

## 2022 Annual Environmental & Social Performance and Client Protection Performance Reports highlights

### Overall

We are committed to being a responsible bank with a moral compass, guided by development-oriented principles. ABA supports the development of small businesses and financial inclusion of the population of Azerbaijan, and contributing to the sustainable development by providing responsible financial services and solutions to households and micro, small and medium enterprises while applying universally acknowledged finest banking practices.

Environmental and Social Management System (ESMS) at AccessBank means considering the environmental and social aspects in lending and in direct impact of operations, and sensitizing, politicizing and motivating.

We consider that simply being an example of a business that operates ethically and sustainably within the respective national context can reliably motivate our customers. By leading the way in our respective market and by constantly educating ourselves we can become advisors to our clients who needs them on their path to a sustainable future.

Therefore, currently within the framework of “**Green Access**” we are building fundamental grounds in two capacities:

- **Internal environmental management:** our approach is based on processes and procedures that help us to systematically reduce our direct environmental footprint.
- **Management of E&S risk in lending:** We recognize responsibility for our client's environmental and social impact. In order to mitigate E&S risks and assess the potential E&S impact of financed business activity the E&S risk assessment is an integral part of our credit risk analysis.

### CSR and other activities of AccessBank during 2022

#### External activities

- **Charity for students** - On the eve of the new academic year, AccessBank has carried out a charity campaign for the students of Umid Community Center located in Garadagh district. As part of the campaign, school uniforms, bags, and other school supplies were presented to 100 students.
- **Women entrepreneur seminar** – Access2Success – AccessBank held the program for improving the competitiveness of business for female entrepreneurs. AccessBank's aim was to support female entrepreneurs, who manage their own micro, small, and medium-sized business. It is planned to announce the next program 2023. <https://www.accessbank.az/en/private/news/106933>
- **Tree planting** – was organized by ABA (Azerbaijan Banks Association), and Bank participated as a member of the Association.
- **WEP (Women Empowerment Principles)** - AccessBank has joined the United Nations Women's Empowerment Principles (WEPs) initiative. The UN Global Compact and Women's Empowerment Principles, developed by the UN Women's Agency, inform companies about international labour and human rights' standards as well as encourage businesses to promote gender equality and women empowerment. One of the main goals of the project is to promote the participation of the private sector in promoting gender equality and increase sensitivity to women's needs by promoting the UN Global Compact

standards. AccessBank is the first Azerbaijani bank, which started to apply these principles.

<https://www.accessbank.az/en/private/news/102770>

#### Internal activities

- **First aid training** provided by external trainer was conducted in all branches and Head Office.
- **Several sports and entertainment** activities organized for bank staff – bowling tournament, chess tournament, “What?Where?When?” intellectual game, “IQ battle” entertaining intellectual game.
- **AccessLife project started** - internal aid fund to support staff members and their family members in need of financial or other help.
- Bank has acquired a corporate subscription to the world-famous **Udemy online training platform** for the purpose of increasing the knowledge level of employees, personal and professional development.

#### AccessBank’s direct environmental impact in numbers

Within the framework of “**Green Access**”, AccessBank aims to reduce its direct environmental impact by monitoring the most applicable environmental aspects. By this AccessBank identifies its’ areas of impact and such data will guide AccessBank to adopt appropriate measure in order to be more efficient and having less impact. AccessBank has done the following and achieved certain results:

- 32 tons of paper and paper products being sent for recycling in 2022;
- replacement of incandescent and halogen light bulbs with LED bulbs continued in the branches ;
- monitoring the internal/direct impact (water, paper, electricity and fuel consumption);
- Plastic water bottles not being used at the head office and branches. Switched to glass bottles. Moreover, water dispensers will remain, since they are reusable and recycled plastics;
- As the first step all personal printers have been taken from Head of Departments;
- Electronic Document Management (the process of coordination and signing of Intra-Bank Documents (Procedure, Rules, Policy, Memo and others) created.
- Revision of household equipment at the branches and head office;

Although some colleagues still worked online in 2021, new regional branch opened in November 2021, outstanding loan portfolio increased by 29% (year-end, 2021-2022), bank was able to decrease energy consumption by 1% in 2022 (YoY) and by 3% per employee, paper print decreased by 1%.

AccessBank would like to advance in green activities and be active player in the market, which in the long-run will benefit us and Bank’s customers. We do our best for a transition towards a sustainable future by setting an example and acting as role model in Azerbaijan.

#### Client Protection Projects

In 2022 AccessBank has conducted an assessment of Client Protection Principles. A total of 23 inquiries were created covering such areas as: mechanisms for complaints resolution, appropriate product design and delivery, privacy of client data.

Number of training were provided to employees covering: Visa, credit, non-credit products - giving an ability to employees to understand the products properly and what to offer according to

customer's needs; leadership - to help managers learn new leadership techniques and refine old skills to run the team, including assertive communication, motivation methods, and coaching; AML and etc. 22 trainings were conducted attended by 1339 staff members.

Since the market has progressively developing digital products we have much work to do to ensure that the digital financial inclusion ecosystem is worthy of the trust of the clients it aims to serve.

The projects in previous years and identified projects in 2022 provides a clear way forward: there is continuous room for improvement in each principle. AccessBank will support initiatives that:

- carry out the maximum number of banking operations online;
- improve customer service in branches;
- develop and enforce microfinance sector;
- offer reliable retail products;
- apply tasks that improve Client Protection Principles.