TBC GROUP SUSTAINABILITY REPORT

2024

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GLOSSARY 240

CEO Statement

Our aspiration to contribute to sustainable development comes from our role as a leading financial institution in Georgia's development. We are aware of our impact on the country's economy, business development, employment, and the progress of society as a whole. With the international expansion of our operations in Uzbekistan, sustainable development practices have also been incorporated in the wider region. Our role is connected to our responsibility to contribute to a better future through innovation and technology to increase the accessibility of financial services and to enable our customers to be part of the globalised economic society.

Our strategy directs us to be a commendable company by raising awareness and establishing environmental, social and governance (ESG) values in Georgia and the wider region. We provide green financing to support sustainable business models and business strategies and monitor their supply chains, making sure to avoid companies that have adverse environmental and social practices in place. We successfully met and exceeded our target of GEL 1.4 billion in sustainable financing, increasing our sustainable portfolio by 40.5% year-on-year. We are committed to strengthening employee diversity and can report that 40% of our middle managers and agile leaders are women. In 2024, we launched the first training programme of the ESG Academy to raise awareness and knowledge on green mindset and green financing, targeting a participation of 900 employees, as well as 300 retail, MSME and corporate customers in 2024 and 2025.

By integrating ESG considerations into our operations, we aim to drive positive change, support sustainable development, and lead by example. A key component of our strategy is the transition to a low-carbon economy. We are actively working to reduce our carbon footprint and promote renewable energy sources. This involves lending to customers who invest in green technologies, supporting low-carbon projects, and encouraging sustainable practices across all sectors. The Group's objective is to act responsibly and manage the environmental and social risks associated with its operations, increase the resilience of customers, employees, businesses and society towards climate change risks, and support them in pursuing climate-related opportunities. In 2025, we strive to increase our sustainable portfolio further and reach a target of GEL 2 billion.

Raising awareness of ESG principles is also central to our strategy. We engage with stakeholders through educational initiatives, transparent reporting, and collaborative efforts to promote a deeper understanding of sustainability issues. Furthermore, in 2024, we conducted dedicated ESG surveys among our employees, investors, and customers. To ensure our ESG initiatives align with stakeholder expectations and support our strategic sustainability goals, we identified key ESG topics of interest and importance to employees, investors, and customers. Using this feedback, we refine our ESG initiatives to ensure they address stakeholder expectations and support our strategic sustainability goals.

Our mission is to make people's lives easier. In the digital era, dependence on information systems is growing rapidly, creating a need for technological improvement and proliferation in everyday life. Our progress in digital transformation has further strengthened our market presence. Digital monthly active users reached 1.1 million, a 14% increase year-on-year, while daily active users also grew by 17% year-on-year to 494 thousand, highlighting high levels of customer engagement with our digital platforms. In turn, as the average number of in-branch transactions declines, falling by 25% year-on-year, this is enabling us to transform our branch network from traditional transactional branches into advisory hubs offering value-added products and services.

As technology is key to TBC, we have strengthened our IT Academy activities, launching TBC x USAID for Technological Education, an ICT programme consisting of eight new training courses in programming, information security, and other technologies. Furthermore, our diversity targets focus on the empowerment of women, girls, and talented young people from the regions and rural areas, as well as on age-diverse recruitment. TBC IT Academy successfully delivered nine high-demand ICT courses, with 677 participants completing the programmes and obtaining certification out of 803 total enrolments, achieving 37% female participation and 39% representation from regional areas.

Since 2023, TBC operates a Tech-School for schoolchildren, one of the biggest educational projects of the company. TBC aims to deliver opportunities for quality education, enabling young people to attain professional skills that are in worldwide demand while also giving them the opportunity to work remotely on any project in the world without leaving Georgia. The programme includes seven different directions and three-month technological courses and already has more than 2,000 participants.

We would, of course, not have been able to achieve any of these excellent results without the continued efforts and dedication of our multinational team of 12,900 dedicated colleagues. We believe that diverse perspectives drive innovation and strengthen our ability to address complex challenges. We are committed to creating an inclusive environment where all individuals feel valued and respected. Our Executive Committee boasts diverse global expertise, with members bringing experience from leading financial institutions across Europe and Asia. Furthermore, our Uzbek business reflects a vibrant multicultural workforce, comprising over 25 nationalities. We also continue to offer our employees the tools to develop their skills across a wide range of areas. In 2024, more than 1,000 employees participated in various courses and programmes run by TBC Academy, including in business development, agile transformation, brand experience, law, financial analytics, and refining essential soft skills.

TBC was named "Responsible Large Company of the Year" at Georgia's Responsible Business Awards – Meliora 2024. The award recognised TBC for its outstanding efforts in addressing environmental, social, and governance challenges affecting employees, customers, the environment, and society. The award highlights our long-lasting commitment to advancing sustainable development and empowers us to further strengthen our efforts,

With a solid foundation, a talented and diverse team, and a clear vision, we are well-equipped to support our future aspirations and commitments in order to allow young generations to pursue their goals in a safe and prosperous environment, to increase the resilience of households, businesses, and the economy towards future challenges, and to create opportunities for a transition towards a sustainable, technology- and innovation-driven economy.

Vakhtang Butskhrikidze
CEO

2 June 2025

01

Who We Are – TBC at a Glance

Our Mission

Highlights

External ESG Banchmarks

Awards

Subsidiaries

Make **people's lives easier**

TBC BANK GROUP PLC

TBC Bank Group PLC ("TBC PLC") is a public limited company registered in England and Wales.

It is listed on the London Stock Exchange and is a FTSE 250 constituent.

GEORGIA

A leading financial services group in Georgia

UZBEKISTAN

The largest digital banking ecosystem in Uzbekistan

Who we are – TBC at a glance

TBC Bank Group PLC is a public limited company registered in England and Wales. It is listed on the premium segment of the London Stock Exchange and is a FTSE 250 constituent.

A Leading Financial Services Group in Georgia

Powered by:

A comprehensive range of financial services...

- TBC Bank: Retail, MSME, CIB & WM
- TBC Insurance
- TBC Leasing

...and complementary digital lifestyle ecosystem

- TNET

38.5%
Market share[1] in total loans
39.3% as of 31 Dec 2023

38.1%
Market share[1] in total deposits
40.1% as of 31 Dec 2023

The Largest Digital Banking Ecosystem in Uzbekistan

Powered by:
Digital services across unsecured lending, daily banking and savings, payments and MSME banking

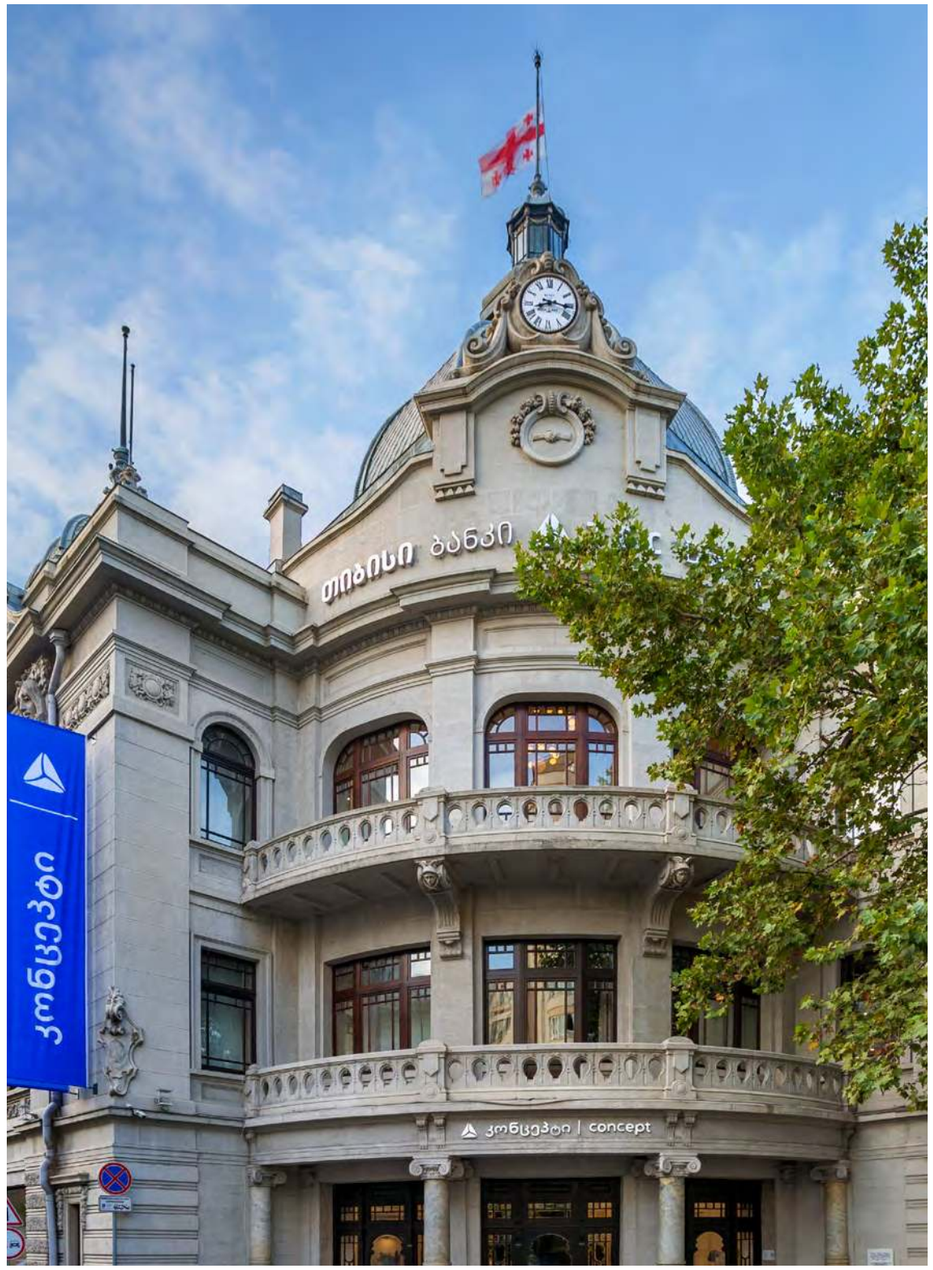
- TBC UZ
- Payme
- Payme Nasiya

112%
Loan book[2] annual growth
122% in 2023

16.4%
Market share[3] in unsecured consumer loans
13.9% as of 31 Dec 2023

Our Mission - *Make people's lives easier*

This approach is deeply embedded in TBC's culture and defines everything we do and the way we do it: all our products and offerings are created with this idea in mind and we strive to combine excellence with simplicity.



HIGHLIGHTS 2024

Leading Universal Bank in Georgia

A Leader in the Retail Banking Segment in Georgia

1.7 mln
NUMBER OF MONTHLY ACTIVE CUSTOMERS

GEL 8.7 bln
VOLUME OF LOANS

GEL 8.5 bln
VOLUME OF DEPOSITS

The Leading Partner Bank for Micro, Small and Medium Enterprises (MSME) in the Country [1]

61 K
NUMBER OF MONTHLY ACTIVE CUSTOMERS

GEL 5.9 bln
VOLUME OF LOANS

GEL 2.0 bln
VOLUME OF DEPOSITS

The Leading Corporate and Investment Banking (CIB) Institution in Georgia

8.2 K
NUMBER OF CIB CUSTOMERS

GEL 9.9 bln
VOLUME OF LOANS

GEL 11.3 bln
VOLUME OF DEPOSITS

Best-in-class Digital Channels

2.4 mln
NUMBER OF DIGITAL DAILY ACTIVE USERS (DAU) [2]

7 mln
NUMBER OF DIGITAL MONTHLY ACTIVE USERS (MAU) [3]

35%
DAU/MAU

4.9 stars
MOBILE BANKING APP RATING ON APPLE APP STORE

99%
OF ALL RETAILTRANSACTIONS CONDUCTED REMOTELY

Multi-channel Distribution Network

125
NUMBER OF BRANCHES

4.5 K
NUMBER OF SELF-SERVICE TERMINALS

993
NUMBER OF ACTIVE ATMS [4]

36 K
NUMBER OF ACTIVE MERCHANT TERMINALS [5]

1 Based on internal estimates as of 31 December 2024 66% (68% in 2023) of newly registered businesses choose TBC Bank.
2 Includes data from Uzbekistan.
3 Includes data from Uzbekistan.
4 Not including partner banks.
5 Active merchant terminals include POS terminals and ecommerce with at least one transaction conducted during the month.

Our Responsible Banking

#1 Bank Among Participants in the Government Credit Guarantee Schemes[1] in Georgia

GEL 297 mln
PORTFOLIO COVERED BY TBC

36%
TOTAL LOANS APPROVED[2]

"Produce in Georgia" and "Preferential Agro Credit"[3]

7,160
NUMBER OF LOANS

GEL 1.1 bln
VOLUME OF LOANS

Program for Startup Enterprises

442
NUMBER OF LOANS

GEL 86 mln
VOLUME OF LOANS

A Leading Partner in local Renewable Energy Financing[4]

50%
IN OUR ENERGY SECTOR FINANCING[5]

GEL 604 mln
VOLUME OF OUR LOCAL RENEWABLE ENERGY FINANCING

Our Customers

63%
CUSTOMER NET PROMOTER SCORE[6]

21.8 mln
UNIQUE REGISTERED USERS

Bank Branches Equipped with Ramps to Support Accessibility

88%
BRANCHES IN TBILISI

95%
BRANCHES IN REGION

Our Environment and Community

ISO 14001:2015
RE-CERTIFICATION FOR THE FIFTH TIME

GEL 2 mln
ALLOCATED FOR SOCIAL EVENTS AND CHARITY[7]

1 A security provided by the government for up to 90% of the principal amount for each loan disbursed by the bank within the framework of the program for the following economic activities: Production and processing, Hotel industry, Electricity generation, Educational activities, Training centers, Export of services, High-tech medical laboratories. The program is implemented by "Enterprise Georgia" – an agency, established by the Ministry of Economy and Sustainable Development of Georgia, together with the Ministry of Agriculture.
2 Source: "Enterprise Georgia" – the government agency.
3 Projects are initiated in close partnership with Georgian government schemes. Within these programmes, borrowers can apply for a subsidy from the government to lower their interest expense.
4 According to the internal estimations.
5 According to the internal data.
6 The Net Promoter Score (NPS) was measured based on a survey conducted by the independent research company Sonar in December 2024, for Georgian retail customers.
7 Including SABA, supporting Museums and other CSR projects.

Our employees

Collaborative & Dinamic Corporate Culture

12,902
NUMBER OF EMPLOYEES

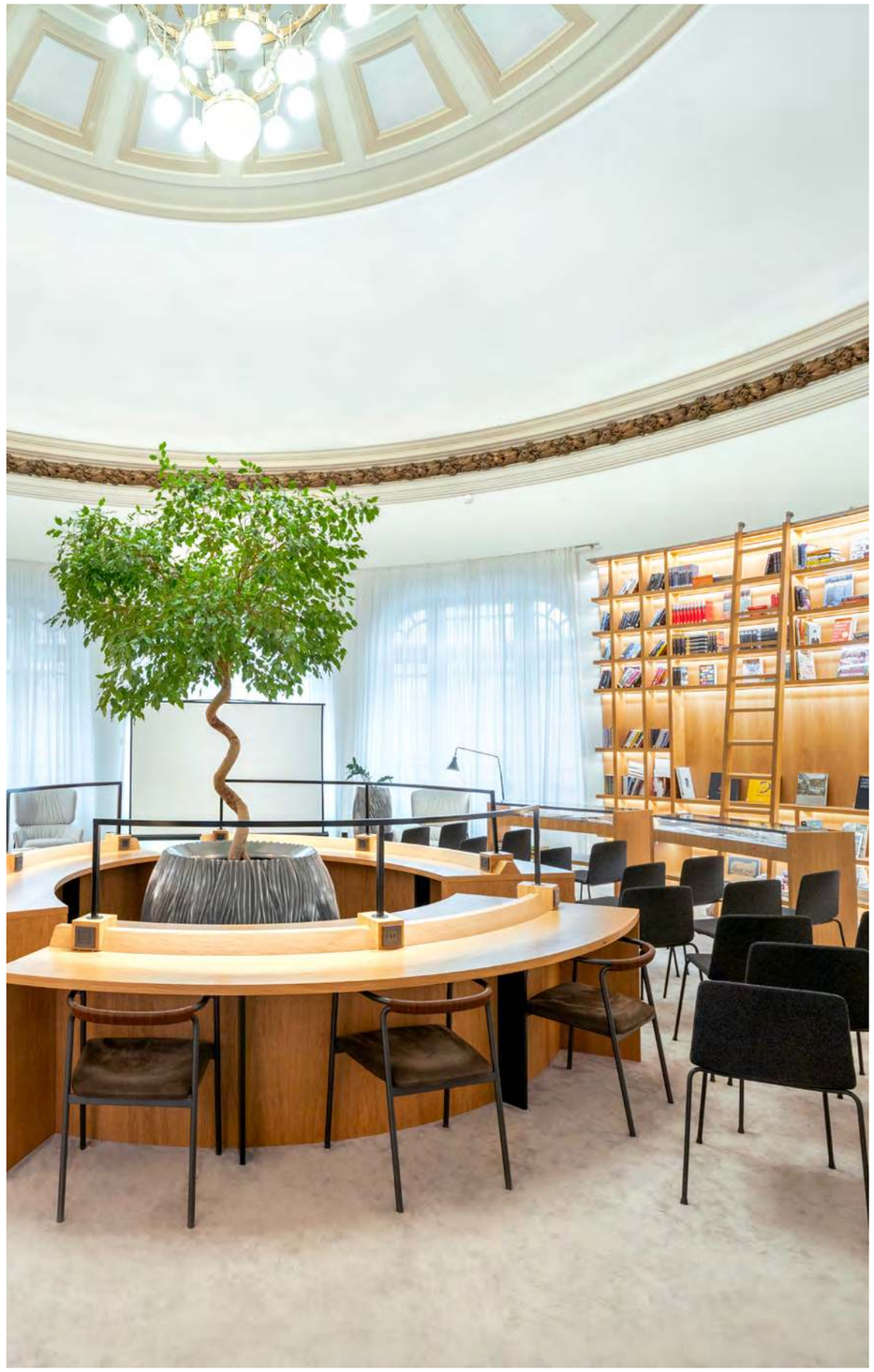
59%
SHARE OF WOMEN EMPLOYEES

40%
WOMEN IN THE INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) AREA[1]

85%
EMPLOYEE ENGAGEMENT INDEX[2]

53%
NET PROMOTER SCORE (ENPS)[3]

1 Out of the employees who are working in the ICT fields in TBC Bank.
2 Engagement Index was measured in December 2024 by an independent consultant for the Bank's employee's and measures how much employees feel involved and committed to TBC Bank.
3 The Employee Net Promoter Score (ENPS) was measured in the last quarter of 2024 by an independent consultant for the Group's employees.



EXTERNAL ESG BENCHMARKS

SUSTAINALYTICS

In May 2024, TBC Bank Group PLC received an ESG Risk Rating of 12.6 and was assessed by Morningstar Sustainalytics to be at low risk of experiencing material financial impacts from ESG factors. In no event the information shall be construed as investment advice or expert opinion as defined by the applicable legislation.

SUSTAINALYTICS
a Morningstar company
RATED

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MSCI ESG RATING

In May 2025, TBC Bank Group received a rating of "AA" (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.

MSCI
ESG RATINGS
AA
CCC B BB BBB A AA AAA

MSCI Disclaimer statement

The use by TBC Bank Group PLC of any MSCI ESG research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of TBC Bank Group PLC by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

ISS ESG SCORE

ISS ESG

TBC Bank Group PLC attained the below mentioned QualityScore ratings from ISS as of 1 May 2025

- 5 Governance
- 2 Environment
- 2 Social

Lower Governance Risk = 1 Higher Governance Risk = 10
Higher E&S Disclosure = 1 Lower E&S Disclosure = 10

FTSE4Good Index Series

TBC Bank Group PLC is a constituent company in the FTSE4Good Index Series

FTSE4Good

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that TBC Bank Group PLC has been independently assessed according to the FTSE4Good Criteria, and has satisfied the requirements to become a constituent of the FTSEGood Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

MOODY'S ESG SOLUTIONS

In November 2022, TBC Bank Group PLC received a Robust ESG score of 52 out of 100 from Moody's ESG solutions.

Robust

For more information please refer to Moody's ESG solutions website:
www.moodys.com/esg-solutions

A List of the Main Memberships of Industry or Other Associations and National or International Advocacy Organizations

- Georgian Banking Association
- American Chamber of Commerce (AMCHAM)
- European Union - Georgia Business Council (EUGBC)
- Business Association of Georgia (BAG)
- International Chamber of Commerce (ICC Georgia)
- Deutsche Wirtschaftsvereinigung (DWV)
- UN Global Compact Network Georgia
- UN Women Empowerment Principles (WEPs)

Awards

TBC Bank is one of the most award-winning banks in Georgia.
In 2024, the list of awards was enriched with sustainability-related awards:

- TBC Bank received the Grand Prix at the Meliora 2024 contest in the category "Responsible Large Company of the Year" for its outstanding efforts in addressing environmental, social, and governance challenges affecting employees, customers, the environment, and society..
- TBC Bank has been awarded at Meliora 2024 In the category "Transparency and Reporting on Corporate Responsibility and Sustainability Issues". The award was given to TBC Bank for the project - "2023 Sustainable Development Report".
- TBC Bank's ESG Academy received the Peak Award at the International DEVELOR Awards as an outstanding educational project in the field of sustainability "Green Mindset and Green Financing".

The full list of more than 150 awards received by TBC Bank is given at:
www.tbcbankgroup.com

Subsidiaries

Subsidiary	Ownership / voting % as of 31 December 2024	Country	Year of incorporation	Industry	Total Assets (after elimination) Amount GEL'000	Total Assets (after elimination) % in TBC Group
TBC Bank JSC	**99.88%**	**Georgia**	**1992**	**Banking**	**36,894,244,693**	**91.87%**
United Financial Corporation JSC	99.53%	Georgia	1997	Card processing	**46,581,904**	**0.12%**
TBC Capital LLC	100.00%	Georgia	1999	Brokerage	**8,776,346**	**0.02%**
TBC Leasing JSC	100.00%	Georgia	2003	Leasing	**627,066,287**	**1.56%**
TBC Kredit LLC	100.00%	Azerbaijan	1999	Non-banking credit institution	**11,334,096**	**0.03%**
TBC Pay LLC	100.00%	Georgia	2009	Payment Processing	**49,593,368**	**0.12%**
TBC Invest-Georgia LLC	100.00%	Israel	2011	Financial services	**1,141,828**	**0.00%**
TBC Asset management LLC	100.00%	Georgia	2021	Asset Management	**639,556**	**0.00%**
JSC TBC Insurance	**100.00%**	**Georgia**	**2014**	**Insurance**	**92,093,479**	**0.23%**
Redmed LLC	100.00%	Georgia	2019	Healthcare e-commerce	1,874,033	**0.00%**
T NET LLC*	**100.00%**	**Georgia**	**2019**	**Ecosystem**	**58,450,109**	**0.15%**
Index LLC	100.00%	Georgia	2011	Ecosystem	**677,735**	**0.00%**
TBC Digital JSC	100.00%	Uzbekistan	2019	Retail Trade	**14,466**	**0.00%**
Artarea.ge LLC	**100.00%**	**Georgia**	**2021**	**PR and marketing**	**6,271**	**0.00%**
SABA LLC	85.00%	Georgia	2012	Education	**14**	**0.00%**
TBC Art Gallery LLC	100.00%	Georgia	2012	PR and marketing	**37,733**	**0.00%**
Marjanishvili 7 LLC	**100.00%**	**Georgia**	**2020**	**Customer Experience Servicing**	**476,472**	**0.00%**
Space JSC	**100.00%**	**Georgia**	**2021**	**Software Services**	**338,757**	**0.00%**
Space International JSC	100.00%	Georgia	2021	Digital banking Platform	132,853,991	**0.33%**
TBC Group Support LLC	**100.00%**	**Georgia**	**2020**	**Group risk and knowledge centre**	**640,225**	**0.00%**
Payme JSC	**100.00%**	**Uzbekistan**	**2011**	**Payment Processing**	**66,985,488**	**0.17%**
TBC Bank Uzbekistan JSC	**67.92%**	**Uzbekistan**	**2020**	**Banking**	**1,964,711,440**	**4.89%**
TBC Fin Service LLC	100.00%	Uzbekistan	2019	Retail Leasing	185,532,772	**0.46%**
MFO Barakala microfinance	100.00%	Uzbekistan	2024	UZS Financial services	87	**0.00%**
TBC Sug'Urta	100.00%	Uzbekistan	2024	UZS Financial services	28,760	**0.00%**
TBC International Holdings Limited	**100.00%**	**United Kingdom**	**2023**	**Financial services**	**-**	**0.00%**
Fondy Payments LTD[2]	100.00%	Ireland	2024	Payment processing	11,947,787	**0.03%**
Tpay LLC	100.00%	Georgia	2023	Payment processing	145,407	**0.00%**

02

About this Report

Reporting Period

Scope of the Report

Reporting Framework

About this Report

In this Report, we are presenting data for TBC Group and TBC Bank (referred to as TBC). TBC Group represents TBC Bank and a group of companies that principally operate in Georgia in the financial sector and other closely related fields. In 2020, we expanded our banking operations in Uzbekistan, where we pursue an asset light and highly digitalized strategy.

We are listed on the premium segment of London Stock Exchange and our investors expect us to comply with global standards of a sustainability. Our business is developing and becoming more and more diversified. We enter new markets, new customer segments. Thus, this report is designed for all interested parties and groups in Georgia as well as abroad and aims to give them clear, fact-based information about the social, economic and environmental impact of our activities in 2024. The report presents our endeavors for creating value for our employees, clients, suppliers, partners and society as a whole.

Reporting period

The figures in the report cover period from January 1st to December 31, 2024. Where reasonable, the narrative part of the report includes projects from 2025.

Scope of the report

The information presented in the report represents TBC Group, unless otherwise stated. TBC Group's impact is predominantly dependent on TBC Bank, because TBC Bank holds a dominant share in TBC Group, according to all major indicators. Thus, data presented for the bank is well representative of the group's impact. Part of the data is presented on group level, whenever it was possible to assemble it thoroughly. In addition, the majority of policies and approaches discussed in the report, cover the whole group and guide the whole group's everyday work practices.

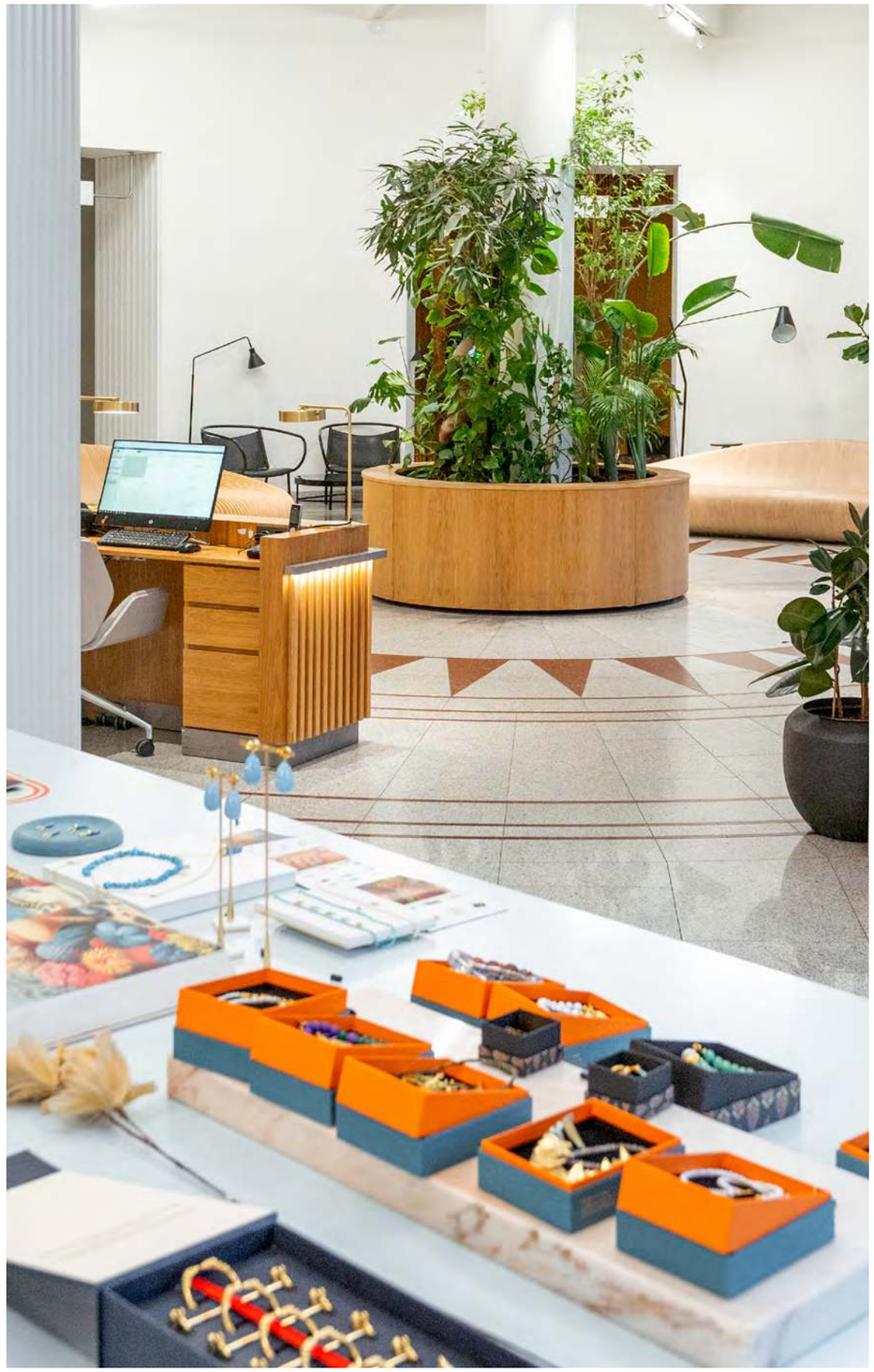
Reporting framework

For preparing the report, we used GRI standards, which are an internationally recognized format for sustainable reporting.

For preparing the report, we used Global Reporting Initiative (GRI) standards, which are an internationally recognized format for sustainable reporting. This report is in accordance with GRI standards, addressing the majority of the core option requirements and reporting management approach for all material topics applying GRI 3-3: Management of material topics standard. Please see the list of referenced GRI standards attached at the end of the report: GRI Content Index, pg. 229 Here, interested parties can easily find specific data related to the GRI Standards.

This report also serves as a Communication on progress for the UN Global Compact and on the UN Women Empowerment Principles.

If you would like to provide feedback, or you have questions on this report or our corporate responsibility performance, please contact us via the following e-mail: sustainability@tbcbank.com.ge.



TBC Has Been Awarded For "Sustainability Report 2022"

TBC received the main award in the category "Transparency and Reporting on CSR and corporate sustainability" at the "Georgia's Responsible Business Awards – Meliora 2024".

This award was given for TBC's "Sustainability Report 2022", which provides all stakeholders with fact-based information on the social, economic, and environmental impact of TBC's activities and is in accordance with Global Reporting Initiative (GRI) standards.

03

Stakeholder Engagement

Section 172 Statement by the Board

Our Engagement

Feedback in 2024

Response and Impact on Board Decisions

Priorities for 2025 and Beyond

Section 172 Statement by the Board

The Board's Role

As set out in Section 172 ("s172") of the Companies Act, the role of the Board is to promote the long-term sustainable success of the Company, generating long-term value for shareholders and making a positive contribution to wider society. The Board recognises the importance of ensuring that the interests of all parties that have a stake in the Company are factored into our decision-making process, both as a general principle and as part of each Director's s172 duty under the Companies Act 2006.

Stakeholders

As it has done in previous years, the Board continues to identify the Group's customers, employees, and investors, as well as the community and the environment in which it operates in, as its primary stakeholders.

Stakeholder Engagement

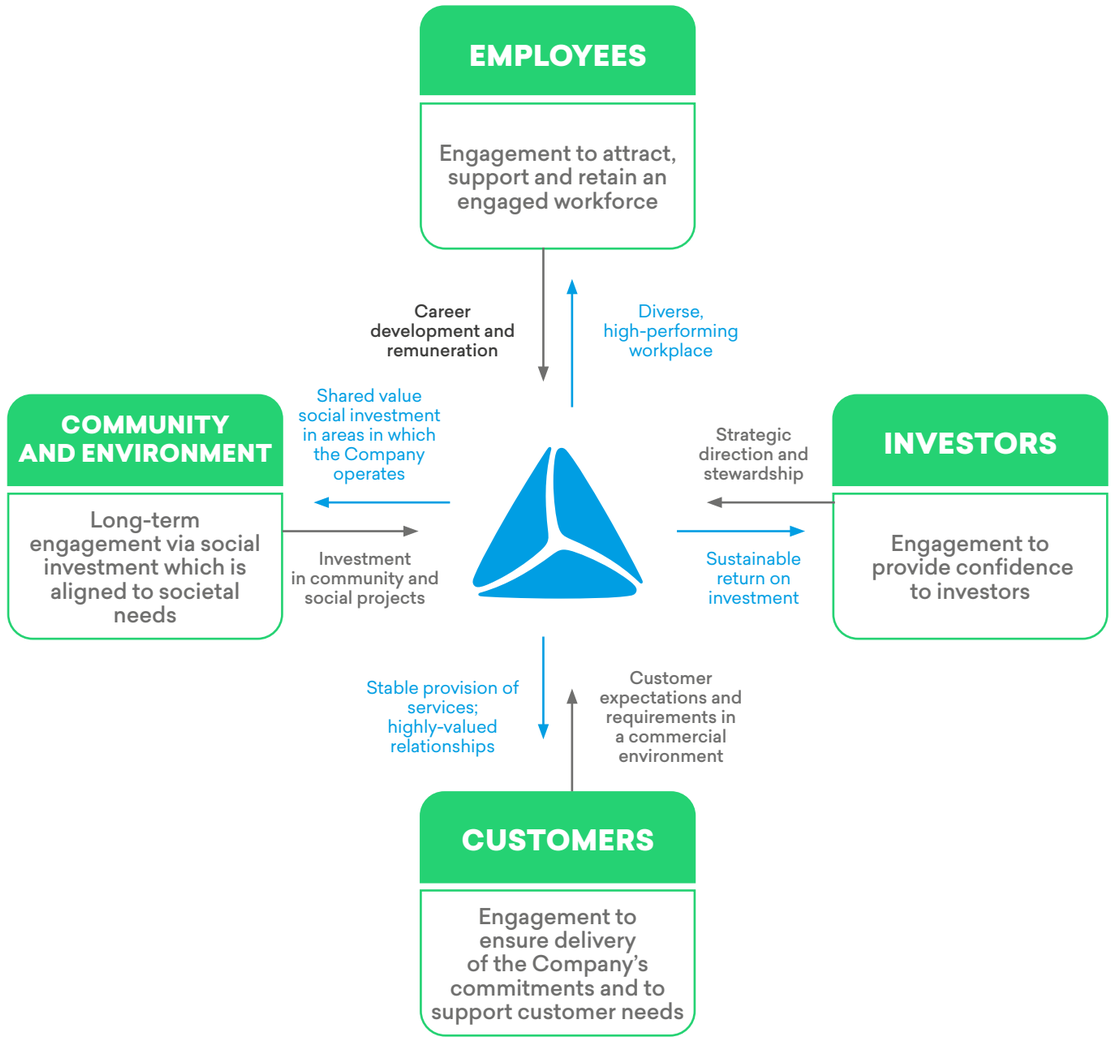
In 2024, the Board considered the provisions of the UK Corporate Governance Code 2018 in respect of stakeholder engagement, and the duties of each Director to consider the Company's stakeholders and the long-term interest of the Company in accordance with s172 of the Companies Act 2006. The Company communicates with its stakeholders through a range of channels. The Board is informed of these engagement activities and the key themes arising from such engagement in a number of ways. This is set out in more detail on the following pages.

During the year, the Chairperson ensured that the Board received all necessary information on issues affecting key stakeholders and discussed these issues. In doing so, the Chairperson sets up the Board's annual schedule of work and detailed agendas for each meeting, specifically to incorporate stakeholder considerations when making decisions.

It is important for all members of the Board to gain a sufficient understanding of the issues relating to each of the key stakeholder groups. Board members are invited to provide updates during Board meetings on any engagement that they have had with stakeholders. The Chairs of the Committees are also given a standing agenda item to update the Board on the views and recommendations made by the relevant Committee.

In addition to ensuring that stakeholder interests are clearly presented in Board materials and considered during the decision-making process, the Board organised and attended meetings in Georgia and Uzbekistan to engage directly with the Company's employees on-site (in addition to in London), as well as considering feedback from the Staff Ambassadors throughout the year. During the Board's visits to Georgia and Uzbekistan, and when using online platforms, the Directors also engaged with and considered the interests of the Company's other stakeholders, including engaging with the National Bank of Georgia, the regulating entity of the Company's biggest subsidiary, JSC TBC Bank, as well as meeting with shareholders and corporate customers to understand their needs and expectations, which enabled the strengthening of those relationships.

The Company continues to develop its stakeholder engagement programme to ensure that the Board has had regard to its duties under s172. As explained in the Annual Report (Governance Report) on pages 157, 173 and 178, the Board considers that it has complied with its duties under s172 of the Companies Act 2006 through its active engagement with stakeholders. Additional detail on the principal decisions and significant issues taken by the Board can be found in the Annual Report on page 174. The following Report sets out further information about our stakeholder engagement activities and the Board's consideration towards all stakeholder groups throughout the year.



EMPLOYEE AND WORKFORCE ENGAGEMENT

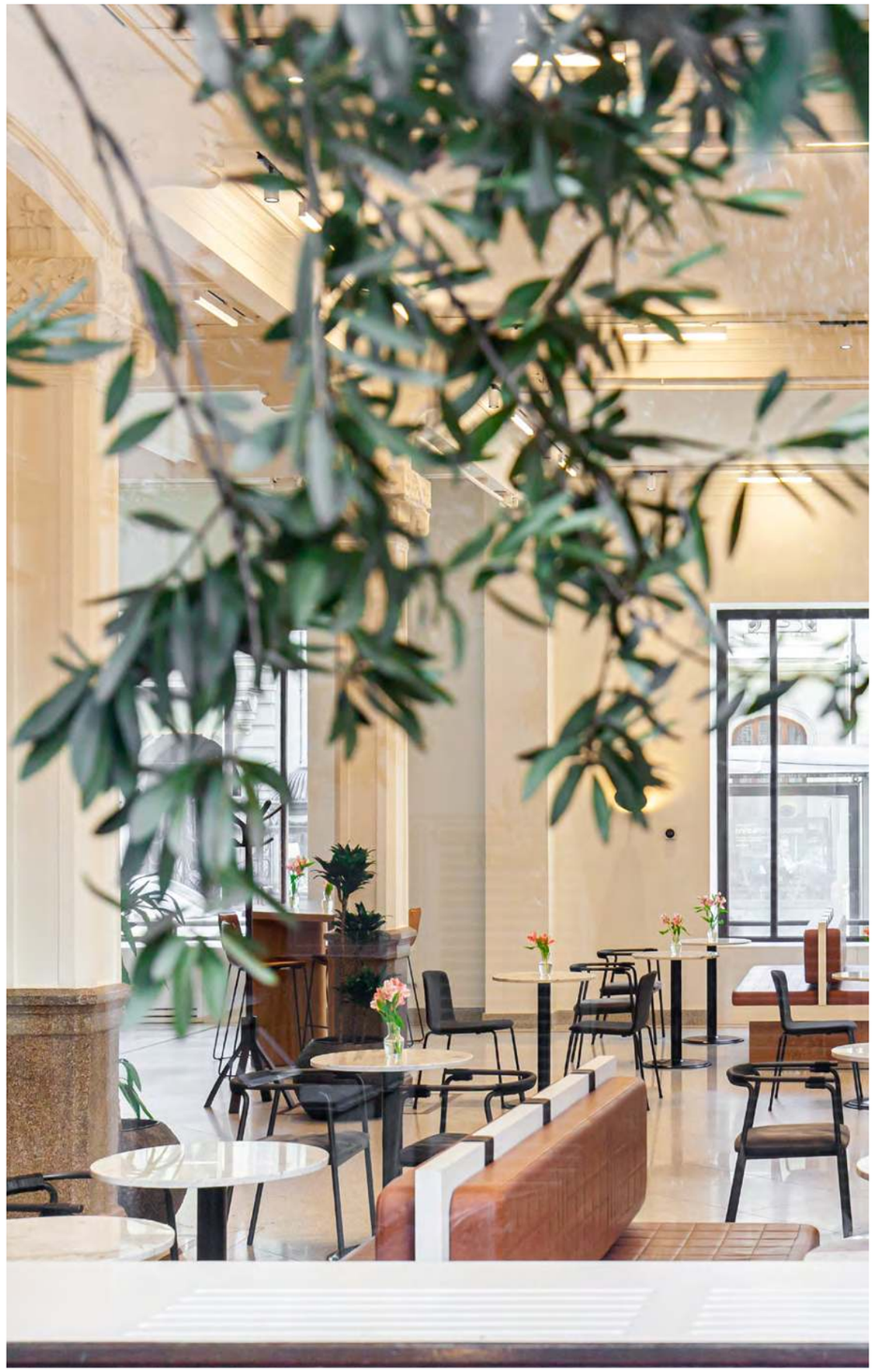
Nino Suknidze has been the designated Non-Executive Director for workforce engagement since 2023. She reports to the Board directly on culture across the business, as well as any themes arising from the engagement programme. As part of its recently agreed wider remit, the Human Resources and Remuneration Committee will provide further support to the Staff Ambassador in monitoring and following up on the progress of these themes.

Staff Ambassador activities in 2024

- Engaged with the workforce in roles across various grades in Georgia via online questionnaires, which were aimed at identifying areas of interest for the follow-up focused group discussions.
- Conducted focus group meetings with employees in Georgia and Uzbekistan, engaging staff across various functions and experience levels to gather valuable insights and feedback.

The key focus group themes highlighted positive perspectives on the ongoing structural changes, along with a recognition of opportunities to further enhance change management processes. Participants also expressed a strong desire for more time dedicated to self-learning and development, as well as the importance of maintaining a healthy work-life balance. Additionally, employee feedback gathered during interviews reflected notable improvements in two areas from the previous year - organisational structure and efficiency in approval processes for new projects—both of which had been successfully addressed.

The feedback received by the Staff Ambassador confirmed that the employees felt empowered to express their concerns and were confident that management would address them. Further feedback showed that the role of the Staff Ambassador was well communicated and understood by employees.



OUR CUSTOMERS

TBC Bank's mission is to make people's lives easier. The needs of its customers are at the heart of every decision it makes, inspiring its strategy, shaping its products, and defining its services.

OUR ENGAGEMENT

Digital surveys via the Medallia platform.

Automated SMS surveys following branch visits.

Comprehensive telephone surveys targeting various customer segments.

Regular management dialogues with corporate clients.

Informal interviews conducted by squad members in their respective domains.

External market research to assess the Net Promoter Score (NPS) and overall customer satisfaction.

In 2024, the Board engaged directly with customers, including business clients in construction, hospitality, and residential real estate, to stay aligned with their needs and interests.

Furthermore, in 2024, we incorporated ESG-related questions into our brand pulse survey to better understand customer perceptions. Conducted across 15 major cities with a sample size of 800 respondents aged 18-65, this year's survey focused on the environmental aspect of ESG. The results revealed that over 70% of respondents expressed a positive attitude toward the importance of environmental initiatives and green products from banks.
For more details, please refer to the chapter Treating Our Customers Responsibly on pages 149 to 165.

FEEDBACK IN 2024

Prompt issue resolution and consistent service quality across all touchpoints.

Strong appreciation for the Bank's digital capabilities, with opportunities to enhance service delivery across both physical and digital channels

Growing demand for **enhanced self-service features** and **real-time support** during digital banking sessions.

Interest in a **loyalty programme for debit card transactions**, enabling customers to earn points similar to credit card benefits and easily redeem them for various services.

For more details, please refer to the chapter Treating Our Customers Responsibly on pages 149 to 165.

RESPONSE AND IMPACT ON BOARD DECISIONS

New TBC Card: Introduced with market-leading features, including a robust points collection system and a redesigned loyalty programme that allows customers to easily convert points into money.

Streamlined lending procedures: Simplified to improve efficiency and customer convenience

Enhanced digital banking: Upgraded to deliver a seamless and user-friendly experience.

Simplified POS terminal management: Tailored to meet the needs of business customers more effectively.

Optimised ATM network coverage: Expanded to ensure greater accessibility across the service area.

PRIORITIES FOR 2025 AND BEYOND

TBC Bank aspires to provide a leading customer experience across all channels, continuing to develop customer-tailored financial solutions that proactively identify and meet evolving customer needs.

The Company's sustained commitment to building lasting customer relationships remains central to its strategy.

The Bank will further accelerate its investment in digital capabilities and services, which will enhance customer journeys and enable seamless end-to-end process automation while maintaining the human touch where it matters most.

OUR EMPLOYEES

People are at the heart of TBC Bank's success. People and culture serve as the anchor of the strategy, driving transformation and growth.

The Company is committed to engaging with its employees through various channels to foster open communication and ensure alignment with organisational goals. Engagement is central to creating a supportive and productive work environment.

The Company maintains close engagement with its employees to foster understanding around their careers and aspirations. Employees are empowered to develop their careers and pursue international opportunities, ensuring alignment with individual aspirations and organisational goals.

Initiatives undertaken throughout the year have included:

In-person focus groupsand targeted online surveys to gather employee feedback on employee engagement, job satisfaction, and alignment with Company values.

Regular CEO and Management Board meetings with the full workforce, addressing topics such as:

- Delivering strategy and achieving objectives.
- Corporate culture.
- Workforce health, safety, wellbeing, and mental health.

HR team updates on mental health and wellbeing, complemented by regular updates and workshops, in collaboration with an external company, to provide additional support where needed.

Designated Non-Executive Director for workforce engagement, who:

- Meets regularly with employees in Georgia and Uzbekistan, both in person and online.
- Fosters open communication and gathers direct employee insights.
- Conducts employee surveys focused on engagement, job satisfaction, and alignment with company values.

Furthermore, the 2024 **ESG Awareness Survey**, conducted for the first time at TBC Bank, assessed employees' understanding and engagement with ESG principles, revealing a strong awareness level of 77%. The findings will guide TBC Bank in refining its ESG communication strategies, developing focused awareness programmes, and strengthening middle management involvement to foster a more inclusive and sustainability-driven corporate culture.

The survey also informed the annual updating of the Diversity, Equality, and Inclusion policy. For more details, please see Chapter "Responsible Employer," 117-147 pages.

Colleagues have provided positive feedback during the year and have expressed interest in initiatives to promote self-learning and development.

The company regularly measures workforce happiness and NPS, both of which have remained high despite global economic challenges. These metrics are continuously monitored to ensure high levels of satisfaction and loyalty.

For more details, please refer to the chapter Responsible Employer on pages 117 to 147. Further insights from employee feedback gathered by the designated Non-Executive Director for workforce engagement can be found on page 157 of the Annual Report.

The Board's decision-making process consistently prioritises employees as essential drivers and stakeholders in the company's success. A robust human resources strategy is in place with a central focus on talent acquisition, development, and retention.

The Board's commitment to employees as key stakeholders is reflected in several initiatives:

Strategic focus on employees: Ensures talent availability, competitive compensation, and flexible work arrangements to support the Company's success.

Robust human resources strategy: Developed to recruit, identify, train, and promote talent at all levels. Extended to subsidiaries, including Uzbekistan, to maintain consistent talent management practices.

Clear and competitive compensation policies: Designed and implemented with support from the Human Resources & Remuneration Committee.

Employee development through TBC Academy: Free digital and in-person training programmes offered to employees. In 2024, over 850 employees participated in programmes to further enhance skills and opportunities.

Diversity, benefits, and protections: The Responsible Employer Chapter in this report provides detailed information on our diversity, equality and inclusion policy, and all the opportunities, benefits and protections available to our workforce. Additionally, the Board, with support from the Human Resources & Remuneration Committee, ensured that clear and competitive remuneration policies and principles are in place for the Group, including in its subsidiary in Uzbekistan.

Furthermore, the Corporate Governance Statement in the Annual Report on pages 170-179 and the update from the designated Non-Executive Director for workforce engagement on page 157 provide additional information on how the Board responded to employee feedback.

In 2025, the Company remains committed to preserving the core TBC Group culture and heritage while integrating international values that foster diversity and inclusion. By listening to employees and receiving their feedback, the Company continuously develops and refines its engagement strategies, ensuring they remain relevant and responsive to the needs and expectations of the workforce.

As more Gen Z employees join the workforce, the Company recognises their distinct values and expectations, including a strong preference for flexibility, innovation, and meaningful work. Initiatives are being adapted to engage this generation, integrating their perspectives into the workplace while ensuring alignment with the Company's strategic objectives. A focus on career development, well-being, competitive remuneration, and meaningful recognition underscores the Company's commitment to fostering success across all generations.

OUR INVESTORS

The Company continues to create value and generate sustainable returns for its diverse shareholder base through a strong and diverse business model. It also works to maintain effective, long-term relationships with its debt investors and partners, as well as with its shareholders.

OUR ENGAGEMENT

In 2024, TBC Bank conducted a comprehensive investor relations programme, ensuring robust engagement through various channels:

Opportunities for investor engagement with senior management:

- Quarterly financial results calls.
- Post-results roadshow meetings.
- Participation in investor conferences.

Chairman of the Human Resources and Remuneration Committee:

Engaged directly with investors on remuneration-related matters. This included detailed consultation in relation to the new Remuneration Policy and the related resolutions for the new Combined Incentive Plan.

Regular updates to the Board: Investor Relations updates were provided on strategy to enhance shareholder awareness and engagement.

Corporate website investor section:

- Includes all London Stock Exchange regulatory announcements.
- Provides access to all Annual Reports.
- Features webcasts of results and other investor presentations for shareholders.

