



TBC BANK
Group PLC

Deepening our Footprint, Reinforcing our Leadership



TBC Bank Group PLC

2025

We combine a leading financial services group in Georgia with a fast-growing digital financial ecosystem in Uzbekistan

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.

Contents

Strategic report, 6 — 169 pages

Overview	Who we are	9
	Our proven track record of growth and profitability over the past decade	10
Reflections from the top	Chairman's statement	12
	CEO letter	14
Our strategic approach	Our operating environment	16
	Adapting to evolving market trends	18
	Our business model	20
	Our strategic priorities	22
	Our key performance indicators	24
Business review	Our business in Georgia	28
	Our business in Uzbekistan	54
Financial review	Financial review	62
Risk review	Risk management	72
	Material existing and emerging risks	76
	Going concern and viability statement	100
Non-financial and sustainability information	Our approach to customers	102
	Our approach to employees	106
	Our approach to community	114
	ESG Strategy	120
	Climate-related financial disclosures 2025	128
	Non-financial and sustainability information statement	160
	Stakeholder engagement & s172 statement	162

Governance, 170 — 251 pages

Our Executive Committee	172
Our Board	174
Corporate Governance Statement	180
Corporate Governance and Nomination Committee Report	192
Audit Committee Report	198
Risk Committee Report	208
Human Resources and Remuneration Committee Report	214
Directors' Remuneration Report	218
Technology, Data, AI and Cybersecurity Committee Report	236
ESG & Ethics Committee Report	240
Directors' Report	244
Statement of directors' responsibilities in respect of the financial statements	250

Financial statements, 252 — 397 pages

Independent auditors' report to the members of TBC Bank Group PLC	254
Consolidated statement of financial position	262
Consolidated statement of profit or loss and other comprehensive income	263
Consolidated statement of changes in equity	264
Consolidated statement of cash flows	265
Separate statement of financial position of TBC Bank Group PLC	266
Separate statement of changes in equity of TBC Bank Group PLC	267
Separate statement of cash flows of TBC Bank Group PLC	268
Notes to the consolidated and separate financial statements	269

Additional information, 398 — 408 pages

Glossary	400
Alternative performance measures	402
Abbreviations	407
Shareholders information	408

1

Chapter

Strategic report



Who we are

TBC Group operates through two distinct but complementary businesses: a market-leading universal bank in Georgia, and a high-growth mobile-only digital financial ecosystem in Uzbekistan built from the ground up.

TBC's unique mix of businesses and strong fundamentals delivers compelling outcomes, enabling a combination of growth, profitability and capital returns to shareholders.

Total operating income	Net profit	ROE
GEL 3.4 bln +20% YoY	GEL 1.4 bln +9% YoY	24.2% -1.4pp YoY
Gross loan portfolio ¹	Deposit portfolio	Registered users
GEL 30.2 bln +12% YoY ²	GEL 25.7 bln +13% YoY ²	26.6 mln +22% YoY
Digital MAU	Digital DAU/MAU	NPS ³
7.3 mln +5% YoY	36% +1pp YoY	68% +5pp YoY

¹ Includes finance lease receivables.

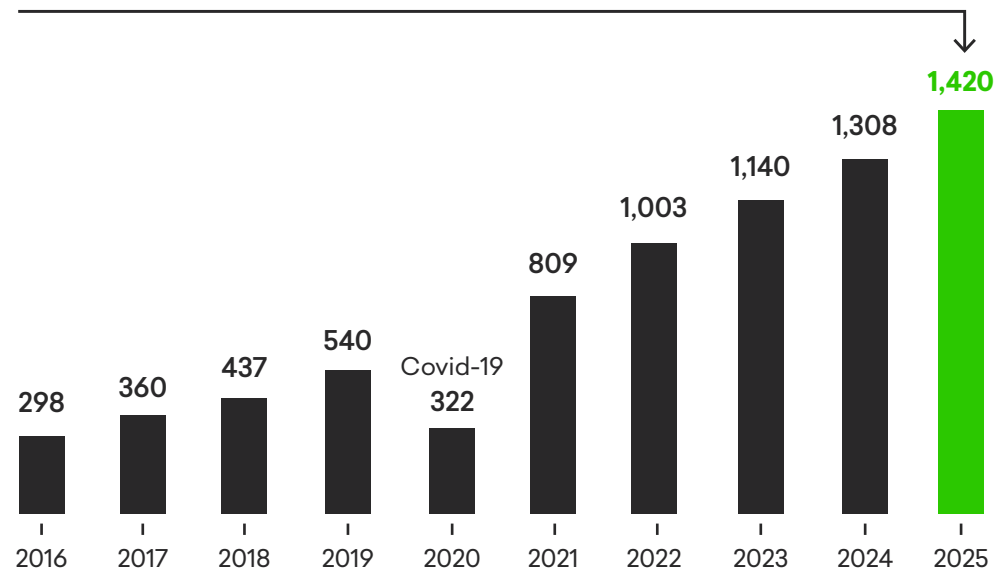
² Growth in constant currency.

³ The Net Promoter Score (NPS) was measured based on a survey conducted by the independent research company Sonar in December 2025 for Georgian bank retail customers.

Our proven track record of growth and profitability over the past decade

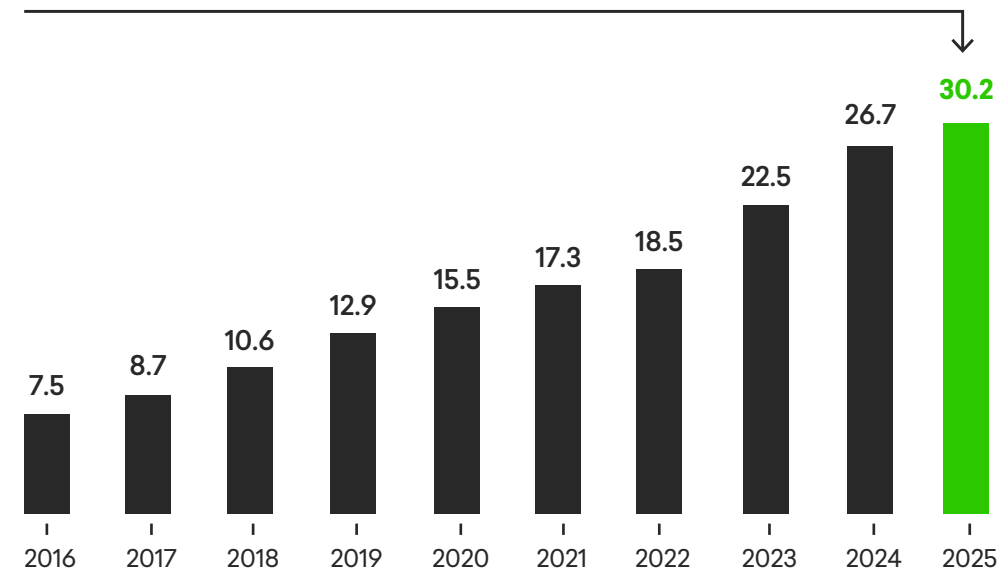
Net profit (GEL mln)

CAGR 19%

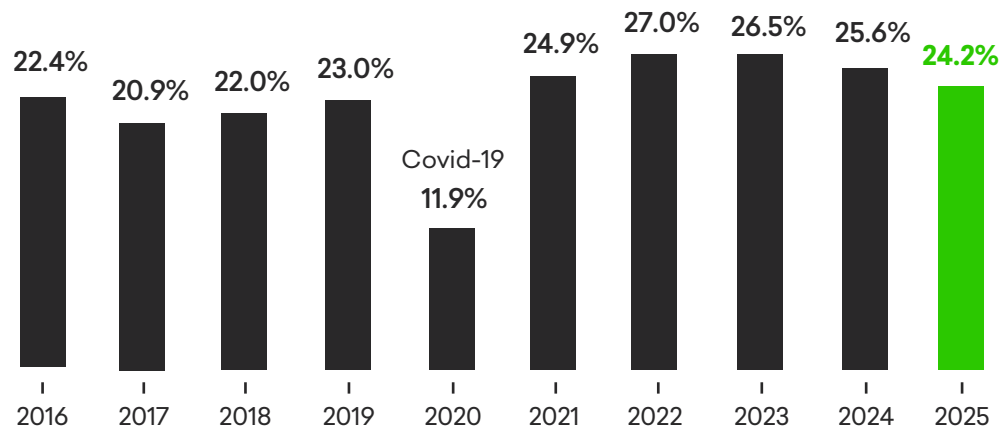


Gross loan portfolio (GEL bln)

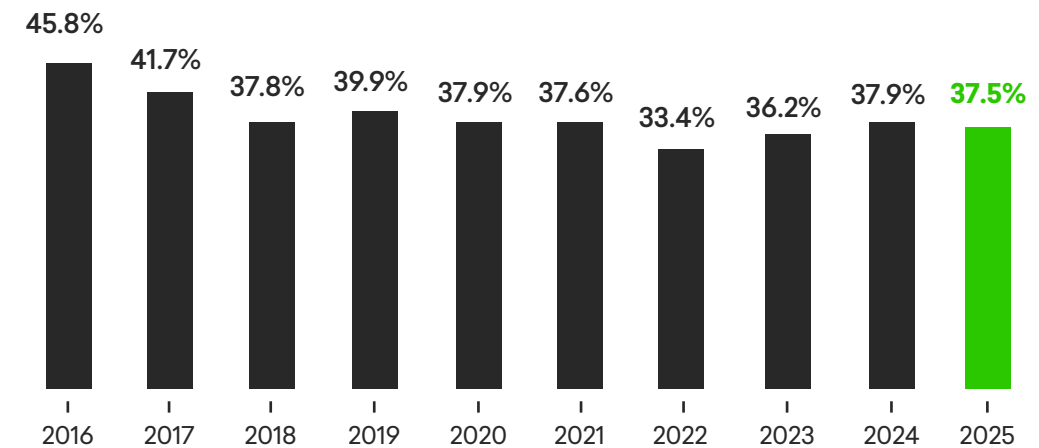
CAGR 17%



Return on equity (ROE)



Cost to income





Chairman's statement

DEAR SHAREHOLDERS,

2025 was a year that once again demonstrated the strength, resilience, and adaptability of our Group. Against a backdrop of continued regional uncertainty and an evolving operating environment in Uzbekistan, we delivered a robust financial performance, driven by disciplined execution and strategic focus.

We remain committed to delivering long-term shareholder value through sustainable growth and disciplined capital allocation. In 2025, the Group delivered a record net profit of GEL 1.4 billion, representing growth of 9% year-on-year. This reflects the strength of our business model, the resilience of our organisation, and the continued investment in capabilities across our markets.

Our strong profitability allows us to continue investing in future growth while also providing attractive returns to shareholders. In this context, the Board has proposed a total dividend of GEL 8.87 per share for the year, representing a 10% increase year-on-year. This corresponds to a payout ratio of 35%, or 40% including the GEL 75 million share buyback programme, at the upper end of our target range.

STRATEGY IN ACTION: STRENGTHENING THE CORE AND SCALING FOR THE FUTURE

We operate across two highly attractive and complementary markets. Georgia provides a strong, well-established platform where we generate consistently high returns, while Uzbekistan offers significant long-term growth potential as one of Central Asia's most dynamic and underpenetrated banking markets.

The unique strengths of the TBC Group continue to underpin our consistent long-term value creation. In Georgia, we are a proven leader across the financial services market, operating a highly digitalised business that enables us to generate consistently high returns. In Uzbekistan, we are scaling one of Central Asia's most dynamic digital ecosystems, built from the ground up on proprietary technology and a mobile-first philosophy. This combination enables us to deliver both sustained high profitability and dynamic growth, an attractive combination for our shareholders.

Georgia: reinforcing leadership, targeting focused growth

Georgia remains the anchor of the Group's performance and capital generation. Within our home market, we continue to solidify our #1 positions across corporate and investment banking (CIB), MSME, and affluent retail segments.

Our CIB business remains a core driver of growth and profitability in Georgia, accounting for a significant share of earnings. As the leading financial partner to the country's corporate sector, we work with 93 of the top 100 companies in Georgia, reflecting the depth and strength of our franchise and our central role in supporting the real economy. This position is underpinned by strong client relationships, disciplined risk management and consistent execution. In parallel, we continue to advance our leading MSME business, substantially grow our affluent segment, deepen engagement across our broad customer base, and expand our product offering, including the development of the largest and most sophisticated mobile investment platform in Georgia, all underpinned by our deep commitment to delivering a seamless customer experience.

As outlined at our recent Strategy Day, we see a clear opportunity to strengthen our position further in selected segments of the Georgian market. In particular, mass retail and payments are key strategic focus areas where we aim to achieve market leadership and further expand our franchise.

Our investments over the past couple of years in bringing our digital banking infrastructure in-house are now bearing fruit, as can be seen in our award-winning mobile banking app and the strong progress we have made in digital customer acquisition, engagement (including tools such as our new AI in-app chatbot), and product sales. We realise much more needs to be done, both in further scaling up our mass retail banking platform and, as the financial sophistication and needs of our customers grow, expanding our wealth management businesses.

Uzbekistan: demonstrating growth, resilience and adaptability

In 2025, TBC Uzbekistan continued to make great strides in expanding its digital financial ecosystem. We strengthened our position in consumer lending and payments, expanded daily banking, and rolled out new verticals such as business loans, buy now, pay later (BNPL) and insurance. The acquisition of BILLZ deepens our reach among MSMEs operating in the retail sector and will, over time, help us connect more of our 6 million retail customers with our growing business customer base, boosting cross-sell, customer engagement and loyalty.

While momentum across our digital ecosystem remained strong, the year also reflected the evolution of a rapidly scaling business, particularly the need to rebalance our loan book towards MSME lending in response to evolving regulatory priorities aimed at developing the MSME sector. We view this as an important step in building a more diversified and sustainable franchise. We have made the necessary adjustments, laying the foundations for building a large, diversified business and we remain well positioned to deliver on our ambition of establishing Central Asia's leading digital financial ecosystem with 10 million customers by 2030.

ADVANCING GOVERNANCE TO SUPPORT SUSTAINABLE GROWTH

In 2025, the Board continued to strengthen the Group's corporate governance framework, ensuring alignment with leading international standards and best practices. The Board remains committed to maintaining a robust and forward-looking governance structure capable of supporting the Group's growing scale and operational complexity.

In order to enable the Group CEO, Vakhtang Butskhrikidze, to focus on the Group's strategic priorities in Georgia, Uzbekistan and internationally, George Tkhelidze has been appointed CEO of the Group's Georgian subsidiary, JSC TBC Bank, with effect from 12 March 2026. Mr. Tkhelidze brings strong leadership experience and a proven track record, having built our CIB franchise into the dominant player in the market over the past decade.

Alongside this, the Board maintained close oversight of the Group's risk management, internal control and compliance frameworks, further strengthening resilience. Looking ahead to 2026, we will ensure these continue to evolve in line with the Group's strategic ambitions, supporting disciplined and sustainable growth. The Board also focused on strengthening leadership capability, developing well-structured succession planning and talent management, and enhancing management depth through a combination of internal development and targeted recruitment. In parallel, we maintained close oversight of the Group's technology strategy and will continue to prioritise technological advancement, cybersecurity resilience, advanced analytics and the responsible use of artificial intelligence.

Alongside our governance priorities, we continued to advance our ESG agenda. Our sustainable financing portfolio grew by 32% year-on-year to GEL 2.3 billion, exceeding our 2025 target. We also strengthened diversity and inclusion across the organisation and further progressed our climate commitments, aligning our approach with the Paris Agreement pathway.

STRATEGIC PRIORITIES FOR THE YEARS AHEAD

We operate in two highly attractive markets with strong economic outlooks and benefit from a business model that combines growth, profitability and capital generation. With strong governance, disciplined risk management, advanced technology capabilities and deep management experience, we are well positioned to build further on this foundation. As outlined in our Strategy Day, our priorities for the coming year include further reinforcing our leadership in Georgia and strengthening our position in areas such as mass retail banking and payments, continuing to scale up our digital financial ecosystem in Uzbekistan, and investing further in digital capabilities across the Group to enhance customer experience, operational efficiency and long-term competitiveness.

In parallel, we will continue to assess selective growth opportunities beyond our existing markets, supported by the strength of our governance, risk management, technology and management capabilities.

On behalf of the Board, I would like to thank our management team and colleagues across both markets for their dedication, professionalism and entrepreneurial spirit. I would also like to thank our customers for their continued loyalty and trust, and extend my sincere gratitude to our shareholders for their ongoing support and long-term partnership. I would also like to extend my special thanks to Vakhtang Butskhrikidze for his longstanding leadership of the Bank and his continued leadership as Group CEO. His deep experience, strategic vision and understanding of our markets will remain critical as we execute our next phase of growth across Georgia, Uzbekistan and beyond.

We remain fully committed to building a stronger, smarter, and more sustainable TBC Bank Group for the future.

Arne Berggren
Chairman

7 April 2026



CEO letter

2025 was another strong year for TBC, as the Group delivered record earnings. Across both our markets, we continued to generate robust results while navigating a changing operating environment with resilience, discipline, and focus.

In Georgia, we further strengthened our high-performing franchise across retail, MSME, and corporate & investment banking. In Uzbekistan, we maintained rapid ecosystem growth and continued to advance our long-term ambition of building a digital financial ecosystem that is comparable to the best globally.

Three years ago, we set out an ambitious mid-term strategy focused on profitable growth, digital leadership, and capital strength. As we finish the final year of this cycle, I am proud of the scale of transformation we have achieved, the financial milestones we have delivered, and the strong foundations we have laid for our next phase of growth and development. While 2025 also brought its challenges, our resilient business model and deep market expertise leave us well positioned to capture opportunities and continue creating value in the years ahead.

As we prepare for the Group's next phase of growth, we have also taken important steps to further strengthen our leadership structure. Effective from 12 March 2026, George Tkhelidze became CEO of our Georgian banking subsidiary, JSC TBC Bank. This transition enables me to devote greater focus to the Group's overall strategic priorities across Georgia and Uzbekistan, as well as exploring international opportunities, while ensuring that our Georgian franchise continues to benefit from experienced leadership, deep institutional knowledge, and consistent execution.

DEEPENING OUR LEADERSHIP IN GEORGIA

We continue to deliver strong, profitable growth across all business and customer segments in Georgia. We are further solidifying our position in areas where we are the clear leader, such as CIB, affluent retail and MSME, while continuing to gain market share in segments where we see further room to strengthen our position, particularly in mass retail and payments.

Delivering a seamless and intuitive digital customer experience remains central to our strategy and continues to attract increasing numbers of customers to our best-in-class mobile banking platform. In 2025, our digital MAU increased by 24% as we added over 250 thousand users, bringing the total to over 1.3 million. Our digital engagement remains very high with a DAU/MAU ratio of 47%. Meanwhile, the share of consumer loans and deposits issued end-to-end digitally continued to increase, reaching 83% and 85%, respectively. I am delighted to say that these technological achievements were recognised with the Best Use of Tech in Consumer Lending award at the 2025 Banking Tech Awards.

Our CIB franchise further strengthened its position as the leading financial partner for Georgian companies, playing a central role in supporting the country's real economy, with deep and long-standing relationships across Georgia's largest corporates. In 2025, the loan book increased by 14% year-on-year on a constant-currency basis, alongside continued digital and AI-driven innovation. Wealth management AUM grew by 9% year-on-year to GEL 4.8 billion, driven by strong new client acquisition, enhanced advisory capabilities, expanded international reach, and a broader investment offering. In parallel, our MSME segment advanced meaningfully along its digital transformation journey, automating lending and onboarding, and deploying advanced AI solutions to enhance both customer experience and operational efficiency. Our retail loan book increased by 12% year-on-year on a constant-currency basis, driven primarily by fast consumer loans, supported by dynamic credit limits and a renewed end-to-end digital lending journey.

Daily banking continues to play a central role in our strategy towards becoming the most demanded payments solution. During the year, nearly 1 million TBC Cards were issued, activating new and dormant customers. In 2025, the number of affluent clients also grew by a

strong 49% and reached c.191 thousand. Alongside everyday banking, we continue to expand our investment and wealth offerings to meet our customers' increasingly sophisticated financial needs. Our in-app investment platform now serves more than 100 thousand customers, providing seamless access to investment products through the largest and most sophisticated mobile investment platform in Georgia.

Beyond financial services, we remain deeply committed to supporting Georgia's broader economic development. Through continued investment in entrepreneurship, education, and the development of the business ecosystem, we are strengthening our role as a long-term partner to the country's economy.

UZBEKISTAN: STRONG OPERATING MOMENTUM AMID MARKET ADJUSTMENTS

Our Uzbekistan business delivered strong growth in 2025 across all core pillars. Our loan portfolio grew 45% year-on-year to GEL 2.6 billion, while deposits increased by 40% year-on-year to GEL 1.5 billion, positioning TBC Uzbekistan among the top ten banks in retail lending, with a 4.2% market share, and in retail deposits, with a 3.8% market share. We also continued to scale our daily financial ecosystem, with around 950 thousand Salom Cards issued by year-end, improving activation and usage trends, and growing cross-sell into the wider ecosystem, including Payme, our payments market leader. Alongside that, we accelerated the build-out of our second major growth pillar, Business banking, following the launch of the fully digital TBC Business in late 2024 and the introduction of our first fully digital MSME lending product in April 2025, which was one of the earliest offerings of its kind in Uzbekistan. Business loans now account for over 15% of our total loan book in Uzbekistan. We also acquired a majority stake in BILLZ, a leading retail management SaaS platform serving over 5,500 MSME stores. This strengthens our reach in the strategically important MSME segment by integrating POS, inventory management, CRM and e-commerce tools into the ecosystem.

In parallel, we expanded our product offering through TBC Sug'urta, our digital insurance business, which obtained its life insurance licence in March 2025 and launched in April 2025. By year-end, it had issued over 400 thousand policies, with its initial credit life product seamlessly embedded in the TBC UZ app.

TBC Uzbekistan experienced some challenges in the operating and regulatory environment in 2025, particularly with regard to regulatory changes to promote MSME lending and slow down growth in consumer lending. We see these challenges and opportunities as a natural feature of building out new businesses in relatively underpenetrated markets. We have a highly experienced management team that is managing these dynamics effectively. The strong momentum in customer acquisition and engagement, alongside the rapid scaling of our MSME franchise in a market that is highly underserved, leaves us well-positioned to continue our ambition of growing a large and diversified business in the years ahead.

FOUNDATIONS OF OUR GROWTH

Our continued progress is underpinned by three core pillars: our people, our technology and data capabilities, and our disciplined approach to risk management.

Our people remain at the heart of our success. As TBC Group continues to grow across markets and business lines, we have renewed our cultural framework to reflect our values of teamwork, courage, accountability and customer focus, alongside a strong commitment to creating a supportive and inclusive environment where our employees can grow and succeed. Employee engagement remains strong, with an ENPS of 54%.

At the same time, we continue to strengthen our in-house digital platforms and cloud-based data architecture, embedding artificial intelligence across both customer journeys and internal processes to improve efficiency and decision-making. Our technology capabilities have been benchmarked as high or

elite and was recognised by Google Cloud's DORA Award for achievements in technology and team performance, which highlights our ability to operate independent, high-performing teams that deploy and improve systems efficiently. Our continued efforts to bring our digital platforms in-house, also enables us to leverage these capabilities as we explore opportunities for expansion into a third market.

This progress is underpinned by a robust enterprise-wide risk management framework that ensures disciplined growth, strong governance and the long-term resilience of our business model.

FINANCIAL HIGHLIGHTS

2025 was another year of strong financial performance. Operating profit reached GEL 3,390 million up by 20% year-on-year, underpinned by robust growth in both net interest income of 24% and fee and commission income of 19%. Over the same period, our operating expenses increased by 18%, resulting in a cost-to-income ratio of 37.5%. Cost of risk increased to 1.5%, compared with 0.8% a year ago, mainly driven by Uzbekistan operations. Overall, net profit amounted to GEL 1,420 million up by 9% year-on-year, and a record outcome delivering a return on equity of 24.2%.

PERFORMANCE AGAINST 2023-25 TARGETS

2025 marks the completion of the three-year, mid-term guidance plan that we launched in 2023. We are proud to have delivered strongly on several of our core strategic targets, achieving digital MAU of 7.3 million compared to a target of 7 million, ROE of 24.2%, above our 23%+ target, and a dividend payout ratio of 35% in 2023-25.

In Uzbekistan, we have comfortably exceeded the ambitious growth targets that we set ourselves. Digital MAU reached 6 million, above our guidance of 5 million, while the loan book grew at a CAGR of 90%, exceeding the 80% target. However, the operational and regulatory challenges that we faced during the year meant that we did not achieve our GEL 200 million net profit target for 2025 in Uzbekistan, and hence our GEL 1.5 billion Group target. Despite this, we have built a strong platform and a profitable business in Uzbekistan in just five years. Over the same period, Group earnings also grew by more than 40%.

FINANCIAL TARGETS OUTLOOK

We enter the next phase of our development with strong momentum. Our markets remain structurally attractive, and we see strong growth prospects in both Georgia and Uzbekistan over the next three to five years, creating significant opportunities for TBC to operate and grow in dynamic and fast-growing economies. Our digital and AI capabilities continue to deepen, and our strategy is clearly anchored in profitable growth, innovation, and resilience.

In late February 2026, we held a Strategy Day in New York at which we shared our financial targets for 2026-28: annual loan book growth of above 15%, annual ROE of above 23%, and payout ratio (including dividends and buybacks) in the range of 25-45%, including minimum 25% DPR and progressive dividend.

I have every confidence that our excellent team will deliver on these, enabling TBC to continue creating value for our shareholders.

The Strategic Report, as detailed on pages 6 to 169, was approved by the Board and signed on behalf of the Board by:

Vakhtang Butskhrikidze
CEO

7 April 2026

Our operating environment



Georgia

Population	Average age	Nominal GDP
3.9 mln	35-39	USD 38 bln
GDP per capita	GDP per capita, PPP	Gross international reserves
USD 10,169	USD 33,400	USD 6.2 bln
Monetary policy rate	Inflation	Credit ratings
8.0%	4.0%	FitchRatings BB stable

Note: GDP and GDP per capita refer to FY 2025; all other data points are as of December 2025.

Uzbekistan

Population	Average age	Nominal GDP
38 mln	29-34	USD 146 bln
GDP per capita	GDP per capita, PPP	Gross international reserves
USD 3,875	USD 13,330	USD 66.3 bln
Monetary policy rate	Inflation	Credit ratings
14.0%	7.3%	FitchRatings BB stable

Note: GDP and GDP per capita refer to FY 2025; all other data points are as of December 2025.

Adapting to evolving market trends

Economy

Georgia

From the economic perspective, 2025 was a year of relative alignment with long-term trends following a politically active 2024. Heightened tensions during the spring protests and following the October 2024 parliamentary elections reduced confidence in the GEL and raised uncertainty both domestically and internationally. Consequently, weaker sentiment and a tense backdrop weighed moderately on tourism and spending on durable goods in late 2024 and early 2025, creating pressure on the GEL that was largely offset by the central bank's active FX interventions.

While the political environment remained polarised throughout 2025, there was an evident recovery in spending dynamics from March onwards, with economic growth moderating from 9.7% in 2024 to 7.5%. In addition to solid real credit and wage growth, the robust economic print was also supported by stronger inflows from tourism, remittances, and an improved trade balance, which was driven by subdued import growth compared to relatively stronger exports – driving the current account deficit to stand at a historically low level. At the same time, increased net currency inflows, combined with a globally weakened USD and improved deposit larisation, allowed the NGB to replenish its international reserves to an historically high level of USD 6.2 billion. In 2025, it purchased more than USD 2.4 billion on the FX market, while the GEL strengthened by around 4.1% against the USD.

TBC Bank maintains a comprehensive stress-testing framework to assess and respond to the impact of increased volatility. In addition, the Group developed a range of post-election scenarios in 2024 and re-evaluated potential risks in 2025, allowing it to proactively manage its liquidity position and effectively mitigate capital and portfolio quality risks.

Uzbekistan

Uzbekistan demonstrated a strong economic performance in 2025, with GDP growth reaching 7.7%, up from 6.7% in 2024. External activity remained robust with USD-denominated exports growing by 21.8% year-on-year, largely supported by historically high gold prices. This was complemented by significantly higher remittances and resilient FDIs, while imports grew by around 19.4%.

Retail credit growth accelerated to 24.1% year-on-year, supported by strong dynamics in non-mortgage loans. Mortgage lending increased by 17.2%, while non-mortgage credit grew by 28.2%. At the same time, the gold price hike resulted in a substantial USD 25.1 billion (or 61%) increase in Uzbekistan's central bank reserves, while the UZS appreciated by around 7.4% against the USD. The Central Bank of Uzbekistan's (CBU) policy proved instrumental in controlling consumer price dynamics as inflation in the country notably decelerated. Combined with strong wage growth, this translated into materially higher purchasing power and repayment capacity for the Group's customers.

Despite these positive trends, the Group analysed a stress scenario reflecting the potential impact of a global economic slowdown and a decline in international commodity prices. While fiscal buffers and the CBU's international reserves are notably high, ongoing uncertainty, combined with a still strong USD and fluctuating oil and gold prices, remains a notable source of risk for Uzbekistan's economy.

Regulatory changes

Georgia

In 2025, the National Bank of Georgia (NGB) introduced regulatory amendments aimed at strengthening financial stability, promoting larisation, and enhancing consumer protection. Effective from 1 August 2025, loans and bank credits up to GEL 750,000 must be issued exclusively in the national currency, replacing the previous GEL 500,000 threshold. The requirement applies to lending organisations and covers credit facilities, scheduled payment obligations arising from guarantees, and letters of credit, and both individual and corporate borrowers. The GEL-only requirement does not apply where, following disbursement, the borrower's total exposure toward the same lender exceeds GEL 750,000, or where lending is extended to non-Georgian citizens or entities not registered in Georgia. Additional exemptions apply to fully cash-collateralised exposures in the same currency, refinancing or restructuring in the same currency without increasing the borrower's total obligations, and cases where the borrower generates sufficient income in the same currency that is not sensitive to exchange-rate fluctuations.

Further consumer-protection enhancements took effect on 1 May 2025, introducing clearer limits on commissions and penalties applied in cases of early repayment and refinancing by another financial institution. In such refinancing cases, financial institutions may now charge up to 0.5 percent of the prepaid principal for natural persons and for other clients whose total obligations with the same institution do not exceed GEL 2 million. For documentary operations (including guarantees, letters of credit, acceptances and other trade-finance instruments), the 0.5 percent cap also applies to such clients, while for non-natural persons with exposures exceeding GEL 2 million, the maximum fee is limited to 2 percent of the contractual documentary amount. In all cases, early repayment charges may not exceed the interest or commission that would have accrued over the remaining contractual term.

TBC Bank ensured timely compliance with these regulatory developments by updating its lending policies, eligibility criteria, systems, and client documentation to align currency denomination with borrowers' income structures and to reflect the revised limits on early repayment and refinancing fees. While the GEL-denomination requirement may moderately reduce the share of new foreign-currency lending, and the updated prepayment rules may limit fee flexibility in certain cases, no material financial impact is expected. This reflects TBC's strong capital and liquidity position, high level of larisation, prudent foreign-currency risk management, and historically conservative fee practices and client-transparency standards.

Uzbekistan

Since early 2025, the regulatory agenda in Uzbekistan has shifted materially in favour of promoting MSME lending, which is a national priority, while becoming increasingly cautious toward unsecured consumer lending, particularly microloans, to reduce inflation and prevent any potential overheating of the market.

In April 2025, the CBU announced regulatory changes introducing portfolio concentration limits. Under these changes, the respective shares of microloans, credit cards and car loans in banks' credit portfolios will each be capped at 25%. The regulation came into force on 24 July 2025, with banks required to fully comply by 1 January 2029.

In October 2025, the CBU communicated its decision to assign higher risk-weights for each of the following three product categories of retail loans – microloans, credit cards and overdrafts. Starting from July 1, 2026, the following risk weights will apply to the entire portfolio of each specific product category in accordance with the table below.

CBU-mandated share in the loan portfolio risk weight - Uzbekistan

from 25% to 50%	150%
from 50% to 75%	200%
from 75% to 100%	250%

In response to the CBU's preference for market recalibration, TBC Bank UZ has taken measures to rebalance its loan portfolio towards the MSME segment. This strategic shift is fully aligned with the evolving regulatory landscape and has always been part of our long-term strategic roadmap.

Competitive landscape

Georgia

Georgia's banking industry remains duopolistic and highly concentrated in structure, dominated by TBC Bank and Bank of Georgia, which jointly account for around 76%² of total system assets.

In 2025, TBC Bank strengthened its Corporate Banking leadership, sustaining the highest market share across major product categories, including loans at 43.6%².

Within the affluent segment, TBC Concept continued to lead the market, delivering a 14% year-on-year expansion of its loan portfolio on a constant-currency basis, resulting in an affluent loan market share of 52.8%³. Within mass retail, TBC outpaced the sector in the fast consumer loan segment, growing its Fast Consumer Loan (FCL) book by 36% annually and securing a market share of 31.5%². These results highlight the Bank's strategic emphasis on scaling unsecured lending and further broadening its overall portfolio mix.

Uzbekistan

Competition continued to intensify in Uzbekistan in 2025, with both banks and digital ecosystems accelerating their digital capabilities. TBC Uzbekistan competes simultaneously across multiple verticals, including retail banking and lending, payments, MSME banking and lending, lifestyle and adjacent digital categories. It is a top ten player in both retail lending and retail deposits and is now scaling up its MSME banking proposition.

Although the banking sector is still dominated by state-owned institutions, which hold around two-thirds of total assets, there is also a vibrant and competitive privately-owned banking landscape, including some other foreign players alongside TBC, such as Hungary's OTP Bank (Ipoteka Bank) and Kazakhstan's Halyk Bank (Tenge Bank).

The banking sector is tightly regulated, which continues to create meaningful barriers to entry, reinforcing the advantage of ecosystem players with scale, capital, licences, and established technology platforms.

Technology

Georgia

Technological advancements and artificial intelligence continue to reshape the financial services sector. In recent years, we have developed robust in-house digital platforms, significantly advancing the digitalisation of our products and processes. The Bank's modern, cloud-based data platform continues to provide a trusted, secure, and unified foundation for analytics, governance, and innovation across the organisation.

In 2025, TBC Bank advanced to the next stage of its data and AI transformation, transitioning from experimentation to large-scale impact through several key initiatives.

GenAI-powered chatbots, launched in the third quarter of 2025, now handle over 100,000 interactions per month with a 50% offloading rate. Internally, more than 70 workflows, from document processing to reporting, are already automated or AI-assisted. In addition, we deployed eight RAG-based (Retrieval-Augmented Generation) knowledge bases, which offer instant access to verified institutional knowledge across key functions, including risk, legal, operations, and HR.

Together, these advancements demonstrate how data and AI capabilities are now deeply embedded in TBC Bank's operating model, delivering tangible impact across customer experience, efficiency, and decision making.

In addition, TBC further strengthened its cybersecurity capabilities to support resilient digital growth and expansion. Development teams were empowered through secure coding trainings, promoting a culture of secure-by-design engineering. The group-level Security Operations Centre capabilities were enhanced with advanced threat intelligence, enabling faster detection and response to emerging threats.

Uzbekistan

In 2025, TBC Uzbekistan made further progress toward building an AI-driven digital bank by completing the formation of its core AI stack and modernizing the technological infrastructure that underpins its market-leading digital financial ecosystem.

We are leveraging AI to improve both the front and back end of our operations. Internally, we have launched a unified data platform to consolidate data streams and serve as the backbone for all future advanced data analysis, machine learning and AI initiatives. An AI-native software development lifecycle has also been introduced, helping foster an AI-native engineering culture that reduces time to market and improves performance across our DevOps team.

On the front end, we have rolled out AI agents across several use cases, driving efficiency gains and improving the customer experience. At the end of 2025, voice-based agents handled 90% of payment reminder calls for customers in early-stage delinquency, while our chat-based AI sales bot conducted 100,000 interactions per month.

Building on this success, we have further expanded the use of AI, launching a voice-based sales bot, as well as Lola - our AI Assistant - in Friends & Family Mode. The launch of Lola marks an important step in embedding AI-powered support into the customer experience and transforming the way its customers interact with the bank.

1 Preliminary estimate of Geostat.
 2 Based on data published by the National Bank of Georgia, as of 31 December 2025.
 3 Based on internal estimates as of December 2025.

Our business model

Our business model is underpinned by our commitment to providing exceptional financial services to customers in Georgia and Uzbekistan, which in turn supports strong customer acquisition and growth. We are building and sustaining market leading businesses within both countries, whilst leveraging the synergies between them to the overall benefit of each market and the Group.

In Georgia, over the past 30 years and more, we have created the country's leading financial services business, spanning corporate, affluent and mass retail, MSME, as well as a number of additional services in insurance, leasing, and digital lifestyle platforms. In Uzbekistan, we operate one of the world's fast-growing digital financial ecosystem across consumer and business banking.

What we deliver

<p>Universal financial services provider in Georgia coupled with a digital lifestyle ecosystem</p> <ul style="list-style-type: none"> • Retail, MSME, CIB & WM banking • Insurance, Leasing, TNET ecosystem 	<p>Fully digital financial ecosystem in Uzbekistan</p> <ul style="list-style-type: none"> • Consumer banking • Business banking for MSMEs
<p>Group-level synergies</p> <p>Our business units are interrelated and mutually reinforcing, creating a cohesive ecosystem that drives efficiency, enhances customer value, and fosters innovation. By leveraging shared expertise, digital capabilities, and centralised centres of excellence in governance, we deliver seamless experiences across geographies</p>	

How we deliver

<p>Digital-first strategy</p> <p>Continuous digital innovation throughout our business, based on cutting-edge technology</p>	<p>Prudent risk management</p> <p>Apply a risk-adjusted profitability approach in decision-making, ensuring the Group maintains a high degree of resilience</p>
<p>Data-driven approach</p> <p>Utilise our advanced data analytics capabilities and AI solutions to offer convenient and frictionless services for our customers and to optimise business processes</p>	<p>Outstanding team</p> <p>Attract, develop and retain the best talent while cultivating a strong culture</p>

How we create value for

<p>Colleagues</p> <p>Support our colleagues in their professional development and provide rewarding career opportunities</p>	<p>Customers</p> <p>Provide tailored solutions and the best possible customer experience for our clients</p>
<p>Community</p> <p>Support business development and foster job creation, as well as take an active part in CSR and ESG activities</p>	<p>Investors</p> <p>Continue to create value by generating sustainable returns for our shareholders and maintaining effective, long-term relationships with our debt holders</p>

Our strategic priorities

Our strategy aims to deliver our mission to make people’s lives easier

We achieve this through providing best-in-class financial services to individuals and businesses in Georgia and Uzbekistan. Each of our priorities has been carefully chosen and analysed to ensure that it contributes towards maintaining the Group’s high profitability, strong growth profile, and customer trust. As the contribution of our second market, Uzbekistan, grows, we continue to capitalise on shared knowledge, skills, and synergies across the Group to bring greater value.

