

ANNEXURES TO THE SUSTAINABILITY REPORT 2019

Dear Readers,

AfrAsia Bank Limited is pleased to launch its first GRI Content Index, which provides an overview of the sustainability-reported disclosures contained in the AfrAsia Bank Sustainability Report 2019 (SR) and the AfrAsia Bank Integrated Report 2019 (IR).

As a bank, one of our most important material topic is financial sustainability. Amidst the growing threat of climate change, Banks and other financial institutions have to make the effort to change the way they traditionally view their financing strategy. ESG (Environment, Social and Governance) criteria is increasingly being integrated as part and parcel of financial sustainability.

The year 2019 marks the beginning of a new era for AfrAsia with the launch of our first Green Product namely the Green Car Loan. Already working on greening of its operations and integrating sustainability in its strategy, the Bank is also looking into the development of additional Green Products.

Happy reading!

Sustainably Yours,

Mrs. Luvna Arnassalon-Seerungen

Head of Corporate Sustainability & CSR

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ANNEX 1 – GRI CONTENT INDEX

Content Disclosures

For the GRI-Referenced Service, GRI Services reviewed that the report clearly references all GRI Standards and disclosures used.



This material references disclosures from the GRI Standards which are included in the index below:

GRI Standard		Reporting by AfrAsia Bank Ltd		
Disclosures		Documents (IR = <u>Integrated Report 2019</u> and SR = <u>Sustainability Report 2019</u>) and page where it is reported by AfrAsia Bank Ltd	Additional /Supplementary Information	Linking with SDG and UNGC
		URL of document where applicable		
GRI 102 - General Disclosures 2016				
102-1	Name of the organization	IR pg 1, 109	AfrAsia Bank Limited	
102-2	Activities, brands, products and services	IR pg 15-16, 118-124		
102-3	Location of headquarters	IR pg 11	Port Louis, Mauritius	
102-4	Location of operations	IR pg 11	Mauritius HQ - Port Louis Branch - Ebene	
			South Africa Representative Office - Johannesburg	
102-5	Ownership and legal form	IR pg 12-13, 109		
102-6	Markets served	IR pg 15-16, 118-124		
	102-7	Scale of the organization (Partial Disclosure)	a.i. IR pg 10	402 employees
			a.ii. IR pg 15-16	HQ and Branch in Mauritius Representative office in South Africa
			a.iii. IR pg 10, 164	Net Operating Income = MUR 3.2bn
			a.iv. IR pg 10	Total Liabilities = MUR 132,157,094,000 Total Equity = MUR 7,700,538,000
	102-8	Information on employees and other workers (Partial Disclosure)	c. IR pg 77	Classified by types of contract only.
	102-12	External initiatives	IR pg 9	Participant of United Nations Global Compact

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	102-13	Membership of associations	IR pg 9	Member of GRI Community	
	102-14	Statement from senior decision-maker	IR pg 8-9	Chief Executive Officer's Message	
	102-16	Values, principles, standards and norms of behavior	Conduct and Ethics Policy Board of Directors Code of Ethics IR pg 60		SDG 16
	102-17	Mechanisms for advice and concerns about ethics	Corporate Integrity & Whistle Blowing Policy IR pg 63, SR pg 17	Available on our website	SDG 16
	102-18	Governance structure	a. Board of Directors Senior Management Team IR pg 28, 30-34, 39-45 b. SR pg 27	For b. Not at committee level but we have a sustainability champions committee comprised of representatives from all departments	
	102-19	Delegating authority (Not Reported)		Responsibility falls under the Head of department of the Corporate Sustainability and CSR	
	102-20	Executive-level responsibility for economic, environmental, and social topics (Not Reported)		Head of Corporate Sustainability & CSR reports directly to the CEO.	
	102-21	Consulting stakeholders on economic, environmental, and social topics	IR pg 65, 76 SR pg 6, 27	Materiality assessment was conducted in 2018. Materiality assessment is reported to board and via Integrated Report.	SDG 16
	102-22	Composition of the highest governance body and its committees	IR pg 35-45		SDG 5, 16
	102-23	Chair of the highest governance body	IR pg 36	Independent Non-Executive Chairman	SDG 16
	102-24	Nominating and selecting the highest governance body	IR pg 55-56		SDG 5, 16