In 2024, TBC Bank conducted its first ESG Investor Survey to align its sustainability strategy with investor priorities. Key insights show that investors prioritise corporate governance, effective allocation of capital, support for businesses transitioning to a low-carbon economy, alignment with Paris Agreement targets, customer privacy, data security, human rights, and labour practices. ESG ratings and transparent reporting emerged as crucial factors. The feedback will contribute to the refinement of ESG initiatives, ensuring greater alignment with investor expectations.

FEEDBACK IN 2024

Concerns about the political environment in Georgia, in which investors:

- Raised questions regarding protests surrounding the foreign agent law and the parliamentary elections.
- Sought reassurance on the potential impact on the Georgian economy and TBC's operations.

Positive sentiment on Uzbekistan operations:

- Investors expressed strong confidence in TBC's performance in Uzbekistan.
- Investors also highlighted appreciation for:
  - Rapid growth and seamless strategy execution in the market.
  - Uzbekistan's role as a key driver of the Group's overall performance.

Recognition of profitability and financial strength:

- Investors acknowledged the continued strength of profitability metrics.
- They also praised disciplined execution and a solid financial foundation.

RESPONSE AND IMPACT ON BOARD DECISIONS

Active engagement with shareholders:

- Represented by the CEO and Group CFO, supported by the Investor Relations team.
- Provided detailed and consistent market disclosures to reassure investors about the business's strength.

Proactive response to political concerns in Georgia, by ensuring:

- Robust risk management strategies.
- Resilience of operations in Georgia.

Focus on Uzbekistan operations:

- Educated shareholders on the long-term growth potential in Uzbekistan.
- Emphasised key mid-term targets related to:
  - Earnings growth.
  - Funding strategies.
  - Customer engagement.

PRIORITIES FOR 2025 AND BEYOND

The investor relations team will remain actively engaged with shareholders through a combination of quarterly results presentations, as well as management roadshows and investor conferences.

OUR COMMUNITY AND ENVIRONMENT

The Company is an integral part of the communities in which it operates. The Company depends on these communities and understands the positive role it can play in developing them. Strong corporate social responsibility has been in its DNA since its founding over 30 years ago. The Company is committed to making a positive long-term improvement and engages closely with communities.

The CEO provides regular updates to the Board on engagement with the community. The various initiatives are set out in the chapter Supporting Communities on pages 189 to 203.

The Board was provided with updates on the ESG strategy implementations regularly. Regular updates on the progress of ESG initiatives and targets were provided to the ESG and Ethics Committee.

Raising awareness of ESG principles is also central to our strategy. We engage with stakeholders through educational initiatives, transparent reporting, and collaborative efforts to promote a deeper understanding of sustainability issues.

Access to finance for individuals and businesses.

Education and development opportunities for young people.

Support for small businesses and entrepreneurship.

Women's empowerment and related initiatives, aligned with the Bank's ESG Strategy.

Board Support for ESG Matters:

- The Board is supported by the ESG and Ethics Committee. Details of the Committee's work are available in the chapter Governance and Sustainability Management on pages 65 to 77.

Key Actions by the ESG and Ethics Committee:

- Reviewed and recommended updates to the Human Rights and Environmental and Climate policies.
- Set a training agenda focused on Ethics, ESG, and Climate-related matters.

Community Engagement:

- Supported small businesses and entrepreneurs in Georgia.
- Provided monthly financial assistance for young children's education.
- Sponsored arts and culture projects, including the flagship literary award, Saba.

Significant Partnership with the International Finance Corporation ("IFC"):

- In August 2024, JSC TBC Bank signed a USD 150 million loan agreement with the IFC.
- Loan details:
  - Five-year maturity.
  - Half allocated to renewable energy and energy-efficient projects.
  - Focused on boosting access to finance for SMEs in Georgia.

The focus will remain on meeting the ESG strategic pillars. In 2025, the Company will update its ESG Strategy for 2025-2027 to reflect the recent achievements and will start developing a transitional plan in alignment with the Paris Agreement. Furthermore, the continued enhancement of ESG reporting remains a focus area for the following year. With the TBC ESG Academy, the Company continues ongoing green financing training courses for employees and customers.

The Company will look to promote access to finance, education, the development of opportunities, and the support of small businesses and entrepreneurship. This will also include the promotion of equal opportunities for women across the technology and finance sectors.

04

Our Material Topics

Our Material Topics

How We Define Our Material Topics and Report Content

Materiality Matrix

Our Contribution to the UN Sustainable Development Goals

The UN Women's Empowerment Principles

Our Material Topics

The term 'Material Topics' is one of the key terms in sustainable development reports, including the Global Reporting Initiative (GRI) report. Every organisation, through its activities and decisions, impacts the lives of people - whether the organisation's employees, customers, suppliers, or other members of society. They also impact partner or competitor organisations, the environment, and social and economic systems. The impact can be positive as well as negative. Depending on the specific organisation, the impact can be insignificant in some fields of activity, but substantial in others. In terms of the GRI report, material issues are those that have the most significant social, economic, and environmental impact, both positive and negative. Issues that are important to stakeholders and can have a substantial impact on their opinion or decisions are also considered to be material. According to the GRI standards, our GRI report structure is based on material topics.

To identify the impacts on the environment, society, and human rights, we use a combination of internal and external sources. Internally, we conduct comprehensive assessments of our operations and policies, considering factors like resource consumption, employee welfare, and community relations. Externally, engagement with stakeholders, including experts and international organisations, and audits ensure compliance with industry standards. Customer and community feedback contributes further insights into our potential impacts. More information is given in the following chapters of this report.

We prioritise our impacts based on regulatory compliance, alignment with our strategic goals, and stakeholder feedback, including customers, employees, communities, and investors.

HOW WE DEFINE OUR MATERIAL TOPICS AND REPORT CONTENT

To conduct our materiality analysis and determine the content of this report, we considered relevant international standards and best practices, the outcomes of sector research, and the opinions of our internal and external stakeholders.

TBC operates under UK regulations as part of TBC Bank Group PLC, which is listed on the London Stock Exchange. Furthermore, the bank aligns with International Financial Institution (IFI) requirements, particularly in areas such as ESG, risk management, and corporate governance, as it collaborates with global lenders such as the EBRD, ADB, and IFC. Additionally, TBC has demonstrated a commitment to adapting to emerging regulatory standards, especially in sustainability and financial transparency. In addition, we consider the GRI Universal and Topic-specific Standards; other international and sector-specific standards, such as the SASB Standards, the UN Global Compact ten principles, information requirements for environmental, social and governance (ESG) ratings, and the questionnaires and recommendations of the main sustainability indexes, such as FTSE4Good.

In January 2022, TBC Bank Group established an Environmental, Social, and Governance (ESG) and Ethics Committee at the Board level, as well as at the Supervisory Board level of its main subsidiary, JSC TBC Bank, in accordance with the Company's "mirror boards" policy. This initiative underscores the Group's commitment to integrating sustainability within its corporate governance framework. The Committee's mandate includes overseeing the implementation of ESG strategies, policies, and programmes across the Group's businesses, ensuring alignment with regulatory and stakeholder expectations. The ESG and Ethics Committee reports to the Board of Directors, which retains overall oversight of ESG initiatives. In 2024, the Committee convened four times to review progress and provide strategic direction on ESG-related matters.

In 2021, the Group developed and approved its ESG Strategy. While developing our environmental, social and governance (ESG) Strategy, we considered a range of international standards and concept papers (European Central Bank, European Banking Authority, TCFD, National Bank of Georgia, and the Big Four accounting firms), reports about climate change in Georgia, the criteria of ESG rating agencies, and recommendations in relevant papers. In 2024, we updated our ESG Strategy in order to reflect the progress made during 2023 and adjust the targets and initiatives for future years. Following the completion of a three-year ESG strategy cycle, we have elevated our approach to a new level of business maturity, integrating sustainability more deeply into our operations.

Furthermore, in 2024, we conducted dedicated ESG surveys among our employees, investors, and customers. To ensure our ESG initiatives align with stakeholder expectations and support our strategic sustainability goals, we identified key ESG topics of interest and importance to employees, investors, and customers. Using this feedback, we refine our ESG initiatives to ensure they address stakeholder expectations and support our strategic sustainability goals.

Based on the identified and prioritised material topics, we defined the content of this report and the information to be included in it. We structured the report contents based on the following GRI principles: Sustainable Development Context; Materiality; Completeness; and Stakeholder Inclusiveness. Those topics that were considered to be important based on these four principles were included in the report. Our specific focus in this report on specific topics, coupled with the volume of data provided, reflects the significance of those topics to our company and its stakeholders.

MATERIALITY MATRIX

We have grouped our material sustainability topics according to the core sustainability impacts of our operations. Detailed information on our material topics, their relative significance and our responses is available in the table below, on pages 40 to 41. The last column of the table presents the specific report sections and chapters where further information can be found.

OUR CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS

On September 25th, 2015, UN member states agreed on a new sustainable development agenda entitled, "Transformation of our world: 2030 Agenda on Sustainable Development", which includes 17 global goals. These goals aim at reaching long-term, sustainable results in economic, social and environmental areas, such as the reduction of poverty, inequality and injustice, protection of the environment, and the minimisation of climate change. Every sector of the economy and every organisation has a specific role to play in implementing the 2030 agenda. Currently, we operate multiple social and environmental protection programmes, through which we are contributing to the implementation of the 2030 agenda. As part of our commitment to sustainable development, TBC focuses on empowering the young generation, advancing education, and promoting diversity in its broadest sense, including disability inclusion, while striving to create lasting value for society.

Our ESG strategy enables us to make a more tangible contribution towards reaching the sustainable development goals. In recognition of our actions to contribute to the SDGs, TBC received a special prize for our outstanding efforts to champion the SDGs in the country at the prestigious Corporate Responsibility Award Ceremony 2021, organised by the UN Global Compact Network Georgia. Through our sustainable portfolio, we have focused on energy efficiency, youth support, and women in business loans financed by special purpose funds received from IFIs, as well as on financing renewable energy, which includes hydropower plants financed by the Bank. The year 2024 was particularly important, as the volume of the sustainable portfolio reached GEL 1.73 billion. The table on pages 42 to 43 presents the Sustainable Development Goals to which the results of our current activities and programs are linked.

MATERIALITY MATRIX

Material issue	Importance (high/medium/ low)	Scope for the material topic
CORPORATE GOVERNANCE, ETHICS AND FAIR OPERATIONS		
Anti-corruption, ethics, & countering money laundering	High	Within/external
Good corporate governance	High	Within
Risk management and social and economic compliance	High	Within/external
ECONOMIC IMPACTS		
Financial performance	High	Within/external
Responding to macroeconomic issues	High	External
Attracting investments	High	Within/external
Economic impacts created by taxes, employment, procurement and our loans	High	External
EMPLOYEE RELATIONS		
Workforce well-being, conduct and culture	High	Within
Diversity and inclusion	High	Within
Employee development, training, education and leadership	High	Within
Occupational health and Safety	High	Within/external
CLIENTS AND SERVICES		
Improving customer satisfaction and experience	High	External
Responsible sales and marketing	High	External
Privacy and data security	High	Within/external
Digital innovation and new products	High	Within/external
PROMOTING SOCIETY WELL-BEING		
Investing in economic well-being and greater prosperity of local communities	High	External
Financial education, inclusion and accessibility of financial services	High	External
MSME development and encouraging entrepreneurship	High	External
DIRECT ENVIRONMENTAL FOOTRPINT		
Paper, plastic & waste	Medium	Within/external
Energy	Medium	Within/external
GHG emissions	Medium	Within/external
INDIRECT SOCIAL AND ENVIRONMENTAL IMPACTS OF OUR OPERATIONS		
Responsible lending, investing and procuring	High	External
Responsibility towards suppliers	High	External
Financed GHG emissions	High	External
Climate change	High	Within/external

RELEVANT GRI STANDARD IN THE REPORT

Relevant GRI Standard in the report	How we are addressing the topic (report section)
CORPORATE GOVERNANCE, ETHICS AND FAIR OPERATIONS	Ch.6 Governance and Sustainability Management Pg. 65
205. Anti-corruption; 206. Anti-competitive behaviour;	
GRI 2: General disclosures (2-23; 2-26)	
GRI 2: General disclosures (3. Governance)	
GRI 2-27 Compliance with laws and regulations	
GRI 2-12 Role of the highest governance body in overseeing the management of impacts	
ECONOMIC IMPACTS	Ch.8 Our Economic Impacts Pg. 87
201. Economic performance	
202. Market presence	
203. Indirect economic impacts	
204. Procurement practices	
EMPLOYEE RELATIONS	Ch.10 Responsible Employer Pg. 117
401. Employment	
405. Diversity and equal opportunity; 406. Non-discrimination	
404. Training and education	
403. Occupational health and safety	
CLIENTS AND SERVICES	Ch.11 Treating our Customers Responsibly Pg. 149
417. Marketing and labeling	
413. Local Communities	
418. Customer privacy	
Financial services sector disclosures: FS 16: Initiatives to enhance financial literacy	
PROMOTING SOCIETY WELL-BEING	Ch.14 Supporting Communities Pg. 189
413. Local communities	
Financial services sector disclosures: FS13: Access points in low-populated or economically disadvantaged areas; FS16: Initiatives to enhance financial literacy	
203. Indirect economic impacts	
DIRECT ENVIRONMENTAL FOOTRPINT	Ch.09 Environmental Responsibility Pg. 97
301. Materials; 306. Effluents and Waste	
302. Energy	
305. Emmissions	
INDIRECT SOCIAL AND ENVIRONMENTAL IMPACTS OF OUR OPERATIONS	Ch.13 Treating our Suppliers Responsibly Pg. 181
203. Indirect economic impacts; FS7- FS8: Financial services sector disclosures (aspect: product portfolio)	
102-9 Supply chain; 204: Procurement practices	

MAPPING OUR ACTIVITIES TO THE SDG GOALS

UNSDG	How we contribute	SDG indicators	Report Section
1 NO POVERTY	• through our community programmes and social investments; • through our MSME development program.	• TBC Bank allocated GEL 2 mln for social events and charity in 2024; • In 2024, TBC supported people affected by the pro-European protests, as well as small and medium-sized businesses.	Chapter 14 Supporting Communities Pg. 189
3 GOOD HEALTH AND WELL-BEING	• through ensuring social protection and occupational health and safety to our employees.	• In 2024, approximately 500 employees took part in various workshops, seminars, and physical activities as part of the mental health programme.	Ch.10 Responsible Employer Pg. 117
4 QUALITY EDUCATION	• through our community programs oriented at education; • through providing educational opportunities to our employees; • through educational programs in ICT areas.	• More than 330 participants trained through ESG Academy. • 677 Individuals trained in ICT through the programme TBC X USAID for technological education.	Ch.14 Supporting Communities Pg. 189
5 GENDER EQUALITY	• through our employee diversity programs; • through our guarantee facilities designed for women; • through educating and providing job opportunities for women and girls in ICT, thus promoting equality in male dominated areas; • though awareness-raising and increasing the representation of women at different managerial roles.	• Female representation in middle managers and agile leaders - 40%; • Female representation in ICT, risk and finance - 46%; • Female proportion of TBC Leadership Academy trainees - 53%.	Ch.10 Responsible Employer Pg. 117
7 AFFORDABLE AND CLEAN ENERGY	• through financing energy-efficient projects and renewable energy.	• The new headquarter of TBC Bank is an energy-efficient building; • In 2024, the share of renewable energy in our total electricity consumption in the regions grew up to 50%.	Ch.09 Environmental Responsibility Pg. 97 Ch.13 Treating our Suppliers Responsibly Pg. 181
8 DECENT WORK AND ECONOMIC GROWTH	• through ensuring good work and development environment to our employees; • through internship programs for youth; • through community programs oriented at education; • through supporting digital innovation and promoting entrepreneurship; • through including local suppliers in our supply chain.	• TBC has Leadership academy and in 2024, trained 188 middle and top managers. • During 2024, more than 2000 students participated in TBC Tech-school.	Ch.10 Responsible Employer Pg. 117 Ch.14 Supporting Communities Pg. 189 Ch.11 Treating our Customers Responsibly Pg. 149 Ch.13 Treating our Suppliers Responsibly Pg. 181
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• through programs promoting entrepreneurship and supporting startups; • through financial products designed specifically for MSMEs (Financing micro-enterprises, SMEs) thus increasing their access to finances; • through Youth Support Program, offering affordable credit to the youth.	• TBC supported Women's Entrepreneurship Expo 2024; • TBC has a programme "Startuperi". The program is comprised of 442 active loans, in the total amount of GEL 86.0 million as of 31 December 2024.	Ch.14 Supporting Communities Pg. 189
10 REDUCED INEQUALITIES	• through ensuring inclusion of all employees, clients and other stakeholders, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status; • through ensuring equal opportunities and reducing inequalities in the workplace.	• TBC has Diversity, Equality and Inclusion and the Human Rights Policies; • 97% of TBC's branches are equipped with a ramp; • 10 branches are fully adapted for persons with physical disabilities.	Ch.10 Responsible Employer Pg. 117
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• through our initiatives for recycling paper and plastic; • through reduction measures in energy, paper and water usage.	• TBC started recycling plastic in 2023 and in 2024 more than 2,300 kg have already been processed; • In 2023, TBC recycled 46,840 kg of paper.	Ch.09 Environmental Responsibility Pg. 97
13 CLIMATE ACTION	• through considering environmental aspects in our corporate lending and investment decisions and developing green financial products, thus reducing our indirect impact on climate and stimulating renewable energy generation; • through reducing our direct carbon footprint; • through promoting climate-friendly practices and approaches within and outside the bank; • through setting targets within the ESG Strategy.	• TBC has the Environmental and Climate Change Policy; • We received ISO 14001:2015 certification for the fifth time; • TBC Bank has established a comprehensive internal environmental system to manage and report its greenhouse (GHG)emissions; • We provide ESG training sessions for new employees about climate change.	Ch. 05 ESG Strategy Pg. 51 Ch.09 Environmental Responsibility Pg. 97 Ch.13 Treating our Suppliers Responsibly Pg. 181
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• through our anti-corruption and anti-money laundering policies and practices; • through applying our exclusion list to our credit decisions and, thus, contributing to elimination of illicit financial and arms flows and all forms of organized crime; • through supporting Ukraine over the past two years.	• TBC's Anti-Corruption Policies and Procedures; • TBC has Policy and Practices to Prevent Anti-Competitive Behavior and Anti-trust Practices;	Ch. 06 Governance and Sustainability Management Pg. 65
17 PARTNERSHIPS FOR THE GOALS	• through our partnership under the state subsidies programs; • through our partnerships with international organizations	• TBC Bank is a UN WEPs signatory; • We cooperate with local and international organizations.	Ch.01 Who We Are Pg. 5 Ch.14 Supporting Communities Pg. 189

The UN Women's Empowerment Principles

Principle 1

High-Level Corporate Leadership

Our contribution to WEPs 1: The ESG and Ethics Committee, the HR and Remuneration Comittee and the Corporate Governance and Nomination Committee actively promote gender equality at TBC, showcasing the leadership's commitment to this effort. These committees assist the Supervisory Board in overseeing the implementation of the Diversity, Equality, and Inclusion (DEI) Policy by the Management Board. Moreover, the ESG Committee supports the Management Board in implementing these policies. Additionally, the ESG Coordination Department, headed by the ESG Coordinator, plays a crucial role in mainstreaming diversity, gender, and inclusion across all stakeholders, identifying areas for improvement, providing expertise, and serving as a competence centre for ESG topics. Furthermore, TBC has a dedicated, full-time Diversity and Gender Specialist responsible for coordinating action plans, monitoring and evaluating projects and initiatives, and aligning efforts with the Women's Empowerment Principles.

Principle 2

Treat all Woman and Men Fairly at Work without Discrimination

Our contribution to WEPs 2: As a leading financial institution and one of the largest employers in Georgia, we understand our influence and responsibility in terms of employment. We commit to creating an inclusive workplace culture and removing gender-based discrimination from all policies, practices, and daily operations. Our efforts start with the recruitment process as we strive to pay attention to the communication used in vacancy announcements and application forms to attract a diverse range of applicants. The candidate evaluation and selection process is based on fairness, transparency, and applicants' demonstration of their ability to perform the job as expected. At the interview stage, we aim to mitigate any unconscious bias by having a structured interview process and showing our commitment to diversity through affirmative approaches. In 2024, we implemented a gender-disaggregated reporting system in recruitment to monitor trends and ensure gender-balanced applicant pools. Additionally, we developed handouts for HR recruiters and hiring managers on gender-sensitive recruitment, reviewed job descriptions using a gender decoder, and incorporated gender-inclusive language. Furthermore, we conducted workshops with HR departments and HR Business Partners (HRBPs) to promote gender-sensitive employment practices.

We elaborated a long-term approach for women to excel in middle management roles and break barriers in traditionally male-dominated fields such as ICT, risk, and finance. To ensure progress, our ESG strategy outlines clear targets and action plans aligned with these goals.

Principle 3

Employee Health, Well-Being and Safety

Our contribution to WEPs 3: We understand that violence of any kind can occur within and beyond the workplace that could negatively impact the well-being of a person. To ensure the health, safety, and well-being of all women and men workers, it is crucial to recognise the signs of and eliminate violence and sexual harassment towards workers in a timely manner. To maintain a safe and equitable workplace, clear grievance procedures and a robust whistleblowing policy are in place to prevent workplace harassment and discrimination. Additionally, TBC Bank ensures equal access to healthcare benefits and promotes work-life balance through flexible work arrangements. The bank also conducts awareness programmes on mental health and well-being, offers professional development opportunities for women, and strengthens gender-sensitive employment practices. Through these initiatives, TBC Bank reinforces its commitment to employee well-being and empowerment.

Principle 4

Education and Training for Career Advancement

Our contribution to WEPs 4: Training is a crucial component in supporting equality, diversity, and inclusion. It helps to raise awareness, providing an understanding of the context and issues across a range of topics. It also provides the means to deal with sensitive subjects such as unconscious bias. We understand that an effective and long-term approach to fostering an inclusive workplace culture is cooperation with our employees. To this end, we ensure they receive accurate and comprehensive knowledge and information about equal opportunities and diversity. We developed a classroom training, covering gender equality in the workplace among other affirmative approaches, thus contributing to the incorporation of principle 4 of the WEPs: education and training for gender equality. These intensive sessions cover a range of topics, including gender stereotypes, discrimination, identifying forms of violence, and promoting gender equality and equity in the workplace and, more broadly, in society. The sessions provide both theoretical knowledge and practical exercises, encouraging engagement and discussion among participants. Since 2023, a total of 3,528 employees have participated in these 4-hour sessions, conducted for 30-35 participants.

In addition, all employees receive mandatory training on gender, equality, and diversity issues within training modules on the following topics: sexual harassment; stereotypes and discrimination; diversity and equality; and forms of violence. The modules consist of training videos and materials. Their effectiveness is measured through regular tests based on the training materials in each module. In 2024, a total of 8,155 employees successfully completed the diversity and equality training module, while 8,122 participants engaged in the sexual harassment training module. Additionally, 8,155 employees completed the training module on stereotypes and discrimination, and 8,122 participated in the module covering forms of violence.

In addition, we provide ESG training sessions for new employees, which include topics such as climate change, TBC's environmental management system, and social and governance issues. The final session addresses gender stereotypes, the gender pay gap, women's economic inactivity, and other gender equality and equity issues. In 2024, 2,031 new employees participated in these training sessions.

Principle 5

Enterprise Development, Supply Chain and Marketing Practices

Our Contribution to WEPs 5: TBC is committed to fostering inclusive business practices by promoting gender equality within its supply chain, supporting women-owned enterprises, and ensuring ethical marketing standards. A key focus is empowering women entrepreneurs and social enterprises, with several initiatives launched in 2024. In cooperation with the European Bank for Reconstruction and Development ("EBRD"), we run two programmes: "Business Loan for Women Entrepreneurs"- offering special loan terms and conditions for women entrepreneurs to support gender equality and "Business Loan with 15% Cash Back"- a project that aims to promote EU trade standards in the following areas: agriculture, food production, and laboratories. In 2024 a new loan product specifically designed for women entrepreneurs was launched. Recognising that collateral is a significant barrier for women in Georgia, this loan offers female founders up to GEL 500,000 without the need for collateral, supported by our lenders and various government programmes. Additionally, this loan features pricing benefits, allowing women to borrow at the lowest available interest rates. This initiative highlights our commitment to empowering women in business and fostering their success in the entrepreneurial landscape.

Additionally, a special award has been added to the TBC Business Awards categories for the company that actively promotes women's empowerment and gender equality. TBC has also played a significant role in supporting women-led businesses by sponsoring events such as exhibitions, sales of women entrepreneurs' products, and the Social Enterprise Exhibition.

Principle 6

Community Initiatives and Advocac

We align with WEPs 6: TBC actively participates in community initiatives, driving positive change through outreach programmes, sponsorships, and partnerships that address diverse community needs. Our efforts prioritise inclusivity and sustainable development, with a strong focus on supporting MSMEs to foster economic growth and entrepreneurship. We remain committed to empowering Georgia's younger generation through various educational projects and sponsorships. Beyond Georgia, TBC also contributes to social initiatives in Uzbekistan, such as Payme Mahalla and TBC Edu, aimed at enhancing financial literacy and education. Promoting gender equality is a key pillar of our strategy. TBC recognises and supports women through prestigious awards like the TBC Annual Business Awards and the Grace Hopper Award, as well as programmes such as „Technovation Girls" and „TBC X USAID for Technological Education". Additionally, we provide a dedicated platform for entrepreneurial women in Uzbekistan through www.growth.payme.uz.

Principle 7

Measurement and Reporting

Our contribution to WEPs 7: To support and demonstrate inclusion through fair and transparent operations, we review and evaluate our policies, procedures, and practices, including employee performance, career progression, remuneration, recruitment, complaints, disciplinary cases, benefits, employee turnover, learning, and development. Additionally, for monitoring and evaluation purposes, we collect, analyse, and report sex-disaggregated data on a monthly basis to create a baseline and measure the outcomes and impacts of our efforts and our progress towards our internal diversity targets for specific positions. We present the findings from the reporting to the relevant group and bank-level committees each quarter. Moreover, every year we participate in an annual assessment of WEPs signatory companies conducted by UN Women Georgia, where we report data, progress, and any implemented thematic activities and projects relevant to each WEP.

TBC participated in „Ring the Bell for Gender Equality 2024“

Nino Masurashvili, Chief Risk Officer at TBC, participated in the annual global initiative “Ring the Bell for Gender Equality 2024,” organized by UN Women. The event highlighted the critical role the banking and financial sector can play in promoting gender equality.

Nino Masurashvili was invited as a speaker for a panel discussion, during which she outlined TBC’s strategic vision, practical experience, and ongoing targets for advancing women’s empowerment and gender equality.

TBC is a signatory to the Women’s Empowerment Principles and remains a strong advocate for the advancement of women, both in Georgia and across the wider region.

Advocating for ESG matters is a strategic priority for TBC. Members of our Board and senior management actively engage in a range of initiatives and events, reflecting our strong commitment to these issues. We recognise the critical importance of promoting ESG principles and maintain close collaboration with both local and international organisations and institutions to advance this agenda.

05

ESG Strategy

Our Environmental, Social and Governance (ESG) Strategy

Direct and Indirect Environmental Impact

Social Impact

Governance

2025 Priorities

Environmental, Social and Governance (ESG) Strategy

Our commitment to sustainable development derives from our role as the leading financial institution in Georgia's development. We recognise our significant impact on the country's economy and our vital role in fostering business growth, employment, and societal progress. As a market disruptor in Uzbekistan and with our expanding international operations, we also integrate sustainable development practices across the wider region.

Our ESG Strategy underscores our dedication to making a lasting, sustainable impact. We are committed to being the foremost advocate of Environmental, Social, and Governance (ESG) principles, not only in Georgia but also across the broader region. By integrating ESG considerations into our operations, we aim to drive positive change, support sustainable development, and lead by example. A key component of our strategy is the transition to a low-carbon economy. We are actively working to reduce our carbon footprint and promote renewable energy sources. This involves lending to customers who invest in green technologies, supporting low-carbon projects, and encouraging sustainable practices across all sectors.

Raising awareness of ESG principles is also central to our strategy. We engage with stakeholders through educational initiatives, transparent reporting, and collaborative efforts to promote a deeper understanding of sustainability issues. Furthermore, in 2024, we conducted dedicated ESG surveys among our employees, investors, and customers. To ensure our ESG initiatives align with stakeholder expectations and support our strategic sustainability goals, we identified key ESG topics of interest and importance to employees, investors, and customers. Using this feedback, we refine our ESG initiatives to ensure they address stakeholder expectations and support our strategic sustainability goals.

We prioritise diversity and inclusion within our organisation and in the communities we serve. We believe that diverse perspectives drive innovation and strengthen our ability to address complex challenges. We are committed to creating an inclusive environment where all individuals feel valued and respected. In 2024, we worked on a comprehensive diversity concept covering three main activity streams: physical and digital accessibility of products and services, inclusive employment, and accessibility of marketing events. This one-year project was supported by the Asian Development Bank through the TSCFP Disability Inclusion Project[1]. As a result, we created a solid foundation for our Diversity Action Plan, rolled out in the following years.

Our ESG strategy reflects our responsibility to foster economic growth, social well-being, and environmental stewardship, ensuring that our contributions benefit both present and future generations. The ESG Strategy is reviewed and approved by the Board of Directors annually, while implementation is overseen by ESG-related committees at the Board and executive management levels.

The ESG Strategy defines several key areas and targets for different time horizons:

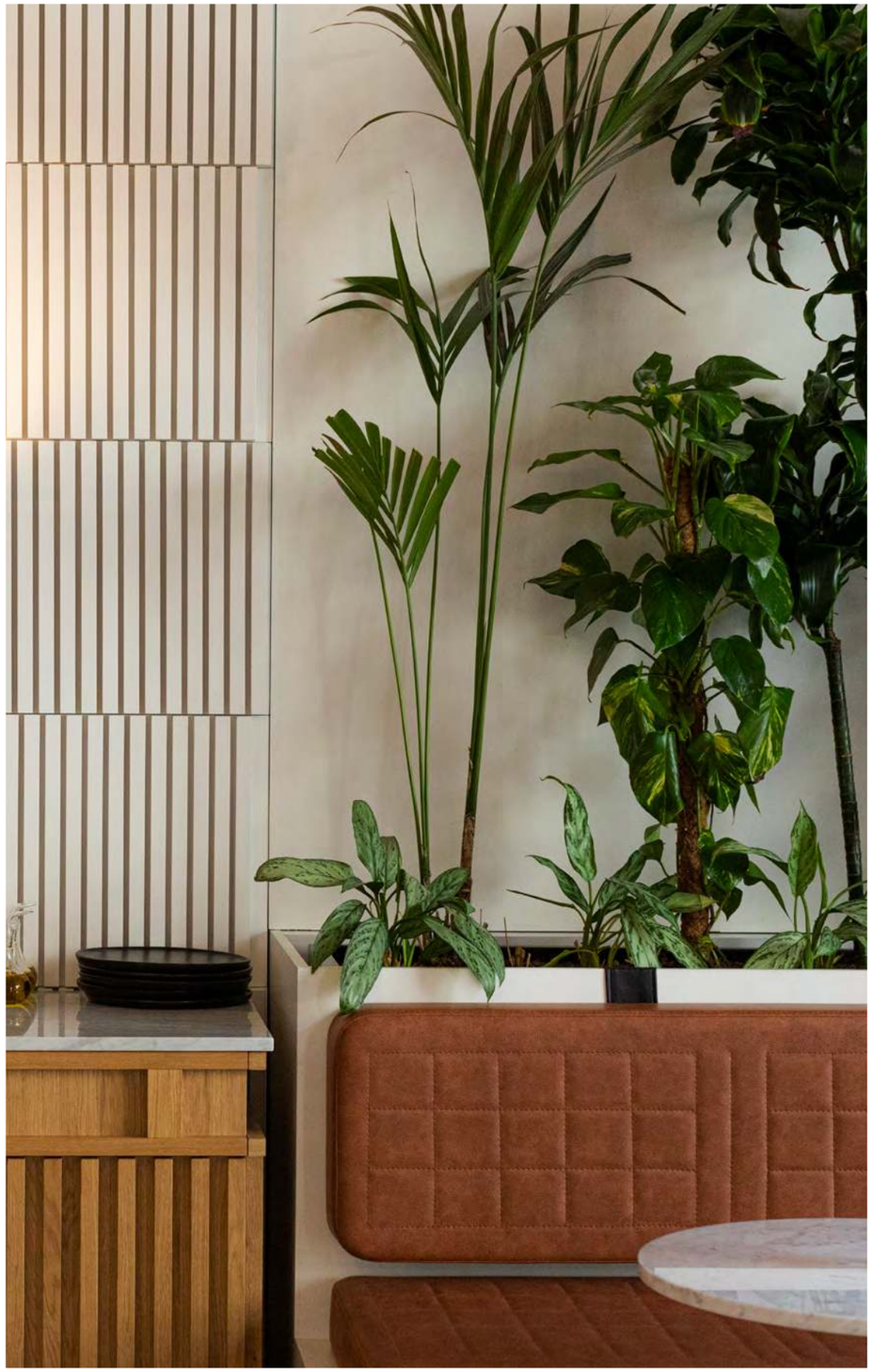
- Enhanced governance of ESG and climate-related risks and opportunities
- Sustainable portfolio growth
- Access to green and sustainable financing sources
- Customer awareness, investor confidence, and employee diversity
- Impact measurement and reporting

The ESG Strategy follows the strategic roadmap which reflects the milestones of our sustainability journey for the following years. In 2024, we actively continued the implementation of our initiatives and targets, which are distributed in four pillars.

Pillar 1 and 2: Direct and Indirect Environmental Impact

2022 ESG Strategy target / initiative	2023 status	2024 status
Volume of GEL 782 million was achieved[2]	Volume of GEL 1.23 billion was achieved	Volume of GEL 1.73 billion was achieved
Regular reports on key parameters to the ESG-related Committees at Board and executive management level established	Increased granularity and automation of reporting, regular reporting on climate-related risks, scenario analysis, stress testing, and ESG risk appetite	A robust reporting framework on environmental and climate-related matters established, including deep-dive sessions on TCFD, Paris Agreement alignment, financed emissions, and other relevant topics
The green lending procedure implemented	Harmonisation of the green lending procedure and the green taxonomy of the NBG	Harmonisation of the green lending procedure and the green taxonomy of the NBG
The NBG introduced the Green and Social Taxonomies, developed in line with the best international taxonomies	The NBG Green Taxonomy implemented; the respective documentation, procedure, calculation tools implemented, and training for responsible staff conducted	The Social Taxonomy has been implemented
Climate Change Policy developed and approved[3]	Development of sectoral guidelines in line with the Climate Risk Radar of the National Bank of Georgia (NBG)	Implementation of the ESG guidelines of the National Bank of Georgia[4]
The framework on ESG profiles for corporate customers developed	Implemented for the existing Top 20 corporate customers	Incorporation into the risk management procedure
Development of ESG risk appetite	Regular reporting, monitoring, and review established	Revision and refining of definitions

1 As part of the Asian Development Bank Trade and Supply Chain Finance Program's (TSCFP) Disability Inclusion Project for Financial Institutions, ADB is funding the provision of timeboxed consultancy support for banks across Asia and the Pacific. ADB has contracted GDI to provide consultancy services for banks under this programme, and TBC Bank is receiving this consultancy offer free of charge, as funded by ADB. As agreed with TBC Bank, the scope of consultancy support provided by GDI Hub includes technical, training, and advisory services.
2 Renewable energy and energy-efficiency loans, women and youth financing, NBG green and social taxonomy, green bonds and social guarantees. More details are given on page 176
3 https://www.tbcbankgroup.com/esg/group-policies/
4 https://nbg.gov.ge/en/page/esg-guidelines, in force starting from January 2025.



2022 ESG Strategy target / initiative	2023 status	2024 status
Increase customer loyalty, investor confidence, and employee motivation	Establishment of ESG training framework for all TBC employees Measure ESG awareness among employees and customers Conduct an ESG Survey for investors	ESG awareness index among employees measured ESG surveys among investors conducted ESG matters integrated into customers' surveys
ESG strategies in material subsidiaries developed	ESG strategies implemented and supporting ESG function at the Group level established	ESG strategies updated to reflect the progress made during 2023
To define the net-zero target for direct environmental performance	TBC Bank's direct performance towards the Paris Agreement targets for the reduction of GHG emissions measured	Develop a plan to enable our direct environmental impact to also reach net-zero
Develop a plan to enable our indirect environmental impact to also reach net zero	A methodology to calculate financed emissions based on the PCAF approaches developed and financed emissions calculated for seven asset classes	TBC Bank's indirect performance has been measured against the Paris Agreement targets for the reduction of GHG emissions

In 2024, our main focus was on sustainable portfolio growth, the enhancement of the ESG framework, measurement of our direct and indirect performance towards the Paris Agreement targets, and the establishment of the ESG Academy training courses.

TBC strives to increase its positive impact on society and the economy by introducing new financial products and services that are designed to deliver a specific social or environmental benefit. The Green Lending Procedure and the implementation of the Green Taxonomy of the National Bank of Georgia sets the necessary framework for desired growth of the sustainable portfolio.

The total volume of the sustainable portfolio in 2024 reached GEL 1.73 billion, which constitutes a growth of 40.5% in comparison with the end of 2023 (GEL 1.23 billion).

In 2024, we further enhanced our climate-related approach. We reviewed our assessments of climate-related transitional and physical risks on a sectoral level and incorporated the ESG Risk Radar considerations of the National Bank of Georgia (NBG)[1]. Furthermore, we updated our climate stress testing framework in line with the Climate Stress Testing Framework of the NBG to incorporate parameters that are better tailored to the local context. We made meaningful progress in calculating our financed emissions and identifying a pathway aligned with the Paris Agreement targets. The results will provide a foundation to develop our plan to enable our indirect environmental impact to reach net-zero as soon as practicable thereafter. We understand that the transition to a lower-carbon and sustainable economy requires both internal knowledge building and awareness raising among customers, businesses, and the public.

Helios Energy installed a solar power plant with the support of TBC

In the village of Chardakhi, Helios Energy has established a 1,650 kW solar power plant that supplies electricity to McDonald's branches in Batumi, Zugdidi, and Kutaisi. The project was financed by TBC Bank and supported by the EBRD program.

The station generates 2.4 million kWh annually, fully meeting the electricity needs of the aforementioned McDonald's branches. Additionally, the project has a positive environmental impact, reducing CO2 emissions by 1,140 tons per year.

The TBC ESG Academy launched the first green mindset and green financing course for our employees and customers. In total, 323 participants attended the courses.

We focus on internal capacity building, involving in-house and external experts on a variety of topics: green lending, the NBG green taxonomy, the impact of climate change, climate-related risks, and scenario analysis. As the sustainability landscape evolves with new information and greater standardisation, TBC will continue to refine and expand its disclosures to provide meaningful information to stakeholders.

These developments are described in the Climate-related Financial Disclosures on pages 126-151 of the Annual Report 2024.

Please see more details in the chapters Environmental Responsibility and Responsible Banking, pp. 97 and 167 respectively.

Pillar 3: Social Impact

2022 ESG Strategy target / initiative	2023 status	2024 status
Diversity, Equality and Inclusion (DEI) Policy, targets, and action plan defined	Share of women in middle managers and agile leaders at 40%	Share of women in middle managers and agile leaders at 40%
Comprehensive ESG training framework covering all TBC employees and different responsibility levels established	GEL 5 mln target for impact procurement	Measure ESG awareness among employees and customers Development of diversity action plan

In order to expand our focus on diversity, gender and inclusion issues, we have developed a Diversity, Equality and Inclusion Policy (available at our www.tbcbankgroup.com), which sets targets and establishes a methodology to advance diversity, equality and inclusion, integrating its approach into the company's operations and management processes and focusing on diverse areas including gender, multicultural, multigenerational and disability backgrounds. We remain committed to having a gender-balanced workforce and a culture that supports and empowers women. At the Bank level, we defined targets for women's participation in different positions.

The main target for women in middle manager and agile leaders is set at 43% for 2025.

Similar affirmative targets are set at other subsidiaries of the Group as well. In the coming year, we are going to introduce a target for middle managerial positions at the Group level.

Please see more details in the chapter Responsible Employer on pages 117 to 147.

1 https://nbg.gov.ge/en/page/climate-risk-radar

Pillar 4: Governance

2022 ESG Strategy target / initiative	2023 status	2024 status
ESG governance framework established at both Board and executive management levels	Enhance ESG governance and achieve a higher maturity level	The higher maturity level achieved
Regular reports on key parameters to the ESG-related Committees at Board and executive management level established	Increased granularity and automation of reporting, regular reporting on climate-related risks, scenario analysis, stress testing, ESG risk appetite	On-going process
Separate ESG Strategies developed	Implementation of ESG Strategies in subsidiaries	ESG Strategies updated to reflect the progress made during 2023

The ESG Strategy is reviewed and approved by the Board of Directors annually, while implementation is overseen by two ESG-related committees at the Board and executive management level. The committees were actively involved.

The ESG and Ethics Committee was established during 2022. In 2024, the committee met four times. During the year, the Committee has supported and provided steer on the implementation of strategy, policies, and programmes in relation to ESG matters for the Group and its subsidiaries, ensuring that the Group's ESG Strategy is implemented effectively, meeting the set objectives across all business areas. Please see more details in the chapter Governance and Sustainable Management on pages 65 to 77.

In 2022, we started to develop individual ESG strategies in significant subsidiaries of TBC Bank and the Group. In 2023 and 2024, we focused on the implementation of the ESG strategies in subsidiaries. Several workshops were conducted with the involved staff from the subsidiaries, as well as working groups established, including subsidiaries' responsible employees and the Investment Risk Management Department of TBC Bank. For more details on ESG strategies in subsidiaries, please see the chapter Subsidiaries on pages 205 to 227.

2025 Priorities

In 2025, we will continue to follow our strategic plan and will focus on the following topics:

SUSTAINABLE PORTFOLIO

In 2025, we will continue to focus on the growth of our sustainable portfolio. The ESG strategy sets an ambitious target of GEL 2 billion for the sustainable portfolio. The ESG strategy sets aspirational targets, such as net-zero green-house gas (GHG) emissions related to our direct environmental impact by 2030 and an increase in the sustainable portfolio, which consists of renewable energy loans, energy efficiency loans, and financing with social components such as women and youth financing, supporting start-ups and rural enterprises.

TRANSITION PLAN

In 2025, we will focus on the implementation of detailed transition plans based on the measurement results of the Group's performance against the Paris Agreement targets for the reduction of GHG emissions. To support the process, we contracted an international consulting company and local and international experts and developed a detailed scope of work covering the following activities:

development of tailored green products and assessment methodologies, sectoral guidelines for climate risk assessment, footprint assessments of selected customers, and building institutional capacity.

ESG ACADEMY

In 2023, we established the ESG Academy in order to raise awareness and knowledge of ESG topics, including green and social financing, regulatory requirements, diversity and affirmative approaches, sustainable business models and practices among the Bank's customers as well as TBC employees. The first training programme, "The Green Mind-Set and Green Financing", was launched in March 2024, with support from two partner international financial institutions, the Green for Growth Fund (GGF) and the European Fund for Southeast Europe (EFSE). More than 300 employees attended the training course in 2024. The programme will train an additional 600 employees and 300 retail, MSME, and corporate customers by the end of 2025.

IMPLEMENTATION OF THE IFRS S1 AND S2

In June 2023, the International Sustainability Standards Board (ISSB) issued IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. In 2025, we will focus on the implementation of these requirements. Since we have published our disclosures in line with the requirements of the Task Force on Climate-Related Financial Disclosures (TCFD) since 2021, we will build on the existing disclosure and reporting framework.

TBC was recognized as the Responsible Large Company of the Year

TBC was named "Responsible Large Company of the Year" — the Grand Prix of Georgia's Responsible Business Awards – Meliora 2024.

The award recognized TBC for its outstanding efforts in addressing environmental, social, and governance challenges affecting employees, customers, the environment, and society.

This award once again highlights TBC's outstanding role as a leading financial institution in advancing sustainable development both in the country and across the wider region.

06

Governance and Sustainability Management

Corporate Governance Framework

Risk Management Model

Sustainability Governance

Managing Conflicts of Interest

Compliance with Laws and Regulations in the Social and Economic Area

Governance and Sustainability Management

CORPORATE GOVERNANCE FRAMEWORK

Our approach is to ensure that our governance structure is fit for purpose and in line with best practice. The primary responsibility of TBC Bank Group PLC's Board of Directors (the "Board") is to ensure that the Group applies the highest principles of corporate governance and that such principles are embedded in the culture and operations of our business.

As a London Stock Exchange premium segment listed company, we are subject to and fully comply with the requirements of the UK Corporate Governance Code (the "UK Code"). In addition, since our subsidiary JSC TBC Bank (the "Bank") is a regulated entity in Georgia, our governance structure also complies with the National Bank of Georgia Corporate Governance Code for Commercial Banks (the "NBG Code").

TBC Bank Group PLC (the "Company") and the Bank have a "Mirror Boards" governance structure. Under this structure, key aspects of the Board of Directors and the Supervisory Board of the Bank (the "Supervisory Board") are aligned with and mirror each other in terms of non-executive membership:

- The Board and the Supervisory Board have the same non-executive members;
- The Chairperson of the Board also serves as the Chairperson of the Supervisory Board;
- The Senior Independent Director ("SID") of TBC Bank Group PLC also serves as the SID of the Supervisory Board;
- The Board's Committee chairs and members also serve as the equivalent committee chairs and members of the Supervisory Board.

This Mirror Boards governance structure maximises efficiencies in the management and supervision of the Group's business and adds stability to the Group's governance.

The Board of Directors

The Board of Directors is the principal decision-making body of the Group and is collectively responsible for promoting the Group's purpose, culture, values, long-term success strategy and the delivery of sustainable value to stakeholders by establishing and overseeing the strategic direction of the Company and its business. The Board is led by the Chairperson and provides challenge, oversight and advice to ensure the Company's success. The Chairperson ensures that there is constructive debate in the boardroom to create and maintain an environment in which the Board remains open to different viewpoints and ideas.

The Board is responsible for the long-term sustainable success of the Company by setting its strategy and purpose, promoting the desired culture and ensuring that an appropriate risk management framework is in place. The Board has the following principal roles:

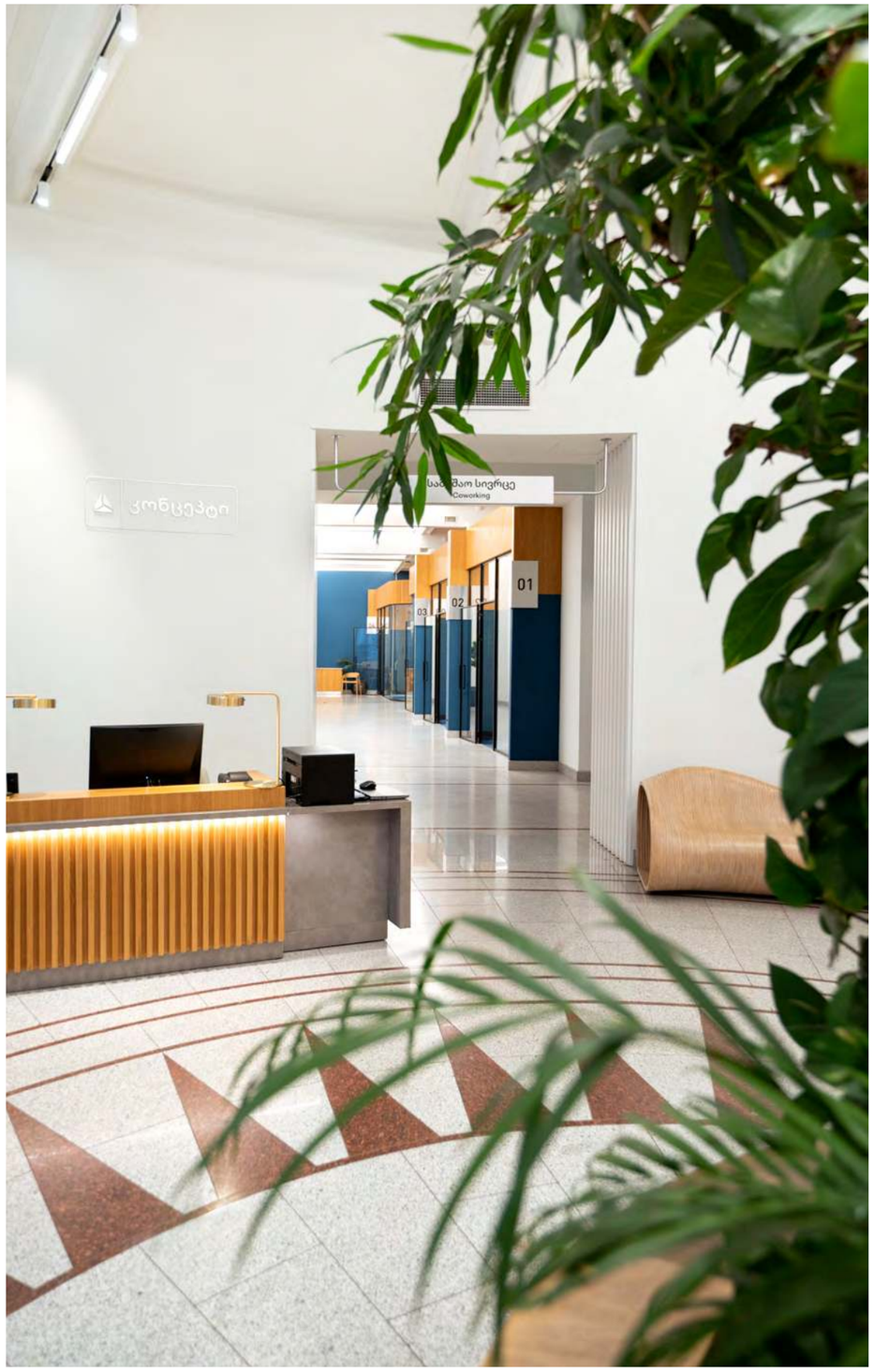
Role	Description
Purpose, values and culture	To help management shape the core values and culture that will best enable the Group to deliver its mission to make people's lives easier. More details on the Company's purpose, values and culture are provided later in this report.
Corporate strategy setting and monitoring	To agree and approve the strategic plan and objectives. The Board sets and reviews performance indicators to assess progress on the agreed-upon strategy.
Organisation and leadership effectiveness	To ensure that the organisation's leadership, design, capabilities and supporting systems match the requirements of the Group and the diverse strategies of our current and future businesses.
Operational and financial performance	We review the performance of the Group in light of strategic aims, business plans and budgets. With the support of the Audit Committee, we approve the Group's annual and interim financial statements.
Shareholder and stakeholder engagement	TBC puts the balance of stakeholder interests and the long-term interests of the Group at the heart of all its decision-making.