<p>Increase digital engagement across the Group</p> <ul style="list-style-type: none"> • Drive productivity and efficiency through digital, automatised processes • Increase the number of digital active users and their daily engagement • Focus on increasing digital sales and offloading physical channels in Georgia 	<p>Continue enhancing our customer experience</p> <ul style="list-style-type: none"> • Be a reliable partner for our individuals and business customers • Design customer-tailored financial services and products seamlessly delivered across all channels • Accelerate the development of innovative digital solutions enabling AI-based personalised customer experience
<p>Georgia - build on our market leading position</p> <ul style="list-style-type: none"> • Maintain our commanding position in corporate, MSME and affluent retail • Strengthen our position in the mass retail segment by expanding unsecured lending and deposit portfolio • Enhance focus on daily banking and customer engagement • Attract, develop and retain the best talent while cultivating a strong culture 	<p>Uzbekistan - create a global leader among digital banks</p> <ul style="list-style-type: none"> • Scale up our digital financial ecosystem • Provide best-in-class financial products for our 23 million registered users • Attract, develop and retain the best fintech talent • Contribute meaningfully towards the Group’s growth and profitability

Our key performance indicators

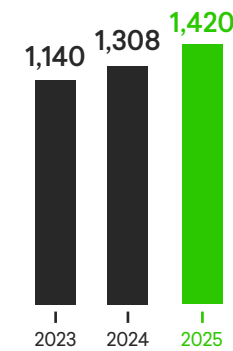
We use a broad range of financial and non-financial measures in order to monitor our performance and provide a balanced view that takes into account the interests of all our stakeholders. The Board regularly reviews the key performance indicators (KPIs) in order to ensure that they lead the group in the desired direction and secure the long-term sustainable growth of the Group.

Due consideration is also given to the selection of the most relevant KPIs for the executive management’s remuneration in order to better align their interests with those of our stakeholders.

Group-wide financial KPIs

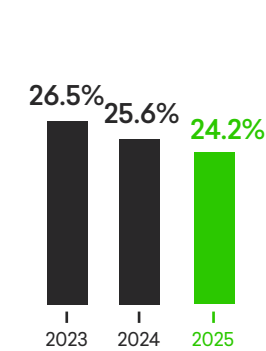
Strong growth and profitability

Net profit (GEL mln)



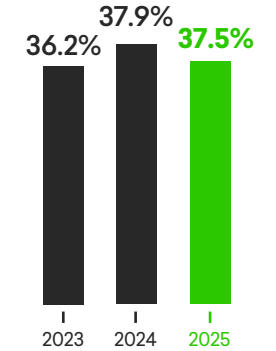
Our net profit increased by 9% year-on-year, driven by strong and consistent performance. The result was, however, below our 2023-25 guidance of GEL 1.5 billion in 2025, primarily due to weaker than expected earnings in Uzbekistan.

Return on equity (ROE)¹



Strong revenue generation was reflected in a high ROE of 24.2%, exceeding our 2025 target of 23%+.

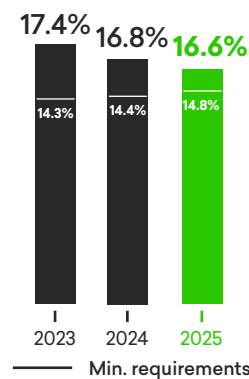
Cost to income ratio¹



Our cost-to-income ratio decreased year-on-year in 2025, reflecting disciplined cost control. We remain committed to optimising operational efficiency while strategically investing in growth.

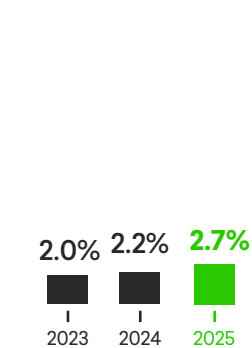
Solid balance sheet

CET 1 capital ratio for Georgia¹



Our CET1 ratio remained well above the minimum regulatory requirements by 1.8pp. We remain committed to maintaining strong capital buffers to ensure financial stability and resilience.

Non-performing loans (NPLs)^{1,2}



The NPL ratio rose by 0.5pp, mainly driven by Uzbekistan operations. Despite this increase, overall asset quality remains robust, healthy, and well within our risk appetite.

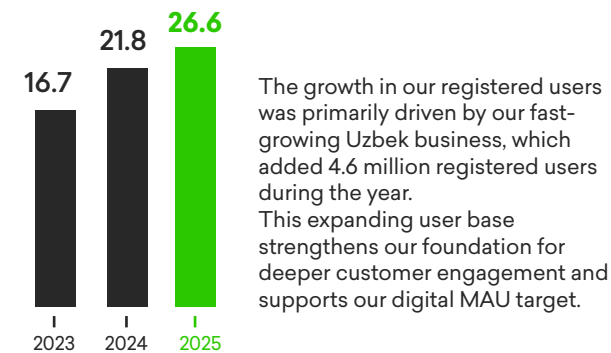
¹ Definitions and detailed calculations of the APMs are provided in the section “Additional Information”, under “Alternative Performance Measures”.
² Includes finance lease receivables.

Specific KPIs

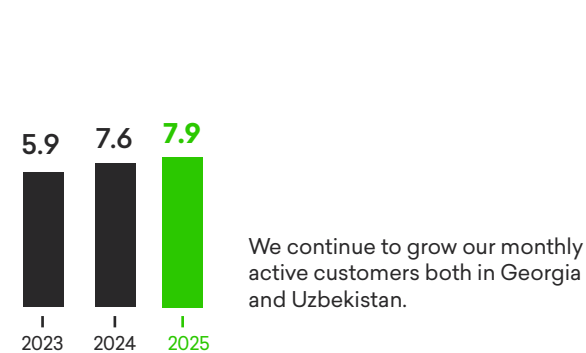
Our key performance indicators

Growing customer base and engagement across the Group

Registered users (mln)

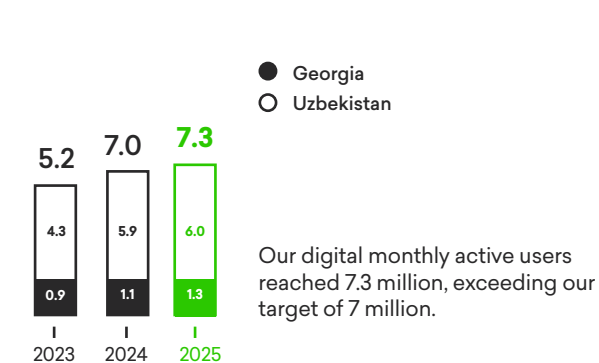


Monthly active customers¹ (mln)

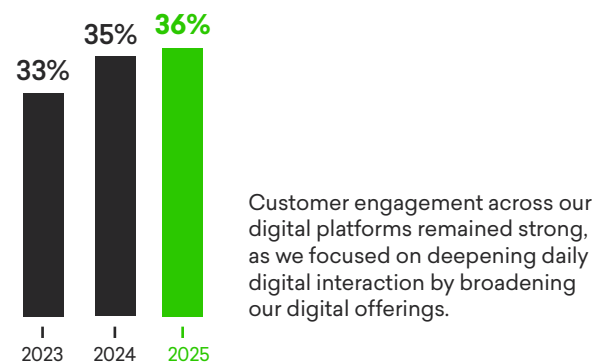


Increased digital footprint across the Group

Digital monthly active users¹ (mln)

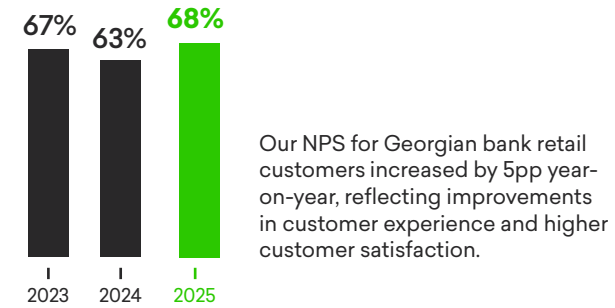


Digital daily active users / monthly active users¹ (DAU/MAU)

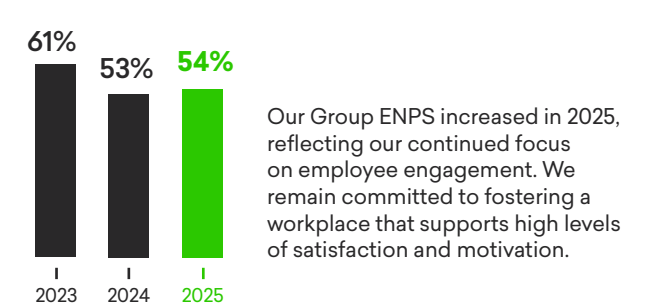


High employee and customer satisfaction levels

Customer net promoter score (NPS)²

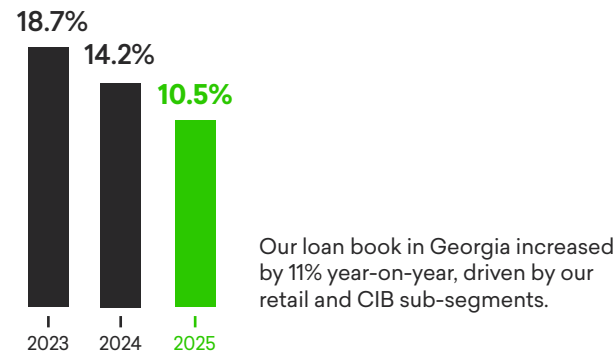


Employee net promoter score (ENPS)³

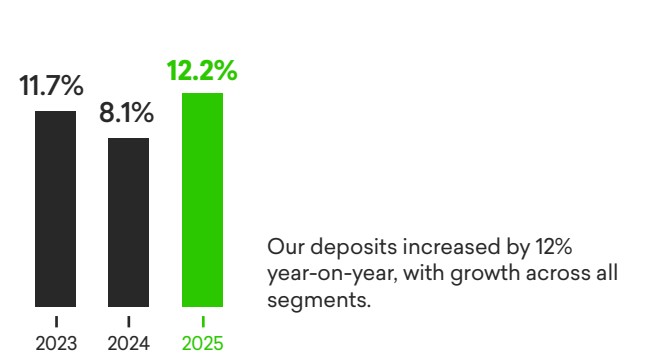


Continued growth in Georgia

Loan growth at constant currency⁴

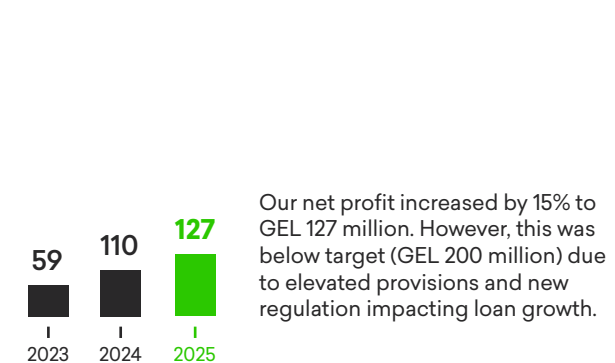


Deposit growth at constant currency

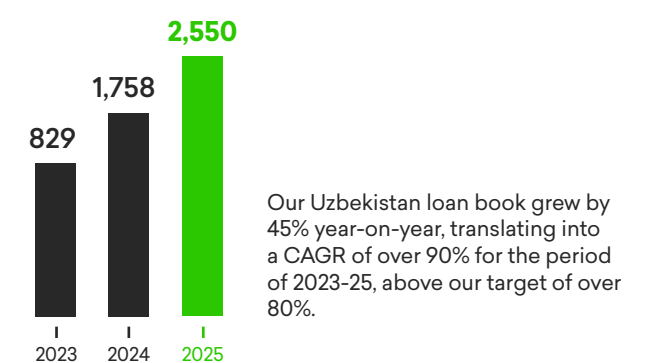


Dynamic growth in Uzbekistan

Net profit (GEL mln)



Gross loan portfolio (GEL mln)⁴

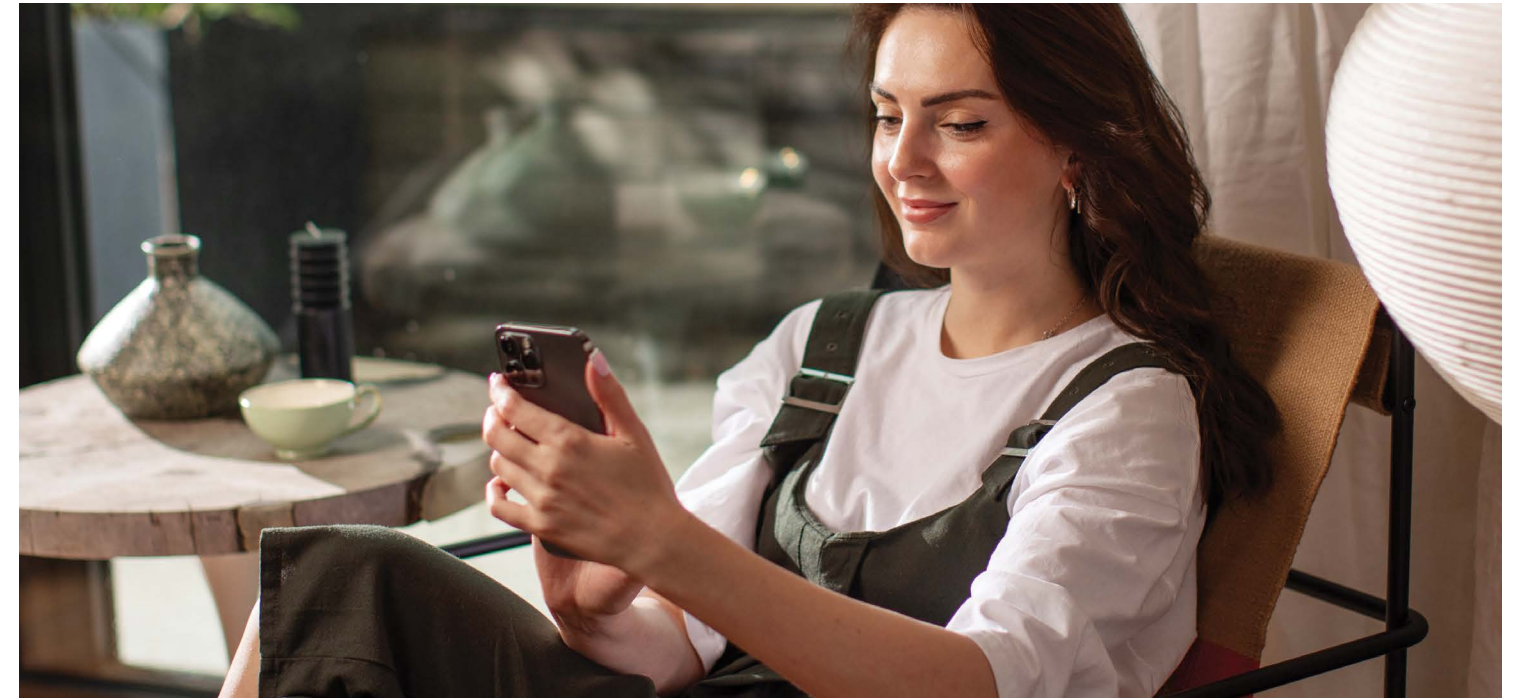


1 Terms are defined in the section "Additional Information", under "Glossary".
 2 The Net Promoter Score (NPS) was measured based on a survey conducted by the independent research company Sonar in December 2025 for Georgian bank retail customers.
 3 The Employee Net Promoter Score (ENPS) was measured in the last quarter of 2025 for the Group's employees, based on ACT Research and internal survey data.
 4 Includes finance lease receivables.

Our business in Georgia

TBC Bank is a leading financial services group in Georgia, operating across retail, corporate and MSME segments, with around 40% market share in all key metrics.

Our core banking services are complemented by fee-generating activities, including payments, insurance, leasing, and digital classifieds.



Our value proposition

Retail banking	Micro, small and medium enterprises (MSME) banking	Corporate and investment (CIB) banking
TBC Insurance	TBC Leasing	TNET

Key highlights 2025

Gross loan portfolio ¹ GEL 27.6 bln +11% YoY ²	Deposit portfolio GEL 24.1 bln +12% YoY ²	Net profit ³ GEL 1,377 mln +8% YoY
ROE ³ 24.3% -1.1pp YoY	Digital monthly active users (MAU) 1,301 k +24% YoY	DAU/MAU 47% +0pp YoY

1 Includes finance lease receivables.
2 Growth in constant currency.
3 Numbers are given for Georgian financial services (GFS), where TNET is not included.

Retail banking

TBC strengthened its retail banking leadership in 2025, delivering strong momentum in fast consumer lending, deepening digital engagement, and enhancing its affluent segment offering with the successful launch of Georgia's first travel card.

Key highlights 2025

Retail loans	Retail deposits	Monthly active customers	Digital monthly active users (MAU)
GEL 9.8 bln (2024: GEL 8.7 bln)	GEL 9.7 bln (2024: GEL 8.5 bln)	1,867 K (2024: 1,701 K)	1,301 K (2024: 1,050 K)

Mass retail

- A leading position across the mass retail segment
- A full suite of financial products and services
- Acclaimed digital channels
- Efficient, convenient and accommodating next-gen branches

Affluent retail

- Number one choice for affluent customers
- Innovative, flexible subscription model offering tailored products and services
- Strong positioning in lifestyle offerings

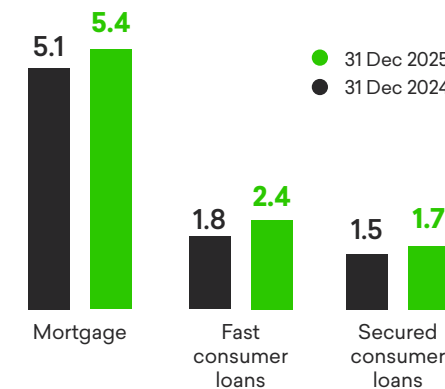
YEAR IN REVIEW

TBC continued to play a leading role in serving retail customers, combining strong digital capabilities and a full product suite with next-generation branches, as well as differentiated lifestyle and subscription propositions for affluent customers.

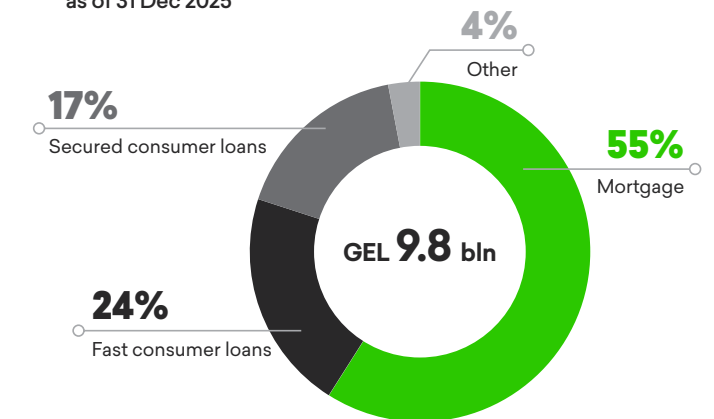
In 2025, our retail loan book grew by 12% year-on-year on a constant-currency basis. Growth was primarily driven by fast consumer loans (FCL), which increased by 33%. Over the same period, retail deposits increased by 16% year-on-year on a constant-currency basis, supported by the redesigned digital deposit-opening flow, new micro-saving features, enhanced automated marketing and data-driven tools.

In December 2024, we launched TBC Card, our flagship daily banking product, issuing almost 1 million cards by the end of 2025. Of these, close to 500,000 cards were acquired by new, dormant, and first-time debit card clients. TBC Card comes with a fully revamped loyalty programme that enables real-time cashback on all payments in Georgia. Customers can also choose one of three priority spending categories: grocery, fuel, or pharmacy, to benefit from double or triple cashback. This proposition has significantly strengthened customer engagement and served as a key contributor to transferring qualifying mass market customers to our affluent banking segment. We also streamlined the card issuing process, reducing the onboarding process to less than 25 seconds and nearly doubling the digitalisation rate to 75%, in line with our strategy to scale end-to-end digital acquisition.

Retail gross loans (GEL bln)



Retail gross loans breakdown by products as of 31 Dec 2025



DIGITAL CHANNELS AT THE CORE OF CUSTOMER ENGAGEMENT

Our digital banking app is the primary channel through which customers manage their daily financial lives. We deliver a seamless, mobile-first experience that covers everyday banking, cards, deposits, credit, and payments. The app extends far beyond traditional banking through personalised dashboards, a powerful loyalty ecosystem, and Georgia's leading digital investing platform. Lifestyle services, including travel benefits, automotive services, and real-time financial insights, further enhance convenience, making the app an integral part of customers' day-to-day routines.

During the year, we have made the following upgrades to our mobile app:

- Design and experience update: the app's design, colours, and typography were refreshed, creating a consistent and intuitive experience. Key journeys, including product activation, deposits, loans, credit cards, BNPL, transfers, and payments, were simplified and redesigned for faster daily banking.
- Personalisation: users can now customise a modular dashboard with intelligent widgets that deliver tailored insights and actions.
- Youth space: a dedicated youth space was created, which enables parents to register their child for mobile banking entirely digitally.
- Personal financial manager (PFM): the PFM was redesigned and now includes a weekly expense summary for better money management.
- Shared expenses: a new shared expense feature was added, which allows users to easily track and settle balances with friends.
- Exclusive travel benefits: affluent customers can now generate airport lounge QR codes and Visa Fast Track vouchers directly in-app, and all users can access new roaming benefits, including eSIM activation for Turkish Airlines cardholders.
- Digital investing ecosystem: the streamlined onboarding and purchase experience, which fell from 26 to 9 screens, led to a 4x higher activation rate and caused the number of monthly active users to more than double to c.113,000, up from c.55,000 a year ago.

Mobile app that makes users' everyday lives easier

User-centric platform

- Smooth onboarding process in 30 seconds
- Easy login and credentials management
- Personalised dashboard and widgets
- Seamless digital journeys from activation to care

Daily banking

- TBC Card with special benefits
- Quick transfers and payments
- Instant P2P transfers, GEL/Currency
- Scheduled payments & transfers
- Personal Financial Manager & analytics
- Shared expenses - transactions splitting
- Remittances

Savings

- Demand & Term deposits
- Group saving
- Goal set up
- Piggy bank
- "MySafe"
- Fully digital deposits

Lifestyle & loyalty

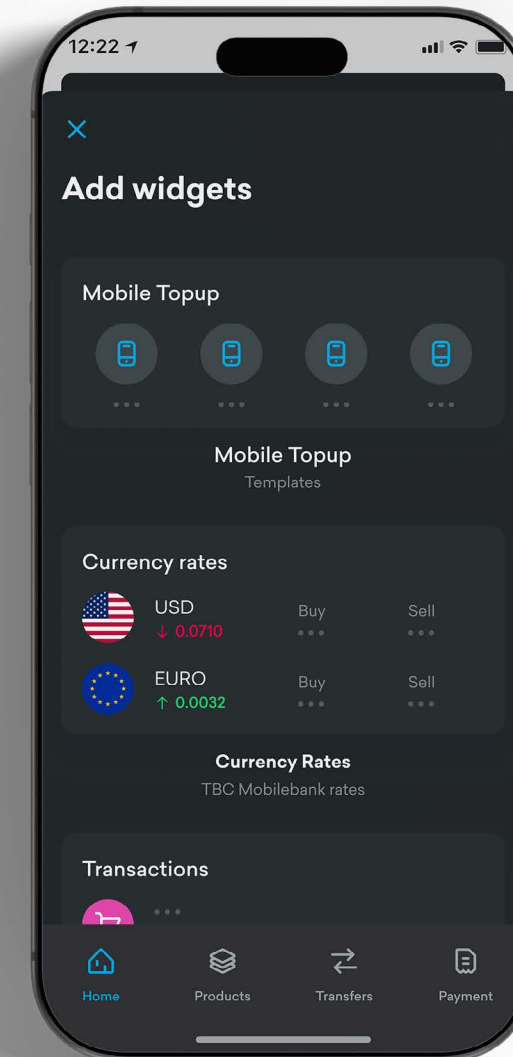
- Offers from partner merchants
- Favourite category for extra rewarding
- Loyalty points redemptions
- Special offers for the affluent segment
- Lifestyle benefits for affluent segment: Airports services, Concept events
- Invite friends - Get gifts - Referral programme

Lending products

- End-to-end online consumer lending
- Pre-approved credit limits
- Buy now, pay later (BNPL)
- Credit card
- Mortgage loans
- Auto loans
- Loan prepayment
- Loan refinancing

Investments

- US market online trading
- Quick onboarding & buy stocks from the bank account
- Investment portfolio management
- Autopilot - recurring investment
- Smart robo portfolio
- Analyst recommendation
- Marketplace for discovery
- Market orders; Limits; Stop loss



App Store: 4.9 ★

Play Store: 4.9 ★

STRENGTHENING DIGITAL CONSUMER LENDING

To accelerate the growth of unsecured consumer lending, we renewed the end-to-end digital journey across all unsecured products, reducing time-to-cash from 5 minutes to less than 2 minutes and cutting drop-off rates from 7% to 4%. In addition, for FCLs, we introduced dynamic credit limits, which automatically update customers' available limits based on their latest profiles, which resulted in generating on average GEL 13 million in incremental disbursements per month.

We also implemented an NPV-based loan pricing model, ensuring more disciplined pricing decisions and optimised risk-adjusted returns.

As a result, the share of FCLs, our major product in this category, issued digitally increased by 2pp and reached 70% by the end of the year. We also fully digitalised our credit card offering in 4Q 2025, which had previously been available exclusively through physical channels. Consequently, the digitalisation rate of credit cards reached 42% by the end of the year. At the same time, the digitalisation rate for buy now, pay later (BNPL) and Installments products stood at 95%. The demand for BNPL/Installments increased by 96% year-on-year, accounting for almost 50% of all digital loan applications on the market, becoming a powerful customer acquisition tool. Overall, our unsecured-lending customer base grew by 9% in 2025, amounting to c.465,000 customers with 83% of all loans issued digitally.

We also implemented several initiatives to support secured lending growth, including:

- 1-click consent-based flow: we introduced a new 1-click lending flow in the mobile bank, enabling customers to instantly calculate mortgage or other secured loan limits by granting access to credit bureau and revenue service data. If interested, customers can seamlessly submit a lead to a banker directly within the app, ensuring a smooth transition from digital engagement to a more personalised service.
- Pre-approved loan (PAL) expansion: we expanded PAL coverage for mortgages and other secured loans and integrated it into the mobile bank. This enhancement enabled real-time limit updates, improved transparency, and simplified the overall loan journey. Similar to the 1-click flow, customers can instantly submit a lead for follow-up, creating an integrated digital-to-human experience.
- Speed & automation: we optimised loan origination and decision-making processes for secured consumer loans, reducing average approval time threefold and enhancing the in-branch experience. These improvements accelerated processing and contributed to higher customer satisfaction across channels.

ADVISORY-LED BRANCH MODEL DRIVING HIGHER PRODUCTIVITY AND PROFITABILITY

Last year, we launched a branch transformation project aimed at converting traditional transactional branches into advisory hubs, with the objective of delivering the best customer experience, enhancing sales excellence, and improving profitability. The project was rolled out in 2025 and is already generating strong results. Average monthly transactions per front-office employee decreased by 40% year-on-year, while average product sales per sales employee increased by 24% and average direct ROE of the branches increased by 1.2pp over the same period. Looking ahead, we will continue focusing on offline-channel profitability by further optimising branch formats and reallocating capacity toward high-value advisory activities, supporting deeper customer engagement and more efficient use of frontline resources.

LAUNCHING GEORGIA'S FIRST TRAVEL CARD: ELEVATING THE TBC CONCEPT EXPERIENCE

Our affluent segment, TBC Concept, is the leading franchise for affluent customers in Georgia and represents a significant share of our retail business. In 2025, the number of affluent clients grew by 49% and reached c.191,000.

Over the same period, the TBC Concept loan book and deposit portfolio grew by 14% and 26% year-on-year, respectively, on a constant-currency basis. The segment makes up 61% of retail loans and 58% of retail deposits.

In 2025, TBC Concept introduced Georgia's first co-branded travel card, developed in partnership with Visa and Turkish Airlines, marking a major step in strengthening its premium, lifestyle-banking proposition. The card integrates Visa's global payment network with Miles&Smiles loyalty benefits, enabling customers to accrue miles at every stage of their international journey and redeem them for flights, upgrades, baggage, and shopping. In addition, the cardholders receive airport privilege services and exceptional travel benefits, as well as cashback on purchases made in Georgia. Since its launch in August 2025, we have issued c.4,000 cards.

TBC Bank wins “Best Use of Tech in Consumer Lending” at the 2025 Banking Tech Awards



Recognising its continued innovation in fast consumer loans and a technology transformation enabling fully digital unsecured lending in under five minutes.

The Banking Tech Awards by Fintech Futures are a leading industry benchmark, celebrating innovation across the financial services sector and shaping the agenda for the ongoing digital transformation of our industry.

Micro, small and medium enterprises (MSME) banking

In 2025, we focused our efforts on accelerating the digitalisation and automation of MSME lending & onboarding, as well as developing AI solutions to strengthen customer experience and operational efficiency.

Key highlights 2025

MSME loans	MSME deposits	Digital penetration ¹
GEL 6.0 bln (2024: GEL 5.9 bln)	GEL 2.2 bln (2024: GEL 2.0 bln)	90% (2024: 86%)

Micro and SME

- A comprehensive suite of financial products tailored to each stage of business development
- An advanced and highly automated lending process
- Flexible subscription-based banking model
- Extensive non-financial support, including training programmes and international exposure opportunities

YEAR IN REVIEW

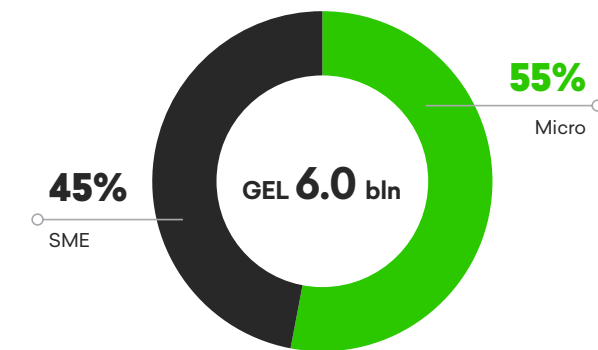
TBC is the leading financial partner for MSMEs in Georgia. Through an enhanced mix of financial and non-financial services, we continue to empower businesses of all sizes, from start-ups to established enterprises.

In 2025, our MSME loan book remained broadly stable. Over the same period, MSME deposits increased by 9% year-on-year on a constant currency basis.

MSME gross loan portfolio (GEL bln)



MSME gross loans breakdown by sub-segments as of 31 Dec 2025



In 2025, we continued advancing TBC's digital transformation agenda by launching several key innovations across lending, onboarding and the business app. These initiatives strengthened operational efficiency, enhanced customer experience, and expanded access to fully digital financial solutions.

DEVELOPING AI-DRIVEN IMAGE ANALYSIS CAPABILITIES

In the micro segment, a significant advancement toward innovation has been the integration of AI into the lending process. The solution enables data-driven risk assessment, reduces human error, and supports continuous process improvement. It is embedded within the credit application workflow and can automatically identify business activity based on uploaded images. Additionally, by comparing current and historical images, it assesses changes in a business' operational condition.

The system also strengthens fraud prevention by detecting duplicate or similar images across different customer applications.

While these capabilities are fully built and integrated at the system level, the next phase is to embed them into the credit decision-making workflow - enhancing operational efficiency and improving the quality and consistency of credit decisions.

IMPLEMENTATION OF END-TO-END DIGITAL LENDING FOR MICRO BORROWERS

In 2025, we fully implemented an automated credit limit approval and utilisation process for the micro business segment.

Under this model, when a micro business loan is approved, the customer is assigned a maximum credit limit, within which they can draw funds as needed, without additional documentation, over a 12-month period. Previously, the process required a branch visit, financial analysis, and around 120 clicks in the credit system. The new fully digital process enables customers to receive the desired amount in just 2 minutes and 14 clicks. Initially, the service was available only in branches with the involvement of a credit expert. Today, it is fully automated and accessible through both business mobile banking and internet banking.

¹ Calculated for MSME legal entities only.

DIGITAL ONBOARDING

In March 2025, TBC launched a fully automated digital onboarding process for resident legal entities. Newly-registered resident legal entities in the Public Registry can now become TBC clients, open GEL accounts, and access banking products entirely online, without visiting a branch.

The journey is fully automated end-to-end, requiring no manual intervention, which significantly improves convenience and saves time for both customers and employees. Once a business registration extract is issued, clients receive an SMS with a secure link that guides them through a quick and intuitive onboarding flow.

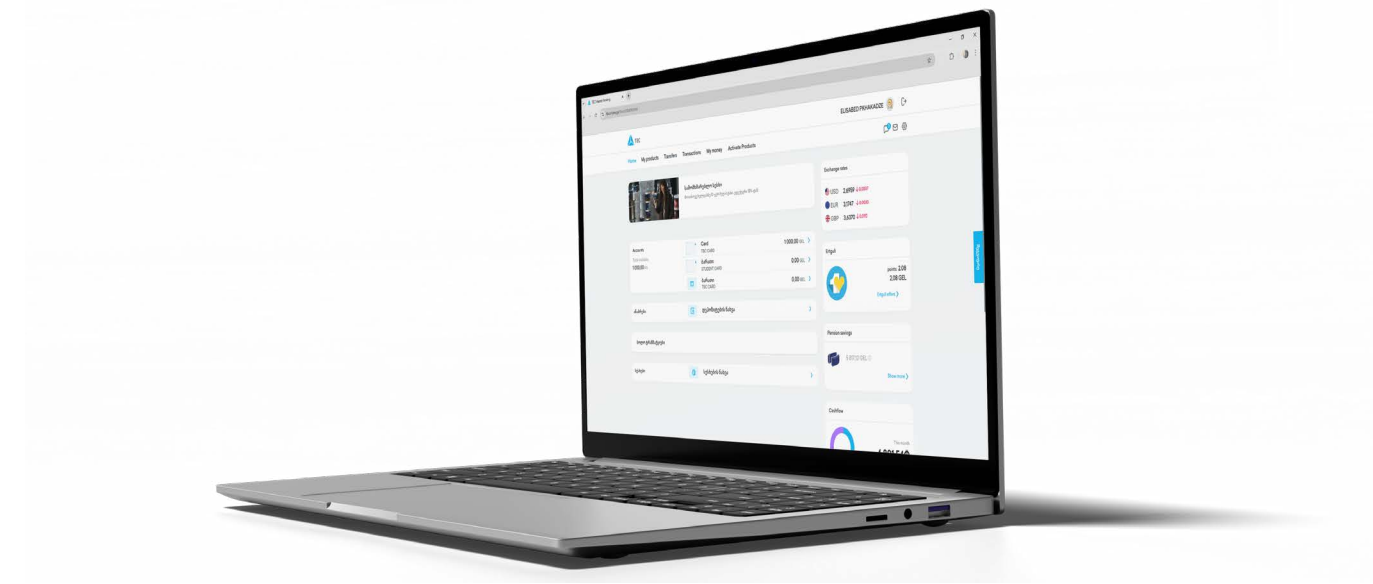
Since the launch, almost 3,000 companies have already onboarded through this digital channel, marking a major step toward greater digitalisation and operational efficiency. We are now working on expanding this onboarding experience to non-resident business clients to further enhance accessibility and inclusiveness across our business ecosystem.

ONE-STOP HUB FOR BUSINESS

During the year, we completed a full upgrade of our business app, aligning its capabilities with those of our internet banking and enabling customers to manage their finances on the go. We also introduced several innovative features across both channels, including:

- Entrepreneur customers can log in to the TBC business app using their existing retail TBC mobile biometric or passcode login. This removes the need to remember a username or password and delivers a smooth first experience, with a first-login success rate of over 99%;
- An integrated FX module that allows businesses to execute foreign exchange transactions instantly and manage currency exposure end-to-end digitally, without human involvement. Real-time market rates ensure full transparency and control for importers, exporters, and cross-border traders;
- Multi-transfer functionality, enabling companies to send payments to multiple employees or vendors simultaneously;
- Bulk salary or supplier payments can now be executed with a single confirmation, saving valuable time and reducing manual errors.

Through these innovations, TBC has simplified daily financial management for thousands of businesses, helping them save time, access capital faster, and operate more efficiently.



One-stop hub for business banking and beyond

Onboarding & access management

- Seamless digital onboarding
- Onboarding for non-residents
- Easy login with Face ID and Passcode
- Entrepreneurs login with TBC Retail Face ID / Passcode
- Multi-company account switching
- Role-based permissions and spending controls

Daily banking & cash management

- Foreign exchange deals
- Full transaction management
- Subscription banking plans
- Historical balance tracking by date
- Local, international & bulk transfers
- Scalable payment infrastructure
- Financial reporting & statements
- Customisable dashboard with widgets
- QR account requisites & quick actions

Business financing solutions

- Instant pre-approved credit disbursement
- On-demand credit limit requests & guarantees
- Digital tender guarantees (E-tender)

Growth & operational tools

- Invoice creation & management
- KYC compliance module
- Integrated payroll solution
- Business Financial Manager (BFM) – income & expense analytics
- Open banking connectivity
- In-app feature updates & announcements
- In-app business messaging
- Scheduled payments & transfers

EXTENSIVE NON-FINANCIAL SUPPORT PROGRAMMES FOR BUSINESSES

ANNUAL BUSINESS AWARD

TBC is a proud organiser of the TBC Business Awards, the largest and most prestigious awards platform for small and medium-sized businesses in Georgia. The initiative aims to foster a culture of entrepreneurship, inspire business development, and promote success stories across the country. Over the past nine years, more than 4,500 businesses have participated, sharing their journeys and contributing to a vibrant and growing business community. Every year, the best businesses are awarded in 5 different categories: Best Product, Best Innovative Startup, Outstanding Social Responsibility, Outstanding Regional Development, and Outstanding Freelancer.

