The guiding principles of the Bank's corporate governance policy are based on strict compliance with the laws and regulations in force, as well as internationally recognised corporate best practices and in accordance with the highest ethical and deontological principles, namely:

Corporate best practices



Management
Transparency



Efficiency and
Accuracy



Loyalty



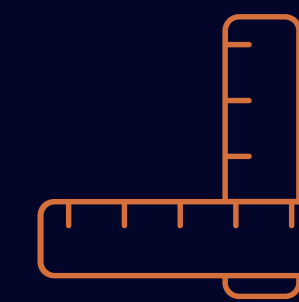
Involvement in the
decision-making
process



Independence



Generating
value



Fairness and
Balance/Unity



Performance and
individual skills-capacity
(results-based merit)



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The Bank recognises and understands that an effective corporate governance framework is key to ensure and develop a reliable and efficient decision-making process, through the use of consolidated processes, good corporate practices and policies that promote the accountability of its organisational structures. The implementation of a corporate governance based on integrity and commitment to the Bank's and its stakeholders' business goals is the first step towards gaining the market's and customers' trust and loyalty.



Anti-Bribery and Corruption

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The Anti-Bribery and Corruption endeavour is paramount for maintaining the stability of the financial system. Its practical application and enforcement throughout BFA's operational activities is based on the implementation of anti-bribery and corruption policies and procedures, which are also an integral part of BFA's internal Code of Conduct. The financial institution actively rejects all forms of bribery & corruption and strongly asserts that the Bank's personnel must not get involved in any circumstances, events or scenarios that could be connected to this form of criminal activity. BFA is firmly committed to anti-corruption in all its forms, including extortion and bribery, as laid down in its Anti-Bribery and Corruption Policy.

Hence, it is an integral part of BFA's standard practice to provide specific training and material information on this subject matter to all its team members and business partners, including the incorporation and disclosure of said commitment in its contractual clauses.



100% Team Members to whom anti-bribery and corruption policies and procedures have been disclosed in 2022

91% Team Members trained in anti-bribery and corruption procedures and processes in 2022

With respect to the identification and management of corruption cases, the numerous BFA organisational units/departments in charge of managing this subject matter identified zero (0) cases during the 2022 reporting period.

Internal management procedures

With regard to BFA's internal management and governance processes, remains as one of the relevant components referred to in the tax approach (managed by the Compliance Department), which is in alignment with the Bank's Tax Policy and aims to ensure compliance with all currently applicable tax legislation, as well as guaranteeing compliance with the different types of taxes to which the bank is bound to in accordance with the regulations in force.

In terms of data processing, and in view of the increasing use of digital systems in its business operations and activities, the Bank considers of paramount importance the processing of the personal data collected from its customers and other stakeholders in a restricted and confidential manner, in compliance with the laws in force and current corporate best practices. The data protection topics management is embedded within BFA's strategy, whereby the Bank undertakes to operate in accordance with its Personal Data Protection policy, which introduces the regulatory requirements regarding the protection, confidentiality and privacy of private individuals in the processing of personal data. With regard to complaints received by BFA during 2022, the Bank recognises that there are still some shortcomings in this area related to the systematic processing of this information. However, efforts are underway to provide more detailed data in the upcoming reporting cycles.

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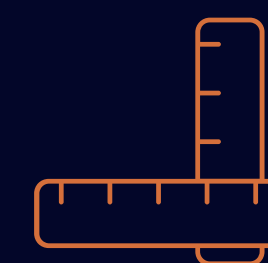
Complaints and grievances	Nº	Baseline matter
Proven complaints received from external parties	6 938	Debit cards Current accounts ATM machines Consumer Credit Salary accounts
Complaints received from regulatory bodies	3 679	Tax Payment BFA Net

The Complaints Unit is entrusted with the duty of ensuring the reception/collection, systematic organisation, and a timely reply to all customer complaints, in liaison and collaboration with all other business departments, in order to cooperate in mitigating any negative experiences/cases that the Bank may have triggered unintentionally. All identified customer claims are recorded in a sequential numerical order and organised according to the subject matter or object of the claim, with a view to ensuring that they are appropriately addressed and replied to in strict compliance with the applicable legal deadlines. Complaints are recorded on a specific form for internal control and follow-up, and a single file is created which includes all the data and relevant supporting documents, provided that they have been submitted. Further clarification may be required as part of the claim analysis, as outlined in the Claims Management Process Policy.

Stakeholders' Communication

Within the scope of its business operations and activities, it is critical for the financial institution to be well-equipped and empowered with a Communication Plan (CP), which will enable BFA through a set of previously outlined strategies cross-aligned throughout the entire organisational structure, to liaise and engage with its stakeholders in order to manage events and safeguard its corporate reputation, while mitigating the impact of any potential adverse events.

The Bank's broad range of stakeholders are engaged in a variety of formats, tailored to the profile of each stakeholder:



Peers and Regulatory Authorities: Communication takes place via email or meetings, with variable periodicity.



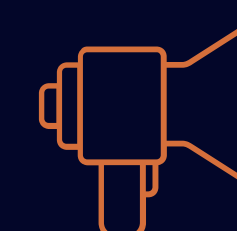
Customers: Communication with Customers is carried out through the Bank's Digital Channels (website, Facebook and Instagram) and the BFA Helpline is also available 24 hours a day.



Team Members: Communication takes place on a daily basis through internal communication channels (Intranet), as well as through the 'SOMOSBFA' mailbox.



Shareholders: Communication is done through meetings, with varying periodicity.



Media: Communication takes the form of press releases and interviews with the main national and international media.



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5.3.2 Integration of ESG Risk Factors into the Risk Management Framework

The integration of the sustainability subject matter into the financial market has advanced rapidly in recent times and it is currently considered a top priority to drawn up and develop a thorough and sound risk management framework that incorporates ESG-related risk factors.

The growing concern about ESG risk factors highlights the urgency of the implications that could jeopardise financial performance and potentially even endanger the survival of the institution. From the markets’ and financial institutions’ standpoint, ESG-related risk factors are particularly important because they have an impact on the entire value chain, from the institution’s direct business operations to its customers and suppliers.

ESG Integration into Supplier Relationships

As far as suppliers are concerned, BFA has incorporated into its processes and procedures the mechanisms laid down in internal policies and regulations, namely the Supplier Selection Regulations and the Procurement Regulations, which are currently being reviewed/updated.

Although ESG criteria are not currently taken into account in supplier selection and assessment processes, one of the relevant metrics within this topic area shows BFA’s expenditure percentage with local suppliers (i.e. all suppliers headquartered within the jurisdiction where BFA operates).



Expenditure share on local suppliers

ESG Integration into Internal Risk Management

BFA has included a preliminary analysis of ESG-related risk factors in its 2022 Corporate Risk Profile but has not yet performed a comprehensive risk analysis to identify the different types of risk that are material to the financial institution.

BFA is focused on the ongoing enhancement of its management processes and is currently taking its first steps on this topic area, endeavouring to establish and implement mecha-

nisms to effectively manage, monitor and report on the risk factors to which it is exposed, and to strengthen the institution’s position looking forward into the foreseeable future.

Within this scope, highlights also include some initiatives undertaken in 2022, notably:

Setting up the ‘**Environmental and Social Responsibility Committee**’ (“**ESRC**”), whose aim is to validate the sustainability strategy being implemented, as well as to monitor the risk factors identified through the establishment of metrics and threshold systems that accurately demonstrate the Bank’s risk tolerance.

Running **Sustainability Workshops** aimed at exploring sustainability-related topic areas and analysing international regulations on ESG-related risk factors.

As far as future developments are concerned, the sustainability strategy addresses and provides an effective answer to many of the ESG-related challenges, aiming to implement tangible initiatives that will contribute to enhancing and strengthening the Bank’s risk management framework. The integration of ESG-related risks into the Bank’s risk management framework aims to ensure that the most relevant principles and criteria are incorporated, namely regarding the risk appetite statement, credit risk management, operational risk, market risk and other risk categories.



