



# sustainability report



with support from:



**GREEN FOR  
GROWTH FUND**  
TECHNICAL ASSISTANCE FACILITY



EU4Energy

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# overview

# About this report

The following pages present the first sustainability report of CB "MAIB" S.A. (The Bank or maib), covering the period 1 January 2022 – 31 December 2022.

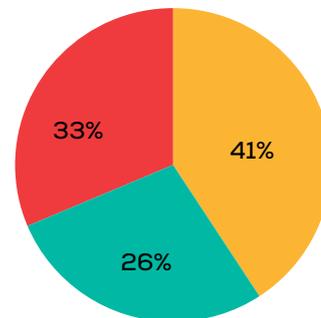
This report captures the Bank's non-financial performance and describes how environmental, social and governance issues are integrated into our business strategy. The information presented also includes staffing indicators, respect for human rights, anti-corruption and bribery, including: a description of our business model, a description of our policies on the aforementioned issues, the due diligence procedures applied, the results of the policies, the main risks related to these issues arising

from our operations and the key non-financial performance indicators relevant to the work we carry out.

The Sustainability Report was developed in accordance with the Global Reporting Initiative (GRI Standards 2021), the "core" option. The report provides information on the activity of maib with headquarters in 1/9 Constantin Tanase Street, Chişinău, Republic of Moldova, MD2005 and the Bank's subsidiaries, activities carried out on the territory of the Republic of Moldova.

Maib's shareholding structure for 2022 was the following:

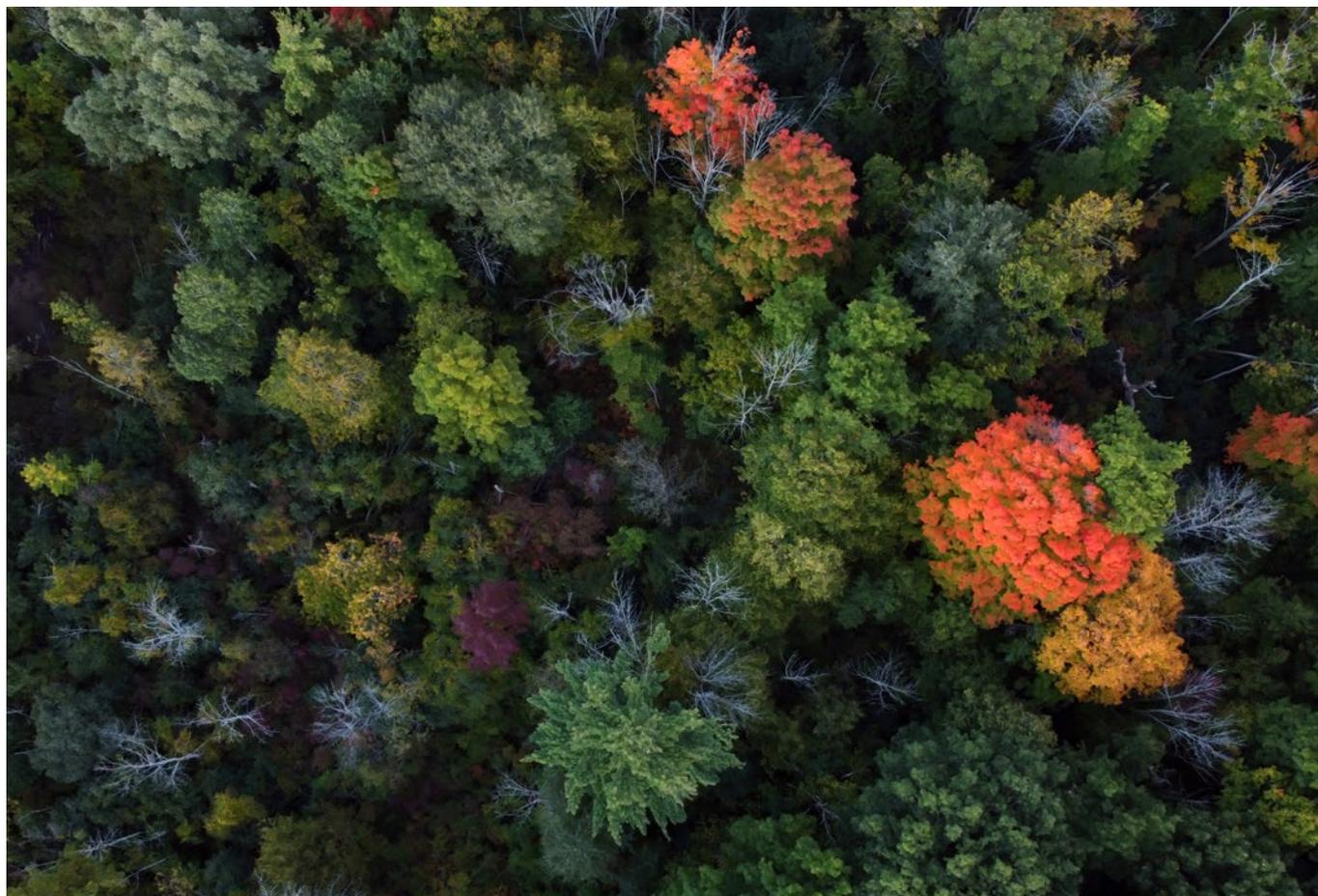
Maib's shareholding structure for 2022 was the following:



- HEIM partners limited (EBRD, Horizon Capital GP, Invalda INVL)
- 14 individual stakeholders (>1%)
- 3000+ shareholders

You may send questions or suggestions regarding the content of this report to: Evgenii Risovich, Investor relations, +373 68 403 477, Evgenii.risovich@maib.md.

This Report was produced with the support of the Technical Assistance Facility of the Green for Growth Fund, and with the assistance of the European Union under the EU4Energy Initiative. The contents are the sole responsibility of maib and can in no way be taken to reflect the official opinion of the European Union.



## Giorgi Shagidze

maib CEO



Dear Stakeholders,

At maib, we recognize that sustainability is a crucial aspect of our business and a responsibility to society. As the largest commercial bank in Moldova, we understand the significant responsibility we have in promoting positive impacts on our environment, society, and economy. It is with great pleasure that we present our first sustainability report covering 2022, highlighting our efforts in addressing critical topics that matter to our stakeholders.

We understand the impact of our operations on the environment and are taking necessary steps to reduce our carbon footprint. In this report you can find the estimates of carbon footprint of maib's own operations. It is the first step in setting targets to decrease greenhouse gas emissions and implemented energy-efficient practices in our operations. As a financial institution, we acknowledge our financing activities' environmental impact and are committed to promoting sustainable finance practices, reducing financed greenhouse gas emissions, and incorporating environmental and social considerations into our lending and investment decisions.

Our commitment to sustainability also extends to mitigating environmental and social risks. We are conducting thorough

assessments of our exposure to these risks and are taking necessary steps to adapt and mitigate them.

In 2022 energy security became the key topic for Moldova affecting everyday lives. We recognize the nationwide importance of energy security and support a sustainable energy transition in Moldova. We are promoting energy efficiency measures and exploring renewable energy options. A part of our loan portfolio is already devoted to renewable energy and energy efficiency. Our plan is to continue to grow in that area.

Our employees are our most valuable asset, and we are committed to their development and well-being. We have implemented various programs to support their professional and personal growth and promote work-life balance. Additionally, we promote gender equality and have implemented policies and initiatives to ensure equal opportunities for all employees and established a zero-tolerance policy for any form of discrimination.

At maib, we believe in promoting financial inclusion and providing access to financial services to all members of society. We are developing innovative products and services to cater to the needs of all types of customers, making banking simpler and more accessible

to everyone. We are committed to protecting the privacy and confidentiality of our customers' information and have implemented robust data protection measures.

We are committed to transparency and accountability in our governance practices and regularly report on our performance. We also regularly engage with our shareholders and finance providers to ensure that we are meeting their expectations.

We are grateful to our financing partners, EBRD, EFSE, EU4Business, GGF and IFC, for providing sustainable and inclusive financing for our operations. We extend a special thank you to GGF (Green Growth Fund) for sponsoring the "Greening Maib" project, including work on this report, which represents our first step towards systemic sustainability at maib.

In conclusion, we believe that sustainability is a fundamental aspect of our business, and we are committed to continually improving our sustainability practices to create value for all our stakeholders. We remain dedicated to promoting sustainable development and contributing to the betterment of society.



## Chris Knowles

Chairperson of GGF Fund

Dear readers of maib's first sustainability report,

We are delighted to celebrate a significant achievement that is well aligned with the Green for Growth Fund's (GGF) mission of mitigating climate change and promoting sustainable economic development. Today, maib, Moldova's largest financial institution, has published its inaugural Sustainability Report, made possible through our partnership and support.

Through this publication maib demonstrates its commitment to a transparent pursuit of banking practices that support both people and planet. With the GGF's assistance and the expertise of Deloitte, maib has started a dedicated Sustainability Program,

outlined an ambitious sustainability strategy, and established an internal governance framework, all of which reflect its dedication to sustainable growth. It is a work in progress, but we are confident in its success.

This report showcases maib's accomplishments in promoting green financial products, such as loans for renewable energy projects, and its regional leadership in seeking to assess and manage ESG risks. It also highlights the bank's positive impact on local communities and important efforts to reduce its environmental footprint.

On behalf of the GGF Board of Directors, I commend maib for its dedication to sustainable development and extend gratitude to Deloitte for their invaluable

guidance. Together, we have charted a path towards more sustainable banking practices, fostering a greener and more inclusive future.

I urge all stakeholders to explore maib's Sustainability Report and let us continue to work together to build a sustainable Moldova.

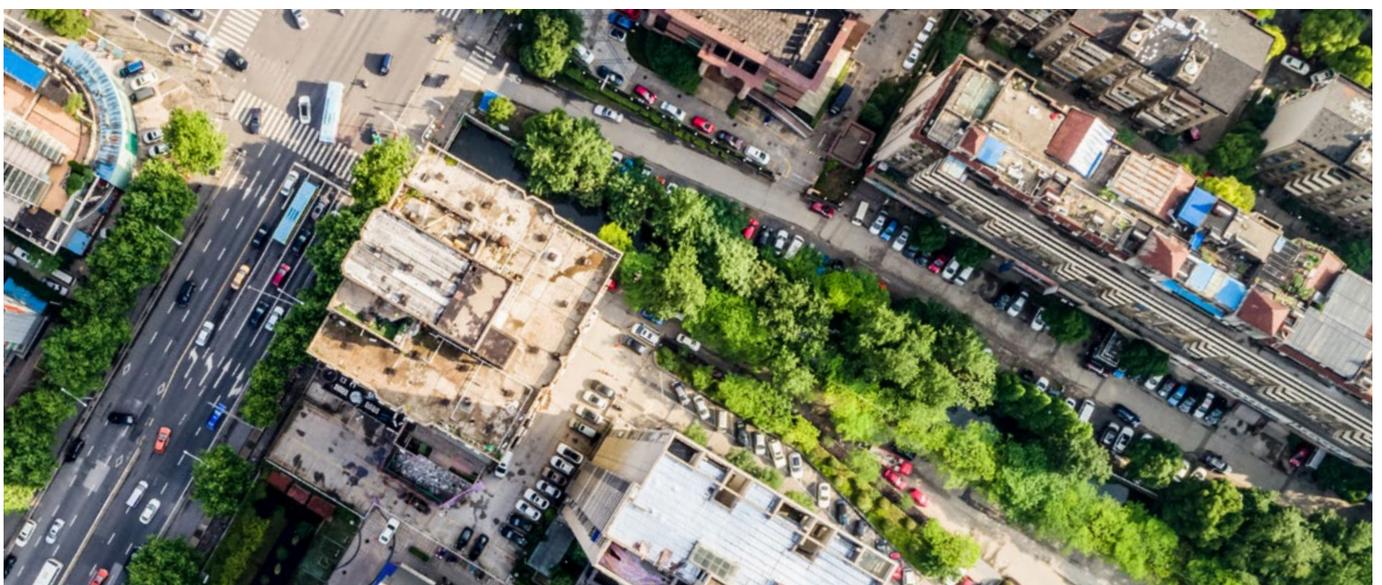
Thank you for your unwavering support in our mission for lasting positive change.

Sincerely,

Chris Knowles

Chairperson of the Board of Directors

Green for Growth Fund



## Economic performance / impact

With over 2400 employees, 985k+ customers and 110 banking units we are the largest bank in Moldova and beyond the fact that it is a great honour, this implies a great responsibility.

Our contribution to increasing banking, digitalization and job creation generates value for all our stakeholders.

a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below.

**Table 1 - Direct Economic Value Generated (MDL mln)**

	2020	2021	2022
Net interest income	1,014,851	1,327,615	2,180,625
Net fee and commission income	325,704	373,784	400,275
Other Operating Income/Loss	449,509	409,674	587,419
<b>OPERATING INCOME</b>	<b>1,790,064</b>	<b>2,111,073</b>	<b>3,168,319</b>
Operating Income	1,790,064	2,111,073	3,168,319
Impairment allowance	-82,774	-106,641	-419,593
<b>ECONOMIC VALUE GENERATED</b>	<b>1,707,290</b>	<b>2,004,432</b>	<b>2,748,726</b>

ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments ;

**Table 2 - Economic value distributed (MDL mln)**

Category	2020	2021	2022
<b>Operating costs (also includes community investments)</b>	<b>254,368</b>	<b>353,215</b>	<b>478,905</b>
Salaries and Bonuses	370,630	484,779	621,895
Holiday Provisions	68,650	11,169	24,638
Other Personnel Expenses	46,109	70,437	35,048
Health insurance premiums (deductable from employee pay)	34,909	48,905	56,537
<b>Employee wages and benefits</b>	<b>520,298</b>	<b>615,290</b>	<b>738,118</b>
Income Tax	89,810	92,593	160,212
Other taxes	1,034	1,073	3,169
VAT	12,086	15,921	24,981
Taxes withheld from source of payment	1,960	19,890	16,954
Payroll tax	35,409	53,019	60,798
Social security contributions	75,096	133,365	157,216
<b>Payments to government</b>	<b>215,395</b>	<b>315,861</b>	<b>423,330</b>
Dividends	0	208,668	0
<b>Payments to providers of capital</b>	<b>0</b>	<b>208,668</b>	<b>0</b>
<b>Total</b>	<b>990,061</b>	<b>1,493,034</b>	<b>1,640,353</b>

iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'.

**Table 3 - Economic value retained (MDL mln)**

	2020	2021	2022
Economic Value Generated	1,707,290	2,004,432	2,748,726
Economic Value Distributed	990,061	1,493,034	1,640,353
<b>ECONOMIC VALUE RETAINED</b>	<b>717,229</b>	<b>511,398</b>	<b>1,108,373</b>

iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'.

## 2022 business highlights

### New products and features for maib customers:

- CasaHub and AgricolaHub ecosystems launched by maib
- Apple Pay, Google Pay and Garmin Pay available to maib customers
- New premium banking service Alto
- Maib continues branch transformation aligning to new identity



### Engagement with employees, shareholders, investors and other stakeholders:

- Maib involved in humanitarian assistance to Ukrainian refugees
- Maib Academy and Student Lab opens its doors
- Maib featured at Moldova - Romania: Capital Bridges forum
- Maib management enrolls in Leadership Development Program offered by Stanford GSB



### Bank-wide developments:

- Maib signs a €50 million financing package from EBRD to reinforce its funding base
- Maib receives multiple banking industry awards in 2022
- First agile teams start operating
- Maib announces appointment of new Chief Financial Officer



# Priorities for 2023

## Build a new level of customer experience

- Finalize the branch redesign of the remaining branches
- Further upgrade of the branch operating model to increase the offloading to digital channels while focusing on added value sales and consultations in branch
- Upgrade of mobile application focused on additional security, new features and enhanced user experience
- Continue driving transactions via digital channels, including ecosystems



## Become the orchestrator of financial ecosystems

- Launch CasaHub App
- Improve stability and add functionality to CasaHub and DriveHub
- Continue enhancing commercial partnerships to display listings via maib ecosystems



## Transform the operating model to Agile

- Continuously improve existing Agile structures
- Agile transformation in Corporate segment, Operations and select Branches
- Move into new headquarters better suited for Agile way-of-work



## Include sustainability considerations into every major decision

- Approve proposed sustainability strategy and sustainability governance framework
- Implement climate risk management within the Bank



# Our story

- 2022**
  - The first digital cards are launched for Moldovan customers
  - CasaHUB and AgricolaHUB joined the **maib** financial ecosystem
  - Apple Pay, Google Pay and Garmin Pay became available for **maib** customers
  - Student Lab by ASEM & **maib**, **maib academy** and **maib IT academy** inaugurated
  - Bank-wide Agile transformation launched in January
  - **Maib** receives funding from GGF and initiates "Greening **maib**" project with support of GGF and EU4energy
  - **Maib alto**, the first premium banking service in Moldova, launched
- 2021**
  - A new CEO with international experience joins the management board - Giorgi Shagidze
  - Updated strategy including a new mission, vision and values adopted
  - Rebranding covering all aspects of visual identity initiated
  - DriveHub digital platform launched for car sellers and buyers
  - Moldovan Capital Markets day held on London Stock Exchange features **maib** ;
  - Opening of **maib** mortgage centre
- 2020**
  - **Maib** introduces short customer care number 1313
- 2019**
  - Launch a range of new products including gama cards, maib liber, instant card
  - The first self-service area with POS terminals installed in supermarkets
  - Further upgrade to information security and ISO 27001:2017 certification
- 2018**
  - HEIM Partners acquire a 41.09% stake in **maib** shares
- 2012**
  - Rebranding and logo change
  - Market leadership constantly growing: 26.3% of banking system total assets, 28.7% - of loans, 27.8% - of deposits
  - American Express partnership signed
  - **Maib** - one of the largest private employers in the country with over 1500 employees
- 2011**
  - **Maib** trademarks its brand internationally and is ISO 27001:2005 certified (information security)
- 2007**
  - **Maib** launches VISA and Mastercard chip cards
  - First Cash-In service solution is applied
  - **Maib** launches Internet Banking service pilot service for retail customers
- 2006**
  - **Maib** develops electronic networks for distribution of banking products
- 2000**
  - Total number of customers, individuals and legal entities exceeds 200 thousand
  - First leasing company in Moldova launched
  - Launch of **maib** Business Center
  - **Maib** joins VISA International system
  - Moldmediacard subsidiary founded
- 1999**
  - Constant growth of the client base and loan portfolio
- 1996**
  - First logo trademarked
  - **Maib** leads Moldovan banking sector in most categories
- 1995**
  - **Maib** connected to REUTER and SWIFT
- 1991**
  - First agreement with EBRD signed
  - **Maib** became the founder of the Moldovan Stock Exchange
  - **Maib** received banking license 1991
  - Commercial Bank "Moldova Agroindbank" S.A. founded - 1991



# **corporate governance**

# Our Board of Directors / Executive Management

## Supervisory Board

**Vytautas Plunksnis**  
Chairman of the Supervisory Board



- Chairman of the Supervisory Board since July 2020
- Other current positions: Head of Private Equity, INVL Asset Management; partner at INVL Baltic Sea Growth Fund; Chairman of the Supervisory Board of Eco Baltia; Chairman of the Management of Ecoservice, NRD Systems, Investors Association; board member of various portfolio companies
- Since 2006 worked in different positions within Invalda INVL Group companies

**Vasile Tofan**  
Member of the Supervisory Board



- Appointed to **maib's** Supervisory Board in 2018
- Other current positions: Chairman of Supervisory Board of Purcari Wineries Public Company Limited; Member of Consultative Boards of Anex and Intellias
- Since 2021: Senior Partner at Horizon Capital Advisors LLC Office in Ukraine (joined in 2012)
- Previously worked Consultant at Monitor Deloitte and Senior Manager, Corporate Strategy & Alliances at Philips
- Founded Ovuline (now Ovia Health)
- Graduated from Erasmus University of Rotterdam (public management), MBA from the Harvard Business School