This year, we introduced several exciting enhancements to expand the impact and inclusivity of the platform:

- We added a brand-new category, "Best Freelancer", recognising outstanding contributions from self-employed professionals and acknowledging their growing role in the business ecosystem.
- Each award category now features three winners instead of one, ensuring broader recognition and fostering a stronger sense of community. All winners receive media visibility and exclusive prizes to support their business productivity.
- For the first time, the ceremony included a knowledge-sharing component, featuring inspiring keynote speeches and panel discussions with leading voices from Georgia's business landscape.

In collaboration with our strategic partner the Global Climate Partnership Fund (GCPF), we also proudly introduced two special honours that reflect our values of sustainability and inclusion "Gender Equality" and "Green Initiatives".

This year, the awards brought together up to 445 registered businesses from across Georgia, culminating in the selection of 17 remarkable winners.

THE LARGEST BUSINESS EDUCATION PROGRAMME IN GEORGIA

Access to knowledge is just as important as access to finance. That is why we have built the most comprehensive business education programme in Georgia, designed to support entrepreneurs across the country with the tools and skills they need to grow.

For over a decade, the TBC Business Education Programme has been implemented in collaboration with leading international development partners, including the Asian Development Bank (ADB) and European Fund for Southeast Europe (EFSE). The programme offers a wide variety of learning opportunities, including training, workshops, courses, and one-on-one consultations, delivered both online and in person. This initiative is open to all entrepreneurs and, over the past year we organised around 50 business education activities benefiting c.3,500 participants.

STRENGTHENING OUR BUSINESS ECOSYSTEM

This year, we also continued to invest in initiatives that strengthen the business ecosystem across Georgia and support our customers through knowledge-sharing, visibility, and cross-border opportunities.

- Thursday meetings: held 5 large-scale meetings across Tbilisi, Kutaisi, Batumi, Telavi and Akhaltsikhe, bringing together around 500 entrepreneurs and professionals. Each session focused on sector-specific topics, featuring open discussions with industry experts and offering valuable networking and practical insights for business growth.
- Media support: provided customers with enhanced visibility through business blog features and national TV appearances. Our content reached 40+ leading media platforms, with more than 25 businesses benefiting from wider exposure, stronger recognition, and access to new audiences.
- Uzbekistan business expo: supported the Georgia-Uzbekistan business expo, which gathered over 50 Georgian companies to explore opportunities in one of Central Asia's fastest-growing markets. The initiative helped businesses build partnerships, understand market dynamics, and expand their reach beyond Georgia.

Theatre Workshop 42: A TBC-Backed Success Story



In 2023, TBC recognised the potential of Theatre Workshop 42 and fully financed the creation of a new, independent performing arts space in Tbilisi. The initiative aimed to establish a modern platform that fosters innovation, collaboration, and education within Georgia's theatre community.

Today, Theatre Workshop 42 is a standout example of how private-sector partnership can accelerate cultural development. The theatre now hosts sold-out performances, attracts international collaborations, and offers educational programmes that contribute to the growth of Georgia's creative economy. In 2025, the project's achievements were also recognised at the TBC Business Awards, underscoring its lasting cultural and economic impact.

* Photo by Elene Zibzbadze.

Corporate and investment banking (CIB) & wealth management (WM)

In 2025, we strengthened our CIB and WM businesses through strong growth, the deployment of AI-enabled tools, and continued enhancements to our digital channels.

Key highlights 2025

CIB loans	CIB deposits	WM AUM
GEL 11.2 bln (2024: GEL 9.9 bln)	GEL 12.3 bln (2024: GEL 11.3 bln)	GEL 4.8 bln (2024: GEL 4.4 bln)

Corporate banking

The largest and most trusted partner for corporates with a leading position in both loans and deposits

Wealth management

A fast-growing wealth management business with growing financial advisory and brokerage franchises

Investment banking

TBC Capital – the leading investment bank in corporate debt capital market (DCM) transactions and research, supported by advanced brokerage solutions

YEAR IN REVIEW

CORPORATE BANKING

MAINTAINING OUR STANDING AS THE NUMBER ONE CHOICE FOR CORPORATE CUSTOMERS

Our corporate banking business plays a pivotal role in supporting Georgia's real economy by serving leading corporates across key sectors. Leveraging deep sector expertise and a relationship-led model, we strive to be the financial partner of choice, delivering tailored solutions, advisory capabilities, and seamless execution to enable our clients' growth. Our focus on service excellence is reflected in an outstanding NPS¹ of 82% for the CIB, demonstrating the strong trust and satisfaction of our corporate clients.

In 2025, CIB's gross loans increased by 14% on a constant-currency basis and remained well-diversified across all major sectors of the Georgian economy, with particularly strong expansion in construction, production and trade of consumer goods, and tourism. As a result, our corporate loan market share reached 43.6%² at year-end. Portfolio concentration remained prudent, with the top 10 borrowers accounting for 5% of the total loan book, a decrease of 0.8pp year-on-year. Over the same period, CIB's deposit portfolio increased by 10% on a constant-currency basis.

CIB gross loan portfolio (GEL bln)



CIB deposit portfolio (GEL bln)



LEVERAGING ADVANCED TECHNOLOGY TO DELIVER STRONG AND SUSTAINABLE BUSINESS VALUE

Having successfully optimised our end-to-end lending journey through digitalisation and credit process redesign in recent years, we are now progressing to the next stage of transformation by embedding advanced AI and data-driven capabilities into our corporate banking operating model. A key milestone in 2025 was the introduction of our AI Analyst Copilot, which is being rolled out to progressively automate credit paper generation and free up analyst capacity for higher-value strategic work. This initiative further improved our time-to-cash by 11% year-on-year, bringing it down to 15 days.

To further strengthen our commercial effectiveness, we also enhanced our in-house CRM module with data-driven lead generation for both lending and non-lending products, resulting in c.3,300 leads and a successful conversion rate of 70%. Building on this foundation, we are evolving the platform toward a "bionic advisory" model that blends AI-derived insights with banker expertise to enable faster, more targeted client engagement.

Throughout 2025, we also focused on elevating our customer experience across digital channels, with particular emphasis on improving the money transfer journey. We delivered a seamless end-to-end transfer flow, integrated ERP workflows, and optimised batch transfer processes, including expatriate salary payments, supported by enhancements to our reconciliation module.

Collectively, these initiatives mark a significant step forward in TBC's evolution towards a more intelligent, efficient, and customer-centric corporate banking franchise that leverages digital capabilities, advanced analytics, and AI to deliver superior service, strengthen commercial outcomes, and reinforce our leadership position in Georgia's corporate banking market.

¹ Net Promoter Score (NPS) for the CIB was measured internally in December 2025.

² Based on National Bank of Georgia's published data as of 31 December 2025.

Transportation & Logistics



Georgia's strategic location along the Middle Corridor makes transportation and logistics a critical pillar of the economy, supporting the country's role as a regional transit and logistics hub. The sector accounts for 6.3% of GDP and is expected to grow at an average annual rate of c.9% over 2025–2028. Reflecting these dynamics, TBC Bank has maintained a focused approach to supporting transportation and logistics projects, financing 10 warehouse developments with a total area of c.115,800 sq.m. in 2025.

GIANTI Logistics, founded in 2009, is one of Georgia's largest integrated logistics providers, operating its own heavy equipment and transport fleet, with an increasing strategic focus on warehousing and end-to-end logistics solutions. The company currently operates 20,000 sq.m. of Class A warehouse space and is expanding capacity, with an additional 25,000 sq.m. under construction.

In 2025, TBC Bank financed the construction of a 13,000 sq.m. warehouse, now leased to one of Georgia's largest retail companies. Total financing to GIANTI Logistics in 2025 amounted to USD 20 million, supporting warehouse expansion and strategically significant transport projects, including logistics for 36 wind power plants in Ruisi, Georgia, and cross-border energy infrastructure deliveries linking Turkmenistan and India.

WEALTH MANAGEMENT

EXPANDING OUR REACH AND ENHANCING OUR WEALTH MANAGEMENT SOLUTIONS

Our wealth management franchise delivers a highly differentiated proposition that combines deep local expertise, local and international investment access, and a truly personalised advisory model. We serve affluent, high-net-worth (HNW) and ultra-high-net-worth (UHNW) clients who choose us for our bespoke banking and investment solutions, enhanced by exclusive lifestyle offerings and access to premium events across Georgia and beyond.

In 2025, our wealth management business further strengthened its client capabilities while enhancing the breadth and depth of service quality, positioning us as the partner of choice for sophisticated private clients and institutional-grade investors and resulting in a 9% year-on-year increase in assets under management to GEL 4.8 billion.

Alternative investment solutions played an important role in our differentiation and growth. We significantly broadened client access to unique high-yield opportunities, such as exposure to the high-growth Uzbek market, enabling unique geographic diversification of our clients' portfolios beyond traditional regional allocations. In addition, as part of our strategic capability enhancement, we became the first financial institution in Georgia to establish a dedicated service offering for international external asset management companies.

Business performance was further strengthened through the continued expansion of our international client base. The non-resident client segment maintained strong momentum, with clients now residing in more than 70 countries.

INVESTMENT BANKING

TBC Capital is a leading provider of investment banking solutions, offering DCM/ECM, brokerage, corporate advisory, and research services across Georgia and the wider Caucasus region. We support HNW individuals, retail investors, corporations, and financial institutions with tailored investment advisory, execution, market insights, and strategic advisory expertise.

LEADING DEBT CAPITAL MARKETS IN GEORGIA AND EXPANDING ADVISORY CAPABILITIES

In 2025, Georgia's debt capital market experienced significant growth, driven by increasing interest from local corporate issuers. Throughout the year, TBC Capital reaffirmed its leading position, capturing approximately 54%¹ of the market share and further strengthening its dominance in the domestic debt capital sector. Overall, TBC Capital has participated in the issuance of 20 private and public transactions, locally and on international markets, with a total volume of more than USD 1.0 billion.

In 2025, we served as joint lead manager for Silk Road Group's USD 400 million international bond offering, Georgia's largest-ever private corporate issuance. TBC Capital also acted as joint lead manager for the GEL 350 million ESG bond issued by Georgia Healthcare Group (GHG), the largest GEL denominated corporate bond transaction to date. Additionally, we had several exclusive mandates, including TBC Leasing's USD 45 million issuance, marking the largest USD-denominated retail bond in the local capital market.

At the same time, TBC Capital continued to strengthen its role as a regional player. Following its inaugural participation in a local-market bond issuance in Uzbekistan in 2024 as issuer advisor, TBC Capital successfully participated in two additional Uzbek bond transactions in 2025 in the same capacity, further expanding its footprint and deepening cross-border capital markets integration.

This momentum has been reinforced by TBC Capital's authorisation to operate as a licensed investment intermediary in Uzbekistan and its admission as an official member of the Tashkent Republican Stock Exchange. With this milestone, TBC Capital became the first foreign financial intermediary to operate as an exchange participant within Uzbekistan's capital markets Regulatory Sandbox framework.

In 2025, our M&A and corporate advisory team successfully executed numerous M&A and consulting mandates, strengthening its market position, including a landmark transaction in the hospitality sector between leading strategic players.

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, during 2025.

AWARD-WINNING RESEARCH AND MARKET INSIGHTS

Our research division supports investor decision-making through timely macroeconomic and sector analysis focused on Georgia and the wider region, delivered via weekly, monthly, and quarterly reports to inform investment strategy and risk assessment.

Moreover, TBC Capital's research team also specialises in global market research. The global market research division provides in-depth coverage across Global Macro, Equity, Fixed Income, and Commodities. These analyses are transformed into practical, actionable insights and customised portfolios, enabling clients to make confident and well-informed investment decisions.

In 2025, TBC Capital hosted 12 conferences, bringing together more than 2,500 representatives from the local and international corporate communities. Our research provided insight into both innovative and highly anticipated themes, such as Georgia's solar energy potential, logistics, and Georgia's evolving role as a regional transit hub. In 2025, TBC Capital delivered up to 200 publications, establishing research as a critical pillar of client engagement and investment decision-making. All publications are available at www.tbccapital.ge.

Beyond traditional publications, we broadened our outreach through webinars and launched a new video series. In 2025, we also introduced "Q&A with TBC Capital", an interactive platform that enables subscribers to share questions and receive data-driven, research-based responses – strengthening two-way engagement and expanding the reach, relevance, and immediacy of our research content.

Awards

Global Finance	Euromoney	ADB
Best Supply Chain Finance Provider in Central & Eastern Europe 2025	Best Bank for Research 2025	Leading Partner in Trade Finance in Georgia 2025
Best Private Bank in Georgia 2025	Best Private Bank in Georgia 2025	
Best Investment Bank in Georgia 2025	Best FX Bank in Georgia 2025	
Best Trade Finance Bank in Georgia 2025		

A market-leading, comprehensive solution designed to democratise investments



Driven by a commitment to democratise investment opportunities for retail clients, TBC Capital continued to enhance the investment functionality within TBC mobile bank, creating a seamless, intuitive gateway specifically designed to welcome first-time and mass-market investors.

During the year, we redesigned the onboarding and first-time purchase experience, reducing onboarding time by 67% to a mere 68 seconds. Also, a series of new features further strengthened engagement across the investing journey, including smart portfolios, the first robo-advisory product in the region, as well as enhanced analytical tools such as investment news with analyst recommendations and price targets from globally reputable institutions.

As a result, the monthly active user base more than doubled and reached over 113,000 clients, while assets under management of mobile bank platform users surpassed USD 100 million.

TBC Insurance

In 2025, our total GWP increased by 27% year-on-year to GEL 271 million. Over the same period, our net profit rose by 52% to GEL 44 million.

Key highlights 2025

Retail non-health insurance market share ¹	Corporate health insurance market share ²	Gross written premium (GWP)	Net profit
36.6% (2024: 34.8%)	16.3% (2024: 15.9%)	GEL 271 mln (2024: GEL 213 mln)	GEL 44 mln (2024: GEL 29 mln)

AT A GLANCE

TBC Insurance is a leading player in Georgia's insurance market. As a wholly owned subsidiary of TBC Bank, TBC Insurance operates across four main business lines: health, non-health, reinsurance, and asset management. It is rated 'BB' by Fitch, the highest sovereign rating in Georgia.

As of 31 December 2025, TBC Insurance was #1 player in the Georgian insurance market, holding a 18.8%¹ and 21.4%¹ in total market share and private (non-governmental) insurance market, respectively. Within non-health insurance, the company held a 25.5%¹ market share, ranking second overall, and remained the leader in the retail non-health segment with a 36.6%¹ market share. In the health insurance segment, TBC Insurance continued to focus on the premium corporate segment with tailored products and an app-driven client experience. In 2025, its corporate market share reached 16.3%².

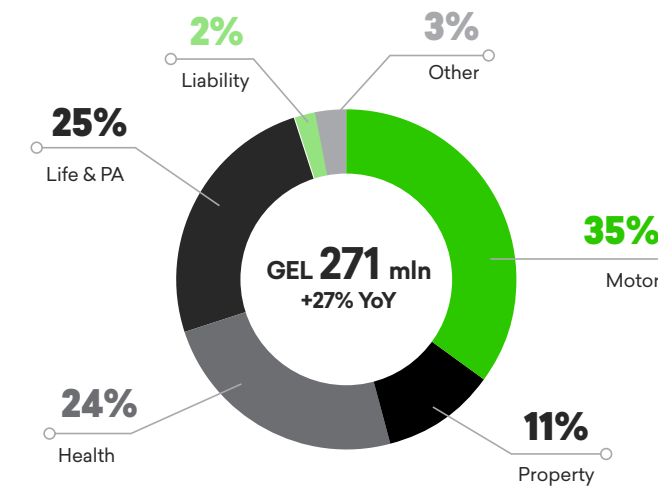
The assets under management (AUM) portfolio primarily comprises local certificates of deposit, which account for around 80% of total AUM, alongside corporate bonds and U.S. Treasury bills, which are used to manage currency exposure within acceptable limits. In 2025, AUM grew by 24% year-on-year, reaching GEL 125 million with an average annual yield of 11.1%.

In 2025, TBC Insurance achieved 20% top-of-mind awareness and an exceptional Net Promoter Score³ (NPS) of 67%, reinforcing its strong brand recognition and customer trust.

YEAR IN REVIEW

In 2025, our total gross written premium (GWP) rose by 27% year-on-year to GEL 271 million, outpacing the Georgian insurance market expansion of 18.8%. This growth was driven by strong performance across both the health and non-health segments, which grew by 0.2pp and 2.0pp, reaching 10.4%¹ and 25.5%¹, respectively. As a result, our net income rose by 52% year-on-year, reaching GEL 44 million.

Total GWP by products as of 31 Dec 2025



In 2025, we continued to strengthen our digital channels, following last year's full app and website redesign. The upgrades included simplified journeys, new features, and a design built around user needs. More than 8,000 customers participated in testing redesigned flows, achieving positive outcomes: our Usability Metric for User Experience (UMUX) reached 95/100, while our Customer Satisfaction Score (CSAT) was 4.8/5 and our Customer Effort Score was 95/100. Consequently, monthly active users rose to c.41,000, marking a robust increase of over 60% from 2024, while digital policy sales exceeded 100,000, up by 40% year-on-year, driving a 31% increase in digital sales GWP to GEL 2.9 million.

To complement our front-end initiatives, we launched the development of a new Sales CRM platform. The first phase focused on our largest product line, Comprehensive Automobile Insurance Coverage (CASCO), establishing a scalable foundation for future expansion across other product lines. By year-end, 85% of product sales were processed through the platform, marking a major step toward full digital integration of our sales processes.

LOOKING AHEAD

In 2025, the Georgian insurance market reached GEL 13 billion, with health insurance making up 44%¹ and non-health segments 56%¹. The market remains underpenetrated compared to the Central and Eastern European (CEE) region, with GWP representing just 4.8%⁴ of GDP. We aim to further capitalise on this untapped potential by exploring new opportunities and broadening our customer base.

¹ Market share without mandatory border motor third-party liability insurance (MTPL). Based on [internal estimates](#).
² Based on internal estimates.
³ The Net Promoter Score (NPS) was measured in December 2025 by an independent research company, ACT.
⁴ Source: Geostat and www.insurance.gov.ge.

TBC Leasing

In 2025, we continued to focus on strengthening our position in the Retail and MSME segments. As a result, our total leasing portfolio increased by 38% year-on-year, reaching GEL 613 million.

Key highlights 2025

Market share ¹	Total leasing portfolio	Green leasing portfolio	Net profit
84.4% (2024: 86.3%)	GEL 613 mln (2024: GEL 444 mln)	GEL 46 mln (2024: GEL 40 mln)	GEL 30 mln (2024: GEL 20.3 mln)

AT A GLANCE

A wholly owned subsidiary of TBC Bank, TBC Leasing is Georgia’s leading non-bank, asset-based financier. We serve over 3,000 clients across Georgia through flexible, digitally enabled asset financing solutions that support sustainable business growth and financial inclusion.

Our customer base spans micro, small, and medium-sized businesses as well as retail customers, with MSME clients accounting for 84% of the leasing portfolio and retail customers representing 16%. We primarily provide tailored financial and operational leasing solutions for machinery and equipment. Our portfolio is well diversified by industry, including Construction, Development, Services, Road Construction, Medicine, Agriculture, Trade, HoReCa, Renewable Energy, and Automotive. We also actively participate in subsidy programmes implemented by Enterprise Georgia and the Rural Development Agency, helping co-finance agricultural projects for farmers and businesses.

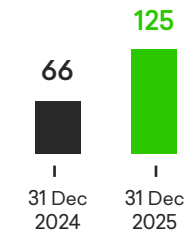
YEAR IN REVIEW

In 2025, TBC Leasing achieved robust growth across its key financial metrics. The total leasing portfolio expanded by 38% year-on-year, reaching GEL 613 million, driven by strong demand across both MSME and retail segments. At the same time, net profit rose by 48% to GEL 30 million in 2025, supported by improved operational efficiency, a high-quality asset base, and disciplined risk management.

MSME leasing portfolio (GEL mln)



Retail leasing portfolio (GEL mln)



In 2025, we maintained strong momentum in capital raising, securing over GEL 268 million in green, MSME and women-focused funding from leading international financial institutions to support MSME growth, financial inclusion, and Georgia’s green transition. We also successfully placed USD 45 million in unsecured public bonds in the local market, marking the largest USD-denominated retail bond issuance on the Georgian capital market further demonstrating our established track record as a Fitch-rated (BB, Stable Outlook) issuer. These transactions diversified our funding base and strengthened our long-term liquidity, while directly expanding our capacity to finance energy-efficient and low-emission assets. As a result, our green leasing portfolio reached GEL 46 million by year-end, up by 15% year-on-year and reinforcing our position as a key contributor to the adoption of sustainable and green finance in Georgia.

Our progress in sustainable finance was further recognised during the year, as we received the Corporate Sustainability Award in the category Partnership for Sustainable Development (SDG 17) for our collaboration with the Green for Growth Fund (GGF) under the “Deep Greening – Scaling Initiative” to promote solar PV systems in Georgia. We also joined the United Nations Global Compact Network, reinforcing our commitment to aligning our operations with the world’s largest corporate sustainability initiative.

Alongside advances in sustainable finance, we continued to embed digital efficiency across our value chain from risk scoring to CRM-linked origination tools, shortening lease approval cycles and improving conversion rates. These enhancements support customer acquisition and improve asset quality across both our MSME and retail portfolios.

In addition, we improved our front-end digital presence by adding an interactive leasing calculator to our website, available in GEL, USD, and EUR. This enables our potential clients to estimate monthly payments and submit preliminary applications. This tool increases transparency, improves engagement, and enhances accessibility for self-service users. We also finalised the development of a client portal for leasing customers and are currently working on integrating it into our website. The portal will enable clients to access their lease information in real time, track schedules and payments, submit service requests, and make payments through a single digital channel.

To further support market awareness and broaden the understanding of leasing as an alternative financing tool, we collaborated with Cassa Depositi e Prestiti (CDP) under the InclusiFI Programme to produce a series of engaging and educational video clips. These clips generated high engagement, accumulating more than 500,000 views across our social platforms and helping to drive broader adoption and business growth.

LOOKING AHEAD

The Georgian leasing market has grown at a 18% 5-year CAGR, yet leasing volumes still represent only about 1% of Georgia’s GDP, significantly below the 4-5%² level typical of peer economies. With strong institutional backing, a scalable digital model, and a comprehensive, inclusive product suite, TBC Leasing is uniquely positioned to capitalise on this structural growth opportunity.

¹ Based on internal estimates.
² Based on UK Good Governance Fund, Leasing Market Research.

TNET

In 2025, TNET entered a new era of data-driven innovation with the development of Data as a Service (DaaS), Georgia's first product of its kind, allowing users to turn behavioral insights into a scalable revenue stream.

Key highlights 2025

# of listings	# of transactions	# of total visitors
10.9 mln (2024: 10.0 mln)	17.7 mln (2024: 15.7 mln)	42.0 mln (2024: 32.0 mln)

AT A GLANCE

TNET is Georgia's leading digital ecosystem, dominating the market in both user engagement and the breadth of its platforms and services. It has become an essential part of everyday life in Georgia by offering seamless, innovative digital solutions that meet a wide variety of user needs.

TNET operates ten online platforms and four apps across five verticals: lifestyle, housing, marketplace, auto and HR, serving 1.8 million monthly active customers. It creates synergies with the Group's financial services through valuable data generation and cross-sell opportunities, as well as offering integrated payment and insurance services.

<p>Lifestyle</p> <ul style="list-style-type: none"> • Tickets for events such as cinema, theatre, concerts and transport tickets • Lifestyle discount coupons for restaurants, cinemas, beauty salons, hotels etc. • Wide range of e-books for online readers 	<p>Housing</p> <ul style="list-style-type: none"> • A full range of housing solutions such as property valuation, listing, measurement, registration and photography services • Online housing auctions • Online mortgage application
<p>Marketplace</p> <ul style="list-style-type: none"> • B2C and C2C Marketplace platform, enabling users to buy and sell a wide range of goods and services • Online instalment loans for both new and second-hand items 	<p>Auto</p> <ul style="list-style-type: none"> • Listing service for cars, motorcycles and their parts, as well as auto service centres, vehicle registrations • Online auto auctions • Driver's licence exam preparation • Online auto loan application
<p>HR</p> <ul style="list-style-type: none"> • Job listings across all major industries and experience levels • Internship and graduate programme listings • Personalised company alerts and updates to track employers of interest 	

YEAR IN REVIEW

In 2025, we laid the foundation for harnessing TNET's full data potential. We implemented a comprehensive system for collecting behavioural events to drive data-based decision-making and conduct statistical experiments assessing the impact of newly released features. Each platform team now owns and manages the behavioural events they produce. These events are streamed to the TNET Lake House and hosted on Google Cloud, where our data team processes them, building the groundwork for advanced analytics and AI adoption.

In addition, we have implemented several key initiatives to enhance user experience and expand our offerings:

New Products

- Myjobs: this new platform marks our entry into the HR tech space. By accurately identifying and addressing HR professionals' needs, Myjobs has attracted a distinct user base and significantly enriched our data.

Platform Enhancements & Functional Improvements

- Myhome: our changes to Myhome enabled users to track real estate price trends, which boosted engagement and visit frequency. We also created a dedicated space for developers and began identifying premium brokers to offer them new opportunities.
- Mymarket: mymarket became the first platform in Georgia to offer integrated pay & ship services, driving both user growth and an increase in partner stores.
- Myauto: we integrated a new car catalogue to Myauto to improve content quality and simplify listings. We also enabled dealers to sell vehicles from American auctions directly through the platform.
- TKT: we launched a new ticketing app featuring a digital wallet, advanced ticket-transferring functionality, and additional convenience services.
- Super App: we added a loan application feature to Super App, expanding our financial services offering and increasing user engagement within the ecosystem.

Brand & User Experience Transformation

- Swoop Rebranding: a full rebranding of the Swoop platform has transformed it from a discount site into a lifestyle and inspiration space, where users can discover curated offers and experiences tailored to their interests and needs.
- Customer Experience (CX): we established a dedicated CX direction focused on increasing user satisfaction. Our current Net Promoter Score (NPS) stands at an impressive 75%, reflecting the strength of our customer-centric approach.

LOOKING AHEAD

As we look to the future, our strategy is focused on unlocking sustained growth, strengthening customer relationships, and positioning TNET's digital ecosystem as a market leader.

To stay ahead, we plan to invest in AI and leverage our extensive dataset to drive smarter decisions, targeted offerings, and predictive services. Currently, we gather 2 million data inputs daily from five different verticals and our goal is to increase it further.

Our next phase will be guided by three strategic directions:

- AI-driven innovation – 2026 will be the year of AI exploration, enhancing personalisation, automation, and data-based decision-making.
- Data-driven marketing automation – streamlining client communication to boost engagement, generate richer data, and create value for the Group.
- Expanding customer touchpoints – enhancing engagement through new features and services that strengthen network effects and ecosystem value.

Our business in Uzbekistan

We are one of the largest digital financial ecosystems in Central Asia, reaching 23 million registered users - more than half of Uzbekistan's population.



Our value proposition

Consumer

Our fully digital model has reshaped retail banking in Uzbekistan, thanks to our innovative products, intuitive interface and best-in-class customer experience. Our range of retail products - including online deposits, cash loans, debit cards, credit cards, POS lending, BNPL and digital insurance - have seen strong demand as we have become one of the leading players in this segment.

Business

Building on our success in retail banking, we are now targeting the immense opportunity represented by the underserved business segment. In 2024, we launched TBC Business, the country's first fully digital business banking service, expanding this further in 2025 through the launch of MSME lending, and the acquisition of BILLZ, Uzbekistan's leading retail management SaaS platform. Our goal is simple: unlock new opportunities for this key segment of Uzbekistan's growing economy by making business banking and lending simpler, faster and more accessible.

Key highlights 2025

Registered users	Gross loans	Customer deposits
23 mln +25% YoY	GEL 2.6 bln +45% YoY	GEL 1.5 bln +40% YoY
Total operating income	Net profit	ROE
GEL 690 mln +67% YoY	GEL 127 mln +15% YoY	18.4% -8.5pp YoY

UZBEKISTAN - RIPE FOR GROWTH IN FINANCIAL SERVICES

Uzbekistan is one of Central Asia's most attractive and dynamic frontier markets, underpinned by strong macroeconomic fundamentals and a reform agenda that has empowered the private sector and opened the country up to international investment. With nearly 38 million people and a young, digitally savvy demographic, the country offers significant long-term potential for digital financial services.

Despite Uzbekistan's recent and rapid socioeconomic advances, financial services penetration remains low, with retail loans and deposits still representing just 11% and 9% of GDP, respectively. Also, over the past several years, digital payments activity has climbed sharply, bank card usage and acceptance infrastructure have expanded, and online transaction volumes have continued to rise.

Beyond favourable demographics and increasing smartphone and internet penetration, Uzbekistan benefits from consistently high GDP growth and a modernising digital infrastructure, including a centralised ID system and an interoperable open banking system. Rising interest from international investors further underscores the country's long-term promise.

Together, these structural factors make Uzbekistan an attractive market for expanding digital financial services, supporting TBC Uzbekistan's continued profitable growth trajectory and strategic relevance within the Group.

<p>Young, digitally savvy population</p> <ul style="list-style-type: none"> • 38 mln population • Average age: 29 • 80% smartphone and internet penetration 	<p>Low banking sector penetration</p> <ul style="list-style-type: none"> • Retail loans just 12% of GDP (2024) • Retail deposits just 8% of GDP (2024)
<p>Strong GDP growth</p> <ul style="list-style-type: none"> • Decade-long average GDP growth of 6% • GDP expected to almost double to USD 255 billion by 2030¹ 	<p>Increasing digital engagement</p> <p>In the past 3 years:</p> <ul style="list-style-type: none"> • POS payment volumes have tripled • Number of bank cards, ATMs and self-service kiosks has doubled
<p>Data-rich environment, clear economic reform path</p> <ul style="list-style-type: none"> • Clear economic reform path, with increasing international investment • Data-rich infrastructure with one of the most advanced open banking systems globally 	

CNBC x Statista



In 2025, TBC Uzbekistan was named one of the world's top fintech companies in the neobanking category by CNBC and Statista. It was the first and only company from Uzbekistan and the broader Central Asia region to receive this recognition, which is based on a detailed review of financial metrics, customer scale and overall operating performance.

¹ Based on Uzstat, CBU, IMF, TBC Capital data

2025 IN REVIEW

OVERVIEW

2025 was another significant year for TBC Uzbekistan, characterised by disciplined execution across its core businesses and the continued expansion of its digital financial ecosystem into new product verticals and services.

TBC Uzbekistan continued to scale its key consumer lending, daily banking and payments verticals, while also launching new business lines. TBC Group also completed the acquisition of a majority stake in BILLZ, a leading retail management SaaS platform, further strengthening its Business banking offering, and connecting consumers with businesses within TBC Uzbekistan's ecosystem.

Organisational development also advanced meaningfully during the year. TBC Uzbekistan continued to invest in human capital, strengthened its governance structure, and established TBC Digital as part of a broader institutional build-out and restructuring. These initiatives reinforced the business' operating model and supported its ability to scale effectively.

While the business continued to deliver strong progress in 2025, there were also challenges on both the operating and regulatory fronts. This included a system-wide fraud in 1Q25, which elevated provision charges, but was fully contained during the quarter. The Central Bank of Uzbekistan (CBU) also introduced regulatory changes designed to promote MSME lending in the country and contain consumer lending, including the introduction of consumer loan portfolio caps (with an implementation runway through to January 1, 2029) and the announcement of planned increases in consumer loan risk-weights from July 1, 2026. As a result, TBC has begun to recalibrate its loan book, reducing the share of consumer loans as it builds up its MSME lending, a process that it expects to continue in 1H26.

Contribution to the Group in 2025

Retail loans	Retail deposits	Total operating income	Net profit
18% +9pp	12% +2pp	20% +5pp	9% +1pp

Overall, the Uzbekistan business remained a material contributor to the Group, expanding its presence and market share while maintaining strong momentum across its core products and platform verticals.

SCALING PROFITABLY AND INCREASING MARKET SHARE IN KEY CONSUMER VERTICALS

TBC Uzbekistan's core balance sheet business continued to deliver strong growth in 2025, further strengthening its position in Uzbekistan's retail banking market. The loan portfolio increased by 45% year-on-year to GEL 2,550 million by December 2025, placing TBC Uzbekistan among the top 10 banks in retail lending and bringing its retail loan market share to approximately 4.2%.

Total deposits also expanded steadily, increasing by 40% year-on-year, reaching GEL 1,480 million by December 2025, placing TBC Uzbekistan among the top 10 banks for retail deposits with a 3.8% share.

BUILDING OUT THE BUSINESS VERTICAL

TBC Uzbekistan continued to expand its ecosystem in 2025 by developing the second major pillar of its business: services for micro, small, and medium-sized enterprises (MSMEs).

Following the introduction of TBC Business in late 2024, which enabled fully digital banking for entrepreneurs and MSMEs, the business launched its first fully digital MSME lending product in April 2025, one of the earliest offerings of its kind in Uzbekistan. The product provides fast, collateral-free access to short-term business loans, supported by digital onboarding, automated scoring and underwriting, and the Group's broader technology infrastructure. By the end of 2025 our total MSME loan portfolio reached around GEL 420 million, accounting for more than 15% of the total loan book in Uzbekistan.

Continuing to develop the MSME ecosystem remains an important strategic priority for TBC Uzbekistan, complementing its established consumer businesses and further diversifying the Group's two-sided financial ecosystem connecting consumers with businesses.

STRONG TRACTION IN RECENTLY LAUNCHED PRODUCTS

TBC Uzbekistan continued to scale its daily banking vertical in 2025, with particularly strong traction in the Salom Card. By the end of 2025, 950,000 Salom cards had been issued, reflecting sustained momentum and deepening customer engagement. The product's activation and usage funnels continued to improve, with a growing proportion of customers choosing Salom as their primary daily banking card, demonstrating increasing transaction activity. Cross-sell initiatives into the broader ecosystem, including Payme, further supported this trend.

In 4Q 2025, TBC UZ introduced TBC Plus, a unified subscription that brings together bonuses, benefits, and rewards, supporting deeper customer loyalty and engagement as part of our broader daily banking strategy. The offering demonstrated strong initial take-up, attracting more than 175,000 customers as of December 2025. Within the Payme app, Payme Plus, a premium subscription service launched earlier in the year, gained strong traction, reaching 600,000 monthly subscribers by the end of 2025. The product was further enhanced with the introduction of cashback, used by 170,000 customers as of December 2025.

TBC also continued to ramp up Osmon credit card, one of the first offerings of its kind in the Uzbek market. By the end of 2025, 146,000 Osmon cards had been issued and credit cards had reached 7% of total loan book in Uzbekistan, with adoption steadily increasing as customer awareness and familiarity with credit card products grows.

Together, Salom and Osmon cards enhance TBC Uzbekistan's consumer value proposition, strengthen customer relationships, and support the transition toward multi-product engagement across the ecosystem.

NEW PRODUCT VERTICALS

TBC Uzbekistan continued to expand its product offering in 2025 with the launch of several new verticals. TBC Sug'urta, the Group's digital insurance business, received its life insurance licence in March 2025 and was launched in soft mode in April. By the end of 2025, TBC Sug'urta had issued more than 413,000 policies, with its inaugural credit life insurance product fully integrated into the TBC UZ app.

In 2025, TBC Uzbekistan broadened its addressable customer base by extending access to digital banking services to non-residents. Foreign nationals living in or visiting Uzbekistan can now onboard digitally and use core products, including the Salom debit card, deposits, transfers, and utility payments, through the TBC UZ app. This expansion opens an additional customer segment for the ecosystem and supports wider financial inclusion for expatriate workers, students, and entrepreneurs in Uzbekistan.

As part of its multi-licence strategy, TBC Uzbekistan also advanced its microfinance capabilities. TBC Credit received its microfinance licence earlier in 2025, completed the development of its lending platform, and began issuing loans in August 2025. TBC Uzbekistan also completed the setup of TBC BNPL, a dedicated company that will accelerate the expansion of the buy-now-pay-later business from 2026 onwards.

These new products and licences further diversify TBC Uzbekistan's ecosystem and strengthen its ability to serve both consumer and business segments through a comprehensive, fully digital suite of financial services.

INSTITUTIONAL BUILD-UP AND GOVERNANCE STRENGTHENING

The establishment of TBC Digital, a new holding company, marked a major step in consolidating and streamlining TBC Bank Group's operations in Uzbekistan. The new holding structure, jointly owned by TBC Bank Group PLC (79.70%), the EBRD (10.15%) and the IFC (10.15%), brought all ecosystem entities under a unified governance framework. By strengthening and streamlining governance and consolidating strategic oversight, the new structure unlocks additional synergies across the ecosystem and supports the continued expansion of digital financial services for individuals, MSMEs, and entrepreneurs.

Business review - our business in Uzbekistan continued

TBC Digital's Supervisory Board was appointed during the year, bringing together extensive expertise in digital banking, fintech, and emerging-market financial services. The Board is chaired by Oliver Hughes, Head of International Business at TBC Bank Group. He is joined by David Nangle, CEO and co-founder of VEF, nominated jointly by the EBRD and IFC, and Matthew Risley, Partner Emeritus at QED Investors.

ACQUISITION OF BILLZ BOOSTS BUSINESS BANKING

In 2025, TBC Bank Group completed the acquisition of a majority stake in BILLZ, a leading retail management SaaS platform serving more than 5,500 MSME stores and processing over USD 1.4 billion Gross Transaction Volume (GTV). BILLZ enhances TBC Uzbekistan's reach in the strategically important MSME segment by integrating POS, inventory management, CRM and e-commerce tools into the ecosystem.

This transaction supports the Group's strategy of broadening its digital ecosystem, deepening customer engagement across consumer and MSME segments and capturing a larger share of customer attention.

BUILDING THE AI BANK OF THE FUTURE

In 2025, TBC Uzbekistan made further progress toward building an AI-driven digital bank by completing the formation of its core AI stack and enhancing key processes across data, modelling, and deployment.

