

ANNUAL REPORT 2025



ALBANIAN ASSOCIATION OF BANKS
SHOQATA SHQIPTARE E BANKAVE



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Albanian Association of Banks (AAB)

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1. Message From the President



Dear reader,

In this 2025 annual publication of the Albanian Association of Banks (AAB), we are pleased to share with you the key developments that marked another significant year for the Albanian banking sector, in a context of regulatory, digital, and operational transformation.

In 2025, AAB continued to strengthen its role as an organisation for representation, coordination, and expertise for the Albanian banking industry, in a year characterized by important institutional and technological developments. AAB actively contributed to consultative and technical processes regarding the legal and regulatory framework affecting the banking and financial sector, including the draft law on the Credit Bureau, regulations on credit risk management, as well as secondary legislation related to Open Banking and SEPA integration. During the year, AAB participated in numerous consultation processes and working groups with regulatory and governmental institutions.

AAB supported institutional and technical preparations for the development of the SEPA national instant payment system, the expansion of the use of electronic payment instruments, and the strengthening of cybersecurity standards. During 2025, the use of electronic payments continued to expand, with 67% of total payments made via bank cards, while 66% of credit transfers were executed remotely. The use of home banking services increased further, with a 23.2% growth in the number of transactions, while the number of remotely accessible accounts expanded by 44.4%, reflecting the rapid pace of digitalization in the sector. At the same time, AAB was engaged in national initiatives to reduce the use of cash in the economy.

The banking sector maintained a stable and positive performance during the year. The credit portfolio for the private sector grew by 14.4%, while lending in the local currency represented 58.2% of total credit, confirming the trend of strengthening financial intermediation in Lek. Credit growth was supported by consumer loans, which increased by 18.3%, while lending to businesses grew by 12.3%. Customer deposits recorded an increase of 10.7%, reflecting continued public confidence in the banking system. At the same time, portfolio quality continued to improve, with the ratio of non-performing loans decreasing to 3.8%, from 4.17% a year earlier.

In the area of real estate lending, AAB supported member banks in implementing the Bank of Albania's macroprudential measures



Bledar SHELLA
Chairman of the Supervisory Board
of the AAB and Chief Executive
Officer, OTP Bank Albania

for housing loans. Housing credit continued to be characterized by stable performance and low levels of non-performing loans, reflecting high payment discipline by borrowers and a managed exposure to the real estate market.

In terms of financial stability, the banking sector remained well-capitalized and liquid. The capital adequacy ratio improved to 20.36%, while liquid assets relative to short-term liabilities reached 43%. The weight of banking sector assets relative to GDP increased to 87.5%, from 82.4% in 2024, reflecting the further expansion of the sector's role in the economy.

AAB continued to play an active role in inter-institutional dialogue with the Bank of Albania, governmental institutions, and other financial market actors, closely monitoring developments related to the Credit Bureau, the financial market, the framework for digital assets and cryptocurrencies, as well as structural reforms aimed at strengthening financial stability and aligning with European standards.

Furthermore, close cooperation with the Kosovo Banking Association continued, strengthening regional involvement and coordination in joint initiatives for the banking sector.

In the field of financial education, AAB organized national and regional activities, including the Money Week, the Money Quiz, and university lectures, with wide participation from students. Within the sector, 30 training sessions were conducted with 779 participants from member banks, covering areas such as operational risk, capital markets, auditing, security, human resources, and communication.

Overall, 2025 confirmed AAB's role as a key player in supporting structural reforms, modernizing banking services, and strengthening the institutional capacities of the sector, creating a sustainable foundation for expected developments in 2026 and for the further integration of the Albanian banking sector into the European financial architecture.

In conclusion, I wish to express my gratitude to all leaders and professionals in the banking industry, who, with their dedication, contribute daily to strengthening a sector that is crucial for the country's economy.

I invite you to read this report as a clear overview of the 2025 journey and of the objectives that lie ahead.

Respectfully,

Bledar **SHELLA**
President
Albanian Association of Banks



2. Organizational Structure

The structure of the AAB organization consists of the following bodies:

- **Assembly of Members** — The decision-making body;
- **Supervisory Board** — The policy-making and monitoring body;
- **Secretary General** — The executive body;
- **Executive Office, Technical Committees, and Working Groups** — The supporting bodies.

A. ASSEMBLY OF MEMBERS

The Assembly is the highest decision-making body within the AAB. The Assembly consists of:

- The President;
- The Members.

The elected Chairman of the Supervisory Board is the President of the Members' Assembly. At the end of 2025, the Members' Assembly consisted of 11 members.

The Member Banks of the AAB Assembly with their representatives are:

▪ **American Bank of Investments**
Andi Ballta | Chief Executive Officer

▪ **Raiffeisen Bank Albania**
Christian Canacaris | Chief Executive Officer

▪ **Banka Kombëtare Tregtare**
Seyhan Pencablilil | Chief Executive Officer
and Board Member

▪ **OTP Bank Albania**
Bledar Shella | Chief Executive Officer

▪ **Credins Bank**
Maltin Korkuti | Chief Executive Officer

▪ **Tirana Bank**
Dritan Mustafa | Chief Executive Officer

▪ **First Investment Bank Albania**
Bozhidar Todorov | Drejtor i Përgjithshëm

▪ **Union Bank**
Flutura Veipi | Chief Executive Officer

▪ **Intesa Sanpaolo Bank Albania**
Alessandro D'Oria | Drejtor i Përgjithshëm

▪ **United Bank of Albania**
Orfea Dhuci | Chief Executive Officer

▪ **Procredit Bank Albania**
Mirsad Haliti | Member of the Board of Directors

B. SUPERVISORY BOARD

The Supervisory Board is the highest policy-making, oversight, and monitoring body of the Albanian Banking Association (AAB). It consists of five members and is chaired by the Chairman elected by the Assembly. In his absence, the elected Vice-Chairman may act with equal authority. Three members shall be elected from among the representatives of the "Large Banks" group (the "Large Banks" group being composed of the largest banks which, in aggregate, hold not less than seventy percent (70%) of the total assets of the banking market). Representatives of the "Large Banks" may be elected for unlimited number of consecutive terms. Two members shall be elected from among the representatives of the other banks for not more than two consecutive terms. Members of the Supervisory Board are elected by the Assembly of Members.

The Supervisory Board for 2025 was composed as follows:



Bledar SHELLA

Chairman

Chief Executive Officer, OTP Bank Albania



Seyhan PENCABLIGIL

Vice-Chair

Chief Executive Officer and Board Member of BKT



Maltin KORKUTI

Member

Chief Executive Officer, Credins Bank



Alessandro D'ORIA

Member

Chief Executive Officer, Intesa Sanpaolo Bank Albania



Dritan MUSTAFA

Member

Chief Executive Officer, Tirana Bank

C. EXECUTIVE OFFICE

The Executive Office serves as the supporting body of the AAB, tasked with assisting the AAB's Governing Bodies in the execution of their functional responsibilities. It is directly led and supervised by the Secretary General of the Association. In accordance with the AAB Statute, the Secretary General is the legal representative of the AAB.

Mr. Spiro Brumbulli currently holds the position of Secretary General of the AAB.



Spiro Brumbulli
Secretary General of the AAB



AAB Executive Office

From left to right: Loreta Hysa, Marsela Bulku, Spiro Brumbulli, Brunilda Kostare, Elona Elezi



D. TECHNICAL COMMITTEES

AAB establishes technical committees to address specific matters within its scope of activity. These committees play a crucial role in providing expert guidance and recommendations to the Supervisory Board and the Secretary General. Each committee is composed of members selected for their professional expertise and their ability to contribute to the AAB's objectives.

The AAB has two types of technical committees:

Permanent Technical Committees: These committees are established to address ongoing and fundamental aspects of the Association's operations. They focus on areas such as risk management, compliance, cybersecurity, finance, human resources, legal security, and financial services.

Advisory Technical Committees: These are approved by the Supervisory Board to address emerging or specialized topics. The establishment of these committees is flexible, allowing the AAB to respond to the evolving needs of the industry and regulatory changes.

According to the Technical Committee Regulation, each AAB member bank has its own representative in every committee, with equal rights and responsibilities.

List of Committees and Their Respective Chairs:

Initial Permanent Technical Committees

Legal Committee

Albina Hasanaj *Chair*
Banka Kombëtare Tregtare

Compliance Committee

Ada Qazolli *Chair*
Banka Kombëtare Tregtare

Risk Management Committee

Andi Habilaj *Chair*
Banka Kombëtare Tregtare

Finance and Accounting Committee

Gerti Vllamasi *Chair*
Intesa Sanpaolo Bank Albania

Human Resources Committee

Edlira Memushaj *Chair*
Banka Kombëtare Tregtare

Marketing and Communications Committee

Valbona Guri *Chair*
Credins Bank

Cyber Emergency Task Force

Reglendi Xhango *Chair*
OTP Bank Albania

Auxiliary Technical Committees

Auxiliary Committee of Payments, Cards, Digitalization, and Alternative Channels

Irida Huta *Chair*
OTP Bank Albania

Audit Committee

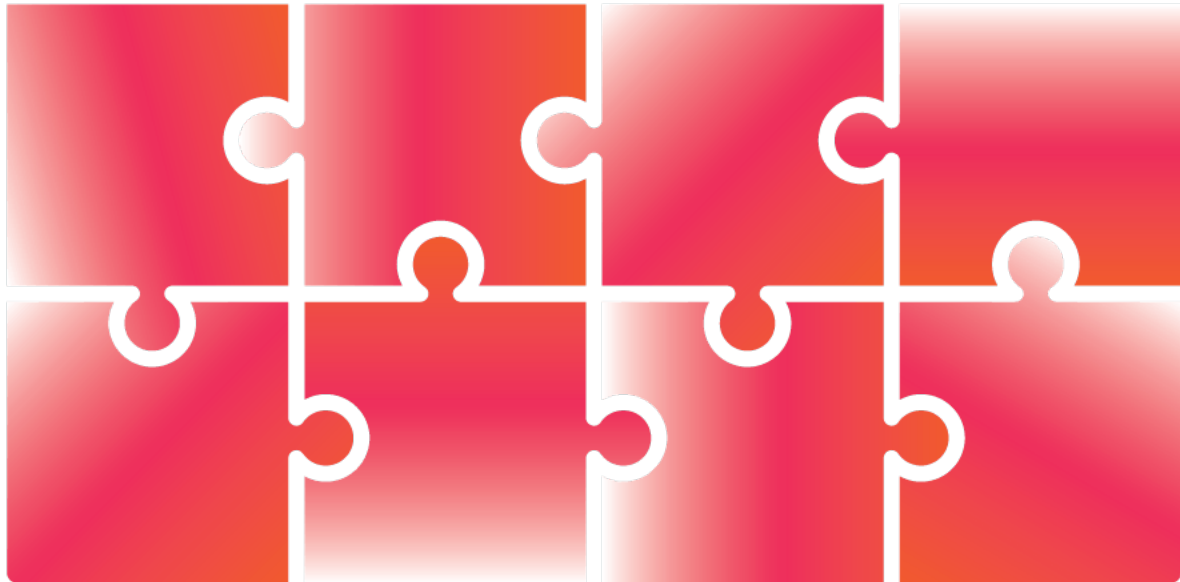
Veridjan Hoxha *Chair*
Banka Kombëtare Tregtare

Auxiliary Information Technology Committee

Altin Kona *Chair*
Banka Kombëtare Tregtare



3. Memberships



AAB is continuously engaged and collaborates with national and international organizations with the aim of promoting the highest industry standards, supporting policy development, and participating in initiatives that contribute to economic development. Through its membership in these organizations, AAB seeks to foster cooperation, exchange knowledge, and make a meaningful contribution to the advancement of the banking sector.

National Organizations

At the national level, AAB collaborates with organizations focused on policy development, regulatory compliance, and economic growth. These memberships enable AAB to engage with stakeholders, contribute to policy discussions, and participate in initiatives that impact the broader economy.

