

Sustainability Report 2024



Published April 2025

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If you have any questions on the report, please feel free to contact the authors or any of the firms listed for further advice.

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Dear Stakeholders,

I am pleased to present Kreston Albania's 2024 Sustainability Report — a reflection of our continued journey toward building a more responsible and sustainable future.

At Kreston Albania, we remain committed to the belief that sustainable practices are essential to long-term success. By sharing our ongoing efforts in this report, we hope to inspire others to take meaningful steps on their own sustainability paths.

This year's report highlights the progress we've made by continuing and strengthening the initiatives we launched in previous years. From supporting our team's well-being to staying engaged with our community, every action reflects our dedication to doing business responsibly and ethically.

We understand that sustainability is not a destination but a shared responsibility that calls for collective commitment. Through this report, we reaffirm our belief that positive change is possible — and it starts with each of us.

As we move forward, we invite you to walk with us on this ongoing journey toward a more sustainable tomorrow.

Thank you for your continued trust and support.

Sincerely,

Ljubica Llukaj

Strategic Partner
Transformation | Innovation | People
Kreston Albania



Ljubica Llukaj

Strategic Partner
Transformation | Innovation | People



ESG Strategy

Environmental, Social, and Governance (ESG) factors remain central to how we define sustainability and ethical responsibility at Kreston Albania.

Throughout 2024, we have continued to embed these principles into our daily operations. Guided by our commitment to excellence and enduring values, we view ESG not as a one-time effort, but as a long-term journey toward responsible and sustainable business practices.

At the heart of our approach lies a leadership philosophy that places people first. In 2024, we have continued to align our ESG efforts with the United Nations Sustainable Development Goals and the broader commitment made by Kreston Global, the international network we proudly belong to.

Our strategy remains rooted in a clear plan of action—one that supports sustainable growth while reinforcing our values as a firm.

Our Pillars

Our People | Our Clients | Our Community



ESG is a natural extension of our 'Lead by Heart' mindset.

It shapes how we lead, how we work, and how we contribute to those around us.

Through it, we aim to make thoughtful choices that create lasting value for our people, clients, and community.

The United Nations' Sustainable Development Goals (SDGs), also known as the Global Goals, are a set of 17 interconnected objectives designed to be a "blueprint to achieve a better and more sustainable future for all". They were adopted by all United Nations Member States in 2015 and aim to be achieved by 2030.

In alignment with Kreston Global, our ESG Strategy addresses the following goals.

Goal 3 / Good health & Well-being

Goal 4 / Quality Education

Goal 5 / Gender Equality

Goal 8 / Decent Work and Economic Growth

Goal 10 / Reduced Inequality

Goal 12 / Responsible Consumption and Production

Goal 17 / Partnerships for the Goal



Our main objective



Through an ethical, open and fair approach in all we do, we intend to promote responsible and sustainable thinking, all in promoting equal opportunities and making a positive impact in our community.

ESG Committee



The pillars of our ESG Strategy are grounded in creating meaningful impact — by investing in people and operating as a responsible, values-driven company.

Its success depends on our ability to engage and inspire our team, encouraging active participation both within the workplace and in the wider community.

To support this, we established an ESG Volunteer Committee early in the process. Throughout 2024, this group of dedicated professionals has continued to follow the strategy closely and contribute with a shared commitment to sustainability.



Initiatives

As part of our continued commitment to our ESG Strategy, Kreston Albania has carried forward key initiatives aimed at embedding sustainability into our daily operations.

ESG-Led Branding

To reflect our ESG values, we've adopted the tagline "Our Planet. Our Heritage." across all email signatures, stationery, and client gifts. It serves as a daily reminder of our shared responsibility to protect the environment for future generations.

Eco-Friendly Stationery

We have fully transitioned to environmentally friendly stationery, reinforcing our goal to reduce waste and support sustainable practices in every detail of our work.

Sustainable Resource Management

We continue to monitor our waste, water, and electricity consumption through dedicated systems. These efforts help us reduce our footprint and manage resources more responsibly.

Towards Net Zero

Our path toward Net Zero Carbon Emissions began with a tree-planting initiative in the Tirana's main park on Earth Day 2023. In 2024, we have remained committed to small, consistent actions that contribute to a cleaner, greener environment which is why we partnered with local authorities to plant more trees, this time in the capital's Lana river banks.