At the end of 2025, AI agents handled 90% of payment reminder calls for customers in early-stage delinquency, while its AI sales bot conducted 100,000 interactions per month. Building on the success of its chat-based sales bot, TBC Uzbekistan also launched its first voice-based sales bot.

TBC Uzbekistan also introduced its AI Assistant, Lola, in Friends & Family mode in the fourth quarter of 2025, marking an important step in embedding AI-powered support into the customer experience and transforming the way its customers interact with the bank.

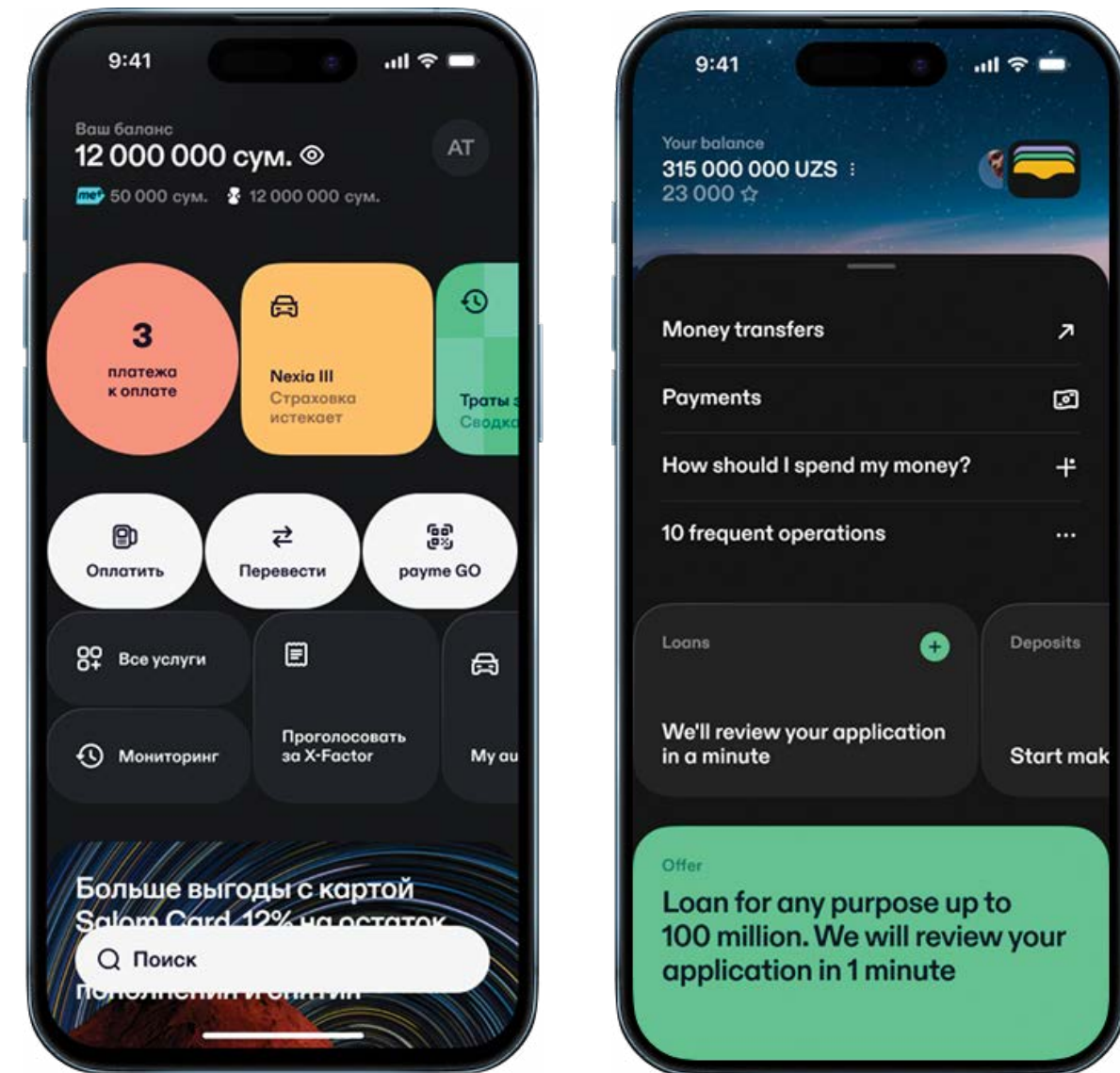
BUILDING A LEADING BANKING BRAND

TBC Uzbekistan continued to strengthen its brand recognition in 2025. According to the 3Q 2025 Brand Health Tracking report conducted by Research Group Central Asia (RGCA), TBC Bank Uzbekistan became the top-of-mind banking brand in Tashkent and ranked third nationwide, based on a representative survey of consumers across all regions. The bank also recorded improvements across key indicators, including unaided and aided brand awareness, recent usage, and customer perception of service quality.

The report additionally highlighted the strong market position of Payme, the ecosystem's payments app, which achieved over 70% total brand awareness and ranked among the top payments brands in Uzbekistan, including the leading position in Tashkent.

These findings reflect TBC Uzbekistan's growing customer reach and increasing recognition of its digital banking and payments services across the country.

TBC and Payme Apps Redesign



TBC Uzbekistan completed a major redesign of the TBC and Payme Apps in 2025, introducing a new user experience and interface that significantly elevates the look, feel and functionality of the apps. The redesigned apps represent a key step in strengthening customer engagement across the ecosystem.

Group highlights

Total operating income
(GEL mln)



Net profit
(GEL mln)



Loan portfolio
(GEL mln)



ROE	NIM	CoR
24.2% -1.4pp YoY	7.0% +0.3pp YoY	1.5% +0.7pp YoY

Group's consolidated income statement and other comprehensive income

<i>In thousands of GEL</i>	2025	2024	Change YoY
Interest income	4,689,341	3,694,520	26.9%
Interest expense	(2,336,887)	(1,793,313)	30.3%
Net interest income	2,352,454	1,901,207	23.7%
Fee and commission income	1,071,763	842,286	27.2%
Fee and commission expense	(455,073)	(321,860)	41.4%
Net fee and commission income	616,690	520,426	18.5%
Net insurance income	59,634	35,271	69.1%
Net gains from currency derivatives, foreign currency operations and translation	336,021	359,511	-6.5%
Other operating income	24,587	16,733	46.9%
Share of profit of associates	572	574	-0.3%
Other operating non-interest income	420,814	412,089	2.1%
Credit loss allowance for loans to customers	(380,790)	(176,866)	NMF
Credit loss allowance for other financial items and net impairment for non-financial assets	(66,309)	(29,895)	NMF
Operating income after expected credit and non-financial asset impairment losses	2,942,859	2,626,961	12.0%
Staff costs	(650,797)	(570,461)	14.1%
Depreciation and amortisation	(168,437)	(145,289)	15.9%
Administrative and other operating expenses	(450,417)	(357,326)	26.1%
Operating expenses	(1,269,651)	(1,073,076)	18.3%
Non-recurring impairment loss due to write-down of the asset held for sale	-	(9,800)	NMF
Net profit before tax	1,673,208	1,544,085	8.4%
Income tax expense	(252,936)	(236,454)	7.0%
Net profit	1,420,272	1,307,631	8.6%
Net profit attributable to:			
- Shareholders of TBCG	1,397,337	1,284,051	8.8%
- Non-controlling interest	22,935	23,580	-2.7%
Other comprehensive (expense)/income, net of tax:			
Other comprehensive (expense)/income for the period	(32,687)	17,779	NMF
Total comprehensive income for the period	1,387,585	1,325,410	4.7%

Group's consolidated balance sheet

<i>In thousands of GEL</i>	31-Dec-2025	31-Dec-2024	Change YoY
Assets			
Cash and cash equivalents	2,548,562	3,047,401	-16.4%
Due from other banks	143,150	45,498	NMF
Mandatory cash balances with the NBG and the CBU	2,357,950	2,576,731	-8.5%
Loans and advances to customers and finance lease receivables	29,564,783	26,296,118	12.4%
Investment securities	6,251,550	5,538,476	12.9%
Repurchase receivables	101,648	140,058	-27.4%
Investment properties	11,430	9,752	17.2%
Current income tax prepayment	42,507	60,422	-29.6%
Deferred income tax asset	5,264	3,150	67.1%
Other financial assets	392,913	436,574	-10.0%
Other assets	1,680,946	1,357,255	23.8%
Intangible assets	760,438	589,067	29.1%
Goodwill	79,348	59,964	32.3%
Total assets	43,940,489	40,160,466	9.4%
Liabilities			
Due to credit institutions	7,373,628	7,630,850	-3.4%
Customer accounts	25,660,058	22,863,833	12.2%
Other financial liabilities	660,264	476,143	38.7%
Current income tax liability	13,097	1,227	NMF
Deferred income tax liability	59,823	50,220	19.1%
Debt Securities in issue*	2,028,046	1,510,183	34.3%
Other liabilities	293,263	267,099	9.8%
Subordinated debt	910,299	1,148,374	-20.7%
Redemption liability	595,544	473,528	25.8%
Total liabilities	37,594,022	34,421,457	9.2%
Equity			
Share capital	1,705	1,722	-1.0%
Shares held by trust	(89,086)	(66,982)	33.0%
Share premium	411,088	411,088	0.0%
Retained earnings	6,077,089	5,286,738	14.9%
Other reserves	(225,331)	(77,066)	NMF
Equity attributable to owners of the parent	6,175,465	5,555,500	11.2%
Non-controlling interest	171,002	183,509	-6.8%
Total equity	6,346,467	5,739,009	10.6%
Total liabilities and equity	43,940,489	40,160,466	9.4%

* Debt securities in issue includes additional tier 1 capital subordinated notes

Group's key ratios

<i>Ratios (based on monthly averages, where applicable)</i>	2025	2024	Change YoY
Profitability ratios:			
ROE	24.2%	25.6%	-1.4 pp
ROA	3.3%	3.6%	-0.3 pp
Cost to income	37.5%	37.9%	-0.4 pp
NIM	7.0%	6.7%	0.3 pp
Loan yields	14.5%	13.1%	1.4 pp
Deposit rates	5.7%	5.4%	0.3 pp
Cost of funding	6.8%	6.1%	0.7 pp
Asset quality & portfolio concentration:			
Cost of risk	1.5%	0.8%	0.7 pp
PAR 90 to gross loans	2.0%	1.4%	0.6 pp
NPLs to gross loans	2.7%	2.2%	0.5 pp
NPL provision coverage	71.0%	71.8%	-0.8 pp
Total NPL coverage	128.3%	143.9%	-15.6 pp
Credit loss level to gross loans	1.9%	1.6%	0.3 pp
Related party loans to gross loans	0.0%	0.1%	-0.1 pp
Top 10 borrowers to total portfolio	5.0%	5.8%	-0.8 pp
Top 20 borrowers to total portfolio	7.8%	8.5%	-0.7 pp
Capital & liquidity positions:			
Net loans to deposits plus IFI funding	102.5%	102.2%	0.3 pp
Leverage (x)	6.9x	7.0x	-0.1x

Financial disclosures by business lines

Business line definitions

The operating segments are defined as follows:

- **Georgian financial services ("Georgia FS")** - include JSC TBC Bank with its Georgian subsidiaries and JSC TBC Insurance with its subsidiary. The Georgia financial service segment consists of three major business sub-segments, while the treasury, leasing and insurance businesses are combined into the corporate and other sub-segments:
 - **Corporate and investment banking ("CIB")** - a legal entity/group of affiliated entities with an annual revenue exceeding GEL 20 million or which has been granted facilities of more than GEL 7.5 million. Some other business customers may also be assigned to the CIB segment or transferred to the micro, small and medium enterprises segment on a discretionary basis. In addition, CIB includes Wealth Management private banking services to high-net-worth individuals with a threshold of USD 250,000 on assets under management (AUM), as well as on discretionary basis;
 - **Retail** - non-business individual customers;
 - **Micro, small and medium enterprises ("MSME")** - business customers who are not included in the CIB sub-segment.
- **Uzbekistan** - TBC Digital JSC with respective subsidiaries and BILLZ (Shoppe Group LLC).
- **Other** - includes non-material or non-financial subsidiaries of the Group, and intra-group eliminations.

GFS highlights

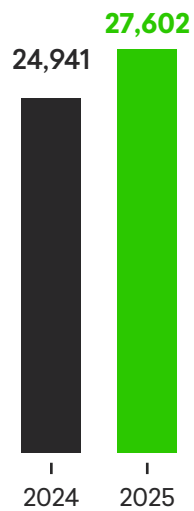
Total operating income
(GEL mln)



Net profit
(GEL mln)



Loan portfolio
(GEL mln)



ROE	NIM	CoR
24.3% -1.1pp YoY	5.8% +0.0pp YoY	0.7% +0.2pp YoY

GFS income statement

<i>In thousands of GEL</i>	2025	2024	Change YoY
Interest income	3,622,567	3,132,568	15.6%
Interest expense	(1,802,738)	(1,540,756)	17.0%
Net interest income	1,819,829	1,591,812	14.3%
Fee and commission income	800,825	677,020	18.3%
Fee and commission expense	(346,979)	(278,765)	24.5%
Net fee and commission income	453,846	398,255	14.0%
Net insurance income	52,272	35,986	45.3%
Net gains from currency derivatives, foreign currency operations and translation	346,897	367,867	-5.7%
Other operating income	23,080	16,290	41.7%
Share of profit of associates	572	574	-0.3%
Other operating non-interest income	422,821	420,717	0.5%
Credit loss allowance for loans to customers	(177,357)	(114,187)	55.3%
Credit loss allowance for other financial items and net impairment for non-financial assets	(29,715)	(13,985)	NMF
Operating income after expected credit and non-financial asset impairment losses	2,489,424	2,282,612	9.1%
Staff costs	(490,139)	(445,995)	9.9%
Depreciation and amortisation	(130,539)	(121,756)	7.2%
Administrative and other operating expenses	(269,593)	(219,755)	22.7%
Operating expenses	(890,271)	(787,506)	13.0%
Net profit before tax	1,599,153	1,495,106	7.0%
Income tax expense	(222,533)	(218,220)	2.0%
Net profit	1,376,620	1,276,886	7.8%

GFS balance sheet highlights

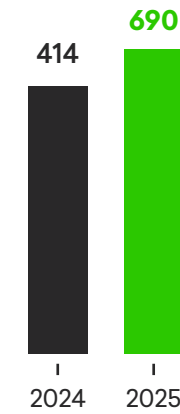
<i>In thousands of GEL</i>	31-Dec-2025	31-Dec-2024	Change YoY
Cash & NBG mandatory reserves	4,676,562	5,398,958	-13.4%
Due from other banks	102,417	45,471	NMF
Loans and advances to customers and finance lease receivables	27,215,274	24,602,989	10.6%
Investment securities measured at fair value through OCI	5,861,006	5,504,681	6.5%
Intangible assets and Goodwill	504,692	430,362	17.3%
Other assets	1,931,683	1,767,188	9.3%
TOTAL ASSETS	40,291,634	37,749,649	6.7%
Due to credit institutions	6,891,552	7,314,032	-5.8%
Customer accounts	24,324,216	21,890,518	11.1%
Subordinated debt and debt securities in issue	2,201,063	2,319,634	-5.1%
Other liabilities	861,850	696,607	23.7%
TOTAL LIABILITIES	34,278,681	32,220,791	6.4%
Equity attributable to shareholders	6,012,618	5,528,606	8.8%
Non-controlling interest	335	252	32.9%
TOTAL EQUITY	6,012,953	5,528,858	8.8%
TOTAL LIABILITIES AND EQUITY	40,291,634	37,749,649	6.7%

GFS key ratios

<i>Georgian financial services</i>	2025	2024	Change YoY
Profitability ratios:			
ROE	24.3%	25.4%	-1.1 pp
ROA	3.6%	3.7%	-0.1 pp
Cost to income	33.0%	32.7%	0.3 pp
NIM	5.8%	5.8%	0.0 pp
Loan yields	11.9%	11.5%	0.4 pp
Deposit rates	4.6%	4.7%	-0.1 pp
Cost of funding	5.6%	5.4%	0.2 pp
Asset quality & portfolio concentration:			
Cost of risk	0.7%	0.5%	0.2 pp
PAR 90 to gross loans	1.6%	1.4%	0.2 pp
NPLs to gross loans	2.5%	2.2%	0.3 pp
NPL provision coverage	56.9%	61.0%	-4.1 pp
Total NPL coverage	126.7%	138.0%	-11.3 pp
Capital & liquidity positions			
Net stable funding ratio	123.7%	123.9%	-0.2 pp
Liquidity coverage ratio	127.7%	125.5%	2.2 pp
CET 1 CAR	16.6%	16.8%	-0.2 pp
Tier 1 CAR	19.8%	20.4%	-0.6 pp
Total 1 CAR	22.5%	23.8%	-1.3 pp

Uzbekistan highlights

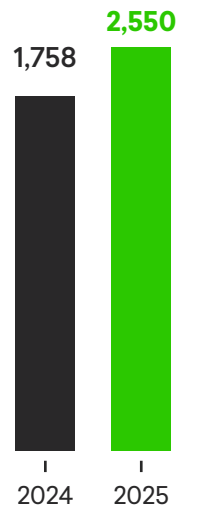
Total operating income (GEL mln)



Net profit (GEL mln)



Loan portfolio (GEL mln)



ROE	NIM	CoR
18.4% -8.5pp YoY	21.6% -2.8pp YoY	10.2% +3.9pp YoY

Uzbekistan income statement

<i>In thousands of GEL</i>	2025	2024	Change YoY
Interest income	1,064,618	554,488	92.0%
Interest expense	(527,821)	(251,634)	109.8%
Net interest income	536,797	302,854	77.2%
Fee and commission income	258,964	156,517	65.5%
Fee and commission expense	(110,287)	(45,045)	144.8%
Net fee and commission income	148,677	111,472	33.4%
Net insurance income	8,229	-	NMF
Net losses from currency derivatives, foreign currency operations and translation	(5,001)	(501)	NMF
Other operating income	1,243	71	NMF
Other operating non-interest income/ (expense)	4,471	(430)	NMF
Credit loss allowance for loans to customers	(203,384)	(67,356)	202.0%
Credit loss allowance for other financial items and net impairment for non-financial assets	(35,255)	(9,775)	260.7%
Operating income after expected credit and non-financial asset impairment losses	451,306	336,765	34.0%
Staff costs	(104,391)	(67,935)	53.7%
Depreciation and amortisation	(26,767)	(13,375)	100.1%
Administrative and other operating expenses	(174,553)	(127,031)	37.4%
Operating expenses	(305,711)	(208,341)	46.7%
Net profit before tax	145,595	128,424	13.4%
Income tax expense	(18,960)	(18,100)	4.8%
Net profit	126,635	110,324	14.8%

Uzbekistan balance sheet highlights

<i>In thousands of GEL</i>	31-Dec-2025	31-Dec-2024	Change YoY
Cash & CBU mandatory reserves	233,671	228,435	2.3%
Due from other banks	40,708	-	NMF
Loans and advances to customers and finance lease receivables	2,349,508	1,676,113	40.2%
Intangible assets and Goodwill	160,414	75,075	113.7%
Other assets	710,324	289,625	145.3%
TOTAL ASSETS	3,494,625	2,269,248	54.0%
Due to credit institutions	1,076,723	474,444	126.9%
Customer accounts	1,479,519	1,055,758	40.1%
Subordinated debt and debt securities in issue	39,617	36,356	9.0%
Other liabilities	123,667	79,099	56.3%
TOTAL LIABILITIES	2,719,526	1,645,657	65.3%
Equity attributable to shareholders	775,099	623,591	24.3%
TOTAL EQUITY	775,099	623,591	24.3%
TOTAL LIABILITIES AND EQUITY	3,494,625	2,269,248	54.0%

Uzbekistan key ratios

Uzbekistan	2025	2024	Change YoY
Profitability ratios:			
ROE	18.4%	26.9%	-8.5 pp
ROA	4.2%	7.2%	-3.0 pp
Cost to income	44.3%	50.3%	-6.0 pp
NIM	21.6%	24.4%	-2.8 pp
Loan yields	43.0%	44.1%	-1.1 pp
Deposit rates	24.6%	24.8%	-0.2 pp
Cost of funding	23.5%	23.6%	-0.1 pp
Asset quality & portfolio concentration:			
Cost of risk	10.2%	6.3%	3.9 pp
PAR 90 to gross loans	5.8%	2.0%	3.8 pp
NPLs to gross loans	5.8%	2.0%	3.8 pp
NPL provision coverage	135.6%	229.5%	-93.9 pp
Total NPL coverage	135.6%	229.5%	-93.9 pp
Capital & liquidity positions			
CET 1 CAR	18.2%	21.9%	-3.7 pp
Tier 1 CAR	18.2%	21.9%	-3.7 pp
Total 1 CAR	18.9%	23.2%	-4.3 pp

TAX STRATEGY

TBC is committed to complying with all applicable tax laws in all jurisdictions where TBC Group operates, including in the UK. In particular, we aim to pay the correct amount of tax within applicable time limits. Our objectives are built around the following key principles:

- transparency;
- responsibility; and
- effective interaction with tax authorities.

We seek to ensure that the management of tax risk and proper governance around our tax operations is supported by appropriately trained personnel who have clear responsibilities to identify, analyse, assess and manage tax risks. TBC has robust tax risk management procedures in place which include risk review processes, internal assurances and, where necessary, discussions with tax authorities and/or consultations with reputable external advisors. For more details, please view our tax strategy on our website at www.tbcbankgroup.com under the “ESG” section.

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 the 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 the 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.

THE 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. The framework ensures 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 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 seeking 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.

GOVERNANCE

The Group's risk governance structure is developed 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. 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 the 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.

Risk appetite

Risk appetite is defined as the set of acceptable limits that shape the combined level of risk that the Group or its key subsidiaries are prepared to accept in pursuit of return and value creation consistent with the approved strategy. The Group's Risk Appetite Framework, which governs enterprise risk management, establishes the extent and process of permissible risk-taking to guide the Group's business outcomes.

Considering the ever-changing risk profile of the Group, the Risk Appetite Frameworks of the Group and its key subsidiaries are regularly reviewed, updated, and approved by the Board to make sure that they remain aligned with the Group's desired level of risk-taking.

Risk identification

The identification of risks serves as the foundational step in the Group’s risk management process. This process systematically recognises and documents any potential direct or indirect risks that could impact the achievement of organisational objectives. To ensure comprehensive, anticipatory identification of these risks, this process leverages input both from the Group’s lines of defence within the organisation and from external stakeholders.

The risk identification process within the Group is governed by the Risk Registry Framework. Regular reviews and adjustments of the Risk Registry are undertaken to ensure its consistent relevance and effectiveness.

Risk measurement

The Group places significant emphasis on a comprehensive approach to risk measurement, aligning with its commitment to proactive risk management practices. Each identified risk direction is accompanied by tools for quantitative and qualitative measurement. The process is dynamic, continuously adapting to changes in the financial landscape and regulatory environment. Regular reviews and assessments ensure the effectiveness of the risk measurement tools and methodologies.

Risk mitigation

Risk mitigation is a proactive approach aimed at minimising the potential negative consequences of risks. To proactively approach every material risk, the Group develops and implements harmonised risk policies and frameworks, which play a key role by:

- Setting standards and guidelines – risk policies outline the standards and guidelines for how risks should be managed within the organisation and provide a structured approach to addressing risks, ensuring consistency and compliance with regulatory and internal requirements.
- Defining roles and responsibilities – risk policies clarify the roles and responsibilities of different individuals and departments in the risk mitigation process.
- Establishing procedures – risk policies provide a guiding framework for developing procedures for risk mitigation activities.

All policies are subject to regular reviews and updates to adapt to new challenges and refine its risk management strategies over time.

Risk monitoring and reporting

Risk reporting is a cornerstone of the Group’s robust Risk Management Framework. The Group and its subsidiaries are mandated to establish robust risk reporting processes. These processes are designed to regularly communicate material risk exposures and the overall risk profile to the Supervisory and Management Boards and to senior management.

Regular monitoring is essential to ensure compliance with the established risk appetite and regulatory limits. It serves as a proactive measure to observe the evolution of the prevailing risk environment. The Group emphasises a structured approach to risk reporting, including monitoring, to effectively capture, assess, and communicate risks. This ensures the provision of clear and timely information, fostering accountability among stakeholders in managing and addressing risks.

In addition to routine reporting, ad-hoc reporting can be triggered by key vulnerabilities, significant risk identification, or deviations from the targeted risk profile. This agile approach ensures that the risk reporting mechanism remains responsive to emerging risks and evolving circumstances.

Internal control

TBC Group has established an integrated Internal Control Framework, seamlessly aligning its risk, control, compliance, and internal audit functions for integrity, efficiency, and regulatory compliance. This comprehensive framework ensures meticulous adherence to policies and procedures, catering to the diverse needs of our products and services. It also enables an integrated, unified repository of audit findings and risk-related insights generated from our first, second, and third lines of defence and our regulatory and legal functions, reflecting our commitment to transparency and accountability.

The Internal Control Framework extends to the evaluation, testing, and follow-up of high and critical-risk processes, while simultaneously focusing on enhancing risk awareness and refining internal controls. Continuous monitoring and improvement initiatives are integral components of the framework, enhancing operational effectiveness. This approach fosters a culture of internal control, showcasing our dedication to excellence in managing internal controls and risks.

Stress testing and contingency planning

It is essential for the Group to examine its financial performance under conditions that diverge from baseline expectations. For that reason, the Group subjects itself to various stress scenarios in order to identify vulnerabilities, quantify potential losses, and assess the sufficiency of its risk mitigation measures. Currently, JSC TBC Bank has established its own comprehensive stress testing framework, which encompasses a range of scenarios to assess its resilience. This includes scenarios related to capital, liquidity, credit, cyber, and other risk factors relevant to the prevailing risk environment. Stress testing is crucial to evaluate the ability to withstand adverse conditions, such as economic downturns, market volatility, and unforeseen events. Regular reviews and adjustments are essential to ensure the consistent relevance and effectiveness of the stress testing frameworks. Stress testing procedures have also been implemented for TBC Uzbekistan, focusing on the economic and financial environment of the market in Uzbekistan.

The Bank regularly performs stress test exercises. Stress tests are conducted within predefined frameworks such as Internal Capital Adequacy Assessment Process (ICAAP), Internal Liquidity Adequacy Assessment Process (ILAAP), and Recovery Planning, and/or on an ad-hoc basis to assess the impact of certain system-wide or idiosyncratic events on the Bank’s capital, liquidity, and financial positions. Although the overall stress testing approach is consistent, the severity of the stress scenarios differs according to the relevant framework.

In addition to stress testing analysis, the Recovery Plan serves as a strategic blueprint for both the Supervisory Board and the management to ensure its readiness for specific stress conditions. The Recovery Plan provides clear recovery options with specific steps to be undertaken, including transparent and timely communication to internal and external stakeholders. The framework is subject to regular reviews and adjustments to ensure its consistent relevance and effectiveness.

The Bank also has a Business Continuity Plan in place. This plan seeks to ensure that the organisation is prepared to respond effectively to disruptions. By outlining strategies to maintain revenue streams and minimise financial losses during disruptions, these practices help to safeguard the organisation’s financial stability and long-term viability.

Material existing and emerging risks

Risk management is a critical pillar of the Group's strategy. It is essential to identify emerging risks and uncertainties that could adversely impact the Group's performance, financial condition, and prospects. This section analyses the material principal and emerging risks and uncertainties that the Group faces. However, we cannot exclude the possibility of the Group's performance being affected by risks and uncertainties other than those listed below.

The Board has undertaken a robust assessment of both the principal and emerging risks facing the Group and the long-term viability of the Group's operations, in order to determine whether to adopt the going concern basis of accounting.

PRINCIPAL RISKS AND UNCERTAINTIES

SPECIFIC FOCUS IN 2025

1. The Group is exposed to the potential adverse effects of internal political tensions and uncertainty in its countries of operation.

Risk description

The Group's performance is highly vulnerable to geopolitical developments in its two major operational markets - Georgia and Uzbekistan.

In 2025, the tense political environment continued to be a major source of risk for the Georgian market. The political climate in Georgia grew strained following the parliamentary elections on October 26th 2024, as opposition parties opposed the results, with tensions increasing after November 28th, when the Government announced a temporary suspension of EU integration talks until the end of 2028.

This announcement sparked mass protests throughout the country, which continued on a moderated scale in 2025, with most of the opposition parties boycotting parliament, detentions of protest participants, and the jailing of some opposition leaders contributing to the high level of polarisation. Georgia's political environment also continued to be influenced by evolving international dynamics, including shifting relations with key global and regional partners. While the US and European countries have not introduced any direct measures affecting the broader economy or institutions to date, increased scrutiny and changes in international engagement following allegations of democratic backsliding contribute to an atmosphere of uncertainty, which remains a potential risk factor.

From an economic perspective, 2025 was a year of relative alignment with long-term trends. Heightened political tensions throughout 2024 reduced confidence in the GEL and raised uncertainty both domestically and internationally. Consequently, worsened expectations and a tense environment had a negative, albeit rather moderate, effect on tourism and consumer spending on durable goods at the end of 2024 and in the first months of 2025, resulting in elevated pressures on the GEL, intensified by large-scale deposit conversions from the national to foreign currency in the banking system. The National Bank of Georgia (NBG) was able to largely offset these pressures on the GEL through active FX interventions, although they significantly drained the country's reserves, falling below the level that the IMF deems sufficient. However, while the political environment remained polarised throughout 2025, spending dynamics began to recover from March. In particular, the environment grew more supportive of the GEL, caused by improved net currency inflows and recovering deposit larisation. This allowed the NBG to replenish its international reserves to an historically high level of USD 6.2 billion (surpassing 100% adequacy level of the IMF's ARA metric) by purchasing more than USD 2.4 billion from the FX market throughout the year, while the GEL also strengthened against the USD by around 4.1%.

Risk mitigation

The Group implemented appropriate measures to minimise the potential negative impact on the Bank's performance and the availability of its services to customers. The Bank utilises a comprehensive stress testing framework and a range of risk measurement and monitoring tools. The effect of severe stress assumptions is assessed as part of the annual Recovery Plan process. In addition, the Group had specifically developed several theoretical scenarios analysing the possible outcomes of the parliamentary elections in 2024 and designed stress tests to calibrate the potential effects on the Bank's performance, accordingly reevaluating potential risks in 2025 as well. At the beginning of 2025, the internal tensions scenario was also assessed under the ICAAP and ILAAP as one of the plausible scenarios the Bank could encounter within a market-wide stress test.

2. The Group's performance may be compromised by adverse developments in the region, particularly the war in Ukraine, the possible spread of the geopolitical crisis and/or the potential outflow of migrants from Georgia, and military escalation in the Middle East, which could have a material impact on the operating environment in Georgia and Uzbekistan.

Risk description

The Group's performance is dependent on geopolitical developments in its two major operation markets - Georgia and Uzbekistan.

Although inflows to the Georgian economy are quite diversified, the country is still vulnerable to geopolitical and economic developments in the region. Risks that are still tangible stemming from the Russian invasion of Ukraine and the consequent sanctions imposed on Russia, with the resulting elevated uncertainties, remain a major external potential threat to the Georgian economy. The country is also exposed to the risk of renewed military conflicts in its breakaway regions occupied by Russia, while the military escalation in the Middle East, might affect the Georgian economy through a stronger USD, higher oil prices, migration flows, etc.

While the migration effect has evidently moderated in recent years, it continues to make an important contribution in Georgia; therefore, any sizeable outflow could lead to a deterioration in the business environment. At the same time, the rapid conflict resolution scenario, especially in the case of lifted sanctions, could lead to at least partial realignment of current trade flows through Georgia, from which the country's economy has benefited in recent years. However, that would also likely create positive spillover effects, such as a strong rebound of economic growth in Russia and Ukraine.

Moreover, the Russian invasion of Ukraine, related economic policies, and geopolitical uncertainties pose a risk to the business environment in Uzbekistan as well, including but not limited to geopolitical tensions in Central Asia.

The materialisation of these risks could severely hamper economic activity in Georgia and Uzbekistan and negatively impact the business environment and the client and customer base of the Group.

Risk mitigation

The Group actively employs stress testing and other risk measurement and monitoring tools to ensure that early triggers are identified and translated into specific action plans to minimise any negative impact on the Bank's capital adequacy, liquidity, and portfolio quality. In extreme stress cases, where regulatory requirements may be breached, the Bank has a Recovery Plan in place, which helps to guide the Board and the management through the process of recovery of the capital and/or liquidity positions within a prescribed timeframe.

3. The Group's operating region introduces financial crime risk.

Risk description

Financial crime risk encompasses money laundering, terrorist financing, bribery and corruption, and sanctions-related risks. Since sanctions risk has continued to escalate in recent years, the Group maintained a strong focus on managing and enhancing its sanctions risk control framework in 2025.

Georgia has historically maintained close business and financial ties with both Russia and Ukraine. However, the Russian Federation's full-scale invasion of Ukraine on 24 February 2022 triggered a robust international response, including the imposition of extensive economic sanctions by the US, EU, UK, and other global partners. These sanctions targeted a broad range of Russian and Belarusian government officials, oligarchs, businesses, financial institutions, and state-owned enterprises, along with sectoral restrictions and export/import bans across critical industries.

Since late 2023, leading sanctioning authorities have continued to tighten and expand restrictions, targeting Russia's military, energy, and trade sectors through multiple packages in early 2024 and 2025. The growing complexity and evolving scope of these measures, alongside escalating political tensions in Georgia, have intensified scrutiny from international financial institutions and correspondent banks. These institutions have adopted a more cautious stance, implementing stricter requirements for transaction monitoring and customer due diligence.

The relocation of a significant number of Russian nationals to Georgia has further elevated sanctions risk. Given the Group's interactions with Russian entities and individuals, there is an increased risk of exposure to sanctions circumvention attempts.

In December 2023, the US Office of Foreign Assets Control (OFAC) issued an executive order requiring Georgian financial institutions to apply enhanced scrutiny to transactions involving Russian entities operating within the Russian economy, particularly those linked to military-industrial activities. Since then, additional sanctions packages from the EU, UK, and US have introduced further restrictions aimed at disrupting sanctions evasion networks and undermining support for Russia's war effort.

Risk review - material existing and emerging risks *continued*

Domestically, the adoption of new regulatory measures by the Georgian authorities - designed to control the re-export of restricted goods of EU/UK/US origin to Russia and Belarus - has prompted the Group to further enhance its sanctions controls. This includes implementing AI-driven monitoring tools and bolstering trade surveillance systems to prevent the illicit flow of sanctioned goods to or from restricted jurisdictions.

Political and geopolitical developments in Georgia in late 2024 and early 2025 contributed to a more complex risk environment. In response to concerns related to governance and institutional resilience, the US and UK introduced targeted sanctions against certain Georgian individuals holding public or influential positions. In April 2025, additional measures were extended to individuals within the judicial system. In September, sanctions were also imposed on Georgian nationals in connection with alleged links to Russia and activities involving the dissemination of pro-Russian propaganda. Further designations may be introduced in the future, subject to ongoing developments.

More recently, sanctions targeting major Russian oil companies, including Lukoil and Rosneft, also had implications for Georgia's oil sector. Except for the Lukoil subsidiary, which is permitted to conduct only limited operations under the applicable licences until their expiration, the wider sector has remained largely unaffected, owing to the early diversification of its supply chains.

While the Red Sea crisis has eased, emerging trade corridors such as the Middle Corridor have gained prominence. Previously, Georgia faced risks related to Iran-linked transshipments in its Asia-bound trade, particularly in routes affected by US sanctions. However, these risks have diminished as trade flows shift toward alternative pathways.

Non-compliance with the US, EU, or UK sanctions regimes could result in significant regulatory penalties and enforcement actions by both the National Bank of Georgia and international authorities. Beyond regulatory consequences, the Group remains exposed to reputational risks, particularly with correspondent banks and other critical financial partners.

Given the Group's expansion into Uzbekistan, additional country-specific financial-crime risks have arisen that require targeted mitigation. While Uzbekistan has been strengthening its Anti-Money Laundering and Counter-Terrorist Financing (AML/CTF) legal framework and supervisory activity, supervisory enforcement since 2024–2025 has revealed implementation gaps across parts of the banking, micro-finance, and payment sectors – with multiple fines, warnings, and operational restrictions issued by the Central Bank for breaches of financial-monitoring requirements. These enforcement actions point to weaknesses in consistent application of customer due diligence, beneficial-ownership verification, and transaction monitoring at some local counterparties, increasing the Group's exposure to inadvertent involvement in money-laundering or terrorism-financing activity.

Uzbekistan's rapid digitalisation and a marked increase in cyber-enabled payment fraud have also materially elevated financial-crime risk in 2025, putting additional strain on transaction-monitoring and fraud-detection capabilities. The combination of expanding card and online payment usage and evolving fraud schemes heightens the risk of both direct financial loss and AML control failures.

At the same time, Uzbekistan's growing economic links with the Russian Federation and rising trade flows increase the risk of secondary-sanctions exposure and sanctions-circumvention pathways, particularly where trade or re-export chains involve third-country intermediaries. This creates an added need for enhanced sanctions screening and trade-surveillance controls in the Group's Uzbek operations.

Risk mitigation

The Group maintains a zero-tolerance policy towards any breach or facilitation of breaches of UN, UK, US, and EU sanctions. We are committed to restricting any dealings with sanctioned parties or goods and services, whether directly or indirectly.

In line with our commitment, the Group has implemented a comprehensive Anti-Financial Crime Policy that addresses key risk areas, including money laundering, terrorist financing, bribery, corruption, and sanctions. This policy applies uniformly across all Group member companies, business activities, and employees. To ensure adherence, employees receive regular training on financial crime risk management and are made aware of the Group's approach and the potential consequences of non-compliance.

Our objective is to protect our customers, shareholders, and society from financial crime and associated threats. The Group is fully committed to complying with applicable international and domestic laws and regulations related to financial crime, as well as relevant legislation in other countries where Group member financial institutions operate. We strive to meet industry best practice standards consistently.