**Victor Miculet**  
Vice-Chairman of the Supervisory Board



- Chairman of the Supervisory Board in 2002-2020; Vice-Chairman since 2020
- Other current positions: Chairman of the Association of Authorized Cars Importers
- 1996: founder, CEO of "Auto-Space" LTD, authorized dealer of BMW, Mini, MAN, Honda and Mitsubishi cars

**Natalia Vrabie**  
Member of the Supervisory Board



- Appointed to **maib's** Supervisory Board in 2013
- 1991 to 2013: managerial positions in **maib**, including position of CEO, Chairman of the Management Board during 1996-2013
- Over 50 years of banking experience

**Ivane Gulmagarashvili**  
Member of the  
Supervisory Board



- Appointed to **maib**'s Supervisory Board in 2020 as an independent member
- Other current positions: Member of Supervisory Boards of Agricover Holding and TAM Faktoring AS
- 2015 to 2018: Head of New Products, 4finance Group
- Previously worked at Barclays and Barclays Cards, Bank of Georgia
- Graduated from Tbilisi State University (marketing), MBA from the Clarion University of Pennsylvania

**Konrad Kozik**  
Member of the  
Supervisory  
Board



- Appointed to **maib**'s Supervisory Board in 2020 as an independent member
- Other current positions: Member of the Supervisory Board of ISP Bank Albania
- 2014 to 2019: CFO, Member of the Management Boards of Allianz Russia and Poland
- Previously worked at UniCreditBank
- Graduated from Navarra University, MBA from Luigi Bocconi University

**Maryna Kvashnina**  
Member of the  
Supervisory  
Board



- Appointed to **maib**'s Supervisory Board in 2018 as an independent member
- Other current positions: CEO of Naftogaz Digital Technologies; Partner at Edenlab; Financial Services Network Co-Chair for Eastern Europe, YPO – Young Presidents' Organization
- Since 2019: IT Director of Naftogaz Ukraine
- 2013 to 2015: Vice President of Management Board of Delta Bank
- Previously worked at Finstar Financial Group, PrivatBank
- Founder of Pharmacy Network Apteka Dobrogo Dnya (2006); Co-Founder of PAY2YOU (2015)



## Management Board

### Giorgi Shagidze

Chairman of the Management Board, CEO



- Joined **maib** in February 2021
- Other current positions: The board member of European Business Association
- 2010-2020: Deputy CEO and Chief Financial Officer, as well as member of the Management Board at TBC
- 2008 to 2010: Global Operations Executive for Barclays Bank
- Deputy CEO of People's Bank of Georgia (2005-07)
- Graduated from the Tbilisi State University in 1997 and obtained an MBA from the University of Cambridge Judge Business School in 2008, Certified Financial Analyst
- SEP from University of Stanford Graduate Business School 2022

### Aliona Stratan

First Vice-Chairwoman, Retail Banking



- Joined **maib** in 2020 as First Vice-Chairwoman of the Management Board, Retail Banking
- Other current roles: Chairwoman of the Supervisory Board of maib Leasing, Board Member of Amcham Moldova and of AIOD
- 2018 to 2020: Vice President ABB Bank Armenia
- 2014 to 2018: Vice President leading bank in Armenia
- Previously worked at ProCreditBank Georgia, National Bank of Moldova
- Graduated from the Moldova State Agrarian University, MBA from Grenoble Graduate School of Business

**Dumitru Baxan**  
Vice-Chairman,  
Corporate Banking  
and Investments



- Joined **maib** in 2010 as Head of NPL Recovery Department
- 2019: appointed to the Management Board of maib as Head of Corporate Banking and Investments
- Previously worked at Banca de Economii, including as Vice President for Retail Banking and at National Bank of Moldova
- Graduated from Moldova Academy of Economic Studies

**Andrii Glevatskyi**  
Vice-Chairman,  
Business  
Banking (SME)



- Joined **maib** in 2019 as Counsellor in Risks
- 2019: appointed to the Management Board of maib as Chief Risks Officer and later, in 2021 – as Head of Business (SME) Banking
- 2009 to 2019: held different positions at Raiffeisen Bank Aval Ukraine, including Head of Retail Risks in 2015 to 2019
- Previously worked at Aval Bank Ukraine
- Graduated from the National Agrarian University

## Stela Recean

Vice-Chairwoman,  
Chief Risk Officer &  
Chief Compliance  
Officer



- Since 2018: Vice-Chairwoman of the Management Board, Chief Compliance Officer (since 2021 took also the role of Chief Risk Officer)
- 2014 to 2018: Head of Compliance Department
- 2000 to 2014: held different positions, including administration including head of office at PwC Moldova
- Previously worked at PwC and National Bank of Moldova
- Graduated from Moldova Academy of Economic Studies, ACCA, ACAMS, Licensed Auditor

## Marcel Teleuca

Vice-Chairman,  
Operations and  
Logistics



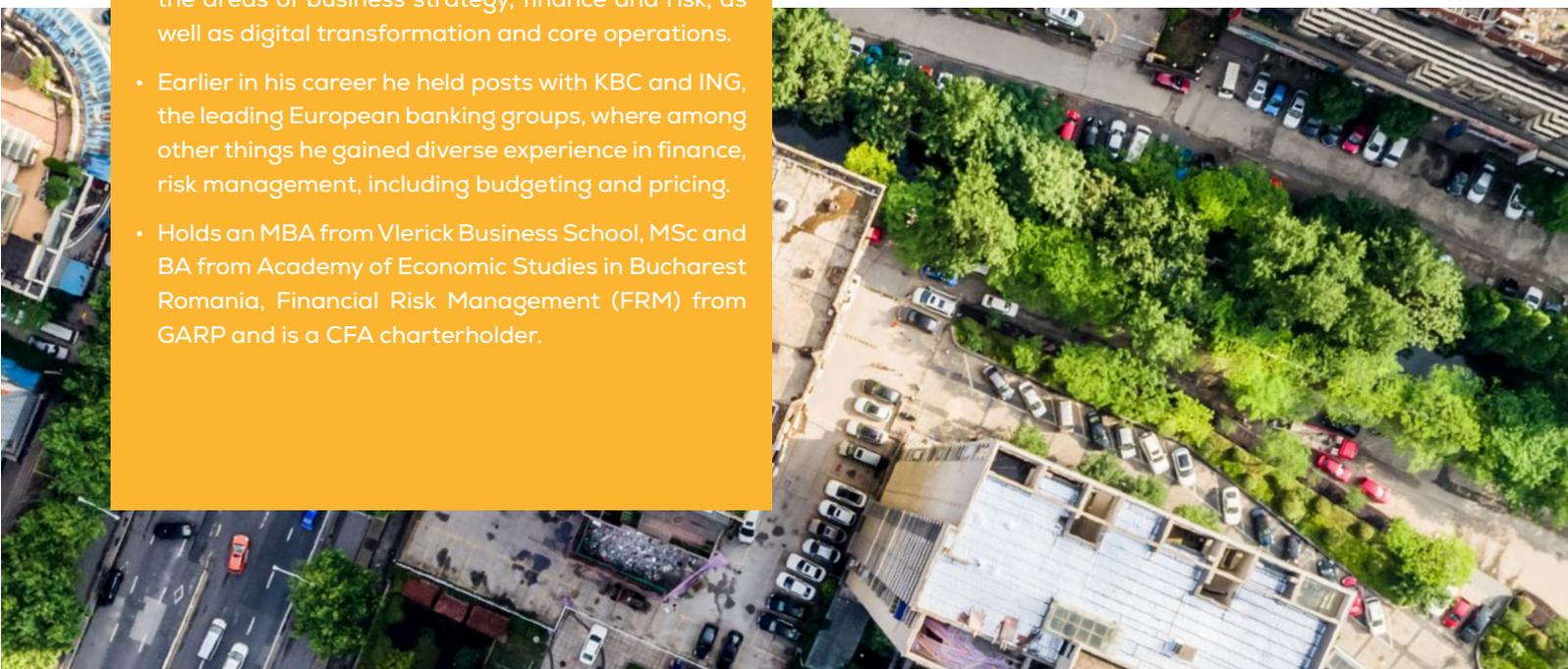
- Works in **maib** since 1994 (with a one year break, when worked as Head of Treasury of BTR Bank)
- 2010: appointed as Vice-Chairman of the Management Board
- Previously worked as Head of Treasury, Head of Dealing, dealer
- Graduated from Moldova Academy of Economic Studies

## Macar Stoianov

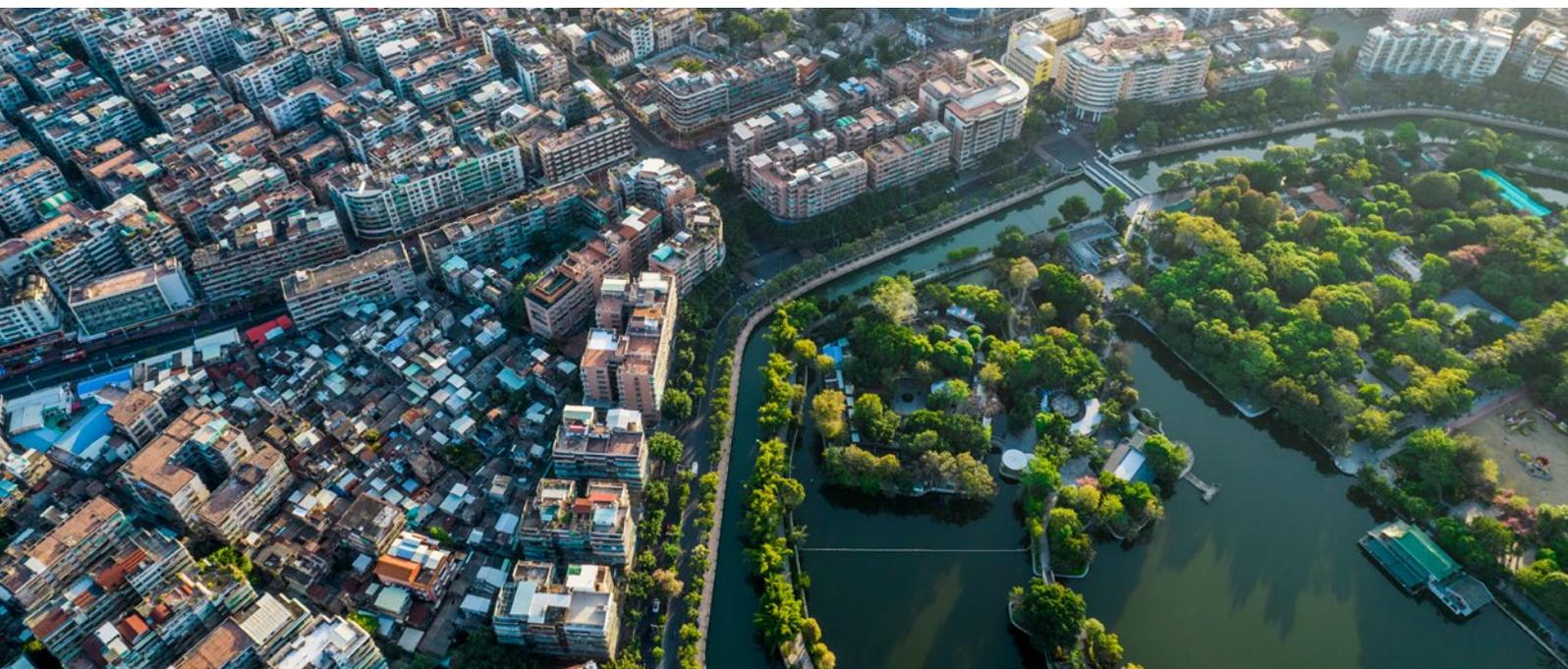
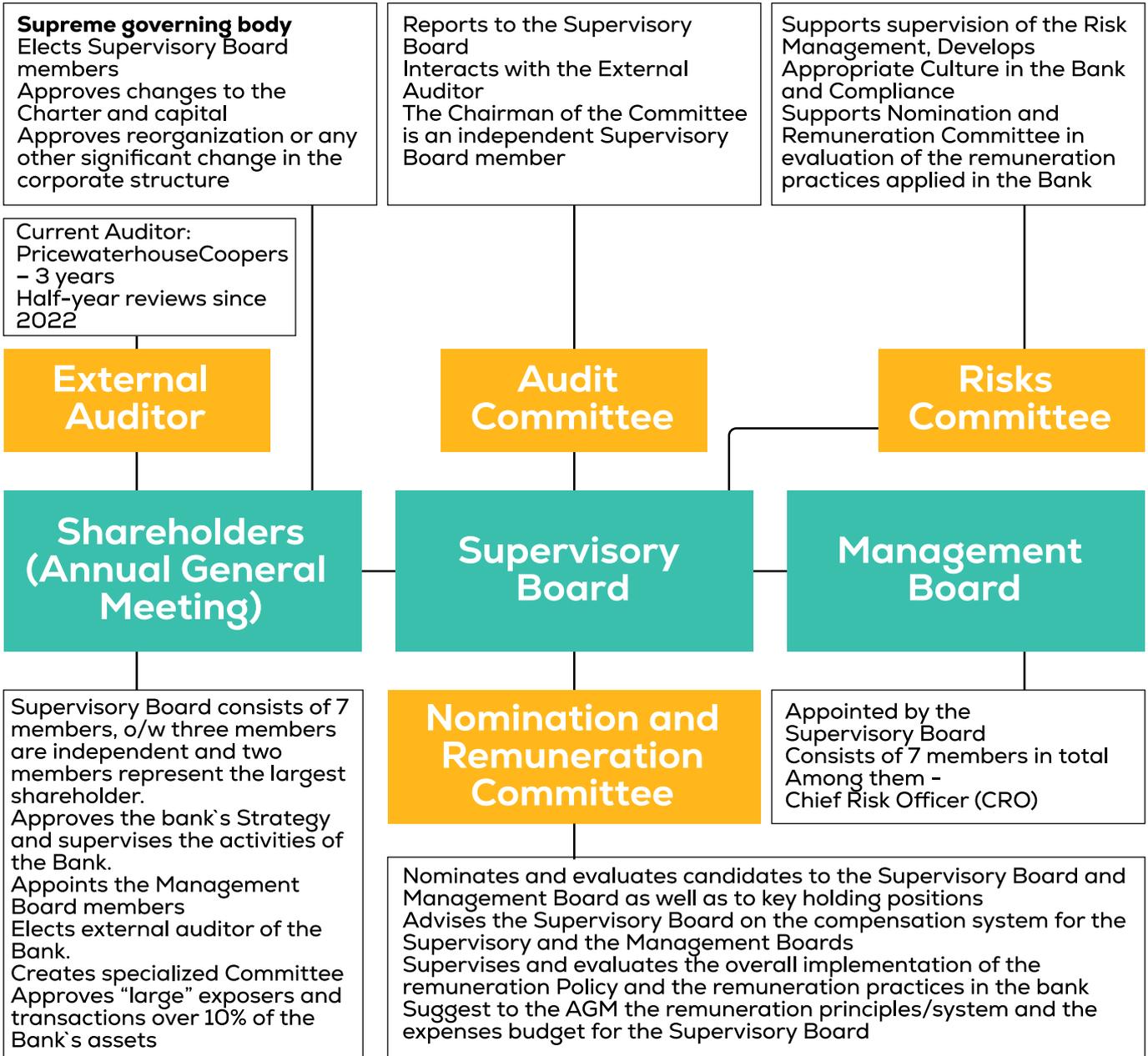
Vice-Chairman,  
Chief Financial  
Officer



- Spent seven years at McKinsey, the leading global strategy consultancy being involved in projects in the areas of business strategy, finance and risk, as well as digital transformation and core operations.
- Earlier in his career he held posts with KBC and ING, the leading European banking groups, where among other things he gained diverse experience in finance, risk management, including budgeting and pricing.
- Holds an MBA from Vlerick Business School, MSc and BA from Academy of Economic Studies in Bucharest Romania, Financial Risk Management (FRM) from GARP and is a CFA charterholder.



# Organizational structure



## Supervisory Board

Maib's **Supervisory Board** is the overarching management body with regulatory and supervisory functions of the Bank business, including how the strategic objectives are achieved, how the Bank organizes its activity, risks management, how the Bank complies with the requirements of the legislation and regulations in force. The Supervisory Board consists of seven members, elected by the General Shareholders Meeting from amongst the candidates identified by the Nomination and Remuneration Committee of the Bank, in accordance with Bank's Charter and the legislation in force.

## Supervisory Board committees and their responsibilities

The Risk Committee is responsible for providing support to the Supervisory Board on the Bank current and future risk appetite and risk strategy, as well as monitoring the implementation of this strategy by the Management. The Risk Committee also assists the Supervisory Board in determining the nature, volume, format and frequency of risk information.

The Audit Committee exercises the supervisory function of the Bank internal control system, monitors the accounting and financial practices applied in the Bank and supervises the work of the internal audit.

The Nomination and Remuneration Committee identifies and proposes to the Supervisory Board, candidates for the position of Supervisory Board member, evaluates and presents to the Supervisory Board the relevant opinion on the candidates for the positions of the Management Board members and the key positions. In carrying out the duties assigned to it, the Nomination and Remuneration Committee periodically assesses at least once a year, the performance, structure and size of the Supervisory Board and the Management Board and makes relevant recommendations in the field. In addition, the Committee is responsible for examining the remuneration and incentive policies and practices created for risk management, capital and liquidity management.

## The Supervisory Board's Role within the Group

Within the Group structure, the Supervisory Board of the Bank (as a parent company) has the overall responsibility for the appropriate corporate governance at Group level and for ensuring that policies and mechanisms for proper governance of the Group's structure, operations and risks are in place.

The **Supervisory Board** of the Bank has the following basic responsibilities:

- defines an appropriate structure of the management bodies of subsidiaries, considering the significant risks to which the Group and the subsidiaries are exposed;
- ensures that sufficient resources are available to monitor the compliance of subsidiaries with all applicable
- legislation, regulatory and governance requirements;
- ensures that an effective relationship with the supervisory authority is maintained;
- ensures the establishment of an effective internal audit function, which ensures that auditing is carried out in all subsidiaries and companies within the Group.

## The Management Board

The Management Board has overall responsibility for the Bank's asset, liability and risk management activities, policies and procedures. The Management Board assigns specific risk management responsibilities to each of the Bank's many decision-making and execution bodies in order to efficiently implement the risk management system.

## Supervisory Board responsibilities

The Supervisory Board's basic responsibilities are to ensure the business development and financial soundness of the Bank, to oversee the implementation of the risk strategy and the way in which the Bank's activities are organized and regulated. The Supervisory Board regularly monitors and evaluates the effectiveness of the Bank governance framework, including the governance principles, and takes appropriate action to address any deficiencies.

The Supervisory Board ensures that the Bank maintains an effective cooperation relationship with the supervisory authorities through its active involvement in the major issues of the Bank and keeping up with the significant changes in its activity and in the socio-economic environment, acting to protect the Bank interests. Moreover, the Supervisory Board approves, on the proposal of the Bank Management Board, the decision to issue bonds, except for convertible bonds, as well as the report on the results of the bonds issue and modifies in this respect the Bank Charter as well as decides on the acquisition and redemption of the Bank securities in accordance with the Moldovan legislation in force.

The Board is assisted in its work by three specialized Committees: the Risk Committee, the Audit Committee, the Nomination and Remuneration Committee. Each member of a Committee, including its Chairperson, is elected from among the Supervisory Board members, where at least 1/3 of them are independent members, for a period corresponding to the mandate of the respective composition of the Supervisory Board. The specialized Board Committees report directly to the Supervisory Board.

# Business Ethics

Maib has developed its own Code of Ethics (hereinafter – “Code”) to reconfirm its commitment to manage its business and relationships with its customers, partners and shareholders, and with the Supervisory and Control Authority according to the highest standards of integrity and professionalism and in strict accordance with generally applicable laws, regulations and practices.

