



sustainability report



2023

contents

| | | | |
|-----------|---|-----------|----------------------------------|
| 3 | overview | 39 | Products and services |
| 4 | About this report | 40 | Key products |
| 5 | maib CEO message | 41 | Product governance |
| 6 | Economic performance / impact | 43 | Sustainable lending |
| 8 | 2023 business highlights | 46 | Financial inclusion |
| 9 | Priorities for 2024 | | |
| 10 | Our story | 48 | Environment |
| | | 49 | Carbon footprint |
| 11 | Corporate governance | 52 | Resource consumption overview |
| 12 | Governance at a glance | 52 | Water consumption |
| 13 | Organizational structure | 53 | Plastic consumption |
| 14 | Supervisory board | 53 | Paper consumption |
| 16 | Management Board | 54 | Energy consumption |
| 17 | Business Ethics | | |
| 18 | Anti-Money Laundering | 56 | People |
| 19 | Anti-corruption/fraud | 57 | Our team at a glance |
| 20 | Human Rights | 58 | Benefits |
| 21 | Risk Management | 59 | New Headquarters |
| 25 | Sustainability strategy and governance | 61 | Employee development |
| 28 | Remuneration | 63 | Health and safety |
| 31 | Material Topics | 64 | Employee complaints and feedback |
| 32 | Materiality Matrix | 65 | Responsible procurement |
| 35 | Stakeholder engagement | 66 | Community investment |
| 36 | Shareholder engagement | | |
| 37 | Data privacy and protection | 68 | GRI Index Table |
| 38 | Certifications, associations and awards | | |



 maib

overview

about **this report**

The following pages present the second sustainability report of CB "MAIB" S.A. (The Bank or maib), covering the period 1 January 2023 – 31 December 2023.

This report captures the Bank's non-financial performance and describes how its environmental, social and governance impact is integrated into the business strategy. The information presented includes a variety of indicators, respect of human rights, anti-corruption and anti-bribery practices. It also includes: a description of the business model, a description of the 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 2022), the "core" option. The report provides information on the activity of maib, which operates in the financial sector and is headquartered in Chisinau, Republic of Moldova, 127, 31 august 1989 street, MD-2012. All activities of the Bank are carried out on the territory of the Republic of Moldova.

Maib is a parent company of 2 subsidiaries, MoldmediaCard and maib leasing, however, as they collectively represent approx. 1% of total equity, 2% of net operating income and 2% of total income of the Group, they will be excluded from this report. To clarify, this report is on a standalone basis.

Maib is listed on the Moldovan Stock Exchange and is a joint stock company. Maib's shareholding structure as of the end of 2023 was the following:

Shareholder structure

2023



Parts of this report as well as major components of maib's ESG programme have been prepared with gracious assistance from the Green for Growth Fund.



For any enquiries about this report please contact:

Evgenii Risovich
Investors Relations
evgenii.risovich@maib.md
IR@maib.md
or by phone at +373 68 403 477

maib CEO message

Giorgi Shagidze



Dear Shareholders, Customers, Partners, and maib Team,

It is with great pleasure that I present to you maib's sustainability report for the year 2023. This report highlights our continued commitment to integrating sustainability into our operations and strategy, and I am proud of the significant progress we have made this past year.

Sustainability strategy and roadmap adopted

In 2023, we adopted a comprehensive sustainability strategy and roadmap with many tangible initiatives. Each initiative is assigned a responsible person and a deadline, ensuring real accountability. They are organized across six key pillars, from climate risk and sustainable products to transparency and financial inclusion. Additionally, we established a sustainability committee designed to track the progress of maib's sustainability initiatives and provide reports and recommendations to the Bank's Management Board. The next step on our agenda for sustainability governance is to define and assign ESG responsibilities to the Supervisory Board.

For our efforts, we have received a sustainability rating from Sustainalytics, placing us in the low to medium risk category. This rating provides a solid benchmark for future improvements and reaffirms our commitment to transparency and accountability.

As a bank our greatest environmental impact comes from lending to our customers. In our sustainability roadmap we have set green lending targets of 10% of total investment portfolio for Corporate and SME business units in the near term. In 2023 SME business unit introduced a dedicated loan product

enabling businesses to fund renewable energy installations through borrowing, such as PV solar panels and wind turbines.

MDL 580 MLN value of green portfolio

As of the end of 2023, maib has accumulated a green portfolio of MDL 580 million, primarily in renewable energy projects across Corporate and SME business units. This achievement underscores our dedication to promoting sustainable energy solutions and supporting Moldova's energy independence.

To address one of the most pressing global concerns, climate change, in 2023 we have started implementing an extensive Climate Risk Management Framework, which will help us navigate the obstacles within this field. The project to incorporate climate risk management into the Bank's overall risk management framework is ongoing and expected to conclude in 2025, but we already made some of the first important steps. We have made it a priority to calculate and report our emissions, both from our own operations and those we financed with loans, as accurately as we can. Our financed emissions (loan portfolio as of the end of 2023) amounted to annual 928 thousand tonnes of CO₂, as calculated through a score 5 PCAF estimation.

> 45 k tonnes of CO₂, avoided through our green portfolio

Through our green portfolio we have managed to avoid over 45 thousand tonnes of CO₂, which amounts to about 5% of our financed emissions. This is a significant number in the national context as well, equating to about 0.3% of Moldova's total annual CO₂ emissions. We expect the number of

emissions offset via our green portfolio to continuously increase and get us closer to our net zero target, as customer interest, particularly in renewable energy solutions, continues to grow.

On the financial inclusion front, in 2023 we began working on a significant project in collaboration with the IFC and UNHCR to enhance access to the Moldovan banking system for Ukrainian refugees. Moldova has been among the largest recipients of Ukrainian forcefully displaced persons since the start of the war.

> 120 k cards issued to Ukrainian FDPs

This project involved streamlining the onboarding process for Ukrainian citizens, providing comprehensive staff training with language support and technical guidance, and creating dedicated communication channels for Ukrainians to enable them to use much needed banking services in Moldova. I am pleased to say that this project launched successfully in 2024.

We are also committed to the wellbeing and development of our staff. In 2023 maib park opened its doors offering state of the art facilities to create an open workplace encouraging collaboration and teamwork.

New Headquarters in 2023 maib park opened its doors

We have also improved upon our gender pay gap calculation this year, estimating it in accordance with EU standards (ESRS). This helps us achieve clarity, enhance our standing as a fair employer, promote equitable pay practices and development opportunities for our teammates. One initiative in this respect which I am proud to mention here is the launch of the "You drive IT" Scholarship Program for women students of the Technical University of Moldova in both IT and STEM subjects. Our aim is to encourage women to think about potential future careers in technology where they tend to be underrepresented.

I encourage you to use this report to find out more about maib's non-financial impact and many initiatives we have to improve it. Our commitment is to build a responsible and sustainable organization which grows stronger together with its customers, employees, shareholders and partners.

economic performance /impact



Maib is the largest bank in Moldova serving nearly one third of its population with over 1 million customers and employing over 2,400 individuals. The Bank is of systematic importance to the country and we are aware of the responsibility that this comes with.

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 thous)

| | 2021 | 2022 | 2023 |
|---------------------------------|------------------|------------------|------------------|
| Net Interest Income | 1,312,718 | 2,155,976 | 2,144,796 |
| Net fee and commission income | 347,568 | 370,775 | 413,003 |
| Other Operating income/Loss | 403,784 | 581,608 | 611,240 |
| Operating Income | 2,064,070 | 3,108,359 | 3,169,039 |
| Operating Income | 2,064,070 | 3,108,359 | 3,169,039 |
| Impairment allowance | (100,601) | (405,591) | (164,749) |
| Economic value generated | 1,963,469 | 2,702,768 | 3,004,290 |



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 thous)

| Category | 2021 | 2022 | 2023 |
|--|------------------|------------------|------------------|
| Operating costs (also includes community investments) | 348,415 | 455,891 | 463,939 |
| Salaries and Bonuses | 471,133 | 606,439 | 713,247 |
| Holiday Provisions | 11,169 | 23,821 | 3,134 |
| Other Personnel Expenses | 20,735 | 26,363 | 30,855 |
| Health insurance premiums (deductible from employee pay) | 49,479 | 7,682 | 6,097 |
| Employee wages and benefits | 552,517 | 664,305 | 753,333 |
| Income tax | 92,593 | 162,224 | 172,870 |
| Other taxes | 1,073 | 3,161 | 3,459 |
| VAT | 15,921 | 24,981 | 27,836 |
| Taxes withheld from source of payment | 19,890 | 16,954 | 14,962 |
| Payroll tax | 53,019 | 60,798 | 77,324 |
| Social security contributions | 130,590 | 153,665 | 180,063 |
| Payments to government | 313,086 | 421,783 | 476,514 |
| Dividends | 208,668 | - | 198,188 |
| Payments to providers of capital | 208,668 | - | 198,188 |
| Total | 1,422,686 | 1,541,979 | 1,891,974 |

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

Table 3 - Economic Value Retained (MDL thous)

| | 2021 | 2022 | 2023 |
|--------------------------------|----------------|------------------|------------------|
| Economic value generated | 1,963,469 | 2,702,768 | 3,004,290 |
| Economic Value distributed | 1,422,686 | 1,541,979 | 1,891,974 |
| Economic Value Retained | 540,783 | 1,160,789 | 1,112,316 |

Impact financing programs

Maib finances the following infrastructure initiatives:

- Procurement of electric transport by the Chisinau mayor's office
- Construction of power generating capacity by small, medium, and large corporate clients across multiple loans

Indirect economic impact:

Maib collaborates with the government and international financial institutions in promoting financial inclusion:

- **"373" program for small business**
An initiative in partnership with the Moldovan Government that provides favorable loans to support and develop micro, small, and medium enterprises in Moldova.
- **"Prima casa" (First home) mortgage loan**
Provides loans with favorable terms for first time homeowners
- **Portfolio guarantee programs with several IFIs**
Allow small businesses to borrow without having the necessary collateral or those small business unable to access bank financing using usual means
- **UNHCR sponsored cash card program aimed at providing Ukrainian forcefully displaced people residing in Moldova with much needed cash**
MDL 1.3 billion disbursed over the latest 12 month period

2023 highlights

Sustainability progress:

- Sustainability strategy and roadmap adopted by the supervisory board
 - Roadmap includes over 60 sustainability initiatives across climate, environment, social involvement, employee wellbeing, consumer responsibility and governance
- Sustainability committee established
 - Designed to track the progress of maib's sustainability initiatives and recommend decisions on maib's sustainable development to the Bank's Management Board
- Sustainability rating achieved
 - Sustainability rated maib, putting the Bank in the medium to low risk category
- Launched a renewable energy loan product for SMEs
 - The "energy for trade" loan finances the construction/procurement of power generation facilities that produce electricity for commercial use using solar photovoltaic technology

Bank-wide developments:

- Full digital onboarding
 - Moldovan citizens with a national ID card can now open an account with maib without visiting a branch
- Senior loan agreement with the International Finance Corporation (IFC)
 - The funding supports the bank's efforts to improve access to bank financing for micro, small and medium enterprises (SME) in Moldova
- Inaugural maib bond offering for domestic market
 - Valued at MDL 258 million, this was the first corporate bond offering on Moldovan market in nearly twenty years
- CEO extends his contract
 - Giorgi Shagidze extended his mandate as CEO until December 31, 2025 with a possibility of a further extension until December 31, 2026, in the event of a successful IPO

Engagement with employees, shareholders, investors and other stakeholders:

- Rollout of important employee benefits, including private health insurance for all
- Opening of maib park, a cutting edge headquarters; designed to attract and retain talent
- Financial inclusion project for Ukrainian forcefully displaced persons (FDPs)
- Continued engagement with current and prospective shareholders via quarterly results calls, conferences, and 1-on-1 meetings, transparent disclosure of all business dealings



priorities for 2024

Digitalization

- Create an all-inclusive banking app that integrates all of maib's digital services
- Provide cutting-edge digital banking solutions for businesses
- Enable full digital onboarding for diaspora, subject to legal approval
- Upgrade datacenter infrastructure
- Advance face recognition technology



Customer Experience

- Develop a unified, multi-channel customer experience
- Enhance processes continuously using customer feedback and data insights
- Introduce products and services that align with customer needs
- Improve cash handling quality



In 2024 we aim to continue executing on four key pillars of our strategy.

Payments

- Deliver comprehensive payment solutions for both individuals and businesses
- Facilitate instant in-country payments
- Implement top-tier security features
- Continue to expand market share in the payments sector



Branch Offloading

- Shift routine transactions to the app
- Broaden product availability through digital channels
- Optimize current branches
- Increase the digital handling of major product sales



our story



1991

- Commercial Bank "Moldova Agroindbank" S.A. founded

1992-1999


- Maib became the founder of the Moldovan Stock Exchange and signs first agreement with EBRD
- Maib leads Moldovan banking sector in most categories

2000-2011

- Maib launches VISA and Mastercard chip cards, and Internet Banking for retail customers

2012-2018

- HEIM Partners acquire a 41.09% stake in maib shares
- Maibank launched in 2019



2023 February



- Maib surpasses over 1 million cards in circulation

2022

- Digital cards, Google Pay and Apple Pay first offered to Moldovan customers
- Agile transformation launched in January

2019-2021

- A new CEO with international experience joins the management board - Giorgi Shagidze
- Maib bank-wide transformation

2023 March

- Maib rolls out private health insurance benefit for all its employees

2023 May

- Maib signs senior loan with IFC

2023 June

- Inaugural sustainability report published

2023 July

- OnePOS payment solution launched

2023 August

- "Energy for trade" loan launched for maib's SME clients

2023 September

- Full digital onboarding for individual customers via maibank launched



2023 October

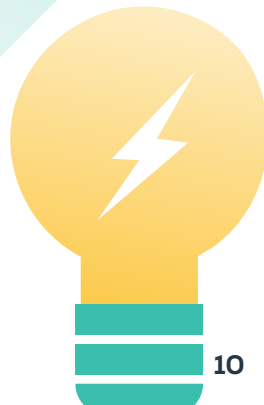
- Brand new headquarters, Maib Park, opened in the heart of Chisinau

2023 November

- Sustainability strategy and roadmap adopted

2023 December

- "Pay in installments" loan launched for maib's retail customers





corporate governance



Link to the information on bank governance page of the maib website which includes the Bank's code on corporate governance.

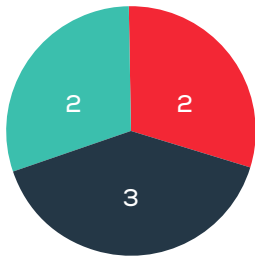


Link to the disclosure page of maib's investor relations website which provides details on corporate governance.

governance at a glance

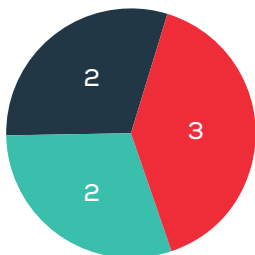
Board composition, skills and experience

Tenure with maib of supervisory board



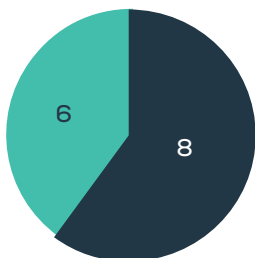
1-4 years 5-10 years >10 years

Tenure with maib of management board



1-4 years 5-10 years >10 years

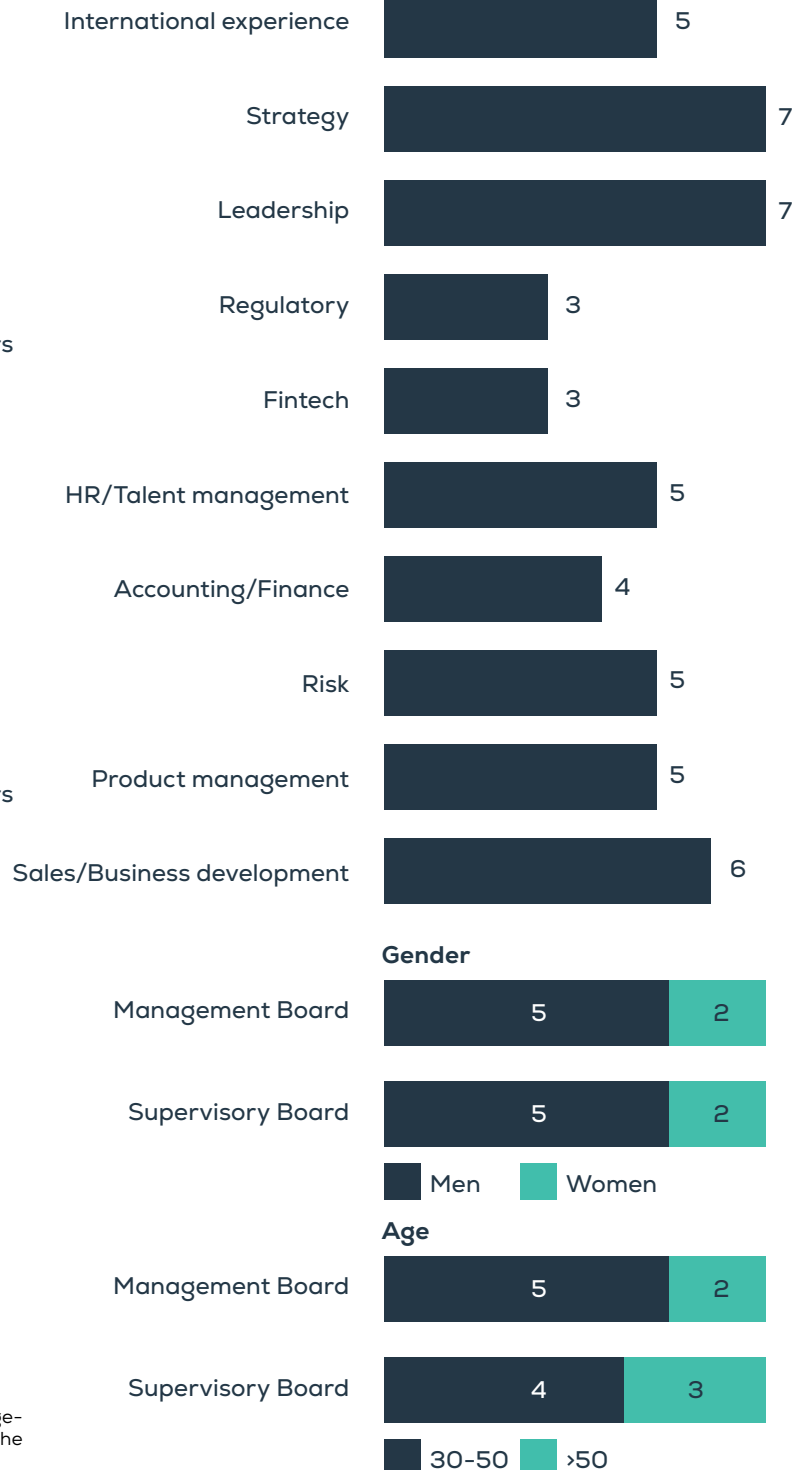
Proportion of senior management hired from local community*



