Commitment to Human Rights

//ABANCA

Appendix: Code of Ethics and Conduct

DECEMBER 2020
“ABANCA takes respect on human rights as a minimum standard of action. Our commitment is essential to forge a sustainable path of progress and continuous well-being, in addition to striving for a more dignified life for our stakeholders and the society of which we are all part.”
This commitment is the public statement of ABANCA’s responsibility to comply with the highest standards of respect and protection of human rights.

We base our commitment on the main international statements on human rights, especially: the Guiding Principles on Business and Human Rights of the United Nations, the rights included in the International Bill of Human Rights, the Ten Principles of the United Nations Global Compact, the Sustainable Development Goals (SDG) and the principles concerning fundamental rights established in the Declaration of the International Labor Organization.

All of the above complying with the law and applicable regulations in each of the countries in which ABANCA operates and the provisions of the fundamental conventions of the International Labor Organization. As well as the other internal documents aligned with said commitment and with the Principles of the Global Compact published in 2000, which ABANCA, as a member of its global network, incorporates in its activity and value chain:

To do this and applying the principles set out in the internal Code of Ethics and Conduct, as well as the experience acquired in these years, ABANCA undertakes to disseminate the commitments assumed internally and externally in its scope of action, and to maintain stable and permanent communication channels that allow any stakeholder to formally lodge complaints, doubts and suggestions. ABANCA will also encourage its stakeholders to apply standards of conduct and values similar to those established in this commitment.

For the preparation of this commitment, the external documents included in Appendix I have been taken into account.
SCOPE OF APPLICATION

This document, as stated in the Code of Ethics and Conduct in Articles 1 to 4, is applicable to the people who make up the governing bodies, management team and other employees of the bank, as well as to those people or entities involved in the provision of services by third parties to which, in the opinion and under the responsibility of the corresponding Contracting Committees, it is relevant to demand their adherence to it. All of them shall learn and comply with it.

ABANCA will promote that the subsidiaries and suppliers are governed by standards of conduct and values similar to those established in this commitment. When this is expressly established, the contracting of suppliers may be conditional on the commitment to comply with this document, depending on the nature of the activities they carry out and in all cases taking into account proportionality criteria.

BUSINESS PRINCIPLES AND COMMITMENTS

BASIC PRINCIPLES OF ACTION

1. The principles and values that govern the behavior of all employees, which are included in the ABANCA Code of Ethics and Conduct, will be the basis for promoting respect for and protection of human rights.

2. The company shall sensitize the staff in this matter.

3. The company shall have a management and due diligence process on human rights:
   
   • Situations will be identified in which appropriate measures must be taken to prevent, mitigate and assess potential impacts, including criminal ones, that may arise from the transactions and business activities carried out by the company.
   
   • The company shall have complaint and claim systems to deal with potential cases of human rights violations.
   
   • The company shall monitor and communicate externally the measures adopted as well as the progress made.

OUR COMMITMENTS

Below is the minimum number of commitments that ABANCA assumes to ensure support and respect for human rights in relation to the main stakeholders, which complement those included in the articles of the internal Code of Ethics and Conduct.
Our commitment to the staff
ABANCA is committed to ensuring respect and welfare of its employees, and their rights and opportunities.

- To respect the right to a decent job.
- To respect freedom of opinion and expression.
- To respect the right to rest and free time.
- To guarantee that there is no child labor or forced labor, in any of its forms, neither in its facilities, nor in those of the entities of its value chain.
- To guarantee the promotion of equality, diversity and inclusion.
- To guarantee the right to digital disconnection.
- To ensure that their salary, benefit plans and employment-related decisions are based on relevant and objective criteria.
- To guarantee the promotion of training and professional development.
- To guarantee the right to fair and favorable salary.
- To protect and ensure the responsible use of data and the right to privacy.

Our commitment to customers
ABANCA works with the highest standard of demand and this work is materialized in the following commitments, in line with what is established in article 56 and subsequent articles of the Code of Ethics and Conduct.

- To develop financial education and inclusion actions, so that customers have adequate knowledge of such matter, and especially for vulnerable groups, in accordance with the legal requirements.
- To anticipate and offer products, services and solutions that are appropriate to their circumstances and needs.
- Do not finance new transactions or projects related to companies in which the premeditated violation of human rights has been demonstrated and of which the company is aware.
- To respect compliance with sectoral policies.
- To guarantee access to financial information in a transparent, easy, clear and specific manner.
- To guarantee the protection of non-public information and documentation related to customers and respect the right to privacy.
- To guarantee non-discrimination regardless of customers’ gender, sexual orientation, nationality, ethnicity, religion, age or any other personal aspect.
Our commitment to shareholders and investors

ABANCA’s commitment to respect human rights with those related parties as partners or shareholders, with a significant stake, is in line with national and international legislation.