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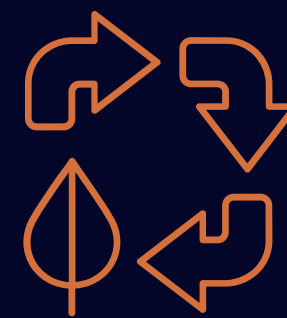
5.3.3

Development of Sustainable Products with Environmental and Social Value

Sustainable financial products or sustainable project finance mechanisms are financial products or services that incorporate environmental, social and effective governance practices features and elements into existing financial instruments, such as debt, bonds, loans or other traditional instruments. BFA has recognised and clearly understood the importance of its role as a financial institution, in terms of providing and developing financial products & services with a social and environmental value that enable capital flows to be made available towards more sustainable businesses and economic activities.

Products and Services Portfolio

BFA does not currently have an ESG-tailored financial products and services portfolio, neither an acknowledged investment portfolio related to sustainable project finance. **However, the financial institution is committed to provide sustainable financial products and services that positively impact capital flows towards sustainable economic activities, notably:**



Sustainable Financial Products and Services to boost the **energy transition** and mineral resources sectors.



Collaboration with the World Bank through the PDAC Project (Angola's Commercial Agriculture Development Project) which aims to support agribusiness SMEs, including those headed/owned by women and young people, to implement new advanced technologies, enhance their skills, gain access to financial markets as well as to enable them to produce, process and market their products.

The products and services offering with social benefits are already part of BFA's portfolio, totalling an estimated added value of **AOA 9.4 million** in 2022, accounting for **0.3%** of BFA's total products and services offering. The category of products includes the 'Bankita Account' - aimed at low-income customers and aimed at encouraging banking services access (AOA 4 million); Kwenda Multicaixa Card - designed to mitigate various risks associated with monetary transfers and to incorporate households into the banking system (AOA 3 million); Solution Credit - a quick-disbursement loan solution aimed at low-income private customers (AOA 2 million).

In view of the paramount importance of this topic area for both the Bank and its stakeholders, BFA aims to develop a portfolio of sustainable financial products and services in alignment with the organisation's sustainability strategy, goals and targets. The Bank also intends and anticipates that the products and/or services developed will benefit its customer base by producing a positive environmental or social impact and aiming to influence the community in which they actively operate.

0,3%

BFA's total products and services offering with social benefits





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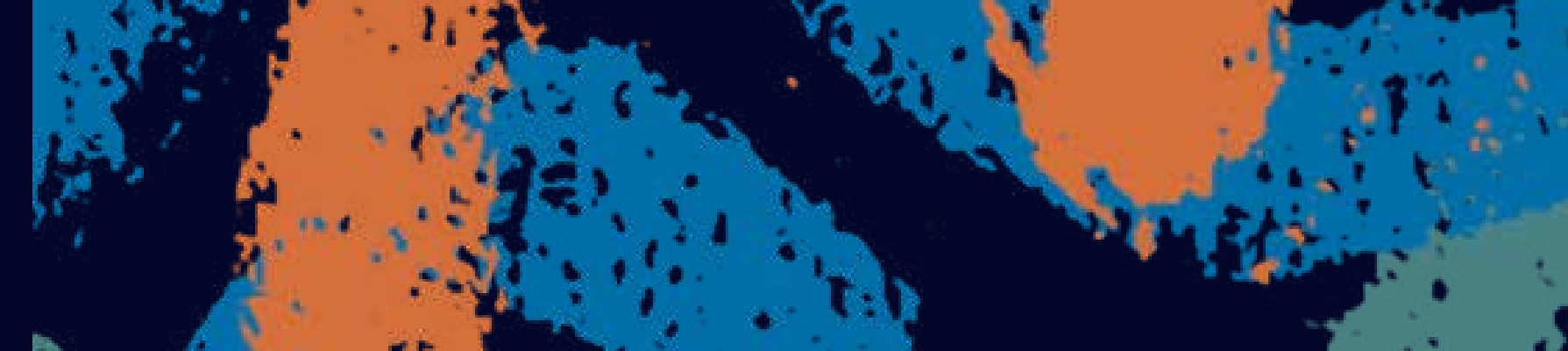
5.4

Operational Eco-Efficiency

Strategic Goal

Enhance awareness of environmental matters in internal operations

Increasing operational eco-efficiency in the use of the resources generated and consumed in the course of its business activities is one of the key focus areas related to BFA's sustainability strategy, driving internal initiatives within the environmental framework. The Bank acknowledges the significance of operating in an environmentally responsible manner and its commitment demonstrates its investment in innovative and more efficient solutions, aiming to lead by example in terms of awareness-raising about the importance of environmental management and advancing towards a carbon-free economy. This section contains BFA's first systematic effort to compile environmental data.



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5.4.1 Operational Eco-Efficiency

Despite specific procedures for the systematic monitoring of environmental topic areas within the Bank’s operational activities have not been established to date, internal communication programmes have already been carried out on this subject matter. These awareness-raising activities have also resulted in tree-planting campaigns, incentives for selective waste collection and recycling policies on the premises.

As part of the MIRAI 22 programme, BFA launched an Ongoing Operating Cost Reduction Programme, which currently includes initiatives already implemented by the Bank that have resulted in higher efficiency in terms of energy and materials consumption:

- Increased digitisation of processes, reducing paper consumption**
- Pilot projects to install LED lights in all infrastructures**
- Installation of photovoltaic panels**
- Water boreholes for water supply, aiming to avoid reliance on tanker trucks.**

BFA’s Environmental Performance

Within the scope of the numerous environmental performance areas, BFA has begun compiling key performance indicators related to water, energy and greenhouse gas emissions (scope 1 and 2), concerning the Bank’s operational activities during 2022. These topic areas, aligned with the information availability and relevance backdrop, provide a starting point for assessing performance in the upcoming reporting periods, enabling the development of indicators/metrics to track progress towards established goals.

Water

Water consumption at BFA in 2022 totalled 126,423 m³, equating to a consumption intensity of 46.7 m³ per team member, which results in an average consumption of **36 litres per day for each team member**.



Energy & CO2 emissions

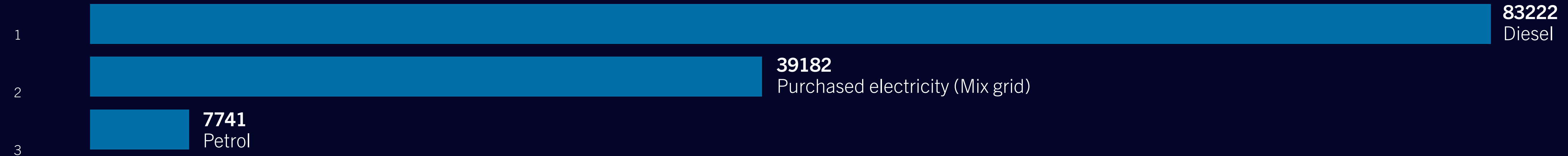
In 2022, BFA recorded a total energy consumption of 130,146 GJ, which includes the consumption of all the activities within the reporting framework, namely BFA’s own fleet vehicles’ fuel consumption (petrol and diesel) and stationary equipment (diesel generators), as well as the electricity consumed at the Bank’s different facilities.

The electricity consumed comes from the national grid and accounts for approximately 30% of total energy consumption. As for the use of fossil fuels, diesel and petrol, BFA recorded a consumption of 90,963,831 GJ, equivalent to approximately 70% of the total energy consumed in 2022.