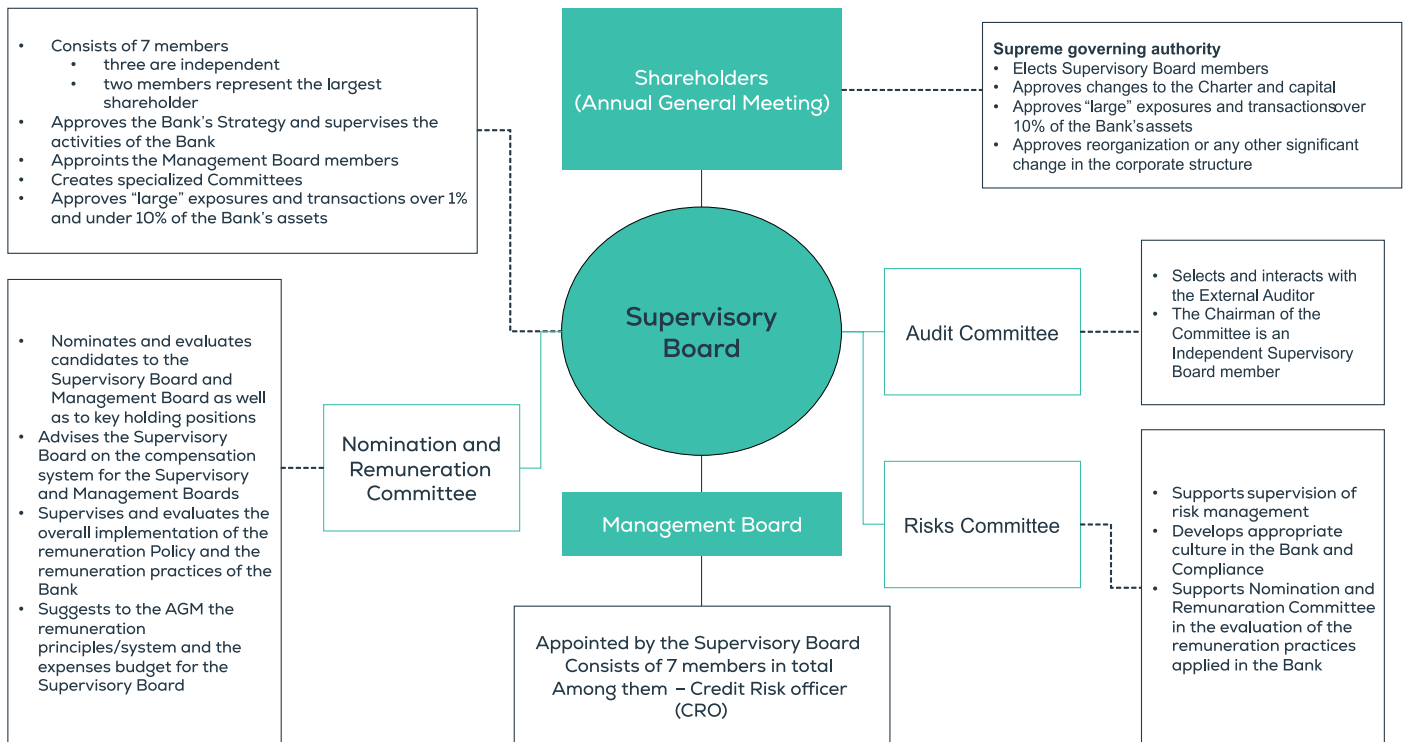
International Local

*Here, both the members of the Supervisory and Management Boards are included and the definition of 'local' is the Republic of Moldova

Skills and experience of supervisory board members



organizational structure



supervisory board

Vytautas Plunksnis

Chairman of the Supervisory Board



Appointment as Chair*: July 2020

Experience:

- Has worked in different positions within INVL Group companies

External current appointments:

- 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;

Victor Miculet

Vice-Chairman of the Supervisory Board



Appointment as Vice-Chair: July 2020

Experience:

- Chairman of the Supervisory Board in 2002-2020
- Founder (1996) and CEO of "Auto-Space" LTD - authorized dealer of BMW, Mini, MAN, Honda and Mitsubishi cars

External current appointments:

- Chairman of the Association of Authorized Cars Importers

Natalia Vrabie

Member of the Supervisory Board



Appointed: 2013

Experience:

- Managerial positions in maib including 17 year tenure as CEO
- (1996-2013)

- Over 50 years of banking experience

Vasile Tofan

Member of the Supervisory board



Appointed: 2018

Experience:

- Senior Partner at Horizon Capital since 2021
- Founded Ovuline (now Ovia Health)

External current appointments:

- Chairman of Supervisory Board of Purcari Wineries Public Company Limited

- Member of the Supervisory Board of AO Media Alternativa
- Member of the Advisory Board, Avalex Investment Limited
- Board member at American Chamber of Commerce in Moldova

Maryna Kvashnina

Member of the Supervisory board



Appointed: 2018

Experience:

- Vice President of Management Board of Delta Bank (2013 - 2015)
- Founder of Pharmacy Network Apteka Dobrogo Dnya (2006)
- Co-Founder of PAY2YOU (2015)

External current appointments:

- CEO of Naftogaz Digital Technologies

- CEO of Naftogaz of Ukraine NJSC
- Member of the Supervisory Board of the Commercial Bank Lviv
- IT Director of Naftogaz Ukraine

Ivane Gulmagarashvili

Member of the Supervisory board



Appointed: 2020

Experience:

- Amazon Product Management and Customer Experience Europe (2021 - 2022)
- Head of New Products, 4finance Group (2015 - 2018)
- Previously worked at Barclays and Barclays Cards, Bank of Georgia

External current appointments:

- Amazon Manager for payment and lending products for North America
- Member of Supervisory Boards of Agricover Holding and TAM Faktoring AS

Konrad Kozik

Member of the Supervisory board



Appointed: 2020

Experience:

- CFO, Member of the Management Boards of Allianz Russia and Poland (2014 - 2019)
- Previously worked at UniCreditBank

External current appointments:

- Member of the Supervisory Board of ISP Bank Albania

- Member of the Supervisory Board of Deutsche Bank Polska
- Member of the Emerging Markets Board of Horizon Corp
- *composition as of 2023

*Not a senior executive within the organisation

Supervisory Board committees:

Audit Committee:

Members:

Gulmagarashvili Ivane – Chairman;
Vrabie Natalia - member
Kozik Konrad - member
Tofan Vasile – member

Responsible for:

Exercising the supervisory function of the Bank internal control system, whilst monitoring the accounting and financial practices applied in the Bank and supervises the work of the internal audit

Nomination and Remuneration Committee:

Members:

Tofan Vasile – Chairman;
Miculeț Victor - member
Maryna Kvashnina - member
Gulmagarashvili Ivane – member

Responsible for:

Identifying and proposing 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 considering risk management, capital and liquidity management requirements.

Risk Committee:

Members:

Kozik Konrad – Chairman;
Plunksnis Vytautas - member
Kvashnina Maryna -- member
Vrabie Natalia - member

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 Board. The Risk Committee also assists the Supervisory Board in determining the nature, volume, format and frequency of risk information

**Any group of shareholders with a combined ownership of 5% or more can nominate a candidate for the supervisory board which the nomination and remuneration committee will then assess and validate. As of the time of writing this report, no supervisory board candidates forwarded by shareholders during the last election have been declined by the nomination and remuneration committee following their assessment. An election takes place during a General Shareholders meeting, where shareholders vote for their desired candidates, and therefore, the composition of the supervisory board.

management board

Giorgi Shagidze

Chairman of the Management Board, CEO



- Joined maib in February 2021;
- Other current positions: Member of the Supervisory Boards of Synergy Capital; 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.

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 VTB Bank Armenia;
- Previously worked at ProCredit-Bank 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 (SME) Banking



- 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 of managing partner 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, Finance



- Since 2022: Vice-Chairman of the Management Board, responsible for the Finance Division
- 2015 to 2022: involved in projects in the areas of business strategy, finance and risk, digital transformation and core operations at McKinsey & Company;
- Held positions at KBC, ING;
- Graduated from the Academy of Economic Studies in Bucharest Romania, hold and MBA from Vlerick Business School, MSc,
- Certified in Financial Risk Management (FRM) from GARP and CFA charterholder.

business ethics

Maib has developed its own **Code of Ethics** (hereinafter - "Code") to reconfirm its commitment to managing its business and relationships with its customers, partners and shareholders, with the supervisory and control authorities in line with the highest standards of integrity and professionalism and in strict compliance with generally applicable laws, regulations and practices.

The Code is applied to members of the Bank's governing bodies and to all employees, including 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.

maib mission and values

we **create** smart and **simple** financial and lifestyle solutions, hat
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**

- **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

AML/CTF Policy and Compliance

At maib, an Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) is in place, which comprises Sanctions Compliance provisions. Maib's Compliance Department oversees the implementation of the bank's AML/CTF program, including policy development, transaction monitoring, reporting, and employee training. The program aligns with legislation and international standards such as FATF, Basel, EBA, and Wolfsberg Group documents.

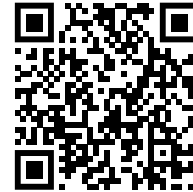
Risk-Based Approach

Maib adopts a risk-based approach in its AML/CTF processes, encompassing customer acceptance and international financial sanctions compliance. This approach ensures identifying the risk categories (products, services, channels, customers, jurisdictions) and applying mitigation measures proportional to the identified risks.

Suspicious Transactions and Reporting

To detect suspicious transactions, maib's Compliance Department uses a centralized solution linking transactions, accounts, and customers, assessing enterprise-wide risk for each customer. The bank reports relevant transactions to Moldova's Office for Prevention and Fight Against Money Laundering electronically. This process is supported by specialized AML/CTF software, which ensures comprehensive transaction monitoring and screening against OFAC, EU, UN and OFSI-UK sanctions lists, as well as the list approved by the national authority.

The following QR code will direct the user to the "compliance documents" section of the maib website where disclosures on AML/CTF policies are made:



anti-corruption & anti-fraud

Anti-Fraud and Anti-Corruption Policy

Maib is committed to preventing both internal and external fraud, prohibiting abuse, and forbidding the acceptance of gifts intended to influence employees' decision-making. The bank does not tolerate any form of bribery or corruption, strictly forbidding the offer or receipt of bribes or engagement in influence peddling practices. Employees are prohibited from accepting money or other benefits from customers or third parties for performing their duties or intervening in decisions. Offering benefits that violate laws or regulations, or for securing business, is also strictly forbidden.

Every single internal operational process within maib is assessed for any risks associated with corruption before being created and applied. Therefore, no single no single operational flow /work-flow is performed by the same employee nor is the design process created in such a way that several levels of validation and /or approval are required.

Zero Tolerance for Fraud and Corruption

Maib enforces a strict anti-corruption and anti-bribery policy. Employees and management are fully informed of these policies, and any updates to the regulatory framework are promptly communicated. While the bank's detailed anti-corruption policies are not shared with business partners, the bank's stance on corruption is made clear through anti-corruption clauses in contractual agreements. Maib ensures compliance with these standards and legislation through careful monitoring when contracts are concluded or amended.

Monitoring and Enforcement

The Risk Management Division, in collaboration with other departments, monitors and analyzes suspicions of corruption and fraud. This includes analyzing internal and external fraud incidents and identifying measures to mitigate fraud risks. Employees found guilty of fraud and/or corruption face consequences as per internal regulations and applicable laws.

Communication and Training

Every new employee undergoes a mandatory training that includes a 30-minute session on anti-corruption and anti-fraud. In 2023, 449 new employees received this training, totaling 224.5 hours. We would also like to point out that on yearly basis maib organizes "Anti-Fraud Week" which represents information on anti-fraud and anti-corruption issues/updates/value refreshments which is a form of training (communication) sent to all employees via email. During 2023, the Anti-Fraud Week was organized between 13th – 17th November. Furthermore even if minor cases of internal fraud are registered, the compliance department prepares an information that is sent to all the bank employees in which is detailed the case, the consequences held by the employee and restates the main anti-fraud/ anti-corruption principles and values to which very single bank employer needs to adhere.

Mechanisms for raising concerns

Maib employees, partners and customers can all communicate cases of corruption and fraud through the following channels:

- A direct call to maib's contact center
 - 1313 for individuals
 - 1314 for legal entities
- A letter to the Compliance Department at: MD-2012, mun. Chişinău, str. 31 August 1989, 127
- An email to: antifrauda@maib.md
- Filing an online form at the bank website: <https://www.maib.md/ro/antifrauda-online>

All cases are handled confidentially. Further information is available on the Bank's website under the 'Compliance' section.

Incidents of Corruption and Actions Taken

In 2023, there were no confirmed incidents of corruption involving employees that resulted in dismissal or disciplinary action. Likewise, there were no confirmed incidents of corruption that led to the termination or suspension of collaboration with business partners, nor were there any legal actions against the Bank or its employees alleging corruption.

Conflicts of interest

All members of the Bank's governing bodies and persons holding key functions* within the bank must present a written note to the Supervisory Board disclosing any conflicts of interest they might have.

The Supervisory Board of the Bank has delegated the prevention and mitigation of conflicts of interest to the Management Board. In response, the Management Board has created a detailed policy relating to conflicts of interest and set up several internal functions that deal with them, amongst which are:

Shareholding relations and affiliated parties

- Identifies affiliated parties through extensive disclosure requirements
- Uses a special set of rules when dealing with transactions related to affiliated parties
- Constantly monitors transactions between the bank and its affiliated parties to identify any potential conflicts

Procurement

- Deals with conflicts of interest arising from procurement
- Ensures that all procurement is done in a fair and transparent way

*Members of either the Management or Supervisory Boards, as well as others with influential roles within the Bank.

human rights

Human Rights commitments

Maib is committed to Moldovan laws, including those on Human Rights. The Code of Ethics, signed by all employees and entrenched by training, is the main source of protection. The Compliance department monitors adherence, and no violations have been reported in the last three years. Other protections include:

- non-discrimination
- freedom of political affiliation
- freedom of association (including trade unions)

Maib's Social and Environmental risk management framework assesses clients' human rights compliance, covering issues like environmental law violations, forced labor, and child labor.

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 2023 was equivalent of 224.5 hours of training on human rights aspects.

Maib's target:

Adopt Human Rights statement/position by end of 2025



risk management



Eduard Barbaiani
Head of Risks

Overview

As a financial institution accepting deposits and carrying leverage, maib prioritizes risk management. The bank's integrated control framework identifies, evaluates, manages, and monitors risks through formal policies, procedures, delegated authority levels, and comprehensive reporting. This framework has been consistently applied throughout the year under review.

Risk Management Framework

Maib's risk management system continuously assesses risks through:

- Risk identification
- Qualitative and quantitative assessment
- Determination of acceptable risk levels
- Risk monitoring and mitigation
- Ongoing monitoring and control for efficient adjustments
- Analysis of the risk management system's effectiveness

The key risk management bodies include the:

- Supervisory Board
 - monitors and oversees the bank's risk management activities to ensure they are effective. It provides guidance, sets policies, and reviews risk assessments and reports to ensure risks are identified and mitigated, ensuring compliance with laws and regulations.
- Audit Committee
 - reviews the effectiveness of the bank's risk management and internal control systems. It ensures the integrity of financial reporting, compliance with regulatory requirements, and monitors the internal audit function.
- Risk Committee
 - reviews key developments affecting the bank's principal risks and

mitigation actions. It assesses risk exposure, monitors risk management policies, and ensures alignment with strategic objectives.

- Management Board
 - responsible for the implementation of the bank's risk management strategy and internal control policies. It reviews risk exposures regularly and ensures that risk management is integrated into daily operations.
- Risk and Compliance Division
 - implements effective risk management processes, provides risk information, and ensures compliance with regulatory requirements. It monitors the bank's risk profile, assesses the impact of significant changes, and ensures proper risk mitigation.
- Internal Audit
 - provides independent and objective assurance on the effectiveness of the bank's risk management, internal control, and governance processes. It reviews the bank's operations, evaluates risk management systems, and ensures compliance with policies and regulations.

Governance and Reporting

The Supervisory Board, supported by its Audit and Risk Committees and the Management Board, oversees maib's risk management and internal controls. The Management Board imple-

ments the Risk Management Strategy and internal control policies. Risks are measured, monitored, and mitigated according to maib's policies. Key risks are escalated to appropriate authorities and reviewed quarterly by the Risk Committee and the Board.

Key Risks

- Credit Risk: Arises from borrowers or counterparties failing to pay. Managed through Credit Policies.
- Liquidity Risk: The risk of difficulty meeting financial obligations. Managed by daily cash flow monitoring and evaluation of exposure to liquidity risk.
- Interest Rate Risk: Arises from maturity and currency mismatches. Managed by analyzing sensitive assets and liabilities and through approved limits and risk parameters.
- Market Risk: Potential losses from foreign exchange volatility. Managed by a regulatory-defined approach, VAR methodology, and stress scenarios.
- Operational Risk: Losses from systems failure, human error, fraud, or external events. Managed by developing policies and procedures for operational risk management.
- Compliance Risk: Damage from fines, termination of contracts, or reputation harm due to non-compliance. Mitigated by developing an internal regulatory framework to enhance the culture of compliance and to prevent and identify fraud, conflicts of interest, and abuse.

Environmental and Social Management System (ESMS)

Maib's Environmental and Social Management System (ESMS) in 2023 has been updated to align with International Financial Organisations' standards, emphasizing sustainable practices in its lending and investment decisions. The system aims to identify, assess, and manage environmental and social risks associated with clients and investments, ensuring adherence to sustainable development principles.