Our commitment to suppliers

The company maintains a close and transparent relationship with approved suppliers, always based on values such as reliability, expertise, quality certification, relationship and degree of supplier concentration.

It also requires that they have respect for human and labor rights and that they comply with current regulations, regardless of the jurisdiction or law that is applicable to them, and the following measures, among others:

- To learn, respect and comply with the Principles of the United Nations Global Compact.
- To learn of the ABANCA whistle-blower channel, which can be used by them, as well as of its object and how it operates, including the procedure and means for the submitting of the corresponding reports.
- In relation to their activity with the bank, suppliers shall learn and conform to the good practices and principles established in the Anti-Corruption Policy and in the Code of Ethics and Conduct.
- They shall comply with ethical, social and environmental standards.
- The company will require, if necessary, certain higher risk suppliers to establish other corrective measures or additional controls.

Our commitment to society

ABANCA has a management model that ensures a positive contribution to human rights and the socio-economic development of the locations where it operates. Through the sponsorship of Afundación Obra Social, and in accordance with the Sustainability Policy, programs that contribute to sustainable development in its field of action are promoted and supported.

These are some of the measures taken to achieve it:

- Dissemination of international principles and support for initiatives and programs that make a positive contribution to human rights and the United Nations Sustainable Development Goals.
- Collaboration with other institutions, international organizations and government agencies.
- Transparency when applying the principles of integrity and prudence and promoting responsible taxation, through transparency, compliance with tax obligations and analysis of the tax exposure of transactions.
- Fight against corruption in all its forms, in accordance with the principles of the Anticorruption Policy.
- To promote cybersecurity and data protection.
The measurement indicators and compliance with the protection of and respect for human rights are disclosed in the annual corporate and social responsibility report, in line with the provisions of Act 11/2018 on Non-Financial Information and Diversity, and in the Global Reporting Initiative Standards.

In order to resolve any conflict, doubt regarding the scope, application of the established obligations and possible impact on human rights, the affected persons can use the ABANCA’s external communication channels or the ABANCA Customer Service to be managed, as well as to make any question, suggestion and claim confidentially, as established in Article 48 of the Code of Ethics and Conduct.

Additionally, the company has an internal whistle-blower channel that can be used by the staff and/or its suppliers confidentially or anonymously, in accordance with the protocol established in the Whistle-blower Channel Regulations.

The Ethics Committee, once it verifies/reports the breaches or facts that the competent department in this matter has reported (audit, fraud prevention office, etc.), will analyze the possible responsibility of the employees involved, and will inform the Human Resources department in case disciplinary action needs to be taken.

ABANCA, in line with its commitment in this matter, will include in its training schemes regarding the Code of Ethics and Conduct, specific content in the field of human rights.

In order for all stakeholders to have access to the Commitment document and the Code of Ethics and Conduct, both are permanently available on the corporate website.

https://www.abancacorporacionbancaria.com/es/rsc/

The internal disclosure of the Commitment document shall be guaranteed as established in the Code of Ethics and Conduct, as well as the resolution of any conflict or doubt in relation to its interpretation.
Board of Directors
The holder of this Commitment is the Board of Directors of ABANCA Corporación Bancaria, S.A. Any subsequent substantial revision and modification shall be approved by the Board of Directors.
It is the responsibility of the entire ABANCA staff to materialize the commitments at the operational level.

Ethics Committee
The supervision and monitoring of the Commitment is carried out by the Ethics Committee, as established in the Code of Ethics and Conduct, and extends to the field of human rights.
The Ethics Committee shall submit this Commitment to the Board of Directors for its approval and any modifications deemed appropriate.

The Commitment to Human Rights was approved by the Board of Directors on December 18th, 2020.
To prepare the document of the Commitment, the following documents, among others, have been taken into account:


+ The applicable Collective Agreements.

+ The Declaration of the International Labor Organization on Fundamental Principles and Rights at Work and its eight core conventions.

+ The Tripartite Declaration of the International Labor Organization on Multinational Enterprises and Social Policy.

+ The Ten Principles of the United Nations Global Compact.


+ The Global Reporting Initiative (GRI).

+ The OECD Guidelines for Multinational Enterprises.


+ The United Nations Sustainable Development Goals (SDGs).

+ The Action Plan on financing the sustainable development of the European Commission and the regulations that develop it. Transparency, Taxonomy and Reference Indices.

+ Principles for Responsible Banking of UNEP FI.

+ Principles of Responsible Investment of UNEP FI.