To prevent any association with unlawful activities such as money laundering, terrorist financing, bribery, corruption, sanctions violations, or tax evasion, the Group has implemented internal policies, procedures, and detailed instructions. Our Anti-Money Laundering and Counter-Terrorist Financing (AML/CTF) compliance programme includes:

- Policies and procedures to ensure compliance with AML laws and regulations
- Know Your Customer (KYC) and customer due diligence procedures
- A customer acceptance policy
- Screening against global sanctions lists of all relevant authorities
- Regular staff training and awareness-raising
- Compliance reviews and independent testing
- Procedures for monitoring and reporting suspicious activities

The Group has allocated specific resources to sanctions risk management, including:

- Acquisition of software and databases to assist in sanctions risk mitigation
- Engagement of external advisers to provide recommendations for improvements
- Conducting external audits to assess internal policies and procedures
- Empowering dedicated staff with the relevant knowledge
- Establishing new arrangements within the Compliance Division, including the addition of new human resources

As part of the second line of defence, the Group Compliance manages risk in accordance with the risk appetite defined by the Group and promotes a strong risk culture throughout the organisation. The Group has implemented a sophisticated, artificial intelligence-based AML solution to enable AML Officers to monitor client transactions and identify suspicious behaviour.

This system utilises data analytics and machine learning to detect anomalies, identify organised money laundering activities, and create automated systems for pattern recognition. The tool compiles incidents into dashboards for AML officers to take further action. The Group continuously works to enhance the efficiency of AI- and technology-based tools by addressing a broader spectrum of constraints.

The Group conducts an annual Enterprise-Wide Risk Assessment (EWRA) in line with the approved methodology, separately evaluating the inherent risks and control environments for AML/CTF and Sanctions risks. Overall residual AML/CTF risk of the Bank and the Group for the previous year was assessed as Medium, while Sanctions risk – as Medium Tending High.

The Group remains committed to robust financial crime compliance and continues to reinforce the role and capacity of its AML and Sanctions Controls functions.

FINANCIAL RISKS

1. The majority of the Group's earnings capacity is generated via credit risk bearing asset side elements.

Risk description

Credit risk is the greatest material risk faced by the Group, given that the Group is principally engaged in traditional lending activities. Credit risk is the risk of losses due to the failure of a customer or counterparty to meet their obligations to settle outstanding amounts in accordance with agreed terms. The Group's customers include legal entities as well as individual borrowers. Due to the high level of dollarisation in Georgia's financial sector, currency-induced credit risk is a component of credit risk, which relates to risks arising from foreign currency-denominated loans to unhedged borrowers in the Group's portfolio. Credit risk also includes concentration risk, which is the risk related to credit portfolio quality deterioration as a result of large exposures to single borrowers or groups of connected borrowers, or loan concentration in certain economic industries. Losses incurred due to credit risk may be further aggravated by unfavourable macroeconomic conditions.

Currency-induced credit risk (CICR) - While the Group's banking business in Uzbekistan is focused on lending in the local currency, the banking business in Georgia has a significant credit portfolio in foreign currencies. A potential material GEL depreciation is one of the most significant risks that could negatively impact credit portfolio quality. As of 31 December 2025, 50.6% of the Group's total gross loans and advances to customers (before provision for loan impairment) was denominated in foreign currencies. The income of many customers is directly linked to foreign currencies via remittances, tourism, or exports. Nevertheless, customers may not be protected against significant fluctuations in the GEL exchange rate against the currency of the loan. The GEL remains in free float and is exposed to a range of internal and external factors that, in some circumstances, could lead to its depreciation. In 2025, the average USD/GEL currency exchange rate depreciated by 0.8% year-on-year.

Concentration risk - Although the Group is exposed to single-name and sectoral concentration risks, the Group's portfolio is well diversified both across sectors and single-name borrowers, resulting in only a moderate vulnerability to concentration risks. However, should exposure to common risk drivers increase, the risks are expected to amplify accordingly. At a consolidated level, the Group's maximum exposure to the single largest industry (real estate) stood at 11% of the loan portfolio as of 31 December 2025. At the same time, exposure to the 20 largest borrowers stood at 7.8% of the loan portfolio.

Risk review - material existing and emerging risks *continued*

In addition, credit risk also includes counterparty credit risk, as the Group engages in various financial transactions with both banking and non-banking financial institutions. Through performing banking services such as lending in the interbank money market, settling a transaction in the interbank foreign exchange market, entering into interbank transactions related to trade finance, or investing in securities, the Group is exposed to the risk of losses due to the failure of a counterparty bank to meet its obligations.

Risk mitigation

A comprehensive Credit Risk Assessment Framework is in place with a clear division of duties among the parties involved in the credit analysis and approval process. The credit assessment and monitoring processes differ by segment and product type to reflect the diverse nature of these asset classes. The Group's credit portfolio is highly diversified across customer types, product types, and industry segments, which minimises credit risk at the Group level. As of 31 December 2025, Georgian financial services (GFS) accounted 91.5% of the total portfolio, with the retail segment comprising 35.5%. Within the retail segment, mortgage and non-mortgage exposures amounted 54.9% and 45.1% respectively.

Credit approval

The Group focuses on robust credit-granting through establishing clear lending criteria and efficient credit risk assessment processes, including CICR and concentration risk.

Credit assessments vary by segment and product, reflecting the characteristics of the different asset classes. Decisions are either automated or manually assessed, following segment-specific guidelines. Automated decisions use internal credit risk scorecards, aiming for increased automation to enhance decision speed and competitive advantage. For loans requiring manual review or unsuited to automation, credit committees make decisions based on the client's indebtedness and risk profile, in full compliance with legal requirements. These committees, structured in multiple tiers, review and approve loans, differing by size and risk of the credit product.

To address the CICR, the client's ability to withstand a certain amount of exchange rate depreciation is incorporated into the credit underwriting framework, which also includes significant currency depreciation buffers for unhedged borrowers.

The NBG issued an order mandating that all loans and bank credits up to GEL 750,000 be issued exclusively in the national currency, effective 1 August 2025. This measure, which replaces the previous GEL 500,000 threshold that had been in force since 1 January 2025, is intended to further reduce dollarisation risks and enhance the resilience of the Georgian financial system. Since the beginning of 2024, this is the third increase in the ceiling on unhedged foreign loan amounts. Previously, the limit was increased from 300,000 GEL to 400,000 GEL on May 1st 2024.

Throughout 2025, the reserve requirement on foreign currency liabilities remains unchanged at 25%. Previously, in November 2024, the National Bank of Georgia increased the reserve requirement by 5pp to 25%, to further support the larisation of the banking system.

Credit monitoring

The Group emphasises proactive risk management, with credit risk monitoring as a core element. We use a robust system to quickly respond to macro and micro changes, identifying vulnerabilities in our credit portfolio to make informed decisions. Our risk resilience involves regular monitoring of concentration risk, CICR, and other credit risk factors. We employ a portfolio supervision system to detect weaknesses in credit exposures, analyse risk trends, and recommend actions against emerging risks. Particular attention is paid to CICR due to the high share of loans denominated in foreign currencies in the bank's portfolio. Vulnerability to exchange rate depreciation is monitored in order to promptly implement an action plan, as and when needed. Given the experience and knowledge built through recent currency volatility, the banks are in a good position to promptly mitigate exchange rate depreciation risks.

Tailoring monitoring to segment specifics, we focus on individual credit exposures, portfolio performance, and external trends affecting risk profiles. Our vigilant stance includes early-warning systems to identify financial deterioration or fraud in clients' positions. These systems track signs like overdue days, refinancing, LTV changes, or tax liens. Large overdue exposures receive individual monitoring to assess clients' loan servicing capabilities.

In fraud prevention, we monitor first payment defaults across credit experts, bank branches, or companies employing our clients. Our institutions have credit monitoring and reporting processes for their Supervisory and Management Boards or risk committees, ensuring transparency and informed decision-making.

In addition to our underwriting and monitoring efforts, relevant buffers are built into our capital adequacy requirements to ensure that our banks are sufficiently capitalised to cover CICR, concentration risk, and credit risk in general. We utilise stress testing and sensitivity analysis to assess our credit portfolio's resilience, preparing for different economic conditions and evolving client needs.

Credit risk appetite

The credit risk appetite of the Group is defined by the Risk Appetite Frameworks of the Group and its financial institution subsidiaries, guiding credit risk-taking. These frameworks offer qualitative guidance and quantitative limits to set acceptable credit risk levels. Key quantitative metrics include NPL proportion and cost of risk. Risk Appetite Frameworks also set strict limits and ensure close monitoring of Currency-Induced Credit Risk and Concentration Risk, covering sectoral and single-name concentrations.

Credit ratings are essential in determining credit risk tolerance. They provide a thorough assessment of a borrower's creditworthiness, which is crucial for understanding their ability to fulfil their financial commitments. These ratings are fundamental in establishing guidelines for acceptable risk levels and are integrated into our Risk Management Framework. They enhance our ability to define and manage credit risk, allowing for a detailed understanding of borrower creditworthiness, leading to informed decision-making and appropriate risk threshold setting.

We approach credit risk by combining comprehensive Risk Appetite Frameworks with the strategic use of credit ratings. This integrated approach enables the Group to effectively navigate the changing credit risk landscape with resilience and agility.

Collateral management

In our Georgian Bank, collateral is a key factor in mitigating credit risk, forming a large part of loan portfolios, while in our Uzbekistan bank, the loan portfolio is solely unsecured. The Georgian Bank accepts diverse collaterals like real estate, cash deposits, vehicles, equipment, inventory, precious metals, securities, and third-party guarantees, according to credit product type and the borrower's credit risk. Real estate is a major collateral component, while a centralised unit oversees collateral management, ensuring its adequacy in credit risk mitigation.

The Collateral Management Framework includes policy-making, independent valuation, a haircut system during underwriting, monitoring (revaluations, statistical analysis), and portfolio analysis. The Bank's Collateral Management and Appraisal Department defines collateral management policy for the Group (approved by the Supervisory Board of the PLC) and procedures on collateral management & valuation for the JSC TBC Bank (approved by the Board). The department aligns appraisal services with International Valuation Standards, acting regulations of the National Bank of Georgia, and internal rules, authorises appraisal reports, and manages the collateral monitoring process. High-value assets are re-evaluated annually, while low-value collaterals undergo statistical monitoring.

The Collateral Management and Appraisal Department's quality checks systems for valuations involve internal staff reviews and external company assessments. Collateral management activities are largely automated through a web application that is integrated with other banking systems.

Collections and recoveries

In managing credit risk, the Group activates collection and recovery procedures when clients miss payments or their financial standing deteriorates, threatening exposure coverage. This process begins after failed attempts at restructuring non-performing exposures. Specialised teams in each segment handle overdue exposures, creating loan recovery plans tailored to clients' specific situations and adhering to our ethical code.

Our collections processes involve supporting clients struggling to meet their obligations. The strategies depend on exposure size and type, with customised plans for different customer subgroups based on their risk levels. The goal is to negotiate with clients to secure cash recoveries through revised payment schedules as the primary repayment source.

If acceptable terms are not reached, recovery may involve selling assets or repossessing collateral. Foreclosure may be initiated through legal processes if negotiation fails. Additional recovery strategies include the sale of the unsecured portfolio to third parties (debt collection agencies).

These measures reflect our commitment to responsible credit risk management, safeguarding financial stability, and maintaining ethical standards within the Group.

Counterparty risk

The Group's counterparty risk is managed in accordance with the Board-approved Group Counterparty Credit Risk Management Policy. To mitigate counterparty risk, the Group sets limits on an individual basis for each counterparty and, at the counterparty group level, restricts the expected loss from treasury, trade finance, and other business exposures. As of 31 December 2025, the Bank's interbank exposure was concentrated with counterparties that been assigned high A-grade credit ratings by external agencies, such as Fitch, Moody's, and Standard and Poor's.

2. The Bank underwrites the responsibility to adhere at all times to minimum regulatory requirements on capital, which may compromise growth and strategic targets. Additionally, adverse changes in FX rates may impact capital adequacy ratios.

Risk description

Capital risk is a significant focus area for the Group. Capital risk is the risk that a bank may not have a sufficient level of capital to maintain its normal business activities and to meet its regulatory capital requirements under normal or stressed operating conditions. The management's objectives in terms of capital management are to maintain appropriate levels of capital to support the business strategy, meet regulatory and stress testing-related requirements, and safeguard the Group's ability to continue as a going concern.

The Group's ability to comply with regulatory requirements can be affected by both internal and external factors. Some key concerns include the deterioration of asset quality leading to losses, reductions in income, rising expenses, and potential difficulties in raising capital.

Local currency volatility has been and remains a significant risk for the JSC TBC Bank's capital adequacy. A 10% GEL depreciation would translate into a 0.8pp, 0.7pp, and 0.6pp drop in JSC TBC Bank's excess CET 1, Tier 1, and Total regulatory capital, respectively.

Risk mitigation

The Group's entities undertake stress testing and sensitivity analysis to quantify extra capital consumption under different scenarios. Such analyses indicate that the Bank holds sufficient capital to meet the current minimum regulatory requirements. Capital forecasts, as well as the results of stress testing and what-if scenarios, are actively monitored with the involvement of the Bank's Executive Management and the Risk Committee of the Supervisory Board to help ensure prudent management and timely action, when needed. These analyses are used to set appropriate risk appetite buffers internally, on top of the regulatory requirements.

The Bank regularly performs stress tests serving multiple purposes. They are performed routinely, either under the frameworks listed or on an ad-hoc basis, to assess the magnitude of certain stressful environments. Stress tests are performed for the Internal Capital Adequacy Assessment Process (ICAAP), regulatory stress tests, and the Recovery Plan, among other purposes.

The key objective of the regulatory stress test is to define the net stress test buffer under the capital adequacy minimum requirement framework. Since 2018, regulatory stress tests have been performed and submitted to the regulator upon their request.

The purpose of the ICAAP is to identify all the material risks faced by the Bank and to have an internal view of the capital needed to cover those risks. The objective of the ICAAP is to contribute to the Bank's continuity from a capital perspective by ensuring that it has sufficient capital to bear its risks, absorb losses, and follow a sustainable strategy, even during a stress period.

Stress testing under the Recovery Plan assumes more severe stress scenarios, specifically aimed at breaching regulatory requirements and assessing the Bank's ability to recover the capital position with the help of viable recovery options within a reasonable timeframe.

Under the risk appetite and the capital planning process, the Bank sets aside capital as a buffer to withstand a certain amount of local currency fluctuation.

3. The Group is inherently exposed to funding and market liquidity risks.

Liquidity risk is the risk that the Group either may not have sufficient financial resources available to meet all its obligations and commitments as they fall due or may only be able to access those resources at a high cost.

Liquidity risk is categorised into two risk types: funding liquidity risk and market liquidity risk.

- a. Funding liquidity risk is the risk that the Group will not be able to efficiently meet both expected and unexpected current and future cash flows without affecting either its daily operations or its financial condition under both normal conditions and during a crisis;
- b. Market liquidity risk is the risk that the Group cannot easily offset or eliminate a position at the then-current market price because of inadequate market depth or market disruption.

While the Group currently has sufficient financial resources available to meet its obligations as they fall due, liquidity risk is inherent in banking operations and can be heightened by numerous factors. These include an over-reliance on, or an inability to access, a particular source of funding, as well as changes in credit ratings or market-wide phenomena. Access to credit for companies in emerging markets is significantly influenced by the level of investor confidence and, as such, any factors affecting investor confidence (e.g. a downgrade in credit ratings, central bank or state interventions, or debt restructurings in a relevant industry) could influence the price or the ability to access the funding necessary to make payments in respect of the Group's future indebtedness.

Both funding and market liquidity risks can emerge from a number of factors that are beyond the Group's control. There is adequate liquidity to withstand significant withdrawals of customer deposits, but the unexpected and rapid withdrawal of a substantial number of deposits could have a material adverse impact on the Group's business, financial condition, results of operations and/or prospects.

Risk mitigation

The Group's liquidity risk is managed through the Board's Group Liquidity Risk Management Policy. The Assets and Liabilities Management Committee (ALCO) is the core asset-liability management body ensuring that the principal objectives of the Group's Liquidity Risk Management Policy are met on a daily basis. The approved Liquidity Risk Management Framework is designed to ensure the Group meets its payment obligations under both normal and stress situations.

To mitigate liquidity risk, the Group holds a solid liquidity position by maintaining comfortable buffers over the regulatory minimum requirements. All regulatory ratios are monitored regularly, with an early-warning system in place to detect potential adverse liquidity events. This is facilitated by the Risk Appetite Frameworks of the Group's relevant financial institutions, which set buffers over the regulatory limits, ensuring early detection of potential liquidity vulnerabilities. The liquidity risk position and compliance with internal limits are closely monitored by the ALCOs of JSC TBC Bank and JSCB TBC Bank Uzbekistan.

JSC TBC Bank's liquidity risk is managed by the Asset-Liability Management division and Treasury department and is monitored by the Management Board and the ALCO, within their pre-defined functions. The Financial and Capital Risk Management (FCRM) division is responsible for developing procedures and policy documents and setting risk appetites on funding and market liquidity risk management. In addition, the FCRM performs liquidity risk assessments and communicates the results to the Management Board and the Risk Committee of the Supervisory Board on a regular basis.

The Bank maintains a diversified funding structure to manage the respective liquidity risks. The Bank's principal sources of liquidity include customer deposits and accounts, borrowings from local and international banks and financial institutions, subordinated loans from international financial institution investors, local interbank short-duration term deposits and loans, proceeds from the sale of investment securities, principal repayments on loans, interest income, and fee and commission income. The Bank relies on relatively stable deposits from Georgia as its main source of funding. The Bank also monitors the deposit concentration for large deposits and sets limits for deposits by non-Georgian residents in its deposit portfolio.

To maintain and further enhance its liability structure, the Bank sets targets for deposits and funds received from international financial institution investors in its risk appetite via the respective ratios. The loan to deposit and IFI funding ratio (defined as the total value of net loans divided by the sum of the total value of deposits and funds received from international financial institutions) stood at 102.5%, 102.2%, and 97.9%, as at 31 December 2025, 2024, and 2023, respectively.

The management believes that, despite a substantial portion of customers' accounts being on demand, the diversification of these deposits by the number and type of depositors, coupled with the Bank's past experience, indicates that these customer accounts provide a long-term and stable source of funding for the Bank. Moreover, the Bank's liquidity risk management includes the estimation of maturities for its current deposits. The estimate is based on statistical methods applied to historic information about the fluctuations of customer account balances.

Stress testing is a major tool for managing liquidity risk. Stress testing exercises are performed within the ILAAP and Recovery Plan Frameworks as well as on an ad hoc basis, when there is a significant change in the prevailing risk environment. The former assesses the adequacy of the liquidity position and relevant buffers and whether they can sustain plausible severe shocks, while the latter provides a set of possible actions that could be taken in the unlikely event of regulatory requirement breaches to support a fast recovery in the liquidity position.

The recovery plan encompasses a Liquidity Contingency Funding Plan which, along with the risk indicators and mitigation actions, outlines the roles and responsibilities of those involved in executing the plan. Both the ILAAP and the Recovery Plan are performed by the Bank on an annual basis.

4. Market risk arises from optimising capital allocation and asset liability management operations.

Risk description

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, and equity prices.

Foreign exchange (FX) risk arises from the potential change in foreign currency exchange rates, which can affect the value of a financial instrument. This risk stems from the open currency positions created due to mismatches in foreign currency assets and liabilities. The Group identifies, assesses, monitors, and communicates the risk arising from exchange rate movements and the factors that influence this risk.

Risk review - material existing and emerging risks *continued*

Interest rate risk arises from potential changes in market interest rates that can adversely affect the value of the Group's financial assets and liabilities. This risk can arise from maturity mismatches between assets and liabilities, as well as from the re-pricing characteristics of such assets and liabilities.

The biggest share of the Bank's deposits and part of the loans are at fixed interest rates, while more than half of the Bank's borrowings are at floating interest rates. In addition, the Bank actively uses floating and combined interest rate structures in its loan portfolio. Since the assets and liabilities have different repricing characteristics, their corresponding interest margins may increase or decrease as a result of market interest rate changes, potentially entailing a negative effect on net interest income.

Risk mitigation

The Group's market risk is governed through the Board's Group FX Risk Management and Group Interest Rate Risk Management policies. In addition, in 2025 JSC TBC Bank established the Trading Book of Securities Policy to ensure comprehensive coverage of all market-risk sources associated with the fixed-income portfolio.

FX risk: To mitigate FX Risk, the Group sets risk appetite and operational limits on the level of exposure by currency as well as on aggregate exposure positions that are more conservative than those set by the regulators. Compliance with the limits is closely monitored by the respective ALCOs of JSC TBC Bank and JSCB TBC Bank Uzbekistan. Compliance with these limits is also reported periodically to the Management Board and to the Supervisory Board and its Risk Committee.

In addition, the Treasury department and the Financial and Capital Risk Management division separately monitor the Group's compliance with the set limits daily. In order to safeguard against the inherent volatility in the foreign exchange market, the Group employs a risk management process aimed at mitigating FX risk. This involves the strategic use of spot, forward, and swap transactions.

To assess currency risk, JSC TBC Bank performs a VAR sensitivity analysis on a regular basis. This analysis calculates the effect on the Group's income determined by the worst possible movements of currency rates against the Georgian Lari, with all other variables held constant. As of 31 December 2025 and 2024, this sensitivity analysis did not reveal any significant potential effect on the Group's equity: as of 31 December 2025, the maximum loss with a 99% confidence interval was equal to GEL 13.2 million, compared to a maximum loss of GEL 10.7 million as of 31 December 2024.

Interest Rate Risk: To mitigate interest rate risk, JSC TBC Bank considers numerous stress scenarios, including different yield curve shifts and behavioural adjustments to cash flows (such as deposit withdrawals or loan prepayments), to calculate the impact on one year profitability and the enterprise value of equity. In addition, appropriate limits on both net interest income (NII) and economic value of equity (EVE) sensitivities are set within the Risk Appetite Framework approved by the Supervisory Board.

Interest rate risk in JSC TBC Bank is managed by the Asset-Liability Management division and the Treasury department and is monitored by the ALCO. The ALCO decides on actions that are necessary for effective interest rate risk management and follows up on their implementation. The Financial and Capital Risk Management division is responsible for developing guidelines and policy documents and setting the risk appetite for interest rate risk.

The major aspects of interest rate risk management development and the respective reporting is periodically provided to the Management Board, the Supervisory Board, and the Risk Committee.

To minimise interest rate risk, the Bank regularly monitors interest rate (re-pricing) gaps by currencies and, in case of need, decides to enter into interest rate derivatives contracts.

Furthermore, many of the Bank's loans to customers contain a clause allowing it to adjust the interest rate on the loan in case of adverse interest rate movements, thereby limiting exposure to interest rate risk. The management also believes that the Group's interest rate margins provide a reasonable buffer to mitigate the effect of a possible adverse interest rate movement.

5. Any decline in the Group's net interest income or net interest margin (NIM) could lead to a reduction in profitability, impacting the accumulation of organic capital.

Risk description

Net interest income accounts for most of the Group's total income. Potential new regulations, along with a high level of competition in Georgia and Uzbekistan, may negatively impact the Group's net interest margin. At the same time, the cost of funding is largely exogenous to the Group and is derived from both local and international markets.

In 2025, NIM amounted to 7.0%, with a 0.3pp YoY increase, mainly driven by higher loan yields, partially offset by an increase in funding costs. In addition, Uzbekistan continues to contribute positively to the Group's NIM.

Risk mitigation

The Group continues to focus on the growth of fee and commission income, driven by increased efforts towards customer experience-related initiatives and innovative products in both the Georgian and Uzbekistan markets. This safeguards the Group from potential margin compressions on lending and deposit products in the future. Additionally, the scale-up of operations in Uzbekistan prevents a decrease in NIM on a Group level and ensures the diversification of income streams, aligning with the Group's profitability goals in compliance with the strategy and medium-term targets.

To meet its asset-liability objectives and manage the interest rate risk, the Group uses a high-quality investment securities portfolio, long-term funding, and derivative contracts.

6. The Group's performance may be compromised by adverse developments in the economic environment.

Risk description

A potential slowdown in economic growth in Georgia or Uzbekistan will likely have an adverse impact on the repayment capacity of borrowers, restraining their future investment and expansion plans. Negative macroeconomic developments could compromise the Group's performance in various ways, such as exchange rate depreciation, a sizable decline in gold prices, a spike in interest rates, rising unemployment, a decrease in household disposable income, falling property prices, worsening loan collateralisation, or falling debt service capabilities of companies because of decreasing sales. Potential political and economic instability in Georgia's or Uzbekistan's neighbouring countries and main trading/economic partners could negatively affect their economic outlook through worsening current and financial accounts in the balance of payments (e.g. decreased exports, tourism inflows, remittances, and foreign direct investments). In 2025, despite the still somewhat tense political environment in Georgia and global geopolitical shifts, no significant materialisation of the abovementioned macroeconomic risks was observed in the countries of the Group's operations.

The Georgian economy expanded by double digits in 2021-2022, by 7.8% in 2023, and, despite internal political turbulence, by 9.7% in 2024. This strong growth momentum continued in 2025, with only a gradual moderation of the long term-trend as real GDP grew by 7.5% on average. Robust real credit and wage growth, an improved external trade balance, and strong currency inflows from tourism and remittances contributed the most to GDP growth, while FDIs and migrant spending remained broadly flat. Consequently, while Georgia's headline current account deficit stood at historically low levels, seasonally adjusted underlying current account (excluding reinvestments) consecutively recorded surpluses in the second and third quarters of 2025, expected to finish the year with a positive balance for the first time ever. The noticeable improvement in the trade balance was driven by subdued growth of imports, while stronger exports were largely driven by re-exports. Strengthened net currency inflows, deposit conversions gradually switching back from the foreign currencies to the GEL, and a globally weaker USD allowed the National Bank of Georgia to focus on replenishing its international reserves in 2025.

The NBG purchased more than USD 2.4 billion from the FX market, increasing its gross reserves to an historical high of USD 6.2 billion, while the GEL exchange rate appreciated by around 4.1% against the USD.

At the same time, consumer price inflation relatively accelerated in the country, although in line with expectations, standing at 4.0% in December, slightly above the NBG's 3% target. Taking strong growth and elevating inflation into consideration, the NBG maintained its monetary policy rate unchanged at 8.0%.

Uzbekistan, the second country of the Group's operations, also demonstrated solid economic activity, with real GDP growth in 2025 accelerating to 7.7%, following 6.7% growth in 2024. The external trade balance improved slightly as USD-denominated exports grew by 21.8% YoY due to historically high gold prices, while imports increased by 19.4%, driven by a recovery in imports of vehicles and equipment. FDIs remained resilient while remittances experienced a significant 27.2% increase in annual terms in 2025, partially driven by strengthening of Uzbekistan's trade partners' currencies against the USD. After stabilising in 2024 following a long-term depreciation against the USD, the UZS strengthened against the greenback by around 7.4% in 2025, supported by the CBU's tight stance, a globally weakened USD, stabilised consumer credit growth, and higher gold prices, primarily driving a substantial annual growth of USD 25.1 billion (or 61%) in the CBU's international reserves. At the same time, CPI inflation continued its gradual deceleration, especially on a monthly basis, moderating from 9.8% at the end of 2024 to 7.3% YoY in December 2025 – the lowest rate since 2015. Meanwhile, the central bank increased its monetary policy rate by 0.5 percentage points to 14.0% in March 2025 and has maintained it unchanged since.

Risk mitigation

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 the

Risk review - material existing and emerging risks *continued*

Group 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 regards to reviewing underwriting standards, risk appetite metrics, and limits, including the limits for each of the most vulnerable industries. Additionally, the stress testing and scenario analysis conducted during the credit review and portfolio-monitoring processes 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 conservative collateral coverage.

Taking into account the regional crisis, the Group adjusted its Risk Management Framework, leveraging its pre-existing stress testing practices. This included more thorough 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.

NON-FINANCIAL RISKS

1. The Group is exposed to regulatory and enforcement action risk.

Risk description

The Group operates within a complex and evolving regulatory environment across multiple jurisdictions, which exposes it to regulatory, supervisory, and enforcement action risk. In Georgia, the National Bank of Georgia (NBG) establishes prudential and conduct requirements, including capital adequacy standards, liquidity and investment ratios, lending limits, reporting obligations, and governance expectations. Compliance with tax legislation and other applicable laws and regulations is also required.

The Group offers a range of regulated financial services beyond traditional banking, including leasing, insurance, brokerage, and investment services. Each activity is subject to sector-specific regulatory frameworks, increasing the overall compliance and supervisory complexity.

The Group's expansion into Uzbekistan has further increased its regulatory obligations. The banking sector in Uzbekistan is highly regulated and subject to intensive supervisory oversight by the Central Bank of the Republic of Uzbekistan (CBU). Regulatory requirements cover capital adequacy, liquidity, consumer protection, AML/CFT, reporting, and operational resilience. Differences in regulatory maturity, supervisory practices, and enforcement approaches between jurisdictions create additional compliance, interpretation, and implementation risks.

The Group is also subject to financial covenants under its funding and debt agreements, the breach of which could result in contractual consequences. Further details are provided in the Group's Audited Financial Statements.

Risk mitigation

The Group has implemented a comprehensive Compliance, Risk Management, and Governance framework designed to ensure adherence to applicable regulatory requirements across all jurisdictions and mitigate the risk of regulatory breaches, sanctions, or enforcement actions.

This framework is underpinned by a robust three lines of defence model, clearly defining responsibilities for risk ownership, oversight, and independent assurance. Compliance and regulatory risk management practices are embedded across the Group and aligned with the Group's Risk Appetite Framework.

Jurisdiction-specific regulatory requirements in Georgia and Uzbekistan are addressed through localised policies, procedures, and control frameworks, while maintaining consistency with Group-wide standards. Regulatory developments in all operating jurisdictions are actively monitored to ensure timely implementation and escalation where required.

Governance and oversight

The Board and its Committees provide strategic oversight of regulatory compliance and internal control effectiveness across the Group. The Audit Committee regularly reviews compliance risks, regulatory developments, supervisory feedback, and the adequacy of mitigation measures.

The Chief Compliance Officer (CCO) reports quarterly to the Audit Committee and maintains a managerial reporting line to the Chief Risk Officer (CRO), ensuring independence, transparency and effective escalation. Governance arrangements are applied consistently across the Group's operations in Georgia and Uzbekistan, with local management and control functions integrated into the Group's overall oversight and reporting framework.

The effectiveness of the compliance and governance framework is assessed through internal audits, independent reviews, and ongoing Board-level oversight. Key risk indicators are monitored against the Risk Appetite Framework, and any breaches are promptly escalated and addressed.

Compliance framework and activities

The Group's compliance programme is designed to address regulatory, conduct, and financial crime risks across its operating jurisdictions. The programme includes the development and maintenance of internal policies and procedures, regular staff training, risk-based compliance monitoring, and ongoing engagement with supervisory authorities.

As the second line of defence, the Compliance function manages regulatory and compliance risks through:

- Continuous monitoring of regulatory developments in the jurisdictions where the Group operates and coordination of timely implementation by relevant process owners.
- Participation in new product, service, and business approval processes to ensure alignment with applicable regulatory requirements.
- Analysis of customer complaints, operational risk events, internal audit findings, and litigation matters to identify and remediate control weaknesses.
- Annual compliance risk assessments and targeted thematic reviews, including jurisdiction-specific assessments where required.
- Ongoing engagement with regulators and industry bodies to remain informed of emerging risks and supervisory expectations.
- Risk-based compliance monitoring and thematic reviews in higher-risk areas.
- Maintenance of a whistleblowing framework to promote transparency, accountability, and ethical conduct.

The outcomes of compliance activities are monitored using key risk indicators aligned with the Group's Risk Appetite Framework. Material issues or breaches are escalated promptly to senior management and the relevant Board committees for review and remediation.

The first line of defence is responsible for the day-to-day identification, management, and mitigation of compliance risks within their respective business areas, including the effective implementation of controls and adherence to applicable regulatory requirements.

Data protection and privacy

The Group is committed to safeguarding personal data and maintaining confidentiality in accordance with applicable data protection and banking secrecy laws. A Data Protection Officer (DPO) has been appointed to oversee data protection governance, supported by internal policies, controls, and monitoring processes. Data protection frameworks are applied consistently across the Group, taking into account jurisdiction-specific legal and regulatory requirements.

Insider trading and market conduct risk management

The Group is committed to maintaining high standards of integrity, transparency, and market conduct across its operations. In accordance with applicable laws and regulatory requirements, the Group has established a comprehensive framework to prevent insider trading and manage market conduct risks.

A formal Share Dealing Policy, reviewed annually and approved by the Board of Directors, governs trading in the Group's securities by employees, senior management, and other insiders. The policy defines closed periods, disclosure obligations, and pre-clearance requirements and is aligned with applicable legal and regulatory standards.

The Compliance Department plays a central role in enforcing the Share Dealing Policy. It is responsible for administering clearance procedures for all relevant transactions, ensuring that no dealing takes place without prior approval. The function maintains and regularly updates the Insider List in accordance with applicable regulatory requirements, ensuring accurate records of individuals, including persons discharging managerial responsibilities (PDMRs), designated employees, and other project-based insiders with access to material non-public information. Compliance also monitors adherence to regulatory requirements and internal standards, supported by regular training and awareness programmes for staff.

2. The Group is exposed to legal risk.

Risk description

Legal risk refers to the potential for loss, whether financial or reputational, resulting from penalties, damages, fines, or other forms of financial detriment, which impacts or could impact one or more entities of the Group and/or its employees, business lines, operations, products and/or its services, and results from the failure of the Group to meet its legal obligations, including regulatory, contractual, or non-contractual requirements.

Risk mitigation

The legal function as a second line of defence is an independent function hierarchically integrated with all the Group's legal teams. The Group's businesses and lines have responsibility for identifying and escalating legal risk in their area to the legal function.

Risk review - material existing and emerging risks *continued*

The legal function is entrusted with the responsibility of (a) managing (including prevention) legal risks; and (b) interpreting the laws and regulations applicable to the Group's activities and providing legal advice and guidance to the Group.

Management of the legal risks includes defining the relevant legal risk policies, developing a Group-wide risk appetite for legal risk, and oversight of the implementation of controls to manage and escalate legal risk. The advisory responsibility of the legal function is to provide legal advice to Executive Officers and the Board of Directors in a manner that meets the highest standards.

The senior management of the legal function oversees, challenges, and monitors the legal risk profile and the effectiveness of the legal risk control environment across the Group. The legal risk profile and control environment are reviewed by management through business risk committees and control committees. The Group Risk Committee is the most senior executive body responsible for reviewing and monitoring the effectiveness of legal risk management across the Group.

3. The Group's operational complexity generates operational risk that could in turn adversely impact profitability and reputation.

Risk description

One of the main risks that the Group faces is operational risk, which is the risk of loss resulting from internal and external fraud events, inadequate processes or products, business disruptions, systems failures, human error or damages to assets. Operational risk also implies losses driven by legal, compliance, or cybersecurity risks.

The Group is exposed to many types of operational risk, including: fraudulent and other internal and external criminal activities; breakdowns in processes, controls, or procedures; and system failures or cyber-attacks from an external party with the intention of making the Group's services or supporting infrastructure unavailable to its intended users, which in turn may jeopardise sensitive information and the financial transactions of the Group, its clients, counterparties, or customers.

Moreover, the Group is subject to risks that cause disruption to systems performing critical functions or business disruption arising from events wholly or partially beyond its control, such as natural disasters, transport or utility failures, etc., which may result in losses or reductions in service to customers and/or economic losses to the Group.

The operational risks discussed above are also applicable where the Group relies on outsourcing services from third parties. Considering the dynamic environment and the sophistication of both banking services and possible fraudsters, the importance of constantly improving processes, controls, procedures, and systems is heightened to ensure risk prevention and reduce the risk of loss to the Group.

The increased complexity and diversification of operations, coupled with the digitalisation of the banking sector, mean that fraud risks are evolving. External fraud events may arise from the actions of third parties against the Group, most frequently involving events related to banking cards, loans, and client phishing. Internal fraud events arise from actions committed by the Group's employees, although such events happen less frequently. During the reporting period, the Group faced several instances of fraud, none of which had a material impact on the Group's profit and loss statement. The rapid growth in digital crime has exacerbated the threat of fraud, with fraudsters adopting new techniques and approaches to obtain funds illegally. Therefore, unless properly monitored and managed, the potential impact could become substantial.

Risk mitigation

To oversee and mitigate operational risk, the Group maintains an Operational Risk Management Framework, which is an overarching document that outlines the general principles for effective operational risk management and defines the roles and responsibilities of the various parties involved in the process. Policies and procedures enabling the effective management of operational risks complement the framework. The Management Board ensures a strong internal control culture within the Group, where control activities are an integral part of operations. The Board sets the operational risk appetite, while compliance with the established risk appetite limits is monitored regularly by the Board's Risk Committee.

The Group utilises the three lines of defence principle, where the Operational and Investment Risk Management Department serves as a second line of defence, responsible for implementing the framework and appropriate policies and methodologies to enable the Group to manage operational risks.

The Group actively monitors, detects, and prevents risks arising from operational risk events and has permanent monitoring processes in place to detect unusual activities or process weaknesses in a timely manner. The Risk and Control Self-Assessment exercise (RCSA) focuses on identifying residual risks in key processes, subject to the respective corrective actions. Through our continuous efforts to monitor and mitigate operational risks, coupled with

the high level of sophistication of our internal processes, the Group ensures the timely identification and control of operational risk-related activities. Various policies, processes, and procedures are in place to control and mitigate operational risks, including, but not limited to:

- The Group's Risk Assessment Policy, which enables thorough risk evaluation prior to the adoption of new products, services, or procedures.
- The Group's Outsourcing Risk Management Policy, which enables the Group to control outsourcing (vendor) risk arising from adverse events and risk concentrations due to failures in vendor selection, insufficient controls and oversight over a vendor and/or services provided by a vendor, and other impacts on the vendor.
- The Risk and Control Self-Assessment (RCSA) Policy, which enables the Group to continuously evaluate existing and potential risks, establish risk mitigation strategies, and systematically monitor the progress of risk mitigation plans. The completion of these plans is also part of the respective managers' key performance indicators.
- The Group's Operational Risk Event Identification Policy, which enables the Group to promptly report on operational risk events, perform systematic root-cause analysis of such events, and take corrective measures to prevent the recurrence of significant losses. A unified operational loss database enhances further quantitative and qualitative analysis. The Operational Risk Event Identification Policy also oversees the occurrence of IT incidents and the respective activities targeted at solving the identified problems.
- The Group's Operational Risk Awareness Programme, which provides regular trainings to the Group's employees and strengthens the Group's internal risk culture.
- The Group also utilises risk transfer strategies, including obtaining various insurance policies to transfer the risks of critical operational losses. The Operational Risk Management Framework and its complementary policies were updated in 2025 to ensure effective execution of the operational risk management programme.