ESMS Process

The ESMS process involves several critical steps:

- 1. Screening Against the Exclusion List:** This initial step ensures that potential borrowers are not involved in activities that are environmentally harmful or socially unethical.
- 2. Compliance with National Laws and Regulations:** Borrowers' adherence to national environmental and social laws is reviewed to ensure compliance.
- 3. Assessment of Performance Standards:** Borrowers' operations are evaluated against IFC's performance standards, focusing on managing social and environmental risks and impacts.
- 4. Completion of E&S Forms:** For all credit applications, "Environmental Screening Form" is completed. For medium or high-risk cases, "Final Ecological Report" and "Environmental and Social Risk Assessment/Monitoring Report" are also filled out.
- 5. Integration into Lending Decision:** The findings from the E&S assessments influence the final lending decision. Loans may be conditioned, returned for review, or denied based on E&S risks.
- 6. Monitoring:** Approved loans with medium and high environmental risk are periodically monitored to ensure ongoing compliance with E&S standards.

ESMS Implementation

The ESMS is fully incorporated for all corporate loans and is being implemented for some SME loans, with the goal of covering all SME loans in the near future. This comprehensive approach ensures that environmental and social risks are consistently managed across different loan categories.

Exclusion List

An exclusion list is a compilation of activities and industries that are prohibited from receiving loans due to their harmful environmental or social impact. Maib's exclusion list is broadly based on standards recommended by IFC and EBRD. It aims to exclude financing certain activities, among which are:

- Production or trade in any product or activity deemed illegal under host country laws or regulations
- Activities involving forced or child labor
- Trade in wildlife or wildlife products regulated under the CITES convention
- Production or trade in weapons and munitions
- Production or trade in alcoholic beverages (excluding beer and wine)
- Production or trade in tobacco
- Gambling, casinos, and equivalent enterprises

Risk Categories

Risk categories in the ESMS process include:

- **Low Risk:** Projects with minimal or no adverse environmental or social impacts.
- **Medium Risk:** Projects with limited adverse environmental or social impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures.
- **High Risk:** Projects with potentially significant adverse environmental or social impacts that are diverse, irreversible, or unprecedented.

Maib's ESMS in 2023 highlights the bank's commitment to sustainable development by integrating comprehensive environmental and social risk assessments into its lending process. Through diligent monitoring and adherence to international standards, maib ensures that its investments contribute positively to ecological and social sustainability.

Climate Risk Management

Types of climate risk

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 CO2 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.

Why Climate Risk Management is Necessary

Climate risk management is essential for banks to mitigate potential financial losses and ensure long-term sustainability. Maib acknowledges the threat of climate change and is taking proactive steps to address these risks.

Maib's target:

- Adopt a climate risk heatmap (initial stage) **COMPLETED** ✓
- Adopt fully functioning ESMS in line with IFI requirements for:
 - Corporate portfolio **COMPLETED** ✓
 - SME portfolio by **end of 2024**
- Develop internal green fund to support innovative green products by **end of 2024**

How we aim to get there:

Climate Risk Management Project

Maib is implementing a comprehensive Climate Risk Management Framework project, scheduled for completion by mid-2025. The project's primary objective is to advance Maib's sustainability transformation by enhancing its institutional capacities for ESG (Environmental, Social, and Governance) risk management and adopting a sustainable banking approach. Key objectives include:

- **Developing the Climate Risk Management Framework:** This framework will help Maib comprehend and address climate-related risks in line with emerging international standards.
- **Assessing Current Sustainability Maturity:** The project involves evaluating Maib's current sustainability practices, identifying climate risks specific to the country and the bank, and providing tailored recommendations for risk management.

- **Financial Impact Analysis:** An analysis of relevant risks and opportunities will determine how Maib's portfolio may be affected by climate change-related factors.
- **Guidance and Recommendations:** The provision of detailed methodologies for defining climate risks and opportunities, conducting impact analyses, and integrating these into Maib's operations according to international standards, such as the Task Force on Climate-related Financial Disclosures (TCFD).

Key outcomes of the project include:

- **Identifying and Categorizing Risks:** Identifying transition and physical risks, analyzing best practices, and tailoring them to Maib's context.
- **Designing a Customized Framework:** Developing tools (climate heatmap amongst them) and met-

rics for identifying, measuring, and monitoring climate risk exposures.

- **Training and Capacity Building:** Developing and delivering training on climate risks and opportunities, ensuring in-house knowledge continuity.
- **Developing Policies and Procedures:** Creating internal policies for effective climate risk management and integrating them into existing risk assessment tools.
- **Implementing Software Solutions:** Selecting and implementing software to support the Framework.

The project will deliver comprehensive reports on best practices, process guidelines, internal policies, and training plans. It will also provide a heatmap illustrating risks across key sectors financed by the bank.

Climate risk heatmap

A climate heatmap is a tool used to identify and evaluate climate risks in a bank's portfolio, facilitating informed and efficient decision-making regarding these risks. Maib is introducing a climate heatmap to strategically allocate resources, prioritize actions for improving sustainability, and enhance overall financial stability. The heatmap visually represents various levels of climate risk through a color-coded system:

green (1)

Low risk, indicating minimal exposure to climate risks and a high capacity for adaptation.

yellow (2)

Moderate risk, suggesting moderate exposure and vulnerability, necessitating continuous monitoring and potential mitigation measures.

orange (3)

High risk, highlighting significant exposure and vulnerability to climate change, requiring substantial adaptation and mitigation actions.

red (4)

Very high risk, indicating critical exposure and extreme vulnerability, demanding immediate interventions to reduce risks.

Exposure of SME portfolio to Climate Risk:

| SME clients | 2023 | Climate risk | |
|----------------------|-------------------|-------------------|---------------|
| | Total Exposure,%* | Transitional risk | Physical risk |
| Agriculture | 40.33 | 3 | 4 |
| Trade | 30.85 | 3 | 1 |
| Transport | 6.02 | 4 | 1 |
| Construction | 4.23 | 2 | 2 |
| Others | 3.91 | 1 | 1 |
| Non-food industry | 3.15 | 2 | 1 |
| Energy Distribution | 2.7 | 4 | 2 |
| Food industry | 2.13 | 2 | 3 |
| HORECA (Hospitality) | 1.62 | 2 | 2 |
| Real Estate | 1.07 | 1 | 1 |
| Wine | 0.98 | 2 | 4 |
| Finance | 0.84 | 3 | 1 |
| Communications | 0.42 | 1 | 1 |
| Public sector | 0.01 | 3 | 1 |

Exposure of Corporate portfolio to Climate Risk:

| Corporate clients | 2023 | Climate risk | |
|---------------------|-------------------|-------------------|---------------|
| | Total Exposure,%* | Transitional risk | Physical risk |
| Trade | 42.69 | 3 | 1 |
| Food industry | 15.72 | 2 | 3 |
| Wine | 6.65 | 2 | 4 |
| Non-food industry | 6.24 | 2 | 1 |
| Agriculture | 6.16 | 3 | 4 |
| Public sector | 5.51 | 3 | 1 |
| Finance | 4.79 | 3 | 1 |
| Construction | 4.66 | 2 | 2 |
| Real Estate | 3.85 | 1 | 1 |
| Communications | 1.50 | 1 | 1 |
| Transport | 1.35 | 4 | 1 |
| Energy Distribution | 0.45 | 4 | 2 |
| Others | 0.43 | 1 | 1 |

*These values are calculated based on gross loans

sustainability strategy and governance

maib's Sustainability Strategy

As Moldova aligns itself with European Union legislation, the importance of sustainable practices becomes increasingly evident. For maib, the leading financial institution in Moldova, sustainability is not merely an option but a strategic requirement. Recognizing the imperative of sustainable development, maib launched its comprehensive Sustainability (ESG) program in 2023.

Purpose and Necessity

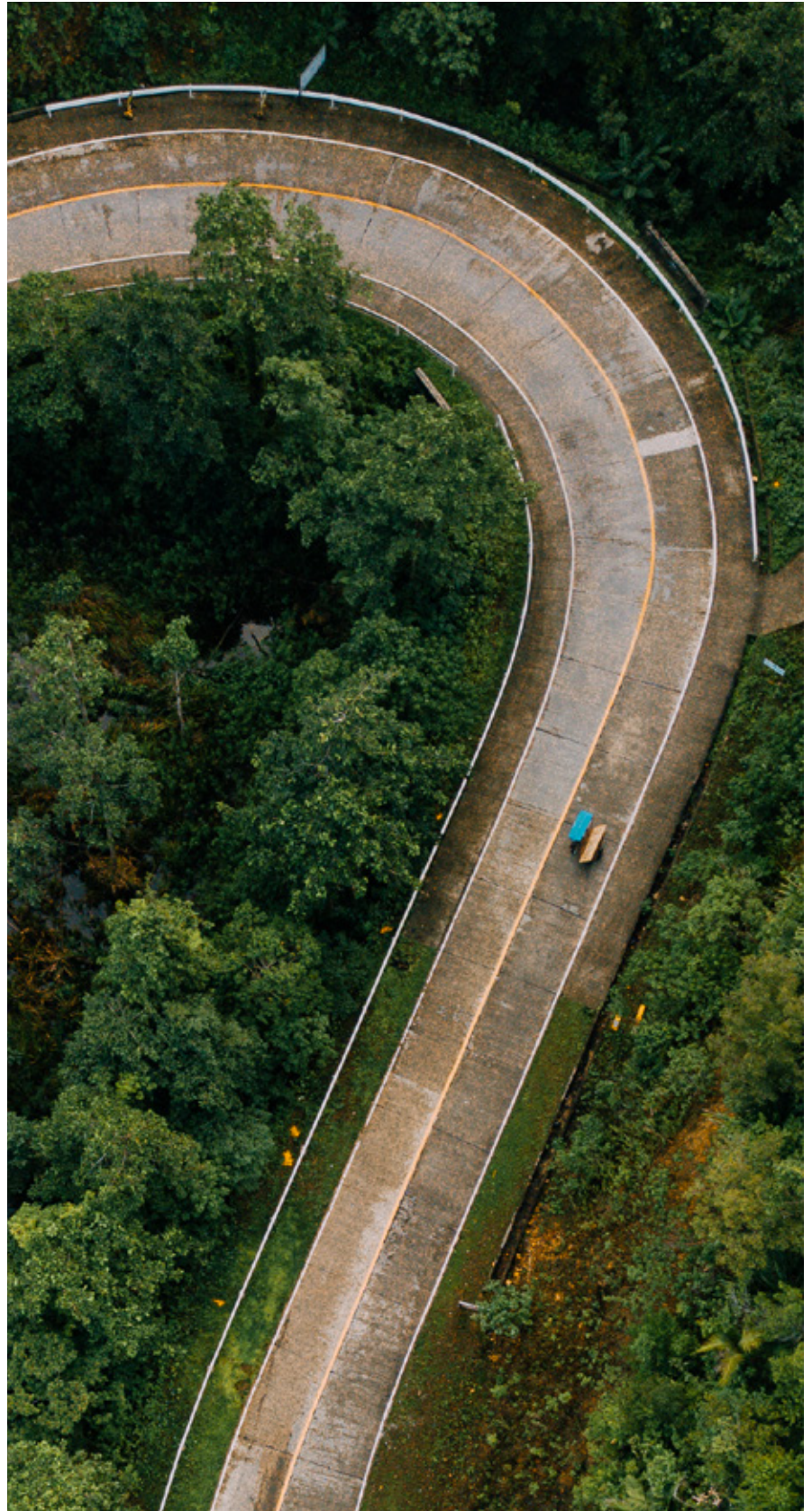
The sustainability strategy at maib is essential for addressing environmental, social, and governance (ESG) issues, aligning with global and national sustainability goals. This strategy ensures maib's operations are resilient, transparent, and responsible, fostering long-term growth and stability. It aligns with Moldova's proposed green strategy for 2030, the Nationally Determined Contributions (NDCs) under the Paris Agreement, and EU environmental obligations, positioning maib as a leader in sustainable banking in Moldova.

Approval and Achievements

In late 2023, the Supervisory Board approved maib's sustainability strategy and roadmap. Since then, maib has made significant progress, including the launch of a renewable energy loan product for small businesses and financing one of Moldova's largest solar parks. The bank is also developing an internal green fund to support recipients of green products and has participated in various financial inclusion and literacy initiatives.

Additional Relevant Information

Maib's strategy and initiatives are not mere aspirations but tangible commitments driving positive change. Each target within the roadmap is assigned a responsible person and deadline, ensuring real accountability. The strategy also includes comprehensive sustainability reporting, robust corporate governance standards, and continuous stakeholder engagement.



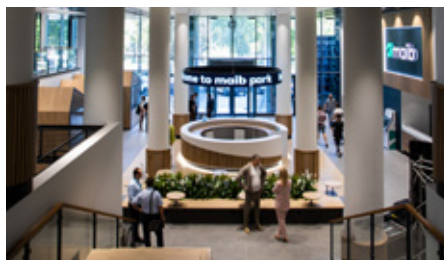
Key Pillars of the Sustainability Strategy

Climate Risk Initiative & Governance:



This pillar focuses on identifying, assessing, mitigating, and monitoring climate-related risks, integrating them into maib's overall risk management framework. It ensures that climate risks are managed as transversal risks across all banking risk categories, safeguarding the bank's interests and contributing to broader climate resilience efforts in Moldova.

Transparency:



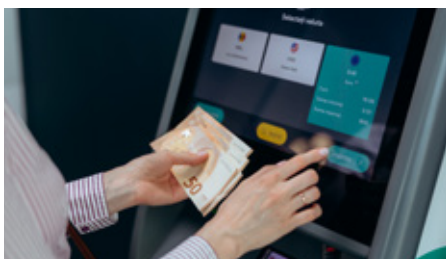
maib is committed to transparency in its sustainability endeavors. In June 2023, maib published its first sustainability report in line with GRI standards and received a sustainability rating from Sustainalytics. These metrics set benchmarks for continuous improvement.

Green & Sustainable Products:



maib is dedicated to expanding its range of green and sustainable products. By 2025, the bank aims to achieve a 10% share of green loans out of total investment loans, with a target of 23% by 2030 in both corporate and SME segments. Additionally, maib is developing an internal Green Taxonomy and a Sustainable Lending Classification System to track and record sustainable investments.

Financial Health & Inclusion:



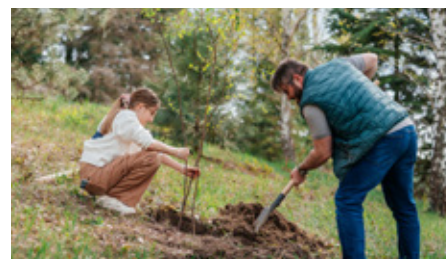
Recognizing the importance of financial health and inclusion, maib's roadmap incorporates initiatives to support remote areas and Ukrainian refugees in Moldova. The bank aims to facilitate access to basic financing services, support vulnerable households and groups, and promote financial education and literacy.

People:



The sustainability roadmap prioritizes the well-being and development of maib's employees. Initiatives aimed at employee engagement, well-being, and skill development contribute to a positive workplace culture aligned with sustainable values. Maib focuses on integrating human rights, promoting equity, and nurturing continuous education for all employees.

Sustainable Operations:



maib is committed to adopting sustainable practices in its daily operations, aiming to reduce its environmental footprint. This includes reducing energy consumption, implementing waste management strategies, and measuring carbon emissions across Scope 1, 2, and 3 categories. By 2025, maib aims to reduce greenhouse gas emissions from its operations by 25%.

maib's ESG Governance

Supervisory Board

The Supervisory Board (SB) is responsible for overseeing the ESG strategy and its implementation over time. With the support of the Risk Committee, the SB manages ESG risks, including climate-related risks, and defines the bank's climate risk appetite and strategy. The SB ensures that appropriate risk management systems and controls are in place and receives regular updates from the Management Board on sustainability issues.

Management Board

The Management Board (MB) sets maib's sustainability ambitions and is accountable for the ESG strategy and roadmap implementation. The MB ensures sufficient resources are available for sustainability initiatives and monitors progress. It performs regular reviews of the bank's exposure to climate risks and assesses the implementation of the climate risk management framework.

Sustainability Committee

Established in 2023, the Sustainability Committee (SC) ensures the implementation of sustainability decisions across the bank. The SC guides and aligns different sustainability initiatives, provides recommendations to the MB on sustainability strategy and resources, and approves implementation plans for key sustainability topics. It includes representatives from various departments impacting maib's sustainability transformation, such as Retail Credit, Business Banking, Corporate Clients, Operations and Logistics, Human Resources, Marketing, Finance, and Risk and Compliance.

Risk Management Function

The Risk Management Function (RMF) is independent of the business lines and ensures the effective implementation of the risk management framework, including climate-related and E&S risks. The RMF oversees new risk regulations and ensures that risk appetite levels are within maib's limits. The Climate Risk Team within the RMF focuses on developing and implementing regulatory requirements, while the E&S Risk Team assesses transactions against E&S risks and sets sector policies.

maib's ESG rating

In 2023, Maib's ongoing sustainability efforts have been evaluated and a rating has been issued, which is shown below:

ESG Risk Rating Overall Score: **25.5**

ESG Risk Rating Category: **medium risk**



ESG rating description:

Morningstar Sustainalytics' ESG Risk Ratings measure a company's exposure to industry-specific material ESG risks and how well a company is managing those risks. This multi-dimensional way of measuring ESG risk combines the concepts of management and exposure to arrive at an assessment of ESG risk, i.e. a total unmanaged ESG risk score or the ESG Risk Rating, that is comparable across all industries. Sustainalytics' ESG Risk Ratings provide a quantitative measure of unmanaged ESG risk and distinguish between five levels of risk: negligible, low, medium, high and severe. Learn more about the ESG Risk Ratings here.

Disclaimer:

Copyright © Sustainalytics, a Morningstar company. All rights reserved. This section includes information and data provided by Sustainalytics and/or its content providers. Information provided by Sustainalytics is not directed to or intended for use or distribution to India-based clients or users and its distribution to Indian resident individuals or entities is not permitted. Morningstar/Sustainalytics accepts no responsibility or liability whatsoever for the actions of third parties in this respect. Use of such data is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers/>

remuneration

Maib's Remuneration Policy

Legal and Regulatory Compliance

The policy is designed and approved in accordance with:

- The Labor Code of the Republic of Moldova.
- The Law on Banks' Activity.
- The NBM's Regulations on the banking activity management framework
- Other applicable normative acts.

Objectives

The remuneration and benefits system aims to:

- Ensure a transparent, fair, attractive, and simple-to-manage benefits system that reflects and encourages performance.
- Attract, motivate, and retain highly qualified employees to achieve maib's short- and long-term business goals.
- Maintain and enhance employee motivation and engagement in the Bank's activities.

Key Principles

- **Transparency and Accessibility:** The remuneration and benefits system is transparent and accessible within maib.