The Code applies to all employees, including members of the Bank's governing body, and to persons holding key positions. Each employee has the obligation to carry out his or her professional activities in accordance with the policies and practices defined by the Code, regardless of the position, hierarchical level or duration of the individual employment contract/mandate contract.

we **create** smart and **simple** financial and lifestyle solutions, that **inspire** people to be happier and businesses more successful

- experiences that make customers and employees happier
- **transparent** and **trustworthy** environment
- **team spirit** so that people enjoy working and having fun together



- taking **ownership** and delivering results
- **innovation** and creative thinking
- acting responsibly towards society and environment
- products and services
- operations and communication
- the way we work, becoming **agile**

Additionally, the following are the key principles of ethical conduct in maib:

**Relationship and communication with the bank's customers**, which refers to the impeccable service to and the knowledge of maib's customers.

- **Employee conduct**, which focuses on the professional, personal and inter-employee conduct, as well as the conduct of the members of the management body and the heads of subunits.
- **Anti-fraud and anti-corruption**, which refers to the responsibility

of preventing and not engaging in internal/external fraud.

- **Corporate loyalty**, which includes avoiding conflicts of interest, protecting maib's assets and intellectual property, conduct procurement activities with transparency, honesty and fairness, treating information confidentially and protecting personal data.
- **Business relationships based on trust**, which includes not tolerating abuses on the financial market, condemning the use of inside information and not misusing its

position on the market.

- **Non-discrimination**, through which maib ensures the elimination of any forms of discrimination.
- **Relations with public institutions and mass media**, which have to be open, transparent, and cooperative.
- **Health and environmental safety protection**, as maib provides employees with a healthy and safe working environment, each employee has the obligation to avoid harming this environment.

## Anti-Money Laundering

At maib, an Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) and Sanctions Compliance policy is in place. Maib's Compliance Department is responsible for the implementation of the Bank's internal program in the field of AML/CTF (including the development of AML/CTF policies and procedures, transaction monitoring and reporting, and employees' training) throughout the Bank and its branches. The AML/CTF internal program is based on the applicable legislation and the highest international standards, including FATF, Basel, EBA and Wolfsberg Group documents.

Maib has adopted a risk-based approach within the AML/CTF process, which is developed through the general AML/CTF policy, customer acceptance policies and international financial sanctions compliance policies. The risk-based approach implies determining risk categories (products and services, distribution channels, customers, jurisdictions) and factors that give rise to increased risks, the mitigation measures being applied proportional to the identified risks.

To identify suspicious transactions, maib's Compliance Department has implemented a centralized solution that links transactions, accounts and customers and makes it possible

to see the enterprise-wide risk associated with each customer. The Bank is obliged to inform the Office for Prevention and Fight Against Money Laundering of Moldova on the transactions that fall under the legislation. These reports are currently filed in electronic form in an offline mode by the Compliance Department. The reporting process is fully automated and is supported by a special software application. Furthermore, the Bank operates specialized AML/CTF software, which meets industry requirements. The software allows fully automated transactions' monitoring and their screening against sanctions list, adopted by OFAC, EU and UN.

# Anti-corruption

## Anti-corruption policy

Anti-fraud and anti-corruption refer to the responsibility of preventing and not engaging in internal/external fraud and abuse and of prohibiting the acceptance of gifts by its employees, when their purpose is to influence the decision-making capacity of employees.

Maib does not tolerate any form of bribery and/or corruption. Maib also forbids to offer or receive any form of bribe or to engage in influence peddling practices, directly or through intermediaries. Similarly, it is strictly forbidden to receive money or other benefits from customers or third parties for the performance of duties or to intervene with an employee/manager to do or not do something that falls within his duties, to pay or offer a benefit that violates domestic laws or regulations, to pay or provide a benefit for "getting" a business or any payment facilitated.

In short, no employees or members of the top management of will accept or grant inappropriate benefits of any kind (incentives), regardless of whether the person offering or requesting such an advantage works in the public or private sector.

Maib has a strong anti-corruption and anti-bribery policy. All members of management and all employees have access to and are informed of maib policies in this area. In addition, when the regulatory framework in this area is updated, the persons concerned are informed and provided with the relevant rules. The bank's anti-corruption policies and procedures are not communicated to business partners, but the bank's position on corruption is communicated to them through an anti-corruption clause in the contractual agreements. In addition, when contracts are concluded/amended, maib ensures controls to monitor their compliance with standards and legislation in this area.

The suspicions of corruption are monitored and analysed by the risk management division, in collaboration with other departments, relevant to the exposure of the bank to operational risks, such as the analysis of internal and external fraud incidents and the identification of the necessary measures to reduce the risk of fraud. The employees of the bank found guilty of committing acts of corruption and are liable according to the provisions of the internal regulations and the legislation in force.

Incidents or suspicions of internal fraud, or integrity warnings can be communicated by both employees and customers through several channels such as the email address, online on the bank's web page, to the phone number of the call center service or through traditional mail.



## Communication and Training:

Every new employee goes through a mandatory orientation in which the issue of anti-corruption and anti-fraud is covered for 30 minutes. There were 681 new employees in 2022, which is equivalent of 340.5 hours of training.

In terms of knowledge refreshment, maib has an "Anti-Fraud Week" once a year during which colleagues from the Compliance Department send materials about anti-fraud and anti-corruption to all employees via email. This year, the Anti-Fraud Week was organized between 14th – 18th of November.

## Incidents of corruption/Actions taken

In 2022, there were no confirmed incidents of corruption involving employees and leading to their dismissal or disciplinary action. Similarly, there were no confirmed incidents of corruption leading to the termination or suspension of collaboration with business partners, and there were no legal actions against Group companies or their employees alleging corruption.

# Human Rights

## Human Rights commitments

Maib is fully committed to all Moldovan laws, including those related to Human Rights. Within maib, the main source of human rights protection is the Code of Ethics: all employees are required to sign it and are given training on its content. The Compliance department monitors adherence to the Code of Ethics and any violations are reviewed. However, no human rights violations have been reported in the last three years.

Other sources of human rights protections include internal policies and procedures, such as the procedure regarding communication

of suspicions of internal fraud and integrity and the labour protection policy. Additionally, the following are the key areas of human rights protections:

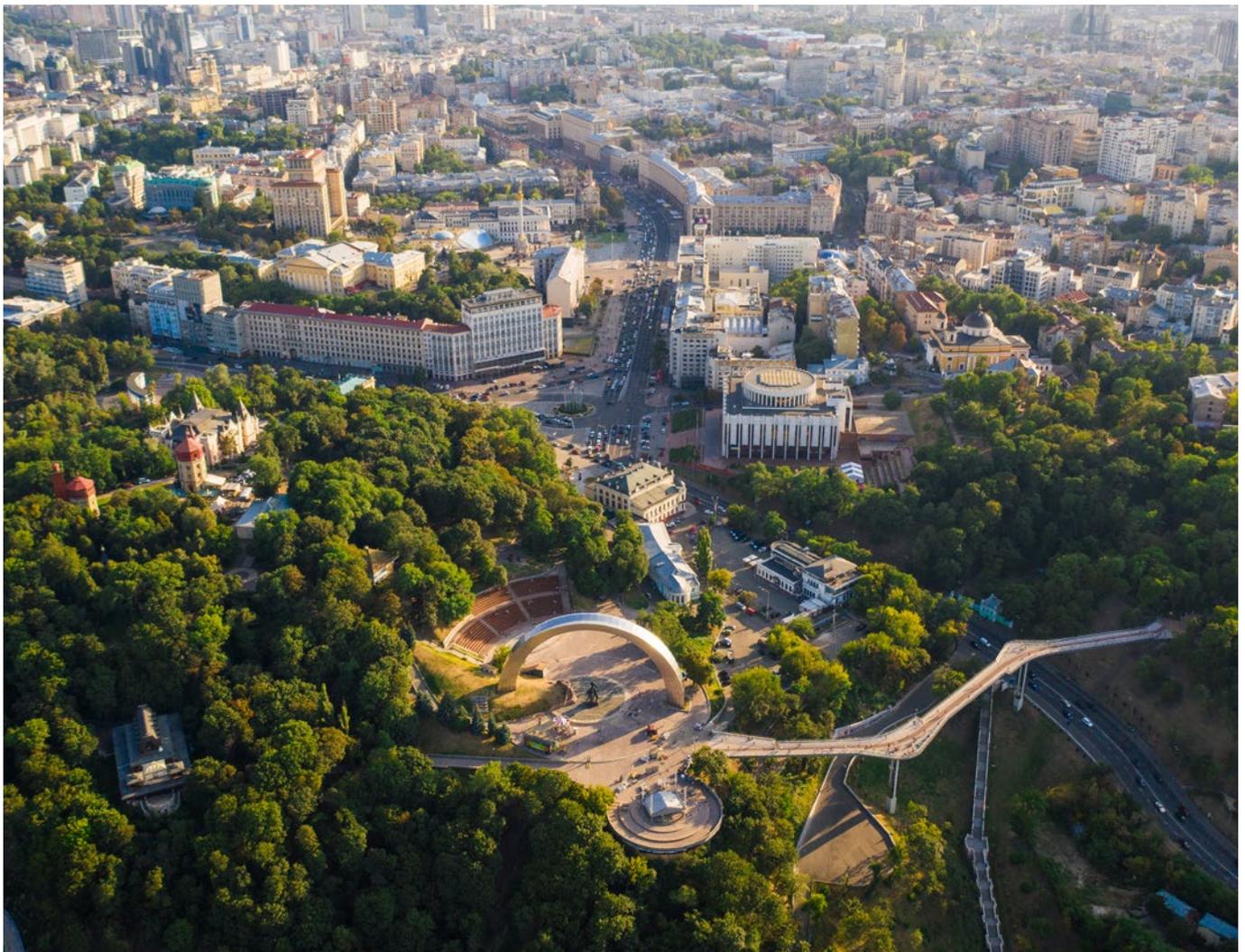
- Non-discrimination, whereby all forms of discrimination are prohibited including age, gender, ethnicity, language, sexual orientation and others.
- Freedom of political affiliation, whereby any employee can have any political affiliation and even hold a political post as long as it is down on own time, properly declared and doesn't include any public involvement of maib.

- Freedom of association, including trade unions, whereby maib employees have the right to establish a trade union and use it for collective bargaining purposes.

Furthermore, within its Social and Environmental risk management framework, maib has procedures in place that include some assessment of human rights compliance on the side of its clients. These cover, for example, violations of environmental laws, forced and child labour.

## Employee training on human rights policies or procedures:

We take our commitment on promoting human rights seriously by incorporating a related training module into our employee onboarding process. Therefore, each new employee is required to complete a 30-minute training session on human rights, which in 2022 was equivalent of 340.5 hours of training on human rights aspects.



# Risk Management

## Overview

Maib being a financial institution which carries leverage and accepts deposits from the population, risk management is a critical feature. Maib places critical importance on identification, evaluation, management and monitoring of risks that it faces through an integrated control framework supported by formal policies and procedures, clearly delegated authority levels and comprehensive reporting. This framework has been in place throughout the year under review and to the date of approval of this Annual Report.

## Risk management framework

The Bank's risk management system is based on the principle of continually assessing risk throughout the life of any operation and includes such stages as:

- risk identification;
- qualitative and quantitative assessment of a particular risk;
- determination of an acceptable risk level;
- risk monitoring and mitigation;
- ongoing monitoring and control, allowing efficient adjustments in case of any changes in the conditions on which the preliminary risk assessment was made; and
- analysis of the effectiveness of the risk management system.

The principal risk management bodies of the Bank are the Supervisory Board, the Audit Committee, the Risk Committee, the Management Board, the Risk and Compliance Division, Internal Audit.

Maib's Supervisory Board, supported by its Audit and Risk Committees and the Management Board, is ultimately responsible for the maib's risk management and internal controls. On a day-to-day basis, the Management Board is responsible for the implementation of the Bank's Risk Management Strategy and other internal control policies and procedures. For each risk identified at any level of the business, the risk is measured, monitored and mitigated (as possible) in accordance with maib's policies and procedures. Maib's reporting process enables key risks

to be escalated to the appropriate level of authority and provides assurance to the Committees and the Board. Key developments affecting maib's principal risks and associated mitigating actions are reviewed quarterly (or more often, if necessary, on an ad hoc basis, outside of the regular reporting process) by the Risk Committee and the Board.

The key risks and uncertainties that maib's risk management framework takes into account are the following:

- **Credit risk**, which is the risk that a borrower or counterparty will be unable to pay amounts in full or in part when due. It arises mainly in the context of lending activities and its management and monitoring procedures are highlighted in the Credit Policies.
- **Liquidity risk**, which is the risk that the Bank will encounter difficulty in meeting obligations associated with financial liabilities. To manage liquidity risk, the Treasury Department performs daily monitoring of future expected cash flows on customers and banking operations, while the Financial and Operational Risk Management Department is responsible for monitoring and evaluating the maib's exposure to liquidity risk as well as the compliance with the approved risk appetite.
- **Interest rate risk**, which arises from mismatches of maturity and currencies between the assets and liabilities, all of which are exposed to market fluctuations. Maib manages exposure to interest rate risks through the analysis of sensitive assets and liabilities within the interest rate review gap and

through a system of limits and risk parameters approved by the Bank's Board.

- **Market risk**, which is the risk of potential losses arising from foreign asset and liability positions that are denominated in currencies other than domestic currency and are exposed to foreign exchange volatility. Maib has a regulatory-defined risk approach based on the open currency positions – as well as internally-developed key risk metrics based on VAR methodology – and performs several types of stress scenarios applied to exchange rates throughout the year.
- **Operational risk**, which is the risk of loss arising from systems failure, human error, fraud or external events. The Operational and Financial Risk Management Department is responsible for development of policies, processes and procedures for managing operational risks in all products, activities, processes and systems, consistently implementing an operational risk framework throughout maib.
- **Compliance risk**, which refers to the risk of damage to profits and capital that may result in fines, damages and/or termination of contracts, or that may damage the Bank's reputation as a result of violations or non-compliance with regulations, agreements, recommended practices or ethical standards. Compliance risk mitigation involves developing an internal regulatory framework necessary for the prevention and early identification of fraud, conflict of interest situations or abuse by bank employees.

## Risk Management Focus in 2022

The pandemic, the energy crisis and the economic disruption caused by the Russian invasion of Ukraine destabilized Moldova's economic model, which is highly reliant on remittance-induced consumption and exports. Being one of the countries most affected by the war in Ukraine, not just because of its physical proximity, but also because of its inherent vulnerabilities as a small, open, landlocked economy with close links to both Ukraine and Russia, Moldova saw a significant reversal in its expected economic growth (revised from 4.2% down to 0%) and a rise in inflation numbers (from an expected 18.8% to 34% at peak in 2022). All these factors put additional pressure on businesses and retail customers and the related credit risks.

During 2022, the following areas were prioritized:

### 1. Geopolitics and customer risk implications

Supply chain disruptions, resource scarcity, food shortages, trade credit risks (related to the removal of some Russian banks from the SWIFT payment system), greater inflationary pressures and other risks associated with the unprecedented sanctions and countersanctions had destabilizing impacts on the economy and financial performance of entities. As a result, maib focused on ensuring a constant review of loan eligibility criteria for entities with businesses related to Ukraine, Russia and Belarus, as well as their performance monitoring.

### 3. Business plan re-evaluation and monitoring

Considering the fairly stable environment prior to the war, the probability of a worst-case scenario had to be re-evaluated. To avoid bias and to fully take into account high impact risks, maib revised its expectations for 2022 and monitored loan portfolio quality and liquidity indicators closely, regularly adjusting its internal acceptance criteria in order to ensure compliance with targeted appetite limits.

### 2. Regulatory and legal compliance

The crisis in Ukraine prompted maib to engage in the largest regulatory and compliance exercise: the identification, interpretation, and adherence to the sanctions imposed against the Russian government, individuals, groups, and entities. As a result, maib managed to mitigate high potential risks (risks of non-compliance with sanctions regime, and as a consequence, the reputational risk).

### 4. Data-related risk management and compliance activities

The growing trends toward digitalization and online migration of products and processes enhanced the exposure to risk of cyberattacks, data theft and financial exclusion, with potential to damage maib's core business. As a result, maib is focusing on tools and processes to handle and analyse high-volume data with low latency, standardization in maintaining data integrity and protection against breaches of personally identifiable information.



## Environmental and Social Management System (ESMS)

Maib recently updated the environmental and social risk management system, to align itself with requirements of international financial organisations. Maib is committed to consider the environmental and social risks in its lending and investment decisions, recognizing the importance of sustainable practices in the banking sector. This updated procedure will enable the bank to better understand and manage potential environmental and social risks associated with its clients and investments, ensuring that they are aligned with the bank's commitment to sustainability. Changes to systems and internal procedures in lending origination and monitoring in Corporate and SME segments will be rolled out during 2023.

Through ESMS, Maib encourages ecologically sensible and sustainable development in all its lending and investment activities. The Bank recognizes that projects promoting social and environmental sustainability are among the top priorities of its activities and views them as an essential component of delivering results in accordance with its transition mandate. Maib pursues commitment in innovative investments and technical assistance, to support investments that aim to reduce carbon emissions and prospects for mitigating and adapting to climate change. Maib will also look

for chances to cut emissions in projects that are funded and will assist its clients in creating adaptation strategies that encourage climate change-resistant investment. Additionally, the responsibility of the customers to respect the human rights in their business activities and gender equality are also aspects on which the bank is taking responsibility. If significant and unfavourable gender-specific effects are discovered, Maib will adopt mitigating measures, or clients will be urged to promote equal opportunities, particularly regarding access to credit, services, and employment.

The projects will be screened, evaluated and monitored by Maib from an environmental and social perspective, to help the bank decide whether the project should be financed. The assessment will be appropriate in scope and scale, evaluate potential risks to finances, law, and reputation, and identify potential social and environmental opportunities.

Through the monitoring process, Maib evaluates the social and environmental performance of the projects in light of the social and environmental obligations made throughout the loan's tenure. The extent of monitoring will correspond to the project's social and environmental effects and issues. A periodic visit to the debtors at the location of the

business or project is used to monitor the level of social and environmental concerns. As part of the monitoring process, compliance with Republic of Moldova legal requirements for environmental protection is assessed, including but not limited to those relating to licenses, permits, or other governmental authorizations, as well as those pertaining to ecological, social, occupational, health, and safety risks. As a result of the monitoring of social and environmental risk, a report will be drawn annually.

The following actions will be taken when cases of client non-compliance with social and environmental standards are discovered while monitoring project implementation during the term of credit contracts:

- performing a detailed analysis of the client's activity;
- estimating the extent of the client's project or activity's negative impact;
- assessing the client's capacity to handle the problem, which may include taking action to address the repercussions of violations, producing enough cash flow to remove potential future consequences, as well as meeting its obligations to Maib;
- requiring the client to create an action plan to lower social and environmental risks and reporting on the execution of that plan;
- engagement with capable government agencies.

## Outlook for 2023

Moldova's economy predicted to show moderate growth of 1.5% in 2023 by a range of international forecasters. As for inflation, the National Bank of Moldova expects a decrease to 13.8% in 2023.

The fiscal deficit is projected to widen to 6 percent of GDP in 2023, reflecting policies to counter the cost-

of-living and the energy crises, while the current account deficit continues to be driven by higher costs of energy imports.

The spill overs from the Russian invasion of Ukraine continue to weigh heavily on Moldova, and energy supply disruptions are putting additional pressures on the economy.

While the revised inflation outlook warrants a carefully calibrated easing of monetary policy stances, exceptionally high uncertainties call for continued prudence.

## Climate Risk Management

Climate risk management is of paramount importance because climate change poses significant risks to human societies, economies, and natural ecosystems. Climate change is altering weather patterns, increasing the frequency and intensity of extreme weather events, raising sea levels, and causing shifts in ecosystems and agricultural productivity. These changes can have severe and far-reaching impacts on human health, food security, infrastructure, and economies, particularly in vulnerable regions.