The Board maintains a formal schedule of matters that are reserved solely for its approval and which sets out the Board's responsibilities in full. This is regularly reviewed and is available on our website at www.tbcbankgroup.com.

Board Operations

The Board and all Board-level Committees have a detailed schedule of work, which structures the Board's workload throughout the year in line with the schedule of matters reserved for the Board and the Terms of Reference for each principal Committee. The Board and its Committees rely on management to raise items for approval. The processes of agenda-setting and reporting to the Board are reviewed as part of the Board performance evaluation. Directors are expected to attend all meetings of the Board and all meetings of the Committees to which they belong. Please see the respective chart below:

Board Member	Board	Audit Committee	Risk Committee	Corporate Governance & Nomination Committee	ESG & Ethics Committee	Technology & Data Committee	Remuneration Committee
Arne Berggren	13/13	-	-	6/6	-	-	6/6
Tsira Kemularia	13/13	8/8	-	5/5	1/1	-	6/6
Per Anders Fasth	13/13	8/8	9/9	-	-	-	6/6
Janet Heckman	13/13		9/9		4/4		6/6
Eran Klein	13/13	-	9/9	-	4/4	4/4	-
Thymio Kyriakopoulos	13/13	8/8	9/9	-	-	4/4	-
Rajeev Sawhney	13/13	-	-	6/6	4/4	4/4	-
Nino Suknidze	13/13	8/8	-	6/6	-	-	



Board Composition

In accordance with the UK Corporate Governance Code, the majority of the Board are independent Non-Executive Directors. At the time of this report's publication, the Board comprises the Chair – Arne Berggren, seven independent Non-Executive Directors: Tsira Kemularia (SID), Per Anders Fasth, Thymios P. Kyriakopoulos, Eran Klein, Nino Suknidze, Rajeev Sawhney and Janet Heckman and one executive Director, CEO Vakhtang Butskhrikidze.

All Directors of the Board will be standing for either election or re-election at this year's Annual General Meeting. Biographical details of the Directors are included on pages 164-168 of the Annual Report.

Board Diversity

The Board recognises the importance of ensuring diversity and sees significant benefits to our business in having a Board and management team drawn from diverse backgrounds, as this brings a range of expertise, cultural knowledge and different perspectives in discussions and improves the quality of decision-making.

The Board adopted a Board Diversity Policy in September 2020, which was most recently reviewed in December 2023. The Policy allows the PLC Board to ensure that PLC Board appointments contribute to the Group-wide ambitions of diversity and inclusion.

The Board meets the recommendation of the Parker Review that at least one of its members should be Black, Asian or an ethnic minority (BAME), and the Group intends to continue to meet that recommendation. The Board is mindful of the updated ambitions of the Parker Review, to set targets relating to executives and their direct reports. Although the Board has not yet agreed set targets, discussions have been held by both the Corporate Governance and Nomination Committee and the Board as to what these targets might look like for the Company given the region in which it operates. TBC Bank Group plc has the majority of its workforce in Georgia and Uzbekistan, and as such will look to set targets that are meaningful to the countries in which its workforce is based, as well as being suitable for a UK-listed company.

The Board is also committed to ensuring that the targets of the FTSE Women Leaders Review on gender diversity are met. As at the date of this Annual Report, three (33%) of the nine directors are female, and one of the senior board positions is held by a woman. In addition, the female representation of the Executive Committee is 22%. The Company was one of 68 companies within the FTSE 350 that met the Alexander Hampton Review target ahead of the deadline in 2025.

The Corporate Governance and Nomination Committee is mindful of the need to ensure the search for any additional Non-Executive Director considers the strengths that diversity, including gender and ethnicity, as well as other diversity characteristics, can bring to boards. The Board will continue to ensure that consideration of all future appointments supports the Board's and Company's diversity aims.

We have also made good progress in our ambitions to build a strong pipeline of women across the whole organisation, as we believe that driving progress for women at all levels of the Company will help build sustainable progress in advancing women into key decision-making roles.

Board Committees

The Board delegates some of its responsibilities to, and is supported by, its committees, which provide oversight and make recommendations on matters delegated to them by the Board.

The Board has established six Board Committees:

- The Corporate Governance and Nomination Committee is responsible for talent management, including nomination and succession planning for the Board and the executive team.
- The Audit Committee deals with external auditors, internal controls, and financial reporting, as well as communication with the market and regulators.
- The Risk Committee focuses on the possible risks and capital issues of the Company.
- The Human Resources and Remuneration Committee leads on remuneration-related issues, such as determining the right level of compensation to attract and retain employees, bearing in mind the level of compensation that is acceptable to our stakeholders.
- The Technology and Data Committee supports the Board in its oversight of key enablers of strategy, data, and cyber issues, and the Company's IT resources.
- The ESG and Ethics Committee ensures that the Company stays focused on the ESG issues that are key for all our stakeholders.

Terms of Reference for each principal Board Committee are available on our website (www.tbcbankgroup.com).

Division of Responsibilities

There is a clear division of responsibilities between the Chairperson, the Chief Executive Officer, and the Senior Independent Non-Executive Director. The Chairperson's principal responsibility is leadership and the effective running of the Board. The CEO's principal responsibility is running the Group's businesses. The CEO is responsible for all executive management matters affecting the Group. The SID provides a sounding board to the Chairperson, and serves as an intermediary for other directors, as well as being available to shareholders where necessary.

If there is a need for independent advice in exercising any part of its remit, the Board or any of its members can seek this directly at the Company's expense. There is an established procedure for Directors, in relevant circumstances, to obtain independent professional advice at the Company's expense. Directors' and Officers' Liability Insurance is maintained for all Directors.

The full document detailing the division of responsibilities between the Chairperson, the Chief Executive Officer and the Senior Independent Non-Executive Director is available on our website at www.tbcbankgroup.com.

Annual Board Effectiveness Evaluation

In 2024, TBC Bank engaged Lintstock Ltd to review the Board's performance for a three year period. Lintstock is an advisory firm specialising in Board effectiveness reviews and has no other connection with TBC Bank or any of the Company's Directors. More information on the results of the 2024 assessment is provided on page 177 of the Annual Report 2024.

Training Agenda

The Board of Directors has established a diverse and comprehensive training agenda, which is reviewed annually. The Group's Company Secretarial team creates a general training catalogue. The catalogue includes an effective mix of publicly available and client-tailored webinars, analytical materials, and opportunities for live discussion with industry participants. The providers of these training opportunities include the Big Four accounting firms, external legal advisors, chartered institutes (such as the Institute of Directors and the Governance Institute), and, where relevant, senior professionals with specific subject matter expertise. Directors use the training catalogue in order to create their bespoke training calendars and exchange knowledge during Board meetings or via the Group's dedicated Board platform.

In 2024, the Board also collectively undertook training on key topics, including:

- Opportunities and Risks of Generative AI in Financial Services;
- Recent Developments in Sanctions and Sanctions Compliance;
- UK Capital Market Dynamics.

RISK MANAGEMENT OVERVIEW

The Group operates a strong, independent, business-minded risk management framework. Its main objective is to safeguard the long-term earnings capacity of the balance sheet on the basis of risk-adjusted returns. This objective is achieved through the implementation of an effective risk management framework. The Group has adopted four primary risk management principles to better accomplish its major objectives:

- Govern risks transparently to ensure clear understanding of risk landscape, cross-functional alignment in risk management practices, and stakeholder trust. Transparency and consistency in risk-related processes and policies form the foundation for effective risk management and reinforcement of stakeholder trust. Communicating risk goals and strategic priorities to governing bodies and providing a comprehensive follow-up in an accountable manner are key priorities for the staff responsible for risk management;
- Manage risks prudently to promote long-term earnings growth and resilience. Risk management balances strategic risk-taking for earnings growth with robust safeguards against market disruptions, enabling the Group to pursue opportunities while withstanding stress events;
- Ensure that risk management underpins the implementation of strategy. The risk management function is embedded throughout the organisation to support achievement of strategic objectives. It promotes identification and management of risks at all levels. The risk management function provides a framework under which stakeholders are empowered to make risk-based decisions by identifying, quantifying, and adequately pricing risks. It also creates the conditions for formulating risk mitigation actions, thus supporting the long-term generation of desired returns and the achievement of planned targets;
- Use risk management to gain a competitive advantage. Providing tools for faster decision-making and supporting business operations, ensuring the long-term earnings growth and resilience of the business model, establishes risk management as a core component of the Group's competitive strategy.

Risk Management Framework

The Group employs a comprehensive, enterprise-wide Risk Management Framework, placing a strong emphasis on cultivating a robust risk culture throughout the organisation. This framework is strategically designed to ensure that effective governance capabilities and methodologies are in place, facilitating sound risk management and informed decision-making.

Aligned with the Group's overarching strategic objectives, the Risk Management Framework establishes standards and objectives while delineating roles and responsibilities. The Group's principal risks, as detailed in this section, are systematically controlled and managed within the framework, promoting consistency across the organisation and its subsidiaries.

Led by the Chief Risk Officer and developed by the Group's independent Risk function, the framework undergoes an annual review and approval process by the Board. It encompasses risk governance through the Group's „three lines of defence" operating model.

The Group's risk appetite, supported by a robust set of principles, policies, and practices, defines the acceptable levels of tolerance for various risks. This structured approach guides risk-taking within established boundaries, ensuring a proactive and disciplined risk management stance.

The Group operates under the principle that all teams share responsibility for managing risk, with a particular emphasis on those facing the client. However, the Risk function assumes a crucial role in overseeing and monitoring risk management activities. This includes the development of the framework and ensuring adherence to supporting policies, standards, and operational procedures. The Chief Risk Officer regularly reports to the Board Risk Committee on the Group's risk profile, performance, and the effectiveness of the Group's internal control system.

Moreover, the Group has instituted a rigorous process to identify and manage material and emerging threats. These threats, which are deemed to potentially adversely affect the Group's ability to meet its strategic objectives, are regularly reported to the Board. The Group's applied, comprehensive approach considers the interdependence of material and emerging threats, enhancing the overall risk intelligence provided to stakeholders.

Risk Governance

The Group's risk governance structure is crafted to ensure robust oversight and strategic decision-making within risk management. At its core, risk-focused committees and risk functions assume pivotal roles in orchestrating effective risk management practices within the Group as a whole and its individual subsidiaries.

At the Supervisory Board level, while the boards are responsible for overseeing risk management, in some instances, activities within risk management and control are delegated to risk-focused committees for effective handling. These committees' responsibilities encompass aligning risk practices with strategic goals, setting the risk appetite, discussing and approving risk policies, fostering a culture of responsible risk-taking, and monitoring risk identification and assessment processes. The committees are tasked with overseeing regular assessments of emerging and principal risks that could impact the business model, performance, solvency, and liquidity. Their leadership is critical for effective risk management and the long-term viability of the Group.

At the Management Board level, committees assume a crucial role in steering effective risk management within TBC's subsidiaries. Whether through a single risk committee or multiple committees with more granular scopes (e.g., financial risks, reputational risk, or information security), their responsibilities include closely overseeing risk exposures and making key decisions on risk mitigation and control. While specific duties may differ, the overall mission remains consistent: aligning risk management practices with regulatory requirements and risk tolerance. In cases where smaller-scale Group companies do not have their own risk committees, the Management Board itself assumes these responsibilities.

Risk Culture and Three Lines of Defence

At the core of the Group's Risk Management Framework and practices is a robust risk culture that underscores the institution's commitment to prudent and strategic risk-taking. The Group expects its leaders to demonstrate strong risk management behaviour, providing clarity on the desired level of risk-taking, developing their respective capabilities and frameworks, and motivating employees to ensure risk-minded decision-making.

The key principles governing risk culture across all the Group's subsidiaries include: Board leadership (the Board sets the tone and establishes a foundation for a risk-aware culture throughout the organisation); employee understanding and accountability (the Group ensures that employees at every level understand the institution's approach to risk, with a clear understanding that individuals are accountable for their actions concerning risk-taking behaviours aligned with the Group's standards); communication (open, transparent, and effective communication is fundamental to the Group's risk culture); and remuneration incentives (the Group reinforces its risk culture by aligning remuneration incentives with sound risk management practices).

This holistic approach to risk culture ensures that the Group and its subsidiaries are equipped with a resilient and proactive mindset, where risk management is ingrained in the organisational DNA.

To comprehensively manage risks, the Group ensures adherence to the "three lines of defence" model:

- First Line of Defence: Business lines, as frontline defenders, engage in risk-taking activities with awareness of their impact on risks that may contribute to or hinder the achievement of the Group's objectives. A well-established risk culture is fundamental to risk-taking decisions.
- Second Line of Defence: Risk management functions ensure effective risk management and controls by consolidating expertise, identifying, measuring, and monitoring risks, and assisting the first line. They act independently from the business lines and provide frameworks and tools for effective risk management.
- Third Line of Defence: The internal audit function provides assurance to the Board of Directors that the risk management and control efforts of both the first and second lines of defence meet the expectations set by the Board of Directors.

SUSTAINABILITY GOVERNANCE

TBC's activities for managing sustainability risk are aligned with its generally low tolerance of risk. Sustainability risk management is carried out within a framework of established processes for risk management.

According to our vision, a sustainable bank is a profitable institution that offers adequate, affordable, and need-based services to its clients, treats its employees, suppliers, and all other stakeholders with a high sense of responsibility, and strongly supports the development of society. It is also a technologically advanced and environmentally aware bank that is trusted by society.

The sustainability risks are related to the Group's different roles as a lender, asset manager, service provider, purchaser, and employer. Particular focus within the area of sustainability includes risks related to compliance, conduct, and digitalisation, as well as human rights, working conditions, the environment, climate change, financial crime, and information and IT security.

Sustainable development policies and management structures are represented in various policy documents and management domains. TBC has developed several thematic policies and codes that regulate various social and environmental protection issues related to the company's activities. They include the Code of Conduct and Ethics, the Human Rights Policy, the Diversity, Equality and Inclusion Policy, the Incident Management Policy, the Anti-Financial Crime Policy, the Personal Data Protection Policy, the Conflict of Interests Management Policy, the Environmental and Climate Change Policy, the Green Purchase Recommendations, etc. These documents are described in detail in their respective chapters. Since 2021, TBC developed the ESG Strategy. Please see more details in the chapter ESG Strategy on pages 51 to 63.

Each year, we aim to further systematise existing policies under a unified framework and establish sustainable development management structures and procedures across the entire Group. At the end of 2020, in order to intensify the efforts, the Group established the Investment Risk Department, which coordinates the process across subsidiaries. Furthermore, in 2021, the ESG Coordination Department was created in order to support the establishment of an integrated ESG framework synergising business, social, environmental, and governance aims. Both departments report to the Chief Risk Officer.

Since 2020, the Environmental and Climate Change Policy has been implemented in the subsidiaries. All TBC subsidiaries appointed ESG Coordinators. The ESG Coordination Department annually conducts training sessions and in-depth informational meetings for representatives from the Group subsidiaries. These sessions aim to enhance understanding of TBC Bank's ESG policies, procedures, and standards among subsidiaries. In 2023, individual ESG strategies were also developed in the Group's material subsidiaries, with updates provided annually. For more details, please refer to the chapter Subsidiaries on pages 205 to 227.

The Environmental and Climate Change Policy governs the Environmental Management System (EMS) within the Group and ensures that we comply with applicable environmental, health and safety, and labour regulations and use sound environmental, health and safety, and labour practices, as well as take reasonable steps to ensure that our customers also fulfil their environmental and social responsibilities. The Group has developed risk management procedures to identify, assess, manage, and monitor environmental and social risks. These procedures are fully integrated into the Group's credit risk management process and are applied to all commercial transactions. The Environmental and Social Risk Management (ESRM) team is part of the SME and Corporate Business Credit Risk Department, which reports directly to the Chief Risk Officer. For more details about the Environmental and Social Risks Management Procedure, please refer to the chapter Responsible Banking on page 168.

Compliance with the Bank's environmental and social policies and procedures and respective action plans with subsidiaries is closely monitored by the ESG Coordination Department. Progress on policy and ESG Strategy implementation by the subsidiaries is reported regularly to the top management and respective divisions.

MANAGING CONFLICTS OF INTEREST

We qualify conflicts of interest as situations in which the personal (or related) interests or relationships interfere, or appear to interfere with the ability of employees, executives, or board members to act in the best interests of the Bank and its stakeholders. This definition is based on the National Bank Regulation, UK Listing Rules. and IAS standards. Identification and prevention of potential conflicts of interest, especially at the management level, is one of the basics of practising business fairly and one of the priorities of sound corporate governance.

Recognising the potential risks posed by conflicts of interest, we have implemented comprehensive policies and procedures designed to prevent, identify, and manage such situations. The Bank's policies are based on the National Bank Regulations, UK Listing Rules, and IAS standards.

To mitigate any potential conflicts, the Bank's guidelines require all employees, directors, and senior management to disclose any personal, financial, or professional interests that may conflict with their responsibilities.

In order to prevent conflicts of interest, we have implemented the following policies and practices:

1. Code of Conduct and Ethics that serves as a cornerstone of our corporate governance framework and clearly defines conflict of interest situations. The document sets out standards of acceptable conduct for all employees. These standards include, but are not limited to: disclosing any potential conflicts of interest and seeking guidance on how to appropriately address them; avoiding situations where personal interests could unduly influence business decisions or lead to unfair advantages; upholding confidentiality, avoiding the misuse of insider information, and ensuring compliance with all relevant laws and regulations.
2. Related Party Transaction Policy, implemented in the Bank since 2001, is in line with the regulatory framework established by the National Bank of Georgia. It sets clear guidelines for identifying, disclosing and managing transactions with related parties. The policy is revised annually, and amendments are approved by the Supervisory Board.
3. Conflict of Interest Management Policy that sets general principles on how to identify, document, escalate and manage conflicts of interest and defines requirements regarding related party transactions according to UK Listing Rules.
4. Ecosystem Companies' Governance and Intra-Group Support Policy is designed to identify and regulate intra-group transactions, ensuring they are conducted transparently and in accordance with competition regulations. The policy provides the following principles of ecosystem governance: (a) adherence to the arm's length principle and open accessibility to other commercial banks; (b) allocation of appropriate independent resources; and (c) maintenance of independent decision-making processes.

In accordance with the requirements of the Companies Act 2006 and the Company's articles of association (the "Articles of Association"), the Company requires Directors to declare actual or potential conflicts of interest that could interfere with the interests of the Company. The Directors are required, prior to Board meetings, to declare any conflict of interest they may have in relation to the matters under consideration and, if so, to abstain from voting and decision-making in relation to the matter in question. Directors have a continuing duty to notify the Chairperson and Company Secretary as soon as they become aware of any potential or actual conflicts.

The Compliance Department is responsible for ensuring the effective functioning of the Bank's conflict of interest management framework in alignment with our commitment to upholding the highest standards of governance and regulatory compliance. This framework operates within a "three lines of defence" model to mitigate and manage potential conflicts of interest throughout the Bank. The primary responsibility for identifying and managing conflicts of interest lies with the employee. All employees are responsible for complying with the Bank's Policy and internal instructions requirements, and ethical guidelines to prevent and address any situation that may lead to a conflict of interest. Each employee is expected to act with integrity, transparency, and professionalism in all business dealings. The second level of responsibility lies with the Compliance Department, which ensures the implementation and enforcement of the Bank's policies, procedures, and control mechanisms. The Department conducts ongoing monitoring of the fulfilment of the requirements. Additionally, the Compliance Department raises employee awareness and provides training to ensure a full understanding of the conflicts of interest policies.

The third level of protection is related to the Internal Audit Department, which periodically conducts audits concerning the matter and provides additional information to the Bank Audit Committee and Supervisory Board on the efficiency of management systems.

The National Bank of Georgia regulation sets limits above which the Bank Supervisory Board is obliged to approve certain transactions with related parties. To maintain regulatory compliance, the Bank reports all related party transactions to the NBG on a regular basis. Additionally, the Bank provides the NBG with an up-to-date list of related parties on a monthly basis.

UK Listing Rules require the Company to disclose and obtain Board approval for related party transactions above a certain threshold. The Bank submits the Related Party List and a list of the transactions with related parties to the Supervisory Board on a quarterly basis for approval.

Communication of Critical Concerns

Critical concerns are communicated to the highest governance body on a quarterly basis, as well as ad hoc as required, to ensure timely awareness and effective decision-making. The information is provided to the Supervisory Board and includes a comprehensive overview of the Bank's risk profile, major incidents, detailing the number, status, and resolution progress of any compliance breaches, regulatory inquiries, or other significant issues. In 2024, a total of 133 incidents were reported through various channels, including client complaints, internal control processes, and anonymous hotline calls. 28 of these incidents were anonymous. For more details, please refer to the chapter Ethics and Integrity on pages 79 to 85.

COMPLIANCE WITH LAWS AND REGULATIONS IN THE SOCIAL AND ECONOMIC AREA

Compliance with the law is the foundation on which our company activity is based. The Compliance, Human Capital, and Risks Management Departments play a critical role in ensuring that the Company adheres to both legal requirements and regulatory standards across the social, economic, and operational domains. These departments collaborate closely to monitor, assess, and respond to regulatory developments, ensuring the Bank's operations remain in full compliance with evolving laws and regulations. In 2024, no fines or non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area have been identified.

APPLE
Specials
PIE 7GEL

07

Ethics and Integrity

Business Ethics and Ethical Conduct

Anticorruption, Countering Bribery and Money Laundering

Policy and Practices to Prevent Anti-Competitive behaviour and Anti-Trust Practices

Public Policy and Government Relations

Incident Management Policy / Whistleblowing and Non-Retaliation Policy

Training Concept of Healthy and Ethical Working Environment

Ethics and Integrity

BUSINESS ETHICS AND ETHICAL CONDUCT

TBC is deeply committed to being straightforward, accountable, and honest in all of our business dealings at all times. TBC's success is measured not only through financial metrics but also through its contribution towards the common good, and our business decisions adhere to the highest ethical standards.

In 2023, the Code of Ethics and Code of Conduct were combined into one policy at the Group Level, called the Code of Conduct and Ethics.

This Code of Conduct and Ethics ("the Code") represents the shared obligation of TBC to operate with the highest level of integrity and ethical conduct. The Code guides us in terms of how we can best support our customers and clients, as well as how we can continue to build a respectful and diverse workforce culture in which speaking up is valued.

The behavioural standard set by TBC applies to every TBC employee in every country. Our Group Companies are encouraged proactively to adopt an equivalent approach. A summary of our mission, fundamental principles, and values is provided below:

Fundamental Principles:

- Integrity
- Respect
- Social Responsibility

Values:

- Acting as a team
- Professionalism
- Customer satisfaction

For many years, TBC has been promoting ethical conduct in all its activities. We have invested time and energy in identifying unethical and dishonest behaviour risks and creating prevention mechanisms.

TBC's Code of Conduct and Ethics is publicly available at the following address in English: www.tbcbankgroup.com.

Informing Employees about the Code of Conduct and Ethics

The Code of Conduct and Ethics is an indispensable part of the labour agreement. Every new team member of TBC Bank receives the Code of Conduct and Ethics via e-mail, which is explained further during their induction training. A post-training test checks how well they remembered and understood the Code. At regular intervals, employees receive push message reminders from the intranet portal, recommending them to review the Code of Conduct and Ethics and refresh their understanding.

Training Employees on the Code of Conduct and Ethics

In order to efficiently implement the Code of Conduct and Ethics and raise awareness of its principles, we develop a training plan each year. It is of the utmost importance to ensure that all the Bank's employees have received comprehensive information about the Code of Conduct and Ethics and understand it.

In order to deliver this training efficiently, the Compliance Department developed online training modules. The topics related to the Code of Conduct and Ethics were covered in different types of training:

- Training for existing employees and internal trainers;
- Welcome training and an information package for new employees, including the Code of Conduct and Ethics;
- A range of specialised training modules, such as Sales and Customer Service.

In 2024, a total of 7,467 employees underwent distance learning training on the Code of Conduct and Ethics topics. Additionally, 7,189 employees were trained on TBC's Whistleblowing Policy. This represents a 98% participation rate. Furthermore, in 2024, we conducted training on the loan collection code of ethics and its influence on the collection process. This training was tailored for individuals directly involved with the issue, and a total of 173 employees participated.

ANTICORRUPTION, COUNTERING BRIBERY AND MONEY LAUNDERING

TBC's Anti-Financial Crime Policy and Procedures

At TBC, we maintain a zero-tolerance stance toward all forms of financial crime. We are fully committed to implementing comprehensive measures to effectively mitigate financial crime risks and safeguard the integrity of our operations. To this end, the Group has established a robust framework of internal policies, procedures, and detailed guidelines designed to prevent any involvement in or facilitation of illegal activities, including money laundering, the financing of terrorism, sanctions evasion, bribery, corruption, and tax evasion. Our ongoing efforts to combat financial crime reflect our commitment to regulatory compliance, ethical business practices, and the long-term sustainability of our organisation. By continuously reviewing and enhancing these policies, we ensure that our business operations remain secure, transparent, and aligned with the highest standards of corporate governance.

In 2024, TBC made significant progress in strengthening its Anti-Bribery and Anti-Corruption Compliance framework, reinforcing its commitment to maintaining the highest ethical standards. As part of its ongoing efforts, the organisation conducted a comprehensive review of existing policies, procedures, and tools to enhance its ABC (Anti-Bribery and Anti-Corruption Compliance) risk management. This review ensured alignment with global regulatory standards, including the UK Bribery Act and the requirements of international financial organizations.

A critical part of this process was a thorough regulatory gap analysis, which compared the organisation's policies with the UK Bribery Act, local legislation, and the Foreign Corrupt Practices Act. This analysis not only identified areas for improvement but also ensured adherence to international best practices in ABC compliance. In response to the findings, the organisation revised internal ABC procedures and developed an updated instruction manual.

A risk-based approach was applied to assess ABC-related risks across key internal processes, leading to the development and successful implementation of a targeted action plan. This plan ensured that the procedures were aligned with the updated ABC framework, resulting in a more robust and effective compliance structure.

Looking ahead, the Bank is committed to continuously refining its ABC compliance programme. This includes updating training materials and conducting targeted training sessions to ensure employees are well-informed and able to adhere to ABC requirements. Furthermore, the organisation is working on integrating ABC procedures into various departmental procedures to maintain consistency across all operations. Efforts are currently focused on aligning the processes within key departments to the updated ABC framework, reinforcing the organisation's commitment to transparency, integrity, and responsible governance.

TBC prohibits and will not facilitate activity with certain governments, countries and regions, entities and sectors of activities that are subject to relevant sanctions programmes. TBC's activities are formed on the basis of laws, regulations, regulatory guidance and trends in sanctions and enforcement under the regulatory regimes imposed by or under:

- Domestic legislation and/or by local authorities;
- The United Nations (UN) through the United Nations Security Council in relation to economic, financial and trade sanctions;
- The European Union (EU) through the Council of the European Union;
- The United States Treasury Department, through the Office of Foreign Assets Control (OFAC);
- The United Kingdom (UK), through the Office of Financial Sanctions Implementation HM Treasury.

TBC is firmly committed to preventing financial crime, regulatory breaches, and any attempts to bypass the Group's financial crime policies and controls. Combating financial crime is a shared priority across all levels of the Group.

Anti-Financial Crime Policy Implementation, Monitoring and Response

The Compliance Department is responsible for implementing and renewing the Anti-Financial Crime Policy. The policy is approved by the Board. The coordination of Anti-Financial Crime Policy implementation is carried out at a Group level.

Monitoring of the Anti-Financial Crime Policy is included in various internal control processes, internal audits and client complaints management. The quarterly report to the Supervisory Board Audit Committee covers compliance risk areas, including anti-financial crime topics. The response to violations of the Anti-Financial Crime Policy depends upon the severity of the breach. The sanctions are described in detail in the Code of Conduct and Ethics Manual.

Training Employees about the Anti-Financial Crime Policy and Procedures

The Anti-Financial Crime Policy and procedures have been communicated to all employees, including all members of the governance bodies. New employees receive the Anti-Financial Crime Policy as part of their welcome package, which includes all policies and procedures, and are trained in anti-financial crime matters. The Anti-Financial Crime Policy is also a part of the Compliance Department training that is delivered to those employees who, due to their specific responsibilities, are more exposed to risk. Employees periodically have online trainings and testing on the subject. In 2024, around 7,200 employees received training on the Anti-Financial Crime Policy.

Operations Assessed for Risks Related to Financial Crime

At TBC, we enforce an uncompromising zero-tolerance stance toward any financial crime, regulatory breaches, or any attempt to circumvent TBC's Anti-Financial Crime policy and controls. TBC adheres to the principles defined in the Policy. As a result, TBC is dedicated to engaging in business with reputable customers and counterparties. Henceforth, illicit activities involving customers or contractors are deemed unacceptable for TBC.

To strengthen efforts towards customer relationships and to detect questionable or unusual behaviour, TBC employs appropriate technological resources as well as a range of strategies executed by our employees.

TBC is committed to conducting business with reputable customers and counterparties. Therefore, TBC has no risk appetite for customers and contractors who are engaged in any illegal activity. TBC does not serve and/or have business with any persons or entities if it has information that they:

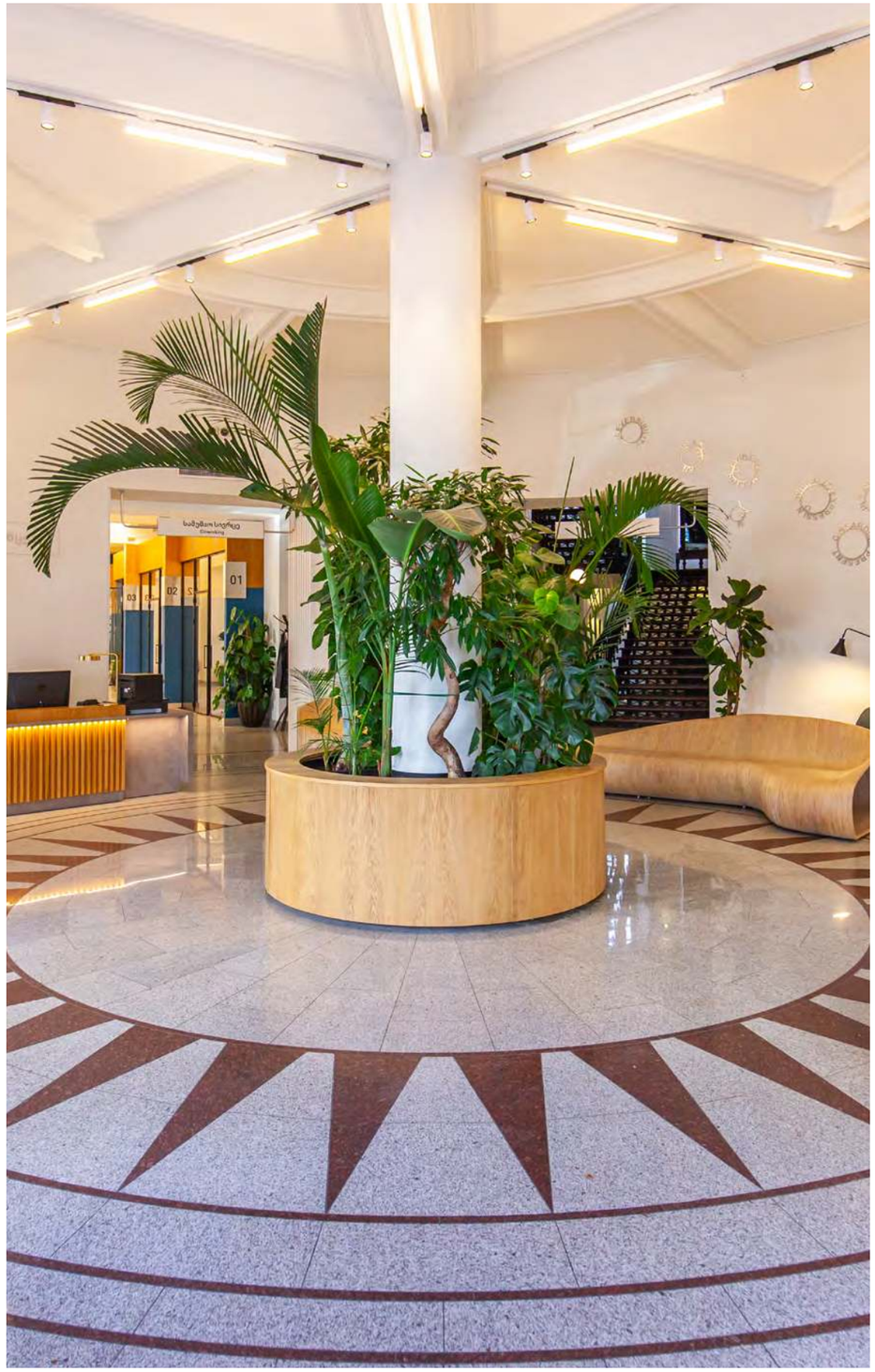
- Are involved in or associated with the illegal manufacturing and trading of weapons, arms, and munitions;
- Are involved in the financing of the proliferation of weapons of mass destruction;
- Are involved in or associated with human trafficking, illegal production and distribution of drugs, creation and distribution of pornographic products, smuggling, or other criminal activity;
- Are engaged in any field of regulated activity without having appropriate permission/license;
- Are perpetrators of tax crimes.

TBC makes sure all appropriate counterparty and transaction due diligence is conducted before entering into any international operation or before processing any payments in order to mitigate the risk of violating any applicable international sanctions programmes and/or flow of restricted or dual-use goods. In response to ever-emerging complication of sanctions regulations, TBC has developed sophisticated internal controls, including AI-powered tools that help to apply enhanced due diligence over transactions carrying heightened risks of sanctions violation or evasion. TBC engages external counsel (EU/UK/US law firms) to consult on complicated cases whereby sanctions risks are posed and makes sure that decisions are taken in accordance of such consulting.

TBC defines and implements adequate controls to prevent attempts to circumvent sanctions by customers, employees, or any third party.

POLICY AND PRACTICES TO PREVENT ANTI-COMPETITIVE BEHAVIOUR AND ANTI-TRUST PRACTICES

In line with its unwavering commitment to sustainable and ethical business practices, TBC has comprehensive policies, procedures, and initiatives in place to prevent anti-competitive behaviour and anti-trust practices. These measures underscore TBC's dedication to fostering a business environment characterised by fairness, transparency, and robust competition.



Anti-competitive behaviour aims to distort market competition. Examples of such conduct include:

- Fixing the prices of services between competitors in either the local or global market;
- Colluding in bids to ensure a particular competitor secures the contract;
- Dividing up the market geographically among competitors to restrict where they operate;
- Illegal deals between organisations that promote monopoly;
- Prohibited mergers and acquisitions between companies.

In order to combat anti-competitive behaviour and anti-trust practices, TBC employs the following strategies:

- Evaluation of anti-competition risks during the exploration of new business opportunities;
- Establishment of sufficient policies and procedures;
- Examination of accusations related to anti-competitive conduct and implementing suitable measures in response.

In line with its unwavering dedication to substantial progress, TBC is committed to continuously improving and adjusting its policies and methodologies in line with the latest industry standards. This proactive approach not only ensures TBC's flexibility in the constantly evolving financial landscape but also reinforces its sincere commitment to upholding the highest ethical standards to prevent anti-competitive behaviour. Through continual refinement, TBC consistently leads in industry best practices, establishing itself as an exemplar of integrity in the financial sector.

PUBLIC POLICY AND GOVERNMENT RELATIONS

According to company policy, financing or lobbying political parties, as well as publicly expressing the political views of the company's management, is prohibited. The company has a clear apolitical, neutral position. As one of the largest financial institutions in Georgia, we understand the scale of influence on economic and social systems, and therefore we strictly refrain from using this power for any kind of political influence. TBC holds a constructive dialogue with the government in relation to a range of economic and social issues that are directly linked to the company's activity.

INCIDENT MANAGEMENT POLICY / WHISTLEBLOWING POLICY

A fundamental component of our approach to embedding ethical principles and enforcing our Anti-Financial Crime Policy across our operations is our Incident Response Policy (Whistleblowing Policy). This policy provides a critical framework for the swift identification and resolution of any breaches of our Code of Conduct and Ethics or Anti-Financial Crime Policy. By offering a secure and efficient mechanism for reporting incidents, we are able to promptly address potential risks, ensure regulatory compliance, and maintain the highest standards of integrity in all aspects of our business operations. Through the Incident Response Policy (Whistleblowing Policy), we provide a secure and confidential platform for employees, stakeholders, and third parties to report any concerns related to financial crime or unethical conduct. This proactive approach allows us to identify and address potential risks at the earliest stages, minimising the likelihood of exposure to criminal activities or regulatory breaches.

The Incident Response Policy is renewed annually and was last updated in December 2024. The policy is publicly available on our website: www.tbcbankgroup.com.

Ensuring Policy Implementation

The policy and its amendments are approved by the Supervisory Board. The Compliance Department is responsible for:

- Sharing the policy in available portals with all employees;
- Conducting training on this policy;
- Analysing all incidents communicated through anonymous and other channels and starting the inquiry process.

Every quarter, the department provides information on incidents to the Audit Committee of the Supervisory Board. Each company in the Group is responsible for the implementation of this policy and for reporting any incidents to TBC Bank's Compliance Department.

Complaints and Response Mechanisms

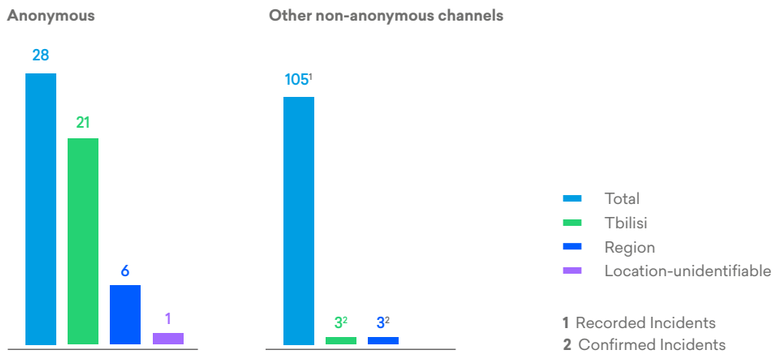
Employees can deliver complaints and concerns through the following open and anonymous communication channels:

- Anonymous communication website: www.tbcbank.ge.
- E-mail: incident_compliance@tbcbank.com.ge
- Safecall hotline: 0800 100 268
- Anonymous communication web portal www.safecall.co.uk/report

Anonymous complaints are received by two employees of the Compliance Department, the CCO and the Head of the Compliance and Controlling Division. If the issue concerns fraudulent operations by employees, the Internal Control Department is involved in the inquiry process. If the matter concerns employee oppression, bullying, or discrimination, the Human Capital Department is involved. In other cases, the Compliance Department manages the process.

In 2024, a total of 133 incidents were reported through various channels, such as client complaints, internal control processes and anonymous hotline calls. Out of these, 28 were anonymous.

Number of Different Categories of Incidents



Training Concept of a Healthy and Ethical Working Environment

In 2022, we introduced a new training concept that integrates various topics, including the Code of Conduct and Ethics, operational and fraud risks, employee protection and safety, and environmental, social and governance matters, under a unified theme of a "healthy working environment." This concept embodies an environment that is equal, development-oriented, and safe, free from discrimination and harassment, where everyone is respected and valued.

These complex topics are presented to employees during training through real-world cases, ensuring relevance to their work experiences and addressing multiple factors simultaneously. The training sessions are developed jointly by the relevant departments, with the aim of raising the awareness of our employees and strengthening their sense of responsibility and culture of ethics. This initiative also includes videos, blogs, regular newsletters, and additional meetings with the senior management and responsible departments. Furthermore, our employees participate in weekly face-to-face training sessions aimed at fostering a healthy work environment. These intensive 4-hour sessions, conducted for 30-35 participants, cover various topics such as gender stereotypes, discrimination, identifying forms of violence, and promoting gender equality and equity in the workplace and society. In 2024, we integrated disability inclusion matters under the broader diversity topics. This training incorporates a significant emphasis on critical thinking to cultivate a mindset shift. Specifically, it seeks to encourage reflection on our historical and cultural context, fostering a critical approach to analysing the past for insights that contribute to shaping an inclusive and discrimination-free organisational culture. Since 2023, a total of 3,528 employees have participated in this training. Please see more details on ESG-related training courses in the chapter Responsible Empoyer on pages 117 to 147.

08

Our Economic Impact

Introduction

Direct Contribution to the Economy

Indirect Impact on the Economy

Financial Technologies

MSME Financing, Trainings, Projects, Start-up Programmes

Promoting Georgia Internationally

TBC Capital

Our Economic Impact

INTRODUCTION

Georgia's financial sector is dominated by the banking sector, as other sources of financing are relatively limited in size. After expanding by 11.0% in 2022 and 7.8% in 2023, the Georgian economy remained on its recent very strong track of growth in 2024 as well, with the real GDP increasing by 9.5%, according to preliminary estimates from Geostat. Consumption, tourism, and strong real credit growth contributed the most to this year's high print, unlike the declined FDIs and partially remittances, as well as migration-related inflows that moderated slightly.

Strong inflows supported the GEL stability throughout the year; however, worsened sentiments due to heightened political tensions affected the national currency negatively. Among other drivers, weakening expectations in the market drove deposit conversions towards the FC, putting pressure on the GEL exchange rate. This prompted the central bank to intervene heavily, selling around USD 917 million throughout the year from its foreign currency reserves to avoid a significant GEL depreciation, with most of the selling occurring in September and October; however, the central bank switched back to the buying side in the November-December period, purchasing around USD 153 million from the market. Meanwhile, the national currency depreciated to 2.8 GEL per USD in the fourth quarter, compared to 2.69 at the end of 2023.

The annual CPI inflation remained well below the NBG's 3% target throughout the year and stood at 1.9% as of December 2024, with some acceleration mounting from both the base effect and higher prices in the fourth quarter. Consequently, weighing in the heightened pressures in the second half of the year, the NBG maintained the monetary policy rate (MPR) at 8% after cutting it from 9.5% in the first half.

Bank credit increased by 17.0% year on year as of December 2024, at constant exchange rates, compared to 16.8% growth at the end of 2023. While credit growth, especially in the legal segment, was still strong, a relative slowdown was evident in the politically turbulent last quarter. Despite robust economic growth, the credit penetration level in Georgia has increased in 2024 due to strong lending: domestic credit provided by the banking sector relative to GDP stands at 68.2% (65.5% in 2023, 62.1% in 2022). Meanwhile, asset quality remained unchanged as non-performing loans stood at 1.5% both in 2023 and 2024, according to the IMF definition.

TBC Bank, as the largest financial institution in Georgia, represents the most important credit provider in Georgia and assumes leading positions across numerous sectors. TBC's share of total credit extended by the banking sector stood at 38.5% in 2024 (compared to 39.3% in 2023, 39.5% in 2022), equivalent to 26.1% of GDP, according to initial estimates (compared to 25.6% in 2023, 24.5% in 2022). In terms of segments, TBC accounts for 39.2% (compared to 40.7% in 2023, 39.8% in 2022) of loans to legal entities and 37.8% of retail lending, compared to 38.1% in 2023 and 38.3% in 2022, significantly contributing to investment and consumption activities in each of these segments. TBC is especially active in housing finance, with a 45.2% share in the retail mortgage portfolio, 45.4% in 2023, 45.8% in 2022 and 45.6% in 2021: the Bank is the first choice for homebuyers in Georgia. TBC's share is correspondingly high in the payments market as well: the Bank's share in issuing stood at 38.4% at the end of 2024, compared to 38.7% in 2023 and 2022, while 38.2%, 38.1%, and 38.1% of all acquiring operations went through TBC channels in 2024, 2023, and 2022, respectively. Capital market development is high on the agenda of the country's economic policy, and TBC actively contributes to the development of the non-banking sector through TBC Capital, the investment-banking arm of TBC Bank. As a shareholder of the Georgian Stock Exchange, TBC Capital plays an active role in the development of the infrastructural and legal aspects of capital markets in Georgia.

Mitigation Actions Taken to Avoid Macro-Economic Risks

To decrease its vulnerability to economic cycles, the Group identifies cyclical industries and proactively manages its underwriting approach and clients within its risk appetite framework. The Group has in place a macroeconomic monitoring process that relies on close, recurrent observation of the economic developments in Georgia and neighbouring countries to identify early warning signals indicating imminent economic risks. This system allows TBC to promptly assess significant economic and political events and analyse their implications for the Group's performance. These implications are duly translated into specific action plans with regard to reviewing underwriting

standards, risk appetite metrics and limits, including the limits for each of the most vulnerable industries. Additionally, the credit review and portfolio-monitoring processes informed by stress testing and scenario analysis, enable the Group to evaluate the impact of macroeconomic shocks on its business in advance. Resilience towards a changing macroeconomic environment is incorporated into the Group's credit underwriting standards. As such, borrowers are expected to withstand certain adverse economic developments through prudent financials, debt-servicing capabilities and collateral coverage.

In response to the regional crisis, TBC relied on its strong risk management framework, leveraging its pre-existing stress testing practices. This included comprehensive and frequent monitoring of the portfolio as well as stress testing, to ensure close control of changes in capital, liquidity, and portfolio quality in times of increased uncertainty.

Economic Impact: Value Generation and Distribution

GEL'000	2024	2023	2022
Net interest income	1,901,207	1,635,798	1,290,052
Non-interest income	932,515	737,702	780,712
Non-operating income	**2,833,722**	**2,373,500**	**2,070,764**
Administrative and other operating costs	355,811	268,714	212,253
Depreciation and impairment charges	362,240	296,869	236,297
Direct economic value generated	**718,051**	**565,583**	**448,550**
Shareholder (dividends and comprehensive income attributable to non-controlling interest)	419,105	329,146	276,022
Governments (corporate income tax)	236,454	193,858	243,205
Employees (salaries and bonuses)	570,461	472,972	374,816
Community (community investments)	**1,123**	**1,110**	**854**
Direct economic value distributed	**1,227,143**	**997,087**	**894,897**

International Fundraising

As a systemically important bank in Georgia, fostering an inclusive and sustainable economy remains a top priority for TBC. In 2024, the Bank continued to focus on its strategic objective of aligning its business activities with the country's broader goals of inclusive economic growth and sustainable development.

Throughout 2024, the Bank successfully mobilised a diverse range of long-term, high-impact financial resources, totalling GEL 1.3 billion. These funds have been allocated to eligible projects designed to improve access to finance for green investments, female borrowers, young entrepreneurs, and start-ups, while also supporting Micro, Small, and Medium Enterprises (MSMEs), with a special focus on rural entities, across Georgia.

TBC has long been a dedicated supporter of MSMEs, recognising their crucial role in the Georgian economy. The Bank has consistently provided both financial and non-financial support to help empower businesses at every stage of growth. This support includes not only facilitating access to capital but also offering valuable knowledge and expertise, along with developing loan products tailored to meet the unique needs of individual businesses.

MSMEs are the backbone of the Georgian economy, driving job creation and making significant contributions to GDP. As such, the Bank recognises that their sustainable development is vital to Georgia's long-term prosperity. To further strengthen this segment, TBC has proactively mobilised over GEL 480 million in financing from its long-standing partner institutions. These funds will support MSMEs, with a special focus on rural entities, in expanding their operations, enhancing business activities, and hiring more employees, thereby fostering economic growth and job creation across Georgia.

Green lending development continues to be one of the central pillars of TBC Bank's Environmental, Social, and Governance (ESG) strategy. Acknowledging the crucial role of sustainable financing in fostering positive environmental change, TBC has deepened its commitment to green lending through active collaboration with partner organisations in 2024. Through strategic cooperation, the

Bank has secured green financing facilities of up to GEL 405 million from long-standing partners, including EBRD, IFC, EIB, GGF, and DEG, strengthening its ability to fund a diverse range of energy-efficient and renewable energy initiatives across various sectors.

A significant portion of the green funds has been complemented by technical assistance programmes from partner IFIs, providing expert support from energy efficiency specialists. Such dedicated green financing, paired with consultancy services, enables the Bank to drive the sustainable transformation of its customers' businesses and operations. Through financing projects that minimise carbon footprints and encourage sustainability, TBC is helping advance Georgia's wider environmental objectives.

TBC has consistently promoted female entrepreneurship and women's participation in the economy by offering dedicated programmes. The bank believes that creating equal opportunities for women in business is not only a matter of gender equality but also an economic priority, as women entrepreneurs play an important role in job creation and driving economic growth.

TBC has reaffirmed its commitment to supporting gender finance by securing more than GEL 120 million specifically for financing female borrowers. These funds align with the 2X Challenge investment criteria and enable TBC to support women-owned and women-led businesses, as well as a broader range of investments that promote gender equality, including businesses that address women's specific needs, companies with a majority of female beneficiaries, and organisations that advance women in the workforce—such as those with up to 50% female staff and gender equality policies in place, etc.

Moreover, in collaboration with FMO, TBC Bank has mobilised a GEL 84 million loan portfolio guarantee, an innovative programme designed to improve access to finance for local MSMEs by sharing the credit losses of the loan portfolio. The programme focuses on underbanked segments, including young entrepreneurs, start-ups, women-owned or women-led businesses, and rural-based enterprises, all of which face significant challenges in accessing funding. The Risk Sharing Facility will enable TBC to accelerate financing for these underserved MSMEs, fostering their growth and supporting their long-term sustainability.

Through strategic funding and successful collaboration with partner financial institutions, TBC has strengthened its leadership in green and sustainable lending within the Georgian banking sector, contributing to the country's long-term economic development.