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	102-25	Conflicts of interest (Partial Disclosure)	a. IR pg 60		SDG 16
	102-27	Collective knowledge of highest governance body	IR pg 56		SDG 4
	102-28	Evaluating the highest governance body's performance (Partial Disclosure)	a. IR pg 73	No Board appraisal exercise has been performed for the year under review due to recent changes in directors. The exercise will be launched once the new directors are more familiar with the Bank and its activities.	
	102-32	Highest governance body's role in sustainability reporting (Not Reported)	-	Integrated and Sustainability Reports are approved by the Board of Directors in September.	
	102-33	Communicating critical concerns	IR pg 63, SR pg17 Corporate Integrity & Whistle Blowing Policy		
	102-40	List of stakeholder groups	SR pg 27		
	102-42	Identifying and selecting stakeholders	SR pg 27		
	102-43	Approach to stakeholder engagement	SR pg 27 IR pg 71 – 72		
	102-44	Key topics and concerns raised (Partial Disclosure)	i. SR pg 6		
	102-45	Entities included in the consolidated financial statements	IR pg 169		
	102-46	Defining report content and topic Boundaries (Not Reported)		Report content was based on material issues as highlighted in materiality assessment	
	102-47	List of material topics	SR pg 7		
	102-49	Changes in reporting (Not reported)		No change	
	102-50	Reporting period	SR pg 3		

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	102-51	Date of most recent report	SR pg 3	Integrated Report 2018	
	102-52	Reporting cycle	SR pg 3		
	102-53	Contact point for questions regarding the report	SR pg 3	Head of Corporate Sustainability & CSR	
	102-55	GRI content index	This current document is the GRI Content Index.	GRI Content Index	
	102-56	External assurance (Partial Disclosure)	a. IR pg 155	Nothing to report by external auditors in regards to any material misstatement of other information which includes sustainability.	
GRI 201 Economic Performance 2016					
	201-1	Direct economic value generated and distributed (Partial Disclosure)	a. IR pg 164-269		SDG 2, 5, 7, 8, 9
	201-3	Defined benefit plan obligations and other retirement plans (Partial Disclosure)	a. IR pg 187, 196		
GRI 202 Market Presence 2016					
	202-2	Proportion of senior management hired from the local community	IR pg 37		SDG 8
GRI 203 Indirect Economic Impacts 2016					
	203-1	Infrastructure investments and services supported (Partial Disclosure)	a. SR pg 23 - 27	AfrAsia Foundation and AfrAsia School	SDG 2, 5, 7, 9, 11
GRI 205 Anti-corruption 2016					
	205-2	Communication and training about anti-corruption policies and procedures (Not Reported)		SR pg 17 Only the type of training provided about anti-corruption policies and procedures have been provided. No number or percentage of either staff or governance body members have been provided.	SDG 16

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GRI 302 Energy 2016					
	302-1	Energy consumption within the organization (Partial Disclosures)	e. SR pg 19		SDG 7, 8, 12, 13
	302-4	Reduction of energy consumption (Partial Disclosures)	b. SR pg 19,20		SDG 7, 8, 12, 13
GRI 306 Effluents and Waste 2016					
	306-2	Waste by type and disposal method (Partial Disclosure)	c.i. SR pg 20-21		SDG 3, 6, 12
GRI 308 Supplier Environmental Assessment 2016					
	308-2	Negative environmental impacts in the supply chain and actions taken (Not Reported)		No number or percentage of suppliers have been provided, However, an explanation of the sourcing policy has been provided in SR pg 21	
GRI 401 Employment 2016					
	401-1	New employee hires and employee turnover (Partial Disclosures)	a. SR pg9, 11 b. SR pg9, 11	Total by age and region not disclosed although information is available internally as not material in case of AfrAsia Bank.	SDG 5, 8
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR pg10, 12	Follows legal requirements	SDG 8
	401-3	Parental leave (Not Reported)		Parental leaves are part of legal requirements for Mauritius companies.	SDG 5, 8
GRI 403 Occupational Health and Safety 2018					
	403-1	Occupational health and safety management system (Partial Disclosures)	a.i. SR pg13	H&S committee implemented as part of legal requirements.	SDG 8