Eco-Friendly Office Spaces

In 2024, we moved into newly designed office spaces that align with our sustainability principles. The new offices prioritize natural light, energy efficiency, and responsible material use—enhancing both employee wellbeing and environmental performance.

A Sustainable Website

We also launched our new website in 2024, designed with sustainability in mind. Lightweight architecture, optimized performance, and low-energy hosting contribute to reducing its digital carbon footprint—while improving user experience and accessibility.



Our sustainability journey is ongoing. We remain committed to exploring new ideas, solutions, and collaborations that support long-term impact and a more balanced relationship with our planet.

Initiatives

At Kreston Albania, we believe that recognizing and valuing our people is essential to building a thriving, purpose-driven workplace, which is why employee well-being remains a central part of our culture.

Wellness Initiatives - Healthy Thursdays

Through our “Healthy Thursdays” program and monthly wellness newsletter, we take a holistic approach to supporting both physical and mental health. These initiatives are complemented by in-office events that promote healthier habits while also supporting local producers through the use of fresh, locally made products.

Celebrating Our People

We believe that creating a supportive and inspiring workplace starts with recognizing the people who make our journey possible. In 2024, we continued to foster a culture of care, connection, and appreciation through simple yet meaningful initiatives.

We celebrated each team member’s birthday with a personal touch:

A local cinema gift card, in support of Albania’s creative arts scene and to encourage moments of cultural enjoyment and relaxation.

A massage gift card, promoting mental and physical well-being through moments of rest and self-care.

These small acts of recognition reflect our commitment to employee well-being in all dimensions—emotional, physical, and social.

We also honored Employee Appreciation Day with curated mentorship books focused on personal growth and professional development. More than gifts, these books represent our investment in long-term learning and our belief in the potential of every individual to lead, grow, and inspire others.

By celebrating our people meaningfully and consistently, we continue to build a culture grounded in empathy, purpose, and progress—true to our “Lead by Heart” mindset.



ESG Initiatives

Community Engagement Initiatives

In 2024, Kreston Albania continued to stand by its commitment to community well-being through targeted, meaningful action.

One of the year's key initiatives was our blood donation campaign, organized in collaboration with local health authorities to mark World Thalassemic Day. Beyond addressing a critical medical need, the campaign aimed to raise awareness and inspire collective responsibility toward those living with thalassemia. It stands as a powerful example of how small contributions can make a lasting social impact.

Diversity, Inclusion & Employee Support

Our people are the heart of Kreston Albania, and we are proud to be a workplace where 80% of our team are women. We support their careers through flexible work arrangements, enhanced maternity leave programs, and a culture that values balance, respect, and ambition.

We are also strong believers in creating entry points for the next generation. Through paid internship programs and university collaborations, we offer hands-on experience and real career-building opportunities to young talent across Albania.



“

Our biggest challenge in this new century is to take an idea that seems abstract, sustainable development, and turn it into a reality for all the world's people.

Kofi Annan

As we look toward the future, Kreston Albania remains resolutely committed to advancing our sustainability journey and contributing to a more responsible and sustainable world. While we celebrate the progress we've made, we understand that the path to sustainability is ongoing, and we are prepared to face the challenges and embrace the opportunities that lie ahead.

In the coming months, we will accelerate our ESG initiatives by expanding our firmwide training programs, ensuring that each team member gains a deeper understanding of sustainable practices. Our commitment to employee well-being will remain a central focus, with the introduction of new programs and events designed to promote a culture of health, happiness, and personal growth.

We are excited to announce our collaboration with ConsciESG, a local company providing specialized ESG solutions. As part of this partnership, ConsciESG has conducted a comprehensive impact assessment of Kreston Albania's ESG performance over the past three years (2022, 2023, and 2024). Their report, attached to this document, provides valuable insights into our progress, benchmarks against best-in-class practices, and a comparison to industry peers.

This collaboration enhances our ability to assess and improve our sustainability efforts, aligning them with global standards and driving long-term value.

Community engagement will continue to be at the forefront of our strategy. We look forward to deepening our partnerships with local start-ups and universities, fostering innovation and supporting entrepreneurship within our region.

Our dedication to reducing our environmental footprint will be strengthened through ongoing collaborations with professionals to measure and minimize our carbon footprint. We are also committed to advancing inclusivity and diversity through our recruitment efforts, providing opportunities for individuals with unique talents and abilities as we empower the next generation of leaders.