AAB's Membership in National Organizations:

- Tax Council
- National Labour Council
- National Payment System Committee
- National Agency for Higher Education Funding (AKFAL)
- Investment Council
- National Accounting Council

International Organizations

AAB's membership in international organizations enables it to engage with global industry leaders, access valuable resources, and stay informed about the latest developments in the banking sector.

These memberships provide a platform for AAB to represent the Albanian banking sector and to collaborate on international initiatives.

AAB's Membership in International Organizations:

- European Banking Federation (EBF) – Associate Member
- Banking Association for Central and Eastern Europe (BACEE)
- Inter-Balkan Banking Associations Forum
- International Chamber of Commerce (ICC)

4. Achievements During 2025

The year 2025 was characterized by the continued commitment of the Albanian Association of Banks (AAB) to strengthening institutional cooperation, supporting regulatory developments, and advancing digitalization processes in the banking sector. AAB's activities focused on contributing to legislative and regulatory processes affecting the sector, fostering regional and inter-institutional cooperation, as well as promoting high professional standards, cybersecurity, and compliance. At the same time, AAB continued to play an active role in communication with the public and in raising awareness of developments in the banking system, while also supporting projects and initiatives related to the modernization of financial infrastructure and the improvement of banking services.

4.1 THE MAIN ACHIEVEMENTS INCLUDE:

1. **Finalization of the Open Banking and SEPA projects**, including the submission by all Albanian banks of applications for SEPA scheme membership to the European Payments Council (EPC), which enabled the initiation of cross-border euro transfers and the advancement of the integration of the payment system with European infrastructure.
2. **Awareness campaign on online fraud and SEPA**, conducted in cooperation with member banks, focusing on increasing public awareness of digital security and the benefits of the European payments system.
3. **Financing of the MSME**, through the instrument agreed between the Bank of Albania and the banks, coordinated by AAB, to support the credit expansion in this priority segment.
4. **Organization of Money Week**, in cooperation with the Bank of Albania and member banks, with numerous educational activities aimed at increasing financial literacy.
5. **Organization of the Money Quiz**, where the winning team from Albania ranked fourth in the European-level competition.
6. **POSi campaign in cooperation with Mastercard**, focused on promoting the use of POS terminals and electronic payments.
7. **Organization of the first institutional roundtable between commercial banks and electronic money institutions (EMIs)**, with the participation of the Bank of Albania, to a better collaboration and promote innovation in payment services.
8. **Roundtable on banking in Albania**, organized by AAB in cooperation with McKinsey & Company, on the developments and prospects of the banking sector.
9. **Meeting of AAB members with the Commissioner for Personal Data Protection** on the correct implementation of personal data protection legislation.
10. **Meeting of the Supervisory Board with the Governor of the Bank of Albania** on developments in the banking sector and cooperation priorities.
11. **Meeting with the chairs of the technical committees on AAB activities for 2026**, to define strategic priorities.

12. **Election of the new Supervisory Board of AAB**, as well as the chairs and vice-chairs of the technical committees.
13. **Hosting and organization of the 63rd meeting of the associate members of the European Banking Federation (EBF).**
14. **Organization of regional forums with the Kosovo Banking Association**, focusing on AML /CTF and cybersecurity.
15. **Signing of the Memorandum of Understanding with the State Police** for the prevention of cybercrime and the strengthening of inter-institutional cooperation.
16. **Continuation of the process for drafting and advancing the draft law on the Credit Bureau**, with the support of the World Bank.
17. **Completion of the Korn Ferry 2025 Salary Survey** for the banking industry, with full participation of member bank.
18. **Delivery of 30 training sessions for the banking sector**, with 779 participants from member banks, in cooperation with local and international partners.
19. **Organization of the "Stock Market Learning Competition"**, with the participation of 139 employees from 11 banks.

4.2 OTHER ACTIVITIES OF AAB:

a. Meetings and participation

- AAB established the SEPA Working Group with representatives from banks, and organized meetings with the Bank of Albania and key stakeholders to coordinate Albania's transition to the Single Euro Payments Area and to monitor the progress of applications and the implementation process.
- Discussion roundtable on the Law "On Personal Data Protection", with the Investment Council, the Commissioner for the Right to Information and Personal Data Protection, and the Albanian Association of Foreign Investors, aimed at raising awareness of the rights and obligations under Law No. 124/2024 and its practical implementation.
- AAB has been part of the Inter-institutional Technical Working Group on Anti-Money Laundering and has cooperated with FIU on the National Action Plan approved in the framework of the National Strategy for Prevention of Money Laundering.
- A meeting with UNDP Albania focused on the engagement of the private sector in disaster risk reduction and climate change mitigation.
- Participation in a joint meeting with the National Authority for Cyber Security (AKSK).
- Participation in the meeting of the Board of Directors of the National Agency for the Financing of Higher Education (AKFAL).
- Participation in the meeting of the National Labour Council (NLC).
- Participation in the SEPA Working Group, led by the Bank of Albania.
- Participation in the roundtable on agricultural sector lending, organized by the Bank of Albania.
- Consultative roundtable with IFC experts on the financial instruments "Commercial Receipts on Future Agricultural Products" and "Commercial Receipts on Stored Agricultural Products", aimed at improving access to finance in the agricultural sector.
- Discussion roundtable "Cash or Digital" on reducing business costs through digital payments in Albania, held as part of Inn Fest 2025 by Helvetas, promoting dialogue and networking among banks, fintech companies, and e-commerce stakeholders.
- Discussion roundtable with the Albanian Financial Intelligence Agency on anti-money laundering efforts and strengthening cooperation for the prevention of financial crime.
- Relaunch of the Sustainable Development and Integrity Commission at the International Chamber of Commerce in Albania, to represent the financial sector in sustainable development.
- Roundtable on the secure transport of cash at Tirana International Airport "Mother Teresa", with the participation of the Civil Aviation Authority, TIA, the State Police, and Customs Authorities.

- Discussion roundtable with the Commissioner for Personal Data Protection on the implementation of Law No. 124/2024.
- Online roundtable with the Ministry of Finance and the Bank of Albania on the strategy to reduce cash payments.
- Participation in the discussion roundtable on integrity risk assessment at the State Cadastre Agency, together with representatives of public and private institutions and the EU Delegation.
- Participation in the 61st, 62nd, and 63rd meetings of the Associate Members of the European Banking Federation (EBF).
- Receipt of the BACEE Award for the Development of International Banking Cooperation by the Secretary General of AAB, Mr. Spiro Brumbulli, at the International Banking Conference in Vienna, recognizing his personal contribution and AAB's active role within BACEE.
- Participation in a meeting organized by the Ministry of Economy and Innovation and the Ministry of Finance on the "Cashless Albania 2028" initiative, with the participation of bank CEOs and AAB representatives.
- Meeting with COELA and the Danish Presidency of the Council of the EU in Tirana on developments in the banking sector and initiatives to reduce the use of cash.
- Meeting between the Albanian Association of Banks and the Kosovo Banking Association to strengthen inter-institutional cooperation, exchange experiences, and discuss developments in the banking sector, innovation, digitalization, and financial education.
- The Secretary General of AAB participated in the Parliamentary Committee on Economy, Employment and Finance regarding the government's fiscal package.
- Participation in the 2025 Integrity and Anti-Corruption Conference, organized as part of Integrity Week in Albania.



b. Workshop

- "Albania Banking Roundtable 2025", co-organized with McKinsey & Company, on global banking trends, challenges, and opportunities for the banking sector in Albania.
- Online seminar on the Digital Operational Resilience Act (DORA), with the participation of 90 bank employees.
- Cybersecurity Forum in the Banking Sector 2025 in Tirana, organized by AAB in cooperation with the Kosovo Banking Association.
- Workshop on the National Green Taxonomy, organized by the Bank of Albania and the European Investment Bank, with the participation of the ESG Committee, representatives of the banking sector, the Financial Supervisory Authority, and international partners.
- Consultative roundtable on the Draft Law of the new Criminal Code, concerning criminal offences in the areas of taxation and customs, the banking and financial sector, commercial companies' activities, bankruptcy, and money laundering.
- FinTech roundtable, organized by the Albanian Financial Intelligence Agency and the European Movement Albania.
- Technical Committees roundtable on the main projects for 2026.
- Workshop on Open Banking and financial innovation, organized in cooperation with Fibank Albania, with the participation of commercial banks, the Bank of Albania, and electronic money and payment institutions.
- Roundtable on financing agricultural technologies, organized by REC Albania in cooperation with key stakeholders from the financial sector and the insurance sector.
- Participation in the "Cashless Albania" panel during Global Entrepreneurship Week, organized by Financial Union of Tirana and Startup Albania.
- Workshop on digital onboarding and regulatory compliance, in cooperation with Blinking.
- Public consultation roundtable on economic and property offences within the framework of the Draft Law on the new Criminal Code.



5. The Banking Sector in Albania

Financial indicators for 2025

During 2025, the banking sector maintained healthy indicators of capitalization, liquidity, and credit portfolio quality, while lending to businesses and individuals continued to expand. At the same time, further growth was recorded in the use of electronic services and payments, reflecting the advancement of the digitalization process and the shift toward an economy that is increasingly less dependent on cash. The stability and performance of the banking sector continued to support its role in financing the economy and strengthening public confidence.

ECONOMY

3.79%

GDP growth

2.2%

Average inflation rate

52.8%

Public debt to GDP

8.3%

Unemployment rate

FINANCIAL SYSTEM AND BANKS

97%

Share of financial system
assets in relation to GDP

87.5%

Share of banking sector
assets to GDP

90%

Banking sector assets to
financial system assets

20.36%

Capital adequacy ratio

43%

Liquid assets to short-term
liabilities

449

Bank branches / agencies

CREDIT

34.0%

Credit-to-GDP ratio

14.4%

Growth of the private sector
credit portfolio

16.6%

Growth of the credit
portfolio in Lek

58.2%

Share of credit portfolio in
Lek to total credit

12.3%

Credit growth to businesses

18.3%

Credit growth to individuals

DEPOSITS

68.3%

Deposit-to-GDP ratio

10.7%

Growth in bank deposits

194%

Deposit-to-loan ratio

3.8%

Non-performing loans ratio
to total loans

PAYMENTS

67%

of total payments were
made using bank cards

66%

of payments made remotely
as a share of total transfers

23.2%

Growth in the number of
"home banking" transactions

14.5%

Growth in the value of
"home banking" transactions

44.4%

Growth in the number of
remotely accessible
accounts

46.8%

Share of remotely accessible
accounts to total bank customer
accounts

6. Main Pillars of AAB

This section outlines the key pillars of AAB:

- Improvement of the regulatory framework
- Transformation of the banking sector
- Training and development of bank employees
- Financial education
- Public relations and communication

6.1 IMPROVEMENT OF THE REGULATORY FRAMEWORK AND COOPERATION WITH AUTHORITIES

6.1.1 Legal and Sublegal Framework & Regulatory Framework of the Bank of Albania

Legal and sublegal framework

During 2025, the banking sector, through the Executive Office, was involved in the consultation process on several draft laws and draft decisions of the Council of Ministers, some of which were subsequently approved by the Parliament of the Republic of Albania or by the relevant authorities, such as:

- Law **“On Personal Data Protection”** – AAB participated in a meeting organized by the Investment Council and the Commissioner for the Right to Information and Personal Data Protection, in cooperation with the Albanian Foreign Investors Association (FIAA), to contribute to the understanding and practical implementation of the legal provisions by the banking sector.
- Draft Law **“On the Albanian Development Bank”** – AAB has been actively involved in the consultation process and has submitted specific proposals on the draft law to the Minister of State for Entrepreneurship and Business Climate, as well as to the Parliamentary Committees on Economy and Finance and on Legal Affairs, Public Administration and Human Rights, contributing to the consultation process and alignment with international best practices.
- Draft Law **“On the Credit Bureau”** – AAB participated in meetings organized by the World Bank, where best practices and alternatives for the establishment of a Credit Bureau in Albania were discussed.
- **Draft Law on the New Criminal Code** – AAB participated in the public consultation process and submitted to the Ministry of Justice the banking sector’s comments on Articles 61,

78, 865, and 901 of the draft law, which were also submitted in writing.