Climate-related risks can be split into two categories:

- **Physical risks** are the risks of disruption to a business due to climate change. They may be:
  - **Acute**, event-driven risks, such as one-off disruptions caused by extreme weather events.
  - **Chronic**, long-term changes, such as higher average global temperatures and rising sea levels.
- **Transition risks** arise from the transition to a low-carbon economy or due to the global commitment to limiting the rise in temperature. They can be divided into:
  - **Regulatory and legal risks:** For example, governments may restrict the use of certain resources or increase taxes on CO<sub>2</sub> emissions, which would drive up operating costs. Legal risks may come from climate-related litigation claims against governments or directly against companies.

- **Technological risks:** For example, new technologies may reduce demand for existing products and services. Developing new technologies is often a costly undertaking.

- **Stakeholder risks:** For example, consumer behaviour patterns may change, leading to higher demand for low-emission products and services. There is already evidence of this trend, for example in the food, clothing and transport sectors. Supply restrictions or limitations may increase raw material and production costs.

Maib acknowledges the threats posed by climate change and its consequences and is fully aware of the impacts that climate change can have on its operations and on its portfolio. Therefore, it has committed to implementing the necessary measures to effectively manage climate-related risks in the near future.

Maib will seek to establish an effective climate risk management framework by identifying, assessing and mitigating the risks associated with climate change. By managing these risks, maib will minimize the negative impacts of climate change and enhance the resilience of communities, businesses, and ecosystems. Climate risk management is also important for long-term planning and decision-making as climate change is a slow-moving but persistent threat, and its impacts will continue to be felt for decades and even centuries to come. Integrating climate risk management

into decision-making processes is a way for maib to ensure that its investments, policies, and strategies are resilient to climate change and contribute to a sustainable future.

First off, effective climate risk management requires a **well-structured climate risk governance apparatus**. Maib has established a governance approach that ensures the proper management of climate risks within its business and activities, as explained in detail in the “ESG Governance” chapter of this report. The governance bodies have an instrumental role in defining the business’ climate risk appetite and in developing a business strategy and a climate policy framework that tackle climate risk vulnerabilities and integrate climate risk considerations into modelling, pricing, and other risk types.

Maib is therefore taking on a first crucial step of climate risk management, namely the **climate risk identification phase**. This will be based on the use of a climate risk heatmapping framework to identify which of the sectors financed by maib are most sensitive to climate risks and to which extent. To do so, maib will perform a qualitative assessment of how hardly transition and physical climate risks are expected to impact different sectors of investment. It will then categorize each sector under one of four vulnerability scores as displayed in the figure below.



## Vulnerability score

	1	2	3	4
Regulatory	No regulatory/policy changes are expected to meaningfully impact the sector financially such as through asset devaluation, increased expenditure (e.g., compliance costs) and/or loss of revenue	Minor impact to the sector expected from potential regulatory/policy changes (e.g., building efficiency) resulting in financial impact asset devaluation, increased expenditure (e.g., compliance costs) or loss of revenue; impact only on a subset of the sector, subset of geographies and/or only indirect impact	Moderate impact to the sector expected from potential regulatory/policy changes (e.g., carbon taxes) relating to the sector's carbon intensity; direct impact with noticeable economic implications on the sector through impacted asset valuation, increased expenditure (e.g., compliance costs) and/or revenue loss	Major impact to the sector expected due to expected regulatory/policy changes) relating to the sector's carbon intensity; significant shift expected in the business model or economics of the sector impacting asset valuation, expenditures (e.g., increased compliance costs) and/or revenue
Technology	Outside of general modernization of technology, no technology shifts are expected for the sector	Minor impact to the sector expected from technology changes (e.g., impact only on a small subset of the sector, or only indirect impact through supply chain) that result in market share loss	Minor impact to the sector expected from technology changes, resulting in some shift in the economics of some companies in the sector leading to market share loss	Major impact to the sector expected from technology changes, resulting in substitution of a significant portion of existing companies (e.g., market share loss)
Stakeholder	There is no expectation of stakeholder composition or preferences changing for the industry	Minor stakeholder impact due to expected shift in preferences, with minor financial impact on companies (e.g., revenue, vendor pricing)	Major stakeholder impact is expected for the sector in terms of stakeholder preferences and composition, with modest financial impact (e.g., revenue, vendor pricing)	Major stakeholder impact is expected in terms of both client preferences and composition of stakeholders, resulting in significant financial impact (e.g., revenue, vendor pricing)
Legal	No increased litigation concerns are expected to impact the industry that would lead to increased financial burden (e.g., legal fees, settlements)	Minor litigation concerns are expected to impact the sector, with minor financial consequences (e.g., legal fees, settlements)	Moderate litigation concerns are expected to impact the sector, with modest financial impact (e.g., legal fees, settlements)	Major litigation concerns are expected to impact the sector, with significant financial impact (e.g., legal fees, settlements)
Acute hazard	Acute physical hazards have no impact on the day-to-day operations of companies in the sector	Sector would experience minor impact from acute physical hazards on operations (e.g., revenue loss due to business disruption) or minor damage to assets (e.g., asset devaluation)	Sector would experience moderate and protracted impact from acute physical hazards on operations (e.g., revenue loss due to business disruption) or moderate damage to assets (e.g., asset devaluation)	Sector would experience major and protracted impact from acute physical hazards on operations (e.g., revenue loss due to business disruption) or significant damage to assets (e.g., asset devaluation)
Chronic hazard	Chronic physical hazards have no impact on the operations or valuation of assets/companies in the sector	Chronic physical hazards have minor potential impact on the operations (e.g., increased insurance cost) or valuation of assets/companies in the sector	Sector would experience moderate and sustained impact on the operations (e.g., increased insurance cost) or valuation of assets/companies in the sector	Sector would experience major and irreversible impact on the operations or valuation of assets/companies in the sector

This exercise will allow maib to produce a climate risk heatmap that will include all of its investment portfolio and will display the climate risk vulnerability of each sector in which maib invests. This heatmap will be of key importance because it will provide a comprehensive overview of the portfolio's exposure to climate risks, as well as a more detailed picture sector by sector.

The results of the climate risk heatmapping exercise will be used to inform the assessment phase of maib's climate risk management framework. This phase will be crucial as it will involve understanding the emissions produced by maib's loan portfolio's underlying assets and assessing the materiality of the climate-related risks that maib is exposed to.

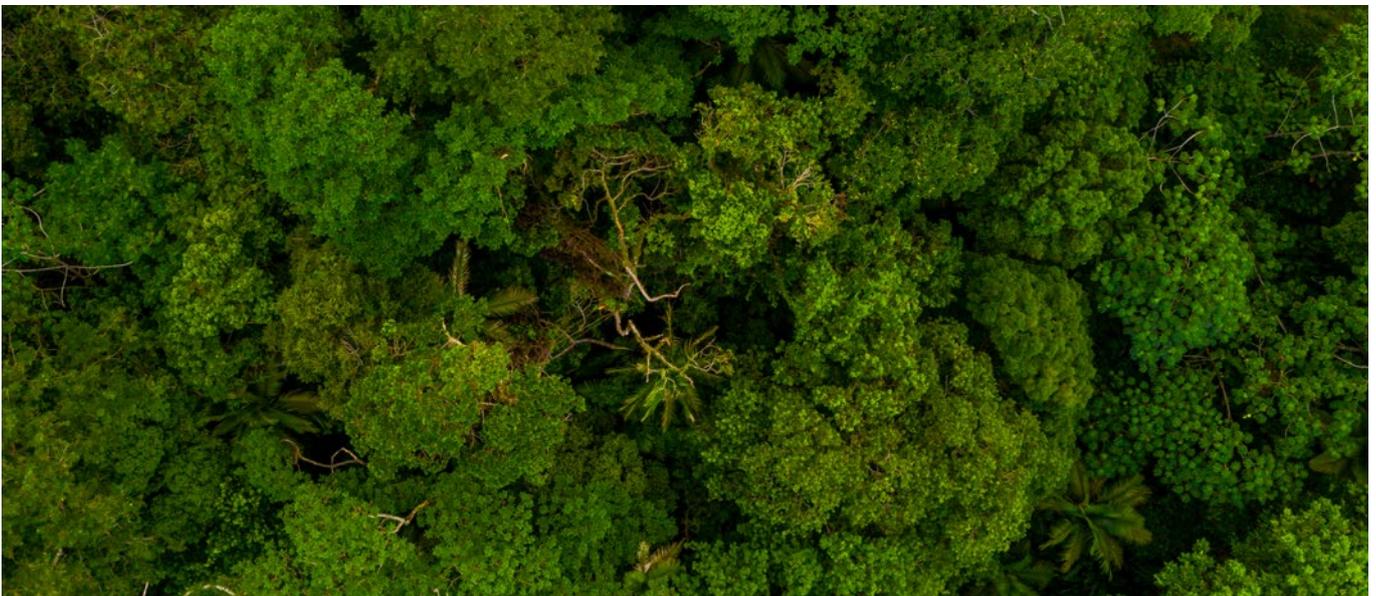
# Policy and commitments towards sustainability transformation

## Sustainability ESG Strategy

Maib's recently adopted High level Sustainability Strategy Outline is in line with the Bank's values and purpose of "creating smart and simple financial and lifestyle solutions that inspire people to be happier and business more successful" and is centred around its work, customers, happiness, and success. As the figure below shows, maib's ESG Strategy is based on these three verbs – **SIMPLIFY, CREATE, INSPIRE** – that integrate maib's ESG aspirations, vision and activities.



For each of these three pillars – simplify, create, inspire – maib is taking concrete measures with the end goal of achieving its targets and aspirations, i.e., improved climate risk initiative and governance, enhanced transparency, enriched offer of green and sustainable products, increased financial health and inclusion, and so on. These actions are summarized in the table below.



## SIMPLIFY

### Aspiration

“Harness ESG analytics to simplify sustainable solutions and reporting”

### Actions

**1. Climate Risk Initiative** – properly identify, assess, mitigate, and monitor climate-related risks and integrate them in the overall risk management framework as transversal risk that can arise across all other banking risk categories.

**2. ESG Orchestration & Governance** – establish a robust governance structure to ensure effective and successful implementation of the ESG Strategy and integration of ESG into maib’s Risk Management framework, by prioritizing an ESG governance structure that can respond to emerging ESG risk management expectations from critical long-term funders and EU regulations.

**3. Sustainability Transparency** – report on sustainability practices according to international standards, by increasing transparency and accountability in line with stakeholder expectations. Robust ESG reporting demonstrates maib’s commitment towards sustainability and responsible business practices.



## CREATE

### Aspiration

“Create value through sustainability products and advisory services to support low carbon economy transformation”

**4. Green & Sustainable Products** – design and offer innovative market-based solutions to support clients in through their transition to a lower-carbon economy. Maib focuses on increasing lending to corporate/SME clients to accelerate climate action and the transition to a lower-carbon economy through various set of products. Further, maib is designing an internal Green Taxonomy to define eligible green investments. It is also developing a Sustainable Finance Classification System (SFCS) is being developed to track and record sustainable investments.

**5. Financial Health and Inclusion** – facilitate access to basic and quality financing products and services, while adapting the offer to the possibilities of the most vulnerable people. Specifically, maib focuses on three specific goals:

- Ensuring that the population of the area where it operates has access to basic financing services.
- Offering products and services to support and contribute to the growth of the local economy and of the most vulnerable households and groups.
- Developing programs and initiatives to increase financial education and the ability to take successful financial decisions.
- To achieve these, maib focuses on the development of different financial products – with supporting structures – that tackle both financial and social inclusion aspects:
  - Positive infrastructure projects with social impact (hospitals, schools, road for rural communities etc.)
  - Digital solutions to broaden financial inclusion.
  - Financial education programs to promote financial literacy and education among Moldovan citizens.
  - Remittance services to provide affordable and convenient services that make it easier for Moldovans living abroad to send money home.

In addition, maib is designing an internal Social Taxonomy to define, tag and track the investments with a positive social impact, including for reporting and disclosure purposes.



## INSPIRE

### Aspiration

### Actions



“Inspire employees and clients by leading the example with focus on people and sustainable own operations.”

**6. People** – build a strong, purpose-driven and inclusive culture where the team members feel empowered to make their clients’ and their own ambitions real. This benefits the business and increases its credibility. Through its culture of inclusion, maib harnesses the power of its diverse workforce to succeed in a complex, interconnected world and create impactful outcomes for businesses, customers, and communities. To achieve this, maib focuses on the following actions:

- Integrating Human Rights into its operations and following the ongoing human-rights-related developments at the international and national level.
- Building an inclusive culture by promoting equity and equal remuneration.
- Nurturing continuous education, development and learning for all employees.
- Focusing on talent and employee well-being as the greatest assets driving success.

**7. Sustainable own operations** – try to reduce maib’s own environmental impact and transform business operations with sustainability-based decisions. Maib calculates its carbon footprint to be more aware of its direct and indirect role in global warming and to inform further actions. It measures three parameters:

- Direct emissions (Scope 1): Gases released from fuel combustion in machines, furnaces, vehicles, and boilers that maib controls or owns. It also includes “fugitive emissions” from heating and cooling system leaks and machine breakdowns.
- Indirect emissions (Scope 2): Gases released when maib consumes energy bought from a third party.
- Other indirect emissions (Scope 3): Gases released from employee transport, supply chain activities and other outsourced services with assets that maib does not own or control.

Maib is committed to improving its own carbon footprint and reducing its own environmental impact, by measuring and managing energy and water efficiency and GHG emissions. Additionally, in the future, maib is planning on including financed emissions within its Scope 3 emissions, i.e., the emissions resulting from its investments. This will allow for more comprehensive and transparent reporting and for a better identification of climate-related risks and opportunities.

## THOUGHT LEADERSHIP AND STAKEHOLDER ENGAGEMENT

### Aspiration

### Actions

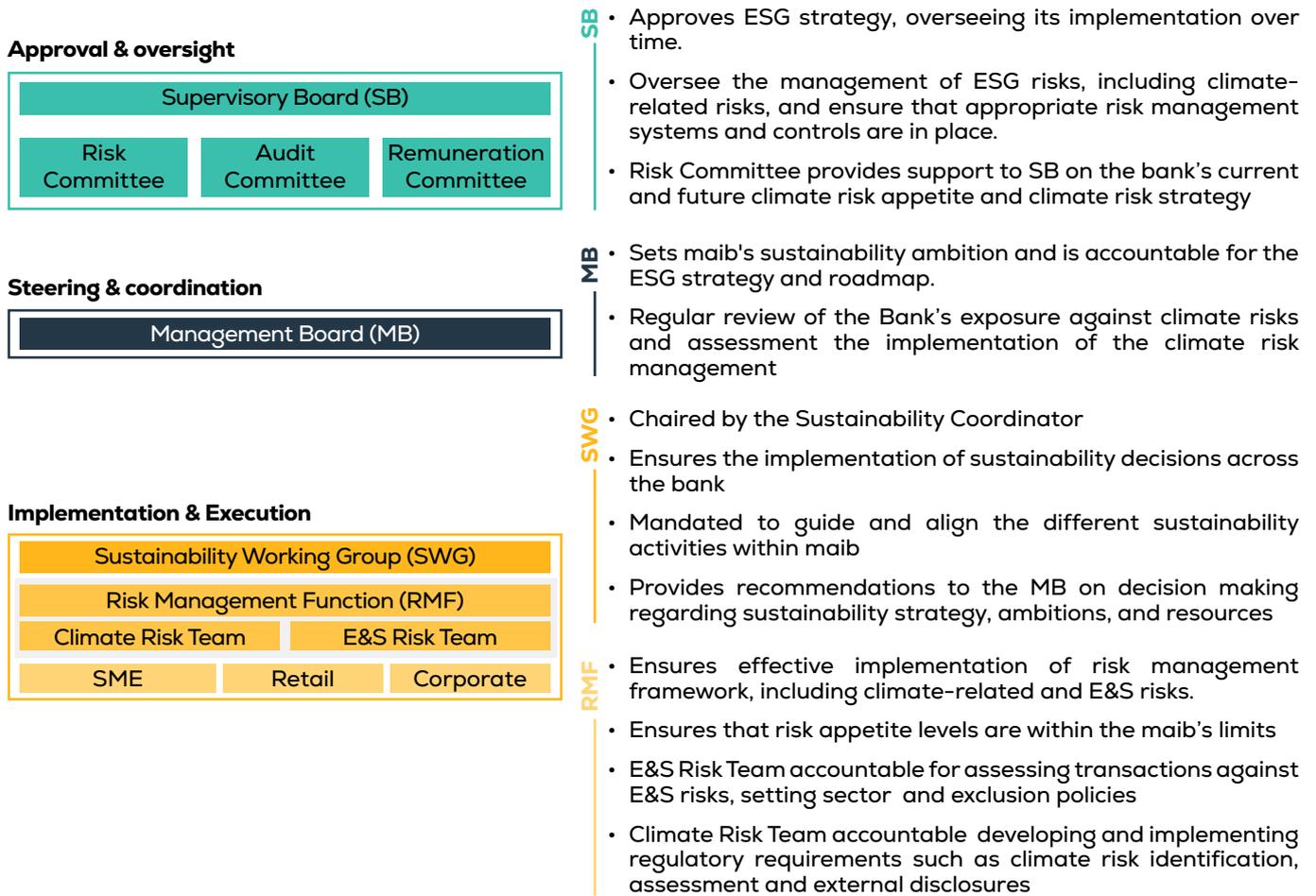


“Continuous stakeholder dialogue to better understand and more successfully address the ESG challenges and opportunities that are of the greatest concern of these key groups.”

Maib has a range of stakeholders, including customers and clients, employees, communities, shareholders, regulators, and policymakers, ESG raters, research analysts and suppliers. It engages with them throughout the year to obtain insights into their needs and perspectives, and to share information about its strategy, practices, and performance. The insights emerging from these engagements are then fed into maib’s ESG strategy, products and services, policies, and procedures.

## ESG governance

Crucial to the successful implementation of maib's ESG Strategy is an efficient and robust ESG governance apparatus. The figure below displays maib's ESG governance structure and the resulting distribution of ESG-related tasks and responsibilities.



The **Supervisory Board (SB)** is responsible for the oversight of the ESG Strategy and its implementation overtime. Additionally, with the support of the Risk Committee, the SB oversees the management of ESG risks, including climate-related risks, defines the bank's current and future climate risk appetite and strategy and ensures that appropriate risk management systems and controls are in place. The SB receives regular updates from the Management Board on sustainability issues and, when necessary, it sets up a dedicated task force to tackle emerging material ESG issues

The **Management Board (MB)** is accountable for setting up maib's sustainability ambitions and Sustainability (ESG) Strategy and roadmap implementation. Therefore, the MB is responsible for ensuring that sufficient resources are available for sustainability initiatives and for

monitoring the progress of the key sustainability initiatives. The MB also performs regular reviews of the Bank's exposure to climate risks and assesses the implementation of the climate risk management framework.

Therecentlyestablished**Sustainability Work Group (SWG)**, chaired by the Sustainability Coordinator (SC), ensures the implementation of sustainability decisions across the bank and approves implementation plans for key sustainability topics. It is responsible for guiding and aligning the different sustainability initiatives across maib, and it provides recommendations to the MB on decision-making regarding sustainability strategy, ambitions, and resources.