The future holds exciting possibilities, and we are eager to continue leading by heart—making a meaningful impact in our community and contributing to a sustainable and thriving world.

Thank you for your continued support on this transformative journey.





Appendix 1

ConsciESG Report Memo

Kreston Report Memo

ConsciESG, established in 2022 in the USA with operations in Croatia and Albania, offers a specialized ESG solution designed for regional companies. It provides an impact assessment model tested with 5,000 global companies, showing its ability to deliver sustainability impacts and financial returns. ConsciESG supports companies in implementing ESG practices, including GRI reporting, by providing benchmarks against best-in-class practices and industry peers. This helps businesses enhance their sustainability performance and competitive positioning.

Methodology

The proprietary algorithm that is embedded in the platform, is fed with thematic quantitative performance data and for every company between two consecutive periods, it computes the progress realized towards their stated targets, per the methodology described in the image below.

The methodology incorporates thematic data, growth rates, science-based targets, financial materiality, and consistency across time, industry, and location, culminating in a weighted aggregate ESG Nova Score

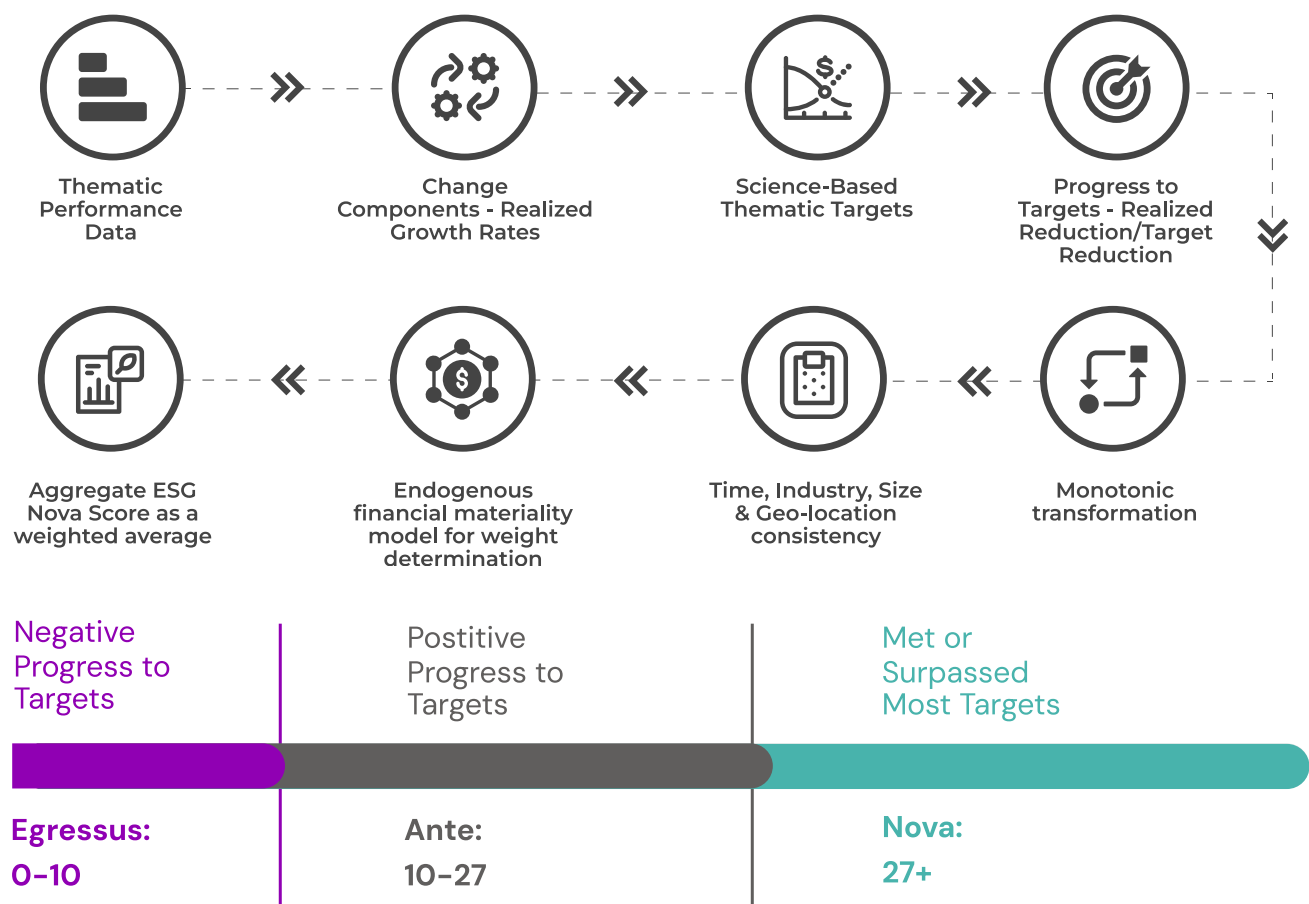


Figure 1: Explanation of ConsciESG Methodology

Companies are then scored, ranked and categorized on the three main categories described below:

- **Nova (27+ points):** Companies that have met or surpassed most ESG targets. These are evaluated using thematic performance data, science-based targets, realized reductions, and consistent alignment with financial materiality, industry, size, and geolocation.
- **Ante (10–27 points):** Companies showing positive progress toward ESG targets. Their performance reflects moderate growth rates, partial target achievements, and improving alignment with financial and geographic factors.
- **Egressus (0–10 points):** Companies with negative progress toward targets. They fall short in realized reductions, thematic growth, or alignment with material ESG factors

1 Introduction

This memo is provided to supplement and enhance the understanding of Kreston’s Progress Report, derived using its self-reported impact metrics at the entity-level, using the proprietary ConsciESG platform & its progress scoring algorithm.

Kreston’s key ESG performance highlights are summarized below:

- 1. Kreston outperformed the 33% ratio of the EU’s Directive on Gender Balance in Corporate Boards, with 50% women in board steady ratio, in 2022 and 2023.**
- 2. Kreston increased its Scope 1 emissions by 48.83% between 2022 and 2023 but then reduced them by 47.68% between 2023 and 2024. Overall, Kreston is 22.13% of the way toward meeting its 2030 Scope 1 emissions targets, and it can achieve full compliance through regular assessments and a clear reduction strategy.**