TBC's Impact through its Suppliers

TBC Bank recognises that it has a considerable impact on the economy through its procurement activities. TBC Bank is one of the largest purchasers in Georgia. Moreover, through our procurement procedures, we ensure the inclusion of a wide range of suppliers in our supply chain, resulting in our cooperation with small start-ups, large companies, and individual providers. Approximately 90% of the total volume was purchased from local suppliers who are registered in Georgia (90% in 2023, 84% in 2022). All this underscores TBC Bank's contribution to stimulating the economy by boosting local procurement and encouraging local business development.

TBC's Impact through Taxes

TBC creates substantial value via its tax contributions. The impact is most significant in Georgia.

Taxes paid by TBC Group across countries in 2024 (GEL)

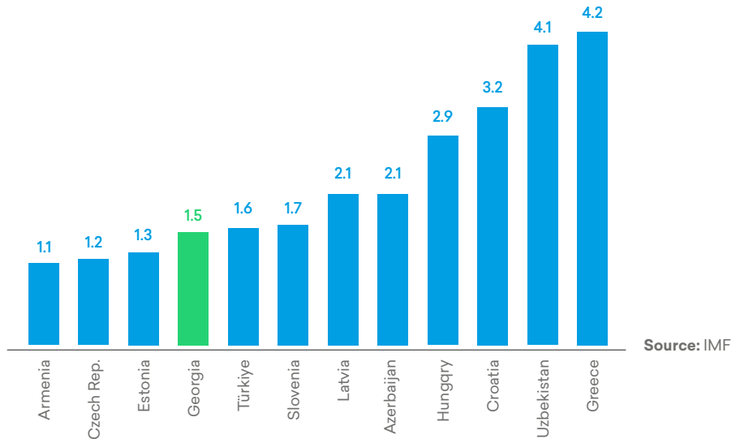
Georgia	Other tax	Profit tax	Total
TBC Bank JSC	143,994,392	332,300,000	**476,294,392**
TBC Leasing JSC	12,156,881	-	**12,156,881**
TBC Pay LLC	3,712,219	2,117,647	**5,829,866**
TBC Capital LLC	1,747,454	-	**1,747,454**
UFC	4,565,000	-	**4,565,000**
TBC Insurance JSC	7,572,204	1,226,549	**8,798,753**
Space International JSC	7,436,483	-	**7,436,483**
Space JSC	950,000	-	**950,000**
TBC Group Support LLC	2,874,000	-	**2,874,000**
TBC Net LLC	9,105,399	206,680	**9,312,079**
Marjanishvili 7	540,248	5,777	**546,025**
Saba	173,150	-	**173,150**
Index	31,549	-	**31,549**
Uzbekistan			
TBC Bank JSC (UZ)	21,916,231	11,885,564	**33,801,794**
Inspired LLC (UZ)	1,996,161	394,438	**2,390,600**
TBC FIN SERVICE (UZ)	1,293,880	649,300	**1,943,180**
Azerbaijan			
TBC Kredit LLC (AZ)	197,610	229,600	**427,210**
Ireland			
Fondy Payments Limited	41,231	-	41,231
Great Britain			
TBC Bank Group PLC (UK)	2,450,064	-	**2,450,064**

INDIRECT IMPACT ON THE ECONOMY

Advanced Resource Allocation Practices

A core function of the Bank lies in the identification of productive investment opportunities and the allocation of depositor resources to sectors that can make the most out of them. TBC has been actively increasing its loan portfolio over the last couple of years, with annual growth rates of 15.2% in 2022, 15.6% in 2023 and 14.4% in 2024, all excluding the FX effect, per NBG reporting standards. At the same time, given the systemic importance of TBC Bank, it is important to invest client deposits responsibly and without excessive risk-taking. Solid portfolio quality performance over the last couple of years is an indicator of sound risk management practices, which have been the defining feature of TBC Bank. Aside from the direct positive impact of advanced risk management concerning TBC's clients, its economy-wide effects are also considerable as investments flow to the most productive sectors, as evidenced by the low level of problem loans. In 2024, Georgia again demonstrated low NPL levels compared to its Central and Eastern European peers when calculated using the IMF's methodology, indicating not only a healthy banking sector but also its significance in terms of overall macroeconomic stability. Despite a surge in 2020 due to the impact of the pandemic, NPLs continuously declined between 2021 and 2024, stabilising at noticeably healthier levels.

Non-Performing Loans to Gross Loans (%, as of 2024-Q3)



Source: IMF

Non-performing loans in Georgia (NBG methodology)

% of Gross Loans	2024	2023	2022
Market	2.5	2.5	4.1
TBC	2.2	1.9	2.1

Source: NBG

Financial Technologies

TBC is constantly striving to improve its payment technologies and offer advanced online banking services to its customers. With 99% of transactions currently conducted by retail customers (99% in 2023 and 98% in 2022) outside its branches, TBC significantly contributes to the improvement of productivity in the economy by lowering transaction costs. TBC Bank balances its economic rationale with the responsibility of giving access to financial services to its customers, creating strong coverage of economically advanced as well as less prominent regions. Our digital solutions are very simple and easy to use, allowing our customers to conduct most of their banking operations comfortably online. TBC offers contactless payment services and serves clients through a call centre and chatbots. The Bank operates 4,258 self-service terminals (4,500 in 2023 and 4,300 in 2022), 993 ATMs (1,043 in 2023, 920 in 2022) and 42,156 active merchant terminals (33,000 in 2023 and 29,000 in 2022). In addition, digital offerings increase the financial inclusion of people, such as the self-employed customers who otherwise would have an issue in obtaining products and services, and customers from remote areas, who do not have access to physical branches. In 2024, TBC continued its efforts to further refine our customer journey in our digital channels by introducing new products and services, increasing the accessibility of payments options, and upgrading branches to create a more friendly environment for customers.

MSME FINANCING, TRAININGS, PROJECTS, STARTUP PROGRAMS

Small and Medium Enterprises (SMEs) play a major role in the Georgian economy as they contribute to job creation and economic development. In 2024, SME accounted for 54.3% of employment and 54.3% of production value created by all enterprises in Georgia, compared to 57.2% and 55% in 2023, and 57.8% and 53.6% in 2022, respectively. At the same time, access to finance is a key constraint on the growth of the SME sector, which emphasises the responsibility of financial institutions in its development. With a deep understanding of the unique challenges faced by MSMEs, TBC Bank continues to empower these businesses, enabling them to thrive and contribute to the prosperity of the nation. As of 2024, TBC Bank serves 61,000 monthly active MSME customers, compared to 62,000

in 2023 and 58 000 in 2022, and is continuously designing and developing products and services specially adapted for their needs. Moreover, TBC is willing to share knowledge and expertise to help the MSME sector and to help our business clients succeed by offering a comprehensive support programme comprised of educational resources and tech tools available on www.tbcbusiness.ge, making everything accessible on one platform. In 2024, we conducted 36 trainings and consulting sessions, attended by 4,020 business owners and managers, aimed at enhancing their skills and knowledge. These sessions covered a range of subjects including marketing, finance, management, and taxation, empowering participants with essential knowledge and skills.

In 2017, we launched "Startuperi", an innovative programme aimed at supporting SMEs. The Startuperi platform supports early-stage companies, providing both financial and non-financial resources. The programme aims to increase the number of successful startups in Georgia by providing them with easily accessible capital, a digital platform for advertising campaigns, as well as various educational programmes, conferences, and partnerships with large companies. The outstanding portfolio of the programme is comprised of 442 active loans compared to 537 in 2023 and 567 in 2022, in the total amount of GEL 86 million (GEL 120 million in 2023 and GEL 131 million in 2022), as of 31 December 2024.

PROMOTING GEORGIA INTERNATIONALLY

As a publicly listed company, TBC Bank Group PLC directly contributes to the economy through its active engagement with existing and potential investors and serves as the first touchpoint for many investors interested in opportunities in Georgia and Uzbekistan.

Since October 2020, the Group has expanded its banking operations to Uzbekistan to exploit the exciting growth opportunities offered by the Uzbek market. The Uzbek economy is characterised by strong growth and resilience. It has one of the lowest public debts as a percentage of GDP in the region and high international reserves, implying macroeconomic stability as well as room for future high growth. The government of Uzbekistan is reforming the economy and further opening it up to foreign investments. According to the statistics office of Uzbekistan, the economy further expanded by 5.7% in 2022, 6.0% in 2023 and 6.5% in 2024.

TBC Bank's management regularly performs roadshows, during which a significant part of the discussion and analysis focuses on the operating environments in both Georgia and Uzbekistan. Spreading the word about the domestic economy and its potential amongst investors from various parts of the world significantly enhances the opportunities for these countries to attract additional investment and accelerate economic growth domestically.

TBC CAPITAL

Georgia's debt capital market continued to develop, fuelled by growing interest from local corporate issuers in 2024. TBC Capital has maintained its position as the dominant player, with a market share[1] of c. 60% and solidified our leadership in the debt capital market. Issuing approximately 200 research reports (212 in 2023 and 230 in 2022) and having the largest growth rate in its brokerage assets under management (AUM). As a 100% subsidiary of TBC Bank, TBC Capital has been developing an array of services and coverage of market segments. TBC Capital is uniquely positioned to provide customised solutions in the areas of sector and macroeconomic research, corporate finance advisory, brokerage, and debt and equity capital markets advisory. TBC Capital's client-centric approach and the quality of services are improving every year, as measured by the NPS survey (2024 – 71%; 2023 – 71%; 2022 - 67%).

Debt Capital Markets

TBC Capital played a key role in advancing Georgia's green and sustainable finance market. We advised a customer operating in the energy sector on developing its Green Financing Framework and securing a Second Party Opinion from Sustainalytics, enabling the company to prepare for a future green bond issuance. Additionally, TBC Capital supported the issuance of Georgia's first sustainability bond (USD 20 million) for another customer in the finance sector and actively facilitated discussions on sustainable finance at the Asian Development Bank (ADB) Annual Meeting in Georgia. We also acted as co-manager for a customer's USD 300 million green bond issuance, listed on Euronext Dublin.

1 Market share calculations include both public and private corporate bond placements in the local market, excluding back-to-back transactions involving International Financial Institutions (IFIs) and Eurobond transactions

On the international stage, TBC Capital supported TBC Uzbekistan in issuing a 128-billion-soum (USD 10 million) bond, the largest corporate bond by a digital bank in Uzbekistan. We also structured two Eurobond issuances totalling USD 600 million and became the first and only Georgian investment bank to launch a structured investment strategy in Uzbekistan's credit market. This strategy provided investors with tailored, risk-adjusted yield opportunities through dual-currency options (USD & UZS) and leveraged fixed-income securities and derivatives to optimise returns.

In 2024, TBC Capital participated in 18 out of 27 local transactions, reflecting a 13% increase in the number of transactions compared to 2023. The total volume of locally issued bonds, excluding IFIs, reached GEL 893 million, with TBC Capital's participation amounting to GEL 643 million. Notably, over 80% of this volume was distributed among retail investors.

TBC Capital's Mergers and Acquisitions (M&A) team achieved key milestones in 2024, successfully completing two impactful transactions that emphasised innovation and strategic execution:

- Real estate transaction: In June 2024, TBC Capital acted as the exclusive sell-side advisor to a local customer in a USD 4.5 million transaction involving the sale of real estate assets. This transaction enabled the customer to unlock capital tied up in non-core assets and reinvest in its primary business operations. Our M&A team led the process from investor outreach to payment structuring, ensuring a seamless and successful closing.

- Cross-border minority ownership transaction: In November 2024, TBC Capital closed a transaction that supported the client in realising synergies between two companies, involving restructuring and the sale of a minority stake valued at USD 25.8 million. The transaction, which involved two companies with a combined valuation exceeding USD 200 million, showcased TBC Capital's expertise in handling complex restructuring processes while navigating jurisdictional challenges. By managing all stages of the deal—from negotiation to execution—TBC Capital reinforced its track record of delivering high-quality M&A advisory services for large-scale transactions.

These accomplishments highlight TBC Capital's continued excellence in M&A advisory, with a focus on tailored solutions that create long-term value for customers.

Brokerage Service

Our company has implemented strategic initiatives to expand our retail brokerage business and enhance customer services, demonstrating our commitment to delivering value and driving positive change in the financial industry landscape. TBC Capital has significantly expanded its brokerage services, achieving a USD 197 million increase in Assets Under Management (AUM) in 2024. This growth was driven by enhanced advisory services for High-Net-Worth Individuals and Cash Management solutions for corporate clients. Additionally, new trading lines were established with leading brokerage houses and investment banks, improving execution services with better pricing and faster transactions. TBC Capital also introduced access to private real estate funds through custodian services, providing clients with broader diversification opportunities.

Research

TBC Capital's research unit focuses on market-oriented, up-to-date publications, covering the overall macroeconomic environment, capital markets, and business sectors. TBC Capital's dedicated research professionals provide clients and a wider audience with comprehensive analysis and expert views, enabling them to better understand what hides behind the numbers.

Regular weekly, monthly, and quarterly reports and updates allow readers to keep track of the main macro, financial, and sectoral developments and to understand the pulse of the market and where it might lead. TBC Capital promptly reacts to major events in the economy or specific sectors and provides relevant content. In 2024, TBC Capital's research unit broadened its scope, introducing new coverage areas such as the insurance industry and climate change. Additionally, research activities expanded into a new market, offering in-depth analyses of Uzbekistan's economy, financial landscape, and key sectors.

Due to the coverage of a wide variety of topics and in-depth analysis, timely reports are of paramount importance to local and international investors. TBC Capital's researchers are regular guest speakers in all major media outlets. In 2024, TBC Capital held multiple individual and large-scale presentations and conferences with clients and broader audiences. In addition, TBC Capital continues to publish research reports on Bloomberg and Refinitiv, offering our expertise to an international audience. Social media pages regularly feature infographics that give a timely snapshot of new reports. The full list of reports is available at www.tbccapital.ge.

Georgia's first Capital Markets International Conference

TBC Capital launched Georgia's first Capital Markets International Conference on March 14, 2024. The event brought together over 350 local and international experts, including J.P. Morgan, Citi, Fidelity Investments, Baker McKenzie, Dentons, the National Bank of Georgia, the Ministry of Economy and Sustainable Development of Georgia, Amundi, ADB, EBRD, and IFC.

Discussions covered key trends shaping the future of Georgia's capital markets, the role of regional debt markets in a global context, ESG bond market growth, institutional support for market development, and the importance of asset management. TBC Capital also presented a comprehensive report highlighting capital market growth in Georgia.

09

Environmental Responsibility

Environmental Policy and Management Approach

How do We Manage our Environmental Impact

Environmental Responsibility

ENVIRONMENTAL AND CLIMATE CHANGE POLICY AND MANAGEMENT APPROACH

Policy

Since environmental and climate change issues have accelerated worldwide, we understand our role in and contribution to the process of adaptation and mitigation. We are committed to managing the direct and indirect environmental and social impacts stemming from our operations through developing the continuous enhancement of TBC's Environmental Management System (hereafter EMS). Based on this understanding, in 2020, we took active measures to manage the environmental and social risks associated with our activities, further strengthening our EMS across the Group and obtaining an ISO 14001:2015 certificate. TBC was the first company in the country to have successfully completed this process. After the re-certification audit for ISO 14001:2015, the surveillance audit was successfully completed in December 2024. This certificate serves as a testament to the full compliance of our EMS with international standards. In addition to being a great achievement, it also confers on TBC the responsibility to maintain and further develop our EMS.

TBC has a comprehensive Environmental and Climate Change Policy in place, which governs our Environmental Management System (EMS) and climate-related framework within the Group.

The Environmental and Climate Change Policy:

- Defines the environmental aspects and impacts of our business activity;
- Elaborates and develops measures to minimise our negative impact on the environment;
- Takes efficiency and responsible resource management into account;
- Ensures that we establish methodologies to advance climate action and integrate the respective approaches into the operations and management processes of the Group;
- Ensures our compliance with applicable environmental, health, safety and labour regulations;
- Raises awareness among our staff/customers/suppliers;
- Prevents the Bank from financing businesses that have a negative effect on the environment and society; and
- Promotes sustainable finance among our customers.

OUR EMS IS BASED ON FOUR PILLARS:

- Internal environmental activities (Direct Environmental Impact);
- Environmental and social risk management in lending (Indirect Environmental Impact);
- Sustainable finance (Indirect Environmental Impact); and
- External communications.

The Environmental and Climate Change Policy was adopted in 2023 as a new, combined version of the previous separate policies – Environmental Policy and Climate Change Policy. The policy was reviewed in 2024. The full policy is available at www.tbcbankgroup.com.

In addition to this policy, we have elaborated additional procedures that regulate the environmental impact of specific activities, such as the Waste Management Plan, the Green Procurement Recommendations, ESG Risk Appetite Procedure and TBC Bank's Procedure for addressing external Environmental & Social queries and concerns.

TBC has a dedicated ESG Department responsible for overseeing the implementation and operation of our EMS across the Group. In addition to the Bank, it provides assistance to our subsidiaries on environmental and social issues and conducts training on a regular basis. It is also accountable for reporting environmental management plans and results to the Environmental Committee at least three times a year. Our ESG Department reports directly to the Chief Risk Officer.

In this chapter, we cover TBC's activities and initiatives for managing its direct and indirect environmental impacts.

Management Approach

An Environmental Action Plan is developed annually and includes activities and projects to be implemented Group-wide during the year.

Our top management is actively involved in the implementation of the Environmental and Climate Change Policy through two committees: the Environmental Committee and the ESG Committee.

The Environmental Committee meets a minimum of three times a year, and at least one representative of the executive management always participates in it. In 2024, three Environmental Committee meetings were held.

At the executive level, responsibility for climate change-related risks and opportunities is assigned to the ESG Committee, which was established by the executive management in March 2021 and is responsible for implementing the ESG strategy and approving annual action plans and separate, detailed action plans for key projects. The progress and implementation status of action plans are monitored at the ESG Committee's meetings. More information about the ESG Committee is given in Chapter 6, Governance and Sustainability Management.

To coordinate and support the successful implementation of EMS within TBC, regular monthly meetings between the ESG and Logistics Departments are being held; at those meetings, the persons involved in the Environmental Management System discuss the progress on different environmental initiatives, identify the challenges, and make decisions about future actions.

The Environmental Management System's efficiency is assessed periodically by the Internal Audit Department.

Risk Management and Legislative Compliance

Based on activity specifics, the direct and indirect environmental impacts of the company are identified, and corrective measures and action plans are developed.

TBC regularly monitors the compliance of its activities with legislative requirements. Annually, our compliance status is assessed based on the mandatory Environmental Legal Check document. This document describes all those environmental issues that are specific to the company's business activity and regulated by legislation. The ESG Department is responsible for document renewal and process control. Since 2020, within the framework of the Environmental and Climate Change Policy, the individual Environmental Legal Check documents have also been developed in our subsidiaries. These documents are also subject to annual review and updating.

According to local legislation, TBC Group's activity is not subject to an environmental impact assessment. Nevertheless, we identify and assess our direct and indirect impact on the environment and society and strive to manage it responsibly by applying preventive and mitigating actions and initiatives.

In 2024, the company did not receive any fines or non-monetary sanctions for non-compliance with environmental laws and regulations.

Employee Engagement in Implementing the Environmental and Climate Change Policy

Successful implementation of the EMS requires employees to have a sufficient level of awareness, motivation, involvement, and participation. In order to raise their awareness, our ESG Department and Environmental and Social Risk Management Group regularly hold training and discussion meetings that include:

- Training on environmental and climate change topics for new employees;
- Climate change and green lending training for credit risk and front office staff;
- An annual mandatory online EMS and climate e-learning course for all staff, followed by a self-evaluation test;
- TBC ESG Academy with the green mindset and green financing course for front and back office staff.

In 2024, 92% of all staff, including the top management of TBC, successfully passed the online course and self-evaluation test on TBC's EMS.

Over 300 employees completed TBC's ESG Academy course in 2024

In 2024, TBC started its first ESG Academy course „Green Mindset and Green Financing" for employees and customers to raise awareness and knowledge of ESG topics, including green and social financing, regulatory requirements, diversity and affirmative approaches, sustainable business models and practices among the Bank's customers as well as TBC employees.

The first training programme was launched in March 2024. Trainings for employees have already been conducted in Tbilisi, Kutaisi, and Batumi and More than 300 employees attended. The programme will train an additional 600 employees by the end of 2025.

This course was co-created by TBC Bank and DEVELOR, with support from two partner international financial institutions, the Green for Growth Fund (GGF) and the European Fund for Southeast Europe (EFSE).

In 2024, 5 Green Lending training sessions were held in Tbilisi and regions, and 504 employees were trained, including Micro/SME/Corp Credit experts, Business SME Lending/Sales Coordinators, and MSME credit Risk Managers.

For better and effective communication, a video has been created that briefly describes TBC's EMS, structure, and approaches. The video is used both for training staff and in meetings with partners and other stakeholders.

HOW WE MANAGE OUR DIRECT ENVIRONMENTAL IMPACT

TBC has reviewed all the operational activities, procured items, and outsourced services that it can control (present and planned) and has identified all the material environmental aspects relevant to the business. These are sub-categorised into indirect and direct environmental aspects, analysed in line with a comprehensive scorecard, and managed accordingly.

TBC has established a comprehensive internal environmental system to manage and report its greenhouse gas (GHG) emissions within the Group and is committed to reducing its GHG emissions by closely monitoring its consumption of energy, water, and paper.

In order to evaluate the significance of impact in each of the categories, we have elaborated a comprehensive evaluation methodology and applied it to the whole Group. Based on the results of the evaluation, annual GHG emissions targets are being defined for TBC Bank and TBC Group on a yearly basis.

As a result of the 2024 GHG emissions count, separate annual environmental action plans for TBC Bank and TBC Group's material subsidiaries tailored to their business specifics have been defined, which set energy and resource consumption targets and KPIs related to the EMS.

Calculation methodology

For the GHG inventory, the following steps have been set: defining organisational boundaries, operational boundaries, gathering data and calculation of carbon dioxide (CO2) equivalent. This report describes all emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 (Scope 1 and 2) and, in addition, the emissions under Scope 3 that are applicable to the business. In preparing the emissions data, the emissions factors from the UK Government's Greenhouse Gas Conversion Factors for Company Reporting 2017 and National IPCC emission factors for electricity (tCO2*/MWhe) were used. The required data was collected, and a report developed for the boundaries of TBC PLC's main activities, as follows:

Scope 1 (combustion of fuel and operation of facilities) includes emissions from the combustion of natural gas, diesel and/or petrol in equipment at owned and controlled sites and the combustion of petrol, diesel fuel, natural gas, etc. in owned transportation devices.

Scope 2 (purchased electricity for own use for lighting, office appliances, cooling, etc.) includes emissions from used electricity at owned and controlled sites. To calculate the emissions, the conversion factor for National IPCC emission factors for electricity (tCO2*/ MWhe) was used.

Scope 3 includes emissions from air business travels (short haul, medium haul, long haul and international haul). It should be noted that the travel class information was considered (where available) and "economy class" or "business class" conversion factors were used for the emissions calculations, which were taken from the following link: www.atmosfair.de.

Energy Usage

Energy usage is one of the most significant sources of our environmental impact. It is represented by electricity consumption for premises and equipment, the usage of heating and cooling systems, transportation, and more. To reduce its electricity consumption, TBC is implementing a number of different initiatives:

- In 2019, the Bank implemented a control mechanism on the purposeful and sustainable consumption of energy.
- In TBC, we use energy-efficient LED lighting.
- Since 2022, we have been installing energy-efficient heating /cooling systems in all newly renovated branches. The total investment, including construction works, is equal to GEL 2.3 million.
- We optimised the lighting during non-working hours and reduced the lighting in our branches.

- We have started to use renewable energy and installed solar power plants in two locations with a total capacity of 130 kW. The total investment is equal to GEL 23,000. The share of renewable energy in our total electricity consumption in the regions grew up to 50%.
- During 2024, we renewed a part of our IT infrastructure with energy-efficient servers, which reduced the respective portion of electricity consumption by 20-30%.

To decrease the consumption of fuel for vehicles, TBC Bank operates a green car fleet, which is comprised of electric and hybrid vehicles. We are gradually increasing the share of electric and hybrid cars in our car fleet, which is currently equal to 67% of the total car fleet. The total investment is equal to GEL 914,900.

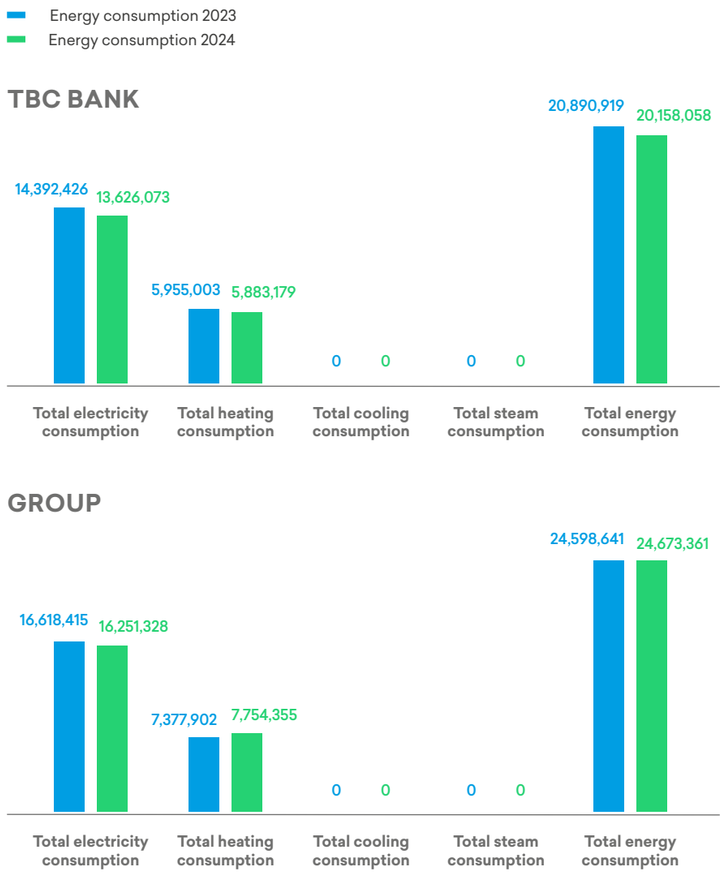
In 2025, we are going to install 36 electric charger stations at our head office and other premises. The planned investments equal GEL 450,000.

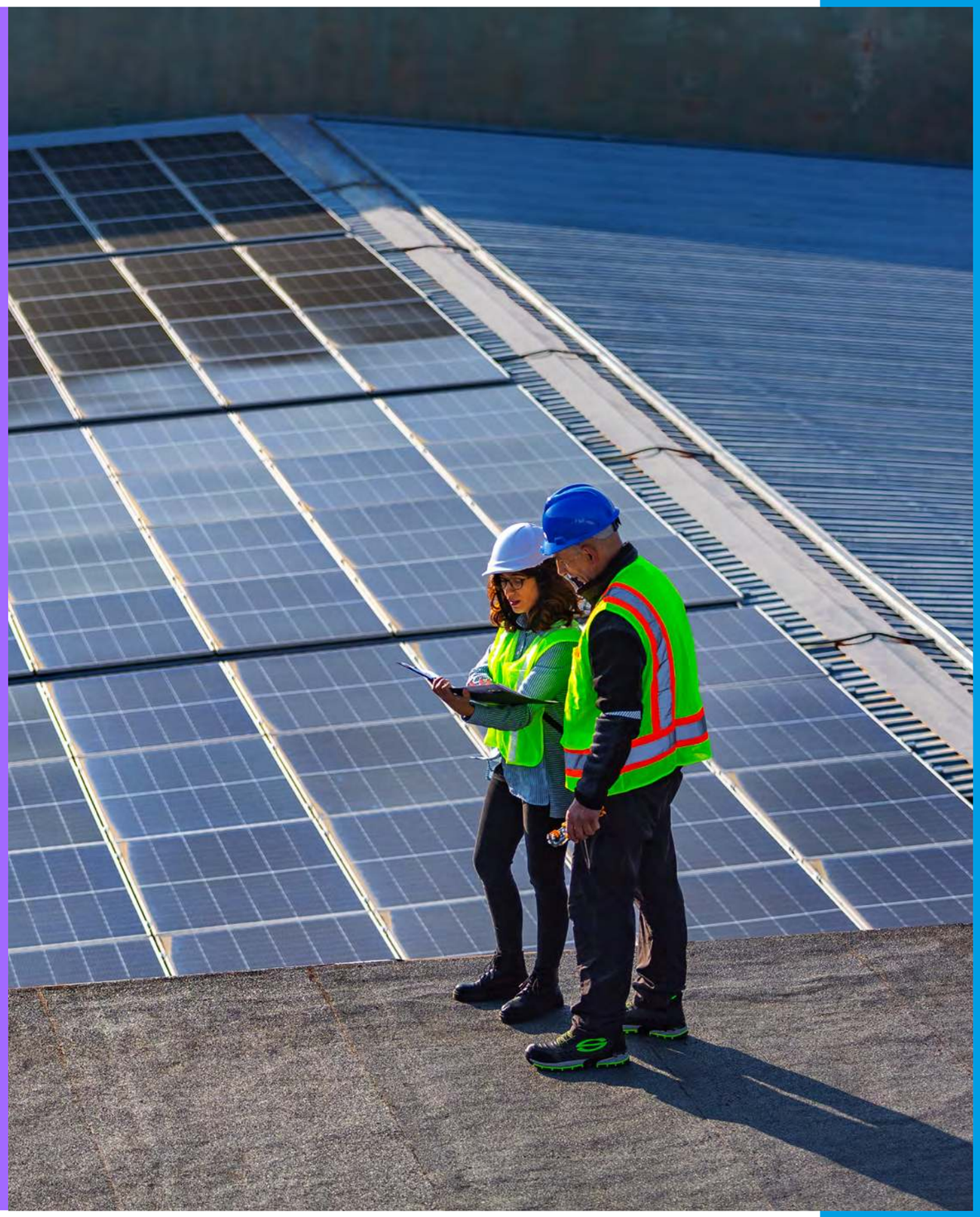
Total energy consumption at TBC Bank decreased by 3.5%. The primary driver behind the reduction in energy consumption at TBC Bank is the increased use of renewable energy, which does not contribute to CO2 emissions from electricity. In 2024, TBC Bank purchased/generated 1,029,351 kWh of renewable energy. As a result, total electricity consumption from traditional sources at TBC Bank marked a 5% decrease compared to 2023.

At the TBC Group, total energy consumption slightly increased by 0.3%. Although the Group also decreased its electricity consumption, the overall energy consumption still increased due to a 5% rise in natural gas consumption for heating.

Energy Consumption data

Measured in kW/h





TBC started using solar energy

In 2024, we began using renewable energy. A total of 891,136 kWh of electricity was generated from solar power plants, partially covering the electricity consumption of 28 regional branches. In 2025, it is planned that 70% of the electricity consumed by regional branches will be supplied by renewable sources.

In Tbilisi, we installed our first solar power plant at the TBC warehouse this year, which covered 77% of the warehouse's electricity consumption.

By using solar energy, we contribute to the wise consumption of resources, environmental protection, and sustainable development.

GHG EMISSIONS

We pay special attention to greenhouse gas (GHG) emissions and try to strengthen our contribution to decreasing emissions. This subject is addressed in the TBC Group Environmental and Climate Change Policy document.

TBC's GHG emissions derive mostly from the following sources: vehicles, international flights, electricity generators, air conditioners and cooling systems, heating systems, computer accessories, ATMs, electronic waste, masts and inverter batteries.

TBC Bank has established a comprehensive internal system to manage its GHG emissions within the Group. The guidelines for documenting environmental data were developed, and responsible staff were assigned in subsidiary companies to collect and provide the required data. TBC Bank also commissioned an independent Health, Safety, and Environment (HSE) consulting company to verify the measurements of its GHG emissions. The company provided a limited assurance, covering historical data and information. It is notable, that the Group is a low energy user by United Kingdom standards and does not consume more than 40,000 kWH of energy.

A Greenhouse Gas Emissions Report is produced annually Group-wide and is verified by an independent consulting company. The Report of 2024 was verified by Bureau Veritas Georgia through the limited assurance covering historical data and information. Based on the report, goals and annual action plans are being developed.

Scope 1 Emissions

Scope 1 - (combustion of fuel and operation of facilities) includes emissions from the combustion of natural gas, diesel and/or petrol in equipment at owned and controlled sites, and the combustion of petrol, diesel fuel, natural gas, etc. in owned transportation devices.

TBC's direct GHG emissions in 2024 amounted to 3,554 tons of CO2.

At TBC Bank, Scope 1 emissions totaled 1,861 tons of CO2, reflecting a 1% increase compared to 2023 but still staying within the planned target of 5% increase.

At the TBC Group level, Scope 1 emissions reached 3,554 tons of CO2, marking a 5% rise from the previous year but still staying within the estimated target increase of 6%.

Scope 2 Emissions

Scope 2 - Purchased electricity for own use (lighting, office appliances, cooling, etc.) includes emissions from used electricity at owned and controlled sites. To calculate the emissions, the conversion factor for National IPCC emission factors for electricity (tCO2*/ MWhe) was used.

TBC's gross market-based energy indirect GHG emissions reached 1,787 tons of CO2. Emissions in the base year equalled 1,934 tons of CO2.

Scope 2 emissions at TBC Bank decreased by 5%, amounting to 1,281 tons of CO2 and surpassing the planned target of 1% increase. This reduction was primarily driven by the renewable energy purchased/generated by TBC Bank, which totaled 1,029,351 kWh in 2024 and saved 96 tonnes of CO2.

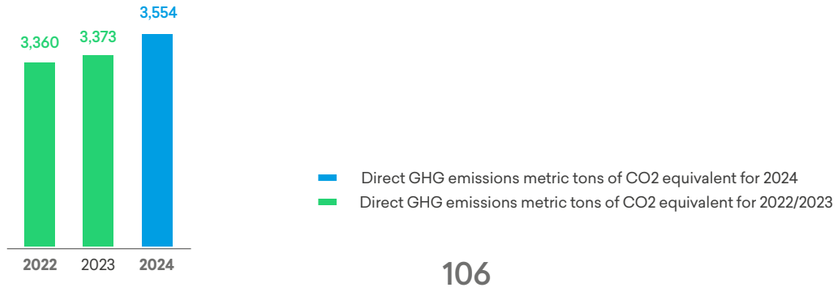
At the TBC Group level, Scope 2 emissions decreased by 1% compared to 2023, amounting to 1,787 tons of CO2 and remaining within the estimated target of no increase.

Total emissions from electricity consumption of TBC Bank Group PLC decreased by 1% compared to 2023.

Direct GHG emissions metric tons of CO2 equivalent

Gross direct (Scope 1) GHG emissions

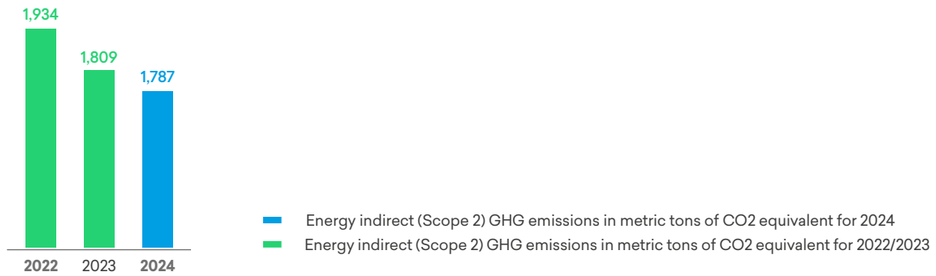
GROUP



Energy indirect GHG emissions, metric tons of CO2 equivalent

Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent. Gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent

GROUP



Scope 3 Emissions (Business Travel)

Scope 3 - includes emissions from air business travel (short haul, medium haul, long haul and international haul). It should be noted that information on the travel class was considered and an "economy class" conversion factor has been used for the emissions calculation from the following link: www.atmosfair.de.

At TBC Group, total scope 3 emissions constituted 1,120 tons of CO2 (the gases included in the calculation were CO2, CH4, N2O, HFCs, PFCs, SF6, NF3), indicating a 47.4% decrease compared to the year 2023, when emissions were recorded at 2,129 tons of CO2 equivalent.

In order to calculate the GHG emissions deriving from business trip flights, the detailed route of each trip (including transfers between international flights, where available), the type of flight class (first, business, and/or economy), and the number of persons on each business trip were taken into account.

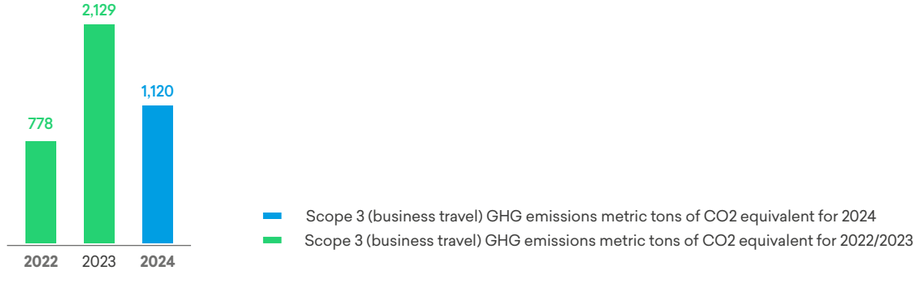
Source of the emission factors and the global warming potential (GWP) rates were used, with reference to the GWP source - www.atmosfair.de.

Overall, in 2024, TBC Group's GHG emissions decreased by 850,000 kg of CO2 group-wide, while those of TBC Bank decreased by 1,096,000 kg of CO2.

In addition, average annual staff number grew during the year by 1,557 employees.

Scope 3 (business travel) GHG emissions metric tons of CO2 equivalent

GROUP



TBC started paper collection and recycling

April 22 is the International Earth Day. Every year, TBC celebrates this day with a new environmental initiative.

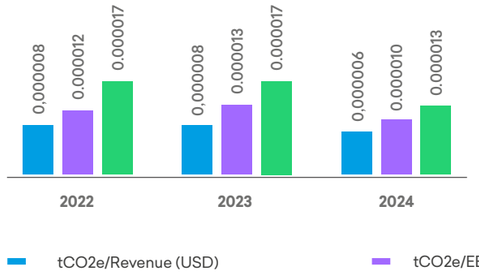
TBC uses more than 200 tons of paper annually, so we decided to collect and fully recycle paper waste generated in branches, head offices and archives in Tbilisi and Rustavi.

TBC has been collecting and recycling a part of its paper waste since 2015. With the involvement of a partner company, nearly 535 tons of paper have been recycled until now. During 2025, the project will expand across Georgia and will cover 188 locations of TBC.

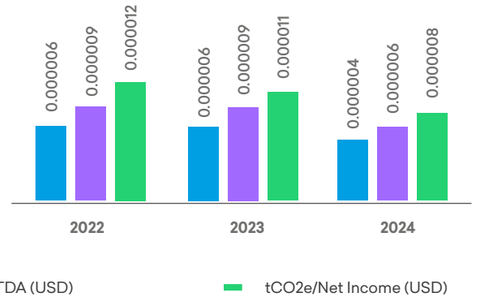
INTENSITY RATIO

According to the LSE and investor requirement, we calculated Intensity Ratios in line with Streamlined Energy and Carbon Reporting (SECR):

TOTAL CO2 INTENSITY RATIOS TBC PLC (TONS)



TOTAL CO2 INTENSITY RATIOS TBC BANK (TONS)

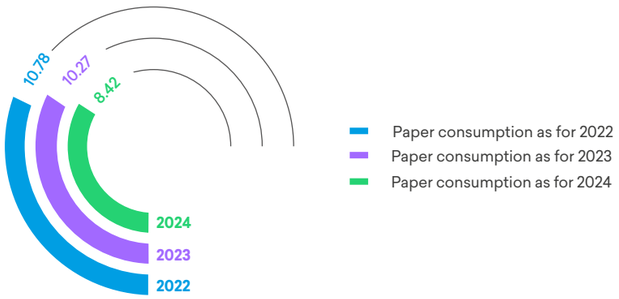


Material Usage - Paper

Based on the specifications of the company's activity, a significant share of the materials used is represented by paper usage. TBC strives to decrease its impact through various projects and digitalisation initiatives.

Compared to the previous year, paper consumption per person in reams decreased by 18% group-wide.

PAPER CONSUMPTION PER PERSON IN REAMS (GROUP)



Paper Recycling

Since 2015, TBC Bank has contracted a company for paper recycling. Since 2015, TBC has delivered more than 535 tons of paper for further processing, which the company uses to produce household paper. Also, TBC Bank has started the collection of paper in all branches and head offices for recycling.

Water

The efficient and sustainable usage of resources is described in the Environmental and Climate Change Policy, which applies to the whole Group.

Water consumption in 2024 reached 76,510 m3 group-wide (TBC Bank – 61,358 m3; others –15,152 m3). Water consumption 2023 reached 81,787 m3 group-wide (TBC Bank – 66,910 m3; others –14,877 m3).

In order to implement the efficient and sustainable consumption of water, various initiatives were launched in cooperation with different departments, including awareness-raising activities.

In 2024, water consumption per employee decreased by 18% year-on-year, which is a significant improvement in comparison with the 2024 target - to control the water consumption increase below 1%.

Target: we expect the water consumption per person to increase by 6% in 2025, which is mainly caused by the increase in the number of employees and surface area.

Consumption Results of 2024 and 2025 Targets

GROUP

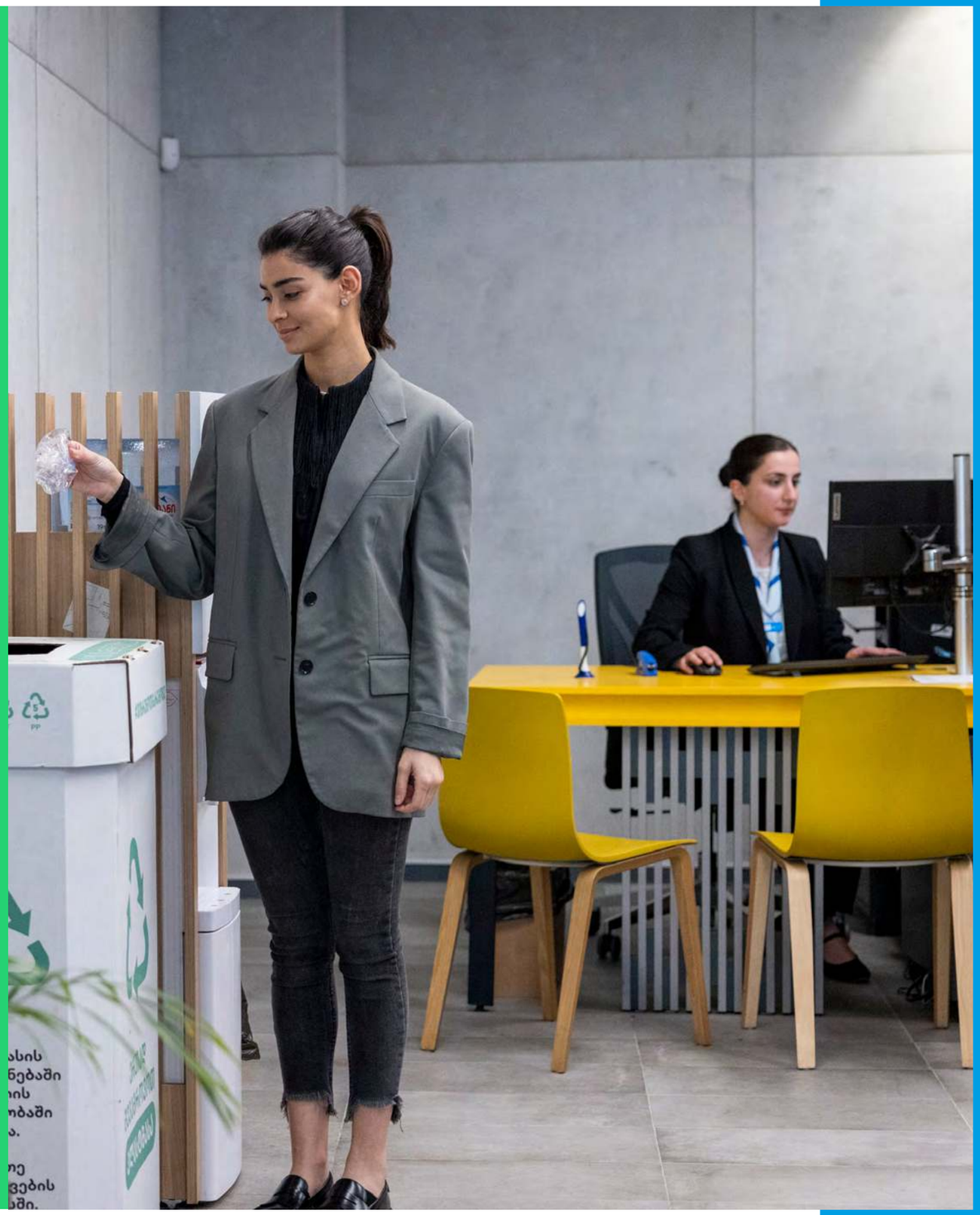
	Total GHG emissions (CO2) (tonnes) and KPIs		
	2024 targets	2024 results	2025 targets
Scope 1 - Fuel Combustion (heating, vehicles, generators)	Below 6%	5.6%	Increase below 2%
Scope 2 - (Electricity consumption)	Keeping 2023 rate	-1.2%	Increase below 4%
Scope 3 (international and domestic flights)	Decrease by 32%	-47%	Keeping 2024 rate
Total emissions (tCO2)	Decrease by 7%	-11.6%	Increase below 2%
Total emissions per full-time employee (CO2t/pp)	Decrease by 11%	-24%	Decrease by 5%
Water consumption per employee (m^3/pp)	Decrease by 1%	-18%	Increase below 6%
Printing paper per person in reams	Decrease by 3.7%	-18%	Decrease by 9%

Total emissions per full-time employee (CO2t/pp) **decreased by 24%.**
Water consumption per employee (m^3/pp) **decreased by 18%.**
Printing paper per person in reams **decreased by 18%.**

Waste Management

TBC Bank operates a waste management system. In 2024, the bank finalised updating its Waste Management Plan and submitted it to the Ministry of Environmental Protection and Agriculture of Georgia for approval. The Waste Management Plan defines the approximate amounts of different types of waste (including hazardous waste) produced annually by TBC. The plan also includes key measures and rules for managing hazardous waste (separate collection, stockage, and transportation), in accordance with local legislative requirements.

In 2023, TBC initiated a plastic recycling project in partnership with the plastic recycling company Polyvim. Within the project, plastic is collected in TBC Bank's branches and Head Offices for further processing. As of December 2024, 2,300 kg of plastic waste was recycled by Polyvim.



TBC collected over 2,300 kilograms of plastic in 2024

TBC has been collecting plastic waste at its branches and head office for two years. The waste is gathered at 46 locations across Tbilisi, Rustavi, Kutaisi, and Batumi. Both employees and customers can participate in the process. As of December 31, 2024, TBC had collected and handed over 2,300 kilograms of plastic to a partner company for recycling.

FINANCED EMISSIONS (SCOPE 3)

In 2023, within a technical assistance project supported by the Global Climate Partnership Fund (GCPF), we worked in cooperation with the international consulting company RINA to develop the methodology for calculating TBC Bank's financed emissions. The calculation methodologies consider the PCAF (The Partnership for Carbon Accounting Financials) approach. PCAF has developed methods for different asset classes, which were used by TBC to calculate the financed emissions (PCAF 2022). In total, seven asset classes are considered.

Below you can see the financed emissions by asset class as of December 2024.

N.	Asset Type	Financed GHG Emissions GgCO2e/y
	TOTAL	3,443.1
1	Listed Equity and Corporate Bonds	66.4
2	Business Loans and Unlisted Equity	2,921.2
3	Project Finance	-15.5
4	Commercial Real Estate	7.6
5	Mortgages	35.9
6	Motor Vehicle Loans	0.6
7	Sovereign Debt	426.8

Calculation Methodology

- Listed Equity and Corporate Bonds - consists of securities for which verified emissions data are available;
- Business Loans[1] - consists of business loans and unlisted equity asset class;
- Project finance - consists of projects for which verified project emissions/reductions data are available;
- Retail Mortgages - consists of all retail mortgages;
- Commercial Real Estate - consists of all commercial l mortgages;
- Motor Vehicles - consists of all car loans;
- Sovereign Debts[2] - consists of all sovereign papers which are on the balance of TBC Bank (SA).