- **Internal Equity:** Ensures non-discrimination, fairness, and consistency, providing equal pay for work of equal value.
- **Competitiveness:** The conditions for remuneration and benefits are competitive to attract highly qualified employees.
- **Pay for Performance:** The remuneration level depends on achieving general and individual objectives, promoting a culture of performance-based pay.

Remuneration Structure

The remuneration system includes:

- **Fixed Salary:** A fixed amount paid for fulfilling responsibilities of a specific level of complexity.
- **Additional Payments and Allowances:** For special working conditions, overtime, night work, and work on holidays.
- **Variable Remuneration:** Bonuses for achieving high performance at individual, group, and bank levels, including short-term incentives like monthly, quarterly, semi-annual, and annual bonuses.
- **Other Incentives and Compensations:** Benefits like allowances, bonuses, and spot awards for significant contributions.

Salary Determination and Review

- **New Employees:** Base salary determined based on job category, internal equity, and market analysis.
- **Promotion:** Salary reviewed based on the new role's pay level.
- **Annual Review:** Salaries are reviewed annually based on the bank's performance, individual performance evaluations, and market competitiveness.
- **Non-discrimination:** Salaries are set without discrimination based on gender, sexual orientation, ethnicity, etc.

Variable Remuneration

- **Short-term Incentives:** Bonuses for achieving high performance and significant contributions.
- **Long-term Incentives:** Benefits using various instruments approved by the Bank's Supervisory Board.
- **Spot Awards:** For successful and early implementation of strategic projects, innovative ideas, and significant tasks.

Leadership remuneration

Fixed Pay:

- Consists of a base salary and additional payments.
- Reflects the individual's professional experience, responsibility level, and competencies.
- Determined by the complexity of the role and responsibilities assigned within the governance body.

Variable Pay:

- Includes performance-based bonuses and other incentives.
- Designed to reward long-term performance and ensure no encour-

agement of excessive short-term risk-taking.

- Cannot exceed 100% of the fixed component of annual total remuneration.
- Variable remuneration considers individual and departmental performance, as well as overall bank results.

Termination Payments

- Compensation for early termination of contracts reflects past performance and avoids rewarding failure or unprofessional conduct.
- Compensation is capped at five av-

erage monthly salaries unless otherwise decided by the Bank's Supervisory Board.

Retirement Benefits:

- Includes social protection programs and optional benefit schemes.
- Benefits provided must align with the long-term interests of the Bank and are subject to the Bank's financial health and performance.

Alignment with Organizational Objectives

The remuneration policy aligns with the bank's strategic objectives and performance in managing economic, environmental, and social impacts by ensuring that:

- Remuneration reflects individual and overall bank performance, encouraging long-term sustainable growth.
- Performance evaluations for variable pay incorporate risk adjustments, cost of capital, and liquidity requirements.
- Internal control functions' remuneration is independent of the performance of the units they oversee,

ensuring objectivity and independence.

- Annual assessments ensure the policy's effectiveness and alignment with regulatory requirements and strategic goals.

Additional Key Elements

Non-Monetary Rewards:

- Various forms of recognition and incentives, including state distinctions, professional association awards, and corporate honors.

Proportionality and Flexibility:

- Ensures a balanced proportion between fixed and variable components, allowing the bank to apply a fully flexible remuneration policy, including the possibility of not awarding any variable component.

Governance and Transparency:

- Regular evaluations and involvement of the Nomination and Remuneration Committee ensure transparent and fair application of the policy.



Linking sustainability to management compensation

Maib is currently working on management KPIs related to sustainability (ESG), which shall be implemented by the end of 2024. These will directly align leadership interests with sustainability targets as the Bank's performance on ESG metrics will be linked to compensation.

Remuneration statistics

| 2023 | maib |
|---|-------|
| Total annual compensation ratio* | 36.35 |
| Change in total annual compensation ratio** | 0.3 |

| 2023 | Women | Men |
|---|-------|------|
| Ratio of the minimum wage in the company to the national minimum wage | 2.11 | 1.87 |



Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (median excludes the highest-paid individual)

**For the annual total compensation ratio, we used the second highest paid individual in the organization. This ensures the ratio reflects typical compensation levels.

**Rate of percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (median excludes the highest-paid individual)



Ratio of women's to men's compensation

Maib strives to be a fair employer. In order to achieve this in transparent fashion, it calculates and discloses ratio of women's to men's compensation.

| Role | Ratio of women's to men's compensation* | | ESRS Gender Pay gap index evolution: | | | |
|---|---|------|--------------------------------------|------|------|-----|
| | 2022 | 2023 | 2021 | 2022 | 2023 | |
| IT | 0.82 | 0.75 | 37.6 | 35.1 | 39.0 | |
| Managers | 0.79 | 0.91 | - | - | - | |
| Branches | 0.99 | 0.97 | Average gross hourly pay MDL | | | |
| Specialists (excludes the other 3 groups) | 0.70 | 0.85 | Men | 117 | 151 | 172 |
| | | | Women | 73 | 98 | 105 |

Maib's target:
 Report gender pay gap **COMPLETED ✓**
 Decrease the gender pay gap to 20% by **2025**
 Reach gender pay parity for non-management employees by **2030**

Promoting education and technical training for higher paid positions for women, especially in IT

- In accordance with this plan, maib awarded "You drive IT" scholarships to 5 talented young women, each worth MDL 15,000, in July 2024

Started a project with the aim of reaching a gender pay parity, in partnership with GGF and EFSE, the scope of which is to be agreed upon by the end of 2024



*The way this ratio is calculated has changed in this report compared to last year's issue, hence the change in data. Last year it was calculated using an internally approved methodology whilst this year it was calculated using the ESRS methodology. We have changed this as it shows a more accurate picture of our gender pay gap, and therefore is more aligned with our value of transparency.

material

topics

Understanding materiality

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).

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.

Importance of Materiality to maib

For maib, understanding materiality is crucial for several reasons:

- It helps identify ESG risks and opportunities.
- Anticipates ESG trends and stakeholder expectations.
- Prioritizes significant ESG issues for better strategic focus.
- Enhances transparency and accountability in sustainability efforts.

Maib’s Approach to ESG Materiality

Maib’s approach to ESG materiality assessment involves the following steps:

- **Benchmarking with Industry Standards:** Identify which ESG issues are considered material by peers in the banking sector.
- **Internal Evaluation:** Assess key ESG-related issues through the lens of maib’s business model and specific circumstances.
- **Stakeholder Engagement:** Gather input from stakeholders through interviews, surveys, and consultations to understand their needs and expectations.
- **Materiality Mapping:** Plot ESG material items on an ESG materiality matrix to evaluate their relevance to maib and its stakeholders, allowing for prioritization of the most significant issues.



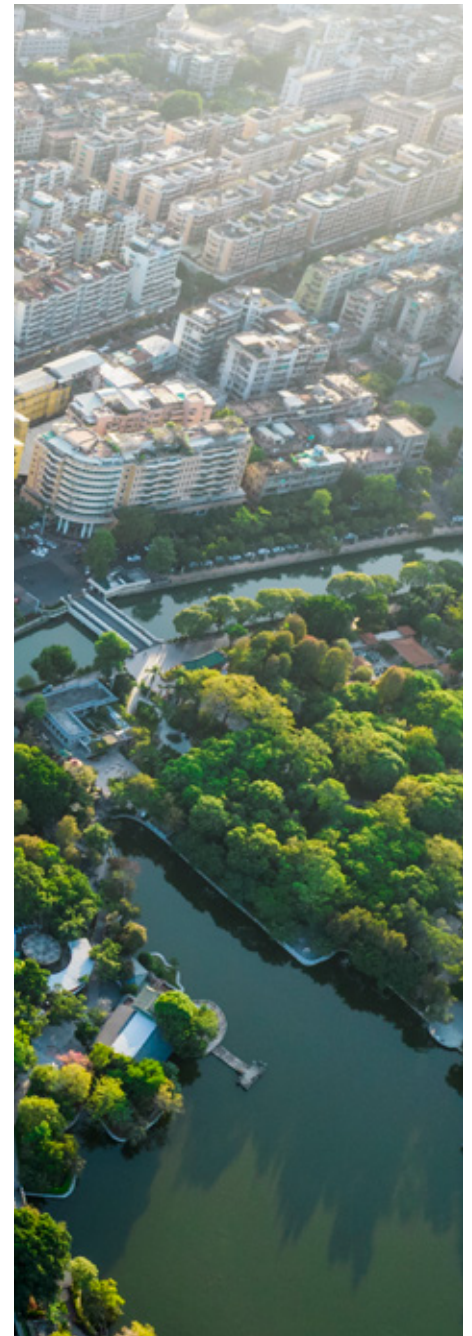
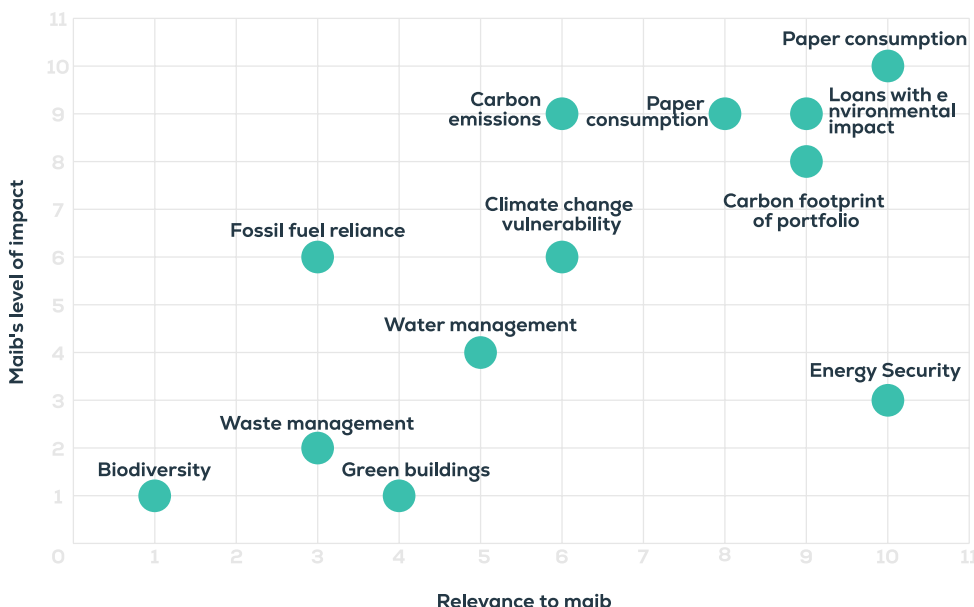
materiality matrix

Following the stakeholder consultation stage we have identified a number of material topics across the 3 ESG dimensions. Each topic has been given a rating based on the level of perceived importance of the issue to stakeholders:

1. Low Relevance/Impact 1-2
2. Moderately Relevant / Moderate Impact 3-5
3. Relevant/Impactful 6-8
4. High Relevance/Impact 9-10

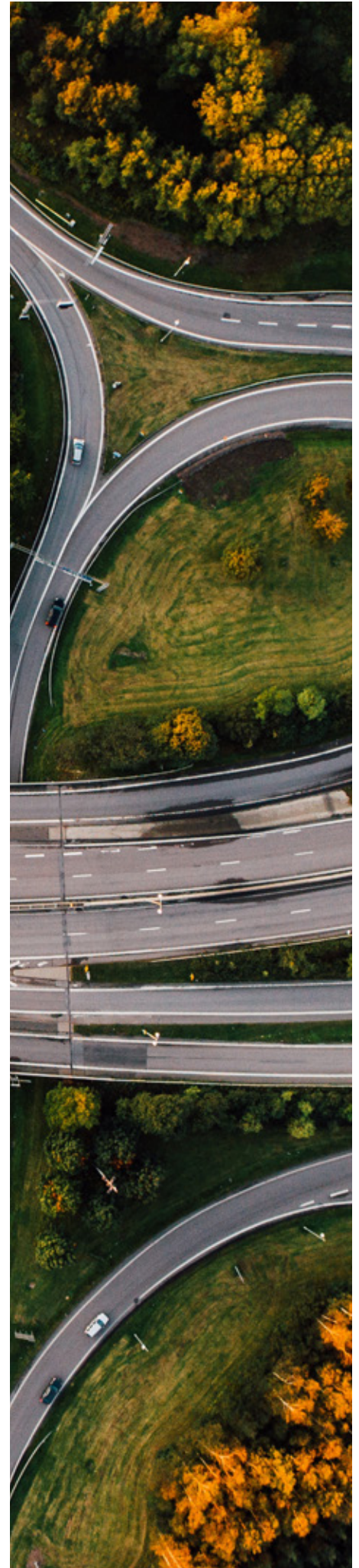
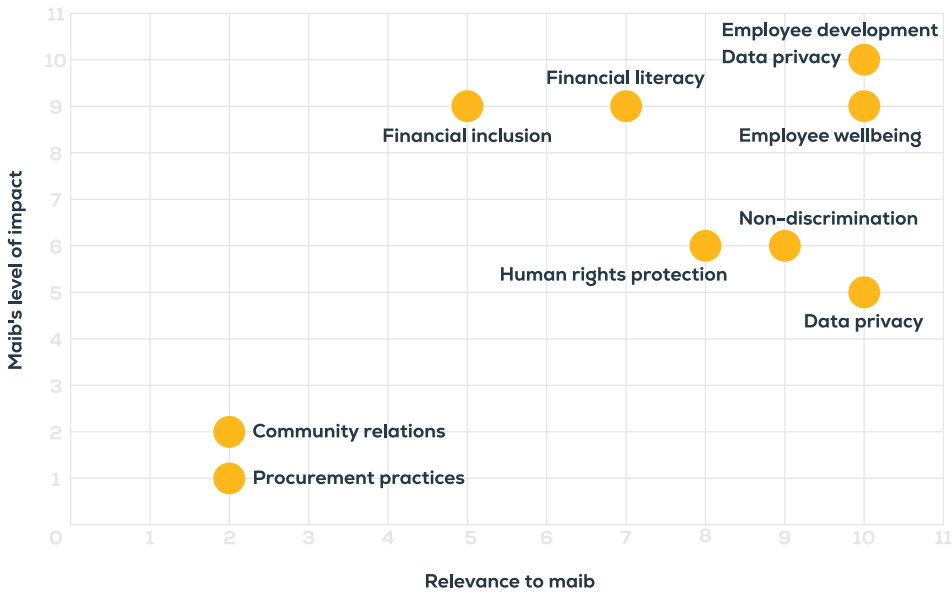
Environment

| Topic | Relevance to maib | Maib's level of impact |
|---------------------------------|---------------------|------------------------|
| Energy Security | High Relevance | Moderate Impact |
| Renewable Energy | High Relevance | High Impact |
| Loans with environmental impact | High Relevance | High Impact |
| Carbon footprint of portfolio | High Relevance | Impactful |
| Paper consumption | Relevant | High Impact |
| Climate change vulnerability | Relevant | Impactful |
| Carbon emissions | Relevant | High Impact |
| Green buildings | Moderately relevant | Low Impact |
| Fossil fuel reliance | Moderately relevant | Impactful |
| Waste management | Moderately relevant | Low Impact |
| Water management | Moderately relevant | Moderate Impact |
| Biodiversity | Low Relevance | Low impact |



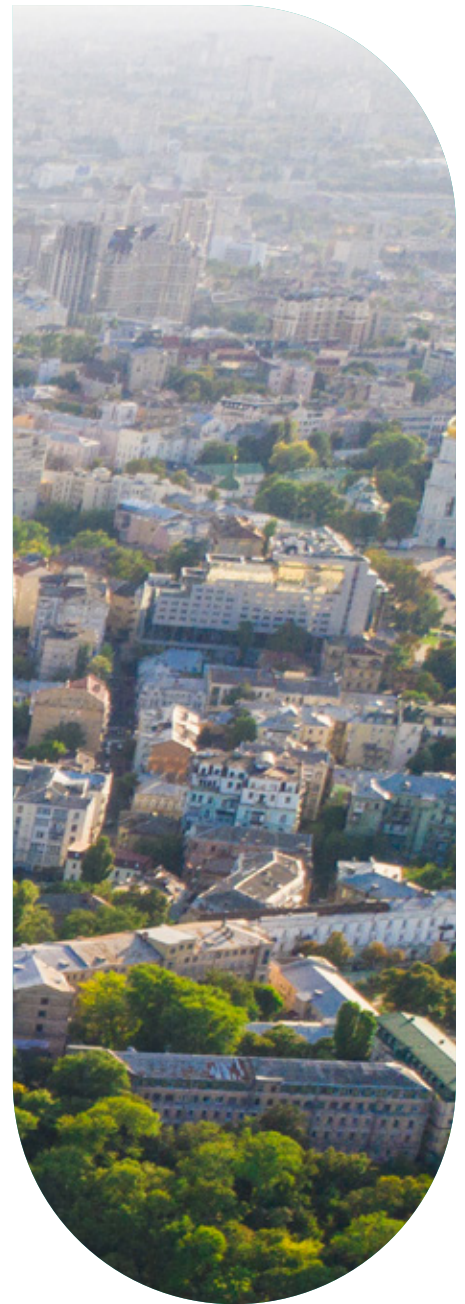
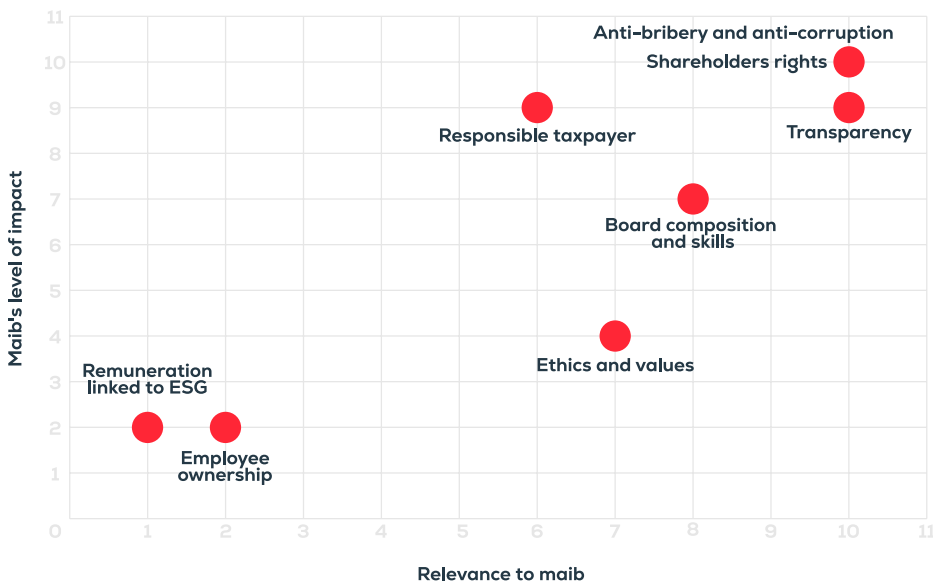
Social

| Topic | Relevance to maib | Maib's level of impact |
|-------------------------|---------------------|------------------------|
| Employee development | High Relevance | High Impact |
| Gender equality | High Relevance | Moderate Impact |
| Data privacy | High Relevance | High Impact |
| Non-discrimination | High Relevance | Impactful |
| Employee wellbeing | High Relevance | High Impact |
| Human rights protection | Relevant | Moderate impact |
| Financial literacy | Relevant | High Impact |
| Financial inclusion | Moderately relevant | High Impact |
| Community relations | Low Relevance | Low Impact |
| Procurement practices | Low Relevance | Low Impact |