- 3. Kreston demonstrated an overall high positive progress across its key reported environmental, social & governance themes.**

2 The Score

Following the above-mentioned elements & undergoing ConsciESG’s scientific progress scoring model shown in Figure 1 of the appendix, Kreston realized a progress score equal to 31.05 on a scale from 0–27+.



**Kreston ON A
POSITIVE
PROGRESS PATH**

Such a score classifies Kreston in the Nova progress category, which corresponds with those companies that have at the aggregate met most of their impact improvement targets (the top performers). Ante categories represent those entities whose disclosed impact improvement actions on environmental, social and governance themes overall, are converging them closer to their targets and Egressus category represents companies whose impact progress is diverging away from their set targets (the polluters).

Kreston's highest performance is observed on its two Governance topics, namely "Operations and suppliers at significant risk for incidents of forced or compulsory labor" and "Operations and suppliers at significant risk for incidents of child labor", where Kreston has reported a zero share of its suppliers with incidents of either compulsory or child labor. On the nine out of the nine mandatory social themes for which Kreston has reported, its performance was scored at 27.17, on the low-Nova progress performance and on the three out of the six mandatory environmental themes, Kreston's performance was scored at 13.17, demonstrating its positive but slow progress towards set targets.

The Progress-to-Target Ratios

The three key elements of the progress to target analytics, that contribute to their ability to provide enhanced transparency through the underlying granular performance on every theme are:

- Thematic Progress Scores Targets
- Progress to target ratios, defined as the ratios between the realized periodic impact
- improvement and the set targets

Environmental

Kreston's progress on all the three reported environmental themes is scored as ante. This means that in all the three reported impact themes, Kreston has realized positive progress on all the three Environmental themes reported. Kreston's most significant progress is in Scope 1 GHG Emissions, where it first increased emissions by 48.83% between 2022 and 2023, but then reduced them by 47.68% between 2023 and 2024. Overall, Kreston has reduced Scope 1 emissions by 22.13% from 2022 to 2024, compared to its -45% reduction target. While this demonstrates meaningful progress, further reduction efforts will be needed to fully meet the 2030 goal. In Water Consumption, Kreston increased its usage by 30.43% between 2022 and 2023. Despite this increase, the company has since made 17% progress toward its 100% reduction target, using 2023 as the base year and reporting improvements in 2024. While this demonstrates steady advancements in water efficiency, additional measures will be necessary to ensure full compliance with its 2030 sustainability objectives.