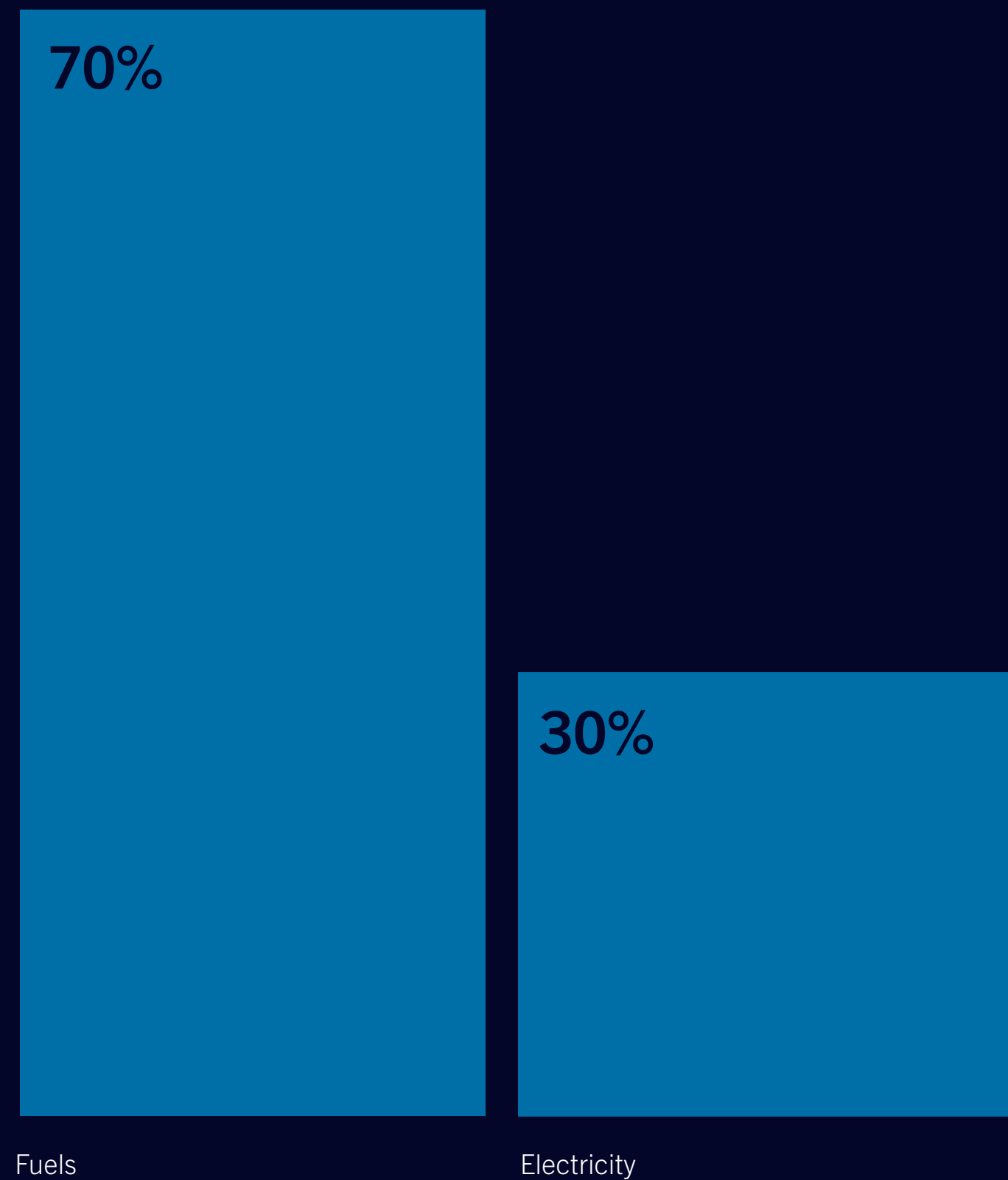
Energy consumption	GJ Quantity (2022)	Percentage
Non-renewable energy		
Diesel	83 222	64%
Petrol	7 741	4%
Purchased electricity (Mix grid)	39 182	30%
Total consumption	130 146	100%
Energy intensity (GJ / Team Member)	48	



Consumption by Energy Source (GJ)



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In addition to the energy data, BFA is also disclosing its first-ever greenhouse gas (GHG) emissions accounting report generated by the Bank’s business activity, in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, taking into account the following emission sources:

Scope 1

Direct GHG emissions from the Bank’s business activity, stemming from the consumption of fuel by mobile and stationary sources, as well as the recharging of fluorinated gases in air-conditioning equipment found in BFA’s commercial outlets network.

Scope 2

Indirect GHG emissions from the purchase of electricity for internal consumption in the Bank’s facilities.

BFA produced approximately 10,000 tonnes of CO₂e during 2022, out of which 56% was generated by stationary sources (attributable to the consumption of fossil fuels in equipment) and 25% was connected to the purchase and consumption of electricity. As far as CO₂e emissions intensity is concerned, BFA recorded particular emissions of 3.7 CO₂e tonnes per team member in 2022.

Scope 1 - Direct emissions

	GHG emissions (tCO ₂ e) 2022
Stationary combustion	5 689
Mobile combustion	1 125
Fugitive emissions	786

Scope 2 - Indirect emissions from energy procurement

	Emissões GEE (tCO ₂ e) 2022
Electricity procurement	2 547

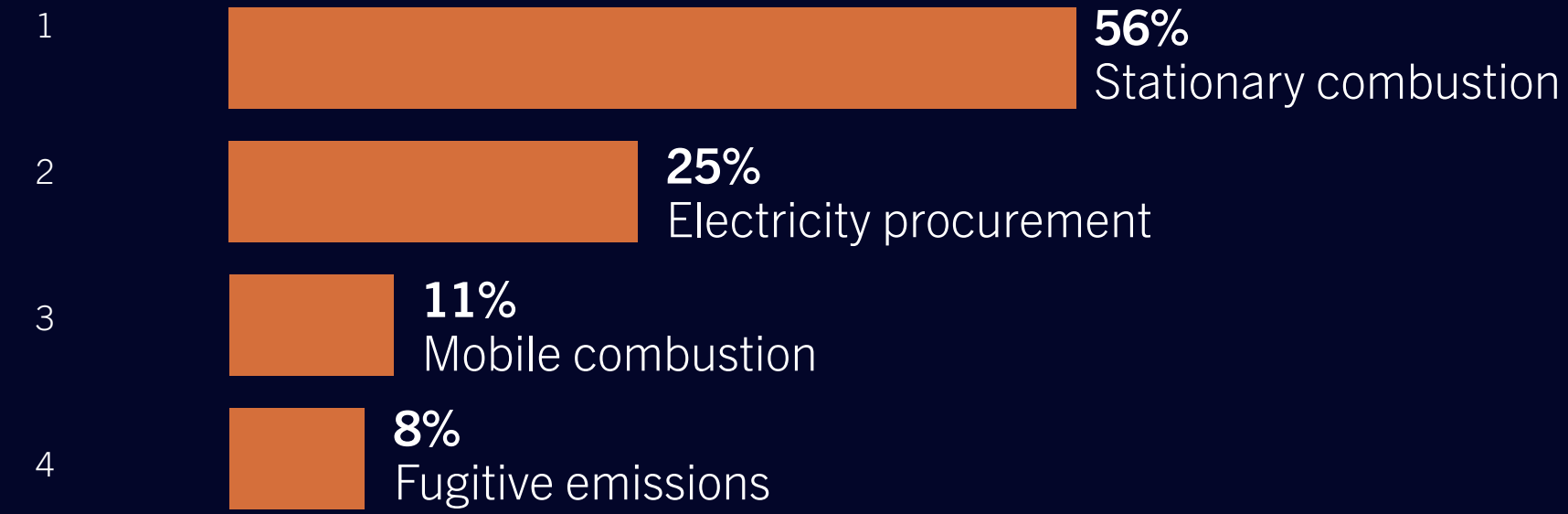
Total

Total scope 1 and scope 2 emissions (location-based method)	10 147
Emissions intensity (tCO₂e/Team Member)	3,7

* In accordance with the GHG Protocol, CO₂e emissions must be measured/quantified using the two methodologies for scope 2 - market-based and location-based. Due to the unavailability of data at the time of the reporting period, it was only possible to calculate Scope 2 CO₂e emissions according to the location-based method.



