

Statement of continued support

September 10th, 2022

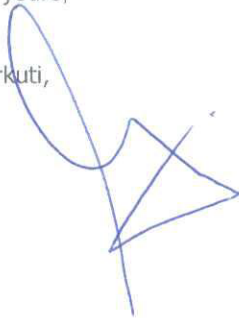
To our stakeholders,

I am pleased to confirm that Credins Bank reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Maltin Korkuti,
CEO



Communication on Progress Report for UN Global Compact – Sept. '21- Sept. '22

Sustainable development has now become a key criterion of Credins Bank's strategy to further grow and expand our financial activity. Our objective for a more social commitment in line with the UN objectives for sustainable development is related to our ongoing initiatives to support the community by offering financial products and services acceptable and accessible all over the country, providing access and flexibility in small financing and undertaking various and social initiatives so as to develop and strengthen the society to have a reliable progress.

Credins Bank is constantly working to allocate financial and human resources to achieve measurable objectives and make a concrete contribution. We aim to be leader in raising the awareness of all our stakeholders: customers, suppliers, staff, shareholders, managers, partners regarding the impact and contribution that each of us should have for social causes, giving our personal example first.

Being one of the two major banks and one of the largest corporations in the country, our goal is to have an extraordinary role in supporting the community, society, institutions, and the vulnerable groups to make progress towards sustainable development.

Immediately after the pandemic, Credins Bank launched the “Together” loan, a financing opportunity for the small local businesses to recover and move forward to overcome the difficulties created by the lockdown. Micro financing is an indicator of our support for small family businesses, which are the main pillar of employment and development in Albania. Micro financing was followed by Agro financing. The bank's specialized structures travelled throughout the country with the mobile bank in aid of rural areas, helping farmers who do not have access to banking channels. The Agro loan was designed to facilitate every farmer, providing access to financing to grow and develop. It is also in our focus and within the framework of SDG objective number 1 “fight against poverty”.

We have cooperated with our local and international partners on a regular basis to achieve our objectives, creating synergy to constantly support different groups. Our special focus throughout this year has been young people and their education. The number of young people in the banking system continues to be limited, so we have launched various activities to support young people towards financial education. Some of the initiatives are lectures with students at partner universities, support of technological activities, competitions and awards, career fairs and counseling at many private and state universities, internships, Youarecredins School, etc. These have been associated with attractive student packages, as an incentive for students to approach the bank. We have been committed to young people by investing in schools to improve the infrastructure of classrooms with computers or other equipment such as tables, chairs, etc.

To give more focus to our activity for carrying out various local causes, we were the first Albanian Bank to design and launched in May '21 the first crowdfunding platform in Albania called Smile, which operates in 7 areas such as: social welfare and solidarity, cultural heritage, innovative entrepreneurship, sports activities, education and training, environment, social entrepreneurship (www.smile.al). The first call for social projects was opened in May - October '21. There were selected 10 winning projects which were to be supported on the platform with contributions made by various individuals living in Albania and abroad. Our goal is to raise the awareness of our society and the entire business community to undertake causes for the common development.

This platform is part of the social initiatives of Credins Foundation designed to further support social development in the country. Credins Foundation has also been launching the Food bank initiative (previously initiated by Credins bank), distributing every month 30 food packages across the country to the families in need. More than 360 families have been supported throughout 2021. This initiative will continue in the future as well.

- **Relationship with employees**

By the end of 2021, Credins Bank had 1006 employees operating in 57 branches and agencies, being one of the main local employers. Our HR strategy under the slogan “the big Credins family” aims that each employee feels part of our corporation and every new employee is welcomed as part of this family. We consider employees as our most valuable asset. Therefore, the main challenges of HR is to find ways to motivate, retain and develop them. Credins Bank invests on a regular basis to professionally grow and develop its employees by organizing various trainings. It is nowadays, one of the leading corporations in the country regarding trainings in the banking industry. During '21, were carried out 7,244 days of training, 898 employees were trained with at least 1 training, and 84 different training topics were provided. The budget spent for staff training and development is approximately EUR 120k.