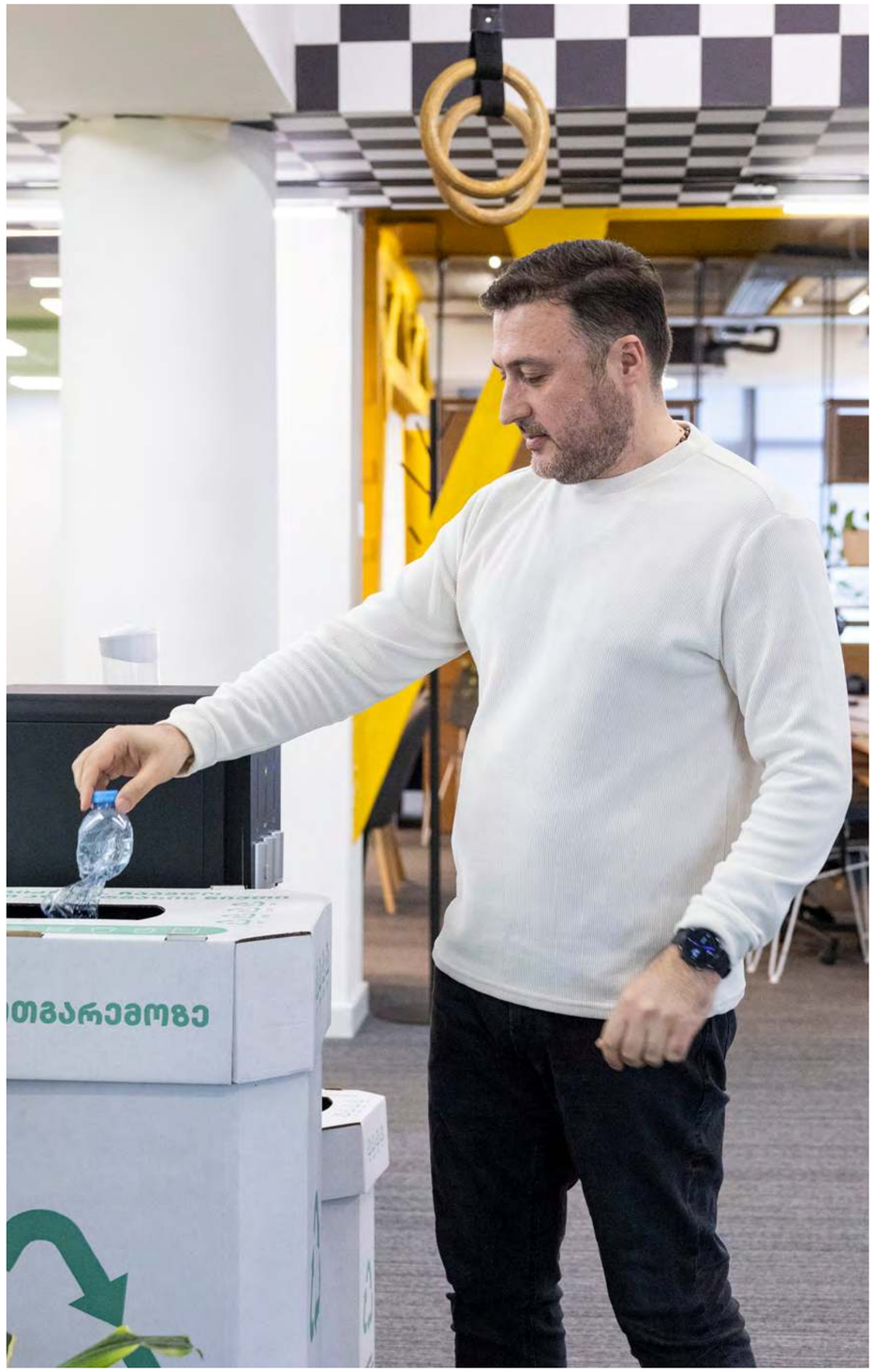
It should be noted that the data we have used for the calculation of financed emissions is the best available at the current stage, notwithstanding the challenges that exist given the incompleteness and novelty of the data sets and the methodologies required for the Georgian environment, which most of our activities occur. Most of the data are of Score 4 and Score 5 quality. We expect the availability and reliability of the required data to improve over time, and we intend to integrate improved data into our calculations as it becomes available and reliable.

In 2024, we have been focusing on the development of detailed transitional plans, which are based on the results of measuring the Group's performance against the Paris Agreement targets for the reduction of GHG emissions.

In 2025, we will focus on integrating tailored sectoral transitions plans and Paris Agreement alignment considerations into the financial planning process, elaborating the respective methodologies and tools and increasing our internal expertise and capacity.

1 https://nbg.gov.ge/en/page/financed-emissions - The calculation methodology for business loans was developed by the National Bank of Georgia within the project "Promotion of Rural Finance for Sustainable MSE Development in the South Caucasus and Ukraine", implemented by DSIK and funded by the German Ministry for Economic Cooperation and Development (BMZ). The calculation methodologies for the other five asset classes were developed by TBC in cooperation with the consultant company RINA, supported by the Global Climate Partnership Fund. The calculation methodologies consider the PCAF approach

2 The calculation methodologies for the other five asset classes were developed by TBC in cooperation with the consultant company RINA, supported by the Global Climate Partnership Fund. The calculation methodologies consider the PCAF approach



10

Responsible Employer

Policy and Management Approach

Our Employees

Diversity and Equal Opportunities

Salary and Benefits, Employee Social Protection
Family Friendly Bank

"Tibiselebi" Fund – Employees Supporting Each Other

Employee Safety and Health, Professional and

Occupational Sickness Prevention

Work Climate, Employee Motivation and Engagement

Satisfaction and Happiness Research

Talent Management (Recruitment, Trainings,
Professional Development and Leadership)

Responsible Employer

TBC is one of the largest employers in the country. As of the end of 2024, TBC Bank employed 8,403 people. The total number of TBC Group employees is 12,902. We recognise the profound influence our corporate culture and employment policies have on the well-being of our employees, their families, and society at large.

Our team members represent an invaluable asset and serve as paramount stakeholders within our organisation. Their contributions are instrumental to our business triumphs. It is incumbent upon us to establish a system adept at both attracting and retaining top-tier talent, nurturing their capabilities and expertise, fostering companionship, and fostering a corporate ethos that prioritises employee well-being, engagement, and ultimately, company prosperity. Through a robust talent development framework, we bolster TBC's strategy and generate optimal value for both the organisation and its employees. Our talent acquisition efforts are focused on meeting organisational requirements by identifying top talent and persuading them to contribute their distinctive skills to the TBC Group. As a tech-driven organisation, TBC strives to cultivate tech talent and capability, making our company an appealing destination for tech professionals.

We are focused on driving superior customer experience, delivering the best commercial outcomes for our customers, being the best employer in the country, supporting the technical transformation of the Group, increasing its leadership capabilities, and achieving a high level of engagement among employees.

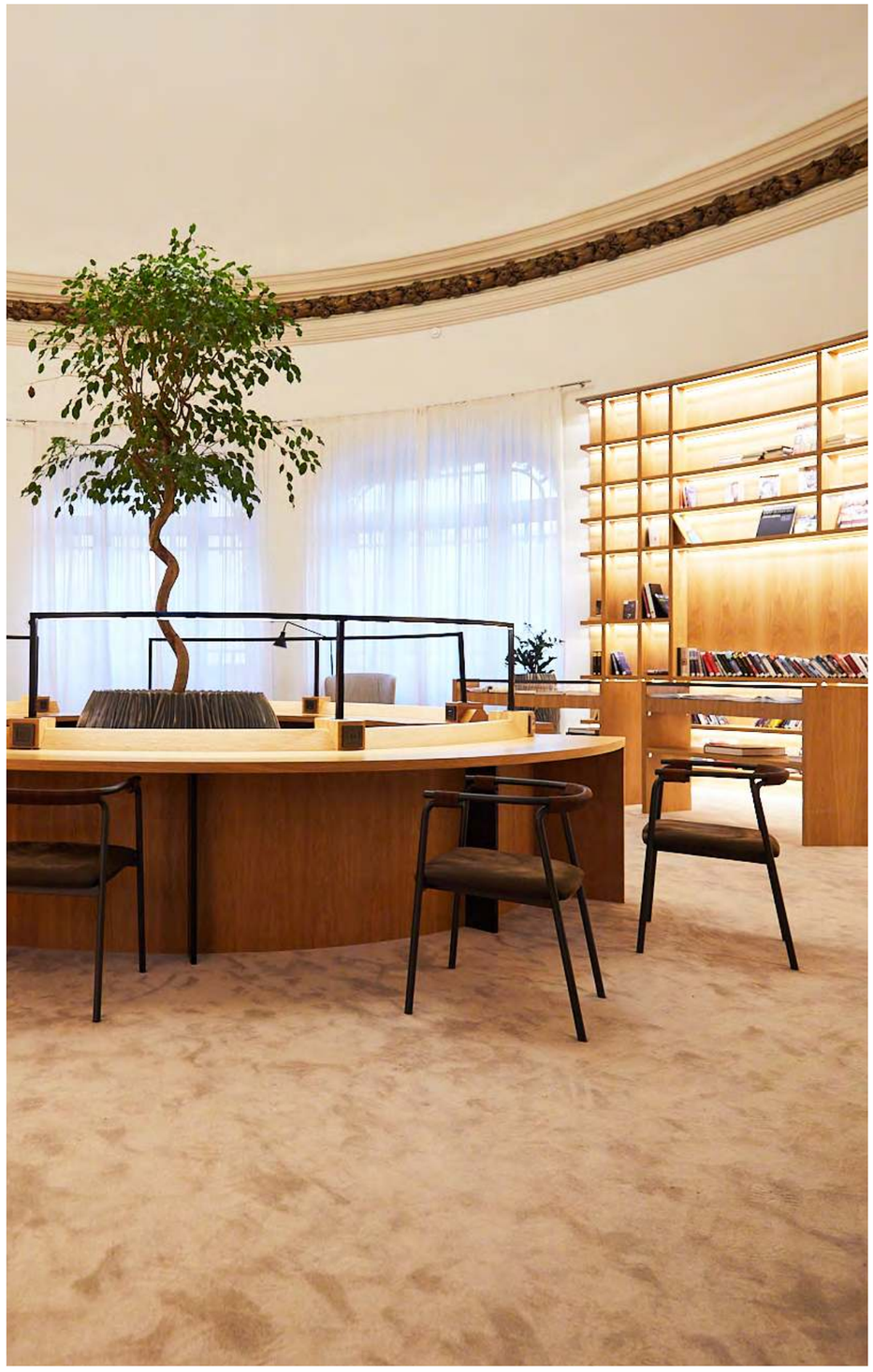
For TBC, sustaining a successful business entails treating all employees with equality and fairness, providing unwavering support and coaching throughout their entire careers. We provide a healthy work environment free from any kind of discrimination in which every employee is valued, respected, and treated equally regardless of race, colour, sex, language, age, citizenship, origin, place of birth, place of residence, social or property status, religion or belief, nationality, ethnicity or social belonging, profession, family/marital status, health, disabilities, sexual orientation, gender identity and expression, political opinion, or other beliefs.

We guide our activities with our Diversity, Equality and Inclusion Policy. The Policy provides clear guidance for ensuring the proactive and consistent integration of diversity, equality and inclusion in the Group's work inside the company, in the market-place and in the community at large. In 2024, the Board of Directors approved the fourth update to the Diversity, Equility and Inclusion (DEI) Policy. This revision was informed by insights from our first ESG awareness survey, which included a dedicated section on the needs and challenges of a diverse workforce.

We are committed to empowering women and supporting their professional growth. To drive long-term success for women in middle management and break barriers in traditionally male-dominated fields such as ICT, Risk and Finance, we have implemented a structured approach outlined in our ESG strategy and annual action plans. In 2024, we established a working group with monthly meetings to strengthen gender reporting, promote gender-sensitive recruiting approaches, and ensure alignment with our action plan. By the end of 2024, women represented 40% of middle managers and agile leaders. Additionally, in traditionally male-dominated fields such as ICT, Risk, and Finance, the share of women reached 46%.

In 2021, we launched the TBC Leadership Academy to identify top talent across the Group and support their development. As part of this initiative, we introduced extensive leadership training for middle management in collaboration with highly rated local and international organisations, including Bled School of Management and DEVELOR International. The programme offers a comprehensive curriculum covering essential leadership competencies, including Strategic Mindset, Collaboration, Personal Development and Well-Being, Communication, Team Leadership, and Workplace Self-Intelligence. These courses are designed to equip leaders with the skills needed to navigate change, foster cross-functional trust, and drive high-performance teams. In 2024, the Leadership Academy covered 188 middle and top managers, with 53% of participants being women.

In 2024, TBC Bank notable expanded its commitment to disability inclusion as part of its broader diversity strategy. Through the Asian Development Bank's (ADB) Trade and Supply Chain Finance Program (TSCFP) Disability Inclusion Project for Financial Institutions, TBC Bank received expert consultancy services funded by ADB and delivered by the Global Disability Innovation Hub (GDI Hub).



The year-long project had a broad scope, focusing on key areas such as enhancing the inclusivity of products and services, improving accessibility at festivals, and promoting disability-inclusive employment. As part of the initiative, TBC received tailored knowledge and recommendation packages, laying the groundwork for developing standards and procedures to advance disability inclusion within the organisation. It is worth noting that the share of employees with disabilities at TBC Bank increased to 0.3% by the end of 2024, up from 0.2% in 2023.

Breakdown of employee categories by age at the TBC Bank level

	2022			2023			2024		
Staff Categories	**20-30**	**30-50**	**>50**	**20-30**	**30-50**	**>50**	**20-30**	**30-50**	**>50**
Front Office	56%	41%	1%	49%	46%	2%	49%	44%	2%
Back Office	42%	52%	5%	46%	49%	4%	41%	53%	5%
Middle Management	3%	92%	5%	3%	90%	7%	7%	85%	7%
Technical staff	54%	40%	3%	48%	43%	6%	40%	44%	5%

Breakdown of employee categories by age in other subsidiaries* of the Group

	2022			2023			2024		
Staff category	**20-30**	**30-50**	**> 50**	**20-30**	**30-50**	**> 50**	**20-30**	**30-50**	**> 50**
Front Office	572	308	17	758	353	20	1595	554	22
Back Office	494	522	24	679	620	23	721	711	36
Middle Management	21	98	6	19	114	6	13	128	8
Technical Staff	68	179	27	62	203	37	164	262	41

*2024 Data - Subsidiaries: TBC Bank UZ, TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int, TBC Capital, TNET, TBC Kredit

Our CEO and executive management play a vital role in shaping and reinforcing our corporate culture and values through on-going communication with employees. We regularly organise various initiatives to share TBC Group's strategy, highlight key achievements, and gather valuable employee feedback. Additionally, we continuously evaluate our social and cultural activities to ensure they remain engaging, relevant, and impactful for our workforce.

In 2024, TBC Group launched a comprehensive cultural transformation initiative aligned with its international strategy and aimed at fostering cross-cultural understanding. The diagnostic phase, which included surveys and focus groups to gauge employee sentiments, demonstrated strong interest and engagement from employees. This foundational step provided valuable insights into the organisation's culture and established a framework for future initiatives.

As part of the culture transformation project, several CEO-led meetings were held to communicate key initiatives and outline the strategic direction of the changes. To foster engagement and strengthen cultural alignment, a group of culture ambassadors was selected from among employees—individuals recognised for their trustworthiness, strong team relationships, and influence within the organisation. The selection process was based on a short survey, in which more than 3,000 employees participated.

The primary goal of appointing culture ambassadors is to enhance employee engagement, amplify the employee voice, and contribute to the successful implementation of cultural initiatives. These ambassadors serve as role models, facilitate idea generation alongside the project team, promote key communication messages, and help build trust and efficiency across teams.

In collaboration with the culture ambassadors, several working sessions were conducted to define core cultural elements, establish strategic statements, and outline key activities to drive the transformation forward.

In 2024, TBC introduced an AI-powered search platform to enhance operational efficiency and employee support. Developed in collaboration with our Data Science team, this enterprise-wide tool helps employees quickly access accurate information by analysing company documents. The platform serves two key functions:

- Knowledge base – provides comprehensive information on the Bank's products and services, enabling front-line employees to efficiently address customer inquiries;
- HR operations – streamlines internal processes by offering quick answers to HR-related questions, such as vacation policies, insurance, and employee benefits, improving the overall employee experience.

POLICY AND MANAGEMENT APPROACH

TBC is committed to running a business that promotes high ethical standards and values, respects human rights, cares about the environment and community, and encourages its employees to act with integrity and responsibility towards each other and other stakeholders. Relationships at work are regulated by our Code of Conduct and Ethics, and a range of policies and procedures. The key policies are the Remuneration Policy, the Human Rights Policy, the Disciplinary Sanctions Policy, the Employee Confidentiality Policy, the Employee Anti-Discrimination, Anti-Violence and Anti-Harassment Policy, the Complaint Policy, the Incident Management Policy and the Diversity, Equality and Inclusion Policy. Relevant procedures and instructions include the New Employee Hiring Procedure, the Vacation Procedure, the Procedure on Engaging in Other Business Activities, the Parental Leave Procedure, the Employee Learning Co-Financing Procedure, and others. These policies and procedures ensure that employee relationships are aligned with local legislation, international standards, and best practices. Therefore, our processes are carried out in accordance with these policies.

The Employee Anti-Discrimination, Anti-Violence and Anti-Harassment Policy applies to all employees, customers, and those persons with whom employees have a relationship to provide services. The policy covers rules and detailed procedures in cases of violence, which is defined as physical and/or mental violence committed by a person while receiving any service, as well as the threat of damage to a person or property, other forms of violence, verbal abuse, psychological pressure, sexual harassment, etc. The policy establishes a committee that is responsible for reviewing cases and decision-making, including the cancellation of services, if deemed appropriate. The policy provides a safe and secure environment for employees, both in the front and back office.

Although these policies apply specifically to the Bank, from 2021, TBC Bank's human capital management team started working on harmonising policies and procedures across the whole of TBC Group in an effort to integrate the Bank's policies into the operation of the Group's subsidiaries. Furthermore, the employees of the subsidiaries will receive training to ensure a clear understanding of the importance and the objectives of these integrated policies. From 2022, the Bank started sharing mandatory training with TBC Group in order to raise awareness about these processes and harmonise procedures. We strengthen our culture by collaborating with different departments.

Management System

Our management system aims to create mechanisms that efficiently comply with company policies and relevant legislation. Incidents and non-compliance are monitored through a range of channels and tools. Because our company is constantly evolving, more and more information needs to be processed and consolidated. The Human Resource Management System (HRMS) enables us to collect, store, and process very large amounts of information, which is used by the Human Capital Department in decision-making. It allows the company to keep track of all its employees and employee data, as well as information on benefits, such as enrolment and status changes.

Since 2023, we have had a new Human Resource Management System (HRMS), which is a big step towards improving how our employees experience HR services. This system is transforming how we handle payroll, enabling employees to manage their own information, and is customised to fit our needs. It is making HR tasks much easier and giving everyone better access to important HR information.

We are committed to simplifying processes, such as implementing an electronic confirmation system for employee contracts since 2021. This approach eliminates the necessity for paper-based contracts, which are often time-consuming and susceptible to errors.

Grievance Procedure

We have implemented a Grievance Procedure and established a mechanism for employees to address workplace-related concerns. This process is aligned with the Bank's Code of Conduct and Ethics, as well as its Incident Management Policy. According to these procedures, every employee is

eligible to provide information about incidents, either openly or anonymously, including any kind of harassment, be it moral, physical, or psychological. As a result, employees can freely report existing problems.

Informing Employees about the Grievance Procedure

The Grievance Procedure and the Incident Management Policy are mandatory documents, with which every employee must be familiar. We ensure this through the following actions: 1. Each new employee welcome package includes these documents, together with other important policies and procedures. 2. New employees have classroom training in which the Incident Management Policy and the Grievance Procedure feature as one of the key topics. 3. Any changes to the Incident Management Policy or the Grievance Procedure are delivered to all employees by e-mail. 4. These documents are available on the intranet to all employees of the Bank. 5. Employees are regularly tested on the Incident Management Policy.

When it comes to informing employees about the grievance process, it is important to provide clear and concise information to ensure that employees understand their rights and the steps they need to take to file a complaint or grievance.

By informing employees about the grievance process, we can help create a positive work environment that is fair and respectful. It can also help prevent misunderstandings and conflicts by providing a clear and transparent process for employees to voice their concerns.

Submitting Complaints/Grievances

Employees can submit complaints verbally or in writing through an open or anonymous letter to the HR Business Partner, the HR team, or their own management. They are highly encouraged to report incidents of harassment, discrimination, or other grievances without delay to ensure their quick processing. The anonymous channels for submissions are:

- Anonymous communication website: https://www.tbcbank.ge/web/ka/web/guest/anonymous-hotline
- E-mail: incident_compliance@tbcbank.com.ge.
- Safecall hotline: 0800 100 268
- Anonymous communication web portal: www.safecall.co.uk/report

Incidents related to money laundering, terrorism financing, related party transactions, trades based on insider information, breaches of the Code of Conduct and Ethics, and breaches of legislative regulation are reviewed by the Compliance Department. If an incident relates to employee harassment, or physical, moral, or psychological pressure, the HR team manages the case in cooperation with the Compliance Department. Incidents related to fraud, falsification, and conflicts of interest are transferred to the Operational Risk Management and Security team.

Incident Management by HR

The examination process commences promptly upon identifying an incident. The investigation, led by the HR manager and/or HR senior staff, in collaboration with the complainant's line manager (except in cases where the complaint involves them directly or the complainant objects to their participation), is treated with the utmost confidentiality. The primary goal of this initial assessment is to ascertain the credibility of the allegations and determine if additional steps are necessary.

If the complaint is unfounded or unsustainable, the complainant will be informed accordingly and disciplined by HR for unnecessarily bringing a charge against another employee. If there is a case, HR, in liaison with the complainant's line manager, will decide on further actions in the Grievance Committee, together with the employee or their representative. Depending on the seriousness of the case, issues may be brought to the consideration of senior management. When this happens, the Administration Manager will take an interest within the Grievance Committee. When complaints are anonymous, HR, in liaison with the Head of the HR Department/Deputy CEO, will decide on further actions. Actions could take the form of a verbal warning, a written warning, or other disciplinary actions, including dismissal.

Number of Incidents

There was a total of 133 incidents in 2024 (compared to 110 in 2023), 28 of which were sent via anonymous channels. Depending on each incident's severity, the Bank took a range of measures: in some cases, this took the form of a discussion with the employee and rotation to another position, while in other cases stricter disciplinary measures were applied.

TBC Banks supports its corporate culture and has in place internal instructions and policies to encourage employees to speak up. The Incident Management Policy (Whistleblowing Policy) defines employee rights and responsibilities and is revised annually. For more information, please see Chapter 07, Ethics and Integrity.

OUR EMPLOYEES

At the end of 2024, the Bank employed a total of 8,403 people. Since the 2023 reporting, we started to collect and report the information from subsidiaries.

Number of employees at the TBC Bank level, gender breakdown

	2022		2023		2024	
	%	Number	%	Number	%	Number
Total	100%	7706	100%	8070	100%	8403
Female	71%	5471	72%	5826	72%	6034
Male	29%	2235	28%	2244	28%	2369

Number of Employees in other subsidiaries* of the Group, gender breakdown

	2022		2023		2024	
	%	Number	%	Number	%	Number
Total	100%	2147	100%	2719	100%	4000
Female	40%	869	40%	1079	37%	1467
Male	60%	1278	60%	1640	63%	2533

*2024 Data - Subsidiaries: TBC Bank UZ, TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int, TBC Capital, TNET, TBC Kredit.

Number of employees at the TBC Bank level, contract type and gender breakdown

	2022		2023		2024	
Employees	%	Number	%	Number	%	Number
Temporary		**981**		**925**		**830**
Female	83%	815	88%	816	87%	723
Male	17%	166	12%	109	13%	107
Permanent		**6725**		**7145**		**7573**
Female	69%	4656	70%	5010	70%	5311
Male	31%	2069	30%	2135	30%	2262

Compared to 2023, the number of employees with permanent contracts increased in 2024. We believe that switching from a temporary to a permanent contract is beneficial in cases when an employee brings essential knowledge and value to the company. This switch can provide a range of important benefits for both individuals and businesses, including greater stability, cost savings, improved relationships, and investment. Therefore, we view the increase portrayed in the table above as a positive change and aim to increase it further, thereby strengthening our commitment to the rights, safety, and well-being of our employees.

Number of employees in other subsidiaries* of the Group, contract type and gender breakdown

	2022		2023		2024	
Employees	%	Number	%	Number	%	Number
Temporary	**100%**	**200**	**100%**	**178**	**100%**	**119**
Female	63%	125	61%	109	52%	62
Male	37%	75	39%	69	48%	57
Permanent	**100%**	**1947**	**100%**	**2541**	**100%**	**3881**
Female	38%	744	38%	970	36%	1408
Male	62%	1203	62%	1572	64%	2473

*2024 Data - Subsidiaries: TBC Bank UZ, TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int, TBC Capital, TNET, TBC Kredit.

Number of employees at the TBC Bank level, full time/part time employment breakdown

	2022		2023		2024	
Employees	%	Number	%	Number	%	Number
Full time		**7571**		**7896**		**8266**
Female	71%	5350	72%	5669	71%	5904
Male	29%	2221	28%	2227	29%	2362
Part time		**135**		**174**		**137**
Female	92%	121	90%	157	95%	130
Male	8%	14	10%	17	5%	7

Number of employees at the subsidiary* level, full time/part time employment breakdown

	2022		2023		2024	
Employees	%	Number	%	Number	%	Number
Full time (total)	**100%**	**1859**	**100%**	**2677**	**100%**	**3938**
Female	40%	749	40%	1061	37%	1447
Male	60%	1110	60%	1615	63%	2491
Part time (total)	**100%**	**288**	**100%**	**43**	**100%**	**62**
Female	42%	120	42%	18	32%	20
Male	58%	168	58%	25	68%	42

*2024 Data - Subsidiaries: TBC Bank UZ, TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int, TBC Capital, TNET, TBC Kredit.

Number of employees at the TBC Bank level, Tbilisi/Region breakdown

	2022		2023		2024	
Front						
Employees	%	Number	%	Number	%	Number
Total	100%	4410	100%	4533	100%	4650
Tbilisi	66%	2803	64%	2909	64%	2992
Regions	34%	1607	36%	1624	36%	1658
Back / Head Office						
Employees	%	Number	%	Number	%	Number
Total	100%	3296	100%	3537	100%	3753
Tbilisi	95%	3136	96%	3386	94%	3530
Regions	5%	160	4%	151	6%	223

DIVERSITY AND EQUAL OPPORTUNITIES

We remain committed to building a diverse workforce that drives innovation, enhances decision-making, and fosters a dynamic work environment. By bringing together varied experiences and perspectives, we are better equipped to understand diverse customer needs, adapt to evolving market demands, and develop inclusive solutions. We treat all employees equally and fairly, supporting and coaching them to succeed. We understand that ensuring equal opportunity in all areas of human resources management, such as selection, promotion, training, and development, is critical to retaining employee engagement and satisfaction across our workforce. We understand that recognising and harnessing the advantages of diversity in the workplace enables our employees to achieve their full potential, contributing to a successful business.

Our ESG Strategy contains company-wide goals and targets to support gender equality, women's empowerment, and employee diversity, with progress measured through clear performance indicators. Specific actions include:

- Widely communicating the gender equality and employee diversity strategy and goals to staff and a wider audience;
- Advocating for gender equality, employee diversity, and women's empowerment and promote the company's commitment in public forums;
- Taking a proactive role in the promotion of women to management positions to reduce the gender pay gap;
- Collecting, analysing, and reporting sex-disaggregated data;
- Regularly training staff on discrimination, sexual harassment, domestic violence, and gender-based violence topics through various platforms;
- Establishing support services for survivors of violence and harassment;
- Creating suitable infrastructure in our branch offices for employees with mobility disabilities;
- Reporting annually on progress in the implementation of the Women's Empowerment Principles.

Committing to gender equality: We place a strong emphasis on empowering women and supporting their professional growth. We elaborated a long-term approach for women to excel in middle management roles and break barriers in traditionally male-dominated fields such as ICT, Risk and Finance. To ensure progress, our ESG strategy outlines clear targets and action plans aligned with these goals. In 2024, we established an ESG and HR working group with monthly meetings to strengthen gender reporting, promote gender-sensitive approaches, and ensure alignment with our action plan. This year, key initiatives include implementing a gender-disaggregated reporting system in recruitment to monitor trends, providing handouts and meetings for hiring managers and HR specialists on gender-sensitive practices, ensuring gender-balanced applicant pools, scanning job descriptions using the Gender Decoder tool for gender bias, and incorporating gender-inclusive language.

Since August 2021, TBC Bank has been a signatory to the Women's Empowerment Principles (WEPs), marking its commitment to advancing gender equality. We regularly inform our employees and the community about the process of integrating the WEPs into the company's operations and the progress made towards their implementation. We use internal and external communication channels to disseminate information on gender mainstreaming activities among our employees and a range of other stakeholders. Moreover, every year we participate in an annual assessment of WEPs signatory companies conducted by UN Women Georgia, where we report data, progress, and any implemented thematic activities and projects relevant to each WEP.

Partnership for women empowerment: Since 2022, TBC Bank has been the only private company in Georgia to establish a strategic partnership with UN Women. This partnership focuses on advancing women's professional development, supporting women-owned businesses in urban and rural areas, improving women's skills in technology, training TBC staff, and raising awareness about gender equality. Throughout 2024, TBC continued its dedication to these goals by participating in a range of projects and initiatives aimed at empowering women. This year, a new loan product specifically designed for women entrepreneurs was launched. Recognising that collateral is a significant barrier for women in Georgia, this loan offers female founders up to GEL 500,000 without the need for collateral, supported by our lenders and various government programmes. Additionally, this loan features pricing benefits, allowing women to borrow at the lowest available interest rates. This initiative highlights our commitment to empowering women in business and fostering their success in the entrepreneurial landscape.

As part of our ongoing commitment to equality, diversity, and inclusion, we continue to prioritise training initiatives. Employees undergo mandatory online training on gender, equality, and diversity, covering topics such as sexual harassment, stereotypes and discrimination, diversity and equality, and various forms of violence. In 2024, 95% of employees were trained. Furthermore, employees participate in intensive, face-to-face, 4-hour sessions, conducted for 30-35 participants, aimed at fostering a gender-equal and healthy environment free from any forms of discrimination and violence. These sessions combine theoretical knowledge with practical exercises, promoting active engagement and discussion. Since 2023, a total of 3,528 employees have participated, with plans to continue these sessions until all TBC employees are trained.

In 2024, the Board of Directors approved the fourth update to the Diversity, Equity, and Inclusion (DEI) Policy. Through this policy, TBC emphasised the importance of gender equality and the empowerment of women and girls in the sustainability of the company and its stakeholders, including customers, employees, suppliers, partners, and the community. This policy is reviewed annually, with this year's revision informed by insights from our first ESG awareness survey, which included a dedicated section on the needs and challenges of a diverse workforce. The updated policy broadens the definition of diversity beyond gender, multiculturalism, multigenerational differences, and disability to include other widely recognized diversity characteristics. Additionally, the list of discrimination forms has been extended to explicitly address all forms of discrimination, including age discrimination, racial and ethnic discrimination, disability discrimination (ableism), marital and family status discrimination, and appearance-based discrimination. As for violence, the updated version includes cyber violence and hate violence to increase awareness and vigilance among employees.

TBC is committed to strong corporate governance and fostering a culture that respects and supports human rights in all aspects of its operations. Since 2022, we have had a Human Rights Policy in place, outlining our commitment to uphold human rights and detailing how we apply these principles in our interactions with stakeholders. This includes our role as an employer, provider of products and services to clients, contributor to communities, and partner to local and international organisations.

Committing to disability inclusion: In 2024, TBC Bank notable strengthened its commitment to disability inclusion as part of its broader diversity strategy. Through the Asian Development Bank's (ADB) Trade and Supply Chain Finance Program (TSCFP) Disability Inclusion Project for Financial Institutions, TBC Bank received expert consultancy services funded by ADB and delivered by the Global Disability Innovation Hub (GDI Hub). This year-long initiative focused on six key project streams, engaging various bank functions to drive meaningful change:

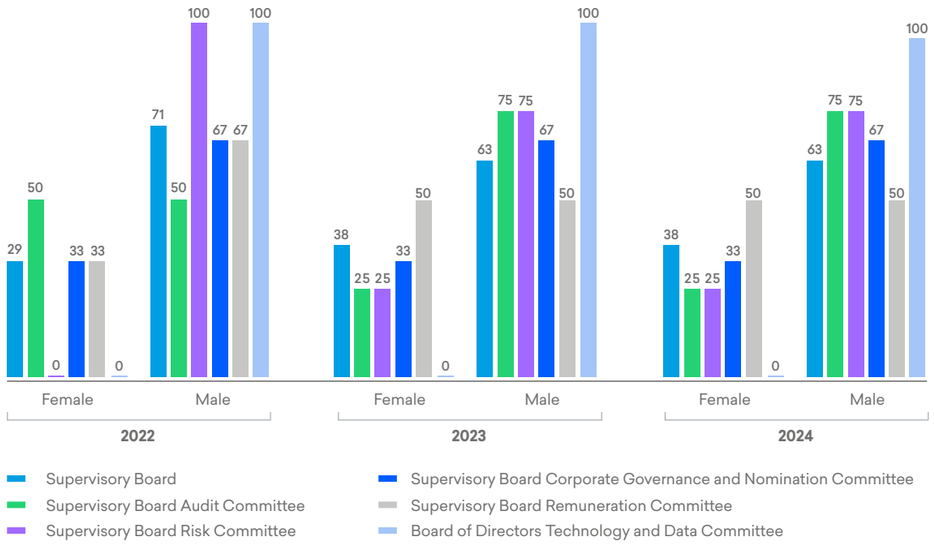
- Inclusive Culture Assessment: A self-assessment survey was conducted across all bank functions to evaluate the existing culture, resulting in a tailored strategic action plan.
- Digital Accessibility Audit: A Web Content Accessibility Guidelines (WCAG)-based audit of TBC's mobile banking app provided actionable recommendations to enhance accessibility.
- Physical Accessibility Audits: A working group, consisting of members from various functions such as architecture, UX researchers, and ESG specialists, was created. This group conducted physical accessibility audits of the three selected branches using a specialised toolkit.
- User Experience (UX) Research: A UX research plan, guided by the Breaking Down Barriers framework, was developed to evaluate customer experiences across services and touchpoints, and interviews with disabled people were conducted.
- Disability-Inclusive Employment: Workshops on accessibility, disability confidence, and inclusive hiring practices were conducted, forming the foundation for a Disability Inclusivity Employment Guidance Standard.
- Event Accessibility Guidance: A guidance document was created to assist TBC Bank in developing its own practices and collaborating with both internal and external festival suppliers and procurement leads. The goal is to integrate accessibility and inclusion at both the strategic and operational levels (This document includes recommendations for events such as Tbilisi Open Air and the Saba Awards).

As part of the initiative, TBC Bank received tailored knowledge packages and strategic recommendations, forming the basis for long-term disability inclusion standards and procedures. TBC's proactive approach was recognised as a success within the ADB's broader TSCFP initiative. TBC Bank was invited to share its experience through ADB-hosted conference, webinar, and podcast, and its efforts were highlighted in a dedicated blog featuring TBC Bank (Georgia) and the National Bank of Pakistan as successful examples of effectively leading a disability inclusion project.

The following tables highlight key data concerning age and gender diversity within TBC.

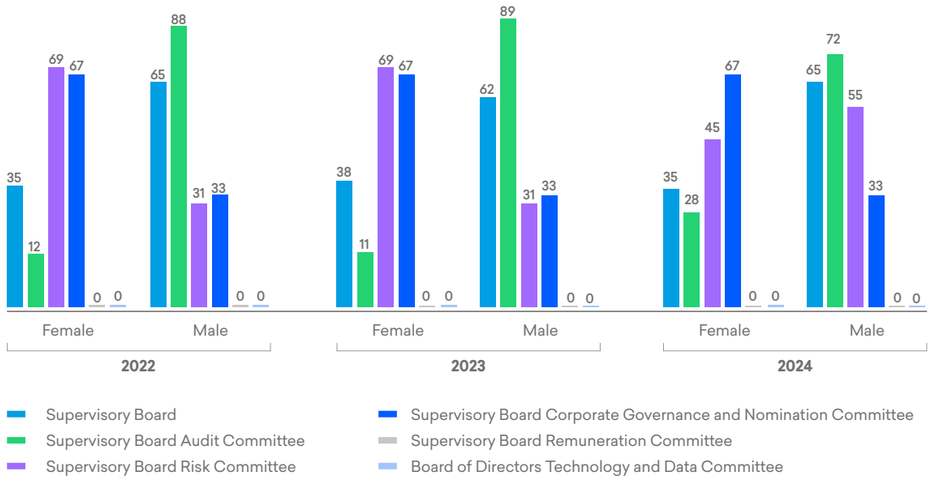
GENDER DIVERSITY IN GOVERNANCE BODIES AT THE TBC BANK LEVEL

(in %)



GENDER DIVERSITY IN GOVERNANCE BODIES IN OTHER SUBSIDIARIES* OF THE GROUP

(in %)

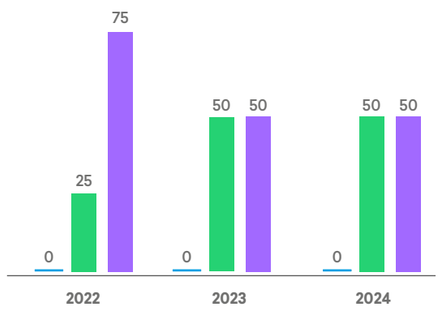


*2024 Data - Subsidiaries: TBC UZ, TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int.

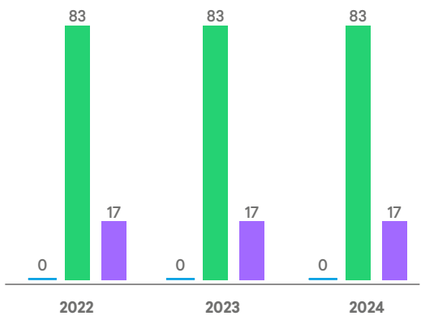
AGE DIVERSITY AT THE TBC BANK LEVEL

(in %)

Supervisory Board



Board of Directors

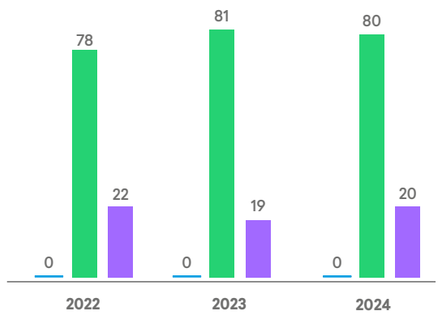


20-30 30-50 >50

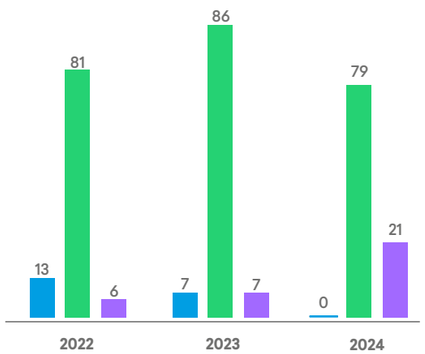
AGE DIVERSITY IN GOVERNANCE BODIES IN OTHER SUBSIDIARIES* OF THE GROUP

(in %)

Supervisory Board



Board of Directors



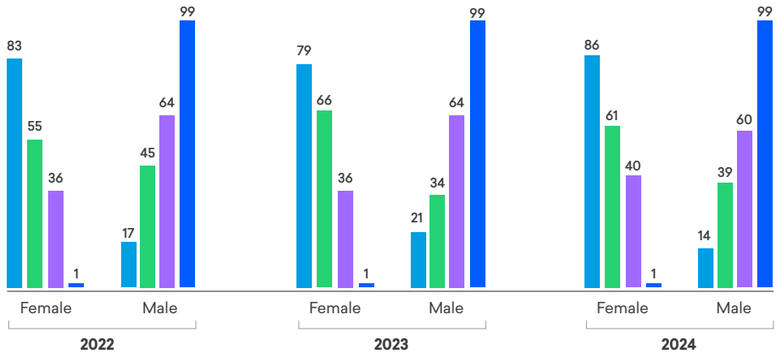
20-30 30-50 >50

*Subsidiaries: TBC Bank UZ, TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int.

*Subsidiaries: TBC Bank UZ, TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int, TBC Capital.

GENDER DIVERSITY – VARIOUS STAFF CATEGORIES AT THE TBC BANK LEVEL

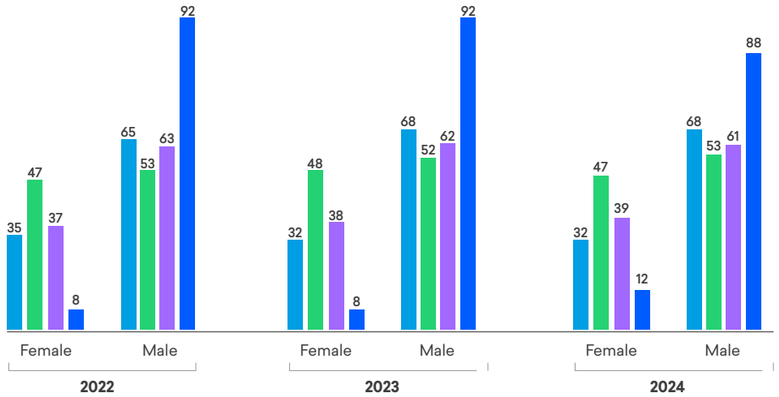
(in %)



Front Office
Back Office
Middle Management
Technical Staff

GENDER DIVERSITY – VARIOUS STAFF CATEGORIES IN OTHER SUBSIDIARIES OF THE GROUP

(in %)

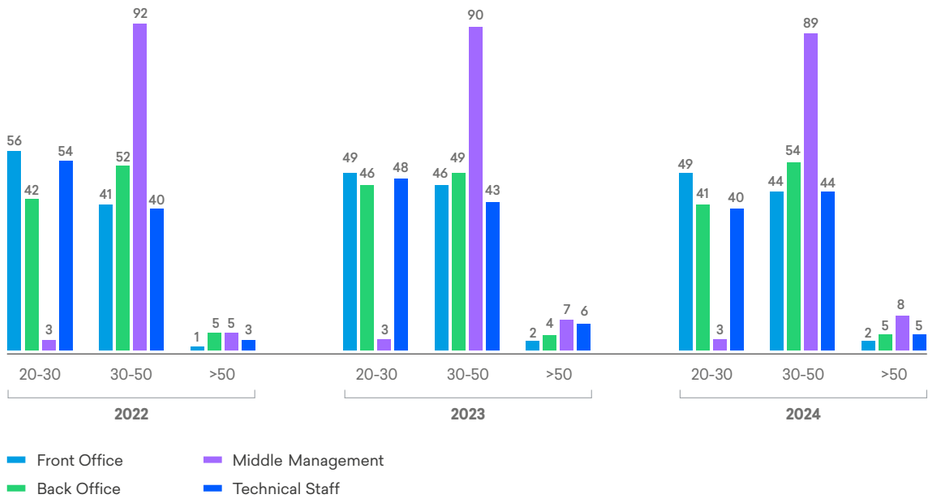


Front Office
Back Office
Middle Management
Technical Staff

*2024 Data - Subsidiaries: TBC Bank UZ, TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int, TBC Capital, TNET, TBC Kredit

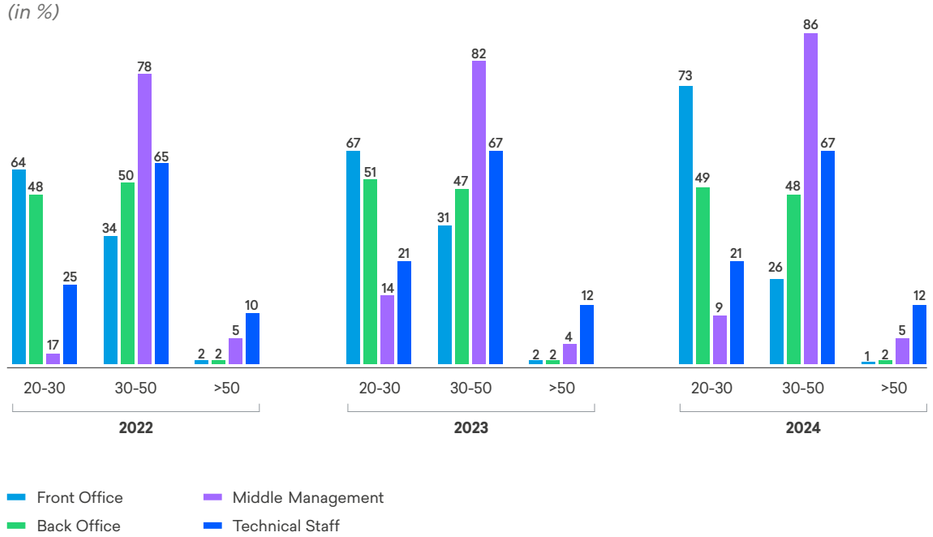
AGE DIVERSITY – VARIOUS STAFF CATEGORIES AT THE TBC BANK LEVEL

(in %)



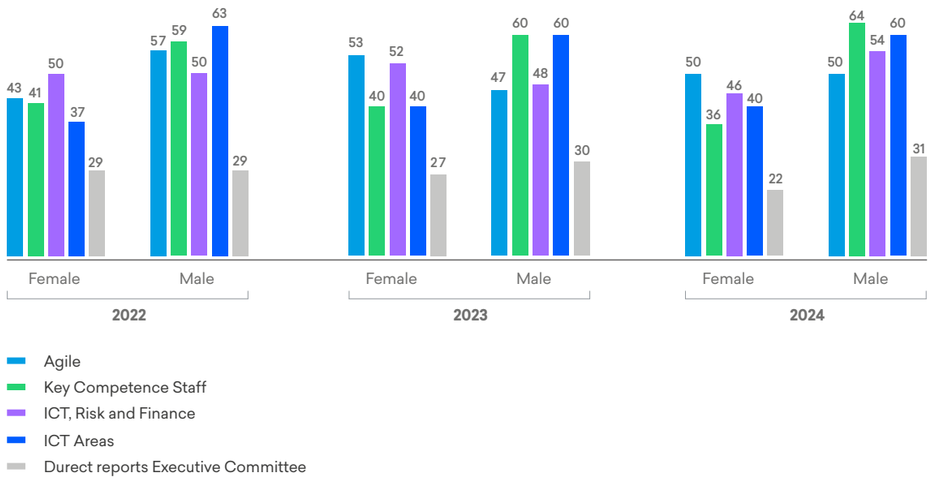
AGE DIVERSITY – VARIOUS STAFF CATEGORIES IN OTHER SUBSIDIARIES OF THE GROUP

(in %)



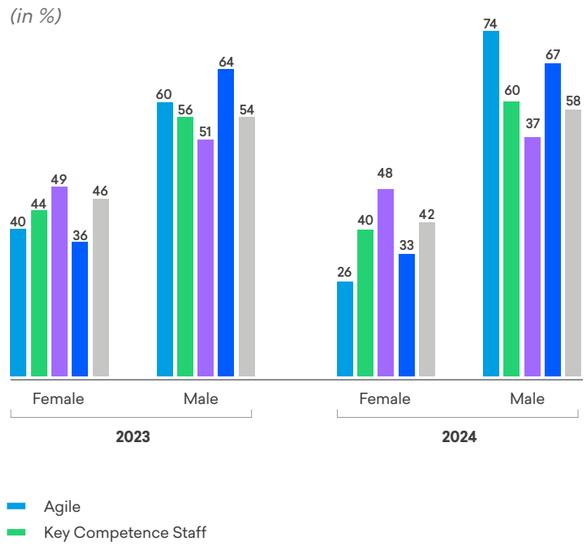
GENDER DIVERSITY IN VARIOUS CATEGORIES AT THE TBC BANK LEVEL

(in %)



GENDER DIVERSITY IN VARIOUS CATEGORIES IN OTHER SUBSIDIARIES* OF THE GROUP

(in %)



*2024 Data - Subsidiaries: TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int, TBC Capital, TNET, TBC Kredit.

SALARY, BONUSES, BENEFITS AND EMPLOYEE SOCIAL PROTECTION

We believe that fair compensation and social protection are fundamental in fostering employee well-being. It is important that our employees are compensated appropriately and feel confident about their future. Our compensation package includes a monthly salary, performance-based bonuses, private healthcare, and life insurance. The monthly salary is determined by the employee's level of responsibility, skills, and professional experience. Furthermore, we offer a comprehensive benefits package that is available to all permanent employees, whether they work full-time or part-time.

Since 2023, both temporary and permanent employees have been receiving health insurance benefits.

Total compensation includes fixed and variable pay, which consists of performance-based bonuses and a benefits package. It is the key focus of our remuneration framework, with variable pay differentiated by performance and adherence to the TBC Core Values. We monitor employee pay trends via labour market compensation surveys in the financial sector and local international organisations. The results of the survey and analysis of internal data have confirmed that the Bank remains a competitive employer. By designing a comprehensive total compensation programme, we can attract and retain top talent, promote employee satisfaction and engagement, and support the long-term success of our organisation.

We regularly review our pay levels and ensure that men and women are paid equally for doing the same type of job. As shown in the tables below, the average gender pays and bonus gaps are in favour of men. This is mainly due to the higher number of women being employed in junior roles, including customer service positions at the front office, which is related to our business model (as shown in the gender distribution chart below). We remain committed to achieving a better gender balance and increasing the proportion of women working in senior roles.

The gender pay gap is based on data from April 1, 2023, to April 30, 2024. The gender bonus gap is based on data from April 6, 2023, to April 5, 2024.

We ensure pay equity between female and male employees through regular pay level reviews. In 2024, the mean gender pay gap for Bank employees was 46%, slightly increased compared to the previous year. This disparity is mainly due to a larger number of women in junior positions such as front-office customer service roles. The mean gender pay gap for middle management was negative, standing at -3% in 2024 and -17% in 2023, indicating that women in these roles were better remunerated than men.

Mean Gender Pay Gap in hourly pay, (%)

	2022		2023		2024	
	Middle Management	Total Bank	Middle Management	Total Bank	Middle Management	Total Bank
Mean gender pay gap in hourly pay	-4%	44%	-17%	44%	-3%	46%
Median gender pay gap in hourly pay	-14%	45%	-43%	45%	-3%	51%
Mean bonus gender pay gap	12%	53%	-26%	50%	-14%	51%
Median bonus gender pay gap	-25%	51%	-78%	53%	-38%	62%
Number of employees	230	7706	250	8070	260	8403
Share of women	35%	70%	36%	72%	37%	72%

	2022	2023	2024
Front Office		%	
Mean gender pay gap in hourly pay	45%	24%	30%
Median gender pay gap in hourly pay	41%	9%	27%
Mean bonus gender pay gap	65%	52%	46%
Median bonus gender pay gap	72%	46%	57%
Number of employees	4410	3848	3803
Share of women	83%	79%	80%

	2022	2023	2024
Back Office		%	
Mean gender pay gap in hourly pay	23%	37%	40%
Median gender pay gap in hourly pay	13%	39%	45%
Mean bonus gender pay gap	29%	41%	50%
Median bonus gender pay gap	20%	42%	54%
Number of employees	3296	4222	4600
Share of women	55%	66%	65%

FAMILY-FRIENDLY BANK

TBC Bank underscores its commitment to fostering a family-friendly workplace environment, a pivotal driver of gender equality and women's leadership. Our ethos prioritises the creation of a workplace where every individual feels supported, valued, and respected.

Building on initiatives launched in 2022 and implemented in 2023 according to UNFPA guidelines, TBC Bank now fully covers parental leave for both permanent and temporary employees. Additionally, we extend benefits to employees with three or more children, including days off and supplementary financial support, acknowledging the importance of supporting multi-child families.