Carbon Footprint by Emissions Category



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With regard to upcoming developments and planned initiatives and activities related to operational eco-efficiency, the ongoing sustainability strategy under development is focused to establishing ESG principles and criteria to be implemented in the numerous internal supplier selection processes, internal environmental awareness-raising campaigns, as well as the implementation of energy efficiency measures and the monitoring of environmental key performance indicators.

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APPENDIX





6.1 GRI Appendix

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Statement of Use	BFA reports the information described in the GRI Appendix with reference to the GRI standards from the 1st of January 2022 to the 31st of December 2022.
GRI 1 used	GRI 1: 2021 Foundations
Applicability of GRI Sector Standards	Not applicable

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GRI Standard	Contents	Location
Organisation and reporting practices		
2-1	<i>Organisation information</i>	RS: 3.1 Institution Overview R&C: 6. Financial Statements and Notes, 1. Introductory Note, 2. Basis of Presentation and Summary of the Key Accounting Policies
2-2	<i>Entities included in the organisation's sustainability report</i> The entities included in the 2022 Sustainability Report are listed in chapter 1. About this Report.	RS: 1. About the Report
2-3	<i>Reporting period, frequency and contact points</i> The 2022 Report is published by BFA on an annual basis, comprising the period from 1 January 2022 to 31 December 2022. BFA provides the contact email for submitting feedback from its stakeholders: bfa@bfa.ao	RS: 1. About the Report
2-4	<i>Information restatements</i> There is no restatement of the information to be disclosed since the Report concerns BFA's first-year sustainability information reporting period.	-
2-5	<i>External assessment</i> The Report is not audited by an independent third-party organisation.	-



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Activities and personnel																																																																																		
2-6	Activities, value chain and other business	RS: 3.1 Institutional Overview R&C: 1. The BFA																																																																																
2-7	<p>Team Members</p> <p>With regard to the 2022 reporting year:</p> <table border="1"> <thead> <tr> <th colspan="2">In accordance with contract type</th> <th colspan="2">By region (Angola's provinces)</th> <th>2709</th> </tr> </thead> <tbody> <tr> <td>Open-ended contract</td> <td>2417</td> <td>BENGO</td> <td>6</td> <td></td> </tr> <tr> <td>Female</td> <td>1139</td> <td>BENGUELA</td> <td>138</td> <td></td> </tr> <tr> <td>Male</td> <td>1278</td> <td>BIE</td> <td>18</td> <td></td> </tr> <tr> <td>Fixed-term contract</td> <td>292</td> <td>CABINDA</td> <td>46</td> <td></td> </tr> <tr> <td>Female</td> <td>109</td> <td>CUNENE</td> <td>16</td> <td></td> </tr> <tr> <td>Male</td> <td>183</td> <td>HUAMBO</td> <td>59</td> <td></td> </tr> <tr> <td>Total</td> <td>2709</td> <td>HUILA</td> <td>99</td> <td></td> </tr> <tr> <td colspan="2">By workload</td> <td>KUANDO KUBANGO</td> <td>6</td> <td></td> </tr> <tr> <td>Full-time</td> <td>2709</td> <td>KWANZA</td> <td>58</td> <td></td> </tr> <tr> <td>Female</td> <td>1248</td> <td>LUANDA</td> <td>2160</td> <td></td> </tr> <tr> <td>Male</td> <td>1461</td> <td>MALANGE</td> <td>23</td> <td></td> </tr> <tr> <td>Total</td> <td>2709</td> <td>MOXICO</td> <td>8</td> <td></td> </tr> <tr> <td></td> <td></td> <td>NAMIBE</td> <td>23</td> <td></td> </tr> <tr> <td></td> <td></td> <td>UIGE</td> <td>26</td> <td></td> </tr> <tr> <td></td> <td></td> <td>ZAIRE</td> <td>23</td> <td></td> </tr> </tbody> </table>	In accordance with contract type		By region (Angola's provinces)		2709	Open-ended contract	2417	BENGO	6		Female	1139	BENGUELA	138		Male	1278	BIE	18		Fixed-term contract	292	CABINDA	46		Female	109	CUNENE	16		Male	183	HUAMBO	59		Total	2709	HUILA	99		By workload		KUANDO KUBANGO	6		Full-time	2709	KWANZA	58		Female	1248	LUANDA	2160		Male	1461	MALANGE	23		Total	2709	MOXICO	8				NAMIBE	23				UIGE	26				ZAIRE	23		RS: 5.2 Human Capital – 5.2.1 Human capital empowerment, attraction and retention
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2-8	<p>Outsourced staff who are not part of BFA's internal Team Members</p> <p>BFA outsources third-party service providers and staff but has no mechanisms or systems in place to assess and report this particular staff-related information external hiring.</p>	-																																																																																



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Governance		
2-9	<p><i>Governance and management structure</i></p> <p>BFA’s governance model complies with the requirements of the Financial Institutions Legal Framework (Law nº 14/2021 dated 19th May). Further information can be found in chapter 3.3 “The Governance Model “as well as within the “2022 Annual Report”.</p>	RS: 3.3 The Governance Model Annual Report: 3. The BFA
2-10	<p><i>Appointment and selection of the highest hierarchical governance body</i></p>	RS: 3.3 The Governance Model Annual Report: 3. The BFA - Corporate Ownership Structure and Governance Model - Governance Model; Governance, Nomination and Remuneration Committee (“GNRC”)
2-11	<p><i>Chairmanship of the highest hierarchical governance body</i></p> <p>The Chairman of BFA’s highest governance body - the Board of Directors - is a non-executive board member.</p>	RS: 3.3 The Governance Model R&C: 3. The BFA - Corporate Ownership Structure and Governance Model
2-12	<p><i>Role of the highest governance body in overseeing impact management</i></p>	RS: 3.3 The Governance Model R&C: 3. The BFA - Corporate Ownership Structure and Governance Model - Board Support & Advisory Committees; 4. Risk Management
2-13	<p><i>Assigning accountability for impact management</i></p>	RS: 3.3 The Governance Model R&C: 3. The BFA - Corporate Ownership Structure and Governance Model - Board Support & Advisory Committees; 4. Risk Management
2-14	<p><i>Role of the highest governance body in sustainability reporting</i></p> <p>In December 2021, BFA’s Board of Directors approved the establishment of a Working Group (“GTJS”) tasked with studying various options and implementing a sustainability strategy for BFA. The Bank’s CEO Dr Luís Gonçalves is heading up the Working Group as well as overseeing the entire process of approving and preparing BFA’s first-ever Sustainability Report.</p>	-



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2-15	<p><i>Conflicts of interest</i></p> <p>The Identification, Prevention and Management of Conflicts of Interest and Related Party Transactions Policy was reviewed and all subject matters unified/merged in order to improve the identification and management of conflicts of interest processes, being a commitment cross-sectional to BFA's entire organisational structure. This policy is addressed and applicable to all the Bank's Personnel and members of the governing bodies.</p> <p>In this regard, internal conflict of interest statements have been developed in a semi-automatic format on the Microsoft SharePoint (Regulatory Compliance). This initiative aims to enhance internal controls and ensure that BFA's Customer base interests prevail. Additionally, it is conceived to maintain transparency and uniformity in relation to customers' interests, as well as the Bank's own interests and its business activity alongside those of its Shareholders and Team Members. Moreover, it aims to guarantee that the financial statements disclosure stated in accordance with the International Financial Reporting Standards reflects the Bank's economic and financial situation in a truthful and accurate manner.</p>	<p>RS: 3.3 The Governance Model R&C: 3. The BFA - Governance, Nominations and Remuneration Committee ("GNRC"); 4. Risk Management - Conflict of Interests Risk Management; Identification and Related Party Transactions</p>
2-16	<p><i>Reporting critical concerns</i></p> <p>Critical concerns are reported through the means made available by BFA to the broad range of its stakeholders, namely through the "Staff Office", using the mechanisms set out in the "Whistleblowing Policy", via email, meetings or through the Bank's digital channels. According to the type of critical concerns submitted and received, BFA treats them separately and with differentiated handling approaches, enabling it to efficiently address any critical concern raised by its stakeholders.</p> <p>As far as the number of critical concerns reported to the highest governance body is concerned, there is no information data available regarding the reporting period.</p>	<p>SR: 3.3 The governance model; 3.3.1 Governance practices Annual Report: 3. The BFA – Human Capital; 4. Risk Management - 2022 Key Developments</p>
2-17	<p><i>Collective knowledge of the highest governance body</i></p> <p>No information data is available for the reporting period.</p>	-
2-18	<p><i>Highest hierarchical governance body performance assessment</i></p> <p>No information data is available for the reporting period.</p>	-
2-19	<p><i>Compensation Policies</i></p> <p>Information provided in the Annual Report chapters: Chapter 3 - "The BFA", Chapter 4 - "Risk Management" and Chapter 6 - "Financial Statements and Explanatory Notes". Information data is not available for the reporting period regarding items such as: hiring bonuses, severance payments, bonuses and incentives refunds, as well as the correlation between retirement benefits with goals and performance in relation to impact management by the highest governance body members.</p>	<p>Annual Report: Chapter 3 – "The BFA - Governance, Nominations, Evaluation and Remuneration Committee; Chapter 4- Risk Management – Compliance Risk; Chapter 6 - "Financial Statements and Explanatory Notes".</p>