4. The Group's digitally oriented operational footprint faces a growing and evolving threat of cyber-attacks.

Risk description

The Group's rising dependency on digital systems increases its exposure to potential cyber-attacks. Given their increasing sophistication, potential cyber-attacks may lead to significant security breaches. Such risks change rapidly and require continued focus and investment. Due to the dynamics and complexity of the current environment, the Group is continuously monitoring the security threat landscape.

Over the past three years, the Group has not experienced any material cybersecurity breaches, and no significant third-party cybersecurity incidents were recorded in 2025.

Risk mitigation

The Group has in place a comprehensive information and cyber security management systems to mitigate the risk of cyber-attacks, as described below.

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

Our vision and strategic objectives

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

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

- To 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;

Risk review - material existing and emerging risks *continued*

- 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 follows:

- 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, as follows:
 - 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 consists of a significant number of experts who hold industry leading certificates and work daily to strengthen and extend their professional skill sets;
- Layers of preventive controls in conjunction with a 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 any cyberattacks they might face during day-to-day operations, and improve the overall risk culture. Our awareness programme provides relevant materials to all key roles, from the Management Board to IT engineers and developers. It covers annual trainings and attestations for all employees, newcomer trainings and attestations, social engineering simulations, security tips and notifications for all employees, security awareness raising campaigns for customers, and more. In addition, the Supervisory Board participated in an awareness session conducted by an external consultancy firm, focused on its responsibilities in relation to cyber security governance, aligned with the Cyber Governance Code of Practice;
- Since we believe that 100% prevention is not achievable, the Group has threat hunting capabilities and a security operations centre in place to monitor in near real-time all possible anomalies identified across the organisation's network in order to detect potential incidents and respond in a timely and effective manner to minimise their negative impact. To remain up-to-date and track the techniques and tactics of our adversaries, we are elaborating cyber threat intelligence procedures in line with industry best practices under the MITRE ATTACK framework;
- Information security governance and effective risk management processes, which also cover third-party and supply chain risks, ensure that the Group has the correct guidance, makes risk-informed decisions in compliance with its risk appetite, complies with regulatory requirements, and achieves a continuous improvement cycle. The Information Security Committee, which is chaired by the CEO, has the ultimate responsibility to assure that an appropriate level of security is maintained and a continuous improvement cycle of management processes is achieved. The Bank is in compliance with the NIST Cyber Security Management Framework, and its Information Security Management System is ISO/IEC 27001:2022 certified.
- In addition, the Group further strengthens its cyber resilience through an effective Business Continuity Management System and Cyber Insurance Policy, in order to manage contingencies and recover from serious disruptions with minimum possible impact.

How we measure and assure an 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 the results of continuous penetration tests, which are conducted by our highly professional internal team and reputable external third-party partners.

On an annual basis we conduct:

- An external audit of the SWIFT Customer Protection Framework
- An external audit of the NBS'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 information security management system
- External surveillance audits of ISO 27001
- Penetration tests against internet facing applications and critical infrastructure with the help of our highly reputable partners
- Our internal team is in charge of continuous penetration tests of internal and external applications and infrastructure
- We conduct regular red and purple teaming exercises and assess our security capabilities against real world advanced threat actors

These external audits did not identify any material findings. If such findings do arise, they are addressed as part of the continuous improvement process.

5. The Group identifies risk in its growing dependence on data.

Risk description

Within the domain of data management and governance, the Group recognises that maintaining high data quality remains an important area of continuous focus. Reliable and consistent data underpins effective decision-making, regulatory compliance, and operational efficiency. As data volumes and sources continue to grow, ensuring strong quality controls and clear standards across all data domains remains essential for sustaining the integrity and usability of the Group's information assets.

Risk mitigation

To manage this risk, the Group continues to enhance its Data Governance Framework and strengthen quality assurance practices. Ongoing investments in advanced data management tools, automated validation processes, and analytics help detect and address potential discrepancies early. In parallel, the Group fosters a data-driven culture that promotes clear ownership and accountability, ensuring that data is maintained as a trusted and valuable organisational asset.

6. The Group is exposed to model risk.

Risk description

The Group increasingly relies on statistical, machine-learning, and artificial-intelligence models, supported by diverse data sources and big-data technologies, to enhance key decision-making processes. As the use of models continues to expand, particularly with the rapid adoption of GenAI, the need for a robust Model Risk Management Framework becomes even more critical. Such a framework is essential to prevent adverse outcomes stemming from deficiencies in model development, implementation, or use.

Model risk is defined as a risk of potential financial losses, poor business decisions, and reputational damage that may arise from such model-related deficiencies.

Risk mitigation

The Group manages model risk through its Model Risk Management (MRM) function, which operates as the second line of defence and is responsible for identifying, measuring, and monitoring model risk across the Group. MRM is built on two core pillars: governance and validation.

- The governance pillar establishes and maintains the Model Risk Management Framework, including policies, standards, and risk appetite limits. It defines key stakeholder roles throughout the model lifecycle, maintains the model inventory, and oversees adherence to risk appetite.
- The validation pillar provides independent assessments of models through conceptual and technical reviews, evaluating model design, methodology, and performance against approved standards, ensuring consistent oversight across both traditional and advanced AI models.

MRM applies a model-tiering approach to support risk-based validation. Tiering drives the frequency and depth of initial and ongoing validations and informs mitigation actions, which may include enhanced testing, increased monitoring, model recalibration or redevelopment. These measures ensure that model risk remains within the Group's risk appetite, with higher-tier models subject to greater scrutiny.

7. The Group remains exposed to reputational risk.

Risk description

There are reputational risks to which the Group may be exposed, such as country and compliance risks, related to the challenging geopolitical environment in the region, international sanctions, and domestic turbulence. Banks are easy targets for anti-banking narratives in mainstream and social media platforms. There are also risks related to phishing

Risk review - material existing and emerging risks *continued*

and other cybercrimes that come with the increased digitalisation of products and services provided by the Group. Since the Group provides the best digital services and products to customers, cyber risks could negatively impact the Group's reputation. It should be noted that most of these risks are not unique to the Group but apply to the entire banking sector.

Risk mitigation

To prevent or mitigate reputational risks, the Group works continuously to maintain strong brand recognition among its stakeholders and engages with them on a constant basis, particularly with customers, employees, media, regulators, business associations, IFIs, and the diplomatic community, among others.

The Group has put a Task Force in place at the senior management level comprised of the CEO, the CRO, the marketing and brand lead, the strategic communications lead, and the general counsellor to address and manage reputational risks. Additionally, and in close cooperation with international consultants, the Task Force has developed an overall strategy including communications plans, contingencies, and tools to mitigate, prevent, and respond to any risks.

The Group complies with all relevant external and internal policies and protocol mechanisms to prevent or minimise the impact of direct and indirect reputational risks. Dedicated internal and external marketing teams monitor the brand value through public opinion polls and studies and by receiving feedback from stakeholders on an ongoing basis. Communications teams actively monitor mainstream media and social media on a daily basis, identifying early warning signs of potential reputational or brand damage to mitigate and, whenever necessary, elevate potential risks to the attention of the Task Force or the Supervisory Board before they escalate.

Communications and cyber security teams conduct extensive awareness-raising campaigns on cyber security and financial literacy. The teams also brief the media so that it is aware of potential risks impacting the sector. TBC also has an in-house financial education platform, Edufin, which is aimed at raising awareness about financial literacy, cyber threats, and phishing.

8. The Group faces the risk that its strategic initiatives do not translate into long-term sustainable value for its stakeholders.

Risk description

The Group may face the risk of falling short in developing and executing a business strategy that ensures sustained value creation while adapting to evolving customer needs, increasing competition, and changing regulatory requirements. Additionally, uncertainties from economic and social disruptions in the region may hinder the Group's timely execution of its strategy, potentially compromising its capacity for long-term value creation.

Risk mitigation

To mitigate the combined risks from a local and international perspective, the Group employs a multifaceted approach. The formation of our strategic portfolio is primarily driven by the Group's strategy to broaden and diversify our business revenue streams. Thorough curation is conducted in the execution of strategy involving the Board, the executive management, and middle management.

These sessions serve as crucial checkpoints to ensure alignment with the Group's strategic long-term objectives and guiding principles.

Moreover, monitoring the performance of strategic projects extends to quarterly analyses and tracking of metrics used to measure strategy execution. In case of significant deviations, corrective or mitigation actions are promptly implemented.

9. The Group is exposed to risks related to its ability to attract and retain highly qualified employees.

Risk description

As the Group becomes increasingly digitally focused, it requires more IT professionals in its various departments. This shift accentuates the risk of potentially losing key personnel. In the highly competitive tech job market, this challenge extends not only to retaining these valuable employees but also to attracting, developing, and keeping new skilled workers. Ensuring these employees align with the Group's objectives is vital. The situation calls for strategic planning in human resources to effectively manage this risk while supporting the Group's digital evolution.

Risk mitigation

The aim of the Group is to adapt to the rapidly changing business environment, increase leadership capabilities, achieve a high level of engagement among employees, and equip them with the necessary skills. Our proactive approach encompasses rigorous monitoring of labour market dynamics not only in Georgia but also in Uzbekistan and beyond. To realise this ambition, we are dedicated to cultivating a world-class talent acquisition and development ecosystem.

We create a robust international talent pipeline by regularly engaging with potential candidates, including passive job seekers with diverse profiles. We work on building an attractive international hiring brand. The Group treats all employees equally and fairly, supporting and coaching them to succeed.

We equip our people with the tools and frameworks for continuous learning, supported by a constant feedback loop. We give our staff an opportunity to grow and expand internationally. We have developed a Succession Planning Framework for senior positions in order to ensure a smooth transition and to offer promotion opportunities to employees. In addition, we have launched a Talent Management Framework, ensuring the constant identification of talented staff and monitoring their development within the Group.

We monitor human capital risks and measure efficiency using the following metrics: Employee turnover and retention, Quality of hire, Mobility rate, Employee Net Promoter Score (ENPS), Employee Pulse surveys, Key employee metrics, Performance management and Individual Development Plans (IDPs), and Customer Net Promoter Score (NPS). In terms of compensation, we conduct multiple salary market studies to ensure we provide competitive conditions for our employees.

The Group reviews and updates its organisational policies to ensure they are inclusive and equitable. This includes flexible work arrangements, accommodations for diverse needs, and inclusive benefits packages.

Our internal IT Academy has been a hub for tech education, offering courses in Front-end and Back-end Development, DevOps, and more. These courses are accessible at no cost to both our employees and potential candidates. Under the guidance of experienced staff and industry professionals, the Academy has successfully trained over 2,400 individuals from outside the organisation and 2,700 within it. This initiative has resulted in the recruitment of 500 skilled professionals to TBC Group, thereby enhancing the overall IT ecosystem in the country. TBC IT Academy carried out one of its largest admission cycles to date, launching five programmes in Front-end Development, Back-end Development (.NET), Android Development, iOS Development, and DevOps. The call attracted over 5,000 applicants, reflecting the growing demand for high-quality tech education. Following a multi-stage selection process - including technical and logical assessments, motivational interviews, and practical tasks - around 150 top-performing candidates were admitted. Each programme welcomed 30 students, who officially began their studies in September.

In 2025, we launched a unified Learning Management System (LMS) across all TBC Digital companies in Uzbekistan, enabling personalised learning paths, training, and continuous upskilling for all employees. More than 3,000 hours of professional qualification training were completed through online learning platforms.

10. The Group is exposed to conduct risk.

Risk description

Conduct risk is defined as the risk of failing to deliver fair outcomes for customers and other stakeholders. The Group recognises that effective management of conduct risk is essential to maintaining customer trust, protecting its reputation, and delivering long-term value.

The Bank's Code of Ethics serves as a guiding framework for all employees, setting high standards of integrity, professionalism, and accountability. Every employee is expected to act with honesty and prudence, ensuring that customer interests are protected and confidence in the Bank's operations is maintained. The Board and senior management reinforce these principles by establishing a strong "tone from the top", embedding ethical conduct into the culture and decision-making processes. The Bank also acknowledges its responsibility to a diverse group of domestic and international investors and strives to uphold mechanisms that safeguard customer interests and maintain market confidence.

Risk mitigation

In managing conduct risk, the Bank takes a coordinated approach, assigning clear responsibilities to various divisions and departments to identify, mitigate, and eliminate conduct-related risks across all client and stakeholder interactions.

The Conduct Risk Management Framework, jointly maintained by Compliance, Human Capital, and Operational Risk functions, supports business lines through the following key processes:

Policy and procedure development:

Establishing and regularly updating policies and procedures to ensure that all employees comply with relevant regulatory requirements, industry best practices, and the Bank's Code of Conduct and Code of Ethics.

Department oversight and complaint management:

Maintaining a close working relationship with the Compliance Division to administer conduct-related policies and investigating complaints regarding the conduct of the staff.

Risk review - material existing and emerging risks *continued*

Client communication standards:

Ensuring that front-line staff provide clear, accurate, and complete product information—both orally and in writing—regardless of a client’s financial knowledge or experience, thereby promoting fair treatment and transparency.

Recordkeeping and monitoring:

Maintaining comprehensive records of client interactions and communications, particularly those involving sensitive topics or complex product offerings, to support transparency and accountability.

Employee training:

Delivering regular, targeted training to all employees on conduct expectations and evolving compliance standards, with a strong focus on onboarding new hires and maintaining awareness of ethical standards across the Bank.

Culture and incentives:

Promoting a culture of openness and accountability where employees feel empowered to raise concerns without fear of retaliation. The Bank actively prevents conflicts of interest and supports this with values-based incentive and disciplinary policies, moral incentive programmes, and risk-adjusted bonus schemes.

EMERGING RISKS

1. The Group recognises its exposure to risks arising from climate change.

Risk description

The risks associated with climate change have both a physical impact, arising from more frequent and severe weather changes, and a transitional impact that may entail extensive policy, legal, and technological changes to reduce the ecological footprint of households and businesses. For the Group, both risks could materialise through impaired asset values and the deteriorating creditworthiness of our customers, which could result in a reduction of the Group’s profitability.

The Group may also become exposed to reputational risks because of its lending to, or other business operations with, customers deemed to be contributing to climate change.

Risk mitigation

The Group has in place an Environmental and Climate Change Policy. The policy governs its Environmental Management System (“EMS”) and ensures that the Group’s operations adhere to the applicable environmental, health, safety, and labour regulations and practices. We take all reasonable steps to support our customers in fulfilling their environmental and social responsibilities. The management of environmental and social risks is embedded in the Group’s lending process through the application of the EMS. The Group has developed risk management procedures to identify, assess, manage, and monitor environmental and social risks. These procedures are fully integrated in the Group’s credit risk management process. To identify, assess, and manage risks associated with climate change, the Group introduced an overall climate risk assessment and conducted a general analysis to understand the maturity level of the climate-related framework. This general analysis covered assessment of existing policies and procedures, identification of areas for further development, and gap analysis. Following this analysis, the main focus areas were identified and reflected in the climate action strategy, in line with the Group’s business strategy. Furthermore, our Environmental and Climate Change Policy is fully compliant with local environmental legislation and follows international best practices (the full policy is available at www.tbcbankgroup.com).

In order to increase our understanding of climate-related risks to the Bank’s loan portfolio, the Bank performed a high-level sectoral risk assessment, since different sectors might be vulnerable to different climate-related risks over different time horizons. In 2024, we further developed our TCFD framework and measured the Group’s indirect performance against the Paris Agreement targets for the reduction of GHG emissions. In 2025, the results were reflected in the Group’s long-term transition plan. Furthermore, we conducted a gap analysis against the IFRS S1 and IFRS S2 standards. The results of this analysis will serve as a foundation for the implementation plan in 2026. For more details, please find the section “Climate-related Financial Disclosures 2025.”

The Bank aims to increase its understanding of climate-related risks and their longer-term impacts over the coming years, which will enable it to further develop its approach to mitigation. Furthermore, the Bank’s portfolio has strong collateral coverage, with around 74.1% of the loan book collateralised with cash, real estate, or gold. Since the collateral evaluation procedure includes monitoring, any need to change collateral values arises from our regular collateral monitoring process. At the Group level, 67.8% of the gross loan portfolio is collateralised reflecting the digital lending model of TBC UZ Bank as of 2025 year-end.

In June 2025, the Group released its full-scale sustainability report for the year 2024 in accordance with the Global Reporting Initiative (GRI) standards. The Global Reporting Initiative (GRI) helps the private sector to understand and realise its role and influence on sustainable development issues such as climate change, human rights, and governance.

The report is designed for all interested parties and groups in Georgia and abroad and aims to give them clear, fact-based information about the social, economic, and environmental impact of our activities in 2025. It presents our endeavours to create value for our employees, clients, suppliers, partners, and society as a whole. The Sustainability Report 2024 is available at www.tbcbankgroup.com.

At the executive level, responsibility for ESG and climate-related matters is assigned to the ESG Steering Committee, which was established by the Management Board in March 2021 and is responsible for implementing the ESG and climate action strategy and approving detailed annual and other action plans for key projects. The ESG Committee meets on a quarterly basis.

In January 2022, the Group established an Environmental, Social and Governance (ESG) and Ethics Committee at the Board level, as well as at the Supervisory Board level in line with the Company’s “mirror boards” structure. This reflects the importance of sustainability in TBC’s corporate governance and allows Board members to dedicate more time and focus to ESG topics. The Committee provides strategic guidance on climate-related matters and reports to the Board, which has overall oversight. For more details about the management of ESG matters, please find the section “ESG Strategy”.

2. The Bank Recognises Its Exposure to the Risks Arising from Artificial Intelligence

Risk description

Advances in Artificial Intelligence (AI) continue to shape financial services. AI models, like traditional Machine Learning (ML) models, have long been used across the Group’s operations, particularly in areas such as credit risk assessment, fraud detection, and customer analytics. More recently, the integration of advanced AI capabilities, like Generative AI (Gen AI), has further expanded their role, supporting improvements in customer experience, efficiency optimisation, etc.

At the same time, the use of Gen AI gives rise to specific considerations for model risk, cybersecurity, operational resilience and ethical use of AI tools. Supervisory expectations related to Gen AI model governance, data protection, and ethical usage are developing globally and are increasingly reflected in the regulatory approaches. These developments are becoming progressively relevant for the Group’s operations in Georgia and Uzbekistan, and evolving regulations may introduce additional requirements or constraints over time.

Risk mitigation

Model risk arising from Gen AI models, whether internally developed or developed by third parties, is subject to dedicated oversight by the Model Risk Management (MRM) unit. The MRM unit governs this risk through a structured, risk-based model governance framework, encompassing both initial validation prior to model deployment and periodic ongoing validation throughout the model lifecycle. Validation activities are calibrated to the complexity, materiality, and intended use of each model, ensuring that higher-risk Gen AI applications receive appropriately enhanced scrutiny. This governance structure ensures that the Group’s use of Gen AI remains sound, responsible, and aligned with evolving regulatory expectations.

The adoption of Gen AI technologies also increase the potential cyber-attack surface. Key risks associated with Gen AI technologies may include, among others, prompt injection attacks, unintended data leakage or exfiltration, misuse of third-party AI models, and the potential use of AI by malicious actors to automate or scale cyber-attacks. The Group addresses these risks through its comprehensive Information and Cyber Security Management System and a dedicated Secure and Ethical Use of AI Policy, which governs the development, procurement, and use of Gen AI technologies. This framework establishes controls to manage security, privacy, and misuse risks associated with Gen AI. The Group applies a layered defense-in-depth approach across data, identity, endpoints, applications, cloud, network, and physical security. These controls are implemented and continuously enhanced by specialised cybersecurity teams and supported by organisation-wide security awareness programs.

In addition, TBC manages Gen AI operational risks through centralised governance and controlled deployment of AI systems. Key AI solutions are developed and operated on the Group’s enterprise data and AI platform built on Databricks, which provides standardised development environments, access controls, and monitoring capabilities. Gen AI use cases follow defined approval and review processes before production deployment, including technical validation, business oversight, and operational risk assessment. Human oversight is maintained for critical decisions to ensure appropriate interpretation of Gen AI outputs. Operational resilience is supported through monitoring, logging, and auditability of Gen AI system activity, while third-party Gen AI technologies are subject to vendor risk management procedures.

SELECTED REGULATIONS ON FINANCIAL RISKS**CAPITAL ADEQUACY**

The Group's objectives in terms of capital management are to maintain appropriate levels of capital to support the business strategy, meet regulatory and stress testing-related requirements, and safeguard the Group's ability to continue as a going concern.

The Group complied with all its internally and externally imposed capital requirements throughout 2025.

Georgian subsidiary – JSC TBC Bank

In December 2017, the NBG adopted amendments to the regulations relating to capital adequacy requirements. These changes include amendments to the regulation on capital adequacy requirements for commercial banks, and the introduction of new requirements (i) on additional capital buffer requirements for commercial banks within Pillar 2; (ii) on the determination of the countercyclical buffer rate; and (iii) on the identification of systematically important banks and the determination of systemic buffer requirements. The purpose of these amendments is to improve the quality of banks' regulatory capital and achieve better compliance with the Basel III framework.

The NBG developed the requirements for the transition process to International Financial Reporting Standards (IFRS) in 2020 - 2022. In January 2023, the NBG adopted amendments to the regulations relating to capital adequacy requirements, compelling commercial banks to comply with supervisory regulations that use IFRS-based numbers and approaches. Under the IFRS transition process, the NBG introduced a credit risk adjustment (CRA) buffer. The CRA buffer was implemented as a Pillar 2 requirement and was fully set on CET 1 capital.

In March 2023, the Financial Stability Committee of the NBG decided to set the neutral (base) rate of the countercyclical buffer at 1%. Banks are required to accumulate a countercyclical capital buffer according to a predetermined schedule: 0.25% by March 2024, 0.50% by March 2025, 0.75% by March 2026, and fully phased-in 1% by March 2027. The countercyclical buffer could be increased at times of strong credit activity and suspended during periods of stress.

In May 2023, the NBG introduced a new requirement on Minimum Requirements for Own Funds and Eligible Liabilities (MREL) under the Bank Recovery and Resolution Framework. According to the new requirements, commercial banks must hold specific amounts of equity, subordinated debt, and of qualifying non-deposit senior debt that could be subject to bail-in in the event of bank failure. However, this should not affect risks for existing senior creditors as the bank resolution legislation in Georgia already provides a credible mechanism for the bail-in of senior obligations. MREL implementation is being phased in gradually, starting from 10% of Total Liabilities and Own Funds (TLOF) on 1 January 2024, which increased to 15% at end-2025, and will reach 20% at end-2027. MREL-eligible instruments include regulatory capital and senior, unsecured non-deposit obligations with maturities of at least one year, subject to the NBG's approval.

In November 2023, the NBG introduced the concept of a foreseeable dividend, which should be deducted from retained earnings. According to the regulation, a foreseeable dividend is considered to be the amount of a dividend approved or submitted for approval by the relevant entity defined by the charter of the commercial bank (Supervisory Board).

As another pillar of the NBG's de-dollarisation-oriented policy, in November 2024, the Monetary Policy Committee of the NBG increased the reserve requirement on foreign currency liabilities by 5pps from 20% to 25% and kept it unchanged throughout 2025.

In December 2024, the NBG also made amendments to the systemic risk buffer calculation methodology. According to the new methodology, the current systemic risk buffer for JSC TBC Bank can be increased by 0.5% if the bank's share of non-bank deposits in the total non-bank deposits of commercial banks and microbanks equals or exceeds 40%, based on the average of the previous three consecutive months. Additionally, for every further 2-percentage-point increase (in multiples of two), the buffer will be raised by an additional 0.5%. The Bank must comply with the increased requirement in a 12-month period. If the bank's share of non-bank deposits over the past 12 consecutive months decreases by any multiple of 2% or falls below 40%, the buffer will be reduced by 0.5% for each such decrease. The upper limit for the systemic buffer is set at 5%.

In January 2025, the NBG introduced a new counterparty credit risk assessment methodology aligned with Basel III standards. The new standardised framework incorporates a broader set of risk-sensitive parameters, including various forms of collateral (such as variation and initial margins), fair values of derivative positions, hedge structures, and other relevant exposure characteristics. This enhancement ensures a more comprehensive and risk-aligned measurement of counterparty exposures across the banking sector.

The following table presents the capital adequacy ratios and minimum requirements:

<i>In thousands of GEL</i>	31-Dec-2025	31-Dec-2024	31-Dec-2023
CET 1 capital	5,222,768	4,843,167	4,235,033
Tier 1 capital	6,233,431	5,895,717	4,772,913
Tier 2 capital	839,454	966,246	601,388
Total regulatory capital	7,072,885	6,861,963	5,374,301
Risk-weighted exposures:			
Credit Risk-weighted exposures	26,971,743	24,948,193	21,018,445
Risk-weighted exposures for Market Risk	252,216	96,836	69,880
Risk-weighted exposures for Operational Risk	4,181,738	3,797,799	3,248,365
Total Risk-weighted exposures	31,405,697	28,842,828	24,336,690
Minimum CET 1 ratio	14.8%	14.4%	14.3%
CET 1 capital adequacy ratio	16.6%	16.8%	17.4%
Minimum Tier 1 ratio	17.0%	16.7%	16.6%
Tier 1 capital adequacy ratio	19.8%	20.4%	19.6%
Minimum total capital adequacy ratio	20.0%	19.7%	19.8%
Total capital adequacy ratio	22.5%	23.8%	22.1%

GEL volatility has been and remains a significant risk to the Bank's capital adequacy. A 10% GEL depreciation would translate into a 0.8 pp, 0.7 pp, and 0.6 pp drop in the Bank's excess CET 1, Tier 1, and Total regulatory capital, respectively.

Uzbek subsidiary – JSCB TBC Bank UZ

The New Capital Adequacy regulation was shared by the Central Bank and is effective from January 2026. According to the Central Bank of Uzbekistan (CBU) proposal, Pillar 1 minimum requirements will be become aligned with the framework established by Basel Committee of Banking Supervision. Planned Regulatory changes for 2026 are expected to have a mixed impact on the Bank's capital position, with certain measures having a positive effect and others a negative one. Overall, the Bank's capital adequacy is expected to remain within the Risk Appetite Green Zone throughout the planning horizon. The key updates applicable to TBC Bank in terms of capital adequacy are the following:

1. The introduction of the countercyclical (1.5%) and conservation buffer (2.5%). The systematic buffer is applicable only to systematically important banks;
2. Changing composition of CET 1, Tier 1, and Total CAR regulatory requirements;
3. Capital Deduction for intangible assets exceeding 10% of Tier 1 capital.

From 1 January 2026, new minimum requirements for capital adequacy ratios with buffers will be as follows:

- CET 1 – 8.5% (0.5 pp increase)
- Tier 1 – 10% (no change)
- Total CAR – 12% (1 pp decrease)

Additionally, starting from 1 July 2026 Central Bank of Uzbekistan (CBU) will mandate banks to assign higher risk-weights for each of the following three product categories of retail loans – microloans, credit cards and overdrafts – as follows:

- 25%-50% concentration – 150% risk weight
- 50%-75% concentration – 200% risk weight
- 75%+ concentration – 250% risk weight

As of 31 December 2025, the Bank met the requirements for regulatory capital set by the Regulation On the Requirements for the Adequacy of the Capital of Commercial Banks No. 2693, dated July 6, 2015.

Risk review - material existing and emerging risks *continued*

The following table presents the capital adequacy ratios and minimum requirements:

	31-Dec-2025	31-Dec-2024	31-Dec-2023
Minimum CET 1 ratio	8.0%	8.0%	8.0%
CET 1 capital adequacy ratio	18.2%	21.9%	15.4%
Minimum Tier 1 capital	10.0%	10.0%	10.0%
Tier 1 capital adequacy ratio	18.2%	21.9%	15.4%
Minimum total capital adequacy ratio	13.0%	13.0%	13.0%
Total capital adequacy ratio	18.9%	23.2%	16.3%

LIQUIDITY

The Group's objectives in terms of liquidity management are to maintain appropriate levels of liquidity to support the business strategy, meet regulatory and stress testing-related requirements, and safeguard the Group's ability to continue as a going concern.

The Group complied with all its internally and externally imposed liquidity requirements in 2025.

Georgian subsidiary – JSC TBC Bank

The Bank assesses LCR and NSFR per NBG guidelines, whereby the ratios implemented by the NBG have more conservative approaches than those set by Basel III standards. The LCR enhances short-term resilience. In addition to the total LCR limit set at 100%, the NBG defines limits per currency for the GEL and foreign currencies (FC). To promote localisation in Georgia, the NBG set a lower limit to GEL LCR than to FC LCR. FC Mandatory Reserves are wholly considered in HQLA (High Qualified Liquid Assets) for LCR purposes.

The NSFR is used for long-term liquidity risk management to promote resilience over a longer time horizon by creating additional incentives for JSC TBC Bank to rely on more stable sources of funding on a continuing basis. The regulatory limit is set at 100%.

As of 31 December 2025, the ratios were well above the prudential limits set by the NBG, as follows:

Funding & liquidity	31-Dec-2025	31-Dec-2024	31-Dec-2023
Minimum net stable funding ratio, as defined by the NBG	100.0%	100.0%	100.0%
Net stable funding ratio as defined by the NBG	123.7%	123.9%	119.9%
Minimum total liquidity coverage ratio, as defined by the NBG	100.0%	100.0%	100.0%
Minimum LCR in GEL, as defined by the NBG	75%	75.0%	75%
Minimum LCR in FC, as defined by the NBG	100.0%	100.0%	100.0%
Total liquidity coverage ratio, as defined by the NBG	127.7%	125.5%	115.3%
LCR in GEL, as defined by the NBG	146.6%	127.7%	109.8%
LCR in FC, as defined by the NBG	115.5%	124.7%	120.1%

Uzbek subsidiary – JSCB TBC Bank UZ

The regulatory framework established by the Central Bank of Uzbekistan (CBU) mandates specific liquidity ratios for financial institutions to uphold financial stability and mitigate potential risks. In compliance with these regulations, financial institutions are required to maintain a High-Quality Liquid Assets/Total Assets ratio of 10%, ensuring a sufficient buffer of liquid assets to cover a proportion of their total assets.

Moreover, institutions are obligated to maintain a 25% Instant Liquidity Ratio, ensuring prompt liquidity availability for unforeseen financial obligations. Further reinforcing risk resilience, a Liquidity Coverage Ratio (LCR) of $\geq 100\%$ is mandated, requiring sufficient high-quality liquid assets to offset potential liquidity shortfalls during stress periods.

In addition to these measures, financial entities must sustain a Net Stable Funding Ratio (NSFR) of $\geq 100\%$, highlighting the need for a stable funding structure over an extended time horizon to mitigate liquidity risks effectively. As of 31 December, 2025, the Bank met the requirements set by the Regulator.

MARKET RISK

The Group's objectives in terms of market risk management are to support the business strategy, meet regulatory and stress testing-related requirements, and safeguard the Group's ability to continue as a going concern.

The Group complied with all its internally and externally imposed market risk requirements in 2025.

FX risk

JSC TBC Bank (Georgia) and TBC Bank Uzbekistan are required to maintain Open Currency Positions (OCPs) in line with the NBG's and CBU's limits, respectively.

- The NBG requires the Bank to monitor both balance sheet and total aggregate (including off-balance sheet) OCPs and to maintain the latter within 20% of the Bank's regulatory capital;
- CBU limits are set separately for aggregate OCPs and for each foreign currency position at 15% and 10% of UZ TBC's regulatory capital, respectively.

Interest rate risk

JSC TBC Bank (Georgia) assesses interest rate risk from both the Net Interest Income (NII) and Economic Value of Equity (EVE) perspectives. As per the regulatory requirements, the Bank assesses the impact of interest rate shock scenarios on EVE and NII. According to NBG guidelines, NII sensitivity under parallel shifts of interest rate scenarios is maintained for monitoring purposes, while EVE sensitivity is calculated under six predefined stress scenarios of interest rate changes, with the limit applied to the result of the worst-case scenario. As of 31 December 2025, TBC Bank's EVE ratio stood at 7.66%, comfortably below the regulatory limit (15%).

Going concern and viability statement

GOING CONCERN

The Board has fully reviewed the available information pertaining to the principal existing and emerging risks (as set out on pages 76-99), strategy (as set out on pages 22-23), financial health, profitability of operations, liquidity and solvency of the Group, and determined that the Group's business remains a going concern. The Directors have not identified any material uncertainties that could threaten the going concern assumption and have a reasonable expectation that the Group has adequate resources to remain operational and solvent for the foreseeable future (which is, for this purpose, a period of 12 months from the date of approval of these financial statements). Accordingly, the accompanying financial statements are prepared in line with the going concern basis of accounting.

VIABILITY STATEMENT

In compliance with the Code, the Directors assessed the prospects of the Group and its viability over a three-year period beginning on 1 January 2026. The Directors determined the three-year period ending on 1 January 2029 to be appropriate, as it is consistent with the Group's standard planning cycle, covering financial forecasts and the strategic considerations of the Group. While assessing the viability of the Group and its operations, the Directors carried out a robust and thorough assessment of the Group's risk profile, including material existing and emerging risks that could cause a deviation in the Group's financial condition, operations and prospects from the expectations over the period of assessment. In assessing the Group's viability, the Directors mainly focused on JSC TBC Bank, since it represents the largest asset of the Group (88.8% share in the Group's assets, as of 31 December 2025) and it is the key income-generating subsidiary (94.2% of the Group's net income, as of the year ended 31 December 2025).

As part of their strategic planning, the Directors looked beyond this period and took into consideration, as far as possible, information from a variety of sources relating to local, regional and other, broader macro-economic, political, technological, social and environmental changes that could affect the Group's business and development. At this point, the Directors have no reason to believe the Group will not stay viable over the longer-term.

In addition, the Directors analysed the Group's ability to meet all regulatory requirements. The Directors' assessment considered all of the principal and emerging risks of the Group and the effectiveness of current and proposed mitigating actions. The key areas of focus were:

- the risk of economic and political instability and its impact on the Group's future performance.
- the risk of not meeting regulatory requirements, with a key focus on minimum capital adequacy.
- foreign exchange rate risk, which is significant due to the high share of foreign currency in the Group's portfolio.
- the risk of decreasing net interest income and net interest margin as a result of increased competition and changing funding structure.
- financial sanctions risk management due to the toughest economic sanctions imposed as a response to the aggression launched by the Russian Federation against Ukraine.
- the risk of cyberattacks and the potential losses caused by them.

A summary of all of the Material Existing and Emerging Risks to which the Group is exposed and the mitigating actions taken by the Group are set out on pages 76 to 99.

THE GROUP'S STRATEGIC PLANS

While reviewing and analysing the Group's strategic plans, the Directors assessed all potential risks related to the strategic plans and the achievement of the Group's strategic objective, and ensured those risks were properly managed. The key focus areas were:

- The current business position and future prospects of the Group.
- The capital, funding and liquidity profile of the Group.
- The availability and efficient use of respective human and technical resources.

EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT FRAMEWORK

The Directors ensure that the Group's governance structure enables adequate oversight and accountability, as well as a clear segregation of duties. The involvement of all governance levels in risk management, the clear segregation of authority, and effective communications between different entities facilitate clarity regarding the Group's strategic and risk objectives, adherence to the established risk appetite, risk budget and sound risk management. The centralised ERM function of the Bank ensures effective development, communication and implementation of the risk strategy and risk appetite across the Group. The Directors have determined that the Group's risk management framework is adequate for managing the principal and emerging risks set out in the Annual Report and reducing their likelihood and impact, wherever possible. Having reviewed and analysed the information presented in this Annual Report, the Directors can confirm that they have a reasonable expectation that the Group will remain viable over the next three years up to 1 January 2029, and that the Group will be able to continue its operations and meet its liabilities as they fall due over the three-year period from 1 January 2026 to 1 January 2029.

STRESS TESTING

Stress testing is an important risk management tool of the Group. Subjecting an entity to various stress scenarios helps identify vulnerabilities, quantify potential losses, and assess the sufficiency of risk mitigation measures. Currently, JSC TBC Bank has established its own comprehensive stress testing framework which encompasses a range of scenarios to assess its resilience. This includes scenarios related to capital, liquidity, credit, cyber and other risk factors relevant to the prevailing risk environment. Stress testing is crucial to evaluate the ability to withstand adverse conditions, such as economic downturns, market volatility, and unforeseen events. Regular reviews and adjustments are essential to ensure the consistent relevance and effectiveness of the stress testing frameworks. The Bank regularly performs stress tests serving multiple purposes. They are performed under ICAAP, ILAAP, Recovery Planning, Regulatory Stress testing, or an ad-hoc basis, to assess the magnitude of a certain stressful environment.

Throughout 2025, stress scenarios focused on factors relevant to the prevailing risk environment, namely deterioration of the political environment in Georgia with migrant outflow, military escalation in Georgia, reputational shocks, unfavorable changes in the global economy and resolution of the Russia-Ukraine war with producing adverse spillovers for Georgia.

The system-wide stress scenarios stressed all key macroeconomic parameters such as GDP growth, interest rates, currency exchange rates, unemployment, and real estate prices, among others. According to the different scenarios, max decline in GDP growth was assumed -5.6%. The max devaluation of GEL against USD and EUR were assumed to be 41.1% and 30.3%, respectively. The max employment rate and real estate price drops were assumed respectively 4.5% and 35%.

Our approach to customers

We remain steadfast in our commitment to enhancing the financial services experience of our customers. Through innovative digital solutions and personalised services, we strive to create seamless experiences for individuals and businesses.

Key highlights 2025

Retail NPS ¹	Concept NPS ²	CIB NPS ³
68% (2024: 63%)	62% (2024: 69%)	82% (2024: 82%)

Delivering an exceptional customer experience (CX) remains central to our strategy, and we continuously adapt our products and services to meet the evolving needs of all customer segments. We promote financial inclusion by ensuring accessibility across both physical and digital channels. Our comprehensive network of branches, ATMs, and self-service terminals covers the entire country, including remote regions. In parallel, we continue to strengthen our digital channels, delivering strong growth in digital adoption, with monthly active digital users increasing by 24% in 2025 to 1.3 million, while in Uzbekistan, we have a fully digital financial ecosystem.