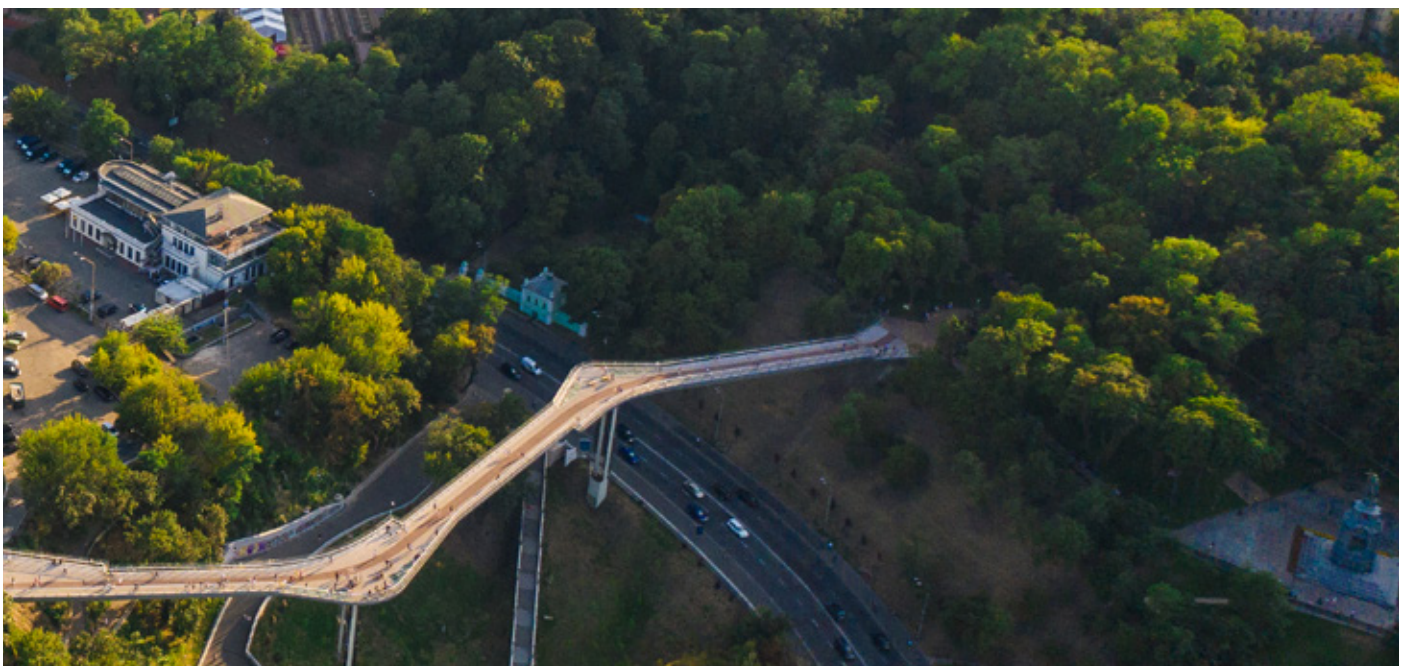


Governance

| Topic | Relevance to maib | Maib's level of impact |
|----------------------------------|-------------------|------------------------|
| Anti-bribery and anti-corruption | High Relevance | High Impact |
| Transparency | High Relevance | High Impact |
| Shareholders rights | High Relevance | High Impact |
| Board composition and skills | Relevant | Impactful |
| Ethics and values | Relevant | Moderate impact |
| Responsible taxpayer | Relevant | High Impact |
| Employee ownership | Low Relevance | Low Impact |
| Remuneration linked to ESG | Low Relevance | Low Impact |



As our sustainability strategy was done with materiality in mind, all of these materiality topics have been addressed within our sustainability roadmap with those of higher importance having their own initiatives. Moreover, this very report was done in accordance with these material topics.



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 stake-

holder 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 |
|------------------------------------|---|
| Customers and clients | <p>Solicit and respond to customer and client feedback and endeavour to build long-lasting relationships based on mutual trust and respect.</p> <p>Methods:</p> <ul style="list-style-type: none"> • Constantly collecting feedback on products via maibank, call centre and in branches • Quarterly market research covering customer preferences, brand awareness and knowledge • Brunches with clients • Weekly review of complaints at the highest management level |
| Employees | <p>Work to understand employees' evolving needs and perspectives, as people are at the heart of maib's purpose and success.</p> <p>Methods:</p> <ul style="list-style-type: none"> • Bi-annual survey of employee engagement • Open communication channels and forums • Team-building activities and events • Employee recognition and reward programs |
| Communities | <p>Ensure that maib's decisions are informed by diverse perspectives, particularly those of the communities served.</p> <p>Methods:</p> <ul style="list-style-type: none"> • Sponsoring local events and activities • Volunteering in community service projects • Partnering with local nonprofits and charities • Providing educational programs and workshops |
| Regulators and policymakers | <p>Maintain an open, ongoing dialogue with supervisory regulators and policymakers.</p> <p>Methods:</p> <ul style="list-style-type: none"> • Regular compliance meetings and briefings • Submission of detailed regulatory reports • Attending regulatory workshops • Participation in several organizations (EBA, AmCham, Banks' Association, etc.) which act as business advocacies and consultative bodies to the government and regulators |
| ESG raters | <p>Regularly engage with ESG raters to provide them with information relevant to maib. Operate a fair and transparent procurement practice.</p> |
| Suppliers | <p>Operate a fair and transparent procurement practice.</p> |

shareholder engagement

Shareholder Relations

The Chairman of the Supervisory Board 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. For day-to-day relations with shareholders maib set up a dedicated team in accordance with Moldovan legislation and requirements of the regulator (NBM). 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.

How maib engages with shareholders

- Investor relations website
 - Which has 4,000 website visitors per month
- Quarterly calls with investors
 - Which has an audience of up to 150 people
- Email updates
 - With a subscriber list of 850 individuals
- The Annual and Sustainability reports
 - Represents a clear picture of maib's business
- The Annual General Shareholder Meetings (AGMs)
 - Where all shareholders are represented
- Mandatory disclosure information as requested by the regulators (NBM, CNPF) as well as Moldovan Stock Exchange

The Annual General Shareholder Meeting (AGM)

Maib's Annual General Meeting (AGM) is a key event where shareholders vote on crucial decisions, approve examine annual financial reports and external audit opinion, distribute dividends, elect Supervisory Board members, and authorize strategic initiatives like share buybacks. It ensures transparency, accountability, and active shareholder participation in the bank's governance and future direction.

Major Highlights from the 2024 AGM:

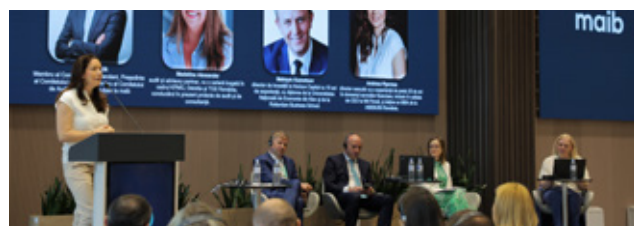
1. Dividend Distribution: A dividend of MDL 7.30 per share was declared, totaling MDL 757 million.



2. Supervisory Board Elections: Five existing members' mandates were renewed and two new members were appointed.



3. Share Buyback: Authorized buyback of up to 5% of outstanding shares, approved by the National Bank of Moldova



data privacy & data protection

Why it matters

Data privacy and protection are crucial for a bank to maintain customer trust, comply with regulatory requirements, and safeguard against financial fraud and cyber threats. Ensuring robust data security helps prevent unauthorized access, protects sensitive information, and upholds the bank's reputation and financial stability.

As the biggest bank in Moldova, maib understands its responsibility towards safeguarding the personal information of its clients.

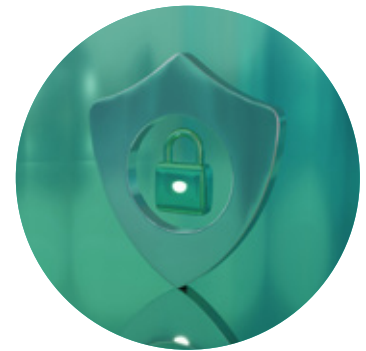
Maib's approach

The Bank has implemented an Information Security Management System in accordance with both the legal requirements and the security requirements of the international standard ISO27001, as confirmed by certificate no. 198.

The Bank processes personal data, including data relating to the Bank's customers, in accordance with applicable legislation in this area, having implemented procedures, measures and mechanisms that ensure an enhanced level of security for such data consistent with regulatory requirements and best practices.

Number of incidents

In 2023, maib registered no complaints to regulatory bodies regarding personal data protection. Similarly, no substantiated complaints were registered from outside parties.



Key features of maib's data privacy and security system

Information Security Management

Maib maintains an Information Security Management System (ISMS) aligned with ISO27001 standards, ensuring continuous improvement and daily responsibility.

Information Resource Management

All informational resources are identified and continuously inventoried, with updated registers and strict usage rules.

Access Control

Procedures prevent unauthorized access by regulating user access rights based on roles, with immediate revocation upon contract termination.

Risk Assessment

Annual evaluations of ICT and information security risks are conducted. The frequency of such evaluations increase after major changes to processes or systems. Everything is done in accordance with the 'Procedure regarding risk management of IT and information security'.

Transaction Security

IT operations are protected through change management, malware protection, and regular testing of backup systems.

Communication and Cybersecurity

Network security is ensured through intrusion prevention systems (SIEM, Firewalls, IDS, IPS) and secure remote access technologies (VPN).

Personal Data Protection

A dedicated system safeguards personal data in compliance with applicable laws and international standards.

Training

Consists of:

- Module as part of maib's introductory course
 - 40 minutes per person
 - Total training hours for new joiners: 300
 - After training each employee signs the "Commitment to com-

ply with information security requirements"

- Includes a quiz at the end to test knowledge attained
- A mandatory course once a year for all employees
 - Acts as a refresh of knowledge for all employees

- Lasts 90 minutes per person
- Includes a quiz at the end to test knowledge retained
- Courses on other matters related to data protection, which are available on maib's training platform

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)
- Moldovan Banks Association
- Bankers' League of Moldova
- Factors Chain International (FCI)

Awards:

In 2023, maib won the following awards:

- The Banker – “Best Bank of the Year”
- Global finance – “Best SME Bank in Moldova”
- Euromoney – “Best bank for SMEs and Corporate Social Responsibility in Moldova” & “Best Bank in Moldova”
- EMEA Finance – “Best Bank in Moldova”
- Visa – “New segment discovery” & “On the way to the summit”





ma
ib 365

achită aici
ib 365

bancomat
multivalutar

MDL
\$
€

aici poți:

- Schimb valutar
- Retrage M...

products
&
services

key products

Retail

Total client base: 1,021 thousand

- Consumer loans
- Refinance loans
- Mortgages
- Credit and debit cards
- Digital cards
- Deposits
- Corporate Bonds
- Transfers

SME

Total client base: 37 thousand

- Investment loans
- Working capital loans
- Starting/micro businesses loans
- Current accounts
- Salary Projects
- Deposits
- POS terminals

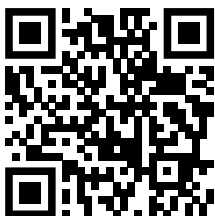
Corporate

Total client base: 552

- Investment loans
- Working capital loans
- Current accounts
- Business cards
- Trade finance instruments
- Salary Projects
- Deposits
- POS terminals and other payment tools



products for retail customers



products for business customers



product governance



Alexandra Lazăr

Service Quality Team Leader, Customer Experience Department

Market Research and Risk Assessment

We conduct comprehensive market research using various techniques such as surveys, focus groups, and data analytics to stay attuned to market trends and customer needs. This proactive approach allows us to identify opportunities and potential risks early, ensuring our products remain relevant, competitive, and trendsetting. Rigorous risk evaluation, including scenario analysis and stress testing, is integral to our process, enabling us to anticipate and mitigate potential financial and operational risks, thus protecting our customers' interests.

Regular Product Reviews and Reporting on Product Quality

Transparency is one of maib's core values, especially in product governance. We maintain open communication channels with our stakeholders, providing clear and accurate information about our products (including fees, commissions, product related costs and risks) through detailed disclosures and regular informational updates. Regular product reviews, conducted through such practices as CVPs (customer value proposition), competition research, market segmentation assess performance against KPIs such as customer satisfaction scores and compliance metrics, but also allows us to better attract, engage, and retain customers. This ensures our offerings continue to meet regulatory standards and customer expectations.



Stakeholder Feedback and Customer Centricity

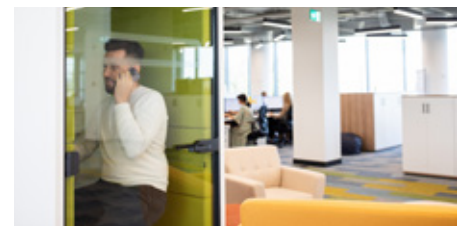
We actively seek and incorporate feedback from all stakeholders, including customers, employees, and regulators, through surveys, feedback forms, meet ups and regular consultation meetings. This feedback loop ensures that our products evolve in line with stakeholder needs. Our Customer Centricity approach places the customer at the heart of our product development and delivery. We use customer journey mapping (CJM), product design thinking and customer satisfaction measurements (as NPS, CSAT and CES) to ensure we provide solutions that truly address their needs and aspirations.

Feedback from stakeholders is integral to our continuous improvement process. We regularly review and analyze feedback to identify trends, common issues, and areas for enhancement. This information guides our efforts to refine existing products and develop new ones that better meet customer needs.



Legal and AML Compliance

Compliance with legal and anti-money laundering (AML) regulations is non-negotiable. We adhere to stringent legal standards and have robust AML policies, including continuous transaction monitoring and regular compliance audits (both internal and external), in place to ensure the integrity of our financial system. Our compliance framework is continuously updated to reflect changes in regulations, ensuring ongoing adherence. KPIs such as the number of compliance breaches and audit findings track our performance in this area.



Training, Education, and Continuous Improvement

At maib, we enhance product management efficiency by adhering to Agile principles, investing in continuous employee training through mandatory programs, workshops, and e-learning platforms. This commitment to professional development ensures our team is well-versed in industry best practices and regulatory changes, fostering the delivery of superior service and innovative solutions. Our culture of continuous improvement, supported by regular assessments and various methodologies, enables us to update our products and processes effectively. We monitor key metrics such as employee training completion rates and process improvement outcomes to drive efficiency and customer satisfaction.

Moreover, our commitment to education and development extends to our customers through the launch of our specialized educational platform, "maib edu" This initiative aims to provide customers with valuable resources and learning opportunities, ensuring they are well-informed and empowered to make the most of our products and services.



Innovation

Innovation drives our product strategy, enabling us to offer best-in-class solutions that meet the dynamic needs of our customers. We leverage the latest technologies, such as artificial intelligence (AI), machine learning (ML), predictive customer behavior modeling to develop products that provide value and convenience.

Customer Support

The **maib** Customer Support teams play a pivotal role in product governance by serving as the frontline for customer interactions. They gather valuable feedback and insights from customers, which are crucial for product development and improvement. With an average of 92% resolution rate, 12% abandon rate and 6.8 (out of 7.0) after service satisfaction score, they ensure great product related support, timely resolution of issues, enhancing customer satisfaction and trust. Additionally, they help identify emerging trends and potential areas for innovation, contributing to continuous improvement and compliance with regulatory standards. That is how **maib** reinforces commitment to a customer-centric approach, ensuring our products meet and exceed customer expectations.

Key statistics for customer support in 2023:

Total inbound calls: 768,754

Average response time: 00:02:07

Average handling time of call: 00:03:51

Consumer satisfaction: 6.73/7

Complaints mechanisms

All **maib** clients are able to use the following channels to raise their concerns about the Bank's products and services:

- A direct call to **maib**'s contact center
 - 1313 for individuals (for calls within the Republic of Moldova)
 - 1314 for legal entities (for calls within the Republic of Moldova)
 - +373 22 45 06 03 for international calls
- A letter directly to **maib** at: MD-2012, mun. Chişinău, str. 31 August 1989, 127
- An email to: info@maib.md
- Filing the online form "your experience matters" ("experiența ta contează") in the 'Contact us' section of the **maib** website

During the year 2023, 2353 such complaints were registered from Retail clients, and 51 from SME clients.



sustainable lending

Green Portfolio

The implementation of green products within our range is a significant stride towards fostering sustainability in the Moldovan financial landscape. As part of its commitment to sustainability, maib has introduced lending products classified as "green" or "sustainable" under a provisional taxonomy. These products support initiatives in renewable energy, electric transport, energy efficiency, and sustainable agriculture.

Outstanding balances (at the end of each year) of "sustainable" and "green" loans held by maib (MDL thous):

| | 2022 | 2023 |
|---------------------------|----------------|----------------|
| SME portfolio | | |
| Renewable energy | 216,855 | 351,043 |
| Total SME portfolio | 216,855 | 351,043 |
| Corporate portfolio | | |
| Renewable energy | 13,025 | 143,502 |
| Electric transport | 104,571 | 85,071 |
| Total Corporate portfolio | 117,596 | 228,573 |
| Grand total | 334,451 | 579,616 |

Maib's target

Start tracking green loan volumes/share of green loans in the total loans issued

COMPLETED ✓

Achieve a 23% share of green* investment loans in SME and Corporate portfolios by 2030

How we aim to get there:

Set up an internal green fund, with an initial MDL 10 million allocation, which will benefit recipients of green products

Develop more green products in line with demand

Support clients throughout their sustainable transition

Progress:

The **SME segment** has launched a renewable energy loan in 2023 with plans for more green loan types in the future

The **Corporate segment** has already reached a share of nearly 9.5% of green* loans in their overall investment loan portfolio

*We classify loans as green using provisional taxonomy within our green lending framework.