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2-20	<i>Processes that determine compensation</i>	Annual Report: Chapter 3 – “The BFA - Governance, Nominations, Evaluation and Remuneration Committee; Chapter 4- Risk Management – Compliance Risk; Chapter 6 - “Financial Statements and Explanatory Notes”.
2-21	<p><i>Annual compensation ratio</i></p> <p>Total annual compensation ratio of the highest paid team member within the organisation and the total average annual compensation of all team members (excluding the highest paid): 18,1.</p> <p>The provision of information on the ratio calculus formula between the percentage increase in the total annual compensation of BFA’s highest-paid team member and the average percentage increase in the total annual compensation of all team members (excluding the highest paid) is not disclosed due to the non-availability of the relevant data to perform the calculation for the reporting year.</p>	-
Corporate strategies, policies and practices		
2-22	<i>Statement on the sustainable development strategy</i>	SR: 2. CEO Letter
2-23	<p><i>Policy-related commitments</i></p> <p>Information available in chapter 4. “Sustainability Roadmap”. Information concerning requirements b) to f) is not available for the reporting period.</p>	SR: 4. Sustainability Roadmap; 4.3 Sustainability Strategy
2-24	<p><i>Incorporation of commitments</i></p> <p>Information available in chapter 3. The BFA and 4. Sustainability Roadmap. Information disclosure related to the responsibility for implementing sustainability commitments and carrying them out in terms of business relations as well as the provision of the corresponding information, is not available for the reporting period.</p>	SR: 3.3.1 Corporate Governance Practices; 4. Sustainability Roadmap

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2-25	<p><i>Processes to mitigate negative impacts</i></p> <p>In order to mitigate any negative impacts that may have been caused, the Helpdesk ensures on an ongoing basis that the Commercial Network is attended to, providing support & assistance, while ensuring a proper follow-up and that any requests and/or questions raised are properly addressed and settled. The business area responsible proactively produces relevant operational information, which it regularly discloses to the Bank’s Departments, with a view to analyse and identify possible elements for improvement as well as to enhance the quality of internal processes.</p> <p>The complaints mechanisms efficiency tracking system is ensured by recording and following up on reported complaints, as well as by regularly monitoring the corresponding Service level Agreements (SLAs) in place.</p> <p>In addition, reports are drawn up on the handling and follow-up of these complaints and disclosed to the broad range of internal and external stakeholders.</p> <p>The procedures and mechanisms foreseen are included in the Complaints Management Process Standard.</p> <p>Additional information available in chapter 5.3 Sustainable Finance and ESG Risk Management</p>	<p>SR: 3. The BFA; 3.3.1 Corporate Governance Practices; 5.3. Sustainable Finance and ESG Risk Management – 5.3.1 Effective Corporate Governance Practices</p>
2-26	<p><i>Mechanisms for requesting guidance and counselling and raising questions</i></p>	<p>SR: 3.3 The governance model; 3.3.1 Corporate Governance Practices Annual Report: 3. The BFA –Human Capital</p>
2-27	<p><i>Compliance with laws and regulations</i></p> <p>Total number of relevant cases stemming from non-compliance with laws and regulations: Information data is unavailable for the reporting year.</p> <p>Total number of relevant cases stemming from non-compliance with laws and regulations involving fines imposed during the reporting period: 15</p> <p>Number of fines imposed in cases of non-compliance with laws and regulations: AOA 371,855,719.00</p>	<p>SR: 3. The BFA; 3.3.1 Corporate Governance Practices</p>
2-28	<p><i>Membership in Associations</i></p> <p>BFA is a member of the Angolan Banking Association (ABANC).</p>	<p>-</p>



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Stakeholder engagement		
2-29	<p><i>Stakeholder engagement approach</i></p> <p>Stakeholder engagement was provided for in the materiality analysis process carried out by BFA for the reporting period, enabling the identification and establishment of the material topics addressed in the Sustainability Report.</p> <p>In addition, with the aim of maintaining a clear and accurate communication and developing financial solutions, products and services that will bolster long-lasting relationships with its broad range of stakeholders, BFA’s Business Continuity Management System was set up with the aim of providing the financial institution with safeguard measures to ensure the orderly continuity of its business operations and the activities involved in critical business processes.</p> <p>Additional information available in chapter 5.3 Sustainable Finance and ESG Risk Management</p>	SR: 4.2 Materiality; 5.3. Sustainable Finance and ESG Risk Management - 5.3.1 Effective Corporate Governance Practices
2-30	<p><i>Collective Bargaining Agreements</i></p> <p>Information unavailable for the reporting period.</p>	-
Material topic areas		
3-1	<p><i>Process performed to identify and establish material topic areas</i></p> <p>The materiality analysis carried out comprised the following steps to determine the material topic areas:</p> <p>The main results attained from screening the key sustainability topic areas concerning the financial sector and its peers;</p> <p>Performing a round of hearings with BFA’s Board/ C-Suite and Team Members who comprise, operate and manage the relevant business areas, in order to assess the topic areas’ materiality as well as their impact on the business operations and activities;</p> <p>Performing a round of hearings with both external and internal stakeholders in order to ascertain which topic areas they consider to be the most critical with regard to their expectations towards the financial institution (“BFA”), as well as their influence on the decision-making process.</p>	SR: 4. Sustainability Roadmap - 4.2 Materiality



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<p>3-2</p>	<p><i>List of material topic areas</i> As a result of the materiality analysis performed, we identified a total of ten (10) material topic areas that are of key importance to BFA and its broad range of stakeholders, namely: Integration of ESG factors into the risk management framework Development of products with social and environmental value Empowerment, attraction and retention of human capital Equality, diversity and inclusion Personnel well-being, health and safety Effective corporate governance practices Financial inclusion and financial literacy Technological innovation Promoting multichannel and digitalisation Operational eco-efficiency</p> <p>Further information is available in the relevant chapter 4.2 Materiality</p>	<p>SR: 4. Sustainability Roadmap - 4.2 Materiality</p>
<p>3-3</p>	<p><i>Management of material topic areas</i> Each one of the material topic areas are addressed throughout the Sustainability Report within the appropriate relevant chapters. A detailed breakdown of the impacts and how the financial institution is directly engaged is described within the materiality analysis chapter. How the organisation plans to proceed and perform to manage the topic areas and how it plans to monitor them is described in the Sustainability Strategy chapter and within each of the chapters referred to in this report by topic area, including information on the underlying policies and commitments in force, as follows: Integration of ESG factors into the risk management framework - 5. Key focus areas - 5.3 Sustainable Finance and ESG Risk Management. Development of products with social and environmental value - 5. Key focus areas - 5.3 Sustainable Finance and Risk Management ESG. Empowerment, attraction and retention of human capital - 5. Key focus areas - 5.2 Human capital. Equality, diversity and inclusion - 5. Key focus areas - 5.2 Human capital. Personnel well-being, health and safety - 5. Key focus areas - 5.2 Human capital. Effective corporate governance practices - 5. Key focus areas - 5.3 Sustainable Finance and ESG Risk Management - 5. Key focus areas - 5.1 Financial inclusion and community support. Technological innovation - 5. Key focus areas - 5.1 Financial inclusion and community support. Promoting multichannel and digitalisation - 5. Key focus areas - 5.1 Financial inclusion and community support. Operational eco-efficiency - 5 Key focus areas - 5.4 Operational eco-efficiency.</p>	<p>SR: 4. Sustainability Roadmap; 4.2 Materiality; 4.3 Sustainability Strategy; 5. Key Focus Areas</p>