The **Risk Management Function (RMF)** is independent of the business lines and responsible for ensuring the effective implementation of the risk

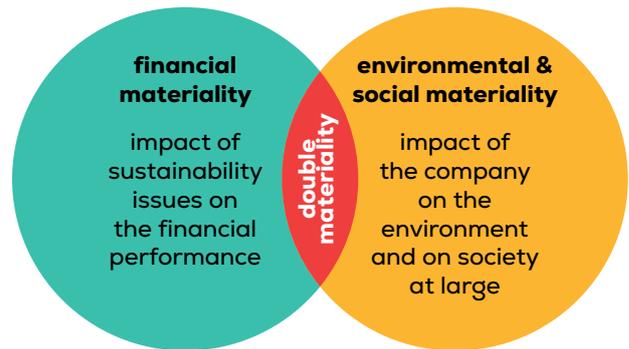
management framework, performing risk monitoring and reporting, and overseeing new risk regulations, including climate-related and E&S risks. It also ensures that risk appetite levels are within the limits that maib is willing to accept in order to achieve its strategic goals while remaining in compliance with regulatory requirements. As climate risks and E&S risks will be dealt with separately, there are two dedicated teams within the RMF. The **Climate Risk Team** will be responsible for developing and implementing regulatory requirements such as climate risk identification, assessment, and external disclosures. The **E&S Risk Team** is instead responsible for assessing transactions against E&S risks, setting policies for sensitive industry sectors, and recommending exclusion policies to the MB and Risk Committee.

# Material Topics

## ESG Materiality Assessment

**ESG materiality** refers to the significance of ESG issues to a company's financial performance and its stakeholders and it can be assessed from two angles:

- **Financial materiality**, which refers to the potential impacts that ESG issues might have on the financial performance of a company ("outside-in" perspective).
- **Environmental and social materiality**, often referred to as impact materiality, refers to the potential impacts that the company's operations might have on the environment and society at large ("inside-out" perspective).



**Double materiality**

Considering these two perspectives together is defined as the principle of double materiality, according to which ESG-related information is important for its implications on both the firm's financial value and society at large.

Maib maps ESG materiality at the portfolio level to identify the potential impact of ESG-related issues on its business model, financial performance, and reputation, as well as their magnitude and relative importance. Assessing ESG materiality is also useful for maib to identify ESG risks and opportunities, identify ESG trends and expectations that might become relevant in the future, to prioritize ESG-related matters that are more significant to its business and stakeholders, and to develop a more coherent and credible ESG Strategy.

Maib follows an approach to ESG materiality assessment that consists of four steps:

1. Use industry standards to determine which ESG issues are considered material by peers in the banking sector.
2. Evaluate key ESG-related issues through the lenses of maib's business model and company-specific circumstances.
3. Seek input from stakeholders through interviews, surveys and consultation to understand their needs and expectations, which are a driving factor of ESG materiality.
4. Map ESG material items on an ESG materiality matrix, which assesses the relevance of ESG material items to maib and its stakeholders. This allows maib to prioritize ESG material issues that are most relevant in terms of stakeholders' expectations, business strategy and values, exposure to ESG risk, and so on.

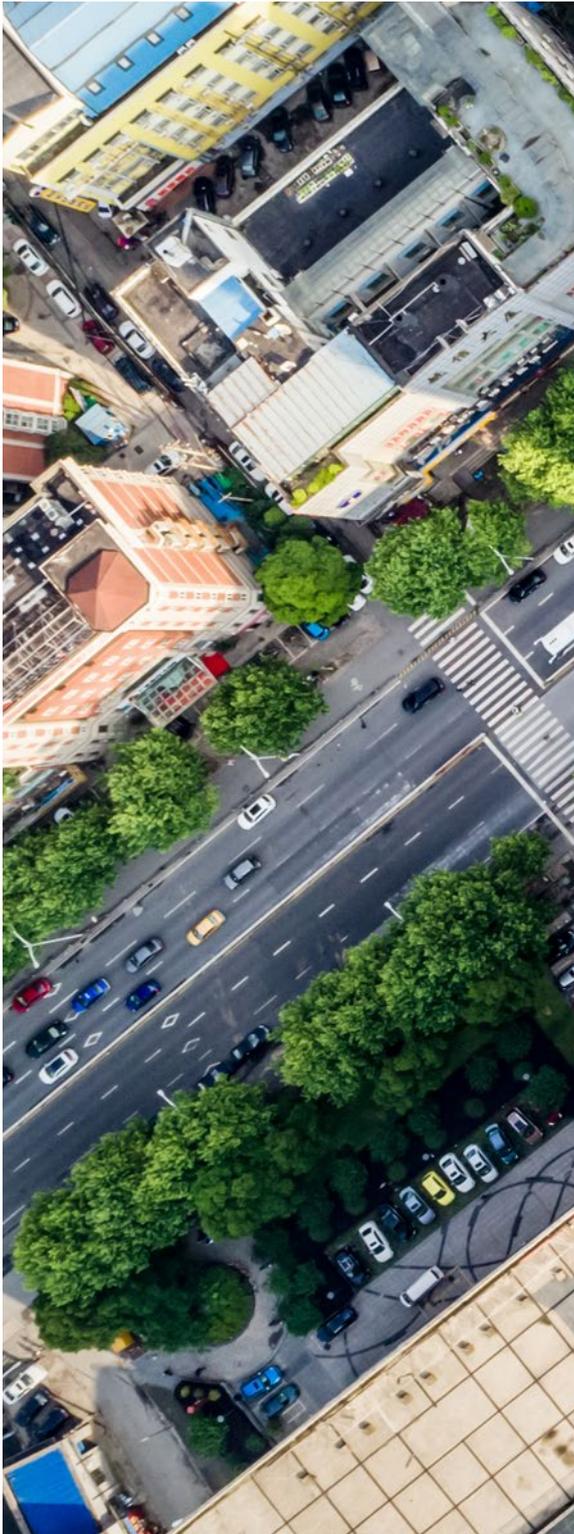
Maib has developed a methodology to conduct its own ESG materiality assessment, which includes a comprehensive list of ESG-related items, in line with the practices adopted by the main ESG rating agencies. The table below shows the list of items that are included in maib's ESG materiality assessment.

area	Item - impact on operations	Item - impact on portfolio
Climate/Environment	Carbon footprint of operations	Financed GHG emissions Green and sustainable products Exposure to climate risks Biodiversity Energy security
Social	Employee development Employee wellbeing Gender equality Non-discrimination Financial inclusion Financial literacy Data privacy Community relations Procurement practices Human rights protection	
Governance	Board composition and skills Transparency Remuneration linked to ESG Employee ownership Shareholders right Anti-bribery and anti-corruption Ethics and values	

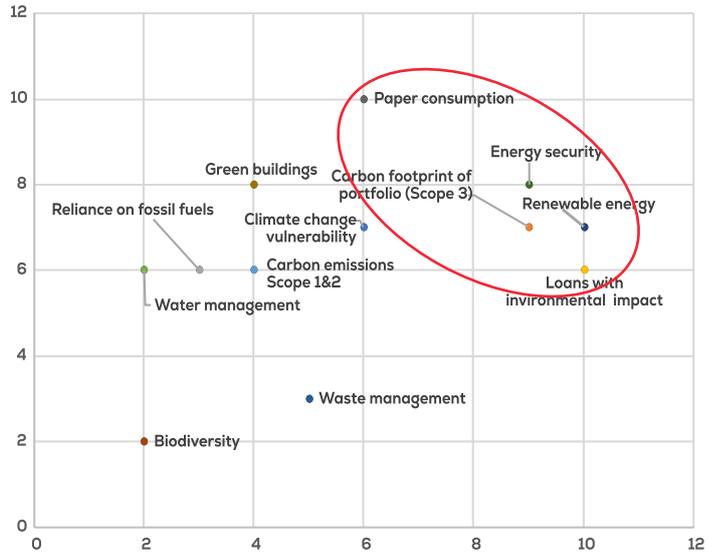
# Materiality Matrix

## ESG materiality matrix

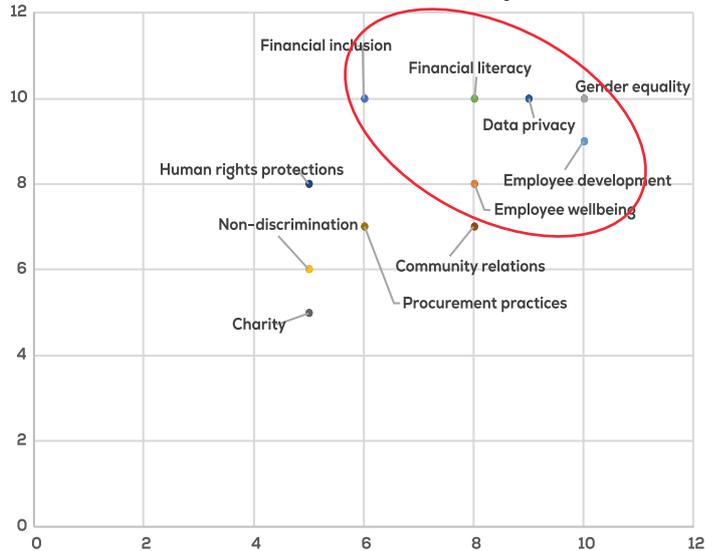
To better visualize the materiality of its key ESG items, maib produces a materiality matrix for each of the ESG aspects. The figures below show the climate, social and governance materiality of all the items of maib's ESG materiality list.



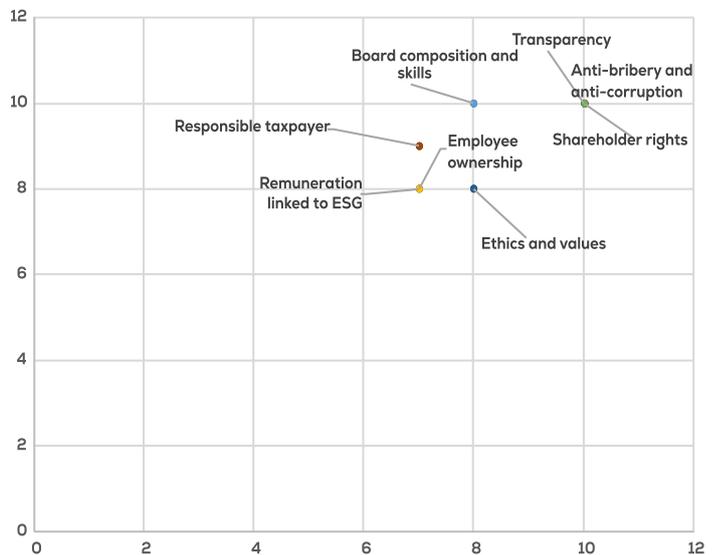
## Climate dimension of Maib's ESG materiality assessment



## Social dimension of Maib's ESG materiality assessment



## Governance dimension of Maib's ESG materiality assessment



# Stakeholder engagement

Maib has a wide range of stakeholders, including customers and clients, employees, communities, shareholders, regulators and policymakers, ESG raters, research analysts and suppliers. It engages with them throughout the year to obtain insight into their needs and perspectives, as well as to share information about the Bank's strategy, practices and performance. Responsibility for engaging with stakeholder groups is shared across

maib's lines of business and corporate functions, and the engagement is executed through numerous channels. The insights obtained from stakeholder engagement are then fed into maib's business strategies, products and services and policies and procedures. The following table explains the way in which maib engages with the different groups of stakeholders:

Stakeholder group	How maib engages with stakeholders
<b>Customers and clients</b>	Solicit and respond to customer and client feedback and endeavour to build long-lasting relationships based on mutual trust and respect.
<b>Employees</b>	Work to understand employees' evolving needs and perspectives, as people are at the heart of maib's purpose and success.
<b>Communities</b>	Ensure that maib's decisions are informed by diverse perspectives, particularly those of the communities served.
<b>Regulators and policymakers</b>	Maintain an open, ongoing dialogue with supervisory regulators and policymakers.
<b>ESG raters</b>	Regularly engage with ESG raters to provide them with information relevant to maib.
<b>Suppliers</b>	Frequently engage with key suppliers on several topics and through various channels.



## Shareholder engagement

Maib takes on a careful and comprehensive shareholder engagement and communication approach, which promotes regular, open and transparent dialogue with both existing and potential shareholders. Shareholder engagement covers all results, performance and strategy issues, and it also includes discussions related to corporate governance. Maib takes into consideration the issues that shareholders indicate as relevant to them through written communications. It also receives shareholders' feedback through individual phone calls and shareholder meetings, and it treats it as relevant.

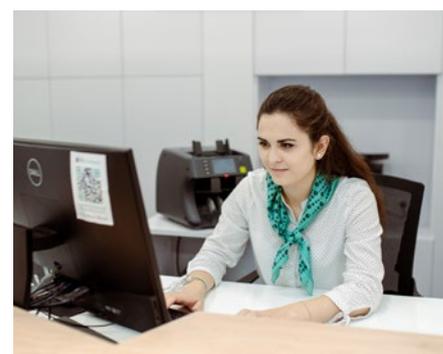
This approach for shareholder engagement and dialogue will continue throughout 2023, including through maib's forthcoming Annual General Shareholder Meeting (AGM) to be held on 15 June 2023. Throughout 2023, shareholders will also continue to be informed about important developments. These include, maib's annual results announcement, half-year results and quarterly results, and are supported by a combination of presentations and videoconference briefings. Maib's website also provides shareholders with access to the Bank's results, press releases, investor presentations, details about maib's community engagement and CSR framework, maib's leadership and other relevant information. This aims at ensuring that shareholders can easily access the details of the Bank's performance and results. Maib has a dedicated shareholder relations function, which is available for contact at any time. In addition, the investor relations enables engagement with both existing and potential shareholders, analysts and the broader public.

Over 2022, maib has engaged with a large number of existing and potential investors, and participated in six investor conferences and road shows, both virtual and in-person. Additionally, in September 2022, maib participated in the Moldova - Romania: Capital Bridges forum in Bucharest. This event was organized by maib in partnership with the Bucharest Stock Exchange, WOOD & Co and Raiffeisen Bank International, and it was also supported by the Government of The Republic of Moldova, AmCham Romania and Romanian Business Leaders. It featured the Prime Minister of Moldova, Mrs. Natalia Gavrilă and the Prime Minister of Romania, Mr. Nicolae Ciuică, who both took part in the ceremony and delivered the opening speeches. They were joined Mrs Odile Renaud-Basso, the President of the European Bank for Reconstruction and Development, Mr. Nicu Marcu, President of the Financial Supervisory Authority and the Chairman of the Bucharest Stock Exchange, Mr. Radu Hanga. The event had three panels where guests and potential investors had the opportunity to receive an update from the members of the Board and Management, and from representatives of financial and public authorities on the Moldovan macroeconomic prospects and investment climate and on Romania-Moldova financial and economic bonds.

Moreover, on 12 December, maib and the Bucharest Stock Exchange (BSE) held the Accessing International Capital Markets forum, which was supported by WOOD&Co, EBA Moldova and AmCham Moldova and aimed at highlighting to Moldovan businesses and public officials the opportunities presented by the

accession to capital markets. In this occasion, Moldovan business leaders had the opportunity to acquire new information and insights on capital markets directly from market participants and regulators. Event's speakers included several public and financial authorities representatives, such as Mr. Kent G Logsdon, the US Ambassador to Moldova, Mr. Janis Mazeiks, the EU Ambassador to Moldova, Mr. Octavian Armașu, the Governor National Bank of Moldova, Mrs. Angela Sax, the Head of the EBRD Office in Moldova, Mr. Chawani Rodgers, the Head of the IMF Office in Moldova, Mr. Dumitru Alaiba, the Minister of Economy. The participants discussed about capital markets, tackling the topic from different perspectives, and shared their experience and opinions.

Marcel Lazar is Maib's internal shareholder relations and affiliated parties' group officer, whose role includes acting as an intermediary in the dialogue between maib and its existing shareholders. The Chairman has the overall responsibility of ensuring that the Board understands the views of major shareholders. The full Board is regularly kept informed of these views by the Chairman, the Management and the Investor Relations team. When deemed appropriate, the Group has also taken further steps to adopt different ways of working in response to shareholder and stakeholder feedback received. Informal feedback from analysts and the Group's corporate advisors is also shared with the Board and taken into consideration.



## Data Protection

The transfer of products and operations online and the growing trend toward digitization increased the vulnerability to the danger of cyberattacks, data theft, and financial exclusion, which could harm the bank's core business. In order to manage and analyse large amounts of data quickly, standardize the maintenance of data integrity, and safeguard against breaches of personally identifiable information, the bank concentrated on these areas.

Information security and personal data protection are crucial concerns for the secure running of day-to-day operations in the context of rising digitization processes in the financial and banking sector. The Information Security Management System is created in compliance with these standards, as are all internal information security regulations at the Bank level, which are designed in accordance with the ISO 27001 standard.

The bank processes (collects, stores, records, organizes, etc.) in accordance with the provisions of Law 133 of 08/07/2011 on the protection of personal data and decisions/orders issued by the Centre for the Protection of Personal Data of the Republic of Moldova.

GDPR is 70% mirrored by the legislation of the Republic of Moldova. Maib's policies are in line with most provisions of the GDPR, given that it also applies to non-EU countries that provide services to EU citizens residing in the EU.

The National Bank of Moldova periodically evaluates the security procedures and control mechanisms as part of internal audits, external audits, and controls. During these evaluations, the requirements for information confidentiality, integrity, and availability are assessed. The measures implemented led to the discovery of no breaches.

All employees at the start of employment participate in primary training organized by maib (maib WoW - formerly ABC maib). As part of the process, employees are trained including how to process personal data and ensure information security and confidentiality measures. The introductory course lasts 40 minutes, therefore 454 hours of training on data protection were held for all the bank new joiners.

Refreshment on data protection is made once a year, as an online course on our learning platform. The training is mandatory for each employee and it lasts 1.5 hours.

In 2022, maib registered no complaints from third parties or regulatory bodies regarding personal data protection.

## Certifications, associations and awards

### Membership of associations:

Maib is part of the following associations/groups:

- European Banking Authority (EBA)
- Banking Association for Central and Eastern Europe (BACEE)
- Chamber of Commerce and Industry
- American Chamber of Commerce in Moldova (AmCham)
- Bankers' Association of Moldova
- Bankers' League of Moldova



**Certifications and awards:**

Based on our sustainability initiatives, the community has honoured us with significant awards.

Maib continues to be a valued brand in the Republic of Moldova. For over a decade, the bank has been awarded by the Chamber of Commerce and Industry in the Trademark of the Year competition for its growing economic performance, social involvement and customer-centric activity.

The Golden Mercury in the "Financial Services" category, the "Reputation and Trust" nomination, represents the appreciation of the most successful strategy of a local trademark, evaluated according to the results of its implementation, including increased sales, increased market share, value and image of the trademark, trust invested by consumers.

With the Golden Mercury in the category "Financial Services", the nomination "Rebranding", the creative efforts of the bank's team for the maib rebranding in autumn 2021 were awarded. The experts of the national competition praised it as the most efficient and professional on the market. Another important criterion, which played a decisive role, was brand appreciation among consumers.

Maib added another important recognition to its impressive record of accomplishments, this time being ranked by Euromoney magazine as the market leader in 3 key segments, namely Corporate, Digital and Corporate Social Responsibility. Also, Euromoney magazine awarded Maib as "Best Bank in Moldova" in 2021.

During the "Mastercard Day 2022" event, held this year in Warsaw, Poland, the maib team was awarded

with two important distinctions, being recognized as the Cashless Leader in the Republic of Moldova and the Card Industry Breakthrough. In addition, Maib was named "Leader in Card Performance" in 2021, by Mastercard.