For several years now and throughout 2021, Credins bank has been launching the “**you areCredins**” school, thanks to which talented young people are selected, who, after online application, interview and selection, are trained theoretically and practically for 3-6 months by local and foreign experts. Afterwards, they are selected to join our organization. Over 30 young people were selected through this program throughout 2021.

In 2021, Credins bank participated in more than 5 career fairs where our specialized human resources staff provided career counseling to young people, by giving information about the bank and their career in the banking industry. The fairs were organized in the Universities of Tirana and of other regions such as, in Vlora, Shkoder, Durres, etc. The bank has entered into cooperation agreements for students’ internships and their employment. These agreements have been entered into with the Ministry of State for Youth and Children as well as with several Universities such as the Faculty of Economics, UET, Beder University, and “Aleksander Moisiu” University. We supported young professionals and offered 52 students the opportunity to conduct their internships. About 10 employees of the bank have given open lectures for students of various Universities on topics such as Digitization and IT, Ethics in Business, Communication and Sales, Corporate Organization, Banking Risk Management, Credit Risk, Digital Marketing, etc.

HR launched the ambitious LMS (management learning system) project, another innovation for the bank, which was designed following the pandemic situation, to provide space and opportunity to the existing and new employees who join our organization to choose certain online training modules, to interact, comment, and develop professionally from any place, device and at any time. The idea for this project started in 2021, and was successfully launched in June '22. It used for the constant professional growth of each employee.

Some of the main trainings organized by Credins Bank or in cooperation with its partners are mentioned in brief below:

Investment in trainings and continuous development of staff is an integral part of the Bank's Management policies. The training architecture at Credins Bank comprises technical trainings on banking, development and managerial trainings divided respectively into:

Training of new employees.

- ✚ New employees who join the Credins family attend the orientation course, where they are trained by the Bank's internal trainers regarding the culture, values, communication, procedures, policies and internal rules of the bank.

Training and development of existing staff

- ✚ Training on management and leadership skills for managing staff as well as development of skills for staff such as sales skills, conflict management, presentation, problem solving.
- ✚ Online trainings and certifications mainly in cooperation with AAB and ATTF Luxembourg.
- ✚ Participation in various conferences and forums inside and outside the country.

The employee performance evaluation is based on a transparent system, with measurable KPIs. This process is also used to assess the needs for training, development, promotion, identification of talents or development of managers. For the first time, the bank applied the “360 degrees” evaluation for the managers of the branch network, which identified also the main points to enhance and further develop their managerial skills.

Credins Bank believes that gender equality is important and has currently 754 female employees (75%) and 99 of them have management positions (67%) (99 women out of 147 managers).

Furthermore, work-life balance is considered an important factor for work performance, stimulating policies that ensure the best possible conditions for employees, starting with the pension package, investment funds, annual checkup, life in savings, preferential rates for banking services, etc. In November 2021, Credins bank inaugurated a sculpture in the bank's Head Offices dedicated to the contribution of women to the bank. The sculpture is entitled “Flower girl” and is realized by the well-known Albanian sculptor Muntaz Dhrami.

Occupational health & safety is also very important. As a result, Credins Bank has redesigned the majority of the bank's branches, providing very comfortable and contemporary conditions for the staff and customers starting from the lighting, furniture, etc. and it has also observed the efficient power high standards in selecting our partners. In December 2021, specific trainings were organized with all employees “On providing first aid and safety at the workplace”.

Also, we also want to point out the launch of our “**Credins events**” application, through which the bank staff can be informed in real time about:

- ✓ The latest news,
- ✓ Launch of campaigns,

- ✓ CSR activities
- ✓ Staff games & Competitions, etc.

This application is simple, informative and an attractive way to connect us more with each other based on the current technological trends. It can be accessed from any phone and at all times.