SME approach to green lending



Sergiu Statii

Head of Business Banking Lending Department

Favorable financing conditions

- The process has been streamlined and simplified
- Up to 80% of the project is covered by the loan
- Up to MDL 1.5 million without collateral

Instant calculation

Maib has developed a calculator for renewable energy generation to help clients understand their needs

- Clients need to introduce
 - Their power usage
 - Surface area available for photovoltaic installations
- Off of this info, the following is estimated
 - How much power they need to cover consumption
 - Maximum amount of energy they could generate within the surface area given
 - Total investment needed
 - Monthly savings this installation would provide
 - Payback period

Trusted partners

Maib has established a trusted network of partners that install solar panels

- They have a track record of delivering the desired solutions to maib clients
- The partners can refer clients to maib and vice versa
- A list of them is available on the maib website
- These are not exclusive partnerships

Grants and subsidies

Maib has referred 3 different grants and subsidy programmes which clients can benefit from

- ODA
 - Offer up to MDL 1.5 million (50% of project) in the form of a grant and subsidize resulting interest;
- EU4Business
 - Offer a grant equivalent to 10% of the funding amount
- Livada Moldovei
 - Apply a 0% VAT rate on the import

This process is designed to be simple, quick, and beneficial for the client.

Client testimonials:

"We have optimized expenses by successfully implementing a 1MW photovoltaic park. Of course, this would not have been possible without actively working with credit lines and products offered by maib."

Braga Alexandru, Administrator and founder 33,33% of the company ERGO-BRIX SRL

"I can say that we have received more than just funding, we have received professional advice and support, the attitude of the partner and support for energy efficiency projects has been felt."

Sergei Bolocan, Founder and Administrator BRATARA S.R.L

renewable energy loan
for businesses



Impact reporting

emissions avoided 2023

| SME | | |
|--|------------------------------|-----------------------------|
| Renewable energy | Total capacity financed (kW) | Emissions avoided (kg CO2e) |
| | 32,611 | 33,869,393 |
| Total for SME portfolio | | 33,869,393 |
| Corporate | | |
| Renewable energy | Total capacity financed (kW) | Emissions avoided (kg CO2e) |
| | 10,500 | 10,905,174 |
| Clean transport | Trolleybuses funded (number) | Emissions avoided (kg CO2e) |
| | 35 | 487,050 |
| Total for Corporate portfolio | | 11,392,224 |
| Total emissions avoided (kg CO2e) | | 45,261,617 |



financial inclusion

Financial inclusion is a key pillar of our sustainability strategy and we constantly aim to expand the reach of our financial services. Here are three programmes, which we have utilized for the purpose of financial inclusion:

maib EDU

Objective: Enhance financial literacy among diverse groups such as students, educators, entrepreneurs, and farmers.

Programs:

- **School and University Workshops:** Conducting interactive workshops in schools and universities to teach students the basics of personal finance, budgeting, and savings.
- **Training for Educators:** Providing educators with resources and training to effectively teach financial literacy in their classrooms.
- **Entrepreneurial Support:** Offering specialized training sessions for entrepreneurs to help them manage their business finances, understand financial statements, and secure funding.
- **Agricultural Finance:** Educating farmers on managing agricultural loans, investments, and savings to improve their financial stability.

Future Plans: Expand the reach of maib EDU by integrating digital learning platforms and collaborating with more educational institutions to reach a larger audience.

maibank and Digital Services

Objective: Expand financial inclusion through digital banking services.

Key Features:

- **User-Friendly Interface:** Simplified navigation and user-friendly design make banking accessible to all age groups.
- **Comprehensive Services:** From opening accounts to applying for loans and managing investments, all services are available through the app.
- **24/7 Access:** Customers can perform banking transactions anytime, anywhere, reducing the need for physical branch visits.
- **Security:** Advanced security measures, including biometric authentication and encryption, ensure the safety of users' financial data.
- **Personalized Financial Management:** Features such as budget tracking, spending analysis, and personalized financial advice help users manage their finances more effectively.

Impact:

- **Increased Accessibility:** People in remote areas can access banking services without the need to travel to branches.
- **Financial Empowerment:** Users gain better control over their finances with tools and resources provided by maibank.
- **Convenience:** Simplified processes and reduced paperwork make banking easier and more efficient.

Future Implementations:

Continuous upgrades to enhance user experience, introduction of new functionalities, and expansion of digital services to cover more aspects of personal and business finance.

Maib's target:

- Start tracking number of ATMs in rural and remote areas to support these areas and enhance financial inclusion **by end of 2024**
- Develop financial education program (workshops/online trainings/events) **COMPLETED/ONGOING ✓**
- Offer scholarships in STEM and IT subjects **COMPLETED/ONGOING ✓**



Access to banking for Ukrainians in Moldova

forcibly Displaced Ukrainians Project

UNHCR and maib Partnership

Partnership Objective:

Support forcibly displaced Ukrainians by providing essential banking services

Achievements:

- **120** thousand cards have been issued to Ukrainians in Moldova for monthly cash disbursements since March 2022
- The total amount spent with these cards has reached MDL **1.3 bln**

Impact:

Helped displaced Ukrainians integrate into their new communities by providing financial stability.

Issues and Current Needs of Ukrainians in Moldova

Challenges:

- **Access to Banking Services:** Difficulty in accessing banking services due to lack of documentation and language barriers.

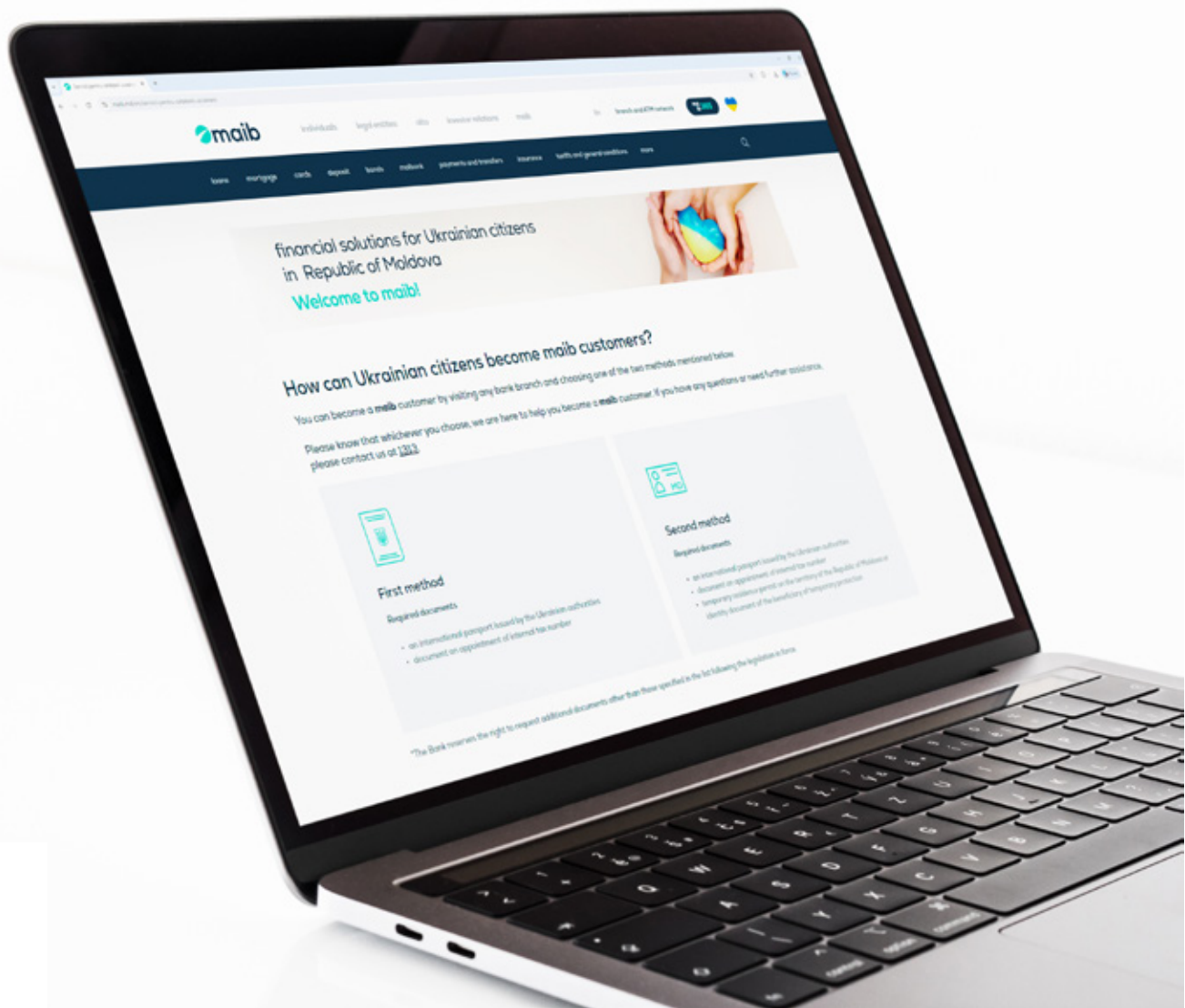
- **Financial Stability:** Struggle to achieve financial stability in a new environment.

Needs:

- **Ability** to send and receive remittances
- **Access** to a debit/credit card
- **Ability** to pay bills in Moldova
- **Access** to short term loans

Concrete actions maib has implemented to help

- **Updated legal requirements** - removed unnecessary documents which were previously required
- **Staff trainings** - these trainings included language support and technical teach-ins about necessary documents
- **Communication** - Created a wide range of dedicated communication channels, and updated the maib website with an official page dedicated to Ukrainian FDPs in Moldova





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's 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 indirect emissions and choose the scope of accounting and reporting for indirect emissions.

For maib's 2023 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.

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

GHG emissions included in maib's carbon footprint exercise

| Scope | Activities included |
|---------|--|
| Scope 1 | Land use change Diesel consumption for transportation Gasoil consumption for transportation Natural gas consumption for heating Diesel consumption for use of generators Fugitive emissions |
| Scope 2 | Purchased electricity Purchased heating |
| Scope 3 | Built area Appliances and electronics Water consumption Plastic consumption Paper consumption Owned vehicles Purchased goods and services Employee commuting |

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.

Carbon footprint from maib's own operations

In 2023, maib's carbon footprint was equal to around 7,700 tons of CO₂e. Scope 3 emissions made up for the largest share of total emissions (53%), followed by Scope 1 emissions, making up for 24% of total emissions, and Scope 2 emissions, making up for 23% 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 (tCO₂e)* – 2023, compared to 2022 and 2021

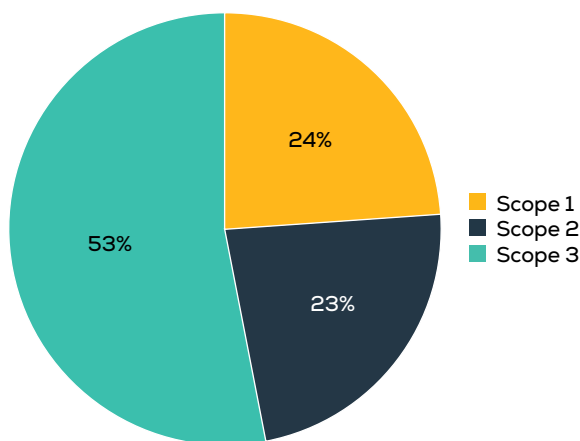
| Scope | 2021 Total emissions (tCO ₂ e)** | 2022 Total emissions (tCO ₂ e)** | 2023 Total emissions (tCO ₂ e) | Change from base year (2021) to 2023 |
|--------------|---|---|---|--------------------------------------|
| Scope 1 | 1,566 | 1,723 | 1,830 | 17% |
| Scope 2 | 2,184 | 2,031 | 1,800 | -18% |
| Scope 3 | 1,558 | 4,048 | 4,055 | 160% |
| Total | 5,309 | 7,802 | 7,685 | 45% |

maib's carbon footprint intensity (tCO₂e)* per full-time employee

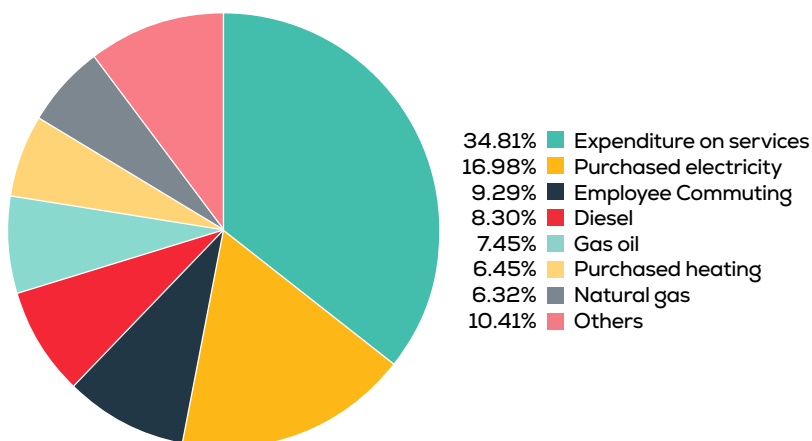
| 2021 CO ₂ e intensity per FTE (tCO ₂ e) | 2022 CO ₂ e intensity per FTE (tCO ₂ e) | 2023 CO ₂ e intensity per FTE (tCO ₂ e) |
|---|---|---|
| 2.27 | 3.14 | 3.20 |

2023 total emissions by scope

2023 Total emissions (kgCO₂e)



2023 total emissions by source



Maib's target:
Reach net zero in own emissions by 2040

How we plan to achieve this:

- Plan renewable energy generation to reduce carbon footprint
- Purchase more electricity from renewable sources with guarantees of origin
- Reduce air business travel emissions by developing more environmentally friendly policies
- Continue digital transformation to reduce paper usage for documents and plastic usage for card emittance
- Encourage sustainable behaviours at work (including commuting) and continue training employees on the matter

*Emission factors used incorporate all relevant GHG

**These numbers are different from what we have reported last year. As the 2022 sustainability report was our first attempt, this year we have tried to improve upon it, and this includes our carbon footprint calculation. The biggest changes were how we calculated fugitive emissions (last year some of our assumptions were unrealistic and incorrect, which resulted in a much bigger total in 2022) and how we calculated employee commuting (this year we attempted to calculate this for all employees, based on a survey and data extrapolation method, whereas last year we only included employee commuting resulting from car allowances given by the bank, resulting in a much smaller total in 2022).

Maib's Financed emissions

Financed emissions are the greenhouse gas emissions caused by a bank's loans and investments. These are important to calculate because:

- **Higher Impact:** Financed emissions are usually much higher than the emissions from the bank's own operations, making them a significant factor in the bank's overall carbon footprint.
- **Risk Management:** Knowing these emissions helps banks identify and manage financial risks related to climate change.
- **Sustainability Goals:** Measuring these emissions is essential for setting and achieving climate targets, supporting global sustainability efforts.

- **Building Trust:** Transparency about emissions builds trust with stakeholders like investors, clients, and the public.

- **Informed Decisions:** Understanding financed emissions helps banks make better decisions about future loans and investments, promoting sustainability.

As a result, maib has decided to estimate its own financed emissions in 2023. The results of the calculation are show below.

Financed emissions by business divisions:

| Division | Amount | Unit |
|-------------------------|----------------|--------------------|
| Corporate | 493,924,944 | kg Co2e |
| SME | 386,770,678 | kg Co2e |
| Retail (mortgages only) | 47,224,956 | kg Co2e |
| Total | 927,920,579 | kg Co2e |
| | 927,920 | tonnes Co2e |



resource consumption overview

maib's emissions from resource consumption and waste management

| Scope 3 | | 2021 Total emission (tCO2e) | 2022 Total emission (tCO2e) | 2023 Total emission (tCO2e) |
|--------------------------|----------------------|-----------------------------|-----------------------------|-----------------------------|
| Water | Water supply | 14.7 | 14.5 | 9.0 |
| Plastic | Plastic consumption* | 4.6 | 7.7 | 9.6 |
| Paper | Paper consumption* | 105.5 | 101.6 | 100.1 |
| Total (tCO2e) | | 124.8 | 123.9 | 118.7 |
| Share of total emissions | | 2.4% | 1.6% | 1.5% |

water consumption

Share of entire carbon footprint in 2023: 0.12%

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. The water efficiency of our new headquarters, Maib Park, has been a great step towards lowering our water consumption, as showed by the following statistics.

maib's water consumption and related emissions

| | Water consumption (m3) | Total Emissions (t CO2e) |
|------|------------------------|--------------------------|
| 2023 | 23,918 | 9.0 |
| 2022 | 34,464 | 14.5 |
| 2021 | 34,836 | 14.7 |



*The value paper consumption differs from what was detailed in last year's report. This is because of a mistake which resulted in much of our paper consumption not being reported in last year's report. Regarding plastic, consumption related to card issuance has marginally fallen from 2022 to 2023, however in 2023 we have also incorporated plastic from the water bottles we have used during the year, hence the increase in 2023.

plastic consumption

Share of entire carbon footprint in 2023: **0.12%**

In this report, for the year 2023, we have also incorporated the plastic from water bottles used, in addition to card issuance, which explains the

increase from 2022 to 2023 (plastic consumption from card issuance decreased marginally from 2022 to 2023). The increase from 2021 to 2022 can be explained by business growth, and the resulting emittance of bank cards, most of which are man-

ufactured from plastic (PVC). In line with maib's digitalization strategy, maib also provides clients with the option of having a digital wallet. A potential increase in their popularity in the future shall decrease our plastic consumption.