Other important awards include:

- "Best Bank in Moldova" (two years in a row, in 2021 and 2022) and "Best SME Bank in Moldova" (in 2022) - awarded by Global Finance Magazine
- "Bank of the Year" - awarded for four years in a row by The Banker
- "Best Bank in Moldova 2021" - awarded by EMEA Finance





# products and services

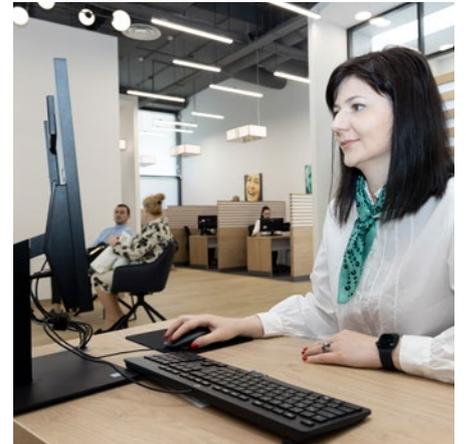
## Our portfolio

Maib is one of the largest dividend players in Moldova, with a wide customer base of over 950,000 across all banking segments. Being consistently growing and profitable, Maib is the leader of the Moldovan banking market by loan deposits, distribution network, brand perception and most other key indicators. The distribution network consists of

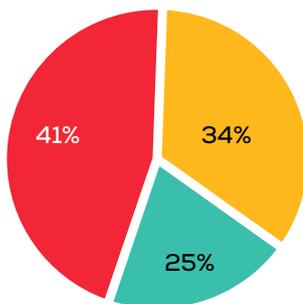
over 2800 employees, 113 branches and agencies, 294 ATMs, 11,702 POS terminals.

The bank is composed by three divisions: Retail, SME and Corporate.

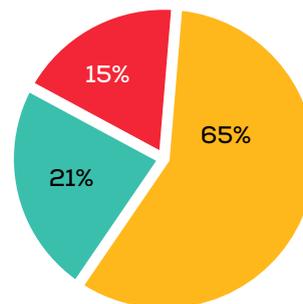
retail	SME	corporate
<b>955</b> thousand clients	<b>30</b> thousand clients	<b>478</b> clients
<ul style="list-style-type: none"> <li>• Market leader in the segment by deposits</li> <li>• Leading bank among affluent customers</li> <li>• Strong positions among mass retail customers</li> </ul>	<ul style="list-style-type: none"> <li>• Emerging leader in the SME segment</li> <li>• Strong focus on winning market share in the segment</li> <li>• Highest growing segment in bank's portfolio</li> </ul>	<ul style="list-style-type: none"> <li>• Established business relationships with many of the key corporate clients in Moldova</li> <li>• Diversified product offering</li> <li>• Estimated market share - nearly 50% of corporate clients in Moldova</li> </ul>



Customer loans composition



Customer deposits composition



● retail ● SME ● corporate

The table below highlights different types of financial products issued by main in 2022 in the areas of retail, corporate and green products.

## retail

### 1. Loans

- Espresso
- Refinancing
- Car loans

### 2. Mortgage loans

- Mortgage loans
- Refinancing
- Prima casa

### 3. Cards and accounts

- Digital cards
- Debit cards
- Credit cards
- Salary cards
- Social cards
- Premium cards
- Current accounts

### 1. Deposits

- Maib classic
- Maib classic+
- Maib multioptional
- Maib capital

### 2. Digital, payments and transfers

- Maibank
- Internet banking
- SMS notifications
- P2P
- T2C
- ATM operations
- Self service
- Garmin, Google & Apple pay

## corporate

### 1. Loans

- Working capital
- Investment loans
- International resources
- For farmers
- Micro credits
- Refinancing
- Credit limit

### 2. Cards and accounts

- Business packages
- Credit cards
- Debit cards
- Current accounts
- Payment operations

### 3. Deposits

- Classic promo
- Classic
- Classic+
- Prestige

### 4. Digital, payments and transfers

- Internet banking
- Electronic statements
- SMS notifications
- E-commerce
- POS terminals
- SmartPOS

## green products

### 1. Green loans

- Wind
- Photovoltaic



# Sustainable Financing

**Maib conference dedicated to alternative energy solutions** brought together entrepreneurs interested in diversifying energy resources and green financing, suppliers of facilities dedicated to alternative resources, government officials, focusing on the current regulatory framework, practical aspects of connecting to the grid, success stories, transition to alternative resources, available plans and programs for alternative energy sector and **maib's** experience in financing green energy projects.

During 2022, **maib** supported businesses that planned to invest in energy generation from alternative resources by offering them discounts and special conditions. As a result Business Banking unit originated 84 loans with a total value of MDL 215 mln covering renewable energy solutions.



## Green Loans

EBRD's Green Economy Financing Facility (GEFF)

- EBRD and GCF support Moldova's transition to a low-carbon and climate-resilient economy
- €5 million loan to maib for on-lending to private enterprises and households
- First EBRD loan under Green Economy Financing Facilities (GEFF) in the country

The project is co-financed by the Green Climate Fund and the Turkish Ministry of Finance and Treasury and it targets those who want to reduce their energy consumption and thus reduce their energy costs.

In 2021, maib joined forces with the Green for Growth Fund (GGF), which provided a EUR 10 million loan in MDL to finance energy efficiency measures for retail and business clients across different industries - such as manufacturing, food and agriculture - as well as small-scale renewable energy projects. The investment helps the bank's clients increase efficiency and competitiveness, strengthens the bank's capital base, and enables it to grow sustainably in a medium to long term perspective.

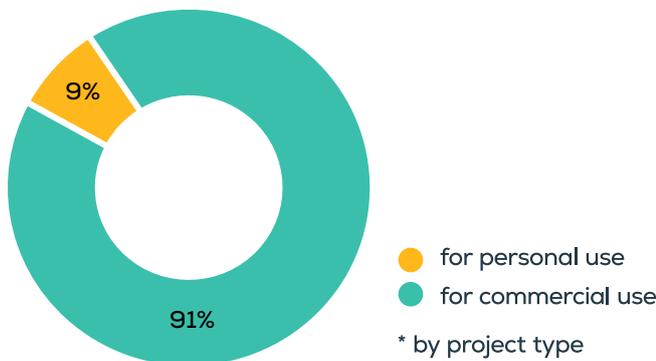
In 2022, Maib's SME loan portfolio held 73 loans totalling MDL 214 million, which constituted 4% of the total SME investment loan Portfolio.

Green Loans (SME) 31.12.2022			
Currency	Credit volume	Nr credits	%
EUR	161.40 million	26	75.38%
MDL	52.73 million	47	24.62%
<b>Grand Total</b>	<b>214.13 million</b>	<b>73</b>	<b>100.00%</b>

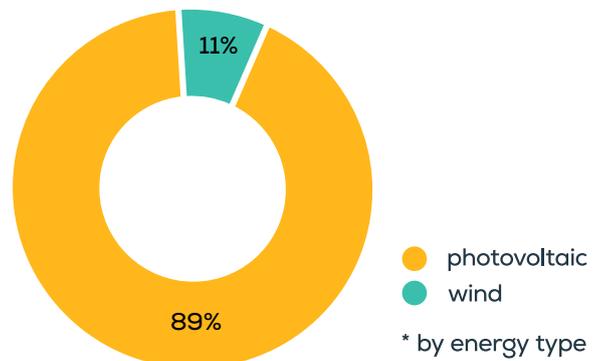
This year we plan to implement an Internal Taxonomy for labelling of green loans with support of GGF TAF which could be classified in the following categories:

- Renewable Energy Projects/Equipment
- Energy Efficiency Projects/Equipment
- A++ Appliances
- Heat Pumps
- Drip Irrigation
- Harvestor Replacement
- Tractors
- Smart Agriculture
- Water Treatment Facilities
- Lighting
- Green Transport
- Micromobility
- Green Buildings

### renewable energy projects by use



### renewable energy projects by type of energy source



Corporate green loan portfolio contained 8 loans with a total outstanding amount of MDL 84.5 million representing 3.1% of total Corporate investment loan portfolio as at the end of 2022. These were loans primarily to industrial and agricultural producers for renewable energy production for own use.

## Digitalization

Digital transformation is Maib's main area of interest. Digitalization drives internal processes that supply the operating framework, risk management, compliance, and reporting, as well as the customer experience. The Bank's top emphasis continues to be information technology.

**171**

+ 16% y-o-y

IT staff  
numbers

**131**

mIn MDL

+ 50% y-o-y

IT Capital  
Expenditure

**79**

mIn MDL

- 6% y-o-y

IT Operating  
Expenditure

### Key IT processes during 2022

Strategic directions of the IT department:

- Digital transformation of maib's products and services
- Alignment of IT infrastructure and processes with both digital and agile transformations
- Growth and upskilling of the IT team in the fields of software development, DevOps,
- Quality Assurance, UX/UI design, business & system analytics.

### Main Initiatives from 2022:

- Business Process Management (BPM)
- Core Banking System (Temenos)
- Card Operations
- Debt Collection
- SAP Analytical Platform
- Data Center
- Maib Mobile Application
- Internet Banking for legal entities
- Ecosystems

## Ecosystems

One of **maib**'s strategic pillars is to become a financial ecosystems' leader. The plethora of initiatives to address that strategic pillar are grouped under the common title "Hub".

### What is HUB?

- HUB is a set of customer-centric ecosystems.
- HUB is based on partnership.
- HUB connects those who seek a product or service and those who offer.

### Rationale for existence

**Maib** client-centric strategy means offering a one-stop-shop platform for all clients' specific needs like automobiles, housing or payments.

### Rollout strategy

HUB ecosystems have hybrid rollout strategy, which is implemented in 2 phases.

Phase 1 (2021-2023) – creation of a new point of contact with existing and potential customers and a lead generation channel for banking and other related products: loans, insurance and e-commerce. Becoming a first point of contact, a necessity, one of the top apps used on the mobile phone, one of the top webpage visited. Scaling a platform effect where the ecosystem self-sustaining because it is useful both for buyers and for sellers.

Phase 2 – once the ecosystem reaches the stage where it is one of the key applications on the phone, a necessary point of contact for both buyers and sellers, monetize it via a combination of commission for third party services, advertising fees, and other means. Use to generate leads for **maib**'s own products and services.

### Ecosystems: what was achieved in 2022

- We've created unifying naming (HUB) and unified visual identity for all projects – March 2022
- **DriveHub** mobile application launch (retail segment) – April 2022
- **CasaHub** platform launch (retail segment) – April 2022
- **CasaHub** – real estate price estimation service launch – June 2022



### Competitive strength of maib HUB

- Signed up and integrated all official car dealerships and biggest used car parking in Moldova in DriveHub catalog;
- Signed up and integrated all developer companies and biggest real estate agencies in CasaHub catalog;
- Automated upload of listings;
- Daily listings renewal, no duplicates;
- Partners technical support line we are especially proud of.

We benchmark ourselves internationally not just against banks but non-banking providers as well. We look at similar offerings from the likes Kaspi (Kazakhstan) and TBC Bank (Georgia), and also non-banking solutions like RIA (Ukraine), LUN (Ukraine) and Imobiliare (Romania).

- **DriveHub** carwash & repair stations map launch – June 2022
- **CasaHub** – real estate evaluation for mortgage service launch – September 2022
- **AgricolaHub** launch (SME segment) – October 2022
- At the end of the year, we have formed cross-functional team dedicated to ecosystems



## Digitalized Customers

Maib has witnessed a significant increase in the number of digitalized customers in recent times. With user-friendly mobile applications and online banking services, the bank has been successful in attracting a large number of customers who prefer digital banking over traditional banking methods.

The DriveHub and CasaHub applications have registered a number of 80,000, respectively 65,000 of unique visitors,

monthly. The rate for returning visitors monthly, registered in 2022, was 15% for DriveHub and 25% for CasaHub.

The app Maibank have increased the number of users with 133,000 from 2021 and 54% from all customers are paying users. Also, the number of online payments on the application have significantly increased with almost 250,000 in the last year

## Drivehub and CasaHub in numbers

	DRIVE HUB	CASA HUB	
number of services	4	5	
total listings	9 000	12 000	
total partners	43	40	
unique visitors, monthly	80 000	65 000	
returning visitors, monthly	15%	25%	

## MaiBank app in numbers

	Q4 2021	Q4 2021	
MaiBank Retail users	297,000	430,000	
MaiBank online payments	265,000	511,000	

## MaiBank app in numbers

Ensuring the shortest time to market for new and innovative products, taking into account the experience of various fintech, the Bank made a major effort to upgrade its IT team. Headcount was up by 16% year-on-year and this trend is expected to continue in 2023. Additional rationale for increased headcount is to reduce usage of external providers in critical areas of development.

In the context of the Bank's agile transformation, several key dimensions of change were identified for IT department:

- personnel (people and new skills);
- adapting the organizational structure to the Bank's strategic objectives (focus on products, services, systems, customer needs);
- simplifying/optimizing internal IT development/support processes and inter-team interaction;
- building the new culture of autonomy, responsibility and focus on results.

At the same time, maib is also considering setting up an IT focused subsidiary to accommodate efficiency improvements, innovation, development and support of new digitized products/services, while balancing the unique challenges of scarcity of IT talent.

Another major challenge for maib is continuing need for infrastructure and process modernization. Key areas for maib in this respect are:

- implementing modern software development tools and practices (microservices, containerization, etc.);
- automation of integration and deployment processes (CI/CD pipelines);
- automation of IT system health monitoring and analysing their performance metrics;
- expanding the use of cloud services for non-critical data privacy areas and complying with national personal data protection legislation.

An area of major importance in the coming year is the widest possible use of the possibilities offered by the centralized Data Warehouse and the analytical tools for working with data, with initiatives planned in Big Data, Artificial Intelligence and Machine Learning.

The strategic areas will continue to be developed in the next year, the basic directions being the Core Banking System, the business process automation system (BPM), the mobile application (maibank), the new Internet banking for legal entities and the construction of the new Data Center.

## Access to financial services, financial inclusion and education

Maib is a financial institution that strongly believes in promoting financial inclusion for its clients. In order to achieve this, the bank has implemented various initiatives that aim to provide access to financial services to individuals and businesses from all walks of life. One such initiative is the live-chat assistance

feature, which allows customers to receive immediate help and support on a variety of financial matters. Additionally, the bank has introduced pre-approved loans that are based on customers' financial data, enabling them to access funding quickly and easily without the need to physically visit a branch. These measures not

only streamline the loan application process, but also help to reduce the barriers that often prevent people from accessing financial services. By prioritizing financial inclusion, Maib is helping to create a more equitable and accessible financial landscape for everyone.

### Other initiatives for customer needs:

Security	Simplicity	Rapidity	Convenience
<ul style="list-style-type: none"> <li>• 3D secures with biometrics in maibank</li> <li>• Face Recognition</li> <li>• Multiple initiatives to increase transparency</li> </ul>	<ul style="list-style-type: none"> <li>• General Banking Conditions</li> <li>• Simplified documentation</li> <li>• Deposits, loans, cards, accounts, payments available via maibank</li> </ul>	<ul style="list-style-type: none"> <li>• Waiting time targets for branches</li> <li>• Pre-approved loans</li> <li>• Order with card delivery</li> <li>• Updated approval processes.</li> <li>• Simplified documentation</li> </ul>	<ul style="list-style-type: none"> <li>• Open 24/7 – maibank, ATMs, payment terminals</li> <li>• maibank– full-service app</li> <li>• Multifunctional ATMs</li> <li>• Online visit scheduling in branches</li> </ul>
Transparency	Responsiveness	Understanding customer needs	
<ul style="list-style-type: none"> <li>• Transparent fees and commissions</li> <li>• Open layout in branches</li> </ul>	<ul style="list-style-type: none"> <li>• Call Center 24/7</li> <li>• Online chat 24/7</li> <li>• Approachable staff in branches</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous customer feedback</li> <li>• Data analytics</li> <li>• Customer-centric training for employees</li> </ul>	



**Investing in financial education for children and young people**

In order to teach children and young people how to handle their money responsibly, comprehend the reasons that influence financial decisions, and learn about banking at a young age, we promote financial education and organize a variety of financial education sessions for them. Regular interactive financial education classes are held in maib offices and bank branches.



**We invest in the good training of students**

We have established a tradition by sharing the expertise of experts from MAIB, who occasionally deliver classes in front of students and excellence centres in the Republic of Moldova. We are persuaded that without connection with the business environment and experts in the

subject, good specialist training for the labour market is all but impossible.

The Academy of Economic Sciences of Moldova, the State University of Moldova, and the State Agricultural University of Moldova have thus far hosted the public lectures.

**We created student lab by ASEM & maib**

Maib makes investments in higher education training and financial education for students. One method in this regard is the opening of the Student lab by ASEM & maib at the Academy of Economic Studies of Moldova, where students have all the necessary resources to test banking services and products while they are studying, comprehend how banking functions and the relevance

of the next level, as well as how the work in a bank is done. The student lab serves as a "banking lab" with the same cutting-edge equipment and software that are regularly used in maib branches. The space is a simulation of a real bank branch, set up in ASEM premises, where students carry out practical lessons related to banking.



**We support talented young people through merit scholarships**

In 2022, MAIB, Gladea's law firm and partners remained committed to promoting the meritocracy, talent, and diligence. Two Law Faculty students received academic scholarships in the amount of the tax for the academic year 2022-2023 for the seventh year running, based on the results of an essay competition. Also, Gladea and partners provided a professional

internship within the office for one month.

Nicoleta Budurin, a student at the USM Faculty, and Tudor Popa, a master's degree holder from the USM Law Faculty, each received two merit scholarships, while Cătălina Stăvilă, also a student at the USM Faculty, was given an internship at Gladea.

**We create better learning conditions in educational institutions**

In 2021, MAIB gave the students of the Cristești gymnasium in Nisporeni district dozens of boxes, stationery, but also extremely important technique for the educational process - two printers, two computers and two modern projectors.

We carried on the good work in 2022 by contributing with a triple, modern, and linked blackboard, in order for the second classes kids to experience the world of knowledge in the greatest possible ways.

In addition, we helped various public institutions in the country with their equipment and information equipment (computers, printers, particular banking appliances, etc.).

The Academy of Economic Studies of Moldova and the Technological University of Moldova benefited from furniture provided by the bank in 2022, and the National Trade College of ASEM was successful in partnering with MAIB to outfit a cabinet for conducting practical accounting sessions.



**Investing in developing areas**

Maib recognizes the potential for economic growth and development in Găgăuzia and has taken steps to attract local and foreign investors to invest in. One of the initiatives that the bank has taken is to sponsor the annual forum "Invest Găgăuzia" that brings together investors

and community leaders to discuss investment opportunities and challenges in the region. By organizing this forum, we are not only promoting investment in an underdevelopment area but also facilitating a dialogue between stakeholders to address any concerns and create a more conducive

environment for investment. Through such efforts, we strive to make a positive impact on the local economy, to support the local businesses and contribute to the social and economic development of the region.





**environment**

# Carbon footprint

A company's carbon footprint determines the greenhouse gas (GHG) emissions from across its operations. In line with the 2015 Paris Agreement, GHG accounting has become an important measure of commitment and progress towards sustainability and is the basis for setting GHG emission reduction targets. With the objective of becoming a national leader in measuring, disclosing and managing its environmental performance and impacts, as from 2022, maib will be continuously calculating and reporting on the carbon intensity of its business activities.

## Methodology

In line with international standards and best practices, maib's carbon footprint methodology was developed based on the **GHG Protocol** and the **Bilan Carbone** methodology (developed by the Agence de l'Environnement et de la Maîtrise de l'Energie - ADEME).

**1.** Defining maib organizational boundaries (financial vs operational control) was not a priority since maib wholly owns all its operations. Organisational boundaries will be reviewed during the annual carbon accounting exercise in case of an acquisition or change in organizational structure.

**2.** Reporting companies also set operational boundaries, i.e., identify the emissions associated with their own operations, categorize them as direct and direct emissions and choose the scope of accounting and reporting for indirect emissions.

For maib's 2022 carbon footprint measurement, an operational boundary covering all three Scopes was selected:

- **Scope 1 GHG emissions:** Direct GHG emissions that occur from sources that are owned or controlled by the reporting company.
- **Scope 2 GHG emissions:** Indirect GHG emissions from the generation of purchased electricity consumed by the reporting company.
- **Scope 3 GHG emissions:** All other indirect GHG emissions that are the result of the activities of the reporting company but occur from sources not owned or controlled by the company itself. 2021 and 2022 Scope 3 emissions do not include financed emissions. Maib will work towards measuring its financed emissions.