The various activities carried out by the bank's staff are also to be evaluated. These activities are as follows:

- ✓ Various retreats, where the staff is trained and at the same time performs entertainment/socialization activities.
- ✓ Tourist trips inside and outside the country. The bank organizes 2-3 day trips as a team.
- ✓ Organization of events during the end of the year holidays, Women's Day, Children's Day, etc.
- ✓ The end-of-year lottery offers to over 100 employees, coupons for various purchases, IPAD, PC, Smartphone, etc.
- ✓ Employees participate in other bank activities such as Credins Fun Zone, Marathon, Tree Planting as well as the Blood Donation Initiative in cooperation with the Albanian Red Cross, which has been carried out for 4 years.
- ✓ Offering holiday packages to staff and their families in various local resorts.
- ✓ Awarding certificates of appreciation as well as recognition medallions to the retiring staff.
- ✓ Offering tickets to attend concerts or other activities sponsored by the bank.
- ✓ Concert dedicated to March 8, the International Women's Day.

The bank has sponsored establishment of two Football and Volleyball teams, composed of about 45 employees who participate in various sports competitions and conduct regular training.

▪ **Relations with clients**

Clients are and will always be the focus of everything we say and do. Since the first day when the bank was established, under the slogan "we speak your language", we confirmed our main objective to build a satisfactory and long-term relationship with each client of the bank and to offer to them the best possible service.

The current structure of the bank was designed by adapting it to the customer segments and was tailored to their needs. The business team is designed for the two main groups: individuals and businesses and each of them has the relevant divisions. The bank's staff are specialized to offer an overall service and to be a "single contact point" for every client. This project was successfully finalized in 2022 after it was initiated as a pilot project in 2021. Its objective was to provide personalized service to everyone, not only in terms of human communication (face to face) but digital communication as well. The service was also targeted with product offers as per their needs. Some of the innovations was creation of business packages, payroll packages, student packages, etc.

Investments in technology in line with developments throughout the world continued to be in our focus. Our Credins online application, under the slogan "bank in your hand", was the focus of our marketing campaigns to address customers towards digital channels. In 2021 there were 51% more new users than in 2020, transactions increased by 21% and payments by 61%

The bank focused on educating and making aware the customers to interact online, stimulating them throughout 2021 with preferential commissions (almost 50% cheaper than in bank branches), or many of the services were offered without commission. The application was developed with new functions adapting it to the pandemic, such as opening accounts online or applying online for many banking services such as loans, deposits, cards, etc.

It is worth pointing out the establishment of a dedicated “call center” structure at the service of clients, as well as expansion of communication channels by e-mail, telephone, what’s app, the bank's social networks, etc. Management of complaints and their correct and timely examination are also in our focus. They are handled through the relevant structures to give strength to the voice of any customer, which helps us to constantly improve.

In December '21, Credins Bank conducted a survey with clients to increase their commitment regarding products and service quality. Over 17,000 customers were asked and 90% of those who responded had positive feedback for the service offered in the bank branches, 30% prefer to operate online. However, 70% of the clients still prefer direct contact with our branches. And over 80% of clients were willing to refer Credins bank to others.

The bank's website has been designed and optimized to be a point of contact for every client to get information, apply online and file their complaints.

The marketing campaigns throughout '21 in digital channels have generated a significant number of online applications for banking products and services, followed by the branch network to be successfully finalized. Our objective is to offer our services 24/7 to clients wherever they are. The Smart branch, inaugurated in August '20, was the first branch model that welcomes clients to be informed and trained on how to use the bank independently. This project will be extended to other branches, as well. Our focus is also the financial education of the new generation and clients of Credins bank to access the bank, and to make them independent to take advantage of the opportunities offered by banks for online banking. One of the priorities of Credins bank is digital transformation in line with technological developments throughout the world. The focus of managers and shareholders shall be continuous investments in automation, optimization of processes, development and innovation.