- **“Albania 2030”** reforms undertaken by the Special Parliamentary Committee – AAB has been involved in the process by addressing key matters in the areas of good governance, anti-corruption, and rule of law implementation, in line with Albania’s EU integration objectives.
- Council of Ministers Decision **“On the Sovereign Guarantee for Agriculture”** – AAB, through its technical experts, participated in several meetings aimed at extending the term and improving the product to reflect field requirements and best practices for this type of scheme.
- **On the Security of Cash Transportation at Tirana International Airport “Mother Tereza”** – AAB submitted to the Civil Aviation Authority, TIA, the General Directorate of the State Police, and the General Directorate of Customs its proposal for an action plan aimed at ensuring modern standards for the secure movement of cash, with agreement reached on the continuation of meetings in line with the responsibilities of each stakeholder.
- **On the Common Reporting Standard (CRS)** – AAB submitted to the General Directorate of Taxation the sector’s proposals and discussions on the amendments to the CRS 2 reporting standard and the XML schema, while also addressing the key issues identified through the risk analysis of previous years’ reporting.

Regulatory framework of the Bank of Albania

- Regulation **“On transparency for banking and financial products and services”** – AAB submitted the consolidated comments of the banks during the consultation process. The revised regulation entered into force on 1 May 2025.
- **Credit risk weighting and large exposures for public strategic projects** – AAB has

followed up on the sector’s requests and submitted to the Bank of Albania proposals for reducing credit risk weighting and large exposure requirements for the financing of public strategic projects, with the aim of encouraging banks to create more effective incentives for the country’s economic development.

- **Open Banking** – AAB has monitored compliance with regulatory obligations and sectoral challenges regarding the implementation of Open Banking Operational Standards by Payment Service Providers, with the aim of ensuring a structured transition.
- Regulation **“On foreign exchange activity”** – AAB followed the sector’s requests for amendments to the regulation addressed to the Bank of Albania, with the aim of aligning the regulatory framework with the current development conditions of banking services, particularly considering the SEPA project and the implementation of Open Banking procedures, and submitted a unified set of banks’ comments and suggestions on the proposed regulatory changes.

6.1.2 Cooperation with the authorities

BACEE Award for International Banking Cooperation

On 20 October, in Vienna, during the 50th Jubilee International Conference of BACEE, the Secretary General of AAB, Mr. Spiro Brumbulli, was awarded the BACEE Award for the Development of International Banking Cooperation. The award recognized his personal commitment, as well as the active role of the Albanian Association of Banks in cooperation with international authorities and institutions within the framework of its membership in BACEE.

Cooperation Agreement with the State Police on the Prevention of Cybercrime

On 22 October, the Albanian Association of Banks (AAB) and the General Directorate of the State Police signed a Memorandum of Cooperation to strengthen coordination in the prevention of cybercrime and to enhance security in the banking sector. The agreement aims to facilitate information sharing, public awareness, and professional training in the field of cybersecurity, with a particular focus on combating online fraud.

Presentation of Law No. 124/2024 "On Personal Data Protection"

The Albanian Association of Banks (AAB) participated in a roundtable organized jointly with the Office of the Commissioner for the Right to Information and Personal Data Protection and second-tier banks, focusing on the implementation of Law No. 124/2024. The meeting addressed the law's key innovations and obligations, including data protection in digital systems, data retention, periodic audits, privacy policies, and marketing practices. AAB and the banks reaffirmed their active commitment to compliance with the law and institutional alignment, placing personal data protection as a priority in the digital transformation of the financial sector.

KBA and AAB on AML/CTF

Regional cooperation between Albania and Kosovo in the field of anti-money laundering and counter-terrorist financing (AML/CTF) was further strengthened during the AML/CTF Forum organized by the Albanian Association of Banks (AAB) in cooperation with the Kosovo Banking Association (KBA). The forum brought together representatives of member banks, Financial Intelligence Units, the Bank of Albania, and the Central Bank of Kosovo, and served as a platform for sharing experiences and harmonizing risk management practices, with a focus on high-risk clients, innovation, digitalization, Open Banking, and SEPA preparedness.

6.2 BANKING TRANSFORMATION

6.2.1 Projects

Credit Bureau Project

The Credit Bureau project represents an important step towards strengthening Albania's credit information infrastructure, with the aim of increasing transparency and access to finance. In cooperation with the World Bank, AAB has held continuous technical meetings to coordinate the project's next steps and to prepare a comprehensive draft law aligned with international practices and standards.

POSI Introduction

On 27 March, the Albanian Association of Banks (AAB), in cooperation with the Minister of State for Entrepreneurship and Business Climate and Mastercard, launched the National Electronic Payments Acceleration Program, known as POSI. The program aims to expand the network of POS (Point of Sale) terminals across the country, offering selected businesses fee-free usage for a 12-month period. The initiative targets accommodation and hospitality businesses, restaurants, small enterprises, and taxi services, with the aim of promoting electronic payments, reducing cash usage, and combating informality.

All Albanian banks jointly submit SEPA applications

On 10 April, the Bank of Albania and the Albanian Association of Banks (AAB) officially submitted applications to the European Payments Council (EPC) on behalf of all banks operating in the country, paving the way for their inclusion in the SEPA (Single Euro Payments Area) scheme. The first cross-border euro transactions were initiated in October 2025, ensuring faster and more secure transfers, lower costs for citizens and businesses, and stronger financial integration with European markets.



6.2.2 Seminars and webinars

Agricultural sector lending in focus of discussions

On 6 February, AAB participated in a roundtable organized by the Bank of Albania on agricultural sector lending, where challenges and opportunities for the development of the sector were discussed. The meeting brought together representatives from the banking sector, public institutions, and businesses, who shared views and proposed mechanisms for a more structured and efficient approach to agricultural financing.

Roundtable on banking in Albania by McKinsey & Company and AAB

On 26 February, McKinsey & Company, in cooperation with the Albanian Association of Banks (AAB), organized a roundtable in Tirana, bringing together senior leaders of the banking sector to discuss key industry developments and challenges. The discussions focused on the findings of the "Global Banking Annual Report 2024", global trends and challenges related to the adoption of digital banking, as well as its impact on operational efficiency and customer experience, fostering dialogue on the future of the banking sector in Albania.

Financial education for women in the workplace

On 19 March, AAB organized the workshop "Financial Education for Women in the Workplace: Money Management and Access to Banking Services", in cooperation with the company HAKO, with the aim of empowering women through financial literacy and improving access to banking services. The discussions focused on personal finance management, banking products and services, as well as savings, investment, and financing opportunities for individuals and businesses. Special attention was given to security in the use of digital platforms and protection against online fraud.

AML/CTF Forum 2025: Compliance Challenges in the Face of Technology

On 20 June, AAB, in cooperation with the Kosovo Banking Association, organized a regional forum



in Prishtina on Anti-Money Laundering and Countering the Financing of Terrorism (AML/CTF). The forum brought together representatives of banks, Financial Intelligence Units, and the central banks of Albania and Kosovo. The Albanian Association of Banks, through its Compliance Committee and member banks, shared practical experiences from daily operations and provided insights into improving existing risk management mechanisms, highlighting the need for sustainable and regionally applicable solutions.

First institutional roundtable between commercial banks and EMIs on payment services

On 17 July, AAB organized the first institutional roundtable between commercial banks and electronic money institutions and payment institutions (EMIs), with the participation of the Bank of Albania, to discuss developments and challenges in the payment services sector. The meeting brought together representatives from the Compliance and IT departments of all member banks, who shared experiences and discussed key issues such as the management of SafeGuard accounts, access to business accounts through Open Banking, and the integration of EMIs into the SEPA system. In conclusion, the parties agreed to submit formal requests to the Bank of Albania for the harmonization and clarification of practices, marking an important step in strengthening institutional dialogue and cooperation between banks and EMIs.

AAB Technical Committees Roundtable on 2026 Projects

On 6 October, the chairs of the AAB Technical Committees met to present the projects that will impact the development of the banking system during 2026. The discussions focused on innovative payment solutions and the improvement of financial services for citizens and businesses. Key topics included inter-institutional cooperation, public communication, and the development of specialized training, as well as the exchange of practices with the Kosovo Banking Association and international experiences.



Cybersecurity Forum in the Banking Sector 2025

On 24 October, AAB, in cooperation with the Kosovo Banking Association, organized in Tirana the Cybersecurity Forum in the Banking Sector. The Albanian Association of Banks, through its Cybersecurity Committee and its participants, shared practical experiences and provided insights into improving existing mechanisms and adopting new technologies, highlighting the need for sustainable and regionally applicable solutions. The forum emphasized the importance of institutional and regional cooperation in building a digitally secure financial system.



Open Banking: From Regulation to Revenue - The Future of Financial Innovation

On 12 November, AAB, in cooperation with Fibank Albania, organized a workshop on Open Banking, presenting how regulation and compliance can be transformed into a competitive advantage and how innovation in this field creates value for customers, businesses, and the economy. The event brought together representatives from 11 commercial banks engaged in digitalization, the Bank of Albania, and electronic money and payment institutions (EMIs), who shared experiences and insights on the sector's developments and future opportunities.



AAB participates in roundtable on agricultural technology financing

AAB participated in the discussion roundtable "Challenges of Agricultural Technology Financing", organized by REC Albania with key stakeholders from the financial and insurance sectors, where the role of financial institutions in supporting farmers' investments in innovative technologies and adaptation to climate change was addressed. The discussions focused on specialized and accessible financial products, risk assessment, the development of sustainable instruments, and the need for financial literacy among farmers. The findings of the initiative "Solutions Connecting Farmers" were also presented, introducing technologies such as solar-powered irrigation systems and biomass shredding machines, illustrating the opportunities created when financing is combined with innovation.

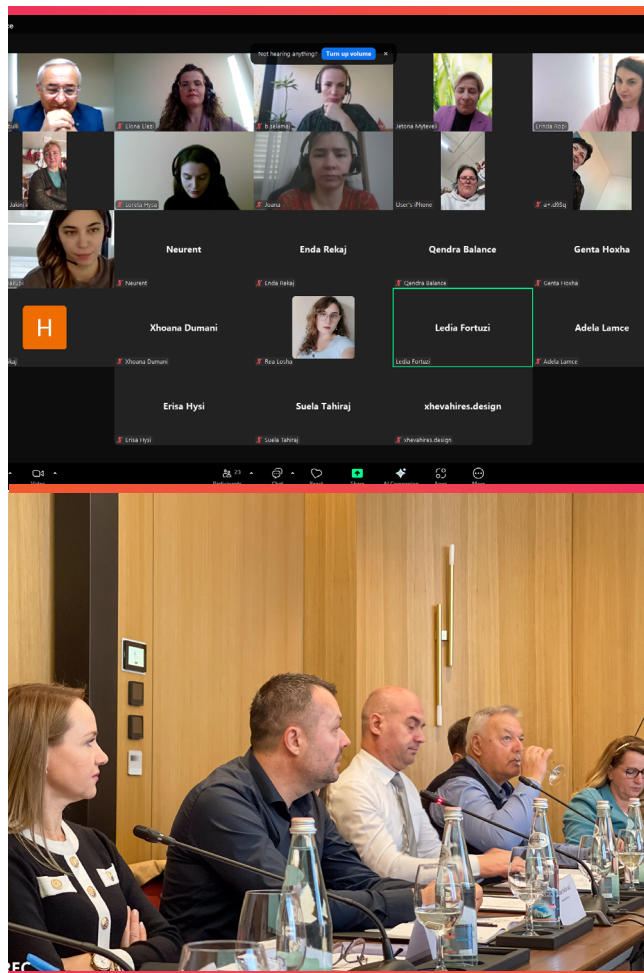


Online workshop on access to finance for women entrepreneurs

On 15 December, AAB, in cooperation with the Balance Center, organized an online workshop on the financial empowerment of women entrepreneurs, where participants were introduced to tools and practices for business growth and sustainability. The sessions covered topics such as SEPA, banking products for businesses, credit opportunities for women-led enterprises, online sales, and digital channels.