Continuing our commitment to supporting families, TBC Bank remains dedicated to refining and improving family-friendly approaches. We are committed to assisting women employees in their transition back to work following maternity leave, providing resources and support to facilitate a smooth return to the workplace. We consistently monitor and analyse employee data regarding their return from parental leave. Additionally, we ensure that our employees are informed and trained on new bank policies and procedures to ensure they remain up-to-date and experience minimal adjustments upon their return.

Families with Multiple Children

In order to support employees who have multiple children, the Bank has introduced a special programme, according to which every employee who becomes the parent of a fourth or fifth child receives 10,000 GEL. For the sixth child and above, the parent receives 50,000 GEL. This programme applies to full-time employees with a long-term contract. The Bank also issues various benefits for employees with multiple children, such as one more day off per quarter.

Table: Multi-Child support

	2022	2023	2024
Number of employees who received bank support (for the 4th, 5th or more children)	13	15	15
Total support in GEL (Gross)	165,816	242,347	446,429

Marriage and Childbirth Support

We operate a marriage and childbirth support programme. The Bank issues a one-time financial benefit to employees who get married and give birth to a child. This support is valid for all employees with long-term contracts.

The total value of financial assistance in 2024 under the marriage and childbirth support programme amounted to GEL 709,694.

Parental Leave

According to local legislation, a company is not obliged to remunerate parental leave; however, TBC employees receive paid parental leave based on their full remuneration rate for 183 or 200 days, depending on whether they had a standard or complicated delivery. In 2024, 347 employees in total received parental leave pay.

Parental leave at the TBC Bank level

	2022	2023	2024
Parental Leave	**Number**	**Number**	**Number**
Employees who became parents	**518**	**418**	**410**
Female (all)	428	357	347
Male (all)	90	61	63
Employees who took the leave and received parental leave pay	**370**	**361**	**347**
Female	**370**	**357**	**346**
Male	0	4	1
Employees who returned to work from parental leave	**308**	**538**	**511**
Female	308	536	507
Male	0	2	4
Employees whose parental leave ended during the last two years and who were still employed 12 months after their return to work	**615**	**531**	**775**

Parental leave in other subsidiaries* of the Group

	2022	2023	2024
Parental Leave	**Number**	**Number**	**Number**
Employees who became parents	**57**	**58**	**128**
Female (all)	24	34	46
Female (Permanent)	24	34	38
Male (all)	33	29	82
Male (Permanent)	33	29	19
Employees who took the leave and received parental leave pay (permanent	**25**	**37**	**47**
Female	24	34	46
Male	1	2	1
Employees who returned to work from parental leave	**20**	**38**	**32**
Female	19	35	31
Male	1	3	1
Employees whose parental leave ended during the last two years and who were still employed 12 months after their return to work	**12**	**17**	**31**

*2024 Data - Subsidiaries: TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int., TNET, TBC Kredit.

The "Tibiselebi" Fund – Employees Supporting Each Other

The Tibiselebi Fund ("Tibiselebi") was founded in 2009. It currently unites employees of JSC TBC Bank and eleven other subsidiaries from TBC Bank Group PLC as donors and beneficiaries. Employees donate 1% or 2% of their monthly salary on a voluntary basis to the Tbiliselebi Fund, which in turn supports its contributing employees and their immediate family members financially in cases of significant health issues. Specifically, the Fund provides financing to support cases where sickness represents a danger to health or life, or to purchase additional hearing aids, wheelchairs, special nutrition, or artificial insemination. Tibiselebi has a rotating, representative Board made up of delegates from participating companies, which makes all financing decisions on how to allocate its funds through majority voting. In 2024, Tibiselebi provided funding for 688 applications, totalling GEL 3,001,159, compared to 2023, when funding was provided for 569 applications, totalling GEL 2,404,000.

EMPLOYEE SAFETY AND HEALTH, PROFESSIONAL AND OCCUPATIONAL SICKNESS PREVENTION

Since our employees are our most valuable asset, we are obliged to ensure the protection of their lives, health, and safety. Although workplace-related health and safety risks in the financial sector are not as high as in many other industries, they still exist. The biggest potential risks in our field include customer aggression, attacks on frontline employees, risks related to cash collection, and car park management activities.

According to Georgian legislation, since September 2019, every company has been obliged to hire a Health, Safety and Environment (HSE) specialist to ensure the implementation of the HSE management system and standards. Currently, we outsource HSE management to an experienced company that, together with the Bank's team, is in the process of developing an HSE policy and strategy. Once every four months, HSE specialists carry out inspections and develop specific reports about the risks and hazards in all branches and offices. Twice a year, HSE specialists measure the microclimate and light in every branch and office to create a more comfortable working environment for employees. Risk assessments are updated every four months, highlighting which risks and hazards should be controlled. Every six months, we conduct fire and evacuation drills. Once a year, we conduct training for all employees in HSE, fire, electric, ergonomics, emergency action plan, stress, and human factors. The Health and Safety framework applies to all employees and contractors, both full-time and part-time.

In 2024, five incidents took place:

- During renovation work, a representative of the contractor company violated the angle grinder usage rules, resulting in a hand injury that required hospitalisation.
- A customer cut their hand with a stationery knife, requiring hospitalisation for wound treatment.
- A member of the cash-in-transit team got his hand caught in a door during work, and as per the doctor's recommendation, he was temporarily restricted from performing his job duties.
- As a customer was leaving the branch, he slipped on an icy surface and sustained a spinal injury. The damages were covered by the insurance company.
- The customer physically assaulted the security administrator, but the incident did not lead to any complications.

Employee protection is an important aspect of workplace safety, and violence prevention is one key component of that protection. Employers have a responsibility to provide a safe working environment for their employees and take steps to protect them from violence in the workplace.

Certain employees in particular positions within the Bank encounter specific health and safety risks:

Drivers

One group of contractors employed by the Bank includes drivers who face specific health and safety risks. TBC Bank has established guidelines for its drivers, covering aspects like speed limits, working hours, health monitoring, and driver attentiveness. These guidelines aim to reduce risks linked to car park management and driver activities. The implementation and adherence to these guidelines are monitored through the utilisation of GPS systems.

Cash Collection

Given the unique nature of cash collection operations, employees involved in cash collection face the most significant health and safety risks within the Bank. The Bank conducts two types of cash collection activities:

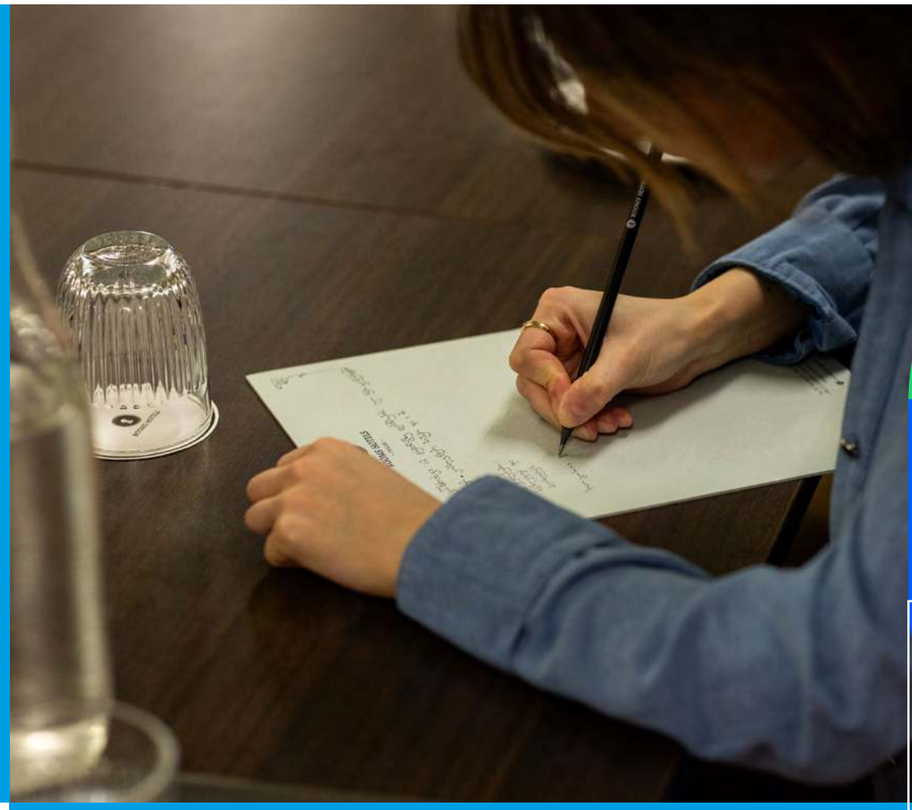
- ATM cash collection, performed by a Bank cash collector accompanied by security police, or fully by crews consisting of Bank employees
- Collection of cash from branches and clients, handled by security police trained in collaboration with the Ministry of Internal Affairs. All cash collectors at the Bank undergo regular safety training.

Front Office Staff

Since the most important health and safety-related risks in the financial sector are aggressive customers, attacks, and robberies, the Bank conducts special learning activities for front-office staff concerning workplace safety. Every branch employs several security administrators who ensure the timely and efficient identification and prevention of risks. As a result, only three cases of attempted robbery have taken place in TBC Bank over the last 21 years of operation. We also have a contract with the security police, who attend to any incident as soon as it is identified.

Employees facing particular health and safety risks need protection through heightened safety standards. It is crucial to secure a safe and healthy work environment by addressing the risk of workplace violence. Our proactive approach to preventing such incidents involves the development and implementation of a comprehensive policy. This includes providing training to employees, conducting background checks, implementing security measures, and promoting a culture that actively encourages incident reporting.

Fostering a safe workplace environment is essential for both employee well-being and operational efficiency. As part of our commitment to this, we have implemented a hybrid work policy and enhanced our onboarding procedures. This transition began in 2022, acknowledging the potential benefits of hybrid work in terms of productivity and flexibility. Additionally, we emphasise the importance of work-life balance, offering flexible arrangements that allow colleagues to adopt a hybrid approach, dividing their time between the office and remote work settings. This strategy not only supports employee needs but also aligns with our goal of promoting a positive and productive workplace culture.



In 2024, TBC conducted the first ESG awareness survey

In 2024, an ESG awareness survey was conducted to assess TBC employees' understanding of ESG issues and their level of engagement in ESG initiatives. The survey also aimed to evaluate employees' recognition of the importance of ESG factors, both for their professional growth and the organization's overall development, helping to shape future initiatives in this area. One of the key areas covered in the survey was environmental topics. As a result, 81% of respondents indicated awareness and a positive attitude toward environmental protection practices and initiatives.

Information about our internal environmental activities, projects, environmental reports, and news is available for each employee through different channels: the internal network (TBC Intranet); ESG Newsletter - being sent to employees via e-mail, and posts in TBC's Facebook group for staff.

WORK CLIMATE, EMPLOYEE MOTIVATION AND ENGAGEMENT

We aim to be the leading employer in the country, driving technical innovation, strengthening leadership skills, and fostering high levels of employee engagement. At TBC, we are dedicated to fostering an organisational culture that is both supportive and empowering. We strive to provide equal opportunities for work and professional growth while prioritising a healthy work-life balance for our employees. Our strategy centres on promoting our core values across all regions, ensuring they are deeply embedded in our company's culture. By embracing diversity and encouraging a global mindset, we aim to cultivate an inclusive environment where collaboration and mutual respect thrive.

Our team's goal is to make life easier for people by continuously enhancing the quality of our services.

To support this goal, our primary efforts include:

- Actively engaging in internal communications through a variety of channels, including Facebook, the intranet, Teams and e-mail.
- Holding a range of team bonding and educational activities to boost employee engagement, such as New Year's Eve celebrations, agile and tech meetups, sports festivals, movie and theatre performances, championships, mental health programme activities, and others.

Our CEO and executive management play a vital role in shaping and reinforcing our corporate culture and values through on-going communication with employees. We regularly organize various initiatives to share TBC Group's strategy, highlight key achievements, and gather valuable employee feedback.

We aim to create a corporate culture where people can develop professionally by providing training and advancement opportunities for career enhancement. Every employee has an opportunity to move from one position to another, or to change directory/unit.

We have a rewards and recognition programme to enhance the service culture and customer focus among our employees. This programme includes and serves several categories: Frontline, Internal Voice of the Customer, Painkiller Award, and Extra Mile Story Award. The winners of these categories are given the chance to attend the final event of the year, the TBCX Awards, where they are announced and receive their awards.

We remain committed to fostering a healthy and secure work environment by actively involving employees in the Employee Mental Health Programme, which is designed to support well-being and enhance operational efficiency. Over the years, we have conducted numerous workshops and sessions for employees across TBC Group companies in Georgia, demonstrating high levels of engagement and participation.

Throughout the year, approximately 500 employees took part in various workshops, seminars, and physical activities, with participation steadily increasing as more employees recognise the programme's value. To further raise awareness of mental health, we continuously implement tailored communication efforts. In 2024, this includes a series of short videos featuring invited specialists, providing expert insights and practical guidance.

Satisfaction and Happiness Research

We listen carefully to our colleagues and conduct an annual survey to measure their satisfaction and engagement levels.

We adhere to local regulations on employment rights while simultaneously aiming to implement international standards and best practices. We have monitored staff engagement since 2012, and in 2015, we started to measure our Employee Net Promoter Score (eNPS). Every year, we conduct an employee engagement survey in partnership with leading international universities and research companies. The survey provides a clear picture of our strengths and weaknesses as perceived by our employees. In 2024, a Bank-wide survey was conducted by an independent consultant, in which 6,191 employees, constituting 72% of the total workforce, participated. Every year, the research results are presented to executive management and the Board to address key challenges and implement strategic initiatives. The annual HR action plan incorporates specific activities that aim to address the challenges identified in the research.

Our colleagues are actively engaged in the annual survey, expressing their contentment and commitment. In 2024, our eNPS declined due to structural changes aimed at enhancing efficiency and agility. However, it remains within our internal target range of 50–60%, with a reported score of 51%.

In 2024, the staff turnover rate in the Bank was 14.7%, compared to 14.4% in 2023 and 15.7% in 2022.

Engagement Index - 85%, ENPS - 51% - 2024

TALENT MANAGEMENT (RECRUITMENT, TRAINING, PROFESSIONAL DEVELOPMENT AND LEADERSHIP)

We recognise that our continued excellence stems directly from our workforce - our ability to attract, retain, and nurture exceptional talent in a competitive landscape. Our successful approach to human capital management remains dynamic, requiring constant refinement of our systems to secure and develop industry-leading professionals.

Our talent management framework is governed by the Bank's Code of Conduct and Ethics, complemented by our Learning and Qualification Development Procedure and Testing Instructions.

At TBC, we value team members who embody confidence and optimism, derive satisfaction from their work, and demonstrate intellectual curiosity. We prize individuals who boldly pursue innovation while maintaining the humility to acknowledge missteps, communicate with clarity, and take full ownership of their actions and commitments.

In 2024, TBC Bank recruited a total of 2,472 new employees, including full staff employment and temporary employment agreements. In addition, 1,185 employees were promoted to new positions while 2,279 people were transferred horizontally to the new roles.

Attracting New Talent

We remain steadfastly committed to cultivating a diverse and inclusive workforce where equal opportunities flourish. Our organisation actively invites emerging talent to immerse themselves in TBC's innovative ecosystem. Throughout 2024, our strategic recruitment focus shifted towards strengthening our front-line operations with versatile talent. This initiative prioritised identifying candidates with adaptable skill sets to support our evolving organisational structure.

We place particular emphasis on gender-balanced team composition, while specifically promoting ICT and Risk management disciplines among young women. To promote ICT employment opportunities among Georgian people, we established an IT Academy in 2019, which offers courses in front-end and back-end development, Test Automation, etc., for both our existing employees and potential ones. These courses are free of charge for selected candidates and are run by experienced staff members and leading professionals from relevant fields. Since the Academy was established, we have trained over 4000 people and recruited more than 400 people.

IT Academy		2022		2023		2024
Total number of participants	**286**		**374**		**887**	
Women	**68**	**24%**	**142**	**38%**	**302**	**34%**
Men	218	76%	232	62%	585	66%
Total number of course graduate	**181**		**293**		**651**	
Women	41	23%	106	36%	255	39%
Men	140	77%	187	**64%**	396	**61%**
Employed by the Group	**81**		**71**		**53**	
Women	15	19%	4	6%	11	21%
Men	66	81%	67	94%	42	79%

Since 2020, we have also operated the Risk Academy, offering various risk management modules to young professionals. The aim is to equip them with specific banking sector knowledge in risk management, which is not usually taught in universities, and better prepare them for their future careers. All courses are offered free of charge, with the best students being offered employment at TBC Bank. The main focus is on developing key analytical skills, which are important for entry-level risk positions. The training topics include SQL, Microsoft Excel, Data Visualisation in Power BI, and Data Analysis.

Trainee Programmes

Since 2011, we have run a wide-scale internship programme for the best students from Georgia's leading universities. This programme has been very successful, helping us to identify new talents who are part of our team today. This year, out of the 110 participants (43 men and 67 women) who were involved in our internship programme, 73 are still with TBC Bank: 41 participants became full-time TBC employees in different departments including finance, risks, corporate, marketing, IT and data analytics, while the other 32 are still interns. Overall, we have recruited 810 students through this programme since its establishment.

NEW EMPLOYEES - 2024

Breakdown of new employees in 2024 by age, gender and region

Performance Review

Our performance management system is constructed to enhance employee productivity, foster open communication, and provide a foundation for constructive feedback. It is fundamentally aligned with the bank's overall strategic goals, supported by principles of clarity, fairness, and transparency.

At its core, TBC's performance management system seeks to bridge individual aspirations with the organisation's overarching mission and long-term objectives. By aligning personal goals with TBC's strategic priorities, we create a structured environment where both employees and the organisation can thrive. This system not only supports personal growth but also drives organisational success by ensuring that everyone's efforts contribute meaningfully to the bank's vision.

Key Performance Indicators (KPIs) form the foundation of our performance management system, cascading from the bank's overarching strategic goals down to specific, measurable outcomes for each employee. These KPIs are directly aligned with TBC's core objectives, such as financial performance, customer satisfaction, market expansion, and operational efficiency. Leaders play an integral role in this process by translating high-level strategic goals into actionable, measurable plans.

Using the SMART framework - Specific, Measurable, Attainable, Relevant, and Time-bound—KPIs provide clarity in expectations and accountability for results. This approach offers employees a clear roadmap to success while ensuring progress can be effectively tracked and measured.

Depending on the business line, KPIs and targets may be set on a monthly, quarterly, or annual basis, allowing for flexibility in meeting the distinct demands of each department.

The 360-degree feedback process is a basis of leadership and employee development at TBC. This comprehensive evaluation system gathers insights from peers, subordinates, and managers, providing a holistic view of performance and competencies. Leaders are expected to not only provide feedback but also facilitate a culture of continuous improvement. By incorporating multiple perspectives, the process encourages transparency, celebrates individual strengths, and identifies areas for development, creating a culture that nurtures both professional growth and team cohesion. In 2024, overall, 3,100 employees participated in the 360 evaluation process.

A vital element of the performance management framework is the Individual Development Plan (IDP). Employees collaborate with their leader to craft an IDP that aligns personal development goals with the needs of the organisation. These plans serve as personalised roadmaps for skill enhancement and career progression. Leaders are actively involved in reviewing and refining these plans, ensuring they are practical, achievable, and tailored to the employee's aspirations. By providing the necessary resources and support, leaders enable employees to achieve their developmental milestones and grow within the organisation.

By focusing on both what is achieved and how it is achieved, the performance management system promotes a balanced approach to success, ensuring TBC remains an innovative, high-performing organisation committed to long-term excellence.

Performance Review at the TBC Bank level

Employees who had a regular performance review	2022	2023	2024
Female	5084	4857	6033
Male	2027	1723	1930
Front office	4115	3484	4952
Back Office	2996	3096	3011
<20	61	41	78
20-30	3526	2914	3240
30-50	3321	3424	4360
>50	203	201	285
Tbilisi	5455	5284	6203
Out of capital	1656	1296	1760

Performance Review in Other Subsidiaries* of the Group

Employees who had a regular performance review	2022	2023	2024
Female	336	633	930
Male	256	746	1253
Front office	296	559	1277
Back Office	279	788	906
<20	0	2	5
20-30	288	466	456
30-50	286	504	578
>50	18	26	39
Tbilisi	528	585	908
Out of capital	33	24	103

*2024 Data - Subsidiaries: TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int., TNET, TBC Kredit.

We encourage internal promotions and, under equal circumstances, give priority to internal candidates.

During 2024, around 14% of our employees were promoted to more senior positions.

Career Development

TBC, as a group of diverse companies, offers a wide range of career growth opportunities. Employees can have career growth within one organisation or be transferred to another, to engage in new directions or be promoted to a higher position. In 2024, 1,185 employees were promoted, which constitutes 14% of our staff.

A career development plan is established for all frontline positions. Detailed descriptions of each position, including pathways for advancement within the branch and the requisite knowledge for progression, are available on the TBC Edu portal. Since 2023, we have been implementing a levelling project focused on technology. This initiative defines the competencies required for various positions and the knowledge employees can acquire based on their roles. To support this process, materials have been developed for both junior and senior positions. Additionally, development plans have been designed to foster both technical skills and personal growth.

Employees Promoted at the TBC Bank Level

Employees promoted	2022	2023	2024
Total	946	1218	1185
Female	670	966	962
Male	276	252	223
<20 years	1	16	11
20-30 years	571	699	642
30 - 50 years	365	495	514
> 50 years	9	8	18
Tbilisi	719	840	775
Regions	227	378	410
Front office	597	945	883
Back office	349	273	302

Middle Managers Promoted at the TBC Bank Level

Middle managers promoted	2022	2023	2024
Total	30	26	39
Female	10	14	20
Male	20	12	19

Employees Promoted in Other Subsidiaries* of the Group

Employees Promoted	2022	2023	2024
Female	59	77	930
Male	50	75	1253
Front Office	32	60	1277
Back Office	78	91	906
<20	0	0	5
20-30	57	88	456
30-50	51	64	578
>50	1	0	39
Tbilisi	95	129	908
Out of capital	5	6	103

*2024 Data - Subsidiaries: TBC Bank UZ, TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int, TBC Capital, TNET, TBC Kredit.

Middle Managers Promoted in Other Subsidiaries* of the Group

Middle managers promoted	2022	2023	2024
Total	3	13	15
Female	2	2	6
Male	1	4	9

*2024 Data - Subsidiaries: TBC Bank UZ, TBC Insurance, TBC Leasing, TBC Pay, UFC, Space Int, TBC Capital, TNET, TBC Kredit.

Training

We are proud to operate an efficient digital learning system, through which employees are trained in, and tested on, issues such as operational risks, IT security, ESG, Code of Conduct and Ethics, compliance, etc. In total, twelve different training sessions were organised in 2024. We frequently utilize online formats for training sessions, allowing us to involve a greater number of employees.

In 2024, we hosted a variety of training sessions encompassing both soft and hard skills, conducted via Teams and in classrooms, totalling 560 sessions with 8,155 participants. This marks an increase from 2023, during which we held 542 sessions with 8,133 participants, utilising both Teams and classroom formats.

In 2023, we adopted a refined calculation methodology to monitor th equitable distribution of training across different categories. In 2024, on average, employees received approximately 32.20 hours of training during the year. Gender-wise, training access was fairly consistent, with females averaging 30.45 hours and males 31.35 hours annually.

Trained Employees (Unique numbers)	2023	2024
Total Existing employees	8133	8155
Female	5988	5996
Male	2125	2159
Total New employees	1961	1988
Female	1506	1437
Male	455	551
Total Training Hours	**2023**	**2024**
Existing employees	105368	105753
New employees	146295	146835
Front office	150998	151765
Back office	100665	100956

Average Training Hours	2023	2024
Average hours of training per year per employee	30.94	32.20
Average hours of training per year per female	29.42	30.45
Average hours of training per year per male	32.53	31.35
Average hours of training per year per existing employee	12.95	13.60
Average hours of training per year per new employee	74.6	76.20
Average hours of training per year per front office employee	36.8	39.7
Average hours of training per year per back office employee	25.16	26.38

TBC Academy

TBC Academy, established in 2011, provides a wide spectrum of learning programmes to every member of the TBC group. In 2024, 958 employees participated in a range of different courses and programmes, including business development, agile transformation, brand experience, law, financial analytics, and the refinement of essential soft skills.

TBC Leadership Academy delivered a training programme for middle managers in collaboration with highly rated local and international organisations, including Bled School of Management and DEVELOR International. A total of 188 leaders participated in these courses, which covered critical topics such as Strategic Mindset, Collaboration, Personal Development and Well-Being, Communication, Team Leadership, and Workplace Self-Intelligence;

In 2024, in partnership with the Green for Growth Fund (GGF) and European Fund for Southeast Europe (EFSE), TBC developed the ESG Academy, an innovative learning platform using best teaching methods — including an interactive board game focused ESG topics, including green mindset, green fianancing and sustainable business models. The first course "Green Mindset and Green Financing" was co-created by TBC Bank and DEVELOR International. More than 300 employees attended the training course in 2024. The programme will train an additional 600 employees and 300 retail, MSME and corporate customers by the end of 2025.

We have also provided financial support to our employees to attend various external courses and gain international certifications such as MBA, CFA, FRM, ACCA, and others.

Outsourced Trainings / Learning Financed by the Company for Employees

Financing outsourced trainings for employees that help them to develop their talents and succeed in their careers is a common practice in TBC Bank. In 2024, we financed trainings to excel in both hard and soft skills. Employees also received financing to complete international certification programmes such as those run by: the Association of Chartered Certified Accountants, Chartered Financial Analyst, the International Compliance Association, Excel, Scrum Product Owner Certification I, Professional Scrum Product Owner™ II Certification, Certified Anti-Money Laundering Specialist, DevSecOps, and the International Compliance Association. Employees also received funding to attend summits such as the Product-Led Summit, Certified in the Governance of Enterprise IT (CGEIT). In 2024, a total of 1,450 employees received financial support for external trainings.

Employees with relevant qualifications can participate in the training and summits mentioned above. Any employee has the opportunity to undergo all possible training based on their own desire.

Employees who received financing

	2022	2023	2024
Number of staff trained	1,247	1,313	1450
Female	60%	60%	64%
Male	40%	40%	36%

Financing Studies Locally and Abroad

In 2012, we established the TBC Scholarship Fund, which provides co-financing to our top employees to study MBA at the world's leading universities. Financing opportunities are open to any employee who has a long-term contract with the Bank. We offer financing 50%, 30% and 20%. The selection process is managed through a dedicated procedure that lists the decision-making criteria. In 2024, 5 employees received financing and co-financing to study abroad, four of them were women, with the total amount of financing standing at GEL 263,729.

TBC promotes employee well-being through mental health programmes and active engagement

We remain committed to fostering a healthy and secure work environment by actively involving employees in the Employee Mental Health Program, which is designed to support well-being and enhance operational efficiency. Over the years, we have conducted numerous workshops and sessions for employees across TBC Group companies in Georgia, demonstrating high levels of engagement and participation.

Throughout the year, approximately 500 employees took part in various workshops, seminars, and physical activities, with participation steadily increasing as more employees recognize the program's value. To further raise awareness of mental health, we continuously implement tailored communication efforts. In 2024, this includes a series of short videos featuring invited specialists, providing expert insights and practical guidance.

11

Treating Our Customers Responsibly

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Customer Privacy and Data Protection

Personal Information Protection Policies

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Business Integrity in Client Relationships

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Ecosystems

Treating Our Customers Responsibly

Excellent customer service is the cornerstone of TBC's brand. We treat our customers with respect and professionalism. We put our customers' best interests at the forefront of everything we do.

We understand diverse customer needs, add value, and build trust and relationships that endure. We are committed to offering solutions of the highest quality to our clients. We constantly strive to anticipate the rapidly changing needs of our clients and to develop new services to meet those needs. In providing our services, we keep our commitments, deliver what we promise, and act with honesty and integrity while pursuing our values.

We place clients at the centre of our activities. We treat our customers fairly and in a manner that is compliant with all regulatory requirements.

TBC Bank is a leader in the retail banking segment in Georgia. In 2024, the number of our monthly active customers was 1.7 million (1.6 million in 2023). Our affluent segment, TBC Concept, serving around 128,000 customers, maintained its leadership position in the market this year too.

We have a well-diversified loan portfolio, serving 8,000 corporate clients across all major sectors of the economy.

TBC Bank is the number one partner bank for micro, small and medium enterprises (MSMEs) in the country. We serve 61,000 monthly active MSME customers. Over 66% of newly registered businesses are choosing to bank with TBC, which is a testament to the quality of the products and services we are offering.

CUSTOMER PRIVACY AND DATA PROTECTION

In the digital era, dependence on information systems is growing rapidly, creating a need for technological improvement and proliferation in everyday life. With the increased use of technology and data, cyber security issues also arise. Intelligently defending cyber systems, together with providing superb customer service, is one of our most important tasks.

TBC's activities constantly require obtaining, processing, and keeping data, documents, and information pertaining to customers, employees, business partners, financial transactions, and contracts. We have a legal and ethical responsibility to safeguard the confidentiality of information regarding customers, employees, business partners, and other third parties.

TBC has amended its internal Data Protection Policy, which applies to the whole Group (TBC Bank Group PLC and its subsidiaries). The Policy sets the requirements for the Group on how to handle the personal data of the Group's customers, suppliers, employees, workers, and other third parties.

The TBC Bank's Compliance Department has a specific Data Protection Officer position whose primary responsibilities are:

- to assess our internal processes from the perspective of data protection laws;
- to coordinate the regulatory requirements within the Bank;
- to conduct data protection impact assessments together with the Security Department;
- to provide training to employees;
- to support the different business units on data privacy issues.

To comply with GDPR and UK GDPR regulations, TBC, as a non-EU state member, has an EU representative: Bird & Bird GDPR Representative Services SRL. This representative oversees data processing requirements within the EU, addresses complaints regarding data subject rights, and engages with the supervisory authority on TBC's behalf. Additionally, GDPR health checks were conducted for TBC regularly. Conducting GDPR health checks demonstrates a commitment to maintaining compliance and ensuring that data processing activities align with GDPR requirements. Regular assessments help identify any areas for improvement and ensure ongoing adherence to data protection regulations. It is mandatory to deliver Data Privacy training for new employees. Moreover, the Bank trained 7,257 employees in data privacy topics via the distance learning platform in 2024.

INFORMATION SECURITY POLICIES

TBC has adopted an information security policy that encompasses general principles approved by the Board of Directors, underlining their support for the information security programme. This is the main document defining the company's approach in the field of information security.

In addition, all procedural documents relevant to the functioning of the Information Security Management System in compliance with ISO 27001 are in place and fully operational. These include the IT Operations Management Security Policy, the Cloud Security Policy, the Systems Development and Acquisition Security Policy, the Cyber Security Incident Management Policy and methodology, the Business Continuity Policy and methodology, and the Information Security and Business Continuity Risk Management Policy and methodology. These policies cover most of the Group's companies.

Information security and cyber security fall under the responsibility of the Information Security Department, whose main objective is to minimise information security related risks. The department reports to the Chief Risk Officer and the Information Security Steering Committee, chaired by the CEO. The committee is responsible for continuously improving information security and business continuity management processes and maintaining information and cyber security risks at acceptable levels. The committee was formed to centralise the information security function, including physical security, HR security, data security, IT security, and business continuity.

TBC's activities are also regulated by the Cyber Security Framework Document, which is based on the National Institute of Standards and Technology (NIST) Cyber Security Framework adopted by the National Bank of Georgia, which has been man-datory for all commercial banks in Georgia since 2019.

Our Information Security Management System is in compliance with ISO 27001. In 2024, we successfully upgraded it to the latest version (27001:2022) and achieved recertification.

In 2021, TBC adopted the Payment Service (PSD2) Directive (EU) 2012/2366. This regulation is stipulated by the National Bank of Georgia and increases the alignment of local data privacy standards with international best practices.

Since 2022, the three largest banks in Georgia have been categorised as entities with critical information infrastructure. This means that the three major banks are considered to have strategic importance to the country's economy. The Law of Georgia on Information Security defines the requirements for information and cyber security management for these three banks, which are mostly based on ISO 27001.

IDENTIFYING AND ADDRESSING INFORMATION AND CYBER SECURITY RISKS

Threat Landscape

In order to adequately address the challenges posed by cyberattacks, we are continuously analysing the Group's cyber threat landscape and assessing all relevant threat scenarios and actors, considering their intentions and capabilities, as well as the tactics, techniques, and procedures they are using or may use during their campaigns. Our focus is to be prepared against Advanced Persistent Threats. Among the many different threat vectors we are covering and monitoring, the top six are below:

- Attacks against internet-facing applications and infrastructure;
- Software supply chain attacks;
- Phishing and other social engineering attacks against our customers;
- Phishing and other social engineering attacks against our employees;
- Insider threats;
- Ransomware and extortion-based cyber threats.

In the past three years, the Bank has not experienced any material cybersecurity breaches, and there have been no significant third-party cybersecurity incidents in 2024.

Our Vision and Strategic Objectives

Information and cyber security are an integral part of the Group's governance practices and strategic development. Our cyber security vision and strategy are fully aligned with our business vision and strategy and address all of the challenges identified during the threat landscape analysis.

Our vision is to strengthen our security-in-depth approach, enable secure and innovative business operations, and maintain our continuous improvement cycle. Our strategic objectives are:

- To maintain and enhance our defence-in-depth approach by strengthening the team and implementing cutting-edge technologies, in order to maintain resilience against Advanced Persistent Threats, which may come from state-sponsored actors or organised cybercriminals;
- To maintain compliance with industry-leading information and cyber security standards, sustain a continuous improvement cycle for our information and business continuity management systems, and be one step ahead of regulatory requirements;
- To optimise and automate security processes, and provide security services seamlessly to the Group's business (where possible);
- To foster a security-first culture by embedding cybersecurity awareness across the organisation, ensuring employees and stakeholders are actively engaged in reducing risk.

Our Security in Depth Approach and Cyber-resilience Programme

In order to follow our vision and achieve our strategic objectives, we run effective information and cyber security programmes, functions, and systems, as described below:

- Layered preventive controls are in place, covering all relevant logical and physical segments and layers of the organisation and infrastructure in order to minimise the likelihood of successful initial access. These include:
  - Data security controls
  - Identity and access controls
  - Endpoint security controls
  - Infrastructure security controls
  - Cloud security controls
  - Application security controls
  - Internal and perimeter network security controls
  - Physical security controls
- A professional team is in charge of effectively implementing, assuring the effectiveness of, maintaining and fine-tuning the preventive controls mentioned above. The team is comprised of a large number of expert staff members who hold industry-leading certificates and work daily to strengthen and extend their professional skill sets.
- The layers of preventive controls, in conjunction with our comprehensive awareness programme, provide the best combination to minimise the likelihood of successful attacks. Our robust awareness programme helps employees and customers to improve their cyber hygiene, understand the risks associated with their actions, identify cyber-attacks they might face during day-to-day operations, and improve the overall risk culture. Our awareness programme provides relevant materials to all key roles, ranging from the management board to IT engineers and developers. It covers annual training and attestations for all employees, new employee training and attestations, social engineering simulations, security tips and notifications for all employees, cyber security awareness-raising campaigns for customers, etc.
- Since we believe that 100% prevention is not achievable, we have threat hunting capabilities and a Security Operations Centre in place that monitors all possible anomalies in near real-time that have been identified across the organisation's network to detect potential incidents in a timely fashion and respond effectively to minimise the negative impact of possible attacks. To be up-to-date and track our adversaries' techniques and tactics, we are elaborating cyber threat intelligence procedures according to industry best practices, in line with the MITRE ATT&CK framework.
- Our information security governance and effective risk management processes, which cover third-party and supply chain risks as well, ensure that the Bank has the correct guidance, that it is making risk-informed decisions in compliance with its risk appetite, and that it is fully compliant with regulatory requirements. The Information Security Committee, which is chaired by the CEO, has the ultimate responsibility of assuring that the appropriate level of security is maintained, and a continuous improvement cycle of management processes is achieved. We are in compliance with the NIST cyber security management framework, and our Information Security Management System is ISO/IEC 27001:2022 certified.
- In addition, to strengthen our cyber resilience, we have an effective Business Continuity Management System and a cyber insurance policy in place to manage contingencies and recover from serious disruptions with the minimum possible impact.

How We Measure and Assure Acceptable Level of Security

To assess and assure an acceptable level of information and cyber security, we rely on external/internal audit reports, Red Teaming exercise reports, and penetration testing results, which are conducted by our highly professional internal team and external reputable third-party partners.

On an annual basis, we conduct:

- external audit of the SWIFT customer protection framework;
- external audit of the National Bank of Georgia's cyber security framework, which is based on the NIST cyber security management framework;
- An independent internal IT audit team is assessing effectiveness of critical components of the information security management system;
- external surveillance audits of ISO 27001;
- penetration tests against internet-facing applications and critical infrastructure with the help of our partners.

Our internal team is in charge of continuous penetration tests of internal and external applications and infrastructure.

On a regular basis, our internal team conducts Red Teaming and purple teaming exercises, with the help of a reputable third-party company, assessing our security capabilities against real-world advanced threat actors.

Informing and Training Employees in Security Issues and Related Risks

Since employees play a crucial role in information security, regular mandatory training sessions are conducted for all employees, comprising of remote learning courses on security issues, fraud and phishing simulations, and informative emails to further assist our employees with information security matters.

New employees also receive this training as part of their induction process. These measures ensure that employees are fully aware of their responsibilities and are prepared for various security threats.

Simulation is another approach used by the Bank to educate its employees. Simulated fraud letters, also known as "phishing", are sent to employees to teach them how to react to them.

Furthermore, employees receive regular informational letters on key cyber security topics.

Each employee is obliged to enrol in a distance learning course and receive certification on information security issues. In 2024, 99% of TBC Bank employees participated in the course.

The Bank's policies and management systems cover the majority of the Group's companies, where local teams manage these issues. The Bank's information security department carries out group-level coordination.

Given the normalisation of remote working, the Group activated secure remote working policies, which ensure that homeworking environments are protected against cyber threats and that the security team can provide effective oversight of teleworking channels. Although there has been a noticeable increase in phishing attempts against employees, there have been no major incidents. The Security Operations Centre and Threat Hunting teams have successfully adopted effective remote collaboration and communication tools and practices.

Informing and Educating Clients

The Bank has put in place an Information Security Incidents Management Policy, procedures, and hotline for clients to report fraud. If a TBC client is targeted by fraudsters or suspects unauthorised activity related to personal data or accounts, they can contact the hotline 24/7, and the TBC team will react immediately to the reported incident.

Throughout 2024, TBC's communications team has applied a range of communications tools and formats to increase public awareness about financial matters, including financial security and protecting customers from phishing and other fraudulent activities, by educating them on how to prevent fraud and protect personal information. One of the most highly used channels is the Edufin platform, a Facebook platform run by TBC which provides financial education. TBC regularly posts information security tips for users in an easy-to-understand and readable format. The "Edufin" platform is also used to post blogs, posters, and short videos with useful information.

Other media formats include TV shows and radio channels about financial and cybersecurity hosted by TBC's Information Security Division, explaining to viewers in simple and understandable language how to prevent and protect themselves from phishing, types of cyber frauds and scams, and other topics related to financial security.

While the TBC communications team targets all age segments to raise awareness about prevention mechanisms to counter cyber threats, online channels are used to educate the younger generation through the Edufin Facebook page, as well as such formats as educational quizzes posted on the popular media platform on.ge. In a simple and clear manner, these quizzes explain how to detect phishing and other forms fraudsters use in cyberspace, and provide recommendations on how to prevent and/or respond to them.

In order to promote financial education, TBC has also partnered with the National Bank of Georgia's financial education portal "Finedu", the Banking Association of Georgia, and the organisation "Society and Banks". The partnership involves various cognitive activities, such as competitions for schoolchildren and adults, online lectures, joint events, and etc.

PROTECTING CUSTOMERS' PERSONAL INFORMATION

At TBC, we are dedicated to upholding the highest standards of privacy and data protection. We fully comply with all relevant regulatory requirements regarding personal data protection. Safeguarding the confidentiality and integrity of customer information remains a top priority for TBC.

In 2024, TBC reinforces its commitment to data protection by further strengthening its internal procedures. The DPO works in close collaboration with various departments to ensure that TBC's data protection policies are rigorously enforced and continuously enhanced.

TBC internal controls ensure full compliance with Georgian data protection laws and the General Data Protection Regulation (GDPR). The Bank's data protection framework is designed to meet these high standards, ensuring that all customer data is treated with the utmost care and confidentiality. The DPO's role remains central to monitoring, improving, and ensuring adherence to these processes.

To further bolster data protection efforts, we place significant emphasis on employee training. All TBC employees receive thorough, ongoing training on data protection principles to ensure they understand their responsibilities in safeguarding customer information. TBC also regularly reviews and updates its internal procedures to ensure they align with both Georgian data protection regulations and GDPR, continually strengthening customer data rights and protections.

In 2024, the Bank successfully adapted to the new requirements introduced by the revised Georgian Data Protection Law, which came into force on 1st March 2024. The Bank conducted a comprehensive analysis of the changes, identified responsible parties for implementation, and developed an action plan to ensure full compliance with the updated law requirements.

TBC Bank has implemented a robust Data Leak Prevention programme that enables prevention, detection, and monitoring. In case a leak attempt is identified, the system blocks the operations and informs the staff in charge about the incident.

The Bank also has an Access Control Policy, which regulates the so-called Need to Know and Least Privilege principles. Under the policy, employees have access to the maximum amount of information needed for their work, with access and data usage limited to the actions needed to fulfil their responsibilities.

The policy and related procedures also ensure the proper involvement of third parties with Bank data. The policy considers the legal and operational risks and limitations and ensures that only risk-free information transfers can be carried out with any third party. In 2024, no major personal data leak was detected in TBC Bank, nor was any such customer report received.

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BUSINESS INTEGRITY IN CLIENT RELATIONSHIPS

Responsible and fair marketing and sales activities

By treating customers fairly, we mean that:

- Products and services promoted and sold are designed to meet the needs of identified customer groups and are targeted accordingly;
- Customers are provided with clear and accurate information in a timely manner;
- Where customers receive advice, the advice is suitable and takes account of their needs and financial circumstances;
- Customers are informed about significant risks, restrictions, and limits related to specific financial products;
- Customers are provided with contracts drafted in line with the requirements of the Consumer Protection Law;
- The information provided is not intended to influence clients to make the wrong decisions;
- All promotional materials are drawn up based on Consumer Protection Law requirements;
- We do not encourage customers to purchase any unnecessary financial products for the purpose of fulfilling our sales plan;
- Customers do not face unreasonable post-sale barriers imposed by firms to change products, submit a claim, or make a complaint.

Regulators require clients to be provided with full information before making a decision on purchasing a financial product. The Bank practices full compliance with regulators' demands. In 2024, the Bank received fines totaling GEL 10,000 from the National Bank in relation to several incidents. In most cases, the violations were due to employee errors in providing complete and accurate information.

The Bank has an internal instruction that regulates customers' rights protection, which underlines the necessity to provide information about the Bank's products, using clear language that is understandable for any customer. The Bank has also implemented standards that enable it to serve visually impaired customers.

Another document regulating transparent and fair relationship practices with customers is the Code of Ethics, which covers financial products' transparency, is based on best practices as defined by law, and covers the whole TBC Group. The document is available publicly at www.tbcbankgroup.com.

CUSTOMERS' COMPLAINTS MANAGEMENT

TBC has a robust system in place for managing complaints to satisfy customer interests as well as regulatory requirements.

Complaints may be received through various channels of the customer's choice (by phone through the Customer Care Centre, in branches, via internet/mobile banking, website, social media, or through the NBG).

All complaints are registered in the CRM module for further tracking and resolution. Complaints are discussed and addressed by the Complaint Management Team in the Customer Support Department. A complaint management specialist assesses the complaint within the timeframe defined by law. When a complaint is received, the customer receives the following SMS:

"Please be kindly informed that your complaint/claim has been accepted. We will get back to you with an answer within two weeks to one month (depending on the substance of the complaint/claim). More details regarding the timeframe for handling complaints/claims are available on the Bank's official website www.tbcbank.ge. If the complaint/claim relates to payment services, within six months from the date of application to the bank, you have the opportunity to apply to the dispute resolution commission of the National Bank of Georgia regarding payment services. The dispute resolution commission will consider the dispute free of charge."

Complaints are investigated thoroughly, and all existing material (including related customer communications) is analysed by the dedicated Customer Complaints Specialist. If needed, the specialist consults with various units such as the Operational Risk Department, Legal Unit, and Compliance. As a result of the analysis, root causes and preventive or improvement measures are initiated.

After the completion of the process, the specialist informs the customer about the resolution. Final feedback is provided by phone or another preferred channel (orally or in written form) based on the customer's preference. If the bank is found at fault in the case, a compensation package is sent to the customer for proper service recovery.

We maintain updated records of customer complaints on a permanent basis. Complaint statistics are reported to the NBG electronically on a monthly basis.

With proper customer experience management practices, we strive to achieve not only the fair treatment of customers but also their satisfaction and loyalty.

In 2024, TBC Bank received 7014 complaints, up from 6328 in 2023. The number of complaints filed during 2024 increased by 10.8% compared to 2023. The main factors leading to the increase in the number of complaints are as follows:

- Increased customer activity (more transactions and products sold);
- New products and system updates etc., which produce minor and temporary errors;
- Legislative changes;
- Increased fees on products;
- The NBG's active involvement in customer protection, which encourages customer activity;

The content of the complaints (in 2024) breaks down as follows:

- Quality of service: 49%
- Negotiation related to credit product terms: 8%
- Product terms and contract details: 26%
- Correction of commissions, penalties, and interest rates: 4%
- Transaction-related: 3%
- Demand for additional information or documents: 3%
- Other: 8%.

Customer claims were satisfied in 68% (45% in 2023) of the cases.

In 2024, a total of 816 pain points were initiated by the Customer Support Department in order to prevent claims and problems.

In order to incorporate customer complaints management into the Bank's management of risk, customer complaints appetite limits were integrated into the Risk Appetite Framework, which was approved by the Board of Directors. The methodology requires that these metrics are monitored and reported on by the respective business units. As a result, the business lines responsible for products and services per segment were identified and assigned to the first line of defence against risks.

RESPONDING TO OUR CUSTOMERS' NEEDS

Ensuring Customer Satisfaction

One of the most important values for TBC Bank, as a service company, is customer care, well-being, and satisfaction. We dedicate significant time and effort to exploring our clients' banking needs and preferences, and we constantly transform our products and services in order to deliver an outstanding experience through all our channels. Since our customers' interests are our top priority, we are committed to making their lives easier by acting as a trusted partner, always ready to help.

We regularly request feedback from our clients to analyse their needs and fine-tune our value proposition accordingly. We regularly measure customer satisfaction levels based on a range of surveys conducted by independent third-party companies and maintain the highest scores in the Georgian banking sector. Recent surveys indicate that TBC ranks among the top service providers in Georgia across various industries, including public services, pharmaceuticals, telecommunications, and the financial sector. From 2023, we changed the research methodology to focus on a Net Promoter Score (NPS) study by segments (Retail, Concept, MSME). The reason for the change was management's focus on the international index - NPS and bench-marking against the competitor. To ensure continuous benchmarking with our main competitor, we also identified the main CX drivers and segment gaps through qualitative assessments.

TBC supports the growth of customer experience culture in Georgia

TBC continues to play a key role in supporting the Georgian economy by helping businesses enhance customer care and sustainable customer experience (CX) management. As part of this commitment, TBC is a long-standing sponsor and partner of the CX Business Summit Georgia — the country's largest annual event focused on customer and employee experience.

The 2025 summit, held on February 24 and organized by CX Hub with TBC's support, focused on human centricity and brought together over 350 participants from 80+ Georgian companies. International CX experts from the UK, USA, Belgium, and Canada shared global trends and best practices. The event also featured Georgia's first CX Award, with nominees including Fina2, Orson, Radars, Waitercall, Carrefour, and Hellio.ai, and included a specialized workshop led by Ian Golding on CX leadership and self-assessment.

TBC conducts customer surveys with the help of both internal and external independent research companies. The average annual number of survey participants is more than half a million.

Since 2020, to reinforce our customer-centric culture, the Bank has conducted an after-service SMS survey, through which a CSI (Customer Satisfaction Index) is compiled on a daily basis. The survey tracks a total of 25,000 customer voices per month across Georgia, grouped by regions, branches, and individual employees, which allows us to constantly monitor our customers' experience and feedback and further improve the quality of service provided in our branches. Furthermore, we conduct statistical analysis of our After Service SMS survey not only by individual employees, branches, and regions but also by products and journeys, which provides our Agile teams with customer feedback about the products and journeys under their responsibility and enables us to improve their experience.

Since 2021, TBC Bank has further expanded its research digitalisation and acquired Medallia, a special international platform that enables us to conduct live surveys on any channel, provide instant feedback to customers, and increases our understanding of customer needs. We have already implemented trigger-based surveys in our Retail Mobile Bank, Business App, and Business Internet Bank. These trigger-based surveys are conducted immediately after an operation or transaction and ask for customers' opinions.

Based on regular customer satisfaction surveys, we identify employees and teams who demonstrate exceptional customer care. They are recognised by the top management and are awarded special gifts at an annual TBCX award ceremony.

Our service quality assurance approach is described in the Service Standards and Code of Ethics documents, which cover fairness and transparency issues. Service quality evaluation is based on an international standard Service Level Agreement (SLA), operational excellence metrics, and client satisfaction survey results through which internationally recognised customer experience parameters like NPS (Net Promoter Score), CSAT (Customer Satisfaction Score), and CES (Customer Effort Score) are calculated. Baseline quality standards are elaborated based on exceptional customer experience. Concrete, quantifiable Key Performance Indicators (KPIs) apply to concrete processes, such as waiting time, client pulse, NPS, Monitoring index, etc.

A Quality Dashboard is drawn up every month, containing statistical data from all departments that have a direct or indirect connection with clients, covering SLAs, Satisfaction Survey results, monitoring indexes, and targets for each given component. Subsequently, components with unsatisfactory results are discussed with the relevant departments, and actions for improvement are planned. Since 2021, a Quality Dashboard has been displayed on the Power BI platform, leading to a more flexible and intuitive way to visualise quality management metrics and share experiences between teams.

Since 2021, top management has also received day-to-day indexes of user experience, highlighting the areas in which customers experience "pain" and how quickly the underlying causes are identified and addressed. This practice increases the transparency and responsibility of the relevant teams and speeds up the resolution process.