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	403-4	Worker participation, consultation, and communication on occupational health and safety (Partial Disclosures)		d.SR pg13	Health & Safety Committee is made up of management and employees representatives.	SDG 8
	403-5	Worker training on occupational health and safety		SR pg13	Employees are trained by the Health & Safety officer. Fire Drills are conducted regularly. First Aid training is dispensed to selected employees.	
	403-6	Promotion of worker health		SR pg13 SR pg25-26	Medical insurance is provided to all employees and fully paid by AfrAsia Bank.	
	403-9	Work-related injuries		SR pg13	Partially and reported on number of accidents at work only.	
GRI 404 Training and Education 2016						
	404-1	Average hours of training per year per employee (Partial Disclosures)		SR pg11		SDG 4, 5, 8
	404-2	Programs for upgrading employee skills and transition assistance programs		SR pg10 - 12		SDG 8
	404-3	Percentage of employees receiving regular performance and career development reviews		SR pg12		SDG 5, 8
GRI 405 Diversity and Equal Opportunity 2016						
	405-1	Diversity of governance bodies and employees		SR pg9 IR pg 37,77		SDG 5, 8

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GRI 406 Non-discrimination 2016					
	406-1	Incidents of discrimination and corrective actions taken (Partial Disclosures)	a. SR pg12 https://www.afrasiabank.com/media/3190/corporate-integrity-and-whistle-blowing-policy.pdf https://www.afrasiabank.com/media/3222/conduct-and-ethics-policy-staff.pdf	Total number of Grievances given which includes among others incident of discrimination and corrective actions taken.	SDG 5, 8, 16
GRI 408 Child Labor 2016					
	408-1	Operations and suppliers at significant risk for incidents of child labor (Partial Disclosures)	c. SR pg17	Part of exclusion list of the Bank, which ensures that AfrAsia Bank does not work with suppliers/partners involved with Child Labor.	UNGC SDG 8, 16
GRI 409 Forced or Compulsory Labor 2016					
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor (Partial Disclosures)	b. SR pg17	Part of exclusion list of the Bank, which ensures that AfrAsia Bank does not work with suppliers/partners involved in Forced Labor.	UNGC SDG 8
GRI 413 Local Communities 2016					
	413-1	Operations with local community engagement, impact assessments, and development programs (Partial Disclosures)	a. Iv. SR pg22-27	Mostly through AfrAsia Foundation	UNGC
GRI 415 Public Policy 2016					
	415-1	Political contributions	IR pg70		UNGC SDG 16

ANNEX 2 – INITIATIVES RELATED TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

SDG	Initiatives
Goal 1: No Poverty	Basic needs in terms of clothes/materials are provided to the AfrAsia Kids and their parents that allow them to live a decent life.
Goal 2: Zero Hunger	AfrAsia Kids are provided with 3 meals per day and parents are supported through collaboration with other NGOs if they are not able to afford food.
Goal 3: Good Health and Well-Being	<ol style="list-style-type: none"> 1. Movember to raise awareness of men's health issues; namely: Prostate cancer, Testicular cancer & Men's suicide. Since 2014, over MUR 3.0 million was raised and donated to the NGO Link to Life for the purchase of cancer screening equipment targeting the vulnerable and underprivileged. 2. Blood Donation to save lives. Since 2017, we welcomed more than 500 donors, employees as well as the public, and successfully collected over 400 pints of blood. 3. Collaboration with NGO "Link to Life" to organise 3 fun days for children fighting cancer, an opportunity for the employees to volunteer and understand how this disease affects the patient and his family.
Goal 4: Quality Education	<p>We run the AfrAsia School reinforcing our commitment to support the society in building thriving communities. The school welcomes:</p> <ul style="list-style-type: none"> - 44 AfrAsia Kids who are enrolled in the Early Childhood and After School Programme - 41 Families in the Parent Support Programme
Goal 5: Gender Equality	<p>AfrAsia celebrates diversity and takes pride in being an Equal Opportunity Employer Gender Profile: 50%-50%</p>
Goal 6: Clean Water and Sanitation	Free filtered water is offered to all beneficiaries of AfrAsia School. A shower has also been installed at the school for the kids and parents who do not have running water at their place.
Goal 8: Decent Work and Economic Growth	<p>Digital HR</p> <ul style="list-style-type: none"> - Adoption of HCM Oracle in 2018 to redefine employee experience and drive digital transformation, automation and risk minimization <p>Work/Life Balance</p> <ul style="list-style-type: none"> - Fitness/wellness programmes in the office and after hours