Workshop on Digital Onboarding and Regulatory Compliance

On 11 December, AAB, in cooperation with Blinking, organized a workshop in Tirana on digital customer onboarding and regulatory compliance, including anti-money laundering (AML). The meeting brought together representatives from Alternative Channels, Compliance, and AML units from banks, who shared best practices and presented innovative solutions to simplify and secure the digital onboarding process. The workshop concluded with a Q&A session, enabling discussions on operational challenges and next steps for cooperation in the digitalization of banking services.



6.3 TRAINING AND DEVELOPMENT OF BANK EMPLOYEES

During 2025, the Albanian Association of Banks continued to support the professional development of banking sector employees through a series of specialized training programs. A total of 30 trainings were delivered in key areas of the banking sector, providing advanced knowledge and insights into industry best practices. These activities were attended by 779 employees from member banks, demonstrating the Association's commitment to the continuous strengthening of human capacities within the banking system.

Throughout the year:

- 30 trainings
- 30 topics
- 8 collaborators
- 779 bank employees trained

In collaboration with ATTF/House of Training:

Topic: Leadership in the Digital Age

Date: 12-14 February 2025

Participants: 18

Description: Through this training, participants were introduced to leadership strategies in a digital environment, gaining skills to manage teams and processes in an era where technology influences decision-making, innovation, and organizational performance.

Topic: Digital Transformation and Fintech

Date: 12-14 February 2025

Participants: 24

Description: Through this program, participants were introduced to key fintech trends, blockchain technologies, and artificial intelligence, as well as innovations in digital banking, gaining skills to assess and implement innovative solutions that enhance the efficiency and competitiveness of financial institutions.



Topic: Corporate Governance

Date: 28-30 May 2025

Participants: 14

Description: The training focused on corporate governance principles, providing participants with knowledge on governance structures, transparency, risk management, and the legal responsibilities of the board, with the aim of improving decision-making practices and enhancing the credibility of financial institutions.

Topic: CFSSO

Date: 16-19 September 2025

Participants: 20

Description: This certified training focused on the security of the financial sector, providing participants with knowledge of information security policies in line with international standards, risk management in the financial sector, and measures for protecting critical information and financial assets. Participants had the opportunity to deepen their expertise and be certified as Financial Sector Security Officers (CFSSO).

Topic: Liquidity Risk

Date: 27 October 2025

Participants: 22

Description: This program aimed to strengthen liquidity risk governance and support Albanian banks in aligning with international standards. Participants engaged in practical discussions on liquidity assessment and monitoring in commercial banks.

Topic: ILAAP

Date: 28 October 2025

Participants: 26

Description: This program focused on strengthening Internal Liquidity Adequacy Assessment Processes (ILAAP) and ensuring the compliance of Albanian banks with international liquidity management standards. Participants took part in practical exercises and case studies on liquidity measurement, monitoring, and reporting in financial institutions.



Topic: AML and CTF Certification Program

Date: 11 - 14 November 2025

Participants: 12

Description: This program provided participants with a comprehensive introduction to AML/CTF principles, the identification of emerging risks, and the use of practical compliance tools. The interactive sessions combined expert presentations with case studies and group discussions, fostering active engagement and practical learning.

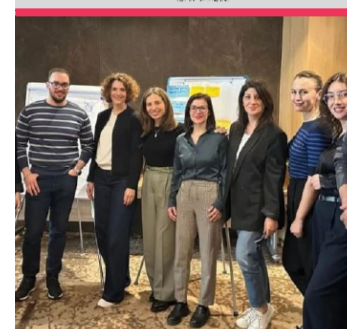
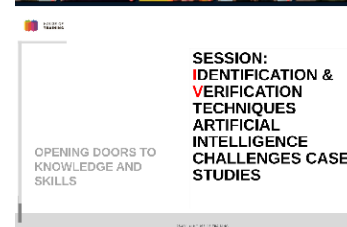
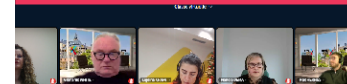
Topic: Fraud and Cyber Fraud

Date: 26 - 27 November 2025

Participants: 42

Description: This training provided participants with practical skills to identify, prevent, and respond to fraud, including digital financial crimes. Through case studies and real-life examples, participants learned to use digital tools and analytical techniques to strengthen their institutions' capabilities in fraud prevention and detection.

Note: During 2025, 7 bank employees were selected by ATTF to attend international courses and certifications organized online or in person in Luxembourg, including CISM, CAMFIN, CAMBOC, ESG, and others.



In collaboration with the Albanian Institute of Internal Auditors (AIIA)

Topic: Fraud in the Digital Era

Date: 14 - 15 April 2025

Participants: 27

Description: This training focused on the identification and prevention of technology-enabled financial crimes. Participants engaged in case studies and real-life examples to strengthen their skills in detecting, analyzing, and responding to digital fraud.

Topic: **Leading Modern and Effective Internal Auditing**

Date: 19 September 2025

Participants: 17

Description: This training focused on the strategic role of internal auditors in risk management and building high-performing teams, as well as strengthening cooperation with management, Audit Committees, the Board of Directors, and regulators.

Topic: **ESG in Banks**

Date: 17 - 18 November 2025

Participants: 22

Description: The training helped participants understand key ESG frameworks, recent regulatory developments, and practical ways to integrate sustainability into banking strategies and operations.

Topic: **Root Cause Analysis or Internal Auditors**

Date: 25 November 2025

Participants: 25

Description: The focus of this training was to equip participants with practical techniques for identifying the root causes of audit findings and operational issues. The training enhanced auditors' analytical skills and approach to developing effective corrective actions, providing valuable insights for improving the quality and impact of internal audit.

Topic: **Data Analytics for Auditors**

Date: 28 - 29 November 2025

Participants: 24

Description: In this training, participants were introduced to practical techniques for analyzing large data sets, identifying anomalies, and supporting evidence-based decision-making.



Topic: Sales Management and Negotiation

Date: 20 - 21 February 2025

Participants: 11

Description: The focus of this training was to introduce strategies for building sustainable customer relationships, identifying their needs, and providing practical tools to improve sales performance.

Topic: Mastering Public Relation and Public Speaking in Banking Sector

Date: 25 - 26 March 2025

Participants: 9

Description: This training focused on building strategic messaging, effective crisis communication, and media relations management. Participants developed skills to communicate with impact, moving from simply informing to influencing and leading.

Topic: Customer Centricity

Date: 17 - 18 April 2025

Participants: 11

Description: The focus of this training was placing the customer at the center of every service and process, emphasizing the importance of understanding their needs and expectations

Topic: B2B Communication for Banks

Date: 27-28 May 2025

Participants: 3

Description: This training focused on the most effective ways of communication between banks and businesses. Through real-life simulations, practical exercises, and group work, participants developed skills in negotiation, trust-building, stakeholder management, and strategic communication.



Topic: The Ethic of Communication

Date: 23 - 24 September 2025

Participants: 5

Description: The focus of this training was the development of ethical communication, helping participants understand and apply fair practices in media relations, written and interpersonal communication, as well as internal communication within organizations.



In collaboration with Network Tribe:

Topic: Data Analytics for Banking Executives

Date: 20 - 21 January 2025

Participants: 12

Description: This training focused on the use of data for more informed decision-making. The program addressed key topics such as predictive analytics and practical applications in the banking sector, providing useful and applicable insights for managers and executives.

Topic: Embracing Generative AI

Date: 23 January 2025

Participants: 9

Description: Exploring the opportunities of AI in financial services was the focus of this training, helping participants understand the potential of artificial intelligence-based technologies and their regulatory aspects.

Topic: IFRS Program

Date: 25 - 26 March 2025

Participants: 18

Description: The training provided in-depth knowledge and practical tools for the effective implementation of IFRS standards, with a particular focus on IFRS 9 and IFRS 7. The program addressed compliance, risk assessment, transparency, and the improvement of financial reporting practices in the banking sector.

Topic: **Mind Mapping**

Date: 13 June 2025

Participants: 7

Description: The focus of this training was the adoption of visual methods for organizing information and structuring tasks. The program addressed how the brain processes information, visual principles, and techniques for building mind maps, as well as their use in meetings, presentations, projects, and idea management.



Topic: **EBA – Forebearance and definition of Default**

Date: 13 - 14 October 2025

Participants: 11

Description: This training focused on the new definitions of default and forbearance according to the European Banking Authority (EBA). Participants were introduced to the impact of these changes on credit risk management, regulatory reporting, and bank operational processes.



Topic: **FINREP**

Date: 16 - 17 Decemberr 2025

Participants: 31

Description: The training provided a practical and implementation-oriented approach, covering the entire FINREP reporting process, from data preparation and validation to data quality controls, as well as the preparation and submission of reports in XBRL format.



In collaboration with Deloitte:

Topic: **Employment- Changes in the Income Tax Law**

Date: 24 January 2025

Participants: 25

Description: The focus of this training was the introduction of changes in labor law and income taxation, where key legal updates and their impact on Human Resources practices were discussed.



In collaboration with German Sparkassenstiftung for International Cooperation Albania:

Topic: **Peer -to -Peer Workshop on DORA**

Date: 22 July 2025

Participants: 90

Description: The training focused on the requirements of the DORA regulation and its impact on the financial sector, highlighting the strengthening of IT security, incident management, and cyber resilience in line with European Union standards.

Topic: **Savings Game**

Date: 30 – 31 October 2025

Participants: 40

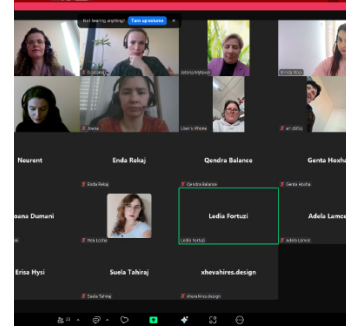
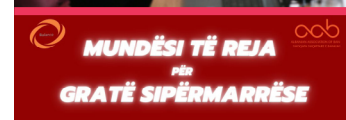
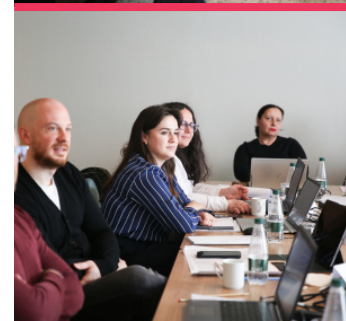
Description: Through an interactive game, students practiced personal financial management, facing real-life challenges such as budgeting, saving, investing, and debt management, encouraging them to make responsible decisions and apply money management skills in a dynamic and collaborative environment.

Topic: Stock Market Learning Competition

Date: October 2025 - January 2026

Participants: 160

Description: Participants, professionals from various fields in the banking sector, managed a simulated investment portfolio for three months, applying real market strategies and deepening their knowledge of investments, risk management, and capital markets. This edition saw nearly double the participation compared to the previous year and reflects optimism about the future of the banking sector and its ability to adapt to market changes.



In collaboration with Keynote UK:

Topic: Compensation Design and Pay-for-Performance Master class

Date: 1 - 2 April 2025

Participants: 12

Description: During this training, participants were introduced to modern methods of compensation design, structuring salary packages, and linking them to individual and team performance. The training focused on best practices for employee incentives, motivation for high performance, and improving organizational performance, ensuring a fair and transparent approach to financial rewards.

In collaboration with Balance Center:

Topic: Opportunities for Women in Business

Date: 15 December 2025

Participants: 25

Description: The online meeting brought together around 25 women entrepreneurs, who were introduced to financial practices and instruments supporting business growth and sustainability. Key topics included SEPA, banking products tailored for businesses, credit opportunities for women-led enterprises, as well as online sales and the use of digital channels.