Customer Experience Management Approach

In order to manage and improve Customer Experience, TBC has developed CX Committee Practice, which ensures transparency of CX-related issues and improvement projects from business stakeholders to TBC top and middle-level management.

CX Committee Practice has been developed and is managed by the Customer Experience Competence Centre. To ensure effective CX management in close collaboration with business owner teams, the Customer Experience Partner's role has been created under the CX Competence Centre. This position serves as a bridge between customers and the Agile teams. The position's main responsibility is to listen to customer feedback and take it into account when creating a new product or simplifying existing processes, and to implement CX Management practices in each business line. In 2023, TBC also established the role of Employee Experience Partner in order to take care of TBC employee pain points and consistently improve employee experience, which is a foundation for improving customer experience.

The CX Competence Centre implements and administers several service culture enhancements and CX management systematic approaches. Their initiatives include the following:

- In TBC, each employee participates in creating the best customer experience. To foster this culture of involvement, a micro-bug system has been created specifically for TBC employees, which allows an employee to fix a bug in any channel, space, product, or service on any TBC channel at any time and be sure that the response will be instant. This helps the company to involve each employee in solving problems as soon as they know about them.
- An Outstanding Customer Service Training Package for entry-level positions and intensive service coaching for existing employees, based on an exceptional service skills matrix;
- Extra-mile service stories to highlight cases of special customer experience and ensure recognition;
- TBCX awards to identify and encourage employees who provide extraordinary customer care, based on customer satisfaction survey results;
- A "voice of the internal customer" survey for head office departments to evaluate each other's service and provide support to colleagues;
- Since 2022, our main focus has been on the customer pain points management system, which allows us to identify the top issues for customers across the Bank's segments, products, and services; to assign each "pain" to the teams responsible for solving it; to run a ratings system; and to encourage the best "painkiller" teams. Since 2022, we have nominated teams for a specific painkiller award as part of the TBCX award system. In 2024, 41% of registered customer pain points and 37% of employee pain points have been resolved.
- Since 2022, TBC has initiated a process of Design Transformation, with a vision and goal to support the company to become the leading fintech company which truly improves people's lives and to continue establishing design as a strategic driver of innovation and growth in TBC. During this period, we've built one of the strongest Design and UX teams in the Region. Design and UX have become important drivers for change, as part of strategic decision-making, from placing customers' needs and behaviours at the centre of all decisions, as well as building frameworks and implementing tools and services like design systems, customer journey mapping, and design thinking methodology to ensure excellent UX, consistency, and efficiency in all of our products and services. From 2025, our target is to increase the Design Maturity Index of TBC, which will include: positioning design as a strategic driver of innovation and change, proving design's value with measurable outcomes and scaling its influence across the organisation, making design thinking a core competency in non-design teams to increase innovation and empathy, pushing the boundaries of customer experiences by leveraging new technologies, and ensuring consistency and efficiency by scaling design systems and standardising processes. At TBC, we believe that Design and UX are not just roles but important parts of a company's strategy, culture, and processes, reflecting its ability to leverage design for innovation and business success.

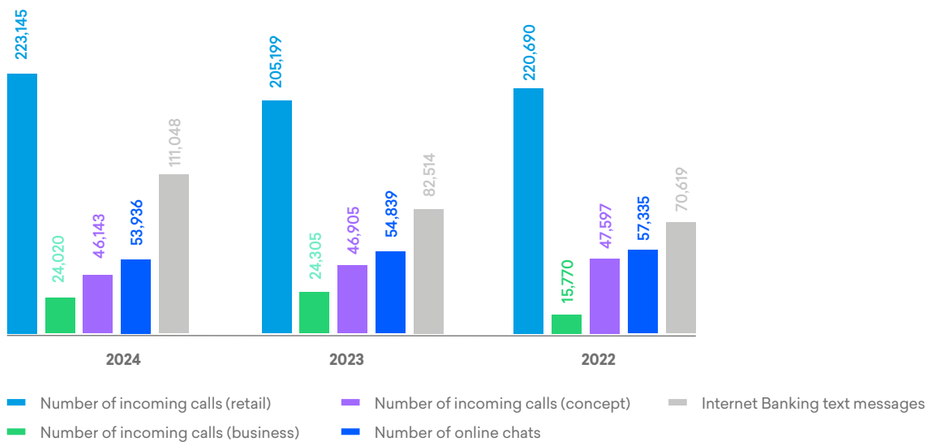
To ensure the above-mentioned practices for sustainable CX management, the following guidelines are in place and accessible to all relevant positions through internal communication channels.

- **CX Committee Framework;**
- **Customer Pain Point Management Methodology and Guideline;**
- **WOW Experience Methodology and Guideline;**
- **Client Communication Guideline;**
- **CX Appetite Health Check Framework.**

Contact Centre

Contact centre plays a key role in communicating with customers and supporting them. In 2024, the total number of calls served by the TBC Bank Call Centre reached 3,168,922 (3,185,964 in 2023, 2,968,279 in 2022 and 2,878,281 in 2021).

NUMBER OF INCOMING CALLS - MONTHLY AVERAGE



DIGITAL INNOVATION AND FINANCIAL INCLUSION

Access to financial services is essential for the financial stability of the country and enables people to better manage their income, control expenses, and plan for their financial future. A modern and transparent economy requires well-established, accessible financial services supported by strong digital and physical infrastructure - both of which TBC provides.

As a leader in the financial sector, TBC ensures that its branch, ATM, and self-service terminal network covers the entire country, including both economically important centres and remote areas with less commercial activity. While the Bank has a well-established physical network that provides a full spectrum of financial services to the Georgian population, its main strategic focus is the continuous development of digital financial services. TBC offers contactless payment options and serves clients through a contact centre and chatbots. The Bank operates 4,500 self-service terminals, 1,014 ATMs, and 37,000 active merchant terminals.

TBC is also expanding its digital footprint at the group level. TBC Insurance provides clients with online insurance products, while Vendoo offers an online shopping experience tailored to local needs. Additionally, through TBC Group companies, citizens can read or listen to literature, purchase real estate, and order goods delivery, further integrating financial and lifestyle services into a seamless digital ecosystem.

In 2024, we made significant progress in enhancing the quality, availability, flexibility, and scalability of our digital platforms by transitioning our back-end systems to a microservices architecture. This decentralised approach empowers our teams to drive faster innovation with greater autonomy while ensuring alignment with the company's broader strategic goals.

We are equally focused on delivering an exceptional user experience. By embedding quality assurance practices into every phase of digital product development - from initial conception to deployment and beyond - we ensure that our platforms meet the highest standards. Incremental development, combined with data-driven decision-making and A/B testing, allows us to continuously refine and enhance features based on real user feedback.

In 2024, we introduced several new features in our mobile banking app, including a digital onboarding process that reduced processing time from 3–8 minutes to just 1 minute, instant P2P transfers, the Car Add-On, QR instalment services, and analysts' investment recommendations. These updates contributed to a 14% increase in digital monthly active users (MAU), reaching 1.1 million. Additionally, our digital daily active users (DAU) to MAU ratio improved from 46% in 2023 to 47% in 2024, demonstrating higher daily engagement with our digital banking services.

We also made notable advancements in our digital sales strategy. By enhancing the user experience and simplifying the loan application process within our mobile app, we successfully increased the share of fast consumer loans sold digitally to 73%, up from 60% in 2023.

TBC's multi-channel financial and non-financial services, along with a diverse range of innovative products, provide customers with the flexibility to choose solutions that best meet their needs and expectations. As a technology-driven company committed to making people's lives easier, we prioritise simplicity in our services. At the same time, we ensure that functionalities and conditions are clearly communicated. Information is made available through multiple channels, including the call centre, platform instructions and guidelines, FAQs, informative emails, blogs, and branches - facilitating interaction for customers of almost any age.

As a result, the number of users across all channels has increased, reflecting the growing accessibility of both services and information.

99% of all retail transactions conducted domestically by TBC cards were contactless in 2024.

99% of all our retail transactions were conducted remotely in 2024.

ECOSYSTEMS

TBC Bank has developed a robust financial and digital ecosystem to enhance customer experience and market reach. In Georgia, it operates a comprehensive financial services platform, covering retail, MSME, and corporate banking, along with insurance, leasing, and digital services. In 2022, various digital platforms were consolidated under TNET, Georgia's largest technology company, including www.myauto.ge, www.tkt.ge, www.livo.ge, www.mymarket.ge, www.myhome.ge, www.myparts.ge and www.swoop.ge. TBC has also built Uzbekistan's largest digital banking ecosystem, focusing on unsecured lending, payments, and MSME banking. Through advanced digital engagement, AI-driven solutions, and strategic synergies, TBC continues to drive efficiency, innovation, and sustainable growth across both markets. For more details, please refer to Chapter 15: Subsidiaries.

12

Responsible Banking

Introduction

Environmental and Social Risk Management During Lending

Transaction Qualification and Categorization

Mitigation and Control

Monitoring and Reporting

Awareness and Competence Raising

External Communications

Products and Services Offering Social and Environmental Added Value

Responsible Banking

INTRODUCTION

The top management of TBC Bank Group PLC is showing leadership and commitment to combating climate change locally in Georgia and globally in the world, and is taking accountability for the effectiveness of the system by defining an Environmental and Climate Change Policy framework (including Environmental Principles) and ensuring its implementation. The top management has an overall responsibility to coordinate the implementation of the Environmental and Climate Change Policy framework (including the EMS), making the necessary resources available, giving responsibilities and authorities to relevant staff, and communicating and promoting the importance of effective environmental management and continual improvement of the company's environmental performance.

TBC's Environmental and Climate Change Policy is based on international and national sustainability standards and principles, making them a part of the strategy, culture, and day-to-day operations of TBC. These standards include: IFC Performance Standards and EBRD Performance Requirements (PRs); Task Force on Climate-related Financial Disclosures (TCFD); Nationally Determined Contribution (NDC); Paris Agreement; NBG Sustainable Finance (SF) Taxonomy; ISO 14001:2015.

The Environmental and Climate Change Policy is reviewed annually and updated as needed. Any revised version of the policy is subject to approval by the ESG and Ethics Committee. In 2024, the policy was further updated to include an exclusion list, which was subsequently approved by the committee.

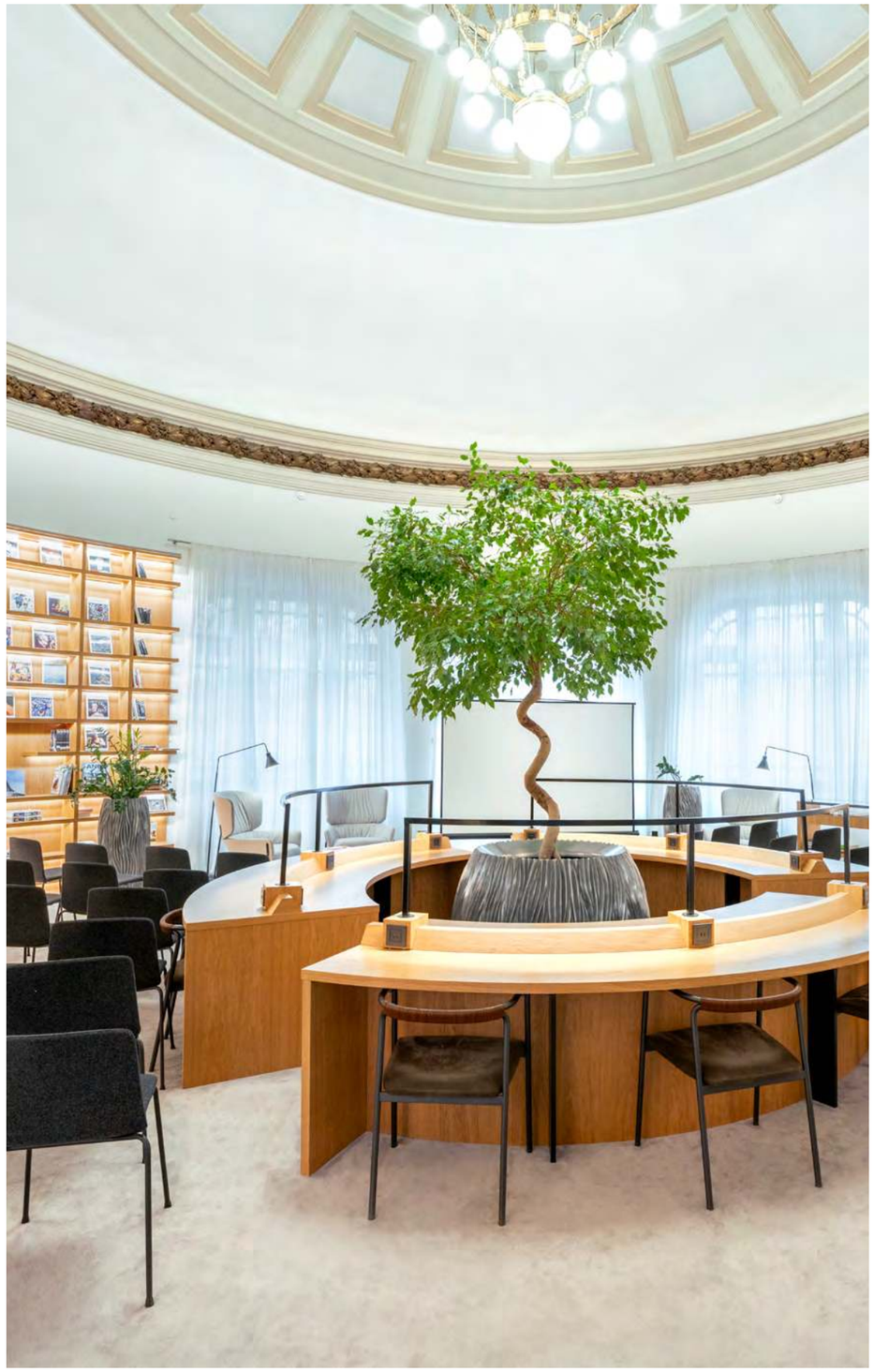
A significant share of TBC Bank's environmental and social impact is linked to our activity as a financial intermediary. In many cases, this exceeds the direct impact generated by our company. The incorporation of sustainable development principles in our lending and investment policies, as well as in our products and services, is of the greatest importance to us. It enables us to effectively manage our indirect impacts and our complex social, environmental, and reputational risks.

ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT DURING LENDING

In 2012, TBC Bank was one of the first banks in the country to develop an Environmental and Social Management System (ESMS). Our partner International Financial Institutions (IFIs) provided expertise and guidance throughout the process to ensure that the Bank implements an advanced and comprehensive system based on the highest standards of international best practice. For all commercial transactions, TBC Bank endeavours to ensure that its customers demonstrate an organised and systematic approach to environmental and social risk management and comply with local and international environmental, social, health and safety, and labour regulations and standards. For this purpose, TBC Bank has developed Environmental and Social Risk Management (ESRM) Procedure to ensure that an appropriate, risk-based, sector-specific environmental and social risk assessment is applied to its commercial lending activities. These procedures are fully integrated into the credit risk management process at TBC Bank and are applied to all commercial lending. The procedures incorporate appropriate consideration of IFC's Performance Standards (PSs), and EBRD's Performance Requirements (PRs). In 2024, the National Bank of Georgia (NBG) developed its ESG Guidelines through a Double Materiality Perspective. Following the guidelines, TBC Bank integrated climate risk components into its existing E&S risk assessment procedures, defined exposure limits, and developed appropriate templates. The changes made to the procedure are applied to the process from January 1, 2025.

E&S Risk Management Procedures Include:

- Transaction qualification and risk categorisation;
- Identification and appropriate assessment;
- Mitigation and control; and
- Monitoring and reporting.



By assessing and monitoring the environmental and social risks as part of the credit risk analysis of business clients, which enables the clients to ensure compliance with legal and regulatory requirements, mitigates the regulatory risk and promote the sustainable management of their operations, TBC Bank strives to mitigate the negative environmental and/or social impact of financed businesses.

Implementation of the Environmental and Social Risk Management Procedure is the direct responsibility of the Environmental and Social Risk Management team of the Bank. Corporate, Small, Medium and Micro Business credit staff and risk managers are also actively involved.

TRANSACTION QUALIFICATION AND CATEGORISATION

Screening Against the Exclusion List

Each employee from the Corporate and SME Sector is responsible for checking the IFI Exclusion List to determine whether the proposed business activity is excluded from financing.

The Exclusions List is reviewed on a yearly basis. After the review in 2023, thermal coal mining has been added to the activities in the Exclusion List.

The list of activities excluded from financing by TBC Bank is based on the Exclusion Lists of the EBRD, IFC, DEG, and ADB. We reject financing activities that violate local legislative requirements, international conventions, and declarations of human rights, labour rights, and so on. To see the full list of excluded business activities, please visit: www.tbcbank.com.ge.

E&S Risk Categorisation

The environmental and social risks of commercial transactions at TBC Bank are categorised according to the following risk categories, using a modified version of IFIs' Environmental and Social Risk Categorisation Guide:

Low – Transactions with minimal or no adverse social or environmental impacts, which are not generally subject to further assessment (beyond their identification as such), except for the requirement for customers' compliance/non-compliance with local and national environmental, health and safety, and labour laws and regulations.

Medium – Transactions with limited potential for adverse social or environmental impacts that are few in number, generally site-specific, largely reversible, clearly evident at the time of the assessment, and readily addressed through mitigation measures. These transactions typically require a limited or focused environmental and/or social assessment, or straightforward application of environmental setting, pollution standards, design criteria, or construction standards.

High – Transactions with potentially highly significant, negative and/or long-term environmental and/or social impacts, the magnitude of which may be difficult to determine at the loan application stage, which typically require analysis of the environmental and social risks and impacts in the context of the total area of influence of the customer's operations. As part of the risk assessment, the client will identify individuals and groups that may be differentially or disproportionately affected by its operations.

A category - With potentially significant adverse social or environmental impacts, which may be diverse, irreversible, or unprecedented, the assessment of which usually requires the inputs of independent external experts, and may require the involvement of IFI E&S specialists in the due diligence assessment process.

TBC Bank's E&S risk assessment standard is in line with IFC/EBRD Performance Standards and Performance Requirements (PS/ PR).

Credit Officers/Corporate Analysts, Credit Risk Managers and Environmental and Social Risk Management Team Members are involved in assessing clients' E&S risks.

Since 2019, TBC Bank's Environmental and Social Risk Management team has applied sector-specific, risk-based Environmental and Social Due Diligence (ESDD) Forms, which unify IFIs' E&S standards and local legislative requirements.

The automation of the E&S Risk Assessment Process provides more flexibility to staff and reduces their manual work, which in turn limits errors and mistakes during the risk classification and selection process.

The PS/PR Questionnaire covers the following topics:

- Social and environmental assessment and management system;
- Labour and working conditions;
- Pollution prevention, resource conservation, and energy efficiency;
- Community health, safety, and security;
- Land acquisition and involuntary resettlement;
- Biodiversity conservation and sustainable natural resource management;
- Indigenous peoples; and
- Cultural heritage.

MITIGATION AND CONTROL

Depending on the perceived environmental and social risks, the risk control strategy may involve requiring the client to take specific actions, make specific investments, or develop and implement specific environmental or social action plans to avoid or mitigate environmental and/or social impacts, and/or specific monitoring and reporting requirements. Such requirements may be covenanted in the Loan Agreement.

As a minimum, the Loan Agreement requires all clients to certify in writing that, to the best of their knowledge, their operations comply with all local and international environmental, health and safety, and labour regulations and standards, or to disclose to the Bank known areas of material non-compliance.

MONITORING AND REPORTING

Monitoring

Environmental and Social Due Diligence (ESDD) reports are prepared with maturity of 1 year. In the case of deadlines set by the Corrective Action Plan (CAP), CAP monitoring is conducted after each deadline on a regular basis. To ensure a high-quality environmental and social risk assessment and monitoring process, the Environmental and Social Risk Management Group conducts additional spot-check monitoring based on a random selection of business clients. Spot-check monitoring is carried out at least semi-annually. In addition, the Environmental and Social Risk Management Group conducts quarterly monitoring to ensure full implementation of ESRM procedures, to identify any internal procedural difficulties/barriers, and to eliminate them through appropriate action.

Monitoring of Corrective Action Plans (CAPs) are provided in the deadlines defined by respective Corrective Action Plan. In 2024, a total of 92 clients' Corrective Action Plans were developed and 78 monitoring reports were prepared.

Reporting

TBC Bank prepares an Annual Environmental and Social Performance Report (AESPR) for its partner IFIs. This report summarizes the financial year in terms of ESRM and outlines all the updates and changes that came about during the reporting year. In addition, TBC Bank obliges its customers to provide non-financial reporting, such as information about their companies' environmental management system, labour and working conditions etc.

ESG COORDINATION DEPARTMENT TO SUPPORT RESPONSIBLE BANKING

The ESG Coordination Department at the Bank is responsible for coordinating and facilitating the execution of the Environmental and Climate Change Policy, as well as the Environmental Management System and the overall ESG Strategy at the Group level.

The Department oversees the development and expansion of the Bank's sustainable portfolio. To achieve this, the ESG Department conducts monthly analyses of sustainable portfolio growth and collaborates with the relevant functions across the corporate, SME, and retail segments to assess their performance against monthly targets. Based on these evaluations, the Department formulates action plans to drive further growth in the sustainable portfolio. Quarterly updates on sustainable

TBC's ESG Academy course has started for customers

In 2024, TBC launched its first ESG Academy course for clients, titled "The Path to Sustainable Business – Create a Green Future."

This is a completely new educational program that addresses key issues related to climate change and sustainable development. As part of the course, training sessions are being held for clients both in Tbilisi and across the regions. The programme will train 300 retail, MSME and corporate customers by the end of 2025.

To implement the first ESG Academy course, TBC secured support through two European technical assistance programs: the EFSE Development Facility (DF) and the GGF Technical Assistance Facility (TAF). The training program was developed through close collaboration between TBC and DEVELOR.

portfolio growth are presented to the Bank's Environmental and ESG Committees, as well as the ESG and Ethics Committee at the Group level, ensuring alignment and strategic oversight.

The ESG Department coordinates the process of climate action among involved parties, identifies opportunities for improvement, and provides knowledge to respective parties. The Department annually carries out a thorough climate risk assessment to identify, evaluate, and manage climate-related risks. In 2024, the Department further strengthened TBC's climate strategy by conducting sector-specific assessments of climate-related transitional and physical risks, while also integrating the ESG Risk Radar considerations from the National Bank of Georgia (NBG). Additionally, the climate stress testing framework was updated to align with the NBG's Climate Stress Testing Framework, incorporating parameters more closely aligned with the local context. Since 2023, the ESG Department has taken responsibility for preparing the TCFD report, further advancing the TCFD framework to enhance the Bank's climate-related disclosures and actions.

In addition, the ESG Department is responsible for calculating TBC's GHG emissions and setting annual emissions reduction targets. In 2024, the Department measured the Group's direct and indirect emissions performance for the first time in relation to the Paris Agreement targets for GHG reduction. The results have been incorporated into the Group's long-term transition plan.

Awareness and competence raising:

- Training about EMS and climate change for new employees;
- E&S training for credit staff;
- An annual, mandatory online EMS e-learning course for all staff, followed by a self-evaluation test;
- ESG Academy training "Green Mindset and Green Financing" for TBC's employees.

In 2024, 92% of all staff, including the top management of TBC, successfully passed the online course and self-evaluation test about TBC's EMS.

Green Lending and E&S Risk Management training was the part of the MSME academy syllabus. Besides online sessions through the TBC EDU platform, five classroom trainings were held in Tbilisi, Kakheti, and Adjara. 504 employees were trained in total, including Micro/SME/Corporate Credit Experts, Business SME Lending/Sales Coordinators, and MSME Credit Risk Managers.

ESG Academy delivered 13 training sessions across Tbilisi and regional locations, training 323 employees.

TBC Bank's ESRM team members endeavour to raise their qualifications and expertise by participating in different workshops, webinars, and training sessions. In 2024, ESRM team member participated in the following events: Two-day workshop of ESG Academy - Green Mindset and Green Financing; Online Workshop – Climate Smart Agriculture by IFC; Online Workshop – Solar PV Training by IFC; Public discussion – Taking Stock of Greening in Georgian Financial System by PMC Research Center; Online self-paced course – The Basics of Monitoring, Evaluation and Learning by Climate and Resilience Academy; Online self-paced course – Becoming a Climate Smart Organization; Online self-paced course – Sustainability Training and E-learning Program (STEP) by World Bank.

The Bank's ESG Department strengthened its expertise in the ESG field to better support the organisation in adopting responsible ESG practices. The team members participated in the following trainings:

- The 2024 GCPF Academy on Peer-led Climate Innovation was a week-long series of in-depth sessions, bringing together participants from 47 financial institutions worldwide. The academy provided a platform for sharing insights and expertise on climate mitigation and adaptation solutions, ranging from net-zero funding to sustainable brand development.
- The "Environmental Manager" training programme aimed to provide expertise in the waste and environmental management field, ensuring compliance with local legislative requirements in waste management and broader environmental standards.

- Prevention of Sexual Harassment and Response Mechanisms - The UN Women's 4-day certification programme aimed at training private sector representatives on the prevention of sexual harassment and the implementation of response mechanisms.

EXTERNAL COMMUNICATIONS

Grievance Mechanism

Transparency and open communication are an essential part of our daily activities. The feedback and recommendations received from our stakeholders and other interested parties enable us to continuously improve our performance. In doing so, we have developed a grievance mechanism to enable interested parties to provide their complaints related to E&S issues. Records of all communication are stored, including responses in line with TBC Bank's procedure for addressing external E&S queries and concerns. Interested parties may submit their query on the webpage: www.tbcbank.ge or to the following e-mail address: E&Srisk@tbcbank.com.ge.

During 2024, no such complaints were received related to environmental and social issues.

The main purpose of this procedure is to inform stakeholders and ensure and increase their proper involvement.

PRODUCTS AND SERVICES OFFERING SOCIAL AND ENVIRONMENTAL ADDED VALUE

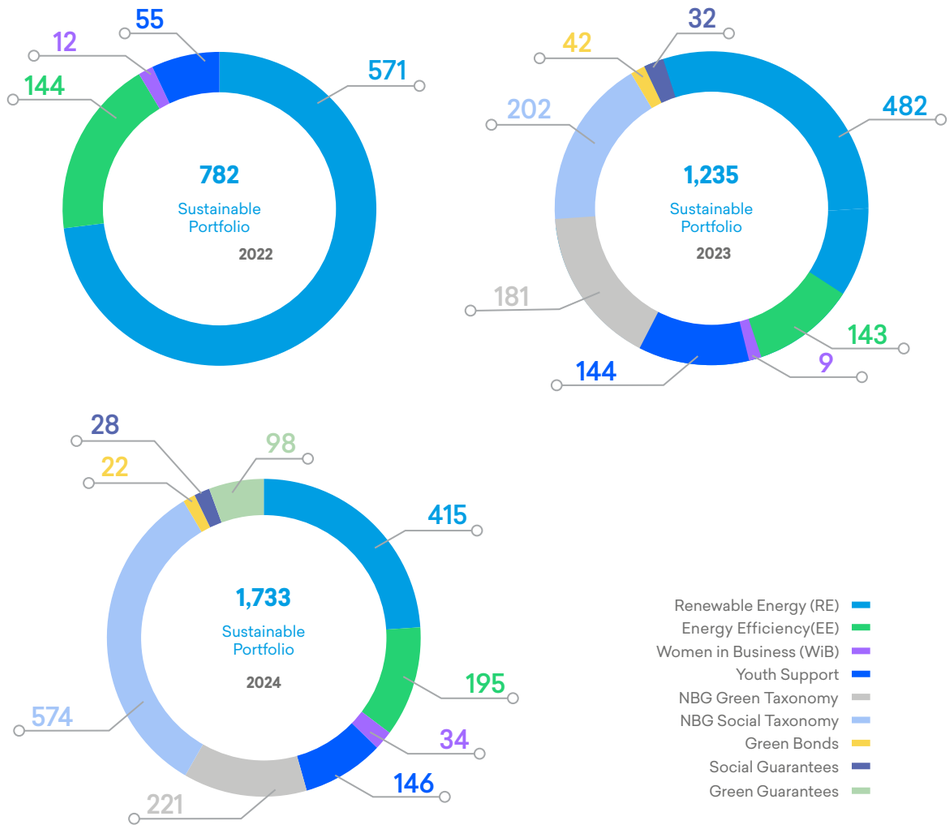
TBC strives to increase its positive impact on society and the economy through introducing new financial products and services that are designed to deliver a specific social or environmental benefit.

Sustainable Financing Development

We acknowledge the importance of sustainable lending and are actively implementing a standardised approach to sustainable finance. As of 31 December 2024, the total sustainable portfolio stood at GEL 1.73 billion, which exceeds the 2024 target volume of GEL 1.4 billion by 24%. The largest part of our sustainable portfolio consists of energy efficiency, renewable energy, and resource efficiency financing and equals GEL 952 million out of GEL 1.73 billion. The remaining part of the portfolio consists of women and youth financing, affordable housing, and start-up loans. The growth targets of the sustainable portfolio are set in the ESG Strategy annually; the targets are defined after considering customer needs for green financing and discussions with the respective business departments of TBC Bank. For 2025, the target volume of GEL 2 billion was approved by the Board of Directors.

The climate action initiatives are part of TBC's overall ESG strategy, which is reviewed and approved by the Board of Directors annually. The ESG Strategy 2025-2027 reflects the Paris Agreement alignment considerations that were developed in 2024. We evaluated TBC Bank's existing portfolio to understand its carbon footprint and identify areas for improvement. This process enabled us to understand our Paris Agreement alignment and define our way forward, based on the Science Based Initiative's standards. We developed a transition plan that includes divesting from high-carbon assets, investing in green technologies, and engaging with our customers to improve their sustainability practices. We continuously monitor the portfolio's performance against the set goals and regularly report the progress to our stakeholders.

BREAKDOWN OF SUSTAINABLE PORTFOLIO[1] (IN GEL'm)[1]



TBC together with partner organisations, offers numerous benefits for consumers who meet the criteria set by the project

We actively cooperate with international partners to attract financing for sustainable lending:

- TBC is actively mobilising green funds from partner international financial institutions to promote sustainable economic growth, primarily by financing energy efficiency, resource efficiency, and renewable energy projects. These facilities will help local businesses and households to become more competitive by investing in high-performance technologies and adopting energy-efficient practices. In addition, financing is coupled with technical assistance programmes, providing know-how and technical expertise to borrowers and ensuring that their green investments are successfully implemented. Several green facilities have grant incentives in place as well. As of year-end 2024, TBC had various green facilities in place, totalling up to GEL 960 million, from which around GEL 460 million has been attracted within 2024 from long-standing international partners, such as EIB, EBRD, GGF, IFC and DEG;
- In addition, in 2022, after receiving accreditation from the Green Climate Fund (GCF) in 2021, TBC signed an Accreditation Master Agreement (AMA), which is the central instrument that sets out the basic terms and conditions to work with the Green Climate Fund (GCF). This authorises TBC Bank to access and mobilise financial resources from the GCF and formalises TBC's accountability in carrying out GCF-approved projects appropriately;
- The Bank acknowledges the importance of addressing gender equality and the empowerment of women and has in place several facilities that promote women's entrepreneurship by supporting increased access to finance, providing non-financial services, as well as knowledge-sharing opportunities. In addition, the Bank has dedicated funds supporting young borrowers and entrepreneurs, providing loans for education, mortgage loans, and loans to start businesses;
- TBC Bank has in place several guarantee facilities with a special focus on start-ups, women, and regional entrepreneurs. These risk-sharing instruments serve as a partial substitute for collateral and enable the Bank to increase access to financing for underserved target groups, granting them better growth and development opportunities.

1 Our sustainable portfolio includes a) energy efficiency, youth support, and women in business loans financed by special purpose funds received from IFIs; b) loans financing renewable energy, which include all hydropower plants financed by the Bank; c) financing of start-up companies and affordable housing which are categorised based on the Social Taxonomy of the National Bank of Georgia; d) green loans which are assessed based on criteria defined by the Green Taxonomy of the National Bank of Georgia (https://nbg.gov.ge/en/page/sustainablefinance-taxonomy).

TBC supports the adoption of drone technology in agriculture

Vasil Mirianashvili owns farmland in Tsnori, where he grows various types of wheat, barley, and sunflower. Three years ago, when pests infested his wheat field, he discovered that spraying with a tractor was expensive and damaged around 5% of the crop. As a professional agronomist, he found an effective solution and entrusted the job to drones. The use of modern technology proved successful — the drones sprayed 80 hectares of wheat in just two days, with no crop loss and in significantly less time.

Vasil has been a TBC client for years, and the purchase of the drones was made possible with TBC's support. According to him, working with TBC gives him peace of mind and enables the growth of his business.

13

Treating Our Suppliers Responsibly

Our Suppliers in 2023

Dialogue with Suppliers

Managing the Environmental and Social Risks of Our Purchases

Strategic Budgeting and Procurement Directions

Treating Our Suppliers Responsibly

TREATING OUR SUPPLIERS RESPONSIBLY

Management Approach and policy

The Bank is managing its procurement process according to the Procurement Policy. The Procurement Policy is based on the bespoke purchase principles, defines core principles such as rationality, fairness, equality, transparency, and competitiveness. The policy manages cases of conflicts of interest; establishes thresholds for choosing purchase types, signing contracts, and conducting payments; defines the role of the Procurement Division in conducting procurement and ensuring respective awareness throughout the organisation; describes the process of tender and price quotation, including setting up a Tender Committee, preparing requirements and criteria for evaluation, as well as how and by whom the particular decision related to the process should be made; specifies the possibility of using the E-Systems or other third parties to arrange purchases; underlines the opportunities for companies to submit their opinions or claims related to a particular purchase; describes KYP (know your partner) process; defines eligible positions for initiating requests for purchase; establishes exclusions from the Procurement Policy coverage and thresholds, such as terms for direct purchases; defines the rules for payment and prepayment management; and manages the contracting process, including contract drafting.

The Bank`s Procurement Team ensures the proper execution of the rules set by the Procurement Procedure and also follows bespoke, procurement-related practices.

Supplier Selection and Payment Policies

TBC Bank's supplier selection and payment processes are regulated by the Procurement Policy. When selecting new suppliers, the Bank operates based on the principles of equality, transparency, and fair competition. These principles are ensured by the requirements envisaged in the documentation and are worded in a way that avoids ambiguity. Suppliers have information about how their company or proposal will be evaluated and what is important. Although there are often multiple evaluation criteria, they may only focus on price when the proposed good or service fulfils all of the Bank's requirements. For purchase procedure announcements, the Bank uses a bidding and proposal submission electronic tender tool through third-party online platforms. Bids are received, and bargaining is performed mostly online, with companies given the opportunity to track the tender details. If the tender requirements are amanded, all participants are informed accordingly. Furthermore, the E-tender tool enables TBC to ensure the maximum number of relevant suppliers.

The Bank intends to establish partnerships with suppliers, not only contracts. The supplier relationship process is optimised in three different ways: by decreasing bureaucracy, shortening the decision-making time, and updating contracts. We clearly understand that one of the most important aspects of cooperation with suppliers is the payment policy. We strive to adapt our payment policy to each supplier's needs, whilst considering the particular purchase and the supplier's profile, capacity, or their financial stability. Moreover, the Bank takes responsibility for paying for the contracts in short periods, thus contributing positively to suppliers' cash flow. Although this places more demands on the Bank, it also increases its efficiency.

DIALOGUE WITH SUPPLIERS

According to TBC, efficient dialogue with suppliers means assessing their needs and satisfaction levels, creating a complaints submission mechanisms, and responding to them accordingly. It is very important to the bank how suppliers evaluate our procurement practices. The bank use a range of communication channels to understand suppliers' needs, ideas, and initiatives, and ensure their satisfaction whilst also maintaining competitiveness.

Complaint Management

TBC Bank operates a Supplier Complaint Management Procedure. which is envisaged in the Bank's Procurement Policy.

The complaint submission process is communicated in the tender documentation (RFP). Complaints can be submitted within three days once the tender outcome has been communicated to suppliers. As soon as a complaint is received, the Bank communicates with the company and discusses the details, giving explanations. As a result, the purchase procedure can be proceeded, terminated, or amended.

MANAGING THE ENVIRONMENTAL AND SOCIAL RISKS OF OUR PURCHASES

As one of the largest purchasers in the country, we acknowledge and understand the social, economic, and environmental impact of our procurement decisions and operations, as well as the requirements towards suppliers. Hence, we strive to manage the environmental and social risks as well as the opportunities in our supply chain with a high sense of responsibility. We prioritise the use of green and energy-efficient products in our everyday activities by incorporating environmental and social assessments into the procurement process. We strive to promote sustainability by encouraging suppliers to act responsibly and adhere to environmental standards, thereby decreasing the Bank's indirect negative impacts. To decrease environmental and social risks in the supply chain, we require all suppliers' consent fro personal data protection, anti-corruption, environmental, and tax avoidance clauses, which constitute an indispensable part of the contract and are mandatory for implementation.

Supplier Screening - Environmental and Social Risk Management Questionnaire

In 2019, we developed an Environmental and Social Risk Management Questionnaire to screen our long-term suppliers. We define a long-term contractor company as a company with which we have an agreement that lasts for a year or more.

A long-term supplier assessment is made on the basis of the responses submitted in the Environmental and Social Risk Management Questionnaire. Following the assessment, each company is given a score of either low, medium, or high.

Low: the company has all necessary policies, mechanisms, and resources in place, which are relevant for the environmental and social impact of its economic activity.

Medium: the company needs to perform some adjustments and implement additional measures, which are included in the ESAP and have to be in place within reasonable timeframe. The progress is monitored regularly.

High: the company needs to perform significant changes in order to comply with the requirements set by TBC in line with its policies and standards. In case ESAPs are not implemented, TBC reserves the right to cancel the contract.

The topics included in the questionnaire are based on the IFC & EBRO PS/PR Questionnaire and cover the following:

- The company's Environmental Management System;
- Pollution Prevention and Waste Management Systems;
- Working Conditions;
- Labour Rights;
- Labour Safety; and
- HR Management.

The above-mentioned evaluation of suppliers is carried out by the ESG Coordination Department.

In 2024, six long-term contractor companies were assessed for environmental and social risks. As a result of the assessment, the ESAPs for three companies were developed. TBC provides continuous assistance to the companies and monitors the implementation of the ESAPs.

Green Procurement Recommendations

The Environmental Policy of the Group includes Green Procurement Recommendations that should be considered during purchases. These recommendations point towards the procurement of more environmentally friendly products and services, products that have better environmental procurement criteria, products that are certified according to environmental standards, etc. The

recommendations also apply to construction/renovation works, heating-cooling and ventilation systems, office and other technology purchases that gradually help in implementing energy efficiency standards. TBC Bank has also developed a Green Construction Standard, which provides green recommendations for building and renovating TBC offices, as part of its Green Procurement Recommendations. The respective terms are included in the contracts. If a party challenges the wording of the terms, the legal team and the E&S Risk Management Group are alerted. The standards and criteria presented in the Green Procurement Recommendations are applied wherever possible, with the active involvement of the Environmental and Social Risk Management Group, along with the Logistics and Procurement Divisions. The Green Procurement Recommendations document is available to all employees.

One of the good examples showing TBC's commitment to purchasing environmentally friendly and more energy-efficient products and services is our new head office under construction in the Lisi Lake area of Tbilisi. TBC's new head office, called the „Tbilisi Business Center" is a 21-floor building that consists of 9 separate units with different functions connected to each other. The building covers 69,500 square metres and will serve up to 2,100 permanent employees and additional visitors. To build its new head office, TBC procured various energy-efficient building materials and products such as the Digital Addressable Lighting Interface (DALI) - a digital, internationally adopted language used to control lighting such as LED Drivers, which allows information to be transferred between devices and energy usage of each individual light to be measured and monitored easily. Besides, we have installed commercial rainwater collection systems to minimise the water usage within the office. The parking area of the new head office will also be equipped with electric charging stations.

SUPPLIERS IN 2024

TBC is one of the largest purchasers in the country. Therefore, the Bank's responsible purchasing practices and relationships with suppliers can have a significant impact on the well-being, financial stability, and development of suppliers, as well as on the economy as a whole. We understand the scale of our impact, treat our suppliers responsibly, endeavour to maintain permanent dialogue with them, and understand and respond to their needs. We also stimulate the implementation of environmental and social risk management standards in our purchasing activities. TBC Bank cooperates with a wide range of suppliers, from small start-ups to large companies, as well as individual providers of services, with resident companies and those from abroad. We pay special attention to small local suppliers and promote their inclusion in our supply chain. The procurement Division attends exhibitions of social entrepreneurs and ensures that relevant companies are approached when the respective need arises. We understand that, as a very large buyer, the Bank can significantly contribute to start-up company development through its procurement deals. The bank is always ready to involve suppliers with little experience in its supply chain, even with its more effort.

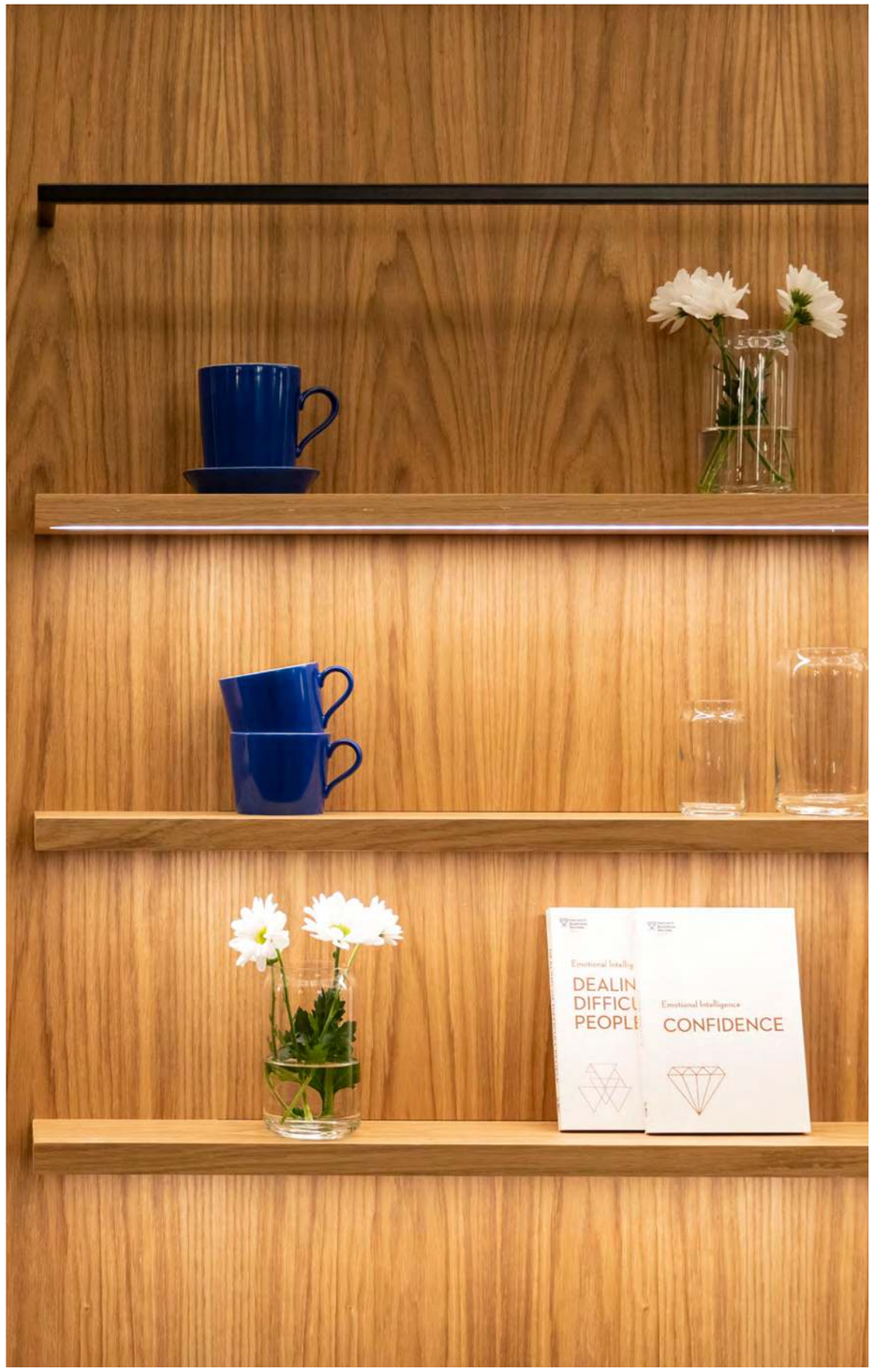
To foster competition and the development of suppliers, our procurement team is open to receiving a range of company presentations and discussing their profile, capabilities ,and relevant opportunities to participate in the Bank`s purchasing procedures, as well as becoming acquainted with their products by checking samples or visiting the on-site production process. The procurement team thoroughly explains the process of all of its purchase procedures. All this enables better knowledge of the market, raises awareness among suppliers, and support competition.

Suppliers are able to ask questions about any tenders or seek clarification of any tender requirements by e-mail, through the designated sections in e-tenders or by letter. All this is communicated in the RFPs, ensuring suppliers have all the information they need. We have been approached frequently with questions and requests for clarification or changing deadlines.

Every year, TBC enlarges and renews its suppliers list by more than one thousand, including companies and individuals. Currently, the Bank's list of suppliers includes approximately 12,600 suppliers.

Proportion of Spending on Local Suppliers

The share of local suppliers remained constant in 2024, with approximately 90% of the Bank's suppliers being registered in Georgia. Under the category "local suppliers", we consider Georgian resident companies that sell locally produced, as well as imported, goods or services. This is a clear indicator of our input into local economic development. At the same time, we also understand that operations with local suppliers help to decrease CO_2 emissions related to the transportation of goods.



Suppliers in TBC Bank and other subsidiaries of the Group

	Total number of suppliers	New suppliers in 2024	Share of local suppliers in total
TBC Bank	12,600		90%
UFC	92	12	96%
TBC Insurance	173	12	98%
TBC Leasing	76	9	86%
TBC Pay	298	35	96%
Space	331	244	66%
TNET	124	101	96%
TBC UZ	818		96%

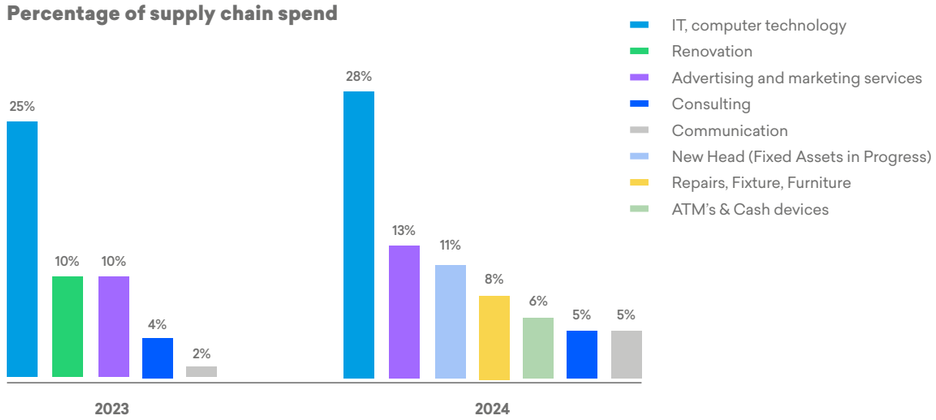
(This table includes data from TBC Bank UZ, TBC Leasing, TBC Insurance, UFC, TBC PAY, TNET, Space Int.)Int.).

Procurement by Type

In 2024, the main procurement categories, with at least a 2% share in the total procurement or significance from a strategic point of view, were as follows:

BANK SUPPLY CHAIN EXPENDITURES

Percentage of supply chain spend



Strategic Budgeting and Procurement Directions

Our responsible purchasing practices and relationships with suppliers can have a significant impact on the well-being, financial stability and development of suppliers, as well as on the economy as a whole. In 2021, we committed to developing more tailored approaches towards green procurement initiatives, women-owned companies, start-ups and local (made in Georgia) businesses and to set targets, where feasible. The volume of sustainable procurement includes the services and products purchased from women and local entrepreneurs, as well as energy-efficient techniques such as servers and laptops and energy-efficient HVAC systems.

14

Supporting Communities

TBC for Georgian People

Supporting the Georgian Business Community

Educational Programmes

Partnerships for Positive Impact

Georgian Literature and Writing

Physical Network

Supporting Communities

TBC remains committed to its long-term initiatives aimed at sustainably empowering various segments of society. Continuously striving to enhance its positive impact, TBC identifies opportunities for improvement through stakeholder dialogue, research, and analysis. As an institution with significant social and economic influence, TBC contributes to the development of key areas identified by the public sector. It collaborates closely with the National Bank of Georgia and other government bodies on essential topics such as financial education, job creation, and investment attraction.

In addition to external insights, TBC evaluates its own strengths and competencies to strategically select its areas of involvement. The choice of community initiatives is guided by several key principles:

- TBC prioritises launching projects independently or in collaboration with partners, ensuring that they align with its expertise and allow for both financial contributions and active employee participation.
- Projects are selected based on their potential for long-term sustainability and growth, maximising their positive impact on communities over time.
- Initiatives must hold significant value either at a national level or for particularly vulnerable segments of society that require additional support.

For the coming years, TBC has outlined strategic priorities for community support, including:

- **Expanding access to education for more Georgian citizens;**
- **Supporting artists and cultural projects;**
- **Preserving cultural heritage while promoting emerging artists;**
- **Empowering small and medium-sized businesses;**
- **Enhancing ICT education programmes.**

Given the diverse nature of these projects, various departments within TBC are involved in their implementation, while dedicated back-office teams oversee and evaluate project outcomes. Success is measured based on specific impact targets and consumer research.

To ensure transparency and efficiency, TBC has developed a Sponsorship Procedure that regulates the selection process for partners and beneficiaries. This procedure also defines the approval responsibilities for financial commitments and project content.

Our commitment extends to preserving cultural heritage by supporting literature, the arts, and national sports like rugby and football.

The main projects are outlined below.