- **Contribution to the community**

Corporate responsibility is the focus of each activity in line with the 17 objectives of the UN. Credins Bank has published these initiatives on the bank's official website (<https://bankacredins.com/kush-jemi/pergjegjiesia-sociale>) as well as on the bank's social networks in order to enhance the transparency of the initiatives undertaken and supported by providing a new business model to be followed by other corporations.

Credins bank undertook in 2021 over 70 initiatives to support the 17 Sustainable Development Goals. Our goal is to give our ongoing contribution to the community, as well as to raise the awareness of our staff,

employees, clients, and partners to evaluate individual and collective initiatives that support constant development.

Some of the most important activities organized in 2021 and which are worth to be mentioned, are as follows:

GOAL 2: Zero Hunger

End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

- ✓ **Food Bank:** started as an initiative in January '21. We were close to the families in need throughout Albania, every month, by supporting them with food items. Over 350 families in need were helped in the cities of: Tirana, Vlora, Lezha, Kavaja, Pogradec, Shkoder, Vora, etc. These initiatives are also organized in partnership with local institutions and the Red Cross.
- ✓ 2 children of “SOS Village” were sponsored to help them in education, well-being and social activation.
- ✓ **Agro Fairs: “Albania plows the land” and the Watermelon and Melon Fair:** Credins participated in these two large Agro fairs where Albanian products of farmers from all over the country were promoted. Credins Bank in cooperation with agribusiness supports local producers for local products by offering Agro financing with favorable conditions as well as financial advice.

GOAL 3: Good health and well-being

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

- ✓ **Blood donation:** Our colleagues at Credins Bank, for the third year in a row, donated blood in cooperation with the Albanian Red Cross. The blood was donated during business hours, in the bank’s premises adapted specifically for this purpose. The number of employees willing to donate blood has been increased over the years and more than 50 employees joined the initiative this year. The blood donated was mainly used for people suffering from Thalassemia.
- ✓ **Toys for children suffering from autism:** For several years now, Credins bank has contributed by giving various gifts to children suffering from autism.
- ✓ **“RedLipstick” Event:** 12 women who have fought and faced the breast cancer have become part of a special calendar by putting on make-up and taking photos in happy moments.
- ✓ **Publication of the book “Growing up healthy” of the Albanian Federation of School Sports:** contributing to the well-being and health of children. This book teaches children more about their well-being. Our staff was also present when the books were distributed in various educational institutions.

GOAL 4: Quality education

Ensure inclusive and equitable quality education and promote lifelong learning.

- ✓ **Donation of 150 Books, 25 computers, 2 violins and many other equipment:** The donations were made on the occasion of June 1 and also throughout the year to schools and kindergartens. The aim

of this initiative is to provide conditions for a better education of the future generation in several cities such as Pogradec, Burrel, Tirana, etc. Books were also donated to the library of the city of Berat. As a result, the children of this city shall have more access to reading.

- ✓ **Volunteer Mentoring & Sponsorship of “Tirana Incubator”:** an innovative program which brought together students from several universities in Tirana. They give their innovative ideas for startups in many fields and industries. This program was organized in cooperation with international partners such as "EU for Innovation", "Preneurz Amsterdam" and "GIZ ". In addition, at the premises of Credins bank Head Offices, the bank’s staff gave lectures to these young people regarding the techniques of strengthening relations with customers. In the end, as a member of the jury, we supported for their business ideas the start-up that was ranked in the second place.
- ✓ **“Leader for one day”:** This is the fifth year in a row that Credins bank continues to support students selected from different schools and cities to visit for one day and to have a unique experience at our bank. They take the advantage to be trained by the bank’s managers on various aspects of the leadership. Credins Bank participated in the ceremony of JA, which other stakeholders were the Ministry of Education and Sports, the Ministry of Labor, etc.
- ✓ **Money week:** In March '21, Credins bank supported the awareness campaign for educating young people to access the banking system. This campaign was organized by the Central Bank, the Albanian Association of Banks and the Ministry of Education. Credins Bank evaluated and supported one of the winning projects of the participating students.