6.4 FINANCIAL EDUCATION

AAB implemented a series of activities and projects aimed at empowerment through financial education and inclusion in Albania. Through initiatives such as European Money Week, the Money Quiz, International Savings Day, as well as open educational sessions and broader media engagement, AAB demonstrated its continued commitment to promoting financial literacy and strengthening cooperation between stakeholders in the banking and financial sector.

Opening Ceremony of European Money Week 2025

It was held on 17 March 2025 at the premises of the Bank of Albania. The event was attended by Mr. Gent Sejko, Governor of the Bank of Albania, and Mr. Bledar Shella, Chairman of the Supervisory Council of AAB.

Following the opening remarks, the ceremony continued with the award presentation to the winners of the five competitions organized by the Bank of Albania and AAB:

- **Best Drawing Competition:** Over 600 drawings were submitted by third-grade students from more than 80 schools across the country, with the support of Banka Kombëtare Tregtare.
- **Best Project Competition:** Around 2,300 students from 60 schools submitted 70 projects, with the support of Credins Bank.
- **Best Photomontage Competition:** Students from 70 schools created 155 photomontages, with the support of Raiffeisen Bank.
- **Best Video Competition:** 100 students from 35 high schools submitted 75 videos, with the support of Union Bank.
- **Best Essay Competition:** Students from 7 universities submitted 8 essays, with the support of Tirana Bank.

European Money Quiz

On 10 April, the national final of the Money Quiz 2025 was held, organized by AAB in cooperation



with the Bank of Albania and the Albanian Deposit Insurance Agency (ADIA), with the support of the Ministry of Education and Sports. The event brought together 718 students aged 13–15 from 67 schools across the country. The winning team from the “Drita Pelinku” primary school in Tirana represented Albania in the European Money Quiz final in Brussels on 23 May 2025.

On 23 May, the European Money Quiz 2025 final was held in Brussels, with participants from 30 countries. The Albanian team, represented by Eldior Myftaraj and Mikel Rama from the “Drita Pelinku” school in Tirana, ranked 4th.

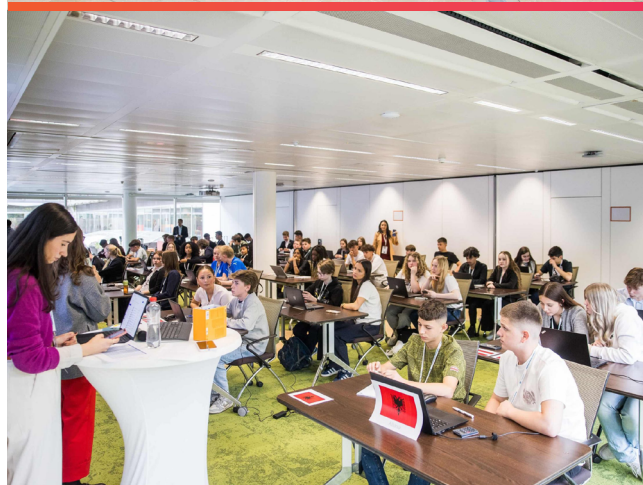
In addition to the competition, participants had the opportunity to visit Wikifin Lab, an innovative financial education center, attend the opening ceremony of the Euronext Stock Exchange, and explore the Parlamentarium – the official visitors’ centre of the European Parliament.

Open Lectures at Universities

AAB, together with members of its Payments, Cards, Digitalization and Alternative Channels Committee, Cyber Emergency Task Force, and IT Committee, delivered open lectures at public and private universities, reaching around 435 students. The discussions focused on key topics such as the power of savings, digital security, cyber threat risks, innovations in open banking, and the latest trends in the banking sector. Through practical examples and direct interaction, participants were introduced to developments in the banking industry and gained valuable insights for their future careers.

AAB presence at universities:

- **Epoka University**, attended by Mr. Lorenc Tabaku, IT Department Director, and Mr. Fatjon Muca, Information Security Department Director, Fibank Albania.
- **Western Balkan University**, attended by Mr. Reglend Xhango, Head of Security Department, OTP Bank, and Ms. Entela Prifti, Head of Security Division, Raiffeisen Bank.
- **Canadian Institute of Technology (CIT)**, attended by Ms. Xhilda Shehu, Head of Mass Client Department, Intesa Sanpaolo Bank.



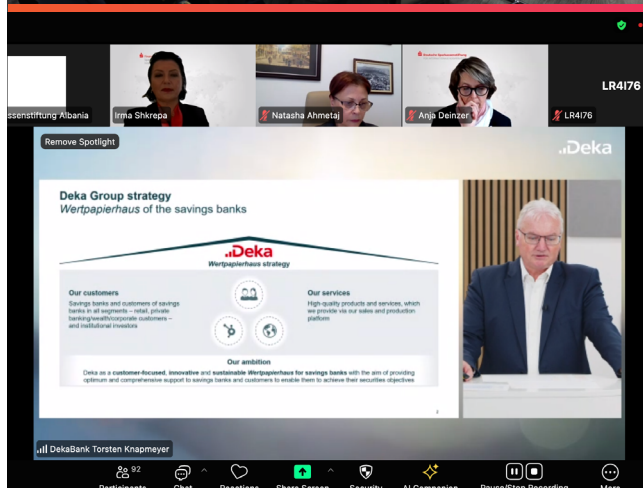
- **European University of Tirana**, attended by Ms. Odeta Paloka, Head of Operations, ABI Bank.
- **Faculty of Economics, University of Tirana**, attended by Mr. Spiro Brumbulli, Secretary General of AAB, and Ms. Elona Labinoti, Head of Operations at Fibank Albania.
- **University of New York Tirana**, attended by Ms. Irida Huta, Digital Channels Manager/ Retail Banking Division at OTP Bank Albania, and Ms. Jonida Kaçani, Deputy Director of Supervision Department at the Bank of Albania.

Other Financial Education Activities

On 19 March, the Albanian Association of Banks (AAB) organized the “Financial Education for Women in the Workplace: Money Management and Access to Banking Services” roundtable, with the participation of women employees from HAKO sh.p.k. The activity created a valuable space for discussion and exchange of experiences on the importance of sound personal finance management, savings, investments, and the safe use of digital banking services. The workshop was opened with welcoming remarks by the Secretary General of AAB, Mr. Spiro Brumbulli, and Ms. Antonela Hako, Executive Director of HAKO sh.p.k. and Chair of the Women's Economic Chamber, who emphasized the importance of women's financial empowerment and the role of financial education in strengthening economic independence. During the discussions, representatives from ProCredit Bank presented banking products and services, while participants had the opportunity to share experiences and discuss the challenges they face in managing personal and business finances.

Stock Market Learning Competition for Bankers

On 14 October, AAB, in cooperation with the German Sparkassenstiftung Albania and with the support of the Financial Education Sector of the Bank of Albania, organized the opening ceremony of the second edition of the “Stock Market Learning Competition for Bankers”. More than 150 bankers registered for this initiative, doubling participation compared to the first edition. Over a three-month period, participants managed and



invested virtual fund portfolios through an online platform, working with real market data and developing their practical skills in investment, risk management, and financial decision-making. The competition served as an innovative platform for strengthening professional capacities and financial education within the banking sector.

World Savings Day: Students develop practical financial skills

On 30–31 October, the Albanian Association of Banks (AAB), in cooperation with German Sparkassenstiftung Albania, organized the two-day “Saving Game” activity on the occasion of World Savings Day. Students from Polis University and the University of New York Tirana took part in this initiative. Through an interactive game, students learned and practiced effective personal finance management, facing real-life economic situations and financial decision-making. Working in groups, they assumed different roles and tackled challenges such as budgeting, saving, investing, and debt management. The activity encouraged students to make responsible financial decisions for their future. The collaborative atmosphere and discussions throughout the game created a practical, engaging, and enriching experience for all participants.



6.5 PUBLIC RELATIONS AND COMMUNICATION

During 2025, the Albanian Association of Banks (AAB) implemented a series of initiatives to raise public awareness of the risks of online fraud targeting personal and banking data. The AAB Secretary General communicated preventive measures for citizens, including caution regarding suspicious links, not sharing personal data, using trusted online payment platforms, and reporting any suspicious activity to banks. In this context, member banks, in cooperation with relevant institutions, strengthened customer security and education to reduce risks and enhance financial safety. In addition, AAB aimed for broad media coverage to inform the public about key trends in the banking sector and to highlight the positive contribution of banks to society.

More than 20 media interviews were conducted, addressing key topics such as cybersecurity, digitalization, the importance of updating personal data, the performance of the banking system, electronic payments, the cashless economy, and SEPA transfers.

CYBERSECURITY AWARENESS MONTH

Throughout October, internationally recognized as Cybersecurity Awareness Month, the Albanian Association of Banks (AAB) organized a series of open lectures for students at universities engaged in this initiative, including Metropolitan University, Western Balkans University, and Epoka University. The lectures aimed to raise awareness of digital threats and safe practices for managing personal information and finances.

Around 270 students from Computer Engineering, Cybersecurity, Finance–Banking, and Fintech programs participated. Presenters from AAB member banks shared practical experiences on information security and personal data protection.



- FIBank Albania – Mr. Fatjon Muça, Head of the Cybersecurity Department, addressed the most common attacks and incident response.
- OTP Bank – Mr. Reglendi Xhango, Head of the Cyber Emergency Task Force, presented cyber risk management practices.
- Raiffeisen Bank – Ms. Entela Prifti, Head of the Security Division, shared examples of risks in the financial sector and protective strategies.
- Union Bank – Mr. Ermal Galo, Information Security Manager, focused on daily practices for data protection.

“Cybersecurity in the Banking Sector 2025” Forum

On 24 October, AAB organized the “Cybersecurity in the Banking Sector 2025” Forum in cooperation with the Kosovo Banking Association, highlighting regional cooperation in the field of digital security. The forum brought together representatives of public institutions, commercial banks, regulatory authorities, and security experts, including Mr. Spiro Brumbulli, Secretary General of AAB; Mr. Petrit Balijsa, Chief Executive of the Kosovo Banking Association; Mr. Igli Tafa, Director General of the National Cyber Security Authority; and Mr. Mario Trinchera from CertFin Italy, an expert in digital risk awareness. The discussions focused on cyber security governance strategies, online fraud prevention, the evolution of cybercrime, and payment security through open banking, SEPA, and instant payments. The forum emphasized the importance of institutional and regional cooperation in building a sustainable and digitally secure financial ecosystem.

PUBLICATIONS

- The quarterly **Corporate Social Responsibility (CSR)** brochure is a periodic report published by AAB to share the corporate social responsibility actions and commitments of banks. The brochure is distributed exclusively in electronic format.



- The **2024 Annual Report**, available in electronic format.
- The **2024 CSR Annual Report: Banks for Society**, published in both Albanian and English, available in electronic format.
- On AAB's official website, unaudited quarterly **statistics** are published for key banking sector indicators according to IFRS standards, including data on cards and home banking, as well as monthly aggregated data for the entire sector.

STRENGTHENING MEDIA PARTNERSHIPS

A wine reception with journalists

On 22 December 2025, AAB organized a special reception for economic journalists from leading national media outlets, offering a moment of reflection on the year's achievements and the upcoming challenges for the banking and financial sector. AAB President, Mr. Bledar Shella, thanked journalists for their continuous cooperation in informing the public and highlighted key developments of the year, including Open Banking, SEPA membership, and the entry of three new banks into the market. He also emphasized efforts toward a cashless economy and the completion of the instant payments project, which enhance digitalization and customer experience.

The event included open discussions on banking sector trends, innovative initiatives, and the media's role in public financial education, creating a space for dialogue and closer cooperation between AAB and economic journalists.