maib's plastic consumption and related emissions

| | Plastic consumption (t) | Total Emissions (t CO2e) |
|------|-------------------------|--------------------------|
| 2023 | 2.72 | 9.6 |
| 2022 | 2.26 | 7.7 |
| 2021 | 1.35 | 4.6 |

paper consumption

Share of entire carbon footprint in 2023: **1.3%**

Maib's operations rely on a consid-

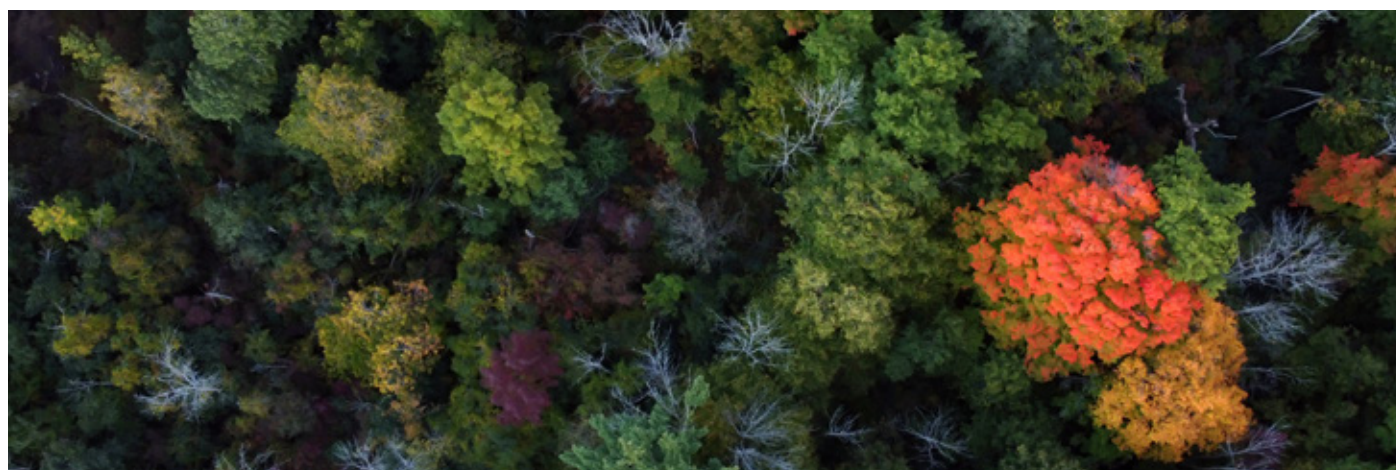
erable volume of paper through invoices, contracts, etc. making paper consumption a material issue for the Bank. As a result, maib has put in place

multiple efforts, in line with its digitalization strategy, to drastically reduce its usage of paper and encourage its employees to use resources sparingly.

maib's paper consumption and related emissions*

| | Paper consumption (t) | Total Emissions (t CO2e) |
|------|-----------------------|--------------------------|
| 2023 | 109.9 | 100.1 |
| 2022 | 110.5 | 101.6 |
| 2021 | 114.8 | 105.5 |

*The value paper consumption differs from what was detailed in last year's report for 2021 and 2022. This is because of a mistake which resulted in much of our paper consumption not being reported in last year's report.



energy consumption

Natural gas

Share of entire carbon footprint in 2023: **6.3%**

The increase in the natural gas consumed from 2022 to 2023 is due to the activation of the heating system in Maib Park. Whilst the new building is efficient and works on smart technology, it is still a large area which needs to be heated during cold periods. Hence, it is likely that this value will be higher for 2024.

maib's natural gas consumption for power generation and related emissions

| | Natural gas consumed (m3) | Total Emissions (t CO2e) |
|------|---------------------------|--------------------------|
| 2023 | 238,395 | 485.9 |
| 2022 | 174,000 | 350.7 |
| 2021 | 180,000 | 362.8 |

Diesel (power generation)

Share of entire carbon footprint in 2023: 0.1%

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.

maib's diesel consumption for power generation* and related emissions

| | Diesel consumption (L) | Total Emissions (t CO2e) |
|------|------------------------|--------------------------|
| 2023 | 2,742 | 7.8 |
| 2022 | 10,088 | 30.7 |
| 2021 | 9,084 | 27.6 |

*this does not incorporate diesel used for transport

Purchased electricity

Share of entire carbon footprint in 2023: **17%**

Due to efficient use of electricity, we have managed to reduce our electricity consumption by over 27% from 2022 to 2023, a trend we very much aim to continue. Moreover, in our sustainability roadmap we have included the initiative to purchase guarantees of origin, so that when we buy electricity from renewable sources we can prove that it is green.

maib's purchased electricity and related emissions

| | Electricity consumption (kWh) | Total Emissions (t CO2e) |
|------|-------------------------------|--------------------------|
| 2023 | 2,675,811 | 1,305 |
| 2022 | 3,688,776 | 1,799 |
| 2021 | 3,927,364 | 1,915 |

Purchased heating

Share of entire carbon footprint in 2023: **6.5%**

Heating has gone up considerably from 2022 to 2023. This is because, in 2023, more branches were added to the calculation and the winter was colder.

maib's purchased heating and related emissions

| | Volume of central heating (KWh) | Total Emissions (t CO2e) |
|------|---------------------------------|--------------------------|
| 2023 | 2,377,381 | 495.7 |
| 2022 | 1,116,480 | 232.5 |
| 2021 | 1,290,930 | 269.4 |

Diesel (for transport)

Share of entire carbon footprint in 2023: **8.3%**

Diesel consumption has increased during the three years measured, leading to more emissions each year. In line with the Bank's net zero goal, maib's team will look into lowering diesel consumption for transportation through measures such as increasing the proportion of electric vehicles in its fleet.

maib's diesel consumption and related emissions

| | Diesel consumption (L) | Total Emissions (t CO2e) |
|------|------------------------|--------------------------|
| 2023 | 239,890 | 638.0 |
| 2022 | 176,887 | 537.7 |
| 2021 | 144,431 | 439.1 |

Gasoil (for transport)

Share of entire carbon footprint in 2023: **7.5%**

Gasoil consumption has actually fallen from 2022 to 2023, leading to fewer overall emissions. In line with the Bank's net zero goal, maib's team will look into lowering gasoil consumption for transportation through measures such as increasing the proportion of electric vehicles in its fleet.

maib's gasoil consumption and related emissions

| | Gasoil consumption (L) | Total Emissions (t CO2e) |
|------|------------------------|--------------------------|
| 2023 | 207,700 | 572.3 |
| 2022 | 224,646 | 619.7 |
| 2021 | 197,154 | 543.9 |

Energy intensity

To ensure we the bank has given these results with the utmost transparency we have shown below the results of two energy intensity calculations. For these calculations all types of energy listed above have been used.

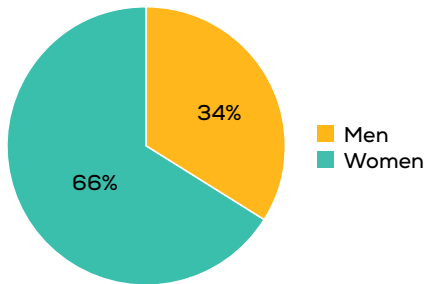
$$1 \quad E_{I1} = \frac{\text{Total energy consumption of the bank (measured in kWh)}}{\text{Operating income (in thous MDL)}} \quad E_{I1} = \frac{12,123,482}{3,169,039} \quad E_{I1} = 3.83 \text{ (kWh/thousand MDL)}$$

$$2 \quad E_{I2} = \frac{\text{Total energy consumption of the bank (measured in tonnes of oil equivalent)}}{\text{Operating income (in thous MDL)}} \quad E_{I2} = \frac{1,042.43}{3,169,039} \quad E_{I2} = 3.29 \times 10^{-4} \text{ (toe/thousand MDL)}$$



people

our team at a glance



The maib team numbers at over 2,400 employees. The Bank's ability to draw in, keep, and develop talented as well as enthusiastic individuals is integral to maib's long term success.

Key Statistics:

No. of employees as of 31 December 2023: 2,403 employees (full-time)

Employee turnover rate: 10.3% voluntary turnover (19.5% total turnover)

Level of employee engagement: 86%

Employees by gender, age, and job category*

| Job Family | | Men | | | Women | | |
|---------------------------------|-----------------------------------|-----|-------|-----|-------|-------|-----|
| | | <30 | 30-50 | >50 | <30 | 30-50 | >50 |
| Leadership (Managers) | Extended management board | 0 | 4 | 2 | 0 | 4 | 0 |
| | All leadership (except the above) | 10 | 66 | 15 | 10 | 87 | 16 |
| Business Professionals | | 45 | 50 | 3 | 66 | 146 | 19 |
| IT (Coders & Non-Coders) | | 92 | 123 | 11 | 21 | 21 | 7 |
| Front Line (including Branches) | | 49 | 82 | 8 | 286 | 550 | 87 |
| Operations Support | | 45 | 116 | 110 | 94 | 180 | 55 |

*this list includes some currently inactive employees

New employees and staff turnover

| | | New employees | | Employees who left the company | |
|-----------|--------------|---------------|----------|--------------------------------|----------|
| | | Number | Rate (%) | Number | Rate (%) |
| Age group | <30 | 251 | 10.30% | 181 | 7.43% |
| | 30-50 | 174 | 7.14% | 227 | 9.31% |
| | >50 | 24 | 0.98% | 68 | 2.79% |
| | Total | 449 | 18.42% | 476 | 19.53% |
| Gender | Female | 249 | 10.22% | 294 | 12.06% |
| | Male | 200 | 8.21% | 182 | 7.47% |
| | Total | 449 | 18.42% | 476 | 19.53% |
| Location | Front office | 114 | 4.68% | 119 | 4.88% |
| | Back office | 335 | 13.75% | 357 | 14.65% |
| | Total | 449 | 18.42% | 476 | 19.53% |

benefits



Eleonora Doçenco

Compensation and Benefits Specialist, Compensations and Benefits Band
Former maib intern

Monetary

These are determined based on the bank's remuneration policy and are given out in order to ensure that employee and shareholder interests align, which safeguards the interests of both the bank and its stakeholders.

The monetary benefits of maib employees are:

- Performance-related bonuses (based on attained KPIs)
- Annual salary raises (based on the Contribution Model)
- LTIP (stock option plan)

Non-monetary

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.

The non-monetary benefits of maib employees are:

- Access to workplace gym within maib park
- Sponsorship of gym membership
- Private health care through medical insurance
- Life insurance
- Special rates for loans and other banking operations
- Discounts for partners
- Coaching and training
- Professional development opportunities (free learning courses)
- Sponsorship for professional studies (subsidized education)
- Language courses
- Work from home
- Parental leave

Maib's target:

Develop flexible working hours for employees **COMPLETED**
Start benchmarking Employee Engagement Index (EEI) score and enhance over years **COMPLETED/ONGOING ✓**
Start tracking Net Promoting Score (NPS) score and enhance overtime **COMPLETED/ONGOING ✓**

Parental leave

Maib supports family values and therefore offers a wide range of benefits to employees regarding family. Furthermore, Maib offers compensation packages for important family events (wedding, birth of child etc.)

| | Women | Men |
|--|--------|-----|
| Number of employees that took parental leave in 2023* | 178 | 7 |
| Number of employees that returned to work in 2023 after parental leave ended | 61 | 0 |
| Number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work | 85 | 1 |
| Return to work rate | 39.35% | 0% |
| Retention rate | 91.40% | 0% |

*This number is smaller than the comparative number given in last year's report because this year we have decided to exclude those who only take parental leave for 1-3 days in order to receive the monetary benefit. We have done this in line with our goal to become more transparent.

new headquarters

In 2023, employees of the headquarters moved to the new office - maib park, located in the heart of Chişinău, near the Public Park "Stefan Cel Mare și Sfânt". The headquarters looks like a Silicon Valley technology campus and includes:

- Open floor plan
- Canteen
- Gym
- Relaxation areas
- Events space
- Co-working spaces
- Café



Maib park in numbers:

10 above ground floors

90 underground parking spaces

38 meters high

22.5k square meter area

Capacity for
1.2k workspaces



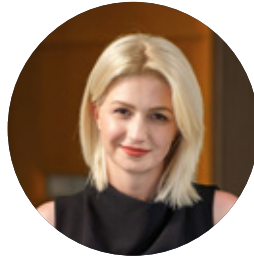
employee testimonials



Igor Lai

Head of Reporting and Risk Analytics Department (Orchestra), Risk Division

“Maib park offers employees the feeling of complete safety at work, with high security standards, with many small but important elements such as: well-organized lighting, modern filtration and drinking water system, UV-protected windows, digital fire protection system.”



Ecaterina Larina

Head of Directorate (Band) Development and Internal Communication

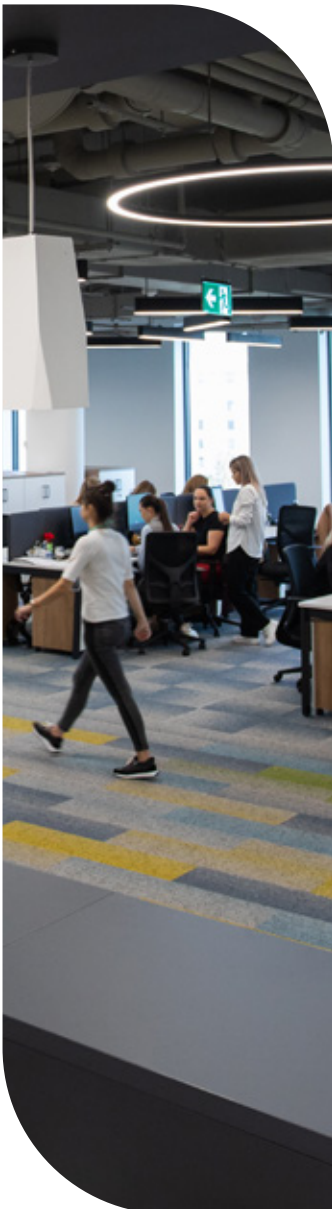
“Until recently, some of our colleagues were only known to us through emails, and with maib park, barriers and walls have disappeared. Now communication is simpler, more open and faster.”



Alexandru Tcacenco

Head of Network Operations and Communications (Band) Directorate

“It may sound strange, but it's a building without a fence, which highlights maib's focus on openness, transparency and sustainability”



employee development



Tatiana Cojuhari

Training and Development Specialist, Internal Communications Band

Maib places a strong emphasis on investing in its employees. Recognizing that professional growth is a priority for many, we use training and development as essential tools to attract and retain top talent. Maib Academy is a key element in achieving these aims, playing a pivotal role in our transformation. By enhancing our team's skills, we aim to secure a lasting competitive advantage in the Moldovan banking sector.

Training:

| Annual training budget (MDL) | | Average number of training hours per employee | |
|------------------------------|-----------|---|-------------|
| 2022 | 2023 | 2022 | 2023 |
| 9,423,581 | 7,562,075 | 17.8 hours | 23.11 hours |

In 2023, maib employees were trained in the following categories (amongst others):

- Accounting
- Agile way of working
- Anti-Corruption
- Anti-Fraud
- Audit
- Compliance
- Customer experience
- Data Privacy
- ESG
- Health and safety
- IT
- Marketing
- Security

ESG spotlight:

As sustainability is amongst the Bank's priorities, its employees, whether involved in ESG projects or not, need to be aware of what it is and why maib chooses to go so far above and beyond national requirements in this domain. Hence, we started working on a course relating to ESG for maib employees, which included:

- A basic breakdown of ESG and sustainability as a whole
- What Moldova is doing on this front
- What maib is doing on this front
- What they can do as individuals

The course was launched in 2024 and over 330 employees have passed it*.

Maib's target:

Develop ESG & climate trainings under maib Academy

COMPLETED ✓

Develop internal awareness/marketing campaign on sustainability/ESG **COMPLETED/ONGOING ✓**

Share of employees receiving training on ESG and climate topics (100% target) **by end of 2025**

Leadership

In terms of specifically upgrading the skills/knowledge of Leadership in this domain, we are planning on running in person, small group, training **by the end of 2024**.

Moreover, questionnaires on the topic of sustainability will be issued to members of the Supervisory Board in order to test their awareness and knowledge of the topic.

*This number includes only those who have passed the quizzes at the end.

Performance and evaluation

| Performance evaluation and career development plan** | women | | men | |
|--|-------|-----------------------------------|-----|-----------------------------------|
| | no. | % of total by category and gender | no. | % of total by category and gender |
| Managers | 103 | 91.96% | 77 | 87.50% |
| Specialists | 1236 | 84.08% | 589 | 80.46% |
| total | 1339 | 84.64% | 666 | 81.22% |

Internships



Mihaela Geletchi

Data Analyst, Data Management Band
participant in the maib internship program 3rd edition

Internship programs are a point of interest for maib as they provide a valuable opportunity to attract and develop talent, build relationships with potential future employees and gain new perspectives and ideas from young professionals.

“Here I was able to discover the professional field that fits me like a glove. Initially, one month I experienced working in IT in the position of Data Analyst, and then I decided to make a change, already two months exploring how interesting and complex the position of Assistant Agile Coach is.... I realized that a career in this field is what I want.”

**Newcomers are not eligible for performance evaluation.



health & safety

Employee Health Checks

Maib regularly schedules health checks for its employees. Various medical experts, including psychologists, nutritionists, and endocrinologists, provide guidance to maib staff on maintaining healthy lifestyles and enhancing their overall well-being.

Regulatory Framework

Occupational safety and health for all maib employees are governed by national laws, such as the Occupational Safety and Health Law No. 186-XVI of July 10, 2008, and the Regulation on the organization of worker protection and risk prevention activities, approved by Government Decision No. 95 of February 5, 2009. Internal OSH and Exceptional Situations Acts also play a crucial role. Each branch appoints a certified OSH specialist whose certification is renewed every three years.

Risk Assessment and Reporting

An external OSH consulting service assesses workplace injury and illness risks. Employees must immediately report any work-related conditions that threaten their life or health, as well as any accidents, to their employer or the designated OSH representative. Work accidents are investigated according to the "Regulation on the Method of Investigation of Work Accidents," authorized by Government Decision No. 1361 on December 22, 2005.

Responsibilities of the Occupational Health and Safety Specialist

The occupational health and safety specialist has the following duties:

- Ensures compliance with OSH laws, standards, directives, and regulations.
- Guarantees fair working conditions that adhere to OSH requirements.
- Reviews and recommends updates to the OSH policy.
- Develops OSH instructions.
- Monitors and enforces OSH regulations and standards.
- Reviews employee requests and complaints about working conditions.
- Considers employee suggestions for improving working conditions and preventing workplace accidents and diseases.
- Investigates the causes of occupational illnesses and accidents, proposing technical solutions for improvement.
- Conducts introductory OSH training for new employees and provides them with a Personal Training Sheet on workplace safety and health.
- Confirms adherence to OSH guidelines through various training sessions, including initial, periodic, and event-specific OSH training.