GOAL 8: Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

- ✓ **Sponsorship of “Tirana Economic Forum”:** A high-level meeting to address the pressing challenges facing Albania and the world. Credins Bank is one of the supporters of this Forum as we believe that the banking system is one of the industries with a big impact in supporting local and regional businesses and one of the main actors for developing the country's economy.
- ✓ **Job Fair:** In 2021, Credins Bank participated in over 5 job fairs. The specialized staff of HR Department was close to students, collecting their CV and applications for various job positions, but they also gave advices for their future careers. Also, many students were offered the opportunity to perform their internship at our bank.

GOAL 9: Industry, innovation and infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

- ✓ **Donation of equipment:** Credins bank has supported more than 30 state institutions such as Health Centers, Municipalities and Mini-City Halls, Community Centers and Red Cross in different regions to improve their working conditions in order to provide better premises for their employees and the best possible service to customers. In 2021, were donated computer equipment, office equipment, cabinets, tables, chairs, medical equipment, air conditioners, etc., which amounted to approximately EUR 250k.
- ✓ **Sponsorship for children with limited incomes:** Credins bank supported with scholarships 370 students, aged 12-18 years, in the amount of EUR 80k. These student came from families with limited

income. These talented children who have a passion for art and technology, has been offered a fantastic opportunity and unique experience to attend the various programs offered at the most modern center in Tirana, at TUMO. Programming, 3D-modeling, robotics, design, music, are some of the most special courses conducted by excellent mentors. In addition, this is a center with outstanding creativity, giving them the opportunity to further develop their passions and skills for the future.

- ✓ **Rehabilitation of the Shkoze Community Center:** we donated equipment to furnish the canteen, to provide more comfort and a warm environment to the people in need of this center. Our support amounted to EUR 7,000.
- ✓ **Partner and sponsor of "INVEST Summit 2021":** This is the second year in a row that Credins bank was the main sponsor of this activity. It has supported startups, investors, corporations, managers and partners, bringing together over 35 investors who shared their inspiring stories. 10 innovative ideas were also presented to angel investors. The latest corporate innovations were presented in this event, which was also a meeting place between startups and investors to establish a global innovation and digitization community.

GOAL 12: Responsible consumption and production

Ensure sustainable consumption and production patterns.

- ✓ Production of marketing materials with recyclable paper has been standardized for 3 years now.
- ✓ Reducing the production of print materials by switching to digital such as: the bank's annual report, other marketing materials such as leaflets, posters and brochures, etc.
- ✓ Selection of bank suppliers that offer equipment and materials for reconstructing branches with energy efficiency standards. All bank branches have LED lighting. The devices are inverters and save energy. The bank's technical engineering staff is certified for the efficiency of the equipment and products selected by the Bank.

GOAL 13 – Climate action

Take urgent action to combat climate change and its impacts.

- ✓ **Bicycle parking stations near the bank's branches:** we have built over 19 bicycle parking stations near the main branches of Credins bank in Tirana and other cities. This is an interesting initiative to reduce environmental pollution, and a good opportunity for the bank's staff and clients for a healthier lifestyle. Bicycle parking stations have been built in 2 other places (near the hospital centers).
- ✓ **Tree planting:** In 2021, Credins Bank continued to plant more than 100 trees to increase the green spaces in Tirana, Kamez and Fier. These initiatives were also coordinated with local municipalities. The bank's staff volunteered in some of these initiatives by planting trees.

GOAL 17: Partnership for the Goals

Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.