NETWORKING

The Executive Office continued to play an active role in communication and coordination with various institutions and organizations, including the Bank of Albania, the Ministry of Finance, the Parliamentary Committee on Economy and Finance, the General Directorate of Taxation, the National Authority for Electronic Certification and Cyber Security (AKSK), the IMF, the World Bank, IFC, the EU Delegation, EBF, VISA, Mastercard, BACEE, ICC, the Kosovo Banking Association (BAK), as well as other local and international non-profit organizations.

During 2025, the Executive Office also supported banks' preparations for accession to the SEPA scheme and the coordination of Open Banking implementation, ensuring close cooperation between regulatory authorities and the banking sector.



7. Technical Committees — Their Focus

The AAB Technical Committees and Working Groups are a driving force of coordination and innovation in the banking sector, enabling the exchange of expertise, addressing operational and legislative challenges, and promoting the sustainable development of the industry. Below is a summary of the key activities of each committee during the year.

Legal Committee

Throughout 2025, the Legal Committee played an active role in discussing and assessing legislative and regulatory initiatives affecting the banking sector, including the draft law on the Credit Bureau, the Albanian Development Bank, amendments to the Criminal Code, and other legislative initiatives. The Association was also present in parliamentary committees within the framework of the “Rule of Law” initiative and strengthened cooperation with state institutions to promote the implementation of best legal practices. A key focus during the year was compliance with personal data protection legislation and support for digital developments in the banking sector, ensuring a clear legal framework for new financial services. Strategic projects were also developed in cooperation with the World Bank and other international partners, while for 2026 the Legal Committee is expected to contribute to the alignment of banking legislation with European Union directives and to the drafting process of the new banking system law.



Albina Hasanaj
Chair
Banka Kombëtare Tregtare

Compliance Committee

Throughout 2025, the Compliance Committee has been engaged in the implementation of the Action Plan of the National Strategy for the Prevention of Money Laundering 2024–2030, contributing to the strengthening of inter-institutional cooperation and the capacity building of the banking sector. The Committee participated in the Inter-Institutional Technical Working Group in line with its role and responsibilities. Within the framework of regional cooperation, it co-organized the Regional AML/CTF Forum with the Kosovo Banking Association and contributed to joint roundtables on developments in the payments market, Open Banking, and the SEPA integration process. In parallel, the Committee carried out awareness-raising activities and open lectures on the implementation of the new personal data protection law in the banking sector. In the coming year, its activities will continue with a focus on strengthening compliance, advancing digitalization, and enhancing financial integrity.



Ada Qazolli
Chair
Banka Kombëtare Tregtare

Risk Management Committee

The Risk Management Committee met regularly during 2025 to discuss key banking sector issues related to regulatory developments and operational practices. The discussions focused on lending for infrastructure projects, the implementation of the new regulation on lending secured by real estate, the progress of the PFBVM program, and sectoral dialogue on developments in agricultural technology. The Committee also followed expectations regarding important regulatory reforms in the sector and remains engaged in monitoring these developments and coordinating the preparedness of member institutions.



Andi Habilaj
Chair
Banka Kombëtare Tregtare

Finance and Accounting Committee

Throughout 2025, the Finance and Accounting Technical Committee focused on topics with a direct impact on reporting (FinRep) and fiscal matters. Changes in the Fiscal Package and their effects on banks were reviewed, providing concrete recommendations for implementation. In addition, regular discussions were held on FinRep requirements, deadlines, and the adaptation of local solutions, as well as on the local implementation of IFRS 9, including provisioning models, approaches of the Bank of Albania, and preparatory measures such as staff training aimed at improving data quality and reporting consistency.



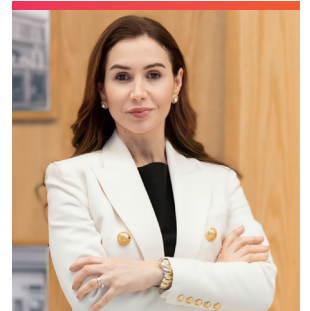
Gerti Vllamasi

Chair

Intesa Sanpaolo Bank Albania

Human Resources Committee

Throughout 2025, the Human Resources Committee strengthened cooperation among member banks through further harmonization of human capital management practices. The Committee successfully coordinated the Korn Ferry Salary Survey, with full participation from member banks, generating confidential customized reports for each institution. During the year, the Committee held five meetings and supported training programs focused on enhancing professional competencies, advancing digital skills, and fostering a culture of continuous improvement in the banking sector.



Edlira Memushaj

Chair

Banka Kombëtare Tregtare

Marketing and Communications Committee

Throughout 2025, the Marketing and Communications Committee focused on implementing the communication strategy approved by the Association's Presidency, aiming to raise public awareness of the role of the banking system and financial education. The year was marked by important regulatory developments, closely monitored by the Association in cooperation with the Central Bank. The Committee continued public communication efforts, the promotion of new products, the digitalization of services, and engagement in the SEPA project, as well as the quarterly publication of reports on the banking sector's corporate social responsibility.



Valbona Guri

Chair

Credins Bank

Cyber Emergency Task Force

Throughout 2025, the Cyber Emergency Task Force (CERT), in close cooperation with the AAB Executive Office, undertook a series of strategic initiatives to strengthen cyber resilience in the banking sector. The activities focused on improving cybersecurity governance, deepening interbank cooperation, and aligning with the national legal framework and international information security standards. CERT acted as a coordination unit in incident management, the exchange of information on cyber threats, the identification of fraud schemes, and the dissemination of best practices, enhancing collective capacities for incident prevention and response. A key achievement of the year was the organization of the 2025 Banking Cybersecurity Forum, which brought together banks, regulatory authorities, and international partners, reinforcing awareness and professional maturity within the digital ecosystem of the Albanian banking sector.



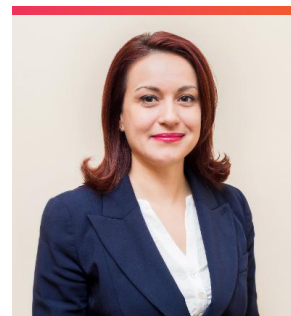
Reglendi Xhango

Chair

OTP Bank Albania

Auxiliary Committee of Payments, Cards, Digitalisation and Alternative Channels

Throughout 2025, the Committee continued to engage in important initiatives aimed at modernizing payment systems and promoting financial innovation. Progress toward SEPA integration has been a strategic step in aligning with European standards, enabling more efficient and secure transactions. Another priority has been the reduction of payment fees, with the aim of increasing the use of electronic channels and expanding transaction volumes. The Committee organized a series of meetings, creating platforms for cooperation between banks and institutions to accelerate the digitalization process and strengthen the role of the banking sector in the country's economic development.



Irida Huta
Chair
OTP Bank Albania

Audit Committee

Throughout the year, the Audit Committee held several meetings aimed at strengthening the role of internal audit and addressing risks in the banking sector. Within the framework of Internal Audit Awareness Month, lectures were organized with students from "Epoka" University and "Ismail Qemali" University, promoting the profession and its role in the banking sector. Committee members contributed to the translation of new international IIA standards and participated in the first regional conference organized by the local Institute of Internal Auditors, where professional practices and developments were shared.



Veridjan Hoxha
Chair
Banka Kombëtare Tregtare

Auxiliary Information Technology Committee

Throughout 2025, the Information Technology Committee carried out continuous activities to improve IT infrastructure, security, and interbank standardization in the banking sector. The activities included the analysis and technical review of IFC materials related to Premium APIs and Open Banking, assessing their impact on security, the need for standardization, and implementation costs. The Committee also served as a coordination point for electronic communication between banks and public institutions, including a pilot project with the General Directorate of Taxation on electronic account blocking and the standardization of electronic reporting of banking data, aiming to increase efficiency and reduce manual processes. In addition, the Committee supported dialogue between banks and FinTech companies, monitoring the latest developments in payment services and facilitating cooperation among market participants.



Altin Kona
Chair
Banka Kombëtare Tregtare

8. Participation in National and International Roundtables and Events

Throughout the year, the Albanian Association of Banks has been actively engaged in cooperation with public authorities and institutions, facilitating dialogue on the challenges of the banking sector, promoting compliance with the regulatory framework, and strengthening relationships with key market stakeholders. Through meetings, roundtables, and forums, AAB has provided a platform for the exchange of ideas and constructive cooperation between member banks and authorities.

Meeting with the Bank of Albania and Line Ministries on Agricultural Sector Lending

On 6 February, the Albanian Association of Banks (AAB) participated in the roundtable discussion organized by the Bank of Albania on the topic "Lending to the agricultural sector: identifying pathways and creating instruments for qualitative progress in agricultural sector financing." The meeting brought together senior representatives from the banking sector, government, and business community, providing a platform for the exchange of views, the identification of challenges, and the proposal of mechanisms to facilitate and structure lending to this sector.

Meeting with the Albanian Financial Intelligence Agency

On 12 February, the AAB Compliance Committee held a meeting with senior officials of the Albanian Financial Intelligence Agency to discuss key anti-money laundering (AML) efforts. The topics addressed included raising public awareness of financial crime risks, the findings of the National Risk Assessment, the Integrated Training Plan, as well as the upcoming MONEYVAL evaluation. Both parties agreed on the next steps to continue cooperation in strengthening measures for the prevention of financial crime.

Dialogue with Private Sector Representatives on the Law "On Personal Data Protection"

On 10 March, representatives from banks participated in a meeting organized by the Investment Council and the Commissioner for the Right to Information and Personal Data



Protection, in cooperation with the Foreign Investors Association of Albania (FIAA). The aim of the meeting was to raise awareness on the rights and obligations set out in Law 124/2024 "On Personal Data Protection". The discussion also addressed how the business community understands the law and its practical implementation.

On 3 September, a joint meeting was held between AAB and the Office of the Commissioner for the Right to Information and Personal Data Protection, with the participation of CEOs of second-tier banks. The discussion focused on institutional coordination, technical and legal challenges, and the steps needed for the effective implementation of Law 124/2024.

Meeting with the General Directorate of Taxation

On 14 May, AAB organized a meeting with representatives of the General Directorate of Taxation and commercial banks in the country, where changes to the Common Reporting Standard (CRS 2.0) and the XML schema were discussed. The session also addressed key issues identified through the risk analysis of banks' reporting in previous years. The parties agreed to continue cooperation and to organize further meetings to ensure the clear and uniform implementation of the CRS standard.

Meeting with Electronic Money Institutions

On 17 July, AAB organized the first institutional roundtable bringing together commercial banks and electronic money institutions (EMIs), with the participation of the Bank of Albania. The meeting aimed to discuss key developments in payment services, including access to SafeGuard accounts, Open Banking, and the integration of EMIs into the SEPA system. The meeting was attended by representatives from the Compliance and IT departments of all member banks. The parties agreed on the need to harmonize practices and clarify responsibilities between banks and EMIs.



Meeting on Cash Transport Security at Tirana International Airport "Mother Teresa"

On 13 August, a meeting was held to improve cash transport practices within the territory of Tirana International Airport "Mother Teresa". The meeting was attended by AAB, the Civil Aviation Authority, TIA, the General Directorate of the State Police, and the General Directorate of Customs. AAB presented an action plan to ensure modern standards for the secure movement of cash, while the parties agreed to continue discussions in line with the responsibilities of each stakeholder.



Working Meeting between AAB and the Bank of Albania

On 22 September, the AAB Supervisory Board held a working meeting with the Bank of Albania, chaired by the Governor. The discussions focused on recent developments in the payment system, the digitalization of banking services, the promotion of electronic payments, and the launch of cross-border payments through the SEPA scheme. The meeting also addressed banking supervision issues, lending, and the regulatory framework for EU accession, as well as the importance of transparency and financial education.



Meeting with the Ministry of Finance and the Ministry of Agriculture on the Sovereign Guarantee

The Albanian Association of Banks (AAB) participated in a joint meeting with the Ministry of Finance, the Ministry of Agriculture and Rural Development, the Bank of Albania, and the CEOs of second-tier banks for the presentation of the new Sovereign Guarantee scheme for lending to the agricultural sector. During the discussions, AAB contributed to reviewing the technical aspects of implementation and the role of member banks in providing financing for agro-processing, agrotourism, fisheries, and aquaculture. The meeting reaffirmed AAB's commitment to supporting financial inclusion, encouraging applications, and strengthening the competitiveness of Albanian products.



