

BANKA KOMBETARE TREGTARE

CORPORATE SOCIAL RESPONSIBILITY POLICY

Purpose of the policy

This Corporate Social Responsibility Policy, prepared in accordance with the Law “On Sponsorships”, as amended and with the Law “On Entrepreneurs and Commercial Companies” as amended, and other relevant Albanian legislation, UN Global Compact Ten Principles, ethical values, international norms and best practices in social responsibility field, aims at providing a framework for the Bank’s actions towards social responsibility in order to create a positive impact on the environment, community, clients, BKT employees and other stakeholders.

BKT gives special attention to the development and emancipation of the Albanian society. The Bank has an excessive engagement in sectors related to governance, employment, environment and society.

General Principles

BKT’s Corporate Social Responsibility Policy:

- ❖ is in full compliance with the provisions of the Law “On Sponsorships” as amended, Law “On Entrepreneurs and Commercial Companies” as amended and other relevant Albanian legislation;
- ❖ takes into consideration the UN Global Compact Ten Principles and the best corporate governance practices;
- ❖ aims at providing a clear framework for all the actions of the Bank in the field of corporate social responsibility.

Social Responsibility Pillars

The Bank engages actively and responsibly in the sectors of:

✓ Governance

Our sense of responsibility toward all stakeholders shapes both our thoughts and our actions. Our Bank’s management and staff take into consideration ethical, social and environmental aspects in every process of the Bank’s core activities and we are committed to creating a culture that makes stakeholders’ relations an integral part of the short and long term operations and performance of the managerial system. In our daily operations, in addition to providing employment and economic wealth, we also contribute with supplementary benefits such as transfer of know-how, knowledge and outstanding corporate values.

✓ **Employment**

- **Social Commitment**

As a corporate citizen as well as in our day-to-day business activities, our Human Resources policies take into consideration and focus on such aspects as equal employment opportunity, respect of Human Rights, work–life balance, employability of our new generation and answers to the challenges of demographic change.

- **Education**

The Bank engages in projects that aim at increasing the level of education and study by improving studying conditions in schools and universities, providing scholarships, internships, collaborating in partnership with educational institutions for the establishment of different education programs and other relevant activities.

✓ **Environment**

The Bank operates as an eco-friendly business that, apart from all its actions that are in full compliance with best practices in the environment protection and preservation, also sponsors and supports projects that aim at raising awareness of the importance of the environment in the everyday life and projects that make a positive difference towards the improvement of environmental conditions.

✓ **Society**

- **Humanitarian Aid**

BKT is very sensitive in providing aid to the segments of society that are subject to natural disasters such as floods, fires, hunger etc., as well as certain segments that may be subject to violation of human rights.

- **Public Sector Institution Building**

BKT supports by donations, sponsorships, training and other relevant methods the institution building of the public sector with the aim at improving their level of operation and enhancing their capacities.

Implementation of the Policy

Corporate Communication Department is in charge of the implementation of this Policy and preparation of necessary procedures in full accordance with other manuals and procedures of the Bank. Sponsorship, donation and other social responsibility project requests will be handled by Corporate Communication Department and,

after their approval in the authorized level, will be implemented.

Enforcement and Amendments

The Board of Directors is authorized and responsible to follow-up, monitor and to update the Corporate Social Responsibility Policy. The Board of Directors is authorized to make amendments in the text of this Policy and all such amendments will be made public and published in the corporate web site within 10 days after the date of amendment.

ANNEX

The Ten Principles of UN Global Compact

The UN Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption enjoy universal consensus and are derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption:

Human Rights

- **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
- **Principle 2:** make sure that they are not complicit in human rights abuses.

Labour

- **Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- **Principle 4:** the elimination of all forms of forced and compulsory labour;
- **Principle 5:** the effective abolition of child labour; and
- **Principle 6:** the elimination of discrimination in respect of employment and occupation.

Environment

- **Principle 7:** Businesses should support a precautionary approach to environmental challenges;
- **Principle 8:** undertake initiatives to promote greater environmental responsibility; and
- **Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- **Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.