Social

On the disclosed social themes, Kreston has demonstrated full progress in key areas. Parental leave for both maternity and paternity is set at 52 weeks, achieving 100% of the standard target. Additionally, women in board representation has reached 50%, marking 100% progress towards the stated target. Kreston's commitment to gender equity is evident, with female representation increasing by 72.73% since 2022 and a 0% salary gap, solidifying its position as a leader in workplace equality. Its performance towards achieving perfect salary equity between women and men in its workforce is 100%, with Kreston reporting a salary gap of 0% and a women-to-men salary ratio of 1, performance which has ranked Kreston at the high-ante progress category.

**CONSECUTIVE
IMPROVEMENT
NECESSARY IN THE
UPCOMING
PERIODS TO
REACH 2030
TARGETS**

**Kreston HAS
ACHIEVED
PERFECT SALARY
EQUITY IN
WORKFORCE.**

Governance

Through its two aforementioned supply-chain related governance themes, Operations and suppliers at significant risk for incidents of forced or compulsory labor and Operations and suppliers at significant risk for incidents of child labor, Kreston's thematic impact performance stands out at the High-Nova category, with a score of 64.63, presenting 100% of its suppliers free of any type of material labor violations.

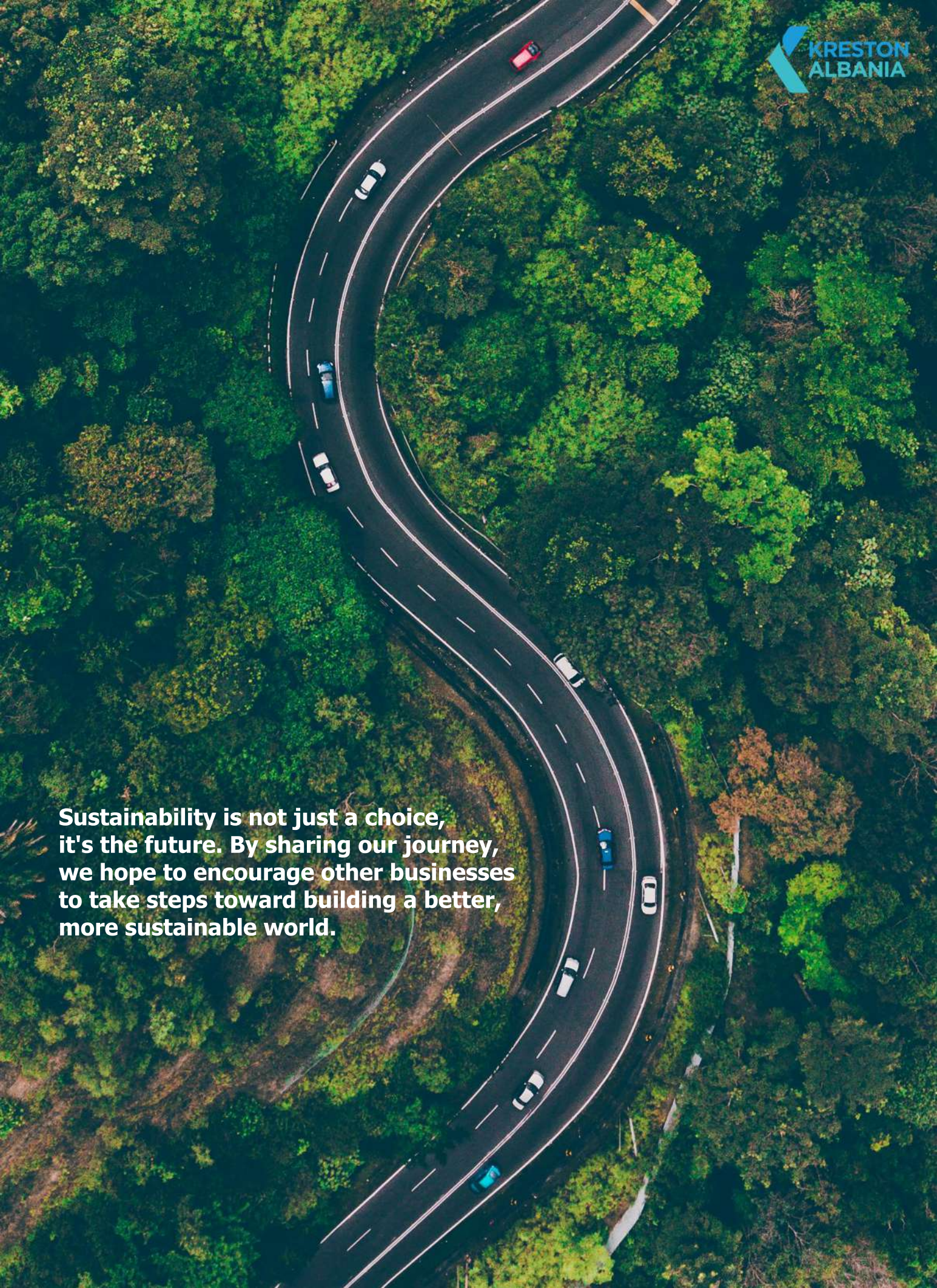
Kreston's progress scores presented in the report can be used as internal actionable insights and, with only 17% of impact themes missing, they provide a sufficiently comprehensive foundation for external sharing. While a complete cross-industry assessment would benefit from full disclosure, the available data is robust enough to be shared with external stakeholders, including investors, particularly with the support of this explanatory report.