The table below presents all the categories of GHG emissions that have been included in maib's carbon footprint exercise, divided by Scope.

Scope 1 Activities included	Scope 2 Activities included	Scope 3 Activities included
<ul style="list-style-type: none"> <li>• Land use change</li> <li>• Diesel consumption for transportation</li> <li>• Gasoil consumption for transportation</li> <li>• Natural gas consumption for heating</li> <li>• Diesel consumption for use of generators</li> <li>• Fugitive emissions</li> </ul>	<ul style="list-style-type: none"> <li>• Purchased electricity</li> <li>• Purchased heating</li> </ul>	<ul style="list-style-type: none"> <li>• Built area</li> <li>• Appliances and electronics</li> <li>• Water consumption</li> <li>• Plastic consumption</li> <li>• Paper consumption</li> <li>• Owned vehicles</li> <li>• Purchased goods and services</li> <li>• Employee commuting</li> </ul>

**3.** GHG emissions were estimated using emission factors retrieved from several emission factors databases, such as the UK Department for Environment, Food & Rural Affairs (Defra), the International Energy Agency (IEA), the Carbon Disclosure Project (CDP) and the Agence de l'Environnement et de la Maîtrise de l'Energie (ADEME).

**4.** Finally, selecting a base year is key for comparison and performance evaluation purposes. Maib has selected 2021 as its base year, as this is the earliest relevant point in time for which reliable data is available. Although data is available for 2020, this has not been considered a representative year in terms of emissions due to COVID-19 restrictions and consequences.

## Tracking yearly GHG emissions

In 2022, maib's carbon footprint was equal to around 15.000 tons of CO<sub>2</sub>e. Scope 3 emissions made up for the largest share of total emissions (64%), followed by Scope 1 emissions, making up for 23% of total emissions, and Scope 2 emissions, making up for 13% of total emissions. Table 2 and Table 3 show the breakdown of the GHG emissions resulting from maib's business operations by Scope.

### maib's carbon footprint (tCO<sub>2</sub>e) – 2022 compared to base year 2021

Scope	2021 Total emissions (tCO <sub>2</sub> e)	2022 Total emissions (tCO <sub>2</sub> e)
Scope 1	3.111	3.369
Scope 2	2.184	2.031
Scope 3	4.024	7.049
Total	9.320	12.450

### maib's carbon footprint (tCO<sub>2</sub>e) – 2022 compared to base year 2021

2021 CO <sub>2</sub> e intensity per FTE (tCO <sub>2</sub> e)	2022 CO <sub>2</sub> e intensity per FTE (tCO <sub>2</sub> e)
3.98	5.00

**2022 total GHG emissions**

Scope 1 - 23%	Scope 2 - 13%	Scope 3 - 64%
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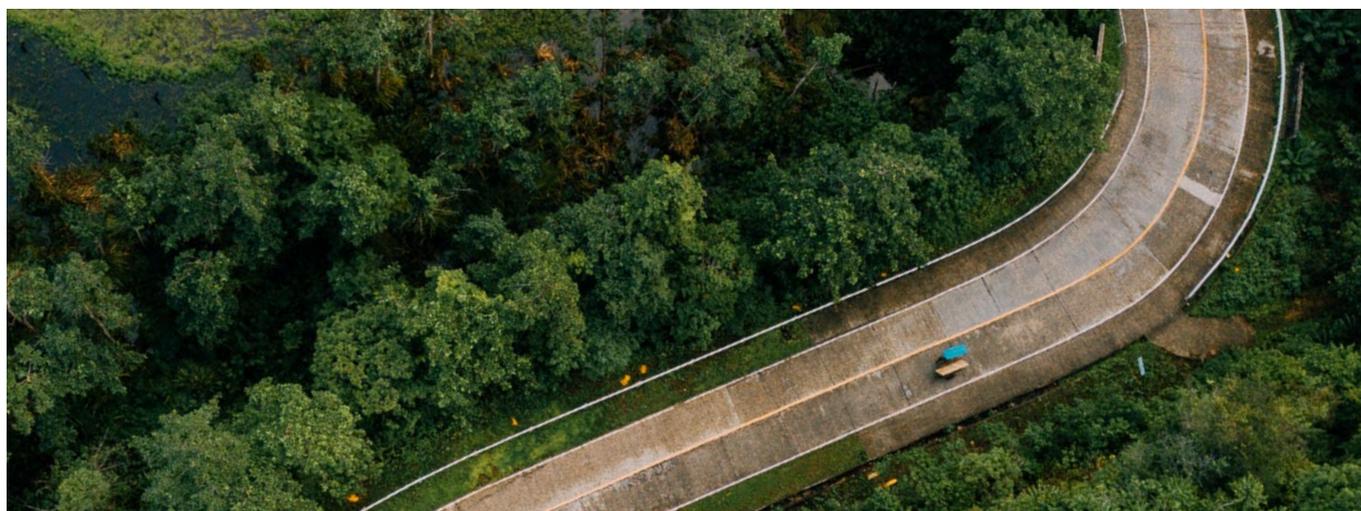
In FY2022, our Scope 2 emissions decreased due to the energy crisis and the consequent implementation of energy efficiency and reduction measures. All our employees showed unity and responsibility. For example, no lights or equipment were unnecessarily left on (except for security purposes). We saw an increase in Scope 1 and Scope 3 driven by growth of our services leading to an increase in GHG emissions intensity per FTE.

## Resource consumption and waste management

### 2022 GHG emissions from resource consumption and waste management

Table 13 shows the GHG emissions resulting from maib's resource consumption and waste management, broken down into water, plastic and paper consumption.

			2021 Total emission (tCO <sub>2</sub> e)	2022 Total emission (tCO <sub>2</sub> e)
Scope 3	water	water supply	14,7	14,5
	plastic	plastic consumption	4,6	7,7
	paper	paper	10,7	6,1
Total (tCO <sub>2</sub> e)			30,0	28,3
Share of total emissions			0,3%	0,2%



## Water consumption

Being in the service industry, maib does not have water-intensive operations. Water consumption represents 0,14% of maib's entire carbon footprint and could be considered as having a negligible impact. However, due to Moldova's challenges with water availability, declining rainfall and increasing drought-like conditions, maib deems water as a material topic and commits to take measures to reduce its own water consumption.

2021 Water consumption (m3)	2021 total emissions (tCO2e)	2022 Water consumption (m3)	2022 total emissions (tCO2e)
34.836	14,7	34.464	14,5

In 2022, maib used an estimated volume of 34.500 m3 of water, a slight decrease when compared to 2021. The GHG emissions from water consumption (mostly linked to water supply and water treatment) equalled to 14,5 tons of carbon equivalent emissions, resulting to a decrease from 2021.

## Plastic usage for card emittance

Most bank cards are made from plastic materials, the most used card material being PVC. As illustrated below, maib's plastic consumption for the emittance of bank cards has nearly doubled from 2021 to 2022 driven by business growth. Although plastic consumption for the manufacture of bank cards represents only 0,04% of maib's total carbon footprint, in line with maib's digitalization strategy, maib also provides clients with the option of having a digital wallet.

2021 plastic consumption (t)	2021 total emissions (tCO2e)	2022 plastic consumption (t)	2022 total emissions (tCO2e)
1,35	4,6	2,26	7,7

## Paper consumption

Maib's operations rely on a considerable volume of paper through invoices, contracts, etc. making paper consumption a material issue for the bank. As a result, maib has put in place multiple efforts, in line with its digitalization strategy, to drastically reduce its usage of paper.

2021 paper consumption (t)	2021 total emissions (tCO2e)	2022 paper consumption (t)	2022 total emissions (tCO2e)
11,6	10,7	6,7	6,2

As seen in the table above, maib's paper consumption and its related emissions have decreased by more than 40% from 2021 to 2022. Maib will continue to implement actions and encourage its employees to use resources sparingly and responsibly to build a paperless culture.

## Waste generated and waste management

Maib is currently working with its cleaning and office management suppliers to implement a robust waste management system including sorting of waste and monitoring of waste data. Maib aims to report on its waste management and waste generation in its 2024 Sustainability Report.

## Energy consumption

### 2022 GHG emissions from energy consumption for power generation

2021 was a difficult year for many reasons, including the energy crisis that resulted from the war in Ukraine. Maib is grateful to all its employees for joining hands in using energy in an efficient and responsible manner.

2021 natural gas consumption (m3)	2021 total emissions (tCO2e)	2022 natural gas consumption (m3)	2022 total emissions (tCO2e)
180.000	270	174.000	261

At maib, natural gas is used for independent heating of the head office. Thanks to reduction measures in place, the consumption of natural gas and its related emissions decreased by approximately 3.5% from 2021 to 2022.

2021 diesel consumption (L)	2021 total emissions (tCO2e)	2022 diesel consumption (L)	2022 total emissions (tCO2e)
9.083,7	27,6	10.087,6	30,7

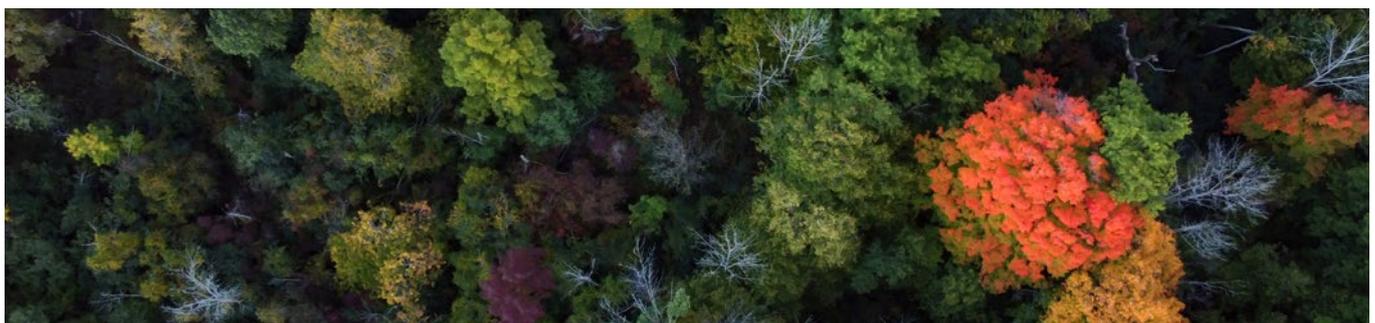
The increase in diesel consumption for power generation in 2022 is due to the use of generators during electricity cuts that arose due to the war in Ukraine. Although maib has implemented energy reduction measures, power had to be generated to ensure the continuous provision of services and business continuity. However, diesel consumption for power generation only represents 0,21% of maib's total GHG emissions.

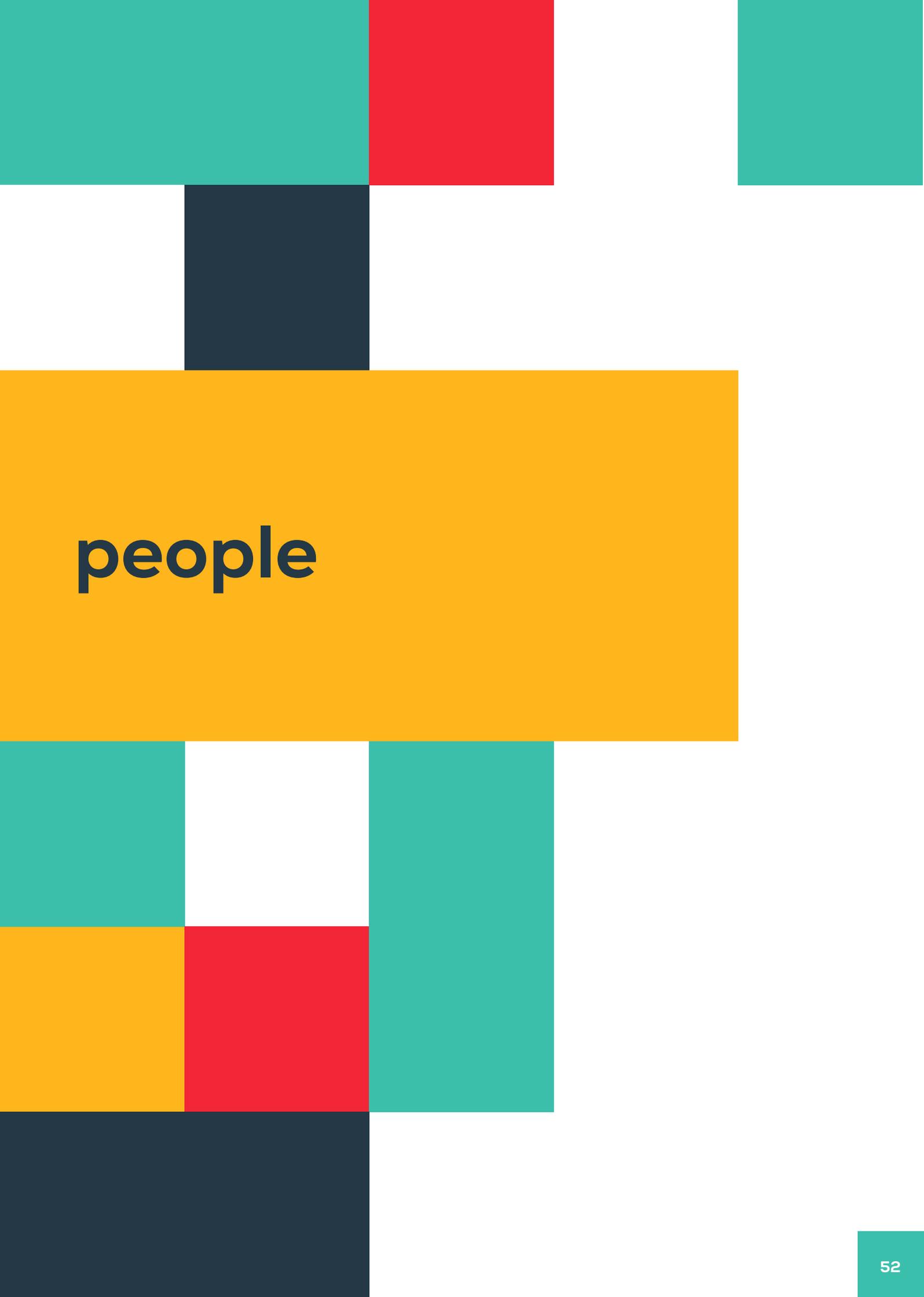
2021 electricity consumption (kWh)	2021 total emissions (tCO2e)	2022 electricity consumption (kWh)	2022 total emissions (tCO2e)
3.927.364	1.915	3.688.776	1.798.6

Electricity purchased from the grid was reduced by approximately 6% from 2021 to 2022. Maib is committed to continuously reduce its electricity consumption through initiatives, employee awareness and aims to buy electricity from renewable sources as much as possible to reduce its carbon footprint. Although the energy crisis linked to the war in Ukraine has boosted maib's energy consumption reduction, it is now clear that new habits have been implemented.

2021 heating consumption (kWh)	2021 total emissions (tCO2e)	2022 heating consumption (kWh)	2022 total emissions (tCO2e)
1.290.930	269,4	1.116.480	232,5

The volume of purchased heating decreased by nearly 14% from 2021 to 2022. Similarly, being a responsible corporate citizen, maib has reinforced measures to reduce energy consumption and will continually implement ambitious measures to cut down emissions from energy consumption in its new headquarters.



The background consists of several overlapping rectangular blocks of color. At the top, there are teal and red blocks. Below them is a dark blue block. A large yellow block spans across the middle, containing the word 'people'. Below the yellow block, there are teal, yellow, and red blocks. At the bottom, there is a dark blue block. The overall composition is abstract and modern.

**people**

## Our team

The main focus of maib's strategy is on our employees. The ability of Maib to draw in, keep, and develop its workforce will determine its long-term viability as a company.

The Human Resources division is in charge of making sure the Bank complies with all applicable legal obligations

pertaining to employment. With over 2,800 employees, we adopt a variety of rules and frameworks, to guarantee that the Bank follows the finest corporate employment, retention, remuneration, training, and development practices.

### Total number of employees by gender

Gender	2020	2021	2022
Women	1958	2066	2004
Men	586	652	808
<b>Total</b>	<b>2544</b>	<b>2718</b>	<b>2812</b>

Maib has demonstrated remarkable growth in the past three years by increasing its number of employees by approximately 300. This achievement can be attributed to the company's commitment to creating an inclusive work environment that attracts top talent from diverse backgrounds. The company's hiring practices prioritize diversity and inclusion, ensuring that its workforce reflects the communities it serves. Additionally, Maib offers comprehensive training and development programs that enable its employees to reach their full potential. The company also provides its employees with competitive compensation and benefits packages, which

### Total number of permanent and temporary employees by gender

Gender	2020	2021	2022
Women/Temporary	360	396	428
Women/Permanent	1598	1670	1576
<b>Total Women</b>	<b>1958</b>	<b>2066</b>	<b>2004</b>
Men/Temporary	529	598	687
Men/Permanent	57	54	121
<b>Total Men</b>	<b>586</b>	<b>652</b>	<b>808</b>
<b>Total Employees</b>	<b>2544</b>	<b>2718</b>	<b>2812</b>

include flexible work arrangements, health insurance, and retirement savings plans. Overall, Maib's commitment to inclusivity and employee well-being makes it an excellent employer and an attractive career destination for job seekers.

### Total number of new employees

Gender	2020	2021	2022
Women	334	462	417
Men	128	161	264
<b>Total</b>	<b>462</b>	<b>623</b>	<b>681</b>

### Total number and rate of employee turnover

	2020	2021	2022
<b>Total employees</b>	366	462	575
<b>Turnover Rate</b>	17,2%	20,3%	24,6%
<b>Women</b>	288/13,5%	357/15,7%	430/18,4%
<b>Men</b>	78/3,7%	105/4,6%	145/6,2%

The last years maib had changes to the organization's structure, transformation, that as effect led to this increasing turnover rate. The restructuring was aimed to promote efficiency, increase profitability, and ensure organizational sustainability. In order to support organizational transformation, maib attracted the new required competencies to promote and adapt all changes and align the company with its business strategy and vision.



## Responsible employer

Maib is a company that stands out as a responsible employer, committed to creating a positive and inclusive work environment for its employees. The company believes that its employees are its greatest asset and has implemented several policies and initiatives to promote elimination of the gender pay gap, well-being, employee development and professional growth.

### Overall gender pay gap picture

Function	2020	2021	2022
Managers	24%	32.6%	27%
Specialist	9%	6%	5%

\*Gender pay gap is estimated by calculating the average difference in pay across genders across all positions that have employees of both genders. The calculation doesn't include positions that have employees of only one gender

## Benefits

The remuneration practices and the process to determine remuneration is based on the Bank's Remuneration Policy. This policy aims to align the interests of the employees with those of the bank and its stakeholders, while also ensuring that the bank operates in a safe and sound manner.

The remuneration system applied by the bank consists of material and non-material rewards.

Non-material rewards involve various forms of merit recognition and incentives, such as: state awards, awards offered by professional associations.

Material rewards include both fixed and variable parts of remuneration.

The fixed component of the remuneration supposes base salary, overtime and other work related payment, according to local legislation.

The level of variable remuneration depends on the level of achievement of the key-performance indicators (KPI) of the bank, as well as on the achievement of the individual goals and objectives of the employee thus creating the "pay for performance" culture.

For the Heads of the internal control functions, the KPIs for determining the variable remuneration will not be based on the performance indicators of the operational units they control.

The variable remuneration is offered for high performances at the individual level, at the working-group level, at the bank level or to stimulate great achievements in future business. The variable remuneration include:

Maib promotes the workplace gender equality when people can access and enjoy equal rewards, resources and opportunities regardless of gender.

The bank conducted a comprehensive analysis of its pay structures, market competitiveness and internal equity, which revealed areas of the organization where there were some discrepancies between male and female employees' salaries. By years, this discrepancy is diminished.