MANAGING CUSTOMER EXPERIENCE AND SATISFACTION

Our customer experience competence (CX) centre serves as the cornerstone of our customer-centric approach, which is responsible for developing and refining strategies to enhance customer satisfaction, loyalty, and engagement across the Bank. The CX centre brings together the competence centre head, service culture lead, customer experience system lead and domain leads, who monitor and analyse customer feedback to guide the development of new products and improve existing processes, as well as focus on improving the company's service culture and CX management systems. By consolidating all CX capabilities within a single centre, we ensure a unified and consistent approach to customer experience.

To further enhance our service culture, over the past year, the CX competence centre has implemented several key initiatives:

Service quality, accessibility & continuous improvement

- Continued to utilise micro-bug reporting system, allowing employees to quickly address issues with any product or service, ensuring timely resolutions;
- Rolled out VOIX, a voice-audio monitoring system across the branch network. The solution ensures full transparency of end-to-end customer interactions and converts audio data into actionable insights for service quality enhancement. By the end of the year, we plan to integrate an AI-powered assessment model into VOIX to significantly scale the quality monitoring process;

TBC Becomes First Georgian Financial Institution Named ICXA 2025 Finalist



TBC became the first financial institution from Georgia to be named a finalist at the International CX Awards (ICXA 2025) in the category “Best Use of Customer Insight and Feedback – Financial Services”, standing out among 400 organisations from 40 countries.

ICXA is widely regarded as the world's most reputable customer-experience awards organisation. In 2024, ICXA entered the Georgian market in partnership with CX Hub, the country's first CX consulting agency and ICXA's exclusive partner in the Caucasus and Uzbekistan.

¹ The Net Promoter Score (NPS) was measured based on survey conducted by the independent research company Sonar in December 2025 for Georgian bank customers.
² The Net Promoter Score (NPS) was measured based on survey conducted by the independent research company Anova in December 2025 for Georgian bank affluent customers.
³ Based on internal estimates, for Georgian corporate businesses as of December 2025.

Non-financial and sustainability information - customers *continued*

- Developed the first AI Service Quality Assessment Model (MVP) in the call centre, based on TBC service principles. By 2026, we aim to scale AI-driven evaluations to reach c.100 assessed call recordings per operator, creating a strong foundation for measurable service-level improvement;
- Launched accessibility initiatives to ensure that both branches and digital channels accommodate the needs of individuals with disabilities.

Service culture, training & leadership development

- Introduced TBC Service Values, which underpin an onboarding and ongoing training curriculum for all customer-facing roles;
- Created the TBC Service Philosophy guidebook, translating TBC service principles into practical guidelines for daily service delivery;
- Launched the Service Leadership Laboratory, a new capability-building programme designed specifically for branch service management teams;
- Hosted the TBCX Awards, recognising employees who demonstrate outstanding commitment to customer satisfaction and service excellence.

To support transparency and accountability, we maintain a robust Complaints Management Framework that ensures each customer concern is handled efficiently and effectively. Customers can submit complaints via branches or online channels, and each case is evaluated in line with legal requirements and resolved in a timely manner. In 2025, we handled up to 7,100 complaints, achieving a 70% resolution rate. Over the same period, the customer support department identified and addressed more than 180 pain points to proactively prevent future issues.

Regular customer feedback is integral to our improvement efforts. Each year, we engage with more than half a million participants through internal and external surveys to monitor our Customer Satisfaction Index (CSI). In addition, we use Medallia, a leading global CX management platform, to capture real-time feedback from digital banking users after each transaction, enabling prompt action to address concerns and enhance the user experience.

ENHANCING OUR CUSTOMER EXPERIENCE IN UZBEKISTAN

2025 was a pivotal year for TBC Uzbekistan in strengthening customer experience and operational excellence.

We elevated the strategic importance of CX by introducing the CX partner function and embedding a closed feedback loop between support, product and operations, while also reshaping our operating model to support this transformation. The CX division management structure was reorganised around four core streams: CX, operations, technology, and processes, which improved focus, accountability, and execution.

As a result, operational performance improved markedly during the year, CSI stood high at 4.8/5.0, with 94% of all ratings at 5.0/5.0.

In parallel, delivery operations were scaled nationwide to support growing demand. The number of representatives grew from 20 in Tashkent to over 200 across all major cities. In Tashkent, 60% of deliveries were completed the next day, and the share of door-to-door card deliveries increased from 30% to 65%, contributing to stronger activation rates and early-stage usage. Delivery capabilities were also extended to non-resident customers, and the first cross-sell pilots were launched during delivery visits.

Alongside this operational scaling, we advanced our AI-driven CX capabilities. Pilots of AI-based speech analytics were launched to detect miscommunication, complaints and root-cause issues. The full rollout is planned in early 2026.

TBC Uzbekistan also continued transforming its internal tooling by fully migrating all support teams to a new in-house CRM, replacing a vendor solution within six months. In addition, a new delivery technology platform was built to enable slot selection, real-time tracking, courier-customer communication.

DATA PROTECTION AND INFORMATION SECURITY

In 2025, we continued to strengthen our commitment to protecting personal data of customers, employees, and partners. Our Data Protection Policy ensures full compliance with General Data Protection Regulation (GDPR) and local regulations, supported by regular risk assessments and periodic Compliance Risk and Controls Self-Assessment (RCSA) checks to verify alignment with data protection laws. The Bank's Data Protection Officer oversees adherence to privacy standards and promotes a strong culture of data protection across all departments. We also actively collaborate with Bird & Bird GDPR Representative Services SRL to manage EU-related obligations and liaise with regulatory authorities.

TBC also has a comprehensive Information Security Policy that outlines the company's approach to safeguarding information. Our ISO 27001-certified Information Security Management System (ISMS) covers policies for IT

operations, cloud security, cyber security incident management, business continuity, and information security risk management.

No significant data breaches were reported in 2025. To reinforce our risk culture, we delivered advanced data privacy and security training to over 6,700 employees, ensuring awareness and compliance at every level.

Our approach to employees

As one of the leading employers in Georgia and Uzbekistan, we take pride in fostering an environment where top talent can grow, innovate, and make an impact.

Key highlights 2025

<p>Employee Net Promoter Score (ENPS)¹</p> <p>54% (2024: 53%)</p>	<p>Women in middle managerial positions²</p> <p>36% (2024: 37%)</p>	<p>Engagement index³</p> <p>82% (2024: 85%)</p>
---	---	---

OUR PEOPLE AND CULTURE

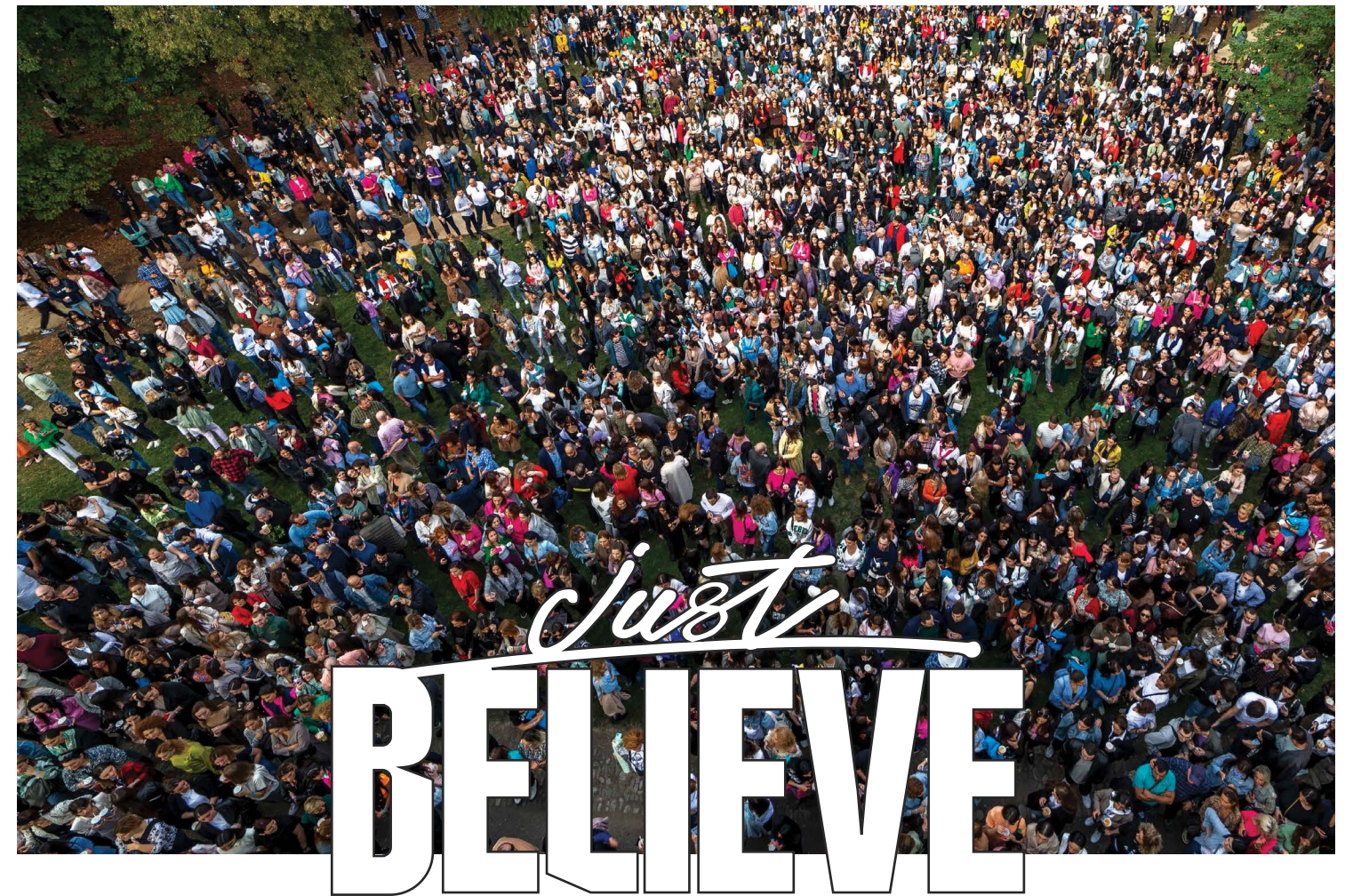
As TBC Group celebrated its 33rd anniversary and continued to expand across diverse business lines, we recognised the need to evolve our culture to reflect who we are today. To guide this process, we placed our people at the heart of this transformation. Through the Organisational Culture Assessment Instrument (OCAI) survey, we gathered insights from across our c.14,000 employees to understand both our current and desired culture.

Based on these findings, we defined a renewed set of values that embody TBC’s spirit and belief that “impossible is possible – we just need to believe.” Our values – being a team player, courageous, driven, goal-oriented, and customer-centric - now serve as the foundation of everything we do.

To bring this culture to life, we launched dedicated communication campaigns, appointed culture ambassadors, and introduced initiatives such as “One Day in a New Role” and the “Personality Quiz.” We also developed a Behavioural Culture Framework that defines the principles guiding how we collaborate and grow together, and we embedded these values across our HR practices.

This cultural renewal is aimed at strengthening engagement, unity, and pride across TBC Group, aligning us all around our shared mission of making people’s lives easier.

TBC Culture



At TBC Group, we believe that **“impossible is possible - we just need to believe”**

¹ The Employee Net Promoter Score (ENPS) was measured in the last quarter of 2025 for the Group’s employees, based on ACT Research and internal survey data.
² Branch managers, division and department heads, as well as mid-senior level positions at the Group’s subsidiaries.
³ Engagement Index was measured in December 2025 by an independent consultant for the Bank’s employee’s and measures how much employees feel involved and committed to TBC Bank.

OUR MAIN STRATEGIC PRIORITIES

TALENT ACQUISITION AND DEVELOPMENT

We are committed to developing a world-class ecosystem for talent acquisition and professional development. Our proactive approach encompasses rigorous monitoring of labour market trends in Georgia, Uzbekistan, and other international markets. This broad outlook allows us to attract top-tier professionals globally, particularly in key areas such as business operations, finance, risk management, and information technology.

We have established meaningful partnerships with universities and colleges throughout Georgia, recognising that sustained engagement with academic institutions is essential for attracting top-tier talent. Our presence at job fairs, campus recruitment visits, and participation in various marketing initiatives has strengthened our employer brand among students and recent graduates.

Our commitment to developing emerging talent remains steadfast through our comprehensive internship programme, which focuses on entry-level positions within our back-office operations. This carefully designed initiative serves as a vital pipeline for identifying and attracting high-potential students from Georgia's leading universities and academic institutions. The programme spans one year, during which interns gain hands-on experience and receive structured mentorship. Those who demonstrate exceptional performance and alignment with our organisational values receive full-time employment offers across diverse departments, including finance, risk management, corporate affairs, marketing, information technology, and data analytics. This approach not only ensures a smooth transition from academia to professional practice but also builds long-term loyalty and institutional knowledge.

Additionally, we have extended our internship outreach to Georgian students pursuing their education at international universities. Through consistent communication and timely sharing of job openings and internship opportunities, we aim to attract this promising cohort back to Georgia upon completion of their studies.

Recognising the competitive talent landscape and specific skill shortages within the Georgian market, we have strategically expanded our recruitment efforts to include Georgian expatriates residing abroad. Throughout 2025, we proactively engaged with this talented community through regular introductory meetings and structured interviews. This targeted approach has yielded tangible results, with several successful placements at senior levels within the organisation. These professionals bring valuable international experience while maintaining cultural alignment and deep understanding of the Georgian business context.

In Uzbekistan, our recruitment efforts are focused on attracting top talent in technology, product, data science, customer support, and operations. The acquisition of BILLZ, a leading retail SaaS platform, expanded our talent pool and strengthened our capabilities in serving MSMEs, while accelerating knowledge exchange and innovation across the ecosystem. To further broaden our access to technology talent, we also opened a new tech office in Almaty, Kazakhstan, dedicated to hiring experienced engineering and product professionals.

We provide our employees with comprehensive and competitive remuneration packages that include a base salary, performance-based bonuses, and a robust benefits package. This package features health insurance, critical illness and life insurance coverage, paid sick leave, and six months of fully paid maternity and paternity leave. Additional benefits include a social assistance package in case of marriage, childbirth, and family member support, paid days off for all employees and extra paid days off for employees with more than two children, as well as special social payments for employees with more than four children. In 2025, we also introduced emergency leave, allowing employees to take up to 5 working days per year.

LEARNING AND DEVELOPMENT

TBC provides a comprehensive range of learning and development resources to its employees via TBC Academy, tailored leadership development programmes, IT education and international qualifications.

- TBC Academy continued to offer various courses this year, such as Business, Agile, Law, and BrandX, with participation from over 760 employees;
- TBC Leadership Academy delivered a training programme for middle managers in collaboration with highly rated local and international organisations, including IE Madrid University and DEVELOR International. We also introduced a New Leaders Programme for leaders with 2 years of experience. A total of 104 leaders participated in these courses, which covered critical topics such as Strategic Mindset, Collaboration, Assertive Communication, Resilience and Growth Mindset;
- We launched a Coaching Programme for middle management aimed at developing emotional intelligence and resilience, enhancing delegation and influence skills, aligning personal leadership styles with business objectives, and addressing real-time leadership challenges;

- Since 2019, our internal IT Academy in Tbilisi has been a hub for tech education, offering courses in front-end and back-end development, DevOps, and more. These courses are available free of charge to both our employees and potential candidates. Led by experienced staff and industry professionals, the Academy has trained over 2,400 individuals from outside the organisation and 2,700 within, bringing in more than 500 skilled professionals to TBC Group;
- In March, TBC IT Academy, in collaboration with Amazon Web Services (AWS), hosted Georgia's largest AWS GameDay, bringing together TBC Group's DevOps engineers and IT Academy students for a hands-on AWS infrastructure challenge. Participants engaged in a high-intensity gamified environment solving real-world cloud challenges with mentorship from AWS engineers and TBC's DevOps leads. Beyond competition, the event fostered learning, collaboration, and networking, helping participants refine their cloud optimisation and problem-solving skills;
- To strengthen DevOps capabilities across TBC's tech teams, the Academy launched the "DevOps for Non-DevOps" internal training programme. It began with 50 employees from the Digital Tribe and by the end of the year expanded significantly, engaging over 200 employees across seven different tribes. The programme played a key role in reinforcing DevOps practices throughout the organisation.
- To support our growing workforce and enhance employee engagement in Uzbekistan, we made significant investments in HR technologies and learning infrastructure. In 2025, we launched a unified Learning Management System (LMS) across all entities, enabling personalised learning paths, training, and continuous upskilling for all employees. More than 3,000 hours of professional qualification training were completed through online learning platforms;
- We provide financial support to our employees to attend various external courses and gain international certifications such as MBA, CFA, FRM, ACCA and others. More than 880 employees took part in these programmes in 2025.

In 2025, TBC successfully continued an Employee Well-Being programme that included over 450 employees across the Group. This initiative focused on enhancing awareness of mental and physical health through activities such as art therapy, motivational workshops, and seminars. All these initiatives were developed and implemented based on direct feedback from our employees.

PERFORMANCE MANAGEMENT

Our performance management system is designed to boost productivity, foster open communication, and provide constructive feedback. Aligned with the Group's strategic goals, it emphasises clarity, fairness, and transparency. By connecting individual goals with TBC's priorities, we create an environment where both employees and the organisation can grow. This approach supports personal development while driving organisational success toward our shared vision.

Key Performance Indicators (KPIs) form the foundation of our performance management system, cascading from the Group'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.

To promote employee growth and development while supporting the achievement of KPIs, we leverage both the Individual Development Plan (IDP) and the 360-degree feedback process. These tools are designed to ensure tailored development opportunities and comprehensive performance insights for each team member.

- In collaboration with their managers, employees create IDPs that align personal development goals with the needs of the organisation. These plans serve as personalised roadmaps for skills enhancement and career progression. Managers 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, managers enable employees to achieve their developmental milestones and grow within the organisation;
- The 360-degree feedback process is a comprehensive evaluation system that 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.

DIVERSITY, EQUALITY AND INCLUSION

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 place a strong emphasis on empowering women and supporting their professional growth. Also, we have elaborated a long-term approach for women to excel in middle management roles and break barriers in traditionally male-dominated fields such as ICT and finance. To ensure progress, our ESG strategy outlines clear targets and action plans aligned with these goals. Key initiatives include implementing a gender-disaggregated reporting system to monitor trends, providing onboarding training for middle managers and HR specialists on gender-sensitive practices, ensuring gender-balanced applicant pools, and incorporating gender-inclusive language in job descriptions.

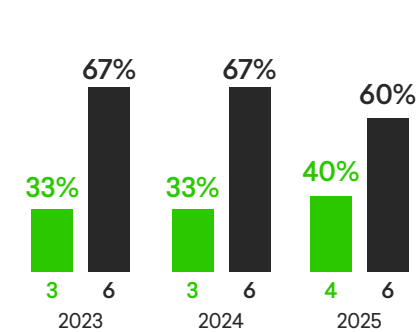
We are guided by our Diversity, Equality, and Inclusion (DEI) Policy, which provides a clear framework for integrating these principles across all areas of the Group's activities. This includes fostering inclusivity within our company, promoting diversity in the marketplace, and making a positive impact on the broader community. In 2025, as part of the annual update to the DEI Policy, additional requirements were introduced: all managers are now accountable for achieving progress and will be evaluated accordingly through the performance review process. To support capacity-building, a tailored training course on diversity and inclusion will be established for middle managers. Furthermore, DEI-related competencies are incorporated into leaders' performance evaluations to assess the effectiveness of awareness-raising efforts. The policy is available at: www.tcbankgroup.com.

Affirming our commitment as proud endorsers of the Women's Empowerment Principles (WEPs), we pledge to actively champion gender equality and amplify our dedication through public forums. Each year, we participate in the annual assessment of WEPs signatory companies, conducted by UN Women Georgia, to report our data, progress, and thematic activities or projects implemented in alignment with each principle. This year, marking the 10th anniversary of the UN Women's Empowerment Principles (WEPs), TBC's contribution was recognised with a special distinction.

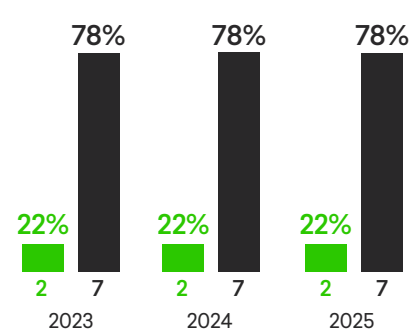
As part of our steadfast commitment to diversity, equality, and inclusion, we place a strong emphasis on training initiatives that foster awareness and understanding among our employees. At TBC, all employees undergo mandatory training on topics such as gender equality, diversity, sexual harassment, stereotypes and discrimination, and various forms of violence. Additionally, we organise interactive face-to-face sessions designed to promote a healthy and inclusive work environment. These sessions blend theoretical knowledge with practical exercises, encouraging active participation and meaningful discussions to drive positive change across the organisation.

The tables below show the data at the Group level.

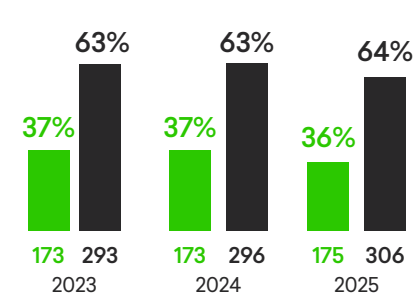
Board of directors



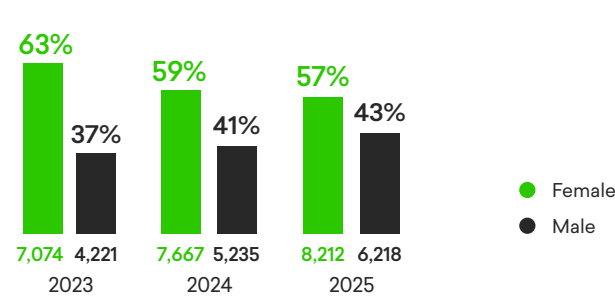
Executive committee



Middle managerial positions*



All employees**

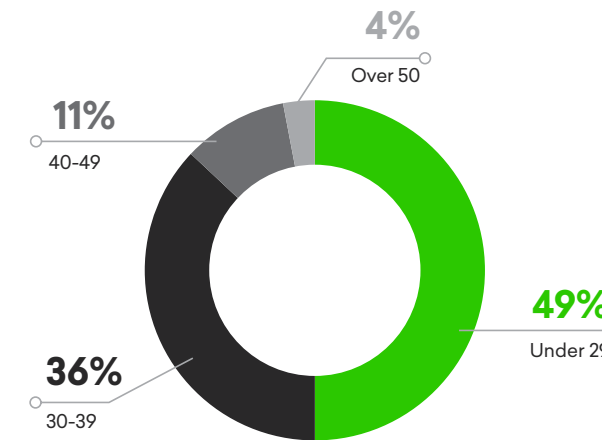


*Branch managers, division and department heads, as well as mid-senior level positions at the Group's subsidiaries.

** At the standalone TBC PLC level, there is only one employee, who is male.

We have a diverse team consisting of experienced professionals and young, talented individuals fresh from top universities in Georgia and abroad. We strongly believe that this mix of ages fosters a dynamic, high-performing team, resulting in better outcomes.

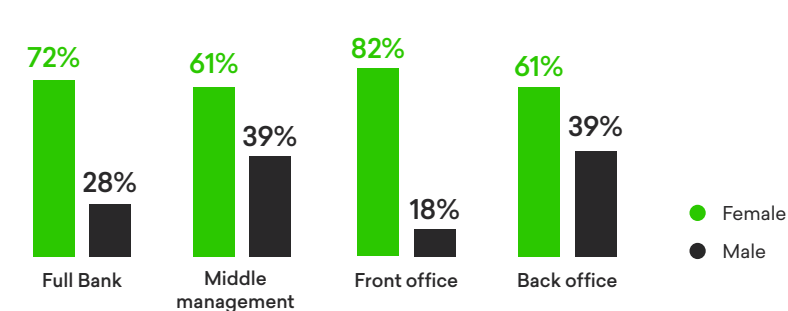
Age diversity statistics as of December 2025



GENDER PAY GAP¹

We regularly review our pay levels and make sure that men and women are paid equally for doing the same type of job. In 2025, our mean gender pay gap for the Bank's employees was 48%, slightly increased compared to 2024 (46%), which means that, on average, men received higher remuneration than women (mean gender pay gap in hourly pay). This is mainly due to the higher number of women being employed in junior roles, including front-office customer service positions. For middle management, the mean gender pay gap was 1.7% (favouring men) in 2025 and -3% in 2024. We remain committed to achieving a better gender balance and increasing the proportion of women working in senior and middle-level roles.

Gender distribution across different positions*



* The data in the given table is presented for the Bank only

¹ The gender pay gap is calculated as of April 2025.

COMMITMENT TO ETHICS, DIVERSITY, INTEGRITY, AND RESPONSIBILITY

TBC Group is committed to conducting business with the highest ethical standards, respecting human rights, addressing environmental and community concerns, and fostering a culture where employees act with integrity, responsibility, and mutual respect toward each other and all stakeholders.

To support this commitment, we have established a comprehensive set of Group-level policies, which are closely monitored for adherence. These policies are regularly reviewed and updated to ensure they remain effective and relevant.

These policies can be found on our website at www.tcbankgroup.com and are comprised of:

- Code of Conduct and Ethics;
- Diversity, Equality and Inclusion Policy;
- Human Rights Policy;
- Anti-Financial Crime Policy;
- Incident Response Policy (Whistleblowing Policy);
- Global Data Protection Policy;
- Environmental and Climate Change Policy.

We also have an Employee Protection Policy Against Discrimination, Violence, and Harassment at the Bank level, which can be accessed at www.tcbank.ge.

In 2025, we conducted mandatory training sessions tailored to various employee groups based on their specific job responsibilities in the following areas: a healthy work environment, environmental issues, code of conduct, data and information security, fraud and operational risks, anti-corruption, anti-bribery, ethical issues and anti-money laundering and sanctions. By the end of the year, more than 8,100 employees had successfully completed these training programmes.

Given that the Group does not have a demonstrable business presence in the UK, TBC is not required to publish a statement under section 54 of the Modern Slavery Act. The Group is nonetheless fully committed to the eradication of all forms of modern slavery in its countries of operation.

TBC Empowers Its Workforce Through AI Literacy and Innovation



This year, we launched the TBC AI Literacy project to equip our employees with essential AI skills through innovative learning. Our flagship TBC AI Essentials course, the first Georgian-language AI literacy programme, has already enrolled over 1,000 employees. The initiative also featured an interactive webinar showcasing how AI tools such as Microsoft Copilot, Gamma, and Databricks Genie can support everyday tasks.

In addition, TBC hosted RedHack, Georgia's first AI Red Team hackathon, where 100 participants tested TBC's generative AI systems to strengthen the chatbot's resilience and foster a culture of responsible AI development.

Our approach to community

Across Georgia and Uzbekistan, we continued to invest in people, culture, innovation, and sustainability to empower communities, expand opportunity, and preserve our shared heritage for the future.

OUR CSR ACTIVITIES IN GEORGIA

In 2025, our CSR agenda in Georgia focused on education, culture, art and sports: areas where sustained support builds skills, strengthens communities, and contributes to the country's long-term development.

SHAPING THE NEXT GENERATION THROUGH EDUCATION

Through our educational projects, TBC has given thousands of young people the opportunity to turn their interests into something meaningful. Each project opens new horizons, with every initiative pushing the boundaries of innovation even further. We focus on programmes that align with our expertise and long-term vision. As a tech-driven company, TBC Tech School and IT Academy deliver cutting-edge education in technology, equipping individuals with the skills required to thrive in the digital era. Meanwhile, through TBC Campus, we share our business expertise by offering specialised programmes that foster practical knowledge and entrepreneurial thinking.

TBC Tech School, run in partnership with GeoLab, offers fully funded online technology courses for students in grades 9–12 across Georgia. The three-month programmes cover seven fields: Front-End Web Development, Python Back-End Programming, Web App Development, Graphic Design, Social Media Marketing, AI Fundamentals, and UI/UX Design. By the end of 2025, over 4,000 students had participated in these courses nationwide, all of which have integrated AI components to keep the curriculum current and engaging.

TBC IT Academy provides fully funded, intensive courses in high-demand IT fields for young professionals aged 18 and above. The academy has successfully graduated up to 3,000 students from all over Georgia.

TBC Campus offers free professional courses for young people aged 18–24 across Georgia. Launched in October 2024, the programme helps students build skills in high-demand fields such as UI/UX Design, Graphic Design, Advertising Content Creation, Digital Marketing, SEO, Business & Entrepreneurship, IT Project Management, and Data Analysis, with over 300 participants to date.

TBC Education Space aims to establish multifunctional learning environments in schools across Georgia, offering students opportunities for extracurricular and creative development. The first space opened in 2024 at Andria Razmadze Public School No. 41 in Kutaisi, a leading physics and mathematics school, with the next set to open in Poti in 2025. Designed with modular, adaptable layouts, the spaces host diverse activities from workshops and clubs to presentations and multimedia lessons and provide access to both physical and digital libraries through “Saba.”

Our other notable educational projects include:

- TBC partnered with the Georgian AI Association (GAIA) to establish itself as Georgia’s central hub for AI knowledge. The collaboration includes nationwide educational programmes and initiatives, including opportunities for students to represent Georgia at the International Olympiad of AI (IOAI). In 2025, two Georgian teams participated in the IOAI in China and proudly earned a bronze medal in their debut year;
- TBC, in partnership with American Chamber of Commerce in Georgia and the McLain Association for Children, Georgia, continues to sponsor a scholarship programme supporting students from socially vulnerable families across Georgia. In its second year, 65 students received funding for higher education at Georgian universities.
- TBC sponsored the top 5 rated students of one of the most prestigious universities in Georgia, Caucasus University, by covering the costs of students’ spring semester studies;
- TBC introduced two new projects focused on career guidance and critical thinking. A multi-format content series, which include videos, podcasts, and events, will feature industry experts offering practical career insights. The second project addresses misinformation through engaging video essays led by a popular Gen Z host, promoting media literacy and helping young audiences identify fake news and verify sources;
- With the support of TBC, the Georgian Book Association organised the Tbilisi Book Fair from April 10th – 13th 2025, bringing together, book lovers, major and independent publishers, and popular bookstores. Visitors attended the presentation of new titles prepared especially for the fair, along with engaging meetings with beloved authors and actors, making their journey into the world of books deeper and more inspiring.

TBC Drives Georgia’s AI Talent Development Through Its Support of the National AI Olympiad



In 2025, TBC became the main supporter of Georgia’s first National Artificial Intelligence Olympiad, organised by the Georgian Association for Artificial Intelligence (GAIA). The initiative aimed to equip high school students with essential AI skills through a nine-month learning programme led by experts, including TBC’s data science team.

Georgia’s debut at the International Olympiad on Artificial Intelligence in Beijing was remarkable, earning a bronze medal and an honorable mention among 60+ countries. The programme’s success sparked nationwide enthusiasm: registrations tripled and female participation rose significantly, highlighting TBC’s role in advancing innovation, youth development, and Georgia’s integration into the global tech ecosystem.

SUPPORTING CULTURE AND ART

One of our key focus areas is supporting culture and the arts. This encompasses organising, promoting, and facilitating cultural initiatives that enrich communities. By supporting art and culture, we help to shape society, inspiring new ideas and creating opportunities for meaningful and memorable experiences.

Cultural Projects and Exhibitions 2025:

SABA - Since 2002, TBC has been the main sponsor of the SABA Literary Award, the preeminent literary event in Georgia. This year, the judges reviewed up to 500 books and chose 11 winners in 9 different categories, with a prize fund of GEL 74,000. TBC and SABA also collaborate on www.saba.com.ge, the largest online platform for Georgian electronic and audio books. The platform was established in 2012 and provides access to more than 7,500 audio and electronic books for approximately 400,000 users.

Kolga Tbilisi Photo 2025 - with TBC's support, the 24th edition of Kolga Tbilisi Photo took place in May 2025, hosting both local and international exhibitions. Founded in 2002, Kolga Tbilisi Photo is a leading photography institution that presents exhibitions, workshops, and lectures by renowned photographers from around the world every year. The festival promotes contemporary photography and supports the development of emerging artists. As youth education and empowerment are among TBC's main priorities, the company has been a devoted supporter of Kolga Tbilisi Photo for more than two decades.

The Eliso Award, honouring excellence in Georgian cinema, is the first initiative of the Nato Vachnadze Foundation, established in 2024 with TBC's support, which is held annually on June 14, Nato Vachnadze's birthday, at her house-museum in Gurjaani. This award also contributes to strengthening the cultural and social vitality of the region.

Exhibition renewal at the Lado Asatiani House-Museum - TBC is the main supporter of the renewal of the exhibition at the House-Museum of the famous Georgian poet Lado Asatiani in the village of Bardnala. The museum, located in the Lechkhumi region (Tsageri Municipality), has existed for over half a century and is one of the area's key cultural and historical landmarks. The project will renew the museum concept and provide an exhibition curated by Aka Morchiladze, offering visitors a new perspective on the poet, his legacy, and his creative world.

Monographic Book on Architect Lado Alexi-Meskhishvili - with the support of TBC, a monographic publication dedicated to the prominent Georgian architect Lado Alexi-Meskhishvili has been released. The book marks the final stage of a three-year project that also included exhibitions dedicated to the architect, held at TBC galleries in Tbilisi and Kutaisi in 2022-2023.

Exhibition at TBC Concept Gallery: Rusudan Khizanishvili's Personal Iconography

Rusudan Khizanishvili is known for her vivid, detail-rich canvases. For the first time, her black-and-white pencil drawings were presented as a separate exhibition.

UBANI - Tbilisi Landscape Modelling Seminar - supported by TBC Concept, a Tbilisi Landscape Modelling seminar and workshop took place in September 2025, led by Italian architect and theorist Renato Rizzi. The initiative aims to promote innovative methodologies in landscape modelling within the framework of the Ubani research programme, focusing on Tbilisi's unique topography and its influence on the city's morphology and structure. The project will culminate with an exhibition at the TBC Concept Gallery in March 2026. Ubani is a non-profit organisation dedicated to the study of Tbilisi's architecture and urban landscape.

PROMOTING RUGBY DEVELOPMENT

TBC continues to support the Georgian Rugby Federation, fostering collaboration across all levels of national teams, including both male and female teams. Our partnership extends to the club level, featuring support for Georgia's first rugby franchise team, "Black Lion". Established in 2021 to advance professional rugby in the country, Black Lion competes in prestigious tournaments, proudly showcasing Georgian rugby's skill and potential on the international stage.

TBC is also supporting the Georgian national youth rugby team, which plays a pivotal role in the sport's development within the country. The Under-20 team consistently excels in international competitions, regularly participating in the World Rugby Under-20 Championship and the Under-20 Trophy, where they secure top rankings.

OUR CSR ACTIVITIES IN UZBEKISTAN

In 2025, TBC Uzbekistan continued to focus on initiatives that deliver measurable social and environmental outcomes. We directed our resources toward reducing gender disparities in education and entrepreneurship, piloting new environmental technologies, preserving cultural heritage, and strengthening international partnerships.

CREATING EQUAL OPPORTUNITIES FOR WOMEN

In 2025, we continued to support and initiate a range of projects to help address gender inequality in the tech sector and beyond in Uzbekistan.

- Profession has no gender" campaign – Despite women comprising 54.3% of university students in Uzbekistan, they account for only 17.5% of those in STEM fields. To help address this gap, and in partnership with the Ministry of Digital Technologies, the Asian Development Bank, UNFPA, UN Women, Women in Tech, and participating universities, we awarded full first-year tuition to a select group of high-achieving female students entering bachelor's or foundation programmes at four private universities;
- Training for women entrepreneurs – In collaboration with the International Women's Fund Sharq Ayoli, TBC Uzbekistan delivered training seminars to 800 female entrepreneurs across the Tashkent region. The curriculum included e-commerce fundamentals, social media marketing, how to leverage AI for demand analysis, and inventory management, as well as core accounting and financial management skills;
- "Strong Women" Virtual Monument Campaign – In celebration of International Women's Day, Payme honoured influential women from the worlds of art, business, public service, and beyond, whose contributions have shaped society for the better. Seven CGI-generated virtual statues to notable women were installed across the country using augmented reality technology, while QR codes on building facades allowed the public to access AR experiences featuring profiles of outstanding women from diverse fields;
- Payme extended the #OnSideOfWomenBusiness platform launched in 2023 to support women-led business growth and economic participation. On New Year's Eve, Payme purchased corporate gifts for partners from local women-owned businesses and launched a dedicated in-app section featuring their handcrafted products, providing direct market access through Payme's platform.

PRESERVING CULTURAL LEGACY

In 2025, we advanced our support for Uzbekistan's artists and culture by actively preserving local heritage monuments.

- Mosaic restoration initiative – This year, Payme restored three mid-1970s mosaic panels by artist Nikolai Zharski that had been painted over in recent years. Carefully uncovered under specialist supervision, the mosaics' original surfaces were preserved. This work builds on Payme's award-winning Mosaicvertising initiative, launched in 2023, which removed advertising from over 200 façades featuring Soviet-era mosaics and resulted in 157 panels being added to the national cultural heritage register;
- Heroes behind the scenes" project – In September 2025, Payme celebrated the unsung heroes of Tashkent's Chorsu Bazaar by installing banners at the market featuring the images, names, and stories of long-term artisans who have worked there. In tandem, we supported the structural integrity of the bazaar itself by proposing necessary repairs to the bazaar's arches and support systems.

SUPPORTING FINANCIAL LITERACY & PUBLIC AWARENESS PROGRAMMES

- School Financial Literacy Programme – TBC Uzbekistan has partnered with the Central Bank of Uzbekistan (CBU) to improve students' financial and digital banking literacy. Together with the CBU, we funded the salaries of 10 teachers who provide additional workshops in schools, helping more than 150 children gain key financial management and cybersecurity skills;
- Finlit Public Awareness Campaign – TBC Uzbekistan is a supporter of the Central Bank of Uzbekistan's programme, which is designed to increase financial literacy and economic participation across the country. Our social media campaign to raise awareness of this project reached several million users in 2025.

STRENGTHENING INTERNATIONAL COLLABORATION TO ADVANCE DIGITAL INCLUSION AND SUSTAINABILITY

TBC Bank Uzbekistan continued to strengthen its role as an important driver of digital innovation and societal progress in 2025, building on the Group's broader strategy to expand its digital ecosystem while supporting sustainable and inclusive growth.