For a more detailed representation of the source data disclosed, used to create this report, consider Table 1 in the appendix.

**PERFECT
GOVERNANCE
RECORD IN THE
SUPPLY CHAIN IS
MAINTAINED FOR
TWO CONSECUTIVE
PERIODS**

Appendix

| Theme | Unite | Base Year 2022 | Value 2023 | Value 2024 | Target Year 2030 |
|---|----------------------------|-------------------|---------------|---------------|---------------------|
| Total Direct (Scope 1) GHG emissions | Metric ton CO2e | 2.4444 | 3.6375 | 1.90314 | -45% |
| Total Indirect (Scope 2) GHG emissions | Metric ton CO2e | 21847 | 18626 | 20191 | -45% |
| Other indirect (Scope 3) GHG emissions | Metric ton CO2e | 0 | 0 | 0 | -45% |
| Waste diverted from disposal | metric tones | 0 | 0 | 0 | 100% |
| Water discharge | Cubic meters | 0 | 0 | 0 | 100% |
| Water consumption | Cubic meters | 115 | 150 | 124 | -100% |
| Maternity Leave: fully covered | weeks | 52 | 52 | 52 | 52 weeks |
| Paternity leave: fully covered | weeks | 52 | 52 | 52 | 52 weeks |
| Women in board | Percent | 50% | 50% | 50% | 25% |
| Women in leadership | Percent | 75% | 75% | 75% | 40% |
| Women in Management | Percent | 100% | 100% | 100% | 45% |
| Women to men average salary: board | ratio (number) | 1 | 1 | 1 | 100% |
| Women to men average salary: leadership | ratio (number) | 1 | 1 | 1 | 100% |
| Women to men average salary: management | ratio (number) | 1 | 1 | 1 | 100% |
| Women to men average salary: workforce | ratio (number) | 1 | 1 | 1 | 100% |
| suppliers with forced/compulsory labor violations | percent of total suppliers | 0 | 0 | 0 | 0% |
| suppliers with child labor violations | percent of total suppliers | 0 | 0 | 0 | 0% |

An aerial photograph of a winding asphalt road that curves through a dense, lush green forest. Several cars are visible on the road, including a red car, a white car, a blue car, and a black car. The road has white dashed lines and a solid white line on the outer edge. The forest is composed of various types of trees, with some showing signs of autumn color change.

**Sustainability is not just a choice,
it's the future. By sharing our journey,
we hope to encourage other businesses
to take steps toward building a better,
more sustainable world.**

About Kreston Albania

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About Kreston Global

Kreston Global is one of the world's largest accounting networks, representing more than 160 independent firms in more than 115 countries around the world. Currently the 13th largest global accountancy network, Kreston firms advise both businesses and individuals on the full spectrum of accountancy and advisory needs, wherever in the world they happen to do business. With more than 25,000 dedicated professionals and a powerful community-based culture, Kreston celebrated its 50th anniversary in 2021.

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