	<ul style="list-style-type: none"> - Special and sabbatical leaves to help employees explore their desire to undertake further education or to manage personal and family commitments
Goal 10: Reduced Inequalities	AfrAsia Bank embraces an inclusive and supportive culture. Selection, promotion and recognition of staffs are based on merit alone, regardless of who they are and where they come from.
Goal 11: Sustainable Cities and Communities	AfrAsia Bank's head office in Port Louis is a historic building dating back to 1879, which is listed as a National Heritage site. Regular maintenance is undertaken to safeguard and preserve this rich cultural heritage site.
Goal 12: Responsible Consumption and Production	<p>E-waste management</p> <ul style="list-style-type: none"> - Collaborate with BEM Recycling, a recycling company for E-waste in order to responsibly dispose of electronics no longer being used at the Bank - 286kg collected in 2018/19 <p>Paperless actions</p> <ul style="list-style-type: none"> - The Bank encourages all clients since 2016 to register to its Internet Banking platform, E-statements & E-advice at all levels which is free of cost, while charging for any paper work. - We have saved around MUR 4-6 million annually in environmental savings <p>Energy Consumption</p> <ul style="list-style-type: none"> - Average yearly consumption per employee: 1271 kWh – representing an annual decrease of 15%
Goal 16: Peace, Justice and Strong Institutions	Adherence with the latest Mauritian and International data protection frameworks so that our operations provide a high level of data security
Goal 17: Partnerships	<ul style="list-style-type: none"> - Pioneering the first AfrAsia Bank Sustainability Summit in Mauritius in Oct 2018 in collaboration with IBL Together and with the support of United Nations - Founding Member & Driver of the Global Compact Network for Mauritius since 2018 - 1st Bank in Mauritius to be a member of the GRI Community since April 2019 - Participate in the first Voluntary National Review (VNR) in July 2019 launched in New York

ANNEX 3 – ALIGNMENT TO THE UNITED NATIONS GLOBAL COMPACT PRINCIPLES

AFRASIA BANK

Human Rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	Conduct and Ethics Policy Sanctions Policy Non-Financial Benefits such as work from home introduced to promote work-life balance
Principle 2: make sure that they are not complicit in human rights abuses.	Conduct and Ethics Policy Procurement Framework - Supplier due diligence process Sanctions Policy
Labour	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Conduct and Ethics policy
Principle 4: the elimination of all forms of forced and compulsory labour;	Conduct and Ethics Policy Procurement Framework - Supplier due diligence process
Principle 5: the effective abolition of child labour; and	Conduct and Ethics Policy Procurement Framework - Supplier due diligence process
Principle 6: the elimination of discrimination in respect of employment and occupation.	Equality Policy Gender Equality in terms of recruitment, training and promotion Availability of Grievance mechanism
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	Initiatives related to energy reduction and waste management - Monitoring of electricity consumption - Recycling of E-waste
Principle 8: undertake initiatives to promote greater environmental responsibility; and	Sustainability champions trained on various issues including environmental management
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	Launch of the Green Car Loan on flyers made of seeded paper Working on Green Financial Mechanisms adapted to our clients
Anti-Corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Training programmes by Compliance Department Corporate Integrity and Whistle Blowing Policy