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Economic Performance										
201-1	<p><i>Direct economic value generated and distributed</i></p> <table border="1"> <thead> <tr> <th></th> <th>AOA million</th> </tr> </thead> <tbody> <tr> <td>Direct economic value generated</td> <td>269 056,0</td> </tr> <tr> <td>Distributed economic value</td> <td>128 600,8</td> </tr> <tr> <td>Retained economic value</td> <td>140 455,2</td> </tr> </tbody> </table> <p>For additional information, please refer to the methodological notes.</p>		AOA million	Direct economic value generated	269 056,0	Distributed economic value	128 600,8	Retained economic value	140 455,2	-
	AOA million									
Direct economic value generated	269 056,0									
Distributed economic value	128 600,8									
Retained economic value	140 455,2									
Market footprint										
202-1	<p><i>Ratio between the lowest wage and the local minimum wage, broken down by gender</i></p> <p>The ratio between BFA's minimum wage recorded in 2022 and the national minimum wage for male and female team members is 4.6.</p>	SR: 5. Key Focus Areas; 5.2.1 Empowerment, attraction and retention of human capital								
Procurement practices										
204-1	<p><i>Expenditure share with local suppliers</i></p> <p>Out of the total expenditure related to BFA's suppliers in 2022, an estimated 75.8% corresponds to expenditure incurred with local suppliers. Within this scope, BFA considers a local supplier to be a supplier based in the country's jurisdiction where the Bank actively conducts its business operations.</p>	SR: 5. Key Focus Areas; 5.3.2 Integration of ESG factors into the Risk Management Framework								



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Anti-Bribery and Corruption		
205-2	<p><i>Information disclosure and empowerment/training on anti-bribery and corruption policies and procedures</i></p> <p>The governance bodies' members to whom anti-corruption policies and procedures were disclosed in the reporting year (%): 100%</p> <p>Team Members to whom anti-bribery and corruption policies and procedures were disclosed in the reporting year (%): 100%</p> <p>The governance bodies' members who received anti-bribery and corruption training in the reporting year (%): 100%</p> <p>Team Members who received anti-bribery and corruption training in the reporting year (%): 91%</p> <p>The number of business partners to whom anti-bribery and corruption policies and procedures were communicated in the reporting year. The anti-bribery and corruption policies and procedures are disclosed to business partners through contractual clauses. However, BFA was unable to identify and quantify the total number of business partners to whom this information was disclosed with regard to the reporting year.</p>	SR: 5.3.1 Effective Corporate Governance Practices
205-3	<p><i>Confirmed cases of corruption and measures undertaken</i></p> <p>As far as the reporting year is concerned, there were no confirmed cases of corruption on record at BFA.</p>	SR: 5.3.1 Effective Corporate Governance Practices
Taxation (Fiscal charges)		
207-1	<i>Tax approach</i>	SR: 5.3.1 Effective Corporate Governance Practices
Energy		
302-1	<i>Energy consumption within the organisation</i>	SR: 5.4.1 Operational Eco-Efficiency
302-3	<i>Energy intensity</i>	SR: 5.4.1 Operational Eco-Efficiency



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Water and Wastewater								
303-3	<p><i>Water abstraction by source</i></p> <p>Drinking water abstraction from third parties (public network) with regard to the reporting year.</p> <table border="1" style="margin-left: 20px;"> <tr> <td style="text-align: left;">Water abstraction</td> <td></td> </tr> <tr> <td style="text-align: left;">Public network (m³)</td> <td style="text-align: center;">126 423</td> </tr> <tr> <td style="text-align: left;">Total (m³)</td> <td style="text-align: center;">126 423</td> </tr> </table> <p>The figures disclosed are in cubic meters (m³) - to convert them to megaliters (ML), the figures should be divided by 1000.</p>	Water abstraction		Public network (m ³)	126 423	Total (m ³)	126 423	SR: 5.4.1 Operational Eco-Efficiency
Water abstraction								
Public network (m ³)	126 423							
Total (m ³)	126 423							
GHG Emissions								
305-1	<i>Direct emissions (Scope 1) of Greenhouse Gases (GHG)</i>	SR: 5.4.1 Operational Eco-Efficiency						
305-2	<i>Indirect emissions (Scope 2) of Greenhouse Gases (GHG)</i>	SR: 5.4.1 Operational Eco-Efficiency						



