

Tirana Bank ESG Risk Appetite Statement

Tirana Bank recognizes that environmental, social and governance (ESG) factors can have a significant impact on the long-term sustainability of the Bank, its customers, shareholders, employees and the communities in which it operates. The Bank is committed to integrating ESG considerations into its business activities and risk management practices in a manner proportionate to its size, complexity and strategic objectives.

Environmental Commitment

- Tirana Bank acknowledges its environmental impact and supports the transition to a low-carbon and more sustainable economy.
- The Bank maintains a low-risk appetite for activities with significant adverse environmental impacts, including thermal coal mining and coal-fired power generation.
- For sectors with elevated environmental risks, such as mining, oil and gas, and heavy industry, the Bank applies enhanced environmental and social due diligence requirements in line with recognized international standards and practices.
- Tirana Bank seeks to promote responsible resource use and continuously improve its own operational efficiency through measures such as energy conservation, waste reduction and reduced paper consumption.
- The Bank adopts a cautious approach toward sectors and activities exposed to significant climate transition risks and supports clients that demonstrate credible and time-bound transition plans.
- Tirana Bank has limited risk tolerance for financing activities located in areas highly vulnerable to climate-related risks unless adequate mitigation and resilience measures are in place.

Social Commitment

- Tirana Bank has zero tolerance for violations of fundamental human rights, including forced labor, child labor, human trafficking and other forms of exploitation.
- The Bank is committed to maintaining a diverse, equitable and inclusive workplace, promoting equal opportunities and gender balance across its operations.
- Tirana Bank aims to conduct business responsibly and considers social impacts when establishing and maintaining business relationships.

Governance Commitment

- Tirana Bank maintains zero tolerance for bribery, corruption, fraud, money laundering and other unethical or illegal activities.
- The Bank is committed to maintaining effective compliance, risk management and internal control frameworks that support sound governance practices.
- The Board of Directors and Senior Management are expected to progressively integrate ESG considerations into strategic decision-making and oversight processes.

- Tirana Bank is committed to transparent communication and periodic disclosure of its ESG-related objectives, progress and challenges.
- The Bank recognizes the importance of ESG performance to its reputation and maintains a low appetite for activities that may adversely affect stakeholder trust or public confidence.
- Tirana Bank maintains zero tolerance for data breaches and is committed to complying with all applicable data protection and information security requirements.

Continuous Improvement

Tirana Bank recognizes that ESG practices, regulatory expectations and stakeholder needs continue to evolve. Accordingly, the Bank is committed to the ongoing enhancement of its ESG framework, policies, processes and disclosures, supporting sustainable growth and long-term value creation.