### Gender pay gap in branches

Function	2020	2021	2022
Specialist	4%	1%	0%

- Performance bonuses.
- Premiums or gifts granted by the bank's partners based on collaboration contracts.

Maib covers the benefit package, including:

- meal tickets;
- private health care plan,
- sport subscription,
- team sports;
- wellbeing program;
- parental leave or special occasion leaves;
- discounts at Maib's partners and maib products;
- development program (foreign language, competency and leadership program);

teambuilding and corporate events etc.

Maib supports a healthy lifestyle among its employees by organizing various sport communities (football, volleyball etc.) where employees have the opportunity to practice sport and obtain healthy lifestyle.

The benefit package is individualized, according to employees' needs and preferences. Providing our employees with the right kind of benefits and perks is important for attracting and holding on to our top talent. It also helps in making our company more diverse and inclusive.

## Parental leave

Maib supports family values and therefore offers a wide range of benefits to employees regarding family. In 2022, 321 employees benefited by paid parental leave. Furthermore, Maib offers compensation packages for important family events (wedding, birth of child etc.)

## Total number of employees that took parental leave

Gender	2020	2021	2022
Women	363	322	311
Men	5	6	10
<b>Total</b>	<b>368</b>	<b>328</b>	<b>321</b>

## Employee development

Maib is committed to investing in its human capital. Training and development are viewed as a way to build a sustainable competitive advantage for maib on the Moldovan banking market. It is also a critical tool in the war for talent, enabling maib to attract and retain quality employees, for many of whom professional development is a top priority. Maib academy is envisioned to achieve these objectives and is a cornerstone of maib's transformation.

Within maib academy a wide range of training courses are offered to maib employees. These cover anything from sales techniques to English language to project management to SQL and other functional areas. In partnership with Pluri Consultants from Romania, we have developed a four-module training program in customer centric way of working. The modules are designed for various areas of the bank, including front office, sales teams, middle management and other. Other training providers within maib academy are Systemic Dimensions, Xposed, Top English School, IAMPMP Laboratory, Bankers' League, Bankers' Association, Bit Academy.

In 2022 we started the reskilling program in IT and November 2022 is marked date of launching of the first group of IT Academy dedicated to Data science.

## Average number of training hours

	2021	2022
<b>Total per employee</b>	10.2	17.8

## Percentage of employees receiving regular performance and career development reviews

Function	Women	Men
Management	100%	99%
Specialists	97%	92%
Workers	N/A	98%
<b>Total per gender</b>	<b>98%</b>	<b>93%</b>
<b>Total per employees</b>	<b>96%</b>	



### Violeta Codrean

Participant in the **maib internship** program, 2nd edition

It is said that everything begins with the first time, and every career - with a first step. In my case, this step constitutes the **maib internship** program. This program was and remained an opportunity and, simultaneously, a challenge I managed to cope with brilliantly. It represents the basis I need to have a successful career in the financial-banking field in the future. My experience at **maib** is valuable, exciting, dynamic, in a word - it's wow.





**Tatiana Medvedeva** Head  
of Training & Development  
(in 2022)



When I think back to 2022, it was a very intense year for me, full of emotions. Feels like yesterday, it was the end of February and we were preparing to launch the first trainings in the Customer Centricity training program. A complex training program consisting of 3 modules, with a lot of focus on company values and customer centricity.

Over 10 months since launch around 1000 employees took part in Customer Centricity Management, Service + and Sales + modules to increase their professional customer interaction skills and develop the key behaviors to create the best possible experience for every existing or potential customer.

These are not the classic trainings where we tell how to sell or talk to the customer according to pre-set patterns. It's very much about being aware of the role of each of us, what it's like to be part of the **maib** culture and the lives of our customers.

In parallel, we were literally and figuratively building the **maib academy** training centre, which in August opened its glass doors wide to our employees to offer them the most beautiful and colourful learning experiences.

We have adapted the learning programme for new employees, experimenting each time with more and more

interactive techniques for learning materials that until recently were the most boring subjects. We added many simulations to make each new employee more comfortable with the new challenges. We believe that a happy employee equals a happy customer, and professional growth through training is one of those important elements in this balance of happiness.

#### **Why do you recommend professionals to join maib?**

When I think of a good employer, I think of the prospect of professional growth, and in this category **maib** is the clear leader. **Maib's** commitment to training and development is unparalleled in Moldova at the moment. It is one of the principal strategic objectives at **maib**. Business books talk about corporate culture of big well-known fancy companies, where every professional dreams of working. And **maib** is the next company they'll be writing business books about, for sure.

## Health and safety

Maib frequently arranges medical control checks for its staff. Many medical professionals (psychologists, nutritionists, endocrinologists, etc.) provide advice to Maib personnel on healthy habits and ways to advance their well-being. Almost 200 people attended the 4 sessions with various doctors that were scheduled for Maib employees in 2022.

The national legislative provisions in force, including the Occupational Safety and Health Law, No. 186-XVI of July 10, 2008, the Regulation on the way to organize worker protection activities at the workplace and prevention of occupational risks, approved by Government Decision No. 95 of February 5, 2009, and the internal Acts on Occupational Safety and Health (OSH) and Exceptional Situations, regulate various aspects of occupational safety and health for MAIB employees. A responsible OSH professional who is certified every three years is appointed at the branch level.

An external OSH consulting service provider evaluates workplace risks from the viewpoint of occupational injury and sickness risk. Also, it is the duty of every employee to report any work-related situations that risk their lives or health, as well as any accidents, to their employer or the appropriate OSH representative right away. The work accidents are investigated according to the "Regulation on the Method of Investigation of Work Accidents," which was authorized by Government Decision No. 1361 on December 22, 2005.

The occupational health and safety specialist has the following responsibilities:

- Controls the personnel compliance with OSH-related laws, standards, directives, and regulations.
- Assists in securing each employee's right to just working circumstances, especially ones that adhere to OSH regulations.
- Examines the OSH policy and suggests changes.
- Creates OSH instructions.
- Examines employee requests and complaints regarding working conditions - Keeps track of how OSH laws are enforced and upheld.
- Examines employee suggestions for the improvement of working conditions and for the prevention of occupational accidents and diseases.
- Examines the root causes of occupational illnesses and accidents and can provide technical solutions for improvement.
- Conducts an introductory-general training session for new hires at the Bank and provides them with a Personal Training Sheet in the area of workplace safety and health.
- Verifies that OSH guidelines are being followed. Employees are given introductory-general trainings, periodic trainings, or training in the event of accidents or work-related events in relation to OSH.



### COVID 19 safety measures

We negotiated a benefit for all employees of a 15% discount on the price of tests at 2 private laboratories that have branches all over the country. Also we offered the possibility for employees to take the tests at the bank headquarters or at their home.

We ensured professional disinfection (with the invitation of specialized disinfection teams) of the workspaces (offices and branches) for each case of illness and regularly on rest days;

We provided all employees with materials (protective masks, liquid disinfectants, gloves, wet wipes, quartz lamps).

We organized 4 vaccination marathons during the months of August, September, October (2022) and January (2022).

Starting from July 2021, we kept records of vaccinations, urging employees to get vaccinated and to update the information about boosters by completing an employee form online (on the INTRANET).

During the outbreak of theOMICRON strain, we daily monitored the illnesses and health status of the employees by completing a questionnaire online by each individual (on the questionnaire platform).

## Health and safety training sessions

Training sessions in 2019-2022 were:

- Training of responsible persons at the workplace / compulsory course
- General introductory training of new employees
- Dialogue with doctors regarding consequences of anti-COVID-19 vaccination
- Dialogue with doctors regarding the strains of COVID-19 where 4 specialist doctors were invited: an internist, a gynaecologist, a cardiologist, and a general practitioner. Each of them explained the consequences of Covid and vaccines on the human body from the perspective of their specialization.
- Dialogue with doctors regarding the post-COVID recovery.
- Dialogue with a psychotherapist about burnout.
- Dialogue with a psychologist about stress.
- Dialogue with a nutritionist about healthy eating.
- Dialogue with a psychologist with the theme - The Science of Happiness

At each of these events we had about 200 participants.

The endocrinological marathon: in 2022 we held 4 sessions in Chisinau (2 more to come in the North and South) where each participant benefited for free from:

- endocrinological assessment at the bank's headquarters, including nutritional, therapeutic, hormonal anamnesis;
- examination with the body composition analyser
- the possibility of performing a set of analyses: glucose, lipids (cholesterol, triglycerides), uric acid, creatinine, TSH;
- analysis results were sent by e-mail and if necessary, the right to discuss the results with the doctor and to receive the necessary recommendations.

In the context of the World Health Day, out of the desire to deliver "a drop of health" for each employee, and having the confidence that we can bring an even greater dose of energy, freshness and vitality to our team, we surprised the employees with a unique experience - delivery of fresh fruit to the office.

"Healthy is the best" was the message of the multi-coloured boxes full of carefully selected fruits, which invaded the bank so beautifully and aromatically, to ensure the employees' energy needs.

Maib has always promoted a healthy lifestyle, and by offering this healthy snack, we managed to create a fresh atmosphere at our workplaces, make colleagues happier and more motivated.

During 2019-2022, 6 work accidents were registered:

- 5 accidents with incapacity for work.
- 1 fatal accident outside of work.

## Diversity and inclusion

At our bank, we believe that diversity and inclusion are essential components of our success. We strive to foster an environment where all employees and customers feel valued, respected, and empowered to bring their authentic selves to work.

We are committed to creating a workplace that reflects the diversity of our communities and customers. We recognize that diversity comes in many forms, including race, ethnicity, gender, age, religion, disability, sexual orientation, and socio-economic background. We also recognize that inclusion is vital to creating a culture where all employees can thrive. We are committed to providing a workplace that is free from discrimination, harassment, and bias.

In addition, we strive to offer products and services that meet the diverse needs of our customers. We work to ensure that our policies and practices are inclusive and that all customers feel welcome and valued.

### Number of employees by age group

Age	2020	2021	2022
under 30 years old	810	895	907
30-50 years old	1403	1498	1582
over 50 years old	331	325	323
<b>Total</b>	<b>2544</b>	<b>2718</b>	<b>2812</b>

### Incidents of discrimination:

No incidents reported in the last three years.



## Responsible procurement

The majority of goods and services in maib are bought from local vendors. This is because of the benefits of the supply chain and the affordability of this strategy, including the distribution channels established by the vendors. Local sourcing allows maib to cut costs on transportation and logistics, do away with import taxes and customs, and lower the chance of supply chain disruption. As it advances sustainability objectives and has a smaller negative impact on the environment, this strategy is more beneficial and less expensive. Nonetheless, maib purchases some of its IT and consulting services from other vendors. This is due

to the fact that some IT and consulting services call for specialized knowledge and skills that might not be present locally.

Maib is a supporter of regional purchasing procedures and 94% of both capital and operating expenditures in 2022 came from regional vendors. Only costs associated with IT licenses are sourced from outside vendors.

There were no instances of marketing communications, including advertising, promotion, and sponsorship, that were not in accordance with laws and/or voluntary codes.

### Capital Expenses on local suppliers

CAPEX (thousand MDL)	12M 2022	Residents	Non-residents
<b>Investment in buildings, land, household inventory, means of transport, etc. (including design and capital repairs)</b>	<b>508,905</b>	<b>508,905</b>	<b>0</b>
<b>Information technology investments</b>	<b>327,604</b>	<b>276,987</b>	<b>50,617</b>
Programs and license, including:	132,358	81,742	50,617
Equipment, including:	161,416	161,416	0
Computing techniques, including:	21,138	21,138	0
<b>Telecommunications equipment</b>	<b>10,721</b>	<b>10,721</b>	<b>0</b>
Rebuilding local area networks and telecommunications	26,400	26,400	0
ATMs, POS terminals and other card equipment	62,569	62,569	0
Strategic equipment	40,588	40,588	0
Capitalization of payroll in IT projects	33,829	33,829	0
Card business investments	5,567	5,567	0
<b>Investments in bank security and safety</b>	<b>32,546</b>	<b>32,546</b>	<b>0</b>
<b>Total</b>	<b>879,291</b>	<b>828,674</b>	<b>50,617</b>

## Community investment

We are conscious that the community in which we engage in our activity is the only one that will allow us to move on to the next stage. This is why we participate in local affairs, fund social programs, and make investments in people. We act responsibly, strive for excellence, and work as a team to be the best in everything we do.

When we talk about corporate social responsibility as well as philanthropic endeavours, these activities have a long tradition at maib.

Maib is actively involved in giving back to the community through several programs, which can be broadly subdivided into the following categories:

Maib is actively involved in giving back to the community through several programs, which can be broadly subdivided into the following categories:

- education
- art, culture and traditions
- sport, wellbeing, active and healthy lifestyle;
- public health, volunteering and good citizenship

- innovation, startups and fintech initiatives;
- acting responsibly towards the environment
- supporting the community through various acts of charity.

Total spending on sponsorship and philanthropy increased significantly in 2022 compared to prior years:

### CSR expenses, thousand MDL



## Culture

### Music series "An evening in the park"

The music series "An evening in the park," put on by iTicket with the assistance of maib and Mastercard, entered its fifth year in 2022 and was already a beloved tradition for the Republic of Moldova.

Famous performers sang well-known songs while being supported by the National Philharmonic's Extended Orchestra, "Serghei Lunchevici," conducted by Dumitru Cărciumaru.



### Anniversary concert "Eugen Doga 85"

On August 22, 2022, thousands of music fans turned out for Eugen Doga's jubilee concert, ready to express their awe at his extraordinary compositions and to once more wish him a "Happy Birthday, Maestro!"

The event was put on by iTicket in collaboration with maib and Mastercard to celebrate the legendary composer's 85th birthday.

The concert is one of several events held in the municipality of Chisinau to honour the maestro and promote his works, 2022 being dubbed "Eugen Doga Cultural Year."



### Sponsorships for the promotion of artists and the Gala of Musical Excellence

Maib has taken steps to support musical artists by sponsoring Moldova's participation in Eurovision Song Contest 2022 with the song "Little Train", performed by Zdob and Zhub and the Advahov Brothers.

The Gala of Musical Excellence is an event that awards the most dedicated people in Moldova's music industry. Maib supported the community "Șezătoarea Basarabiei" to restore and promote the national Romanian shirt – "Ia". Maib promotes national traditions and customs, including celebrating the International Day of the "Ia" by wearing traditional costumes.



## Donations & Green Initiatives

### Donations:

Maib's reaction to the outbreak of war in Ukraine was almost instantaneous.

- An account was opened to collect financial aid for refugees from Ukraine in Moldova;
- Special cards were issued jointly with UNHCR (United Nations High Commissioner for Refugees);
- Many staff members responded to requests for assistance for citizens of Ukraine.

The ecosystem team created the website dopomoga.life, launched on 26 February, just 2 days after the war began. Thanks to close open collaboration with egov and its input, on March 1 the site became the official website of the Government of the Republic of Moldova for Ukrainian citizens who are forcefully displaced and found refuge in Moldova [dopomoga.gov.md](http://dopomoga.gov.md). Throughout the 2022, the ecosystem team supported the development of the platform. The site has become one of the most relevant among the gov.md platforms. This was noted both by the AGE management and personally by Iurie Turcanu, First Deputy Prime Minister for Digitization. During the 10 months of 2022 half a million unique users visited the site.

Since the start of the conflict in the neighbouring nation, Maib has demonstrated its compassion and solidarity for the Ukrainian people by providing support for Ukrainian refugees through a number of initiatives (exchange rates for the Ukrainian hryvnia, zero commissions for a number of transactions, bank cards, etc.), as well as through regular contributions to the special account set up by the Moldovan government to aid refugees. Maib donated a total of 10,000,000 lei in December, which was deposited to the charity account that the authorities had set up.

Moreover, Maib supported the "For Ukraine – Charity Reception" an event organized by Hospices of Hope Moldova and the Ukrainian Embassy in Chisinau. The Ohmatdyt Children's Hospital, refugee artists, and the "Wings of Hope" Palliative Home Care Center all received donations of funds.

Also, Maib participated in the Table Tennis Tournament organized by Hospice Angelus Moldova to support the noble mission of helping Ukrainian refugees and raising funds for providing free quality palliative care services to people suffering from advanced illnesses.

## Initiatives related to environment and community support

### The maib forest, edition 1.0 and 2.0

The maib Forest, the company's greenest project to date, was launched in 2021. The bank's crew planted 3000 seedlings of red oak, elm, hornbeam, ash, acacia, maple and shrubs, as well as 800 pine trees, on a field near Cruzești hamlet that was at high danger of landslides.

The maib forest planting event held its second iteration in 2022 with the theme "Planting today for future generations," and 2000 maple and acacia saplings were planted.

Based on the belief that forests are one of the few renewable resources that directly affect the ecosystem and soil quality, maib's good deed ambassadors have already begun organizing the third edition of planting new trees and expanding existing afforested areas.



### Community support

We assisted with the renovation and upgrading of Grigore Vieru Boulevard in Chisinau, fostering a positive atmosphere for locals and tourists alike.

Together with Mastercard, we were partners of the 21st National Wine Day celebration, which honours Moldovan wine and supports regional wine producers. Also, we organized Street Food & Wine Festival, a well-liked outdoor food event which brings goodwill and a festive mood in the cities Chisinau and Balti.



## Fintech & Civic E-ngagement

### We supported the launch of the Fintech HUB

Maib supported "Fintech Moldova Conference 2022" a major event for companies and start-ups in the financial sector to implement financial technologies. The conference had a focus on digital transformation for financial institutions, showcasing best practices and case studies in the fintech sector.

The first "Fintech HUB" was introduced in our country in 2022. This platform promotes technical innovation, digital creativity, and the expansion of the ICT industry by bringing together all players in this ecosystem.

With the assistance of maib, the United States Agency for International Development (USAID) and Sweden's TEKWILL project have committed to the growth of the fintech industry with the creation of the Fintech HUB.



**Iulia Bogușevschi**  
Head of Corporate Communications maib

With the support of maib and Mastercard, in 2022 was launched the first Fintech Hub in Moldova. Fintech Hub aims at providing the location where the Fintech community in Moldova will be established and represent the base for the development of the Fintech ecosystem in Chisinau, and eventually across the country. It includes a coworking space, meeting and event spaces. FinTech hub aims at supporting early stage startups grow, contribute to financial inclusion and position itself as a platform to unite all interested stakeholders in promotion of a healthy business environment.

### It has become a tradition to donate blood and help save lives

World Blood Donor Day, celebrated annually on June 14, is one of the occasions that the entire Maib team looks forward to.

In order to aid as many people as possible and to offer them a second chance, 77 maib workers took part in the internal blood donation event organized by maib and the National Blood Transfusion Center in 2022. Employees of maib contributed a total of more than 50 litres of blood and blood derivatives, giving each millilitre with hope and love.

We supported the medical sector in the fight against COVID-19 by donating 500,000 lei to the Clinical Hospital for Infectious Diseases "Toma Ciorbă" and donating 10 High Flow Oxygen Therapy machines to the Institute of

Emergency Medicine.

Maib participated in the charity race "Fire to Boots on Bikes" to support the Hospice Angelus Moldova Foundation's efforts to help children and adults suffering from incurable diseases. Much more, Maib supported the annual Hospice Angelus Moldova Football Cup to help provide professional medical care, social, and psycho-emotional services for people suffering from incurable diseases.

Also, Maib donated about 40,000 lei to the Brânzeni temporary placement centre for people with disabilities (adults), Edineț, to facilitate rehabilitation processes for people temporarily placed in the institution.



### Competitive sport, active lifestyle and healthy living

In Moldova, Maib encourages participation in sports, spreads awareness of Olympic ideals, and works with the National Olympic and Sports Council to honour athletes' accomplishments through awards and events.

Maib supports the Sports Press Laureates Gala, which honours athletes, coaches, and sports writers who support active and healthy lifestyles.

Via internal communities of bank employees who take part in sporting activities like marathons, mini-football, and running, we promote a healthy and active lifestyle and instils a love of sports in younger generations.



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