

Statement of Continued Support

From the General Manager of AccessBank Azerbaijan – Dr. Andrew Pospelovsky

AccessBank's mission is to provide financial services for Azerbaijan's micro and small businesses and low and middle income households. AccessBank focuses on micro and small business because this sector is vital for the development and diversification of Azerbaijan's economy, the creation of jobs and the elimination of poverty. In its nine and a half years of operations, AccessBank has provided financing to more than 180,000 micro and small businesses while also offering savings options and other products to those traditionally underserved by banks.

With this strong development mission and AccessBank's achievements to date, the goals of AccessBank are aligned with the Global Compact. As such, AccessBank became one of Azerbaijan's first signatories to the Global Compact at the end of 2008 and remains the only Bank in Azerbaijan committed to the Global Compact. Development of transparent and fair business practices is essential to Azerbaijan and we constantly strive to raise the standard for both our clients and our employees.

In 2011, AccessBank disbursed almost 80,000 loans to businesses while meeting the highest standards of transparency, responsibility and environmental protection. The provision of these loans, along with the savings and other products offered was supported by more than 1,300 highly motivated and fairly-compensated staff. Indeed, AccessBank was recognized by Mix Markets with "5 diamonds" (the maximum score for disclosure), was named the most transparent bank by Standard & Poor's Transparency and Disclosure Survey of Azerbaijan's Banks, led the market in disclosing interest rates to MFTransparency, and was the first institution in Azerbaijan to be independently audited for client protection by the SMART campaign. In 2011, AccessBank was named the "Best Bank in Azerbaijan" by Euromoney and Global Finance in their annual awards and "The Bank of the Year in Azerbaijan" by The Banker. In terms of environmental protection, AccessBank continues to meet stringent international standards in regards to acceptable clients and their practices. Our status as a top-tier employer was cemented in 2010 when we were named "The Best Microfinance Institution to Work for" by the independent Azerbaijan Microfinance Association.

With poverty reduction human rights are improved, labour standards improve, and countries focus on environmental preservation. As such, the mission and goals of AccessBank are aligned with the Global Compact. By supporting the Global Compact from a leading position in Azerbaijan's banking market, AccessBank displays its dedication to Azerbaijan's development on all fronts and offers an example for others to follow.

Actions Taken:

AccessBank aims to meet all of the principles outlined in the Global Compact. While some of these principles are not immediately applicable to the Bank's core business, we address them to the extent that we are able to do so.

AccessBank's dedication to Human Rights includes actions aimed at benefiting the underprivileged, including providing training and employment opportunities for the disabled and via the numerous corporate social responsibility projects undertaken by staff and the Bank to support orphanages, homes for the elderly and disabled, and provide business and leadership training for women and young girls.

AccessBank, sharing the Global Compact's commitment to labour protection, is committed to fair and equal opportunity recruitment, treatment, and promotion of staff, irrespective of gender, race, nationality or religion. This is set out within the staff and gender policies and within the Global Compact and includes a code of conduct providing guidance to staff on professional behaviour. AccessBank leads the sector with the provision of staff training and provides additional private health insurance as well as highly competitive remuneration. AccessBank now has more than 1,300 employees, the vast majority of whom were hired as inexperienced university graduates. AccessBank invests heavily into their training and development and management is now comprised almost entirely of "home grown" employees who began their careers in the bank as trainees. Further to the goals of the Global Compact, AccessBank has been taking proactive measures to encourage women to pursue careers in what are generally perceived in Azerbaijan as 'male' positions within the Bank. This includes the creation of a new loan officer position, with modified requirements to make it more accessible for women. Women now make up 37% of the total workforce of the Bank and 26% of the management and the bank has provided professional employment for 13 disabled staff. This success was recognized in 2010 by the Azerbaijan Microfinance Association when it awarded AccessBank as "The Best Microfinance Institute to Work for" in Azerbaijan. Additional focus is paid by AccessBank to environmental standards. A strict exclusion list provided by the shareholders forbids a range of environmentally harmful activities from being financed. As AccessBank shares the Global Compact's conviction that the best way to deal with environmental damage is to prevent it in the first place – the commitment to avoiding the financing of such projects is extremely important to the bank and its shareholders. The importance of this has been imparted on our staff through inclusion in trainings on the subject.

AccessBank considers transparency to be the primary tool to fight corruption and to that end has been recognized by numerous sources in 2011 and 2012. By meeting international corporate governance standards and going beyond normal disclosure, AccessBank has been able to demonstrate its commitment to transparency to all stakeholders. This has, in turn, led to better interest rates on borrowings and international recognition, setting an example for the market.

Systems:

The Audit Department provides an annual environmental report to stakeholders, with an assessment of the usage of AccessBank loans in regards to their potential environmental impact. The gender breakdown of staff is being reported on a quarterly basis to shareholders and the Supervisory Board of the bank. The bank also strives to be a leader in the provision of information regarding pricing of loans in Azerbaijan as done through the MFTransparency website and reaffirmed via a SMART Client Protection Assessment Audit and Report produced by the SMART Campaign for Client Protection.

Activities:

Relevant to Principle 6 of the Global Compact: AccessBank has implemented a Gender Policy and Plan, including the creation of a separate Loan Officer track for staff who may feel uncomfortable in the standard role. This path has made it easier for women to enter a non-traditional position, increasing the number of female staff working as Loan Officers.

Relevant to Principle 7: AccessBank does not finance businesses involved in a strict exclusion list, in agreement with the Global Compact's belief that the best measures to protect the environment are those that prevent damage in the first place.

Relevant to Principles 1 and 8: AccessBank has implemented a number of Corporate Social Responsibility projects focused on both awareness of environmental issues in Azerbaijan as well as to encourage volunteerism among staff and community members towards improving them.

Relevant to Principle 10: AccessBank takes a strong stand against corruption in forms affecting the bank.

Outcomes:

AccessBank's continued commitment to transparency has been recognized by numerous sources. AccessBank was awarded '5 Diamonds' for disclosure by the Microfinance Information Exchange (MIX). AccessBank was named as the most transparent bank in Azerbaijan by Standard & Poor's in their inaugural Transparency and Disclosure Survey of Banks in Azerbaijan. By reporting interest rates to MFTransparency, an online source, AccessBank has allowed their effective rates to be compared to local competitors and by international standards. Also during 2011, AccessBank reasserted their commitment to transparency and client protection by being the first institution to be audited by the SMART Campaign for Client Protection. The Bank has taken the results seriously and is in the process of producing more complete policies and procedures to further ensure the protection of clients.