Meeting on Financing Agricultural Technology with Representatives from the Financial and Insurance Sectors

On 21 November, AAB participated in the roundtable “Challenges in Financing Agricultural Technology: Transformative Adaptation to Social and Climate Developments”, organized by REC Albania, with key representatives from the financial and insurance sectors. The discussions highlighted the key role of banks in supporting farmers through tailored financial products, sustainable financing instruments, and risk management solutions that enable investments in innovative technologies.



Meeting with the Ministry of Economy and Innovation and the Ministry of Finance on “Cashless Albania”

On 4 December, AAB and the CEOs of commercial banks participated in a meeting organized by the Ministry of Economy and Innovation and the Ministry of Finance, dedicated to the national initiative “Cashless Albania”. The discussions focused on expanding POS terminals, online platforms, QR payments, and instant payments as tools to increase the ease, transparency, and speed of transactions, and to strengthen the financial and digital capabilities of citizens and businesses.



MEETINGS WITH INTERNATIONAL INSTITUTIONS

The Albanian Association of Banks has been actively engaged in cooperation with international organizations, strengthening dialogue and the exchange of expertise on key issues in the banking and financial sector. These collaborations have facilitated the addressing of market challenges and supported the adoption of innovative practices and sustainable solutions in the banking industry.



AAB participates in the 61st Meeting of EBF Associate Members

On 23 January, AAB participated in the 61st meeting of the European Banking Federation (EBF) Associate Members, held online by the EBF. On behalf of AAB, the Secretary General, Mr. Spiro Brumbulli, presented key developments in the Albanian banking sector, including initiatives to raise awareness on secure online payments, progress on the Credit Bureau project, next steps in the implementation of SEPA, and ongoing financial education initiatives such as the Money Quiz and Money Week. He also shared insights into the main developments in the sector during 2024.

AAB and BAK on strengthening cooperation

On 15 April, the Albanian Association of Banks (AAB) and the Kosovo Banking Association (KBA) organized a meeting to intensify cooperation between the two associations and address common challenges in the banking sector. The discussions included recent developments in banking markets, the promotion of innovation and digitalization, as well as opportunities to strengthen professional capacities and sectoral sustainable development.

62nd Meeting of EBF Associate Members in Brussels

On 10 July, the 62nd meeting of the European Banking Federation (EBF) Associate Members was held in Brussels, with the participation of representatives from Albania, Armenia, Bosnia & Herzegovina, Serbia, Georgia, and Ukraine. The agenda included recent developments in EBF initiatives, including regulatory simplification, institutional access, defence financing, and the use of artificial intelligence in financial services. A dedicated session was held on EU accession prospects for candidate countries, where Albania was recognized for its significant progress.

COELA and the Danish Presidency of the EU Council in Tirana

On 10 October, COELA – the Council of the EU Working Party on Enlargement and Countries Negotiating Accession – together with



representatives of the Danish Presidency, held a meeting with Albanian institutions playing a key role in Albania's EU accession process. The AAB Secretary General presented developments in the banking sector, highlighting digitalization, support for the economy, the reduction of cash usage, and the strengthening of alternative payment channels. The meeting acknowledged the sector's reforms and reaffirmed the EU's commitment to supporting progress towards accession.

AAB hosts in Tirana the Associate Members of the European Banking Federation (EBF)

On 17 October, the Albanian Association of Banks (AAB) welcomed the Associate Members of the European Banking Federation (EBF) in Tirana. The 63rd meeting brought together representatives of banking associations from the region and Europe to discuss key developments and priorities in the banking sector, including digitalization, payments, financial education, innovation, and skills development. The meeting provided a platform for the exchange of experiences and best practices among participants, as well as for identifying challenges and opportunities for the development of the banking sector at regional and European level.



9. Social Activities

Farewell evening for Mr. Alessandro D'Oria and welcome for the new CEO of Intesa Sanpaolo Bank Albania

On 4 November, AAB organized a farewell evening for the General Manager of Intesa Sanpaolo Bank Albania, Mr. Alessandro D'Oria, on the occasion of the completion of his mandate in Albania. During the event, his contribution to strengthening cooperation and the development of the banking sector was acknowledged. At the same time, the new General Manager, Mr. Giuseppe Giampietro, was welcomed, with confidence expressed that he will continue to contribute to the advancement of the sector and relations among AAB member banks.

AAB General Assembly Meeting and 2025 Year-End Gala Dinner

On 16 December, the AAB Members' Assembly met to review the progress of the Business Plan and Budget for 2025. The meeting concluded with the approval of the AAB Business Plan and Financial Plan for 2026, setting the framework and priorities for the coming year. During the meeting, amendments to the statute were also approved, and a new member of the Supervisory Board, Mr. Christian Canacaris, was elected.

In the evening, AAB organized the traditional Year-End Gala Dinner 2025, which brought together senior executive leaders and representatives of the financial system and member banks. Among the distinguished guests were the Governor of the Bank of Albania, Mr. Gent Sejko, the Chief Executive Director of the Financial Supervisory Authority, Ms. Adela Xhemali, and the Deputy General Director of the Deposit Insurance Agency, Mr. Martin Blushi.

In his speech, the President of AAB, Mr. Bledar Shella, highlighted the achievements of the year, particularly in digitalization, the integration of banks into SEPA, and the development of instant payments. He noted the positive performance of banking activity, the strengthening of financial soundness indicators ensuring financial stability, as well as a successful year for AAB. The evening was held in a festive atmosphere, highlighting the cooperation and achievements of the sector.



10. Figures on Member Banks

Bank	Shareholders' structure		Country of origin	Assets (000 ALL)	Loans, net (000 ALL)		Investments in securities (000 ALL)
					Retail	Business	Government securities
 AMERICAN BANK OF INVESTMENTS	Tranzit sh.p.k.	100%	Albania	159,950,748	10,186,751	59,012,147	67,090,399
 BANKA KOMBETARE TREGTARE	Calik Holding A.S.	100%	Türkiye	552,504,289	67,078,985	60,209,088	196,182,257
 CREDINS bank	Renis Tërshana Aleksandër Pilo B.F.S.E. Holding BV Drejt. e Përgj. të Bankës ARMAAR GROUP Aksionarë të tjerë	6.66% 6.80% 24.93% 6.10% 4.74% 50.78%	Albania Albania Nederland Albania England	379,536,288	34,169,360	129,073,816	106,150,325
 Fibank First Investment Bank	Fibank AD	100%	Bulgaria	74,649,441	18,035,549	19,819,902	16,486,689
 INTESA SANPAOLO BANK Albania	Intesa Sanpaolo S.p.A.	100%	Italy	210,725,058	24,981,112	38,979,710	68,661,440
 ProCredit Bank	ProCredit Holding AG	100%	Germany	55,399,078	5,544,361	30,285,451	2,497,674
 Raiffeisen BANK Pjesë e Grupit RBI	Raiffeisen SEE Region Holding GmbH	100%	Austria	325,261,399	69,891,557	76,140,220	74,005,065
 otpbank	OTP NYRT	100%	Hungary	199,622,291	55,345,651	65,309,657	31,745,148
 TIRANA BANK	Balfin Group	100%	Albania	184,972,546	30,278,022	61,903,468	6,155,742
 UNIONBANK	Unioni Financiar Tiranë (UFT) Sh.p.k. Individë	96.46% 3.54%	Albania Albania	121,124,965	27,107,031	31,780,025	32,087,544
 UBA United Bank of Albania Banka e Bashkuar e Shqipërisë	Eurosig Sh.a DTU Eurosig Inv. Sh.p.k. Shkup Other Other	91.77% 7.45% 0.06% 0.72%	Albania RNM Albania Saudi Arabia	24,363,429	4,275,197	8,567,222	295,969
Total				2,288,109,533	346,893,575	581,080,705	601,358,251

Note: Audited data according to IFRS, as of 31.12.2025 (1 EUR = 96.77 ALL; 1 USD = 82.46 ALL)

Investments in securities (000 ALL)	Equity capital (000 ALL)	Deposits (000 ALL)	Net profit (000 ALL)	No. of outlets	No. of employees	No. of ATMs	No. of cards issued	Debit cards	Credit cards	No. of POS	E-commerce
Others											
3,750,371	16,072,145	118,701,114	3,917,395	59	791	91	26,651	25,352	1,299	314	✗
133,191,154	55,331,610	457,480,610	8,027,086	62	1,103	164	471,382	430,281	41,101	11,003	✓
47,928,633	30,141,356	323,955,147	3,129,365	52	1,168	99	260,908	252,312	8,596	5,670	✓
7,777,108	7,765,200	59,221,818	1,111,940	16	288	131	33,595	28,085	5,510	1,389	✓
14,329,760	26,613,566	179,740,815	2,810,162	34	709	76	124,041	119,410	4,631	1,281	✗
—	4,917,462	41,625,305	23,290	11	279	25	27,472	27,137	335	—	✗
48,219,284	35,806,323	286,491,185	7,493,290	74	1,333	193	379,306	345,752	33,554	6,414	✓
16,582,064	31,297,015	158,612,629	4,520,726	49	802	157	138,510	131,754	6,756	3,852	✗
61,977,272	19,353,422	146,159,034	2,829,514	36	611	84	96,392	88,361	8,031	701	✗
5,433,624	10,607,451	90,858,836	1,216,509	33	564	71	87,036	77,787	9,249	666	✓
—	646,062	19,476,036	(575,752)	19	214	—	7,528	7,528	—	—	✗
339,189,270	238,551,611	1,882,322,529	34,503,525	445	7,862	1,091	1,652,821	1,533,759	119,062	31,290	5

11. Financial Statements of AAB and Independent Auditor's Report

ALBANIAN ASSOCIATION OF BANKS
Financial Statements
for the year ended 31 December 2025
(with Independent Auditors' Report thereon)

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INDEPENDENT AUDITORS REPORT

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INDEPENDENT AUDITORS REPORT

To the Board of Directors and Management of the Albanian Association of Banks

Opinion

We have audited the financial statements of the Albanian Association of Banks (“AAB” or the “Organization”) which comprise the statement of financial position as at 31 December 2025, the statement of activities and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects, the statement of financial position as at 31 December 2025, the statement of activities and the statement of cash flows for the year then ended in accordance with National Accounting Standards (“NAS”) for Not-for-profit organizations in Albania.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements of the International Accounting Standards Board (IASB) and the ethical requirements of the Authorized Accounting Experts Institute in Albania (IEKA) which are applicable for the profession in Albania, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements prepared in accordance with National Accounting Standards (“NAS”) for Not-for-profit organizations in Albania., for the year ended 31 December 2024, have been audited by another auditor who expressed an unmodified opinion thereon on 26 March 2025.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with National Accounting Standards for Not-for-profit organizations in Albania, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, management is responsible for assessing the ability of the Organization to continue as a going concern, the disclosure, as appropriate, of issues related to the going concern and the use of the going concern basis of accounting, except when management intends to liquidate The Organization either ceases to operate, or there is no other realistic alternative. Those charged with governance are responsible for overseeing the Organizations financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nexia Albania

Statutory Auditor
Orjana Kalaja

Tirana, Albania
17 February 2026

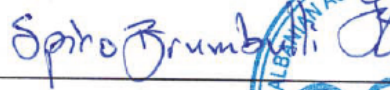


ALBANIAN ASSOCIATION OF BANKS
Statement of Financial Position for the year ended on 31 December 2025
(all amounts in local currency, ALL)

	Notes	31 December 2025	31 December 2024
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	4	20,827,896	11,630,452
Receivable contribution	5	1,172,994	419,450
Guaranties	6	309,191	309,602
Total current assets		22,310,081	12,359,504
<i>Non-current Assets</i>			
Fixed assets, net	7	1,083,151	268,838
Total non-current assets		1,083,151	268,838
TOTAL ASSETS		23,393,232	12,628,342
LIABILITIES			
<i>Current Liabilities</i>			
Accounts payable	8	654,027	3,434,987
Total current liabilities		654,027	3,434,987
Net assets	9	22,739,205	9,193,355
TOTAL LIABILITIES		23,393,232	12,628,342

The Statement of Financial Position is to be read in conjunction with the notes from page 4 to 9 forming part of the financial statements.