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305-4	Greenhouse Gas (GHG) emissions intensity	SR: 5.4.1 Operational Eco-Efficiency																																																																								
Workplace Employment																																																																										
401-1	<p><i>New hires and personnel turnover</i></p> <table border="1"> <thead> <tr> <th></th> <th>Nº</th> <th>Rate (%)</th> </tr> </thead> <tbody> <tr> <td colspan="3">New Hires</td> </tr> <tr> <td colspan="3">Gender</td> </tr> <tr> <td>Female</td> <td>15</td> <td>1%</td> </tr> <tr> <td>Male</td> <td>23</td> <td>1%</td> </tr> <tr> <td colspan="3">Age Group</td> </tr> <tr> <td>Up to 30 years old</td> <td>16</td> <td>1%</td> </tr> <tr> <td>Between the ages of 30 and 50</td> <td>22</td> <td>1%</td> </tr> <tr> <td>Over 50 years old</td> <td>0</td> <td>0%</td> </tr> <tr> <td colspan="3">Geographical Location</td> </tr> <tr> <td>Angola</td> <td>38</td> <td>1%</td> </tr> <tr> <td>Total</td> <td>38</td> <td>1%</td> </tr> <tr> <td colspan="3">Turnover</td> </tr> <tr> <td colspan="3">Gender</td> </tr> <tr> <td>Female</td> <td>18</td> <td>1%</td> </tr> <tr> <td>Male</td> <td>55</td> <td>2%</td> </tr> <tr> <td colspan="3">Age Group</td> </tr> <tr> <td>Up to 30 years old</td> <td>9</td> <td>0%</td> </tr> <tr> <td>Between the ages of 30 and 50</td> <td>62</td> <td>2%</td> </tr> <tr> <td>Over 50 years old</td> <td>2</td> <td>0%</td> </tr> <tr> <td colspan="3">Geographical Location</td> </tr> <tr> <td>Angola</td> <td>73</td> <td>3%</td> </tr> <tr> <td>Total</td> <td>73</td> <td>3%</td> </tr> <tr> <td>Total number of Personnel</td> <td>2709</td> <td></td> </tr> </tbody> </table>		Nº	Rate (%)	New Hires			Gender			Female	15	1%	Male	23	1%	Age Group			Up to 30 years old	16	1%	Between the ages of 30 and 50	22	1%	Over 50 years old	0	0%	Geographical Location			Angola	38	1%	Total	38	1%	Turnover			Gender			Female	18	1%	Male	55	2%	Age Group			Up to 30 years old	9	0%	Between the ages of 30 and 50	62	2%	Over 50 years old	2	0%	Geographical Location			Angola	73	3%	Total	73	3%	Total number of Personnel	2709		SR: 5. Key Focus Areas; 5.2 Human Capital; 5.2.1 Empowerment, Attraction and Retention of Human Capital
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<p>401-3</p>	<p><i>Maternity/paternity leave</i></p> <p>In Angola, only women are entitled to parental leave. Within this scope, all of BFA’s female personnel (46% of the total number of team members) are entitled to parental leave.</p> <table border="1" data-bbox="753 443 1499 725"> <thead> <tr> <th></th> <th>Female</th> <th>Male</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Nº of personnel who benefited from leave</td> <td>208</td> <td>0</td> <td>208</td> </tr> <tr> <td>Nº of Personnel who returned after leave</td> <td>208</td> <td>0</td> <td>208</td> </tr> <tr> <td>Return rate (%)</td> <td>100%</td> <td></td> <td></td> </tr> <tr> <td>Retention rate (%)*</td> <td>-</td> <td></td> <td></td> </tr> </tbody> </table> <p>* At the current time, BFA is unable to disclose this figure due to the lack of information data regarding the current reporting period.</p>		Female	Male	Total	Nº of personnel who benefited from leave	208	0	208	Nº of Personnel who returned after leave	208	0	208	Return rate (%)	100%			Retention rate (%)*	-			<p>SR: 5.2 Human Capital – 5.2.1 Empowerment, Attraction and Retention of Human Capital</p>
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Nº of Personnel who returned after leave	208	0	208																			
Return rate (%)	100%																					
Retention rate (%)*	-																					
<p>Occupational Health and Safety</p>																						
<p>403-9</p>	<p><i>Occupational accidents</i></p> <p>With regard to the reporting year there were a total of 10 occupational accidents involving BFA personnel, all of them occurring while doing the home-work commute or vice-versa.</p> <table border="1" data-bbox="753 1103 1534 1471"> <thead> <tr> <th colspan="2">Number of accidents</th> </tr> </thead> <tbody> <tr> <td>Number of recorded occupational accidents</td> <td>8</td> </tr> <tr> <td>Number of occupational accidents with serious outcomes</td> <td>2</td> </tr> <tr> <td>Number of fatalities due to occupational accidents</td> <td>0</td> </tr> <tr> <td>Total number of hours laboured</td> <td>3571169</td> </tr> <tr> <td>Rate of recorded occupational accidents</td> <td>2,3</td> </tr> <tr> <td>Rate of occupational accidents with serious outcomes</td> <td>0,6</td> </tr> <tr> <td>Rate of fatalities due to occupational accidents</td> <td>0</td> </tr> </tbody> </table>	Number of accidents		Number of recorded occupational accidents	8	Number of occupational accidents with serious outcomes	2	Number of fatalities due to occupational accidents	0	Total number of hours laboured	3571169	Rate of recorded occupational accidents	2,3	Rate of occupational accidents with serious outcomes	0,6	Rate of fatalities due to occupational accidents	0	<p>SR: 5. Key Focus Areas; 5.2 Human Capital - 5.2.2 Team Members’ Well-being, Health and Safety</p>				
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<p>403-10</p>	<p><i>Work-related illnesses</i></p> <p>No cases of work-related illnesses among BFA personnel were recorded with regard to the reporting year.</p>	<p>SR: 5. Key Focus Areas; 5.2 Human Capital - 5.2.2 Team Members’ Well-being, Health and Safety</p>																				



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Training & Learning		
404-1	<i>Average hours of training per year, per team member</i>	
	An average of 39 hours of training per team member was recorded for the reporting year.	
	Training Hours	Média de horas de formação
	By gender	
	Female	39,8
	Male	38,4
	By functional category	
	Board	9,8
	Executive	57,3
	Management	49,6
	Back-Office	26,4
	Technical	44,6
Total	39	
Further information is available on the materiality chapter.		
SR: 5. Key Focus Areas; 5.2 Human Capital; 5.2.1 Empowerment, attraction and retention of human capital		



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404-3	<p><i>Percentage of team members receiving regular performance and career progress assessments</i></p> <p>Within the scope of personnel appraisals, among those who are eligible to receive regular performance assessments, BFA recorded a total of 89% of team members undergoing performance assessments during the reporting year.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th colspan="2">By gender</th> </tr> </thead> <tbody> <tr> <td>Female</td> <td style="text-align: right;">86%</td> </tr> <tr> <td>Male</td> <td style="text-align: right;">91%</td> </tr> <tr> <th colspan="2">By functional category</th> </tr> <tr> <td>Board</td> <td style="text-align: right;">100%</td> </tr> <tr> <td>Executive</td> <td style="text-align: right;">96%</td> </tr> <tr> <td>Management</td> <td style="text-align: right;">91%</td> </tr> <tr> <td>Back-Office</td> <td style="text-align: right;">88%</td> </tr> <tr> <td>Technical</td> <td style="text-align: right;">86%</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">89%</td> </tr> </tbody> </table>	By gender		Female	86%	Male	91%	By functional category		Board	100%	Executive	96%	Management	91%	Back-Office	88%	Technical	86%	Total	89%	<p>RS: 5. Key Focus Areas; 5.2 Human Capital; 5.2.1 Empowerment, attraction and retention of human capital</p>																																				
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405-1	<p><i>Workplace diversity within governance bodies and personnel</i></p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th></th> <th>Board</th> <th>Executive</th> <th>Management</th> <th>Technical</th> <th>Back-Office</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>By gender</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Female</td> <td style="text-align: right;">11%</td> <td style="text-align: right;">49%</td> <td style="text-align: right;">48%</td> <td style="text-align: right;">41%</td> <td style="text-align: right;">49%</td> <td style="text-align: right;">46%</td> </tr> <tr> <td>Male</td> <td style="text-align: right;">89%</td> <td style="text-align: right;">51%</td> <td style="text-align: right;">52%</td> <td style="text-align: right;">59%</td> <td style="text-align: right;">51%</td> <td style="text-align: right;">54%</td> </tr> <tr> <td>By age group</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Up to 30 years old</td> <td style="text-align: right;">0%</td> <td style="text-align: right;">0,4%</td> <td style="text-align: right;">1%</td> <td style="text-align: right;">8%</td> <td style="text-align: right;">8%</td> <td style="text-align: right;">6%</td> </tr> <tr> <td>Between the ages of 30 and 50</td> <td style="text-align: right;">67%</td> <td style="text-align: right;">82%</td> <td style="text-align: right;">95%</td> <td style="text-align: right;">91%</td> <td style="text-align: right;">89%</td> <td style="text-align: right;">90%</td> </tr> <tr> <td>Over 50 years old</td> <td style="text-align: right;">33%</td> <td style="text-align: right;">17%</td> <td style="text-align: right;">4%</td> <td style="text-align: right;">1%</td> <td style="text-align: right;">3%</td> <td style="text-align: right;">4%</td> </tr> </tbody> </table>		Board	Executive	Management	Technical	Back-Office	Total	By gender							Female	11%	49%	48%	41%	49%	46%	Male	89%	51%	52%	59%	51%	54%	By age group							Up to 30 years old	0%	0,4%	1%	8%	8%	6%	Between the ages of 30 and 50	67%	82%	95%	91%	89%	90%	Over 50 years old	33%	17%	4%	1%	3%	4%	<p>SR: 5. Key Focus Areas; 5.2 Human Capital; 5.2.3 Equality, diversity and inclusion</p>
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405-2	<p><i>Ratio between the entry-level wage and total compensation earned by both female and male team members</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Functional category</th> <th style="text-align: center;">Entry-level wage ratio</th> <th style="text-align: center;">Total compensation ratio</th> </tr> </thead> <tbody> <tr> <td>Board</td> <td style="text-align: center;">0,55</td> <td style="text-align: center;">1,16</td> </tr> <tr> <td>Executive</td> <td style="text-align: center;">1,03</td> <td style="text-align: center;">1,01</td> </tr> <tr> <td>Management</td> <td style="text-align: center;">1,02</td> <td style="text-align: center;">1,01</td> </tr> <tr> <td>Technical</td> <td style="text-align: center;">1,01</td> <td style="text-align: center;">1,00</td> </tr> <tr> <td>Back-Office</td> <td style="text-align: center;">1,06</td> <td style="text-align: center;">1,05</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">0,96</td> <td style="text-align: center;">0,96</td> </tr> </tbody> </table>	Functional category	Entry-level wage ratio	Total compensation ratio	Board	0,55	1,16	Executive	1,03	1,01	Management	1,02	1,01	Technical	1,01	1,00	Back-Office	1,06	1,05	Total	0,96	0,96	-
Functional category	Entry-level wage ratio	Total compensation ratio																					
Board	0,55	1,16																					
Executive	1,03	1,01																					
Management	1,02	1,01																					
Technical	1,01	1,00																					
Back-Office	1,06	1,05																					
Total	0,96	0,96																					
Marketing and Labelling																							
417-2	<p><i>Non-compliance incidents related to product and service information/labelling</i></p> <p>During the reporting period there were no incidents of this sort on record.</p>	-																					
417-3	<p><i>Non-compliance incidents related to marketing communications</i></p> <p>During the reporting period there were no incidents of this sort on record.</p>	-																					
Customer privacy																							
418-1	<p><i>Reasoned complaints regarding breach of privacy and loss of customer data</i></p> <p>BFA records and monitors all customer complaints submitted and received through the different communication channels in place. BFA reports on the total number of customer complaints received and acknowledged, which includes complaints about breaches of privacy and loss of customer data, although it is not possible to break down this particular figure and disclose it for the reporting year.</p>	SR: 5.3.1 Effective Corporate Governance Practices																					



