

DONATIONS, SPONSORSHIPS AND PARTNERSHIPS STATEMENT

Policy

The Group engages in selected actions focusing on collaboration, quality and sustainability by donating both financially and in kind.

Corporate Affairs Division ensures transparency on Group's procedures and full internal documentation and monitoring of assets spent on donations, non-commercial sponsorships and partnerships. All external partners (NGO and Associations) as well as Bank Units which grant sponsorships must annually report donations amounts and impact through the non-financial annual report.

Through each partnership, the Group must complement its own skills, knowledge and resources with those of the partner to create benefit for both sides as well as synergies for the social good.

All conflicts of interest, actual or potential, will be disclosed as per the Conflicts of Interest Group Policy. All relevant measures/ actions must be taken to protect the reputation of the Groups.

The policy is in line with the group's Anti-Bribery & Corruption policy and therefore charitable Contributions and Sponsorships are not to be used as cover for bribery.

Purpose of the Policy on Donations, Sponsorships and Partnerships

The Bank's policy covers the Group's engagement with key partners, customers and other stakeholders which aim to create sustainable social impact and a real difference to the community through donations, sponsorships and partnerships.

This Policy is part of the Group's broader S& CSR Strategy. Through the Donations, Sponsorship, and Partnerships, the Bank supports associations, foundations and individuals. At the same time, the policy enables the rejection of applications not in line with the Group's S&CSR strategy.

The policy creates more transparency and helps to move from an ad hoc approach to a more pro-active and strategic approach.

Areas of Donations, Sponsorships & Partnerships

The Group in order to enhance its impact on society, implement its business model and honour its hundred-year-plus corporate culture, focuses its resources on actions specified in the S&CSR Strategy under the following pillars:

- **Health:** For over the last 20 years, the Group has been playing a major role in the "Fight Against Cancer", as a co-founder and long-time sponsor of the Cyprus Oncology Centre and a long-term supporter of the Cyprus Anticancer Society. Additionally, the Group partners with certified non-profit organizations that offer significant health assistance and services to fellow citizens.
- **Education:** The Group is placing emphasis on creativity, innovation and startups, and supports groups where pupils/students/young people are actively engaged in an organizational/leadership capacity. The Group places emphasis on technology, experimental projects, the applied sciences as well as culture through educational programmes, competitions, awards, through the activities of the Bank of Cyprus Cultural Foundation and the IDEA Innovation Centre. The Group also associates with sports federations' academies,

team academies and development programmes for children and youth, as well as exceptional new talents in sports.

- **Customer Relations:** In order to maintain customer relations, each Business Line, may satisfy various customers' requests, by supporting specific charities or other events and actions of their choice. All customer requests should be aligned with the terms of this Policy and the S&CSR Department must be informed accordingly.

Since March 2020, the Group also contributes to the society of Cyprus through the **SupportCY** initiative, a network of companies and NGOs, created by the Group, which aims to offer support to public services performing frontline duties during the COVID19 pandemic. The network expanded and is offering support to various actions which fall within the Donations, Sponsorships & Partnerships Policy.

Terms

As social responsibility is an integrated part of the Group's business model, community social engagement should be aligned within the Bank's corporate values and priorities while respecting the agreed budgets. In accordance with these policies, the terms for donations, sponsorships and partnerships within the Group, are as follows:

Donations & Sponsorships

- A donation or sponsorship should only proceed after considering a Partnership first which is the preferred mode of cooperation.
- The association applying for a donation or a sponsorship must be registered or based and operating, respectively, in Cyprus. Associations/foundations applying for sponsorship/donation must declare their registration number.
- Individuals can only be supported through the intermediation of an NGO or an Entity which can verify the needs and the authenticity of the demands. This will afford opportunities for collaborations and will allow for due diligence and background checks to be carried out by external partners better positioned to assume related risks. The Group's Confidentiality Agreement and a Data Processing Agreement need to be signed between the NGO and the Group to ensure applicant's personal data are protected.
- In order to comply with the General Data Protection Regulation any request for donations towards individuals must have the written or verbal (via the CSR phone line that is recorded) consent of the applicant allowing the Bank to examine and analyse their personal data (medical, financial status etc.).
- Each association/ individual (through the Partner NGO) is entitled to one sponsorship per year. Exceptions are possible provided specific reasons are given and approved by the relevant approving authority.
- Companies may also apply for sponsorship of an event or action they are organizing, if this falls within the Areas of Donations, Sponsorships & Partnerships Programme
- The Group reserves the right to reject an application and is obliged to give the reasons for doing so to the applicant
- The Group may bind the applicant to use/spend the sponsorship for a certain purpose and must ask the applicant to present a written commitment regarding the purpose of the expenditure through a signed agreement.
- The Group does not sponsor concerts, art exhibitions, books or CDs publications, unless these are linked directly to a scope within the Group's Sustainability & CSR Strategy. Small number of tickets for concerts, theatres, or other kind of performances can be bought and offered for draws amongst the staff (through internal portal), or to needy groups (through NGOs).
- The Group does not sponsor political parties, or any associations/organizations related directly, or indirectly, to one.

Partnerships

Either a partner or the Group, can request partnership in writing to the other party. If both parties agree, then a partnership agreement must be signed between the two partners to establish the commitment of each partner for

the establishment of mutually agreed goals and objectives and to enable the monitoring of the progress and effectiveness of the partnership. The partnership agreement must have exit clauses in place, covering cases where for instance a partner is at some stage found to be engaged in any form of illegal activities, or acts in any way contrary to the Group's policies (e.g. Engaging in bribery, money laundering) or in any case, cases whereby the Group for any reason judges that the partnership is no longer to its benefit.

Confidentiality and Non-Disclosure agreements must be signed where sensitive information of the Bank is involved.

Each partner must share mutual and equal relationship with the Group in terms of monitoring and reviewing the agreed partnership.

The partnership contribution can be either of financial, technical, human or material nature, expertise, knowledge or any other kind of resources.

Rules of conduct (e.g. good communication between partners, regular attendance of meetings, continuity of personnel, and regular transfer of information among the partners) should be adhered to by the partners.

Resources, knowledge, know-how and ideas are shared within the partnership.

Adequate financial and human resources are available for use by the Partnership.

Response

If an application has been approved or rejected, the applicant is informed by phone or in writing (i.e. via email).

Records (printed or electronic) are kept for both approved and rejected applications, as well as of the reasons for each approval or rejections and for the amount granted.

Definitions

- **Donations:** Financial assistance to duly registered or accredited independent non-governmental organizations (NGO's) and non-profitable associations, foundations and individuals (through partner NGO's), excluding political parties and associations related to them. The main target is the creation of close and lasting relations and the upgrading of the Group's role in the community.
- **Sponsorships:** Financial support for the completion of events and actions organized by associations, foundations and companies. The main target is the enhancement of the brand value of the Group the creation of business relationships and the upgrading of our role in the community.
- **Partnerships:** NGOs through which we deliver and handle our Donations and Sponsorship Programme. These partnerships are for mutual benefit and for the long-term