Health initiatives 2023

The following initiatives/events related to workplace and general health were organized in 2023 for the benefit of maib employees:

- Health insurance and Gym membership
 - Amongst the many benefits that maib offers its employees, starting in 2023 they are able to choose between a private health insurance or a gym membership
- Endocrinological marathons
 - Employees were able to take a free health examination at the workplace
- Blood donations
 - In the context of International Blood Donation Day, employees were given the opportunity to donate some themselves
- Health day
 - In the context of International Health Day, each employee received apples at work
- Workplace gym
 - Maib's brand-new headquarters, maib park, has an equipped gym for all employees on the highest floor
- Health benefits
 - Maib renegotiated the discounts that employees received from medical partners who provide medical examinations

OHS incidents:

In 2023:

- Work related injuries: 1
- Work related fatalities: 0

employee complaints & feedback

The Human Resources Department (DRU) has implemented a new complaints and feedback mechanism starting at the end of September 2023.

petitii_hr@maib.md – This is an internal system designed for employee submissions, allowing them to file various requests (complaints/suggestions) related to their own activities or those of their colleagues. It also serves as a reporting system for breaches of employee conduct, including cases of discrimination, sexual harassment, and workplace victimization.

Confidential Examination of Requests

Requests are reviewed by the Human Resources Division. The examination process is confidential and ensures no retaliatory measures are taken against the employee.

The system also allows for anonymous requests. In such cases, the bank will investigate and take all necessary actions based on the nature of the request. If the request pertains to a general issue, the bank may provide a public response through internal communication channels.

Resolution Process and Results

Resolving requests may involve organizing work meetings or discussions, during which the employee can participate, provide explanations, and submit additional documents.

In 2023, this channel received three submissions, all of which were amicably resolved.

Incidents of discrimination

No incidents of discrimination have been reported in 2023.



responsible procurement

The majority of goods and services at maib are sourced from local vendors. This approach offers several advantages, such as enhanced supply chain efficiency and cost-effectiveness, thanks to the established distribution channels of these vendors. By sourcing locally, maib reduces transportation and logistics expenses, eliminates import taxes and customs duties, and

minimizes the risk of supply chain disruptions. Additionally, this strategy supports sustainability goals and has a smaller environmental footprint, making it both economically and environmentally beneficial.

However, maib also procures certain IT and consulting services from external vendors. This is because some IT

and consulting tasks require specialized expertise and skills that may not be available locally.

Furthermore, all marketing communications, including advertising, promotion, and sponsorship, complied with relevant laws and voluntary codes, with no recorded instances of non-compliance.

Capital expenses on local suppliers

| CAPEX (MDL thousands) | 12M 2021 | Residents | Non-residents | 12M 2022 | Residents | Non-residents | 12M 2023 | Residents | Non-residents |
|---|----------------|----------------|---------------|----------------|----------------|---------------|----------------|----------------|---------------|
| Investment in buildings, land, household inventory, means of transport, etc. (including design and capital repairs) | 173,054 | 173,054 | 0 | 310,836 | 310,836 | 0 | 325,363 | 325,363 | 0 |
| Information technology investments | 87,082 | 70,627 | 16,456 | 138,047 | 112,450 | 25,597 | 138,743 | 119,457 | 19,286 |
| Programs and license, including | 38,109 | 21,653 | 16,456 | 66,757 | 41,160 | 25,597 | 82,574 | 63,288 | 19,286 |
| Equipment, including | 48,974 | 48,974 | 0 | 71,290 | 71,290 | 0 | 56,169 | 56,169 | 0 |
| Computing techniques, including: | 17,575 | 17,575 | 0 | 17,784 | 17,784 | 0 | 18,390 | 18,390 | 0 |
| Telecommunications equipment | 2,540 | 2,540 | 0 | 105 | 105 | 0 | 19,636 | 19,636 | 0 |
| Rebuilding local area networks and telecommunications | 3,437 | 3,437 | 0 | 3,793 | 3,793 | 0 | 5,564 | 5,564 | 0 |
| ATMs, POS terminals and other card equipment | 16,746 | 16,746 | 0 | 47,070 | 47,070 | 0 | 0 | 0 | 0 |
| Strategic equipment | 8,676 | 8,676 | 0 | 2,537 | 2,537 | 0 | 12,580 | 12,580 | 0 |
| Card business investments | 218 | 0 | 218 | 1,552 | 0 | 1,552 | 48,188 | 48,188 | 0 |
| Investments in bank security and safety | 48,489 | 48,489 | 0 | 15,015 | 15,015 | 0 | 23,055 | 23,055 | 0 |
| Total | 308,844 | 292,170 | 16,674 | 465,450 | 438,301 | 27,149 | 535,349 | 516,064 | 19,286 |



community investment

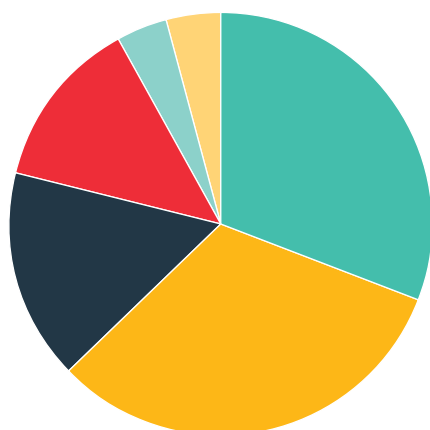


Iulia Boguşevschi
Head of Corporate Communication and Events Band

Corporate social responsibility (CSR) and community investment are crucial as they foster sustainable growth and positively impact society. Maib's commitment to CSR encompasses various categories aimed at supporting societal development and well-being. The main categories for maib's community investment include:

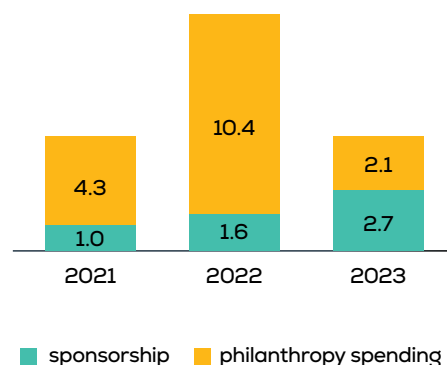
- Education
- Art and culture
- Sports and general wellbeing
- Public health, volunteering, and good citizenship
- Innovation, start-ups, and Fintech initiatives
- Environment and Community

Sponsorship and philanthropy spending by categories



- 31% infrastructure
- 32% education
- 16% culture and art
- 13% fintech and digitalization
- 4% environment and community
- 4% other (including individuals)

Sponsorship and philanthropy spending (MLN MDL)



■ sponsorship ■ philanthropy spending



Education

- Launched maib Edu program for financial literacy and digital banking education.
- Organized professional talks at universities and centers of excellence.
- Supported the Student Lab by ASEM for practical banking lessons.
- Provided merit-based scholarships and internships with Gladei Law Office.
- Supplied technology, stationery, and furniture to schools and universities.

Art and culture

- Sponsored annual concert "O seară în parc" in Chisinau.
- Sponsored Moldova's participation in Eurovision 2023.
- Hosted "Soul of Moldova" exhibition in central office.



- Celebrated International Day of the "Ia" by wearing traditional costumes.

Sports and general wellbeing

- Gathered the largest corporate team at Chisinau Marathon.
- Participated in various sports events and the Hospice Angelus Table Tennis Cup.
- Partnered with The Training Center for athletes to repair recreational areas.

Public Health, Volunteering, and Good Citizenship

- Organized internal blood donation event with National Blood Transfusion Centre.
- Participated in "Masa Bucuriei" campaign for grocery donations to those in need.

- Shared CSR experiences during the "National Week of Kindness"

Innovation, Startups, and FinTech Initiatives

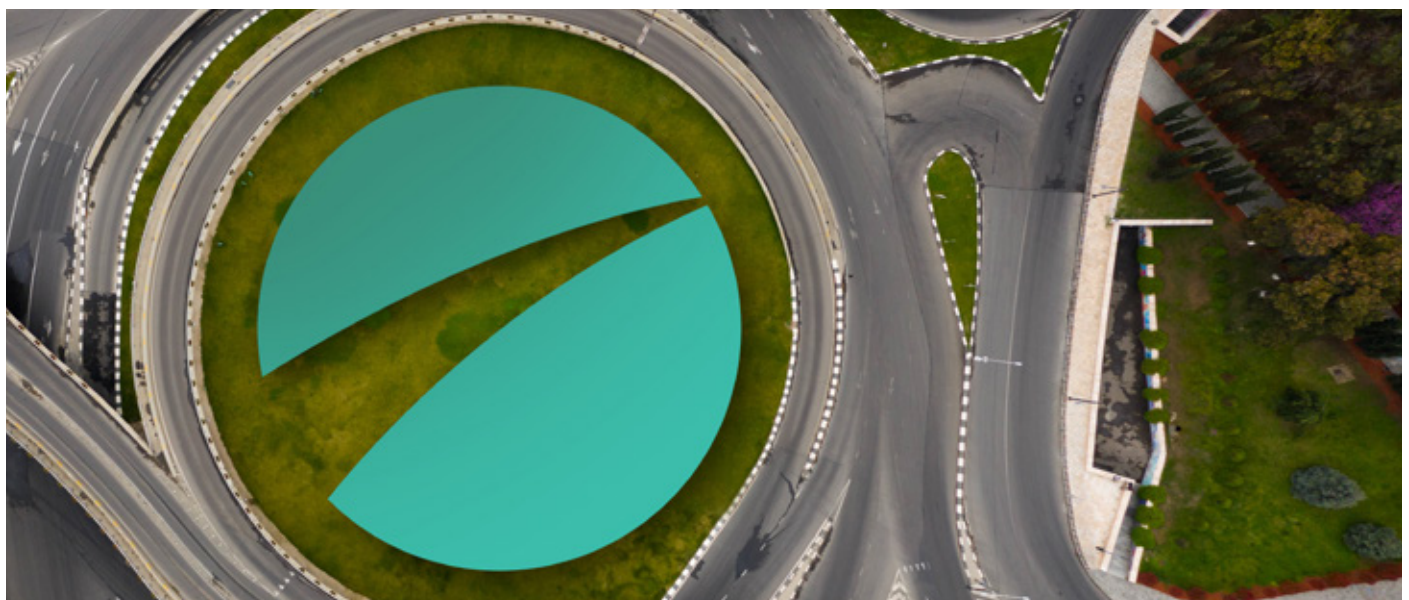
- Contributed to GPeC Conference for e-commerce and digital marketing.
- Supported Fintech Moldova Conference 2023.
- Sponsored Moldova Innovation Awards.
- Partnered with Technical University of Moldova for IT support and facility renovation.

"maib proves to be a forward thinking and a progressive institution, a breath of fresh air in an industry famous for its conservativeness and traditionalism"

Ștefan Nistor
Founder and Coordinator
of Fintech Moldova

Environment and Community Support

- Planted 8,600 trees in Cruzești through the maib Forest reforestation project.
- Supported renovation of historic ponds in "Ștefan cel Mare" Public Garden.
- Sponsored Street Food & Wine Festival in Chisinau and Balti.



GRI index table

| GRI 2: General Disclosures 2021 | | |
|--|-------------|--|
| Disclosure | Location | Comment |
| 2-1 Organisational details | 4 | |
| 2-2 Entities included in the organization's sustainability reporting | 4 | |
| 2-3 Reporting period, frequency, and contact point | 4 | |
| 2-4 Restatements of information | 4,50 | |
| 2-6 Activities, value chain and other business relationships | 4,40 | |
| 2-7 Employees | 57 | |
| 2-9 Governance structure and composition | 12-16 | |
| 2-10 Nomination and selection of the highest governance body | 15 | |
| 2-11 Chair of the highest governance body | 14 | |
| 2-12 Role of the highest governance body in overseeing the management of impacts | 21, 25 | |
| 2-13 Delegation of responsibility for managing impacts | 21, 24 | |
| 2-14 Role of the highest governance body in sustainability reporting | | As of writing this report, the Management Board are the ones who get recommendations from the Sustainability Committee on ESG initiatives and issues. However, our plan is to introduce responsibilities linked to sustainability for the Supervisory Board. |
| 2-15 Conflicts of interest | 19 | |
| 2-16 Communication of critical concerns | 19,42,64 | The Supervisory Board has delegated this function to the Management Board. They in response have created the channels outlined. |
| 2-17 Collective knowledge of the highest governance body | 61 | |
| 2-16 Communication of critical concerns | 19,42,64 | The Supervisory Board has delegated this function to the Management Board. They in response have created the channels outlined. |
| 2-17 Collective knowledge of the highest governance body | 61 | |
| 2-19 Remuneration policies | 28,29 | |
| 2-20 Process to determine remuneration | 15,28-30 | |
| 2-21 Annual total compensation ratio | 29 | |
| 2-22 Statement on sustainable development strategy | 5 | |
| 2-23 Policy commitments | 17-20,25-27 | Link to the Code of Ethics of maib, approved at the most senior level: https://www.maib.md/files/Codul_de_etica.pdf |
| 2-25 Processes to remediate negative impacts | 19,24,64 | |
| 2-26 Mechanisms for seeking advice and raising concerns | 19,24,64 | |
| 2-27 Compliance with laws and regulations | | There were no significant instances of non-compliance with laws and regulations recorded/reported during 2023. |
| 2-28 Membership associations | 38 | |
| 2-29 Approach to stakeholder engagement | 35,36 | |
| 2-30 Collective bargaining agreements | | 0% of employees are covered by collective bargaining agreements |

| GRI 3: Material Topics 2021 | | |
|--|----------|---|
| Disclosure | Location | Comment |
| 3-1 Process to determine material topics | 31 | |
| 3-2 List of material topics | 32-34 | The list of material topics have remained the same since last year's report |
| 3-3 Management of material topics | 32-34 | |

| GRI 201: Economic Performance 2016 | | |
|---|----------|---------|
| Disclosure | Location | Comment |
| 201-1 Direct economic value generated and distributed | 6,7 | |

| GRI 202: Market Presence 2016 | | |
|--|----------|---|
| Disclosure | Location | Comment |
| 202-1 Ratios of standard entry level wage by gender compared to local minimum wage | 29 | |
| 202-2 Proportion of senior management hired from the local community | 12 | The list of material topics have remained the same since last year's report |

| GRI 203: Indirect Economic Impacts 2016 | | |
|---|----------|----------------|
| Disclosure | Location | Comment |
| 203-1 Infrastructure investments and services supported | 7 | Partly covered |
| 203-2 Significant indirect economic impacts | 7 | Partly covered |

| GRI 204: Procurement practices 2016 | | |
|---|----------|---------|
| Disclosure | Location | Comment |
| 204-1 Proportion of spending on local suppliers | 65 | |

| GRI 205: Anti-corruption 2016 | | |
|--|----------|----------------|
| Disclosure | Location | Comment |
| 205-1 Operations assessed for risks related to corruption | 19 | Partly covered |
| 205-2 Communication and training about anti-corruption policies and procedures | 19 | |
| 205-3 Confirmed incidents of corruption and actions taken | 19 | |

| GRI 206: Anti-competitive Behavior 2016 | | |
|---|----------|---|
| Disclosure | Location | Comment |
| 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | | There were no legal actions in 2023 regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant. |

| GRI 302: Energy 2016 | | |
|--|----------|---|
| Disclosure | Location | Comment |
| 302-1 Energy consumption within the organization | 54,55 | |
| 302-3 Energy intensity | 55 | |
| 302-4 Reduction of energy consumption | | Partly covered; We have not started measuring the impact of the energy saving measures we have put in place (or precisely calculated the impact of future policies beyond educated estimations). We plan on reporting these statistics in the future but for now we have pointed out our overall energy consumption data. |

| GRI 303: Water and effluents | | |
|------------------------------|----------|--|
| Disclosure | Location | Comment |
| 303-5 Water consumption | 52 | Partly covered; The total water consumption value has been given (in m3). We believe that giving more information, as required by the GRI for big water consumers, would be irrelevant as maib does not have water-intensive operations. |

| GRI 305: Emissions 2016 | | |
|---|----------|---------|
| Disclosure | Location | Comment |
| 305-1 Direct (Scope 1) GHG emissions | 49,50 | |
| 305-2 Energy indirect (Scope 2) GHG emissions | 49,50 | |
| 305-3 Other indirect (Scope 3) GHG emissions | 49,50 | |
| 305-4 GHG emissions intensity | 50 | |

| GRI 306: Waste 2020 | | |
|---|----------|--|
| Disclosure | Location | Comment |
| 306-2 Management of significant waste-related impacts | | 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. |
| 306-3 Waste generated | | As of the moment of writing this report, maib does not collect such data. |

| GRI 401: Employment 2016 | | |
|--|----------|---------|
| Disclosure | Location | Comment |
| 401-1 New employee hires and employee turnover | 57 | |
| 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 58 | |
| 401-3 Parental leave | 58 | |

| GRI 405: Diversity and Equal Opportunity 2016 | | |
|--|----------|---------|
| Disclosure | Location | Comment |
| 405-1 Diversity of governance bodies and employees | 12,57 | |
| 405-2 Ratio of basic salary and remuneration of women to men | 30 | |

| GRI 403: Occupational Health and Safety 2018 | | |
|--|----------|---|
| Disclosure | Location | Comment |
| 403-1 Occupational health and safety management system | 63 | |
| 403-2 Hazard identification, risk assessment, and incident investigation | 63 | |
| 403-3 Occupational health services | 63 | |
| 403-5 Worker training on occupational health and safety | 61 | |
| 403-6 Promotion of worker health | | |
| 403-8 Workers covered by an occupational health and safety management system | 63 | 100% of workers are included in the OHS management system by law |
| 403-9 Work-related injuries | 63 | Partly covered; Giving more information, would be irrelevant as maib is a bank and its operations do not pose a great OHS risk to its employees |

| GRI 406: Non-discrimination 2016 | | |
|--|----------|---------|
| Disclosure | Location | Comment |
| 406-1 Incidents of discrimination and corrective actions taken | 64 | |

| GRI 413: Local Communities 2016 | | |
|--|----------|---|
| Disclosure | Location | Comment |
| 413-1 Operations with local community engagement, impact assessments, and development programs | 7,66,67 | Whilst maib does not conduct impact assessment of this nature yet, we have pointed to operations and programmes which fall under this category. Moreover, many of our loans with IFIs contain social and environmental obligations. Examples include, but are not limited to: |
| 413-2 Operations with significant actual and potential negative impacts on local communities | | |

| GRI 404: Training and Education 2016 | | |
|--|----------|---------|
| Disclosure | Location | Comment |
| 404-1 Average hours of training per year per employee | 61 | |
| 404-2 Programs for upgrading employee skills and transition assistance programs | 61 | |
| 404-3 Percentage of employees receiving regular performance and career development reviews | 62 | |

| GRI 418: Customer Privacy 2016 | | |
|--|----------|---------|
| Disclosure | Location | Comment |
| 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | 37 | |