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G4 SECTORAL SUPPLEMENT - FINANCIAL SERVICES		
FS7	<p><i>Monetary value of products and services tailor-made to offer a specific social benefit for each particular business area, according to their intended purpose.</i></p> <p>BFA's portfolio includes a number of products and services with a social nature during the reporting year, totalling AOA 9.4 million. Such figure equates to a total percentage of products and services with social benefits of 0.3% over BFA's portfolio total monetary volume.</p>	SR: 5.3. Sustainable Finance and ESG Risk Management - 5.3.3 Development of sustainable products with social and environmental value
FS8	<p><i>Monetary value of products and services tailor-made to offer a specific environmental benefit for each particular business area, according to their intended purpose.</i></p> <p>BFA currently has no procedures in place to identify products and services developed to offer environmental benefits. Hence, it is not possible to identify an associated figure for the reporting period. However, BFA is planning to start integrating mechanisms to enable such identification.</p>	-
FS14	<i>Initiatives to improve financial services access for low-income background individuals</i>	SR: 5.1 Financial Inclusion and Community Support – 5.1.1 Financial Inclusion and Literacy
FS16	<i>Initiatives to improve financial literacy according to the target audience (“Beneficiary category”)</i>	SR: 5.1 Financial Inclusion and Community Support – 5.1.1 Financial Inclusion and Literacy



6.2 Methodological Notes

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GRI 2 - Mandatory

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2-7 BFA's Team Members; **2-8** Outsourced staff who are not part of BFA's internal Team Members

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In order to categorise these indicators according to the GRI Standards, BFA considers the geographical area countrywide.

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GRI 200 - Economic

201-1 Direct economic value generated and distributed

Generated economic value under this heading comprises the Operating Income resulting from the Bank's business activity during the reporting year.

Economic value distributed: This heading comprises Overheads, Impairments, Provisions and Taxes related to the Bank's business activity during the reporting year.

Retained economic value: This heading represents the difference between the economic value generated and the economic value distributed.

204-1 Expenditure share on local suppliers

BFA considers a local supplier to be a supplier headquartered in the same country and/or jurisdiction where the Bank operates. The formula for calculating the share/proportion of expenditure on local suppliers breaks down as follows:

$$\text{Proportion} = \frac{\text{Total products and services sourced from local suppliers}}{\text{Total products and services sourced per total number of suppliers}}$$

GRI 300 - Environmental

302-1 Energy consumption within the organisation

BFA's formula for calculating total energy consumption comprises the following parameters:

Fossil fuel consumption used in BFA's facilities (diesel from generators);

Fossil fuel consumption in BFA's own vehicle fleet (assuming a fleet percentage of 70% petrol and 30% diesel);

Electricity consumption from the national grid.

The consumption data is estimated on the basis of the annual volume of expenditure (obtained from the system and expressed in the national currency kwanzas) and the latest invoices available for the reporting year, for each particular category of energy purchased.

The quantity data is reported in gigajoules (GJ), using the most up-to-date versions of the conversion factors published by the relevant authorities.

302-3 Energetic intensity

The energetic intensity was obtained from the ratio between energy consumption, which included all the energy sources identified and outlined in the GRI indicator 302-1, and the total number of BFA's personnel in 2022 (Total = 2,797).

303-3 Water abstraction by source

The figures provided are calculated on the basis of the annual volume of expenditure (obtained from the system and expressed in the national currency kwanzas) and the last invoices available for the reporting year.

305-1 e 305-2 Direct (Scope 1) and Indirect (Scope 2) Greenhouse Gas (GHG) Emissions

The tallying of direct and indirect emissions related to BFA's business activity during the 2022 reporting year takes into account the energy consumption listed in the GRI 302-1 indicator and the quantity of fluorinated gas leaks. To obtain the leakage data associated with the use of existing cooling equipment at BFA's facilities, it was taken into account a percentage of the total gases purchased for refilling the equipment (aimed at gas replacements and maintenance), due to the lack of control mechanisms in place in 2022 to obtain this data. For the forthcoming reporting periods, this methodology should be reassessed, based on a data collection system.

To calculate direct emissions (scope 1), the most up-to-date emission factors for each fuel source were selected and used, available in the Department for Environment, Food and Rural Affairs (Defra) database. To calculate emissions connected to fluorinated gases, BFA used the Global Warming Potential factors available in the AR5 Report from the Intergovernmental Panel on Climate Change (IPCC).

For calculating indirect electricity emissions (scope 2), BFA's commercial electricity supplier "ENDE" was selected, and used the (location-based) factor available in the Energy Profile Data by country from IRENA.



305-4 GHG Emissions Intensity

The GHG emissions intensity was calculated from the ratio between GHG emissions, including scope 1 and scope 2 (location-based), and the total number of BFA’s personnel in 2022 (Total = 2,797).

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GRI 400 – Social

401-1 New hires and direct team members replacements

The formulas used to calculate BFA’s turnover and new hire rates were as follows:

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$$\text{New hires rate} = \frac{\text{Total number of new hires}}{\text{Total number of personnel at the end of the reporting period}} \times 100$$

$$\text{Turnover rate} = \frac{\text{Total number of departures during the reporting period}}{\text{Total number of personnel at the end of the reporting period}} \times 100$$

The final results are broken down by age group and gender.

403-9 Occupational accidents

The formula used to calculate the occupational accident rate was as follows:

$$\text{Occupational accident rate} = \frac{\text{Number of recorded occupational accidents}}{\text{Total number of hours worked}} \times 100\,000\,000$$

404-1 Average training hours per year

The formulas used to calculate the average training hours per year were as follows:

$$\text{Average annual training hours} = \frac{\text{Total number of annual training hours}}{\text{Total number of personnel}}$$

$$\text{Average training hours (functional category)} = \frac{\text{Total number of training hours per functional category}}{\text{Total number of personnel per category}}$$

$$\text{Average training hours (by gender)} = \frac{\text{Total number of training hours by gender}}{\text{Total number of personnel by gender}}$$

405-2 Ratio between the basic wage and the total compensation received by both female and male personnel.

To calculate the basic wage and total compensation ratio, the personnel average basic salary by functional category is taken into account as well as the average total compensation - which adds benefits to the base salary - by job category. The formulas used to calculate the ratios were as follows:

$$\text{Basic salary ratio} = \frac{\text{Female personnel average basic wage in each functional category}}{\text{Male personnel average basic wage in each functional category}}$$

$$\text{Average compensation ratio} = \frac{\text{Female personnel average compensation in each functional category}}{\text{Male personnel average compensation in each functional category}}$$

The ratio was calculated by dividing the average basic wage of female personnel in each functional category by the average basic wage of male personnel within the relevant professional categories.



BFA