Credins Bank collaborated in 2021 with civil society organizations and various partner organizations to coordinate resources, experience to implement joint projects for achieving sustainable development goals. Some of the main projects are given below:

- ✓ **Green business competition:** in cooperation with Partners Albania for Change and Development. The purpose of this competition is to present innovative and green ideas for developing a sustainable and competitive environment in the market, promoting also employment in Albania and current technologies by establishing start-ups.
- ✓ **The International Conference “Shaping the future”:** Digital Economy and recent technology trends”, organized by the Canadian Institute of Technology. The discussions pointed out the great importance of technology and measures to be taken by developing countries to improve digital infrastructure, reduce costs and increase quality.
- ✓ **“Donating Rings '21”:** organized by Partners Albania for Change and Development with the objective of providing philanthropy in Albania to support social causes. Within the framework of corporate responsibility policies, Credins Bank participated in this event, supporting the initiative presented: Construction of a playground in the “Lana Bregas” community, which can be used by more than 100 children of this area. This project is within the strategy to support the community for sustainable development and improvement.

Culture, Art and Sport

Credins bank has been always associated with art, tradition, culture, sport and heritage, and it has constantly supported the main activities in order to contribute to the Goal 4 and 11. Promoting culture represents a source of identity, innovation and creativity for the individual and community; and is an important factor in building social inclusion and eradicating poverty, providing for economic growth and ownership of development processes.”

It has been close to artists by sponsoring over 20 various activities. It has also given its contribution in constant development. The most important activities are:

- ✓ **Transformation of Credins bank Head Offices into a painting exhibition:** Different Albanian artists have exhibited their works, every month, in the premises of the bank’s Head Offices. Under the slogan “Credins supports art”, we have given the talented painters the opportunity to advertise their works of art, but at the same time we have created an amazing atmosphere for our clients to enjoy the beautiful art of painting, as well as have provided a pleasant environment to our employees. During 2021, at the premises of the bank’s Head Offices were opened 6 exhibitions.
- ✓ Sponsorship of various concerts organized by well-known Albanian artists such as:
 - a) **Nona - Festival of Albanian Grandmothers:** in Përmet. Good music from talented artists as well as food and crafts made with love by our grandmothers.
 - b) **AG Show** of the singer Aurela Gaçe. Fantastic emotions and performance on a super stage.
 - c) **MIK Festival:** For 4 days and nights in Korça & Prespa, the people experienced unforgettable emotions as well as they were given the opportunity to listen to the wonderful music of talented local and foreign singers. The impressive activities which can be experienced only thanks to the music were closed with a special concert by Olen Çezari & Band. We are happy to contribute to such events that promote art, artists and our cultural heritage.

- d) **Albania-Israel Cultural Festival:** was organized on September 12-21, 2021 in Tirana. The festival brought unique events and performances in the fields of classical and traditional music, visual arts, cinematography, photography, literature and costume design, with the participation of Albanian artists in the diaspora..
 - e) **Glykeria in Tirana:** The icon of Greek music organized a fantastic concert on September 15 at the Tirana Amphitheater at 20:00. Once again, we were happy to promote unforgettable activities to support art, which give us pleasure and special and extraordinary emotions!
 - f) **Këngë Moj Marathon:** The concert “Këngë Moj Marathon” is organized with the voices of the most prominent artists and the most beautiful hits of this summer. After Vlora, the journey continues to Durrës.
 - g) **Christmas Festival in Tirana:** Credins bank supported "Christmas in Tirana", a special festival that promoted Albanian music over the years, as well as an interesting event at the end of the year.
 - h) **Pop Art Festival:** Credins bank always supports art and artists. We supported an unforgettable event where Arilena Ara performed her newest album live at Skënderbej Square.
- ✓ **Sports activities supported by Credins bank:**
- a) **Partizani Volleyball Association:** to cover the expenses of sports uniforms for the team players and other expenses during the championship.
 - b) **Albanian Open Edition 22:** Credins Bank has supported for many years now the Albanian Aeronautics in the paragliding activity of the Albania Open. A very good opportunity to promote both this special sport, and tourism in Albania. Credins Bank always supports activities and promotes the values of our country.
 - c) **Climbing Activity:** Credins bank sponsored and the bank's staff participated in the “Albania Climbing Festival” to perform a sports activity in the Valbona Valley.
 - d) **Handball matches:** Credins bank supported the Albanian Sports Federation (ASF) in the handball match activity among youth teams.