These financial statements have been approved by the Albanian Association of Banks (AAB) on 17.02.2026 and signed by:


Spiro BRUMBULLI
 Secretary General
 Albanian Association of Banks


PricewaterhouseCoopers Consulting sh.p.k
 Preparer of the
 Financial Statements

ALBANIAN ASSOCIATION OF BANKS

Statement of Income and Expenditure for the year ended on 31 December 2025

	Notes	31 December 2025	31 December 2024
INCOME			
Income from membership fees	10	60,006,000	51,782,005
Income from donations and voluntary contributions	10	856,475	3,616,831
Other income	10	11,020,431	5,610,258
Total Income		71,882,906	61,009,094
EXPENDITURES			
Depreciation	7	(224,621)	(86,282)
Organization expenses	11	(21,936,570)	(19,659,052)
Promotion expenses and publications	12	(694,172)	(9,491,215)
Administration and other general expenses	13	(35,475,167)	(28,240,127)
Losses from the exchange rate	14	(6,526)	(8,190)
Total Expenditures		(58,337,056)	(57,484,866)
Change in net assets		13,545,850	3,524,228
Net assets at the beginning of the year		9,193,355	5,669,127
Net Assets at the end of the year		22,739,205	9,193,355

The Statement of Income and Expenditure is to be read in conjunction with the notes from page 4 to 9 forming part of the financial statements.

Cash Flow Statement for the year ended on 31 December 2025*(all amounts in local currency, ALL)*

	Notes	31 December 2025	31 December 2024
<i>Cash flow from operating activities</i>			
Excess of income over expenditures		13,545,850	3,524,228
Adjustments for:			
Depreciation	7	224,621	86,282
Receivable accounts	5	(753,544)	(261,525)
Prepaid expenses	6	411	(29,442)
Proceeds for payable accounts	8	(2,780,960)	2,578,572
Cash flow from operating activities		10,236,378	5,898,115
INVESTMENT ACTIVITIES			
Buying/Selling Long-Term Assets	7	(1,038,934)	-
Net inflows from investment activities		(1,038,934)	-
NET DECREASE IN CASH		9,197,444	5,898,115
Cash and cash equivalent at the beginning of the year	4	11,630,452	5,732,337
Cash and cash equivalent at the end of the year	4	20,827,896	11,630,452

The statement of cash flow is to be read in conjunction with the notes from page 4 to 9 forming part of the financial statements.

ALBANIAN ASSOCIATION OF BANKS
Notes to the Financial Statements

(all amounts in local currency, ALL)

1. Background Information

The Albanian Association of Banks (AAB) was established on 15 April 1999. The Registered Office of AAB is located at Rr. Ibrahim Rugova, Sky Tower, Floor 9, Ap. 3, Tirana, Albania.

AAB is a not-for-profit association, seeking to promote the latest banking standards of its member banks, the development, stability, and effectiveness of the Albanian banking system in general, thus contributing to the progress of the Albanian economy. AAB is constituted by 11 voluntary members: American Bank of Investments, Credins Bank, United Bank of Albania, First Investment Bank Albania, Intesa Sanpaolo Bank Albania, International Commercial Bank, OTP Bank Albania, Procredit Bank, Raiffeisen Bank, Tirana Bank and Union Bank.

AAB had 6 employees on 31 December 2025 (2024: 6)

2. Basis of preparation

Financial Statements are prepared according to the National Accounting Standard for non-profit organisations and Law on Accounting and Financial Statements. The National Accounting Standard for non-profit organisations has come into force from 1 January 2016.

The Financial Statements are presented in ALL, which is the functional currency of the Association.

(a) Historical Cost

Items in the financial statements are recognized at historical cost.

(b) The principle of going concern

The financial statements are prepared on a going concern basis, which means that the economic activity of the Albanian Banking Association will be continued, and that it does not plan or need to cease its operations.

During 2025 all members of the Association have disbursed their funds based on the Statute of the organization in accordance with the financial plan of activities for 2025. The General Assembly of the Association has approved the financial plan for 2025 by decision No. 3 dated 18.12.2024 for the total amount of ALL 60,006,000.

The organization estimates that it will continue the activity based on the principle of continuity, for a period at least for the next 12 months.

ALBANIAN ASSOCIATION OF BANKS
Notes to the Financial Statements

(all amounts in local currency, ALL)

3. Significant accounting policies

I. Revenue and expenses

Revenues are recognized at fair value of the amount received or payable. Expenses are recognized in the same period with the income related to them.

The main revenues of the Association are generated by membership fees, which are subject of Assembly of Members approval.

Revenue is recorded when realized and expenses are recorded when occurred.

II. Transactions in foreign currency

The AAB measurement and presentation currency is the ALL. All contributions and the majority of transactions are carried out in ALL. Transactions in foreign currency are converted in ALL at the rate of exchange of the day the transaction is carried out. All balances in foreign currency at the end of the year are converted in ALL at the exchange rate of Bank of Albania as at the last day of the year as follows:

Exchange rate as at:

	31 December 2025	31 December 2024
ALL/EUR	96.77	98.15

III. Office and IT equipment and term

The initial valuation of the elements that meet the recognition criteria as PPE in the balance sheet is made at purchase cost plus other direct costs related to the asset's behaviour at the location and the conditions necessary for its operation, according to the purposes of the association. The following valuation is made according to the cost model, and the PPEs are presented in the balance sheet at their net value (minus accumulated amortization and depreciation, if any). Depreciation is charged starting from the month following the month of acquisition.

Amortization rates and method according to PPE groups:

	Depreciation rate	Used method
Computer equipment	25%	Linear
Office equipment	20%	Linear
Other PPEs	20%	Linear
Non-current intangible assets	15%	Linear

IV. Taxes and local taxes

AAB is a non-profit organization and is excluded from income tax. The association is subject to withholding tax, personal income tax, social and health insurance contributions and local taxes and fees.

ALBANIAN ASSOCIATION OF BANKS
Notes to the Financial Statements

(all amounts in local currency, ALL)

4. Cash and cash equivalents

Cash and cash equivalents are composed as follows:

	December 31, 2025	December 31, 2024
Current account in ALL	19,292,913	11,370,975
Current account in EUR	1,522,716	189,817
Cash on hand	12,267	69,660
Total	20,827,896	11,630,452

5. Contributions' Receivable

Contributions' receivable is composed as follows:

	December 31, 2025	December 31, 2024
Membership	1,172,994	419,450
Total	1,172,994	419,450

6. Guaranties

Guaranties are composed as follows:

	December 31, 2025	December 31, 2024
Rent guarantee	280,160	280,160
Prepaid expenses	29,031	29,442
Total	309,191	309,602

7. Fixed Assets

Fixed assets are composed as follows:

	Furniture	Electronic Equipment	Other intangible	Total
Cost				
At 31 December 2023	1,909,744	1,291,756	-	3,201,500
At 31 December 2024	1,909,744	1,291,756	-	3,201,500
Additions during 2025	-	-	1,038,934	1,038,934
At 31 December 2025	1,909,744	1,291,756	1,038,934	4,240,434
Accumulated Depreciation				
At 31 December 2023	1,754,983	1,091,397	-	2,846,380
Depreciation for year 2024	25,391	60,891	-	86,282
At 31 December 2024	1,780,374	1,152,288	-	2,932,662
Depreciation for year 2025	9,370	59,411	155,840	224,621
At 31 December 2025	1,789,744	1,211,699	155,840	3,157,283
Net carrying value				
At 31 December 2023	154,761	200,359	-	355,120
At 31 December 2024	129,370	139,468	-	268,838
At 31 December 2025	120,000	80,057	883,094	1,083,151

ALBANIAN ASSOCIATION OF BANKS
Notes to the Financial Statements

(all amounts in local currency, ALL)

8. Payable and other liabilities

Payable and other liabilities are composed as follows:

	31 December 2025	31 December 2024
Personal income tax	240,048	496,252
Social and Health Insurance Contributions	280,247	318,290
Payable Salaries	10,546	-
Suppliers	71,716	2,601,695
Withholding tax	42,000	-
Credit Card	9,470	18,750
Total	654,027	3,434,987

9. Net Assets

Net Assets is the difference between the assets and liabilities of AAB at date of the statement of financial position.

The change in net assets presented in the statement of operations is articulated in net assets presented in the statement of financial position.

Net assets presented as unrestricted are used in the following periods only for the objectives set out in the charter of the AAB.

	December 31, 2025	December 31, 2024
Balance carried at the beginning of the period	9,193,355	5,669,127
Increase from change of net assets	13,545,850	3,524,228
Balance that is carried forward in the coming year	22,739,205	9,193,355

10. Income

	December 31, 2025	December 31, 2024
Membership fee from member banks	60,006,000	51,782,005
Sponsorships from banks	856,475	3,616,831
Trainings income from member banks	11,020,431	5,610,258
Total	71,882,906	61,009,094

11. Operating Expenses

	December 31, 2025	December 31, 2024
Trainings for member banks	15,486,113	7,617,777
Events and Workshops	5,073,788	10,755,403
Memberships	983,850	1,021,800
Travels	392,819	264,072
Total	21,936,570	19,659,052

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Notes to the Financial Statements

(all amounts in local currency, ALL)

12. Promotion and publicity expenses

	December 31, 2025	December 31, 2024
Informative materials and publicity	483,442	9,015,287
Publications	210,730	475,928
Total	694,172	9,491,215

13. Administration and general expenses

	December 31, 2025	December 31, 2024
Communication expenses	16,781,085	7,722,770
Personnel Salaries	11,133,719	12,581,756
Rent	2,699,763	2,783,161
Bonus for employees	1,536,750	1,679,500
Insurance Contributions	1,520,824	1,732,686
Financial Consulting expenses	606,000	606,000
Other expenses	574,266	329,108
Stationary & other supplies	275,797	321,427
Health Insurance	147,216	150,431
Utility Expenses	118,656	150,422
Bank Fee & Commissions	39,491	31,456
Local Taxes	15,000	15,000
Notary Expenses	14,600	-
Media Subscriptions	12,000	9,938
Cleaning Expenses	-	5,500
Translation Services	-	120,972
Total	35,475,167	28,240,127

Since 2021 and onwards, some employees have signed Individual Contracts for membership in the voluntary pension fund "Sigal." Under these contracts, employees are obliged to pay a monthly contribution to this scheme. During 2025, there were two enrolled employees, for whom it was agreed that the contribution would be deducted from their salary and transferred to the bank account of "Sigal Uniq Group Austria" by AAB.

14. Loss from exchange rate

	December 31, 2025	December 31, 2024
Loss from exchange rate	125,867	114,031
Profit from exchange rate	(117,949)	(104,954)
Interest income	(1,392)	(887)
Total	6,526	8,190

ALBANIAN ASSOCIATION OF BANKS
Notes to the Financial Statements

(all amounts in local currency, ALL)

15. Conditional commitments and obligations

Legal issues

As of 31 December 2025, no litigation has been brought against the Association or by the Association.

Rental commitments

The company has commitments for the lease contract for the premises for the development of activities for a period of up to one year.

16. Related party transactions

The Association has had related party transactions throughout the normal course of business. The main transactions are those related to funds received from Banks.

17. Events after the reporting date

The management of the Association is not aware of any events after the reporting date that would require additional adjustments or explanations to these financial statements.



ALBANIAN ASSOCIATION OF BANKS
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