TBC FOR GEORGIAN PEOPLE (TBC X BOG)

On December 19, 2024, TBC and Bank of Georgia announced that they would jointly allocate GEL 5 million (GEL 2.5 million each) to support those affected by the pro-European protests, as well as small and medium-sized businesses.

The financial resources were directed to funds providing legal, financial, or health-related support to citizens affected during the protests in November-December 2024, as well as to support small and medium-sized businesses.

Part of the funds was used to implement joint initiatives in collaboration with partner businesses, including tkt.ge, Mymarket.ge, Glovo, and others.

SUPPORTING THE GEORGIAN BUSINESS COMMUNITY

TBC remains dedicated to fostering business development across Georgia. We provide our SME customers with a comprehensive business support programme that includes educational resources, a business blog, various support tools, an annual business award, and a start-up programme. All these services are conveniently available on our website: www.tbcbank.ge.

TBC continues to strengthen its support for SMEs by offering tailored non-financial services designed to meet the specific needs of businesses. Each initiative is backed by extensive research to ensure maximum impact.

Our service development process begins with direct engagement—conducting interviews with business owners to understand their challenges and needs. This insight helps us identify key issues and shape effective solutions.

Next, we introduce a minimum viable product (MVP) version of the service to test its effectiveness. By gathering feedback from users and stakeholders, we refine and enhance the service to better support the SME community.

This continuous feedback loop allows us to consistently improve our offerings, ensuring they remain relevant and impactful. By adopting this iterative approach, we create sustainable solutions that genuinely benefit businesses. The success of these initiatives is assessed through regular surveys measuring satisfaction and impact.

In 2024, we further expanded our highly successful full-scale business education programme. Throughout the year, we conducted 100 training sessions, benefiting nearly 4,000 business representatives. These sessions covered essential topics, including marketing, finance, management, and taxation.

Our educational programmes are tailored to various sectors, including but not limited to agribusinesses, HORECA representatives, freelancers, and startups. As the largest initiative of its kind in Georgia, our programme has drawn over 35,000 participants who have attended approximately 1,000 lectures over the past seven years.

100 training sessions

4,000 business representatives attended the programme

Through these initiatives, TBC reaffirms its unwavering commitment to empowering SMEs with the knowledge, tools, and resources they need to succeed in today's evolving market.

Media Representation for Our Customers

In 2023, we launched a new support programme for our borrowers. Answering our customers' need for representation and introduction to mass audiences and potential clients, we offer media support – including business blogs and TV visits. Business blogs are published on over 40 media platforms, including the most popular business news outlets. This project has benefited over 15 businesses to date.

Thursday Meetings

We have introduced a new format of meetings by the name of 'Thursday Meetings'. The project serves as a bridge for professionals in the field to small and medium business representatives. During the meetings, we choose industries (depending on the surveys we conduct amongst our customers), and around the round table the industry professionals conduct a discussion dissecting the operations, strategies, and tactics needed to run the business. The open format enables the audience members to pose questions, get advice from real-life examples, and it also creates an unparalleled space for networking. In 2024, we have held five Thursday Meetings (four in Tbilisi and one in Kutaisi), covering topics like the Creative Industry, Gastro Industry, and Tourism with an overall attendance of 500 business representatives. Thursday Meetings have already brought us closer to our customers, getting to know them in person and creating a development-oriented community, with a passion for sharing knowledge.

5 Thursday Meetings were held

500 Business representatives attended

Annual Business Awards

Since its inception in 2015, our esteemed Annual Business Awards have played a pivotal role in supporting and promoting business initiatives across Georgia. Over the past eight years, this event has grown into the most highly anticipated business gala, attracting participation from over 3,500 diverse businesses across various industries. These businesses have leveraged this platform to share their remarkable success stories, inspiring countless others to turn their entrepreneurial aspirations into reality.

Business Awards 2023 featured an outstanding lineup of winners in each category:

- Best Product
- Best Innovative Startup
- Outstanding Social Responsibility
- Outstanding Regional Development
- Outstanding Customer Experience

Additionally, we proudly introduced two special accolades: "Gender Equality" and "Green Initiatives." The award for "Green Initiatives" was supported by our esteemed partner, the Global Climate Partnership Fund (GCPF).

Reflecting the growing prestige of our awards, we had the privilege of selecting winners from 406 applicants. This spectacular event, held in collaboration with VISA, garnered an astonishing 60 million views and achieved a record-breaking 81% top-of-mind awareness, up from 68% last year - further solidifying its status as a transformative force in the Georgian business landscape.

409 Applicants registered

60 mln. Views

81% top-of-mind awareness

Women's Entrepreneurship Expo 2024

Education, networking, customer engagement, and integrating technological innovations into daily operations are key priorities for advancing women's entrepreneurship. On November 23, 2024, in collaboration with TBC, the UN Women Georgia Country Office, as part of a regional initiative led by UN Women Europe and Central Asia, organised the second large-scale exhibition and sale showcasing products and services created by women entrepreneurs in Georgia.

More than 160 women entrepreneurs from across the country had the chance to showcase their offerings, including food and wine, gifts and accessories, personal care products, and more.

Additionally, a dedicated space highlighted technology startups founded by women. Initiatives like this create valuable opportunities—helping entrepreneurs expand their networks, exchange experiences, explore innovations, and overcome challenges. Events of this kind empower women entrepreneurs to become role models, inspiring others to pursue their business ambitions and contribute to economic growth.

Startuperi.ge

We remain dedicated to promoting early-stage businesses and fostering entrepreneurship throughout Georgia. To support this, we have been running "Startuperi" since 2017, an innovative programme that provides both financial and non-financial assistance to startups. Since its launch, over 55,000 startups have engaged with the platform's various initiatives.

We offer entrepreneurs general-purpose loans, as well as specialised loans tailored to restaurants, hotels, and agribusinesses. This year, we introduced a "Startup Enterprise" loan that provides favourable terms for loans intended for local production setups. Other financial services include leasing options, business credit cards, free internet banking, and digital pass registration. As of December 31, 2024, the programme's active portfolio consists of 442 loans, totalling GEL 86 million.

537 Number of Loans
As of December 31, 2024

GEL 120 mln. Volume of Loans
As of December 31, 2024

In addition to training, products, and promotional support, TBC aids startups through its procurement policies, which allow contracts to be directly awarded to startup companies in exceptional cases, bypassing the usual tender processes.

EDUCATIONAL PROGRAMMES

TBC recognises financial literacy as one of the key factors for the country's economic development and stability. Responsible lending, customer education to promote savings, and the digitalisation of banking services for greater transparency and customer comfort are among TBC's top priorities. TBC has been actively promoting financial literacy for several years. In 2024, our main activities were:

- "World Savings Day" - Within the framework of the savings week, ESG Ambassadors conducted lessons in different schools of Tbilisi and regions, the purpose of which was to introduce the culture of financial management among students and raise their awareness.
- ESG Ambassadors is one of the initiatives planned and implemented by the ESG team. Within this project, 16 people from TBC were selected. ESG ambassadors are TBC employees who participate in the planning and implementation of ESG goals and initiatives. They have the opportunity to contribute to the sustainability of the company and its integration in relations with employees, customers, the environment and society through various activities, projects, and the implementation of international ESG standards.
- Promoting financial literacy topics through the Facebook page Edufin, which is designed to popularise financial literacy through interactive posts, videos, and blogs, attracting respectable authors who are well known in Georgian society to contribute to the page and thus make financial literacy an attractive topic. In communication, we actively use TV and online media, with the highest engagement. In almost every media platform, we have put information; the goal is to raise awareness about financial literacy. In order to implement various financial-educational activities in the capital and regions, we actively cooperate with the National Bank of Georgia and non-governmental organisation "Society and Banks." In addition, TBC communication also focuses on cyber security issues that simply and clearly explain what phishing is, what form fraudsters use in this case, and what recommendations we should consider.
- Holding a campaign related to financial literacy in the digital world and cyber security through blogs, podcasts, communication with clients via internal channels, and the sponsorship of discussions on TV.
- TBC, together with other Georgian commercial banks, works with the Banking Association to create common approaches and shared communication campaigns to educate the public in financial literacy, cyber security, and the effective use of banking products in general.
- Supporting a teaching contest of financial literacy among school teachers, organised by the National Bank of Georgia, with prizes for winners in two categories.

Tech-School

TBC's goal is to make education available for the maximum number of Georgians. For many, finances, as well as the lack of educational facilities, providing good quality in physical proximity, are the challenges hindering access to high-quality education.

TBC aims to deliver opportunities for quality education that will be a good starting point for attaining a profession that is in demand worldwide, while at the same time giving the opportunity to work remotely, being employed for any project globally without leaving Georgia.

In 2023, TBC, in collaboration with Geolab, created fully funded online technological courses for school students (from 9th to 12th grades) within the TBC Educational Program. This is one of the biggest educational projects of the company that has beneficiaries in all regions of Georgia. The program includes 7 different directions and three-month technological courses and already has more than 2000 participants. Within the framework of the project, regional outings all over Georgia are organised. These meetings include recommendations and panel discussions from leading specialists in various fields of technology.

In 2024, TBC continued the Tech-School with optimised programmes, based on received experience and opened the first semester in February, with 7 courses offered to schoolkids starting from 9th to 12th grade. The courses offered are: Front End, Back End, Mobile Apps, UX/UI, Social Media Management, Graphic Design, Photo and Videography. Courses are provided online, enabling participation from any place in Georgia.

Tech–School aims at promoting technology education among the young generation. Proficiency in technology increases chances of success not only in the ICT field but in any other profession that young people will choose in the future.

More than 2000 schoolchildren participated

7 Courses were launched

Technovation Girls

Technovation Girls is an international platform empowering girls to follow their interest in STEM disciplines. The programme is designed for upper-grade school girls and consists of group teamwork with mentors where ideas are generated and technological product prototypes are created. The final accord of the programme is a joint workshop for teams with the most innovative ideas, with experts from various fields sharing their experience and working together with girls on the further development of their ideas.

In 2024, more than 800 schoolgirls were registered in the programme and up to 100 participated in the workshop.

More than 800 schoolgirls were registered

Up to 100 participated in the workshop

TBC Campus empowers young people across Georgia with free access to modern, in-demand education

TBC Campus is a free online education platform for young people in Georgia aged 18–24. It provides access to top trainers and modern, in-demand professions, aiming to boost employment opportunities across the country — not just in Tbilisi. The program encourages youth to stay and grow in their local communities instead of seeking opportunities abroad or in the capital.

In 2024, 310 students enrolled, and 202 graduated. With a 92% student satisfaction (NPS) rate, TBC plans to expand the program further. Current courses include Graphic Design, UX/UI Design and Research, Social Media Marketing, Advertising Content Management, Search Engine Optimization, and Business.

310 Students endrolled

202 Graduated

92% NPS rate from students

PARTNERSHIPS FOR POSITIVE IMPACT

Strategic partnership between USAID and TBC - Strengthening the economy

On March 23, 2022, USAID and TBC signed a Strategic Partnership Memorandum. In partnership with USAID, TBC works to expand access to finance and business support services, which will encourage inclusive economic growth, empower women economically, and develop the skills needed for business growth. Under the memorandum, USAID and TBC will contribute to Georgia's inclusive economic growth, market diversification, and the creation of high-paying jobs. Under the USD 30 million Loan Guaranty programme provided by DFC and USAID, TBC has financed Georgian MSMEs, with a key focus on rural entities, smallholders, women entrepreneurs, and start-ups. Improving access to finance will strengthen their competitiveness and support the sustainable development of this segment, thus contributing to economic growth and job creation in Georgia. More than 1,200 high-paying jobs will be created and will help businesses generate USD 6 million in sales.

Grace Hopper Awards – Promoting Women in ICT

As a technology-driven company that puts special emphasis on women's empowerment in tech industries, in 2021, TBC partnered with USAID Economic Security Program as the main sponsor and established Grace Hopper Awards, which inspires women and recognizes their achievements in the ICT industries. Starting in 2024, TBC replaced USAID Economic Security Program as the main driver of the project.

The mission of the Grace Hopper Award is aligned with the company's deeply rooted aspiration to support and encourage more women's active involvement in Tech industries. Youth development, equality and women empowerment are a strong part of TBC's culture and represent a set of priorities that the company pursues with the outmost dedication. In 2024, for the fourth consecutive year, the Grace Hopper Award Program acknowledged outstanding individuals, programs, and organizations in five categories (Tech Leader, Youth Discovery, Distinguished scientist, innovative tech product, leader company in strengthening women. The Award ceremony was held on July 5, 2024.

TBCxUSAID for Technological Education

In 2024, the TBCxUSAID for Technological Education project completed its second intake across several in-demand tech courses, including Information Security, Cybersecurity, Advanced Python (Web and Data), Introduction to Python, React, and iOS Development. Additionally, the teaching phases of Blockchain and DevOps were finalized, with students currently working on their final projects. The courses demonstrated strong participation and high graduation rates, with several directions showing a notable percentage of female graduates.

Information Security saw 40 graduates with a 98% completion rate and 58% female participation, while Cybersecurity graduated 55 students with 24% women. Advanced Python Web and Data directions had 26 and 16 graduates respectively, with over 40% and 38% female representation. Introduction to Python graduated 33 students (30% women), React had 47 graduates (26% women), and iOS Development, in its third intake, graduated 28 students with 29% women. Despite most courses concluding recently, early employment outcomes are already visible, with up to 19% of some course graduates gaining new jobs or improved positions — a strong indicator of the program's impact.

Women in Data Science (WiDS)

For the past two years, TBC has been strengthening the presence of Women in Data Science (WiDS) in Georgia—an international community established by Stanford University. In 2024, TBC organised a data event titled "Women Professionals in Data Science." At the event, women data professionals from both TBC and other companies participated in talks and panel discussions, sharing insights on the role of women in data science, how they contribute to the field, and what leading female professionals are doing today. Additionally, they discussed TBC's role as a data-driven company and its initiatives in this area.

As part of TBC's Data event, TBC workshops were held, where participants explored AutoML, an innovative machine learning tool developed by TBC, and used it to build models. They also learned how to deploy machine learning models locally, gained hands-on experience with Power BI, a self-service analytics tool, and discovered how to manage work tasks more efficiently. Integrating

artificial intelligence and automation into business processes, as well as supporting women and fostering their professional growth, remains one of TBC's top priorities. TBC aims to embed data platform usage into its daily operations, making data an integral part of everyday life. The event was hosted at D Block, welcoming over 300 guests, with UN Women as an official supporter.

GEORGIAN LITERATURE AND WRITING

Saba Literary Award

The annual SABA literary award was established in 2003. The aim of the award is to support Georgian writers and promote a reading culture in the country. Many currently well-known modern Georgian writers received their first public recognition through the SABA Award. With 2 years of history, SABA is the most prestigious literary prize in Georgia. SABA motivates writers with a prestigious award, as well as monetary prizes: 6,000 GEL for the winners of each category, and 10,000 GEL for the winner of the Special Contribution to Georgian Literature. Prizes are given in nine categories:

- Best Novel
- Best Poetry
- Best Prose
- Best Play
- Best Literary Debut
- Best Literature Critique
- Best Non-fiction Literature
- Best Translation from Foreign Language into Georgian
- Special Contribution to Georgian Literature

The award committee consists of five members who change every year. Members of the committee are writers and people from literary fields, whose works are not eligible for entry that year. The final decision is left up to the award committee: the winner of the closed primary selection should receive at least 3 votes from committee members. The committee member list is kept confidential until the award ceremony day, when it is disclosed during the ceremony.

In 2024, the Saba Awards Ceremony was not held, due to political crisis that followed parliamentary elections in late autumn. However, to give additional support to the literary community, on top of prizes distributed to winners, SABA and TBC awarded 3,000 Gel to each finalist, for every nomination, 31 additional beneficiaries in total.

SABA is the most prestigious award given for Georgian-language literature. In 22 years, more than 5,000 books have been evaluated, 250 awards were given to 190 authors, 100 different members served on the committee and more than 1,000,000 GEL in total was awarded.

Year	Women	Man
2024	5	6
2023	5	6
2022	8	3
2021	7	7
2020	4	7

Saba e-Books House

In 2013, TBC decided to give readers the opportunity to access Georgian and foreign literature in the Georgian language online. With the growing importance of digitalisation, it became clear that an online book house in the native language would give readers a perfect way of enjoying literature, having books one click away. For this purpose, the webpage www.saba.com.ge was set up, providing access to a range of Georgian and foreign literary works, modern best-sellers and the works of Saba award nominees and winners. This platform gives people the opportunity to be up to date with literary developments and to have their favourite books at hand. Together with the webpage, users can download the Saba Reader app, which contains more than 7,500 built-in books, audiobooks, podcasts, lectures, and more. Users of the app have unlimited access to literature and receive an outstanding, modern experience.

Along with the Literary Award SABA, the House of Electronic Books was founded in 2012 by TBC. During these 12 years SABA Collected More than 400,000 registered users and 19,000 active monthly readers.

TBC IT Academy highlighted the importance of ESG in innovation through a four-day tech festival

As part of its commitment to supporting technology education, TBC IT Academy hosted a large-scale, four-day tech event — TechXplore 2025.

A key focus of TechXplore 2025 was the ESG agenda. Several teams developed their ideas in alignment with environmental protection, social responsibility, and sustainable development principles.

On the final day of the event, participants presented their projects to a jury and an audience. The winning teams received shares worth GEL 15,000 from international tech companies such as Microsoft, Nvidia, and others. Prizes for the first and second place winners were awarded by TBC Tech, while the ESG Direction honored a team in the "ESG Choice" nomination.

Around 150 young participants took part in TechXplore 2025. The event was significantly enriched by the active involvement of Agile coaches, mentors, and leading tech professionals, who played a vital role throughout the program.

PHYSICAL NETWORK

As a leader in the financial sector, TBC ensures that its branch, ATM and payment box network covers the whole country, including both economically important centers and remote areas with less commercial activity. In parallel to the physical coverage, TBC improves the accessibility of its facilities for people with disabilities. 97% of all branches have been modernized and equipped with ramps to support accessibility. In the regions, the share of adapted branches is even higher - 95%. In 2025, further locations will be added.

		Other big cities:	Rest of the Country:	Total
		Kutaisi, Batumi, Rustavi,	Economically less developed	Georgia
Branches	**Tbilisi**	**Gori, Poti, Zugdidi**	**Rural areas and small towns)**	
Total at the beginning of 2024	51	23	30	104
Change in 2024	4	3	11	18
Total for the beginning of 2025	55	26	41	122
Population of Georgia (according to 2014 census of National Statistics Agency)	1,108,717 (30%)	558,183 (15%)	2,046,905 (55%)	3,713,804

		Other big cities:	Rest of the Country:	Total
		Kutaisi, Batumi, Rustavi,	Economically less developed	Georgia
ATMs	**Tbilisi**	**Gori, Poti, Zugdidi**	**Rural areas and small towns)**	
Total at the beginning of 2024	414	178	157	749
Change in 2024	109	66	69	244
Total for the beginning of 2025	523	244	226	993
Population of Georgia (according to 2014 census of National Statistics Agency)	1,108,717 (30%)	558,183 (15%)	2,046,905 (55%)	3,713,804

		Other big cities:	Rest of the Country:	Total
		Kutaisi, Batumi, Rustavi,	Economically less developed	Georgia
Payment Boxes	**Tbilisi**	**Gori, Poti, Zugdidi**	**Rural areas and small towns)**	
Total at the beginning of 2024	2,054	1,062	1,094	4,210
Change in 2024	40	5	83	48
Total for the beginning of 2025	2,014	1,067	1,177	4,258
Population of Georgia (according to 2014 census of National Statistics Agency)	1,108,717 (30%)	558,183 (15%)	2,046,905 (55%)	3,713,804

Football Club "Tori" Borjomi – TBC for Youth

TBC supports the U-14 football team - "Tori" – based in Borjomi. The team has been provided with updated uniforms, training gear, and other essential equipment, giving young players the opportunity to develop skills and work confidently towards achieving their aims.

"Tori" was established in 2020 and quickly achieved significant success. The team won the Samtskhe-Javakheti championship and participated in several national and international tournaments. "Tori" continues to foster a love of sports among the new generation in Borjomi.

TBC prioritises supporting the new generation, inspiring them, and promoting a healthy lifestyle.

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Subsidiaries

Environmental, Social and Governance (ESG) Strategies in Subsidiaries

TBC Leasing

TBC Capital

TBC Pay

Space International

TNET

TBC Insurance

UFC

TBC UZ

Environmental, Social and Governance (ESG) Strategies in Subsidiaries

For a third year in a row, ESG Strategies for eight subsidiary companies of TBC Group PLC have been developed, assessed and implemented.

The implementation of the ESG strategy is a process tailored individually to each subsidiary and their business model, which is aligned with the ESG goals and vision that is shared by all companies within TBC Group PLC. The overarching targets are set out in the Group's ESG strategy, derived from the commitment to making a long-term contribution to sustainable development and being the leading supporter of ESG principles in the country and the wider region.

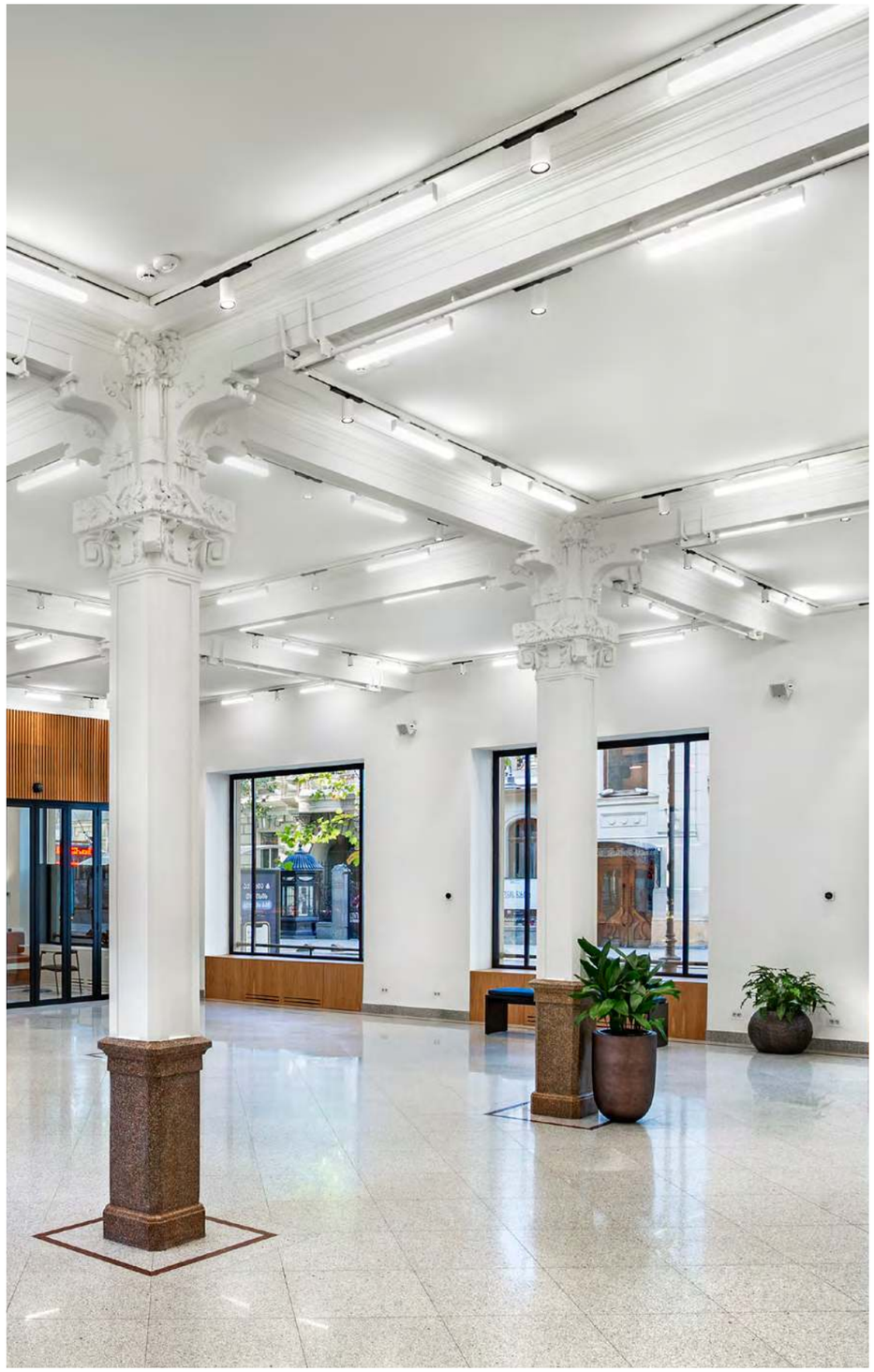
In addition to the eight subsidiary companies that already have a track record of ESG strategy implementation, three new subsidiaries will work on defining their ESG objectives throughout 2025, aiming to develop a full ESG strategy for 2026. These subsidiaries are:

- Flitt - A payment solution platform, providing merchants with a personal space to digitally accept payments and manage the payment process.
- TBC Kredit – A non-banking credit organisation operating in Azerbaijan, offering financial services such as business and consumer loans, mortgage loans and catering services.
- TBC Asset Management – An asset management company focused on delivering sustainable income to customers through a diversified portfolio, with a primary focus on private credit.

As a result of ESG strategy implementation efforts, separated collection and recycling of paper and plastic waste were facilitated in all eight subsidiaries in 2024, the number of employees undergoing external training has doubled since last year, and over GEL 85,000 was allocated for green and social impact procurement.

Long-term goals outlined in the group's ESG strategy are supported in each subsidiary through short- and medium-term measures aligned with each company's business activities. Key focus areas for the subsidiaries' mid-term goals are outlined below:

- Enhanced governance of ESG: action plan and due diligence for ESG policies
- Incorporation of climate-related risks and opportunities in products/services and assessments
- Impact measurement and reporting
- Supporting TBC Group's Net-Zero GHG emissions targets
- Resource and energy efficiency
- Green and Social Impact Procurement



TBC LEASING

A wholly owned subsidiary of TBC Bank, TBC Leasing offers an alternative source of financing to our retail and business clients. As of the end of 2024, it had an 86% share of the leasing market in Georgia.

TBC Leasing's technical know-how, specialist knowledge and expertise enable the company to offer its clients all-round asset finance solutions and other complementary advisory services, including financial leasing, operating leasing, and sale and leasebacks, all of which are tailored to the individual customer's needs. The company serves both individual customers and businesses operating across Georgia through authorised representative dealerships, vendors, direct sales channels, and TBC Bank branches.

GEL 40 mln

Sustainable portfolio target for 2024 was achieved

GEL 15 mln

green public bonds placed on the market. Bonds denominated in the national currency for the second year in a row

69%

share of electric and hybrid cars was achieved in TBC Leasing's car fleet. New charging outlets were installed in offices to also incentisize employees

20%

decrease in paper use as a result implementing a company-wide policy for using Signify

TBC Leasing pays close attention to its corporate social responsibility through activities such as publishing a periodic CSR Report, setting annual targets for water, paper and energy use reduction, and engaging in green and social impact procurement. In 2024, TBC Leasing carried out inspections of all water consumption points on its premises to eradicate cases of inefficient resource use. In the coming year, the company will analyse its direct GHG emissions and potential for increased renewable energy use to establish a net-zero performance pathway. As a responsible employer, TBC Leasing commits to maintaining a 50% share of women in middle managerial positions and is in the process of incorporating ESG considerations into the risk appetite statements.

TBC Leasing's ESG Strategy

In 2024, TBC Leasing continued its organisational focus on alignment with the Environmental, Social, and Governance (ESG) strategy, solidifying its commitment to sustainability and responsible business practices. This year's ESG highlights constitute the following:

To keep demonstrating corporate social responsibility, TBC Leasing has outlined the following goals for 2025 ESG Strategy:

- GEL 45 million sustainable loan portfolio has been set.
- 2.5% reduction target of direct GHG emissions by the company has been set.
- Set net-zero direct performance goal and develop a transition plan.
- Develop methodology for measuring indirect emissions aligned with the TBC Bank methodology.

TBC Leasing Wins Corporate Sustainability Award

The seventh "Corporate Sustainability Award – Business for Sustainable Development Goals" ceremony was held by the UN Global Compact Network Georgia. TBC Leasing won in the SDG17 - Partnerships for the Goals. The company received the award for financing solar photovoltaic projects with the support of the Green Growth Fund (GGF) credit line. The jury especially highlighted the company's long-term strategy, which focuses on financing sustainable and eco-friendly projects.

A significant portion of the projects financed by TBC Leasing focused on environmental protection and renewable energy, including solar panels and small hydroelectric power plants. The company also supports the development of energy-efficient agricultural and industrial assets. As of 2024, TBC Leasing's green portfolio amounted to GEL 40 million.

TBC CAPITAL

TBC Capital is the leading provider of investment banking services, brokerage, and research solutions in Georgia.

The company offers a full range of financial services from structuring and executing deals to advising on complex corporate transactions. TBC Capital includes four main directions:

- Consultation related to capital markets (Debt Capital Market, Asset Capital Market);
- Consultation related to corporate finances;
- brokerage and research

TBC Capital continues to grow by expanding its expertise across a growing number of industries and by completing multiple consulting and valuation projects for private investors, as well as large corporates with international shareholder bases.

TBC Capital's ESG Strategy

TBC Capital keeps in mind to ensure adherence to the sustainability and ESG values in its rapidly expanding scale. Main focus areas constitute green bond issuance and integration of climate-related risks into key processes.

Highlights from 2024 are the following:

USD 300 mln

green bonds[1] issuance facilitation by TBC Capital

USD 20 mln

sustainability bonds[2] issuance facilitation by TBC Capital

TBC Capital published a research paper for its clients, analyzsng climate-induced changes on business and green financing opportunities

50%

Share of women was maintained in key managerial positions as well as in total staff in 2024. Also in this year, TBC Capital successfully adopted Human Rights and DEI policies

In 2024, TBC Capital facilitated the issuance of USD 300 mln Green Eurobonds by Georgia Global Utilities JSC. TBC Capital considers the indirect environmental impact as its pivotal ESG pillar. Hence, the company places strong emphasis on awareness-raising among existing and potential clients to push for green and sustainable bond issuance. TBC Capital published an overview of climate change consequences and an outlook on key sectors relevant to its clients. In 2025, the company is further planning to add an ESG Investments feature in its mobile bank investments module and facilitate two more green or sustainable bond issuances in Georgia.

TBC Capital outlined the following goals for the 2025 strategy:

- Adding a designated portfolio for ESG investment opportunities for clients in the mobile bank app.
- Implementing awareness-raising activities to incentivize ESG investments among customers.
- USD 360 mln target for Green and Sustainability bonds issuance.
- 100% target set for employees undergoing environmental and social training to strengthen ESG integrity within organisation.

1 Issued by JSC Georgian Global Utilities. Use of Proceeds: Finance and/or refinance eligible green projects
2 Issued by JSC Basis Bank. Use of Proceeds: Financing/refinancing green and social products.

TBC PAY

TBC Pay is the leading payments provider in Georgia, offering convenient payment solutions to customers via its wide network of self-service terminals.

TBC Pay was launched in 2008, since when it has established itself as the largest payment service provider in Georgia. Currently, the company operates around 4,300 self-service terminals throughout the country, as well as online and mobile applications.

TBC Pay places customer experience at the centre of its priorities. In 2024, the organisation further diversified its payment products and enhanced the security and efficiency of its network infrastructure.

TBC Pay's ESG Strategy

TBC Pay first developed its ESG strategy in 2023. Since then, the company has maintained focus on meeting its ESG targets and integrating this vision into all its operations. As a digital business, energy consumption lies at the core of TBC Pay's ESG focus.

Highlights from 2024 include the following:

5%
reduction in electricity, water and gas consumption was achieved

GEL 22,800
invested in green and social impact procurement

50%
benchmark for women in key management positions was achieved

A company-wide policy was implemented for separated collection and recycling of paper and plastic waste

Ensuring efficient resource use is a key driver of TBC Pay's ESG efforts. The company is carrying out negotiations to install solar panels on its premises to decrease its carbon footprint, as well as conducting research to identify ways to reduce fuel usage from cars serving its vast self-service terminal network. As a part of CSR efforts, from 2025, TBC Pay will start E&S screening of its key long-term contractors, ensuring ESG awareness is disseminated along the supply chain. Furthermore, the company plans to analyse waste generation statistics and develop a waste management plan, focusing on hazardous waste management related to terminal maintenance.

TBC Pay outlined the following goals for the 2025 strategy:

- Analysing waste generation volumes and developing a waste management plan.
- 30% of women employed in ICT, risk and finance.
- Renewing the ESG risk appetite framework and continuous control of this metric.
- Implementing E&S screening of long-term contractors in all its business operations.

Space **Int.**

Space International facilitates TBC Bank Group PLC's global expansion efforts, catalysing digitalisation and integration of cutting-edge technologies in banking.

In 2018, TBC successfully introduced the Space, a pioneering neobank in Georgia. Building upon its success, subsequent efforts were directed towards the launch of a fully digital bank in Uzbekistan, TBC UZ, in 2020. In a significant move towards enhancing its foothold in the Uzbek market, the Group acquired Payme, a prominent local payments provider, in 2023.

Presently, Space International assumes digital backstopping of TBC Uzbekistan, providing the company with top-tier professional services.

GEL 450,000
allocated for employees' personal development efforts

As a part of the Environmental and Climate Change Policy, all single-use items acquired were biodegradable

Space International unites a diverse team of Uzbek, Georgian, and international experts. The company places a strong emphasis on being a responsible employer and creating a healthy work environment for its employees. The company successfully reached the 50% benchmark for women in key managerial positions and has set out a goal for increasing the share of women employed in ICT, risk, and finance by 6 percentage points in 2025. As for the company's environmental impact, Space International plans to join the Tech Zero group and develop a transition plan towards its Paris Agreement alignment efforts. The company will also focus on improving e-waste management as an important component of its Environmental and Climate Change Policy implementation efforts. To ensure responsible business operations, Space International has integrated E&S screening into its KYP Procedure.

Space International's ESG Strategy

Space International is committed to being an environmentally and socially conscious company, taking stock of its negative environmental impact and directing efforts towards ensuring a healthy working environment. ESG strategy implementation is key to reaching these objectives.

Highlights from 2024 include the following:

80%
of employee participation in ESG and gender equality trainings

39%
share of women employed in ICT, risk and finance

50%
benchmark for women in key management positions was achieved

Space International outlined the following goals for the 2025 strategy:

- Plastic-free operations: 100% reduction of plastic used in direct operations
- Increasing in the share of renewable energy used
- Setting a net-zero target and establishing a transition plan for Paris Agreement alignment
- Continuing the focus on employees' personal development efforts by providing free access to online academies, conference invitations, mental health services, and training materials in different languages

TNET

TNET is a leading digital ecosystem in Georgia which integrates 10 different digital platforms and 5 mobile applications, facilitating users to easily access various types of services and products.

TNET is a leading digital ecosystem in Georgia, which integrates eight different digital platforms and five mobile applications, enabling easy access to a range of products and services. Over the course of 2024, TNET had 37 million visitors accessing a range of online services across four verticals including lifestyle (ticketing and coupons), auto and real estate classifieds, and e-commerce. In 2024, TNET opened a new registration office providing services for automotive customs, real estate, and business registration. Furthermore, new functionals such as myjobs.ge, myparts.ge, mymarket, and superapp were integrated into the interface.

TNET's ESG Strategy

Along its rapidly expanding geographical and digital coverage, TNET keeps its organisational focus on meeting ESG goals and ensuring that the company grows in an environmentally and socially conscious manner.

Highlights from 2024 include the following:

90%
reduction in paper use - paperless business model implemented

Awareness-raising among customers through highlighting ESG topics in its blog

Gamification elements integrated into the Superapp, including ESG components

40%
of women in middle managerial positions was achieved

TNET considers awareness-raising and inclusion as key components of its CSR efforts. The company maintains an online blog for its users, where ESG topics are often highlighted, such as e-waste management in the circular economy and integration of green technologies into the startup ecosystem. TNET is targeting social inclusion through digitalising services tailored to youth, women, and the rural population. Furthermore, the company is working to develop green and social features for products and services to incentivise responsible consumption among customers. Internally, the company has increased its target for women in middle managerial positions and also plans to incorporate ESG KPIs linked to remuneration to strengthen the governance pillar. In 2024, TNET has also established collaboration with a local plastic-recycling enterprise that collects the plastic waste from TNET's offices, ensuring a step forward towards circularity.

TNET outlined the following goals for the 2025 strategy:

- Designing green and social features for products/services.
- Developing internal capacity for measuring direct GHG emissions and set a net-zero transition pathway.
- 45% of women in middle managerial positions.
- Establishing an internal reporting and audit system to constantly keep track and improve ESG strategy implementation target.

TBC INSURANCE

TBC Insurance is Georgia's leading provider of retail non-health insurance with a 17.2% market share as of 31 December 2024.

TBC Insurance is a wholly owned subsidiary of TBC Bank. The organisation provides both retail and corporate insurance in non-health and health insurance segments. TBC Insurance is the market leader in non-health insurance with a total non-health market share of 23.5%. The non-health services provided by TBC Insurance cover motor, travel, personal accident life, property, business property, liability, cargo and agro products.

TBC Insurance entered the health insurance market in 2019, aiming to target the premium segment through convenient offerings and best-in-class customer experience, with a strong focus on digitalisation. Throughout 2024, TBC Insurance issued 85,998 health insurance policies.

TBC Insurance's ESG Strategy

The implementation of the ESG strategy is one of the focus areas for TBC Insurance. The company had some notable achievements in 2024 towards reaching the ESG goals defined at the beginning of the year.

Highlights from 2024 include the following:

96.2%
employee participation in DEI online course

2%
target for reduction in electricity and consumption was achieved

50%
benchmark for women in middle management positions was achieved

32%
share of women employed in ICT, Risks and Finance

TBC Insurance covers a diverse list of sectors, which highlights the exposure of its business processes to ESG-related risks and opportunities. An important step forward for the company will be to develop an ESG risk assessment methodology for its services and use these findings as input for determining the insurance premium. The company will commence these efforts in 2025, coupled with the evaluation of alignment with the Paris Agreement through measuring the carbon footprint of its financed emissions. Internally, TBC Insurance has managed to meet its resource use reduction targets in 2024 by replacing all incandescent bulbs with LED lights and switching from single-use plastic cups to paper cups that get recycled. In the coming year, TBC Insurance will further strengthen focus on its direct environmental impact through building internal capacity for the company's GHG emissions calculation and management.

TBC Insurance outlined the following goals for the 2025 strategy:

- Develop ESG risk assessment methodology and incorporate it into the insurance premium framework
- Review and update the methodology for fuel, gas and electricity consumption calculations and incorporate a tool for measuring the company's direct GHG emissions.
- Increase the share of women employed in ICT, Risks and Finance to at least 35%.
- Growth of insurance portfolio for the low-income segment.

UFC

With the widest and most diverse network of card system services in the country, United Financial Corporation (UFC) currently serves 19 financial institutions in Georgia.

The objective of United Financial Corporation (UFC) is to offer sustainable, flexible and secure innovative payment tools to clients and partners through high-tech, internationally certified services. Established in January 1996, it was the first processing centre of its kind in Georgia. The company provides full range of services in line with the requirements of VISA International, Mastercard Worldwide, UPI regulations and PCI (Payment Card Industry) data security standards.

In 2024, UFC added the slogan "For the Environment. For the Future" to its company profile as an awareness-raising measure that also highlights the company's commitment to ESG values. For the upcoming year, UFC plans to target the reduction of fuel, gas and electricity consumption as a step forward in its Paris Agreement alignment pathway. To achieve this, options for increasing the use of renewable energy will be analysed, primarily focused on installation of solar panels on company premises, and adding more electric/hybrid cars to the company's fleet will be prioritised. UFC will also demonstrate CSR efforts through carrying out green and social procurement initiatives and enhancing ESG training accessibility and requirements employees.

UFC's ESG Strategy

In 2024, UFC continued its progress in the integration of ESG principles into its operations. The company followed the ESG strategy roadmap to carry out relevant actions.

Highlights from 2024 include the following:

30%
share of women employed in ICT, Risk and Finance

Updating the ESG questionnaire for long-term contractors, covering a broader range of ESG topics in more detail

According to the Human Rights policy, implementing family support initiatives for employees and increasing budget allocation in this field

Providing eco-friendly and biodegradable gifts for employees, for awareness-raising purposes

UFC outlined the following goals for the 2025 strategy:

- 100% target set for employees undergoing environmental and social training to strengthen ESG integrity within organisation.
- Updating the company's car fleet to increase the use of electric or hybrid models.
- Implementing green and social procurement initiatives.
- Integrating ESG into risk appetite.

TBC BANK

TBC UZ is the first digital bank in Uzbekistan, with the ambition of transforming traditional daily banking into a much simpler, more transparent and intuitive experience.

TBC UZ is a leading digital bank in Uzbekistan and became a part of TBC Group upon entering the Uzbek market in 2019. TBC UZ focuses on developing rapid digital solutions to enhance customer experience and drive innovation in the banking business. TBC Bank Uzbekistan unites TBC UZ along with Payme – a digital payments app, and Payme Nasiya – an installment credit business. In 2024, TBC Bank Uzbekistan accumulated more than 17 million unique visitors and secured significant capital investment from TBC Bank Group PLC, aiming for further expansion of services. At present, TBC UZ offers a wide range of digital banking services to its retail customers through an online banking app and more than 100 portable service points around the country.

434 kg
paper collected and recycled

USD **1.9** mln
social procurement target for the past three years cumulative achieved

Implementing "She Loves Tech" – an initiative supporting women-led tech startups

40%
target for women in executive managerial positions achieved

As a commercial bank, TBC UZ ensures its focus on the environmental indirect impact pillar of ESG. In 2025, TBC UZ is going to branch out into the corporate loans segment, which will be followed by establishing an E&S risk management procedure for this product. At the same time, the company plans to establish an E&S screening procedure for its long-term contractors, ensuring alignment with ESG principles across its supply chain. In the coming year, the company will calculate its direct, as well as indirect GHG emissions in line with the Paris Agreement pathway and plans to verify the financed emissions data. In 2025, TBC UZ will identify its sustainable loan portfolio growth target. TBC UZ also plans to enhance its strategic focus on collaborating with IFIs that will require more rigorous ESG reporting system both internally and externally.

TBC UZ's ESG Strategy

Recognised as the largest digital bank in the country, TBC Bank Uzbekistan is committed to highlighting ESG values and operating in line with its corporate social responsibility. This year, the company took important steps towards the implementation of its ESG strategy.

Highlights from 2024 include the following:

TBC UZ outlined the following goals for the 2025 strategy:

- 100% target set for employees undergoing environmental and social training to strengthen ESG integrity within organization.
- 90% of plastic waste collected and recycled.
- Develop target for Sustainable Loan Portfolio growth.
- Implementing green and social procurement initiatives.
- Establishing E&S risk management procedure for corporate loan assessment.

TBC Bank Uzbekistan advances women's empowerment in tech through strategic partnerships

From April to September 2024, TBC Bank Uzbekistan served as a community partner in the implementation of the She Loves Tech initiative - a global platform dedicated to empowering women in the technology sector. The competition spotlighted 127 innovative, female-led start-ups from the Central Asian region.

In October 2024, TBC Bank Uzbekistan signed a memorandum of cooperation with Women in Tech Uzbekistan, an inclusive community committed to fostering empowerment, diversity, and innovation within the technology sector. These agreements lay the groundwork for long-term collaboration and establish a framework for initiatives aimed at empowering women in Uzbekistan's IT industry.

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GRI Content Index

GRI Content Index

This report has been prepared in accordance with GRI Standards. The table below includes the list of standards and specific disclosures referenced in this report and indication of reporting status for each disclosure

Disclosure Number	Disclosure Title	Location within Report (Section)	Page(s)	Omission
GRI 1: Foundation 2021 [GRI 101 does not include any disclosures]				
GRI 2: General Disclosures 2021				
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2-2	Entities included in the organization's sustainability reporting	01. Who We Are	5	
2-3	Reporting period, frequency and contact point	02. About This Report	21	
2-4	Restatements of information			
2-5	External assurance			
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2-12	Role of the highest governance body in overseeing the management of impacts	06. Governance and Sustainability management	65	
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2-18	Evaluation of the performance of the highest governance body	06. Governance and Sustainability management	65	
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2-21	Annual total compensation ratio	06. Governance and Sustainability management	65	

Disclosure Number	Disclosure Title	Location within Report (Section)	Page(s)	Omission
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2-27	Compliance with laws and regulations	07. Ethics and Integrity; 12. Responsible Banking	79 167	
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5. STAKEHOLDER ENGAGEMENT				
2-29	Approach to stakeholder engagement	03. Stakeholder Engagement	27	
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201-2	Financial implications and other risks and opportunities due to climate change	08. Our Economic Impacts; 09. Environmental Responsibility	87 97	
201-3	Defined benefit plan obligations and other retirement plans	According to Georgian legislation, starting from January 1, 2019, the accumulated pension system is mandatory for legally employed people under 40, for those above the age of 40 enrolment in the programme is voluntary. This system applies to employees of both the public as well as private sectors. The system works on a 2+2+2 scheme. Each employee, employer and the government make a contribution of 2% of the gross volume of the employee's income to an individual retirement account. TBC does not have any other retirement plan of its own beyond mentioned one.		
201-4	Financial assistance received from government	No financial assistance has been received from government.		
MARKET PRESENCE				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	There is no minimum wage set. For gender pay gap, please see Chapter 10 Responsible Employer	117	
202-2	Proportion of senior management hired from the local community	The senior management of TBC Bank is hired from the local representatives.		

Disclosure Number	Disclosure Title	Location within Report (Section)	Page(s)	Omission
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303-2	Management of water discharge-related impacts	09. Environmental Responsibility	97	
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304-2	Significant impacts of activities, products and services on biodiversity	12. Responsible Banking	167	
304-3	Habitats protected or restored	12. Responsible Banking	167	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	12. Responsible Banking	167	
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305-1	Direct (Scope 1) GHG emissions	09. Environmental Responsibility	97	
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305-3	Other indirect (Scope 3) GHG emissions	09. Environmental Responsibility	97	
305-4	GHG emissions intensity	09. Environmental Responsibility	97	
305-5	Reduction of GHG emissions	09. Environmental Responsibility	97	
305-6	Emissions of ozone-depleting substances (ODS)	N/A		
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	N/A		
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306-1	Waste generation and significant waste-related impacts	09. Environmental Responsibility	97	
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Un Global Compact COP Index

Un Global Compact COP Index

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Glossary

Active customers	Clients who have at least one active product or performed at least one transaction during the last 3 months.
Active retail digital users	Includes unique digital users of TBC Bank, Space app and TBC Pay mobile app, who logged in at least once for the past 3 months.
Active merchant terminals	Active merchant terminals include POS terminals and e-commerce with at least one transaction conducted during the month.
Bank	Joint Stock Company TBC Bank
Board	Board of Directors of TBC Bank Group PLC
Chairperson	Chairperson of Board of Directors of the Company
Code	The UK Corporate Governance Code
Company	TBC Bank Group PLC
Corporate and Investment Banking (CIB) segment	A legal entity/group of affiliated entities with an annual revenue exceeding GEL 15.0 million or which has been granted facilities of more than GEL 6.0 million. Some other business customers may also be assigned to the CIB segment or transferred to the micro, small and medium enterprises (MSME) segment on a discretionary basis. In addition, CIB includes wealth management (WM) private banking services to high-net-worth individuals (HNWI) with a threshold of USD 250,000 on assets under management (AUM), as well as on discretionary basis
Director(s)	Members of the Board of TBC Bank Group PLC
ENPS (Employee Net Promoter Score)	The employee net promoter score measures employee loyalty and reflects the likelihood of our colleagues recommending their workplace to their friends and family
Group	TBC Bank Group PLC and its subsidiary companies
Management Board	Management Board of Joint Stock Company TBC Bank
MSME (Micro, Small and Medium) segment	Business customers who are not included in the CIB segment
NPS (Net Promoter Score)	Net promoter score measures how willing customers are to recommend our products and services to others.
Retail segment	The retail offloading ratios measures the share of transactions conducted in our remote channels, that is outside the branches.
Supervisory Board	Supervisory Board of Joint Stock Company TBC Bank
TBC Bank	TBC Bank Group PLC and its subsidiary companies
TBC Bank Group PLC	A public limited company registered in England and Wales. It is the parent company of JSC TBC Bank (the Bank) and a group of companies that principally operate in Georgia in the financial sector and other closely related fields. TBC Bank Group PLC is listed on the London Stock Exchange under the symbol TBCG.
TBC JSC	Joint Stock Company TBC Bank
TBC PLC	TBC Bank Group PLC
TBC UZ	JSCB TBC Bank in Uzbekistan, subsidiary of the TBC Bank Group PLC

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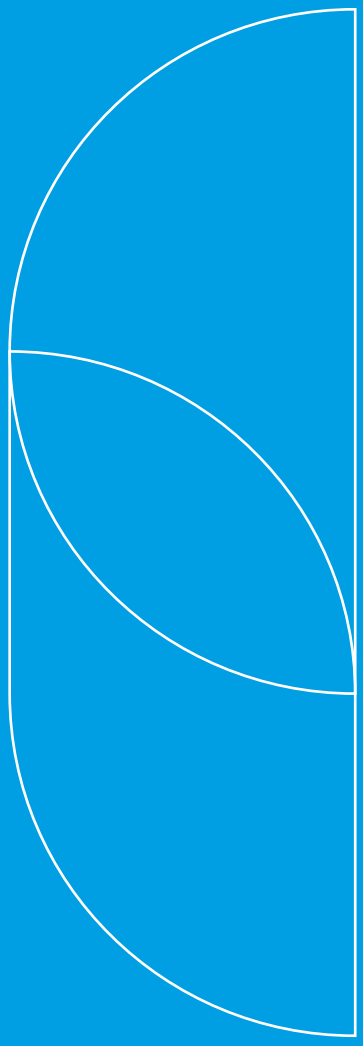
Acknowledgement: We would like to thank our graphic designers for their excellent work on the Sustainability Report 2024: Mariam Zaldastanishvili for creating and implementing this inspiring design, Sopo Kvantaliani and Shota Dograshvili for unconditional support throughout the whole process. Thank you for your invaluable contributions and for making this report a visual success.