- UNESCO General Conference Participation – TBC Bank Uzbekistan was among the signatories of the Samarkand Declaration on Tech Diplomacy, a global initiative aimed at ensuring all nations have the capacity to shape the digital future. In collaboration with the Tech Diplomacy Institute and UNESCO, the Bank will continue to promote responsible digital innovation, fostering regional cooperation in fintech, and supporting sustainable and inclusive digital development;
- UNFPA Partnership – TBC Bank Uzbekistan signed a memorandum of cooperation with the United Nations Population Fund (UNFPA), focusing on inclusive development, societal progress, education, and youth engagement initiatives. The partnership aims to advance gender equality and empower young people to contribute to sustainable social and economic development.

Air-purifying mural project



TBC Uzbekistan expanded its environmental efforts in 2025, applying its technological and innovative strengths to support sustainability goals across local communities.

Air-purifying mural project – to combat air pollution in Tashkent and support the Uzbekistan government’s “Year of Environmental Protection”, TBC Bank Uzbekistan unveiled the country’s first air-purifying mural. Created using innovative Airlite paint and covering an area of 250m², the mural neutralizes air pollutants with an efficiency comparable to a forest of the same size. The technology has been recognised by the UN as one of the most promising global solutions for reducing urban air pollution.

ESG Strategy

Highlights

Sustainable portfolio GEL 2.3 bln (2024: GEL 1.7 bln)	Sustainable funds GEL 1.9 bln (2024: GEL 1.3 bln)	Renewable energy financing GEL 638 mln (2024: GEL 604 mln)
Social portfolio GEL 992 mln (2024: GEL 782 mln)	Green portfolio GEL 1.3 bln (2024: GEL 952 mln)	Renewable energy usage 45% (2024: 7%)
ESG Academy c. 930 Participants (2024: 330)	IT Academy 37% Share of women (2024: 37%)	Woman in ICT areas 45% (2024: 46%)

Our role reflects our responsibility to contribute to a better future through innovation and technology, to increase the accessibility of financial and non-financial services, to make a positive impact on the communities, to reduce our ecological footprint and support the transition to a greener, more climate resilient economy.

Building on Georgia's strong foundation and following the successful establishment and expansion into high-growth market of Uzbekistan, TBC Uzbekistan's strategic importance within the Group continues to grow, resulting in the integration of 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 the countries of our operations but also across the broader region. By integrating ESG considerations into our operations, we aim to drive a positive change, support sustainable development, and lead by example. A key component of the Group strategy is the transition to a low-carbon economy. We are actively working to reduce our carbon footprint and promote renewable energy sources. Moreover, we focus on lending to customers who invest in green technologies, supporting low-carbon projects, and encouraging sustainable practices across all sectors. 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.

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. On annual basis, we conduct 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 2025, TBC was recognised as Disability Inclusion Champion at ADB's 11th Annual Trade and Supply Chain Award. The award reflects the bank's commitment to advancing diversity and disability inclusion through a one-year project¹ implemented in 2024, supported by ADB to work 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.

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.

In addition to the ESG Strategy at the Group level, each subsidiary of the Group has its individual ESG Strategy aligned with the Group's overarching ESG framework and strategic objectives, while tailoring targets and priorities to the specific context of each entity.

As the largest subsidiary of the TBC Group, holding 92% of the Group's total assets, TBC Bank plays a pivotal role in driving the sustainable development of Georgia and positioning itself as a leading supporter of ESG principles.

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
--	------------------------------	---	---	----------------------------------

¹ As part of the Asian Development Bank Trade and Supply Chain Finance Programme'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.

Non-financial and sustainability information - ESG strategy *continued*

To strengthen this commitment, TBC's ESG Strategy defines several key areas and targets with different time horizons:

TBC Bank Uzbekistan, the second-largest subsidiary of TBC Group, accounts for 7% of the Group's total assets. As TBC UZ continues to expand its business activities, its strategic importance within the Group is increasing. In response, TBC Uzbekistan is advancing its ESG Strategy, aligned with the Group's ESG ambitions. This strategy prioritises strengthening the bank's Environmental and Social Management System (ESMS), ensuring compliance with IFIs' requirements, local ESG regulations, and enhanced E&S due diligence. The bank also aims to build robust internal capacity through ESMS related staff training and to reinforce employee and customer protection mechanisms. These efforts collectively aim to embed stronger environmental, social, and governance safeguards across all lending activities.

Key achievements in 2025:

- The total volume of TBC Bank's sustainable portfolio reached GEL 2.29 billion, increasing by 32% since the end of 2024, when it stood at GEL 1.73 billion;
- We further advanced TBC Bank's internal capacity for assessing green assets and increasing green financing by introducing a new role of energy-efficiency and green technologies specialist, and developing specific standardised methodologies for different sectors and technologies. As a result, volume of green projects assessed with internal resource totaled GEL 645 million;
- We measured the Group's and Bank's performance against the Paris Agreement targets for the reduction of GHG emissions;
- We started incorporating the standards of the Science-Based Targets Initiative into our performance measurement methodology;
- The share of renewable energy in TBC Bank's total electricity consumption grew up to 45%, covering 80% of electricity consumption in regions and 27% in Tbilisi;
- Through its pioneering educational platform, the TBC ESG Academy, TBC Bank delivered 41 training sessions, engaging 728 employees and 204 clients with its flagship course Green Mindset and Green Financing;
- The share of women in ICT, Risk and Finance remained steady at 45%;
- The number of participants in our educational programmes in ICT areas reached 677, achieving 37% representation for women and 39% for participants from the regions.

The ESG Strategy follows a strategic road map, which reflects the milestones of our sustainability journey for the coming years. In 2025, we developed the ESG Strategy for the following three years and actively continued to implement our initiatives to fulfil our targets, which are divided into four pillars: direct environmental impact, indirect environmental impact, social impact, and governance.

Pillars 1 and 2: Direct and indirect environmental impact

TBC Group is dedicated to managing environmental aspects and impacts of its business activities by implementing diverse initiatives, setting clear targets and establishing robust processes. All of these efforts are embedded within the Group's ESG Strategy, which follows a three-year cycle and is reviewed annually to reflect progress and evolving priorities.

The direct and indirect environmental pillars of the Group's ESG Strategy cover measures to minimise the negative impact on the environment, establishing methodologies to advance climate action and integrate respective approaches into the management processes, ensuring our compliance with regulations, raising awareness among stakeholders, and promoting sustainable finance among our customers. Alongside the Group's broader ESG Strategy, TBC Bank and each subsidiary of the Group have defined their own ESG targets and initiatives. These targets are aligned with the Group's overarching goals while being tailored to their specific business context.

The detailed initiatives under direct and indirect environmental pillars of the ESG Strategy are given in the table below. The table shows initiatives/targets set in the ESG Strategy which is updated for the following three-year cycle annually, the status of the initiative in 2025 and planned action in 2026 to further enhance the progress.

2025 ESG strategy target/initiative	2025 status	2026 outlook/target
Sustainable portfolio ¹ volume - GEL 2 billion	Target volume of GEL 2 billion was exceeded with GEL 286 million	GEL 3.2 billion
ESG Academy training courses	The ESG Academy delivered 41 training sessions for 728 employees and 204 clients across Tbilisi and regional locations	Two new courses for TBC staff and customers Courses for suppliers
Development of tailored green products	Internal assessment of opportunities to offer tailored green products, including two consultancy projects supporting development of tailored green products	Tailored green products for different economic activities and customer segments
Establishment of the green asset assessment process	GEL 645 million assessed	GEL 600 million
Development and implementation of the transition plan	Calculation of the Paris Alignment for direct and indirect emissions at TBC Bank and TBC Group levels have been conducted. Targets for reducing financed emissions and scope 1 and scope 2 emissions have been set	Implementation of transitional plan at TBC Bank and TBC Group levels. Targets to be submitted to SBTi.
Implementation of new NBG Pillar 3 ESG disclosure requirements ² into TBC Bank's practices	NBG has updated ESG disclosure template substantially	TBC Bank's disclosure practices and reporting system to be aligned with updated NBG ESG reporting requirements
Calculating additional Scope 3 categories	New methodologies for Scope 3 categories - Category 5: Waste generated and Category 7: Employee Commuting have been developed	Additional scope 3 categories to be integrated
Enhancing internal capacity to assess sectoral climate risks through guidelines and trainings	Two TA projects have been launched, offering consultation support for the creation of sectoral guidelines	Sectoral guidelines to be developed and respective training courses to be conducted
Introducing E&S Risk Assessment in TBC Uzbekistan	TA project with ADB has been launched which will include the consultation service to support the implementation of the E&S Risk Assessment into TBC Uzbekistan lending operations	E&S Risk assessment to be integrated into lending in TBC Uzbekistan

Pillar 3: Social impact

In order to expand our focus on diversity, gender, and inclusion issues, we maintain a Diversity, Equality and Inclusion Policy (available at our website, 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 participation in different positions. The main target for women in middle manager and agile leaders is set at 41% for 2026. In 2026, to accelerate progress towards this target and further strengthen diversity, we plan to include diversity components in the evaluation process of middle managers and conduct a Human-Centered Leadership training session for middle management. In the coming year, we are committed to advancing the inclusion of employees with disabilities through a series of targeted initiatives such as introducing a target for employees with disabilities and developing inclusion guidance documents.

¹ 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 157.

² www.nbg.gov.ge

Non-financial and sustainability information - ESG strategy continued

2025 ESG strategy target/initiative	2025 status	2026 outlook/target
Enhancing diversity within TBC Bank through different initiatives	Diversity Action Plan has been prepared and monthly meetings to monitor diversity trends and progress against targets are in place	Including diversity components in evaluation process of middle managers Develop and conduct training on Human-Centered Leadership for middle management to foster diversity
Enhancing inclusion of people with disabilities through different initiatives	Action Plan to enhance the inclusion of people with disabilities has been set	Flagship TBC branch concept tailored to people with disabilities Setting target for hiring people with disabilities Development of an Inclusivity Guidance for digital products, services and marketing events Inclusivity Employment Guidance Standard
Diversity targets	40%	41%

Pillar 4: Governance

The Group 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 levels. During the year, the Committee steered and supported 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 its objectives across all business areas.

In 2025, we continued implementation of individual ESG strategies in significant subsidiaries of TBC Bank and the Group. Several workshops were conducted with staff from the subsidiaries and working groups were established.

In 2026, we aim to ensure that TBC's management practices and systems are fully aligned with the IFRS S1 and S2 standards and to advance automation within reporting. We conducted a gap analysis to assess existing strengths, identified areas where gaps remain, and provided directional insights to further enhance TBC Bank's climate-related disclosures in line with IFRS S2. Several training courses have been delivered under the technical assistance (TA programme from EIB) to strengthen TBC Bank staff's expertise and skills about IFRS S2, green finance and associated risks and green eligibility of the loans. In 2025, two new, long-term TAs from TBC Bank's partner IFI's DEG (Deutsche Entwicklungsgesellschaft) and ADB (Asian Development Bank) have been launched. The upcoming two programmes cover topics related to IFRS S1 and S2, as well.

2025 ESG strategy target/initiative	2025 status	2026 outlook/target
Implementation of IFRS S1 and S2	Gap analysis of processes and practices with IFRS S2 has been conducted and IFRS S2 implementation plan has been prepared	Implementation of IFRS S1 and S2
Membership to PCAF ¹	The PCAF membership has been initiated	PCAF membership
Automation of regular reporting	Sustainable Portfolio has been automated	Introducing AI tools in screening and assessment of loans

In 2026, we will continue to follow our strategic plan, focusing on the following topics:

Sustainable portfolio

In 2026, we will continue to focus on the growth of our sustainable portfolio. The ESG strategy sets an ambitious target of GEL 3.2 billion for 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.

ESG Academy

The awareness raising and knowledge building remains one of the key priorities of the ESG Strategy. The TBC ESG Academy addresses 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 MindSet 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). In 2025, the flagship training programme reached more than 728 TBC employees and 204 clients through 41 training sessions held in-person. Furthermore, we added webinars in online format to increase the accessibility for participants from different regions.

In the coming year, we plan to develop three new ESG Academy courses for employees, customers and suppliers.

Implementation of the IFRS S1 and S2 Standards

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. The UK government developed and published the UK versions of IFRS S1 and IFRS S2 – respectively called UK SRS S1 and UK SRS S2. Subsequently, the government and the Financial Conduct Authority (FCA) will consider when to introduce requirements for certain UK entities to report against these standards.

In 2025, we conducted a gap analysis of TBC Bank's processes and practices with IFRS S2 and prepared the IFRS S2 Implementation Plan. In 2026, we will focus on 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), we will build on the existing disclosure and reporting framework.

Women financing

We plan to develop a targeted skill-building programme, supported by technical assistance from the EIB, to strengthen the business, financial, and leadership capabilities of women entrepreneurs and to support their growth and access to finance. The initiative will be complemented by tailored financial products, special benefits such as partial credit guarantees, and non-financial support including mentoring, advisory services, and practical educational programmes. Together, these measures will help create better opportunities for women-led businesses and foster their long-term resilience.

Development of tailored green products and sectoral climate risk guidelines

To support green portfolio growth, we plan to develop tailored green products with respective green criteria and risk assessment process for solar PPs, EE mortgages and climate-smart technologies. We also plan to develop eight sectoral guidelines for integrating into risk management framework to mitigate relevant climate risks related to these sectors.

Enhancing inclusion of people with disabilities through different initiatives

In 2026, we plan to dedicate greater effort to enhancing the inclusion of people with disabilities within TBC Bank, building on the foundations established in previous years. In 2024, through the ADB-supported TSCFP Disability Inclusion Project, we developed a comprehensive diversity concept focused on three key areas: physical and digital accessibility of products and services, inclusive employment, and accessibility of marketing events. This work enabled us to create a strong basis for our Diversity Action Plan and to develop key guidance documents, including the Inclusivity Guidance for digital products, services and marketing events, as well as the Inclusive Employment Guidance Standard.

Introducing environmental and social risk assessment framework in TBC Uzbekistan

In 2026, we plan to introduce an Environmental and Social (E&S) risk assessment process into TBC Uzbekistan's lending operations. The initiative will be supported by a technical assistance (TA) project from DEG. The E&S risk management framework will build on TBC's extensive experience in assessing environmental and social risks in Georgia and will incorporate the EBRD and IFC Performance Standards, as well as local regulatory requirements, tailored to TBC Uzbekistan's business model.

¹ www.carbonaccountingfinancials.com

UN Global Compact Awards



UN Global Compact Awards in Georgia

In 2025, TBC became the first company to be honored with three Corporate Sustainability Awards at the same time during the UN Global Compact's annual ceremony, receiving recognition in "Quality Education" for the IT Academy, "Achieving Climate Resilience" for its environmental and climate initiatives, and "Partnership for Sustainable Development" for the ESG Academy.

Climate-related financial disclosures 2025

INTRODUCTION

This report sets out the Group's disclosures in relation to the implementation of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) recommendations, in line with the UK Government's initiative to enshrine in regulations mandatory, TCFD-aligned requirements for premium and standard-listed companies in the UK. The report includes climate-related disclosures to align with the TCFD recommendations, TCFD published guidance and supplemental guidance for the financial sector, and the Financial Conduct Authority's Listing Rules.

We set out below our climate-related financial disclosures, which are consistent with the TCFD recommendations and recommended disclosures. The TCFD Recommendations are structured around four content pillars: (i) Governance; (ii) Strategy; (iii) Risk Management; and (iv) Metrics & Targets. Under each pillar there are eleven recommendations to support effective disclosure. We consider ourselves fully consistent with the TCFD requirements. The data and information presented in the climate-related financial disclosures cover the period January 1, 2025, to December 31, 2025.

In 2025, we enhanced further our climate-related approach. We updated the environmental, climate-related and social risk assessment procedure of lending operations and incorporated climate-related transitional and physical risks on a sectoral level based on the ESG Risk Radar¹ considerations of the National Bank of Georgia (NBG). We measured our direct and indirect performance against the Paris Agreement targets for the reduction of GHG emissions and identified pathways for emissions reduction in line with the 1.5°C scenario. The assessment results enabled us to set Paris Agreement-aligned GHG emissions reduction targets for Scope 1 and Scope 2 to reach net-zero in direct emissions by 2030, as well as setting targets within our transition plan to reach net-zero as soon as practicable thereafter.

We have expanded the scope of our Scope 3 emissions reporting and developed methodologies for the calculation of Category 5 (waste generated in operations) and Category 7 (employee commuting). As a result, our Scope 3 emissions cover four categories in total, including the two recently integrated categories, along with financed emissions and emissions from business flights. 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. We focus on internal capacity building, involving in-house and external experts. In 2025, several trainings were delivered under the European Investment Bank's TA Programme to strengthen TBC staff's knowledge on IFRS S2 standard requirements and gaps; EIB's Green Eligibility Checker; and green financing and risk management.

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. We expect the availability and reliability of the required data to improve over time, and we intend to integrate improved data into our reporting as it becomes available.

It should be noted that the data we have used provide the best available approach to reporting the progress made, notwithstanding the challenges that exist given the incompleteness and novelty of the data sets and the methodologies required for the Georgian environment, in which most of our activities occur. In 2025, we made meaningful progress in improving the accuracy of methodology for calculating our financed emissions. With the involvement of the external consultancy supported by the technical assistance programme of Deutsche Entwicklungsgesellschaft (DEG), we updated financed emissions calculation tool and integrated more accurate data of sectoral emissions and energy mix from the latest National GHG inventory report (2022)².

Below is the disclosure prepared by the Group concerning the implementation of the TCFD recommendations:

Recommended disclosure	Short summary	Where to find
Governance		
a) Describe the organisation's governance around climate-related risks and opportunities		
Process, frequency, and training	<ul style="list-style-type: none"> The Board of Directors (Board of Directors of TBC Bank Group PLC) approves and oversees the Group's ESG Strategy in order to address specifically the Group's targets and initiatives that relate to climate change, its direct and indirect environmental impact, and sustainable development across the Group The ESG and Ethics Committee have been established at the Board level In parallel with regular working meetings with the executive functions of the Bank, the ESG and Ethics Committee met four times during 2025 The Board of Directors has established a diverse and comprehensive training agenda, which is reviewed annually 	Page 132
Committee accountability	<ul style="list-style-type: none"> The Board of Directors retains primary responsibility for overseeing the implementation of the strategy, as part of its commitment to having direct oversight over the Group's climate-related issues The role of the ESG and Ethics Committee has been formalised to support and advise the Board of Directors in its oversight of the implementation of: (i) the strategy; (ii) policies; and (iii) programmes of the Company and its subsidiaries in relation to ESG matters, ensuring that the ESG strategy is implemented across all of the Group's relevant businesses 	Page 132
Examples of the Board and relevant Board committees taking climate into account	<ul style="list-style-type: none"> Key topics covered in 2025 by the ESG and Ethics Committee are as follows: the Group's direct GHG emissions; a review of the Environmental and Climate Change Policy; a review of the Exclusion List and ESG risk appetite; and a review of the climate action strategy, including progress reports on TCFD implementation 	Page 132
b) Describe executive management's role in assessing and managing climate-related risks and opportunities		
Who is responsible for climate-related risks and opportunities	<ul style="list-style-type: none"> Since March 2021, responsibility for climate change-related risks and opportunities has been assigned to the executive level ESG Committee 	Page 133
How management reports to the Board	<ul style="list-style-type: none"> The ESG Committee's responsibilities also include the review and monitoring of climate-related risks and opportunities as well as the establishment of an effective mitigation and control system to manage identified (material) climate-related risks. The ESG Committee meets on a quarterly basis 	Page 133
Processes used to inform management	<ul style="list-style-type: none"> The implementation of the ESG strategy is supported by the various organisational functions responsible for ESG matters: the ESG Department, the Environmental and Social Risk Management Team and the ESG competences centre – a working group initiated in order to support the enhancement of the TCFD framework Furthermore, the Environmental Committee oversees the implementation and operation of the Environmental Management System. The ESG Department and Environmental and Social Risk Management Team regularly report to the Environmental Committee, which reports to the Chief Risk Officer 	Page 133-134

¹ www.nbg.gov.ge

² www.undp.org

Strategy		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term		
Short-, medium-, and long-term time horizons	– The time horizons considered in the assessment are short (0-3 years), medium (4-8 years), and long (over eight years). The levels of possible impact are classified as low, medium, or high	Page 134
Climate-related risks	– As a summary of the potential impact of the various transition risks and physical risks identified, the transitional risks in Georgia and on the TBC Bank's activities are low – The overall assessment of the potential impact of acute and chronic physical risks on Georgia and on TBC Bank's activities is medium in a long-term perspective. Currently, no material impact on TBC Bank's activities is observable	Page 138
Climate-related opportunities	– The main opportunity directions are energy-efficiency and renewable energy financing. However, we offer a wide range of other green and climate-related financing to our customers	Page 140
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning		
Impact on strategy, business, and financial planning	– In 2025, we continued to incorporate climate and broader ESG considerations into our financial planning processes. The Group aligned loan portfolio growth planning with risks and opportunities in different business segments: retail, MSME, and corporate. Climate-related opportunities were also addressed by economic sector	Page 142
Impact on products and services	– The main opportunity directions are energy-efficiency and renewable energy financing. However, we offer a wide range of other green and climate-related financing to our customers	Page 143
Transition plan	– We made meaningful progress in calculating our financed emissions and identifying a pathway aligned with the Paris Agreement targets. The results provided a foundation to develop a transition plan to reach net-zero as soon as practicable thereafter	Page 128
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario		
Scenarios used	– The Delayed Transition with Medium Chronic Physical Risks scenario was chosen from the Disorderly category. This scenario was selected because it represents one of the highest transition risk scenarios, reflecting the substantial challenges that may arise if global climate action is delayed and then implemented abruptly	Page 144
Conclusions	– The results by segments show that the potential impacts on non-performing loans (NPLs) in the retail, micro, SME, and corporate segments are immaterial. A few sectors show negative trends, such as agriculture, construction, industry, and non-renewable energy. However, considering that these are front-loaded effects, the results become negligible	Page 146
Risk Management		
a) Describe the organisation's processes for identifying and assessing climate-related risks		
Process	– TBC Bank has reviewed all of its operational activities, procured items, and outsourced services that it can control (present and planned), and has identified all environmental aspects relevant to the business	Page 146
Integration into policies and procedures	– 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	Page 146
b) Describe the organisation's processes for managing climate-related risks		

Process	– TBC Bank has developed E&S risk management procedures to identify, assess, manage, and monitor environmental and social risks which are fully compliant with Georgian environmental legislation and follow international best practices. 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 procedure, defined exposure limits, and developed appropriate templates. TBC developed tailored approaches for different business segments and economic activities	Page 148
Decision-making	– Projects that are to be financed are classified according to E&S categories (low, medium, high and A category), based on analysis; where necessary, deep-dive analysis and due diligence are performed. When categorising the transaction in line with the E&S risk categories, priority is given to the higher risk	Page 149
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management		
Integration process	– TBC Bank has developed E&S risk management procedures, which are fully integrated into the credit risk management process and are routinely applied to SMEs and corporate customers – 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 procedure, defined exposure limits, and developed appropriate templates. TBC developed tailored approaches for different business segments and economic activities. Furthermore, the ESG Profile Methodology, which was piloted in 2023, has been integrated in the overall risk management process	Page 148 Page 148
Metrics and Targets		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process		
Metrics used to assess the direct environmental performance	– GHG emissions, consumption of energy, water, and paper	Page 152
Metrics used to assess the indirect impact	– Financed emissions – Other Scope 3 emissions – Sustainable portfolio	Page 154 Page 156 Page 157
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks		
Our own operations	– The summary of Scope 1 and Scope 2, 2025 targets versus actual results, as well as targets for 2026 are disclosed	Page 152
Scope 3 emissions	– Financed emissions - The Partnership for Carbon Accounting Financials (PCAF) has developed methods for different asset classes that can be used to calculate the financed emissions – Other Scope 3 emissions - Category 5: Waste Generated; Category 6: International Flights; Category 7: Employee Commuting	Page 155 Page 156
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets		
Targets set and progress	– GHG emissions (Scope 1 and Scope 2), water and paper – The total sustainable portfolio volume exceeded the 2025 target volume GEL 2 billion by GEL 286 million. The target for 2026 is set at GEL 3.2 billion	Page 152, 153 Page 157

DEFINING MATERIAL TOPICS FOR CLIMATE-RELATED FINANCIAL DISCLOSURES

The materiality of topics covered in the climate-related financial disclosures is informed by different factors: a) climate-related topics which are included in TBC's ESG Strategy; b) stakeholder engagement results, which provide information about the issues that are most important and relevant to our stakeholders (the stakeholder engagement process is described in more detail on page 162); and c) regulatory disclosure rules and the expectations of international financial institutions and external ESG rating agencies. For certain topics, as specified below, we also defined numeric materiality thresholds such as share in total assets (3%) or share in GHG emissions (40%), which are referenced in the respective parts of the disclosure. The ESG and Ethics Committee at the Board level, the ESG Committee at the executive level, and the responsible organisational bodies – the ESG Department, the Environmental and Social Risk Management Team, the Enterprise Risk Management Department, the Investors Relations Department and the International Financial Markets Department - regularly discuss emerging and existing topics that matter to our stakeholders and consider them in our ESG and climate action strategy.

1. GOVERNANCE

1.1. The Board's oversight of climate-related risks and opportunities

The Board of Directors (Board of Directors of TBC Bank Group PLC) approves and oversees the Group's ESG Strategy in order to address the Group's targets and initiatives that relate to climate change, its direct and indirect environmental impact, and sustainable development across the Group. The ESG Strategy also covers customers, employees, suppliers, wider society, financial inclusion, employee relations, talent management, workplace diversity, and inclusion. The Board of Directors retains the primary responsibility for overseeing the implementation of the strategy as part of its commitment to having direct oversight over the Group's climate-related issues.

In January 2022, the Group established an Environmental, Social and Governance (ESG) and Ethics Committee at the Board level, as well as at the Supervisory Board (Supervisory Board of Joint Stock Company TBC Bank) level of the Company's main subsidiary, JSC TBC Bank, in line with the Company's "mirror boards" policy. This reflects the importance of sustainability in TBC's corporate governance and allows Board members to dedicate more time and attention to ESG topics.

The role of the Committee is to provide strategic guidance and oversight on sustainability issues, aligning ESG efforts with the Group's core business strategies to create long-term value, mitigate risks, and meet stakeholder expectations and advise the Board of Directors ("Board") in its oversight of the implementation of (i) strategy (ii) policies and (iii) programmes of the Company and its subsidiaries (the "Group") in relation to Environmental, Social and Governance ("ESG") matters.

In carrying out its role, the Committee: a) periodically assesses the potential impact the Group can have on critical ESG, including climate-related matters within its operational markets, considering both risks and opportunities; b) regularly reviews ESG-driven business opportunities identified by the Group's business units, evaluates the execution of related initiatives, and assesses their contribution to strategic goals and financial performance; c) oversees climate and sustainability practices related to products and services for clients, specific industry sectors, and the Group's internal operations. d) oversees the Group's ESG disclosures, including reviewing and recommending key reports such as the Sustainability Report, ensuring accuracy, transparency, and alignment with global standards; e) stays informed on evolving ESG trends, investor expectations, and regulatory requirements, and ensure that the Group's response to these trends meets stakeholder demands.

Furthermore, the ESG and Ethics Committee supports the Board of Directors in promoting its collective vision of values, conduct, and culture and overseeing the efforts of the executive management (the Executive Management of Joint Stock Company TBC Bank) to foster: (i) a culture of ethics; (ii) appropriate conduct; and (iii) employee ethical engagement within the Group.

The Committee provides strategic guidance on climate-related matters and reports to the Board of Directors, which has overall oversight. The ESG and Ethics Committee met four times during 2025 and covered the following topics: a) a regular review of and status update on the Group's ESG strategy for 2025–2027, including its climate action strategy, and implementation progress; b) ESG-driven business opportunities identified by TBC Bank's Corporate and MSME business directions; c) the role of risk functions in management of ESG and climate-related risks; and d) oversight and recommendations to the Board for approval of the Group's disclosures on ESG matters, including reporting in line with the TCFD principles, in the Annual Report and Accounts. The key topics covered in 2025 by the ESG and Ethics Committee were as follows: tracking progress against the ESG Strategy's targets, such as the volume of the sustainable portfolio; the Group's direct GHG emissions; deep-dive assessments into climate and sustainability practices, including Scope 1, 2, and 3 emissions and the net-zero action plan; evolving ESG trends, investor expectations, and regulatory requirements; green financing opportunities, sustainable investment products, and other ESG-related initiatives reviewed by the Corporate and MSME business directions; the role of risk functions in management of environmental, climate-related and social risks of lending, as well as enhancing internal green loan assessment capabilities; annual review of the Environmental and Climate Change Policy, the Human Rights Policy and

the Diversity, Equality and Inclusion Policy; review of the Exclusion List and ESG risk appetite definitions; review of the climate action plan, including the progress reports on the TCFD implementation; review of TCFD reporting for the Annual Report 2024 and the Sustainability Report 2024; and the ESG and climate-related training agenda for TBC staff.

Furthermore, the ESG and Ethics Committee reviews and recommends to the Board Audit Committee any ESG-related disclosures to be incorporated in the annual financial reporting including the Task Force on Climate-Related Financial Disclosures (TCFD) report, sustainability reports, ensuring accuracy, transparency, and alignment with global standards.

The Board of Directors is supported by the Risk Committee. Progress against the reporting metrics, such as the volume of the sustainable portfolio, is reported to the Risk Committee, which also receives updates four times a year through the Chief Risk Officers' (CRO) report. As part of the Risk Appetite Framework (RAF), the ESG Risk Appetite metrics are reviewed annually and the ESG Risk Appetite results are also reported to the Risk Committee on a quarterly basis. Furthermore, the responsibilities of the Audit Committee include the review of annual reports, including TCFD reporting, as well as following up on compliance through policies, procedures, and regulations.

The Human Resources and Remuneration Committee covered strategies and policies related to the social aspects of ESG and performance metrics for evaluating executive contributions to ESG objectives. Please see more details on page 228.

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 at the beginning of each year, which covers all relevant areas of Risk, Audit, Remuneration and Governance. 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 2025, Board member and Chair of the ESG and Ethics Committee, Eran Klein, enhanced his competencies in sustainability and climate change by completing two professional development programmes: the Championing Sustainability from the Boardroom course offered by the Stanford Doerr School of Sustainability, and the Oliver Wyman Transition Planning Masterclass Series.

1.2. Executive management's role

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. The ESG Committee is responsible for implementing the ESG strategy and approving annual action plans and separate, detailed action plans for key projects. The committee meets every quarter to monitor the progress and implementation status of these action plans. In 2025, it covered the following climate-related topics in its four meetings: TCFD reporting; the TCFD implementation action plan; the ESG risk appetite; progress against ESG Strategy targets such as the volume of the sustainable portfolio; the Environmental and Climate Change Policy; direct GHG emissions and financed emissions; Paris Alignment Calculation at the Group Level; the National Bank of Georgia's updated ESG Reporting and Disclosure Requirements; the new procedure for the assessment of non-standard Green Assets; the ESG and climate-related training agenda for the TBC staff; and the involvement of external international and local experts in the development of climate-related approaches and methodologies. The ESG Committee's responsibilities also include the review and monitoring of climate-related risks and opportunities as well as the establishment of an effective mitigation and control system to manage identified (material) climate-related risks.

Furthermore, the Environmental Committee meets three times in a year and oversees the implementation and operation of the Environmental Management System, which includes addressing resource consumption and other environmental impacts of TBC Bank's daily operations.

Functions responsible for climate-related matters

The implementation of the ESG strategy is supported by a number of organisational functions responsible for ESG matters: the ESG Department, the Environmental and Social Risk Management Team, and the ESG competences centre, which is a working group designed to support the enhancement of the TCFD framework.

The ESG Department supports the Bank's executive management in implementing the Environmental and Climate Change Policy, the Environmental Management System, and the Group-level ESG Strategy. While overall direction, governance, and strategic oversight are provided by top management, the ESG Department facilitates and coordinates the execution of these strategic priorities across the organisation. The ESG Department plays an active role in developing and expanding the Bank's sustainable portfolio by conducting monthly analyses of portfolio performance and working closely with the corporate, SME, and retail segments to monitor progress against set targets. It also coordinates climate-action processes among involved functions, identifies areas for enhancement, and provides expert guidance to support informed decision-making. Each year, the ESG Department conducts a

Non-financial and sustainability information - climate-related financial disclosures 2025 *continued*

sectoral climate risk assessment to identify, evaluate, and help manage climate-related risks in alignment with the Bank's governance framework. Since 2023, the Department has also been responsible for preparing the TCFD report, advancing the Bank's application of the TCFD framework and strengthening climate-related disclosures and actions. The ESG Department is actively integrating different ESG-related regulatory requirements and international standards into TBC's internal processes and ensuring that its non-financial disclosures are fully aligned with these standards. Additionally, the ESG Department oversees the calculation of the Bank's GHG emissions, monitors performance against Paris Agreement-aligned reduction pathways, and supports the implementation of the Group's transition plan—reporting progress to executive management as part of the Bank's broader climate governance structure.

Within the ESG Department, five dedicated functions are responsible for implementing climate-related initiatives:

- ESG Coordinator is responsible to oversee the implementation of the Bank's ESG and climate policies, leads climate-related initiatives including TCFD reporting and climate risk assessments, ensures effective coordination across all relevant functions and continuous improvement of climate and sustainability performance.
- Governance and Reporting Specialist is responsible to manage ESG-related governance processes and ensure high-quality, timely reporting across the Group including coordinating ESG data collection, preparing internal and external reports including TCFD-related content.
- Environmental Sustainability Specialist coordinates the implementation of TBC Bank's Environmental Management System, managing and regularly monitoring the sustainable portfolio and measuring the Bank's and Group's direct and indirect emissions.
- Energy Efficiency and Green Technology Specialist is responsible for supporting sustainable portfolio growth by evaluating loans against green criteria of different green taxonomies and classifying eligible loans, for reviewing global best practices in energy efficiency and green technologies and integrating them into TBC's operations.
- ESG Specialist for Subsidiaries Support is assisting TBC Group's subsidiary companies in implementing Group-wide ESG policies, ensuring compliance with Group standards, and contributing to climate-related initiatives, including GHG emissions reduction targets and the transition plan.

The Environmental and Social Risk Management (ESRM) Group has been integrated into the ESG Department as of January 2026. Previously, it operated within the SME and Corporate Business Credit Risk Department. The ESRM team is responsible for implementing the ESRM procedures to identify, assess, manage, and monitor environmental, social, and climate-related risks in lending. These procedures are fully integrated into the Group's credit risk management framework and apply to all commercial transactions. In addition, the assessment of loans using standard green criteria is carried out by the Environmental and Social Risk Management Group. The ESRM team has three members – Environmental and Social Risk Managers implementing ESRM procedures and assessing loans with standard green criteria.

The ESG Competence Centre is a cross-functional working group established to strengthen the Bank's TCFD framework. It consists of members of the ESG Department together with portfolio credit risk managers from the Corporate, MSME, and Retail segments. The group is responsible for continuously improving TBC's climate risk assessment methodology and conducting an annual climate stress test across the Bank's entire portfolio.

2. Strategy

The Group's objective is to act responsibly and manage the environmental, climate and social impacts associated with its operations. To achieve this, the Group has clearly defined processes in place to identify and assess environmental and climate risks related to our business activities. This approach enables the Group to reduce our ecological footprint by using resources efficiently and promoting environmentally friendly measures in our operations. In addition, assessing and managing sustainability and climate-related risks within our financing activities is a central pillar of our ESG Strategy. We regularly measure the GHG emissions of our loan portfolio to identify carbon-intensive sectors and inform our pathway toward portfolio decarbonisation. To further strengthen our risk management framework, we plan to introduce climate-sectoral guidelines for eight priority sectors, ensuring that climate risks are systematically integrated into lending decisions and associated environmental and social risks are adequately assessed and mitigated.

The Group recognises that climate-related opportunities can drive innovation, efficiency, and long-term value creation. By proactively identifying and leveraging these opportunities, we aim to enhance business resilience and support the transition to a low-carbon economy. Our approach includes investing in sustainable technologies, improving energy efficiency, and developing tailored green financial products that reflect sector-specific risks and characteristics. Access to sustainable funding from partner IFIs enables us to offer clients more favorable loan terms, cashbacks, guarantees, and technical expertise to accelerate green investments, while prioritising green financing strengthens the sustainability and resilience of our portfolio.

TBC Bank has reviewed all the operational activities, procured items, and outsourced services that it can control (present and planned), and has identified all the environmental aspects relevant to the business. The direct environmental impact of our business activity arises from energy, water, fuel, and other resource usage, waste, and emissions. The Bank has established a comprehensive internal environmental system to manage its GHG emissions and is committed to reducing them by closely monitoring its consumption of resources. In order to evaluate the significance of the impact for each of the categories, we have developed a comprehensive evaluation methodology and applied it to the whole Group. Based on this, annual goals are defined and specific initiatives and programmes are developed to attain them.

Since 2020, TBC has the ISO 14001:2015 certificate for its Environmental Management System. The renewal of the certificate for 2023 was conducted in December 2023 and the following re-certification in 2024 and 2025 was also completed successfully. More information about the Environmental Management System can be found in the Risk Management section of this chapter on pages 146-151.

The table below summarises the environmental and climate-related initiatives of the ESG Strategy in 2025 and 2026:

2025 ESG Strategy target/initiative	2025 status	2026 target
Sustainable portfolio development		
Sustainable portfolio volume – GEL 2 billion	The portfolio volume reached GEL 2.29 billion and surpassed the target GEL 2 billion	GEL 3.2 billion
Establishment of the green asset assessment process	Green asset assessment process established; several green assessment criteria and methodologies developed	Additional methodologies will be developed
Development of tailored green products	Internal assessment of opportunities to offer tailored green products conducted; two consultancy projects supporting development of tailored green products initiated	Development of tailored green products for different economic activities and customer segments
ESG Academy		
Training course Green Mindset and Green Financing for employees and customers	The ESG Academy delivered 41 training sessions across Tbilisi and regional locations, training 728 employees and 204 clients	Developing a new course for EE and green technology for TBC staff
Courses for suppliers	Supplier monitoring results analysed to identify relevant topics	Developing a training course for suppliers about environmental, social and climate-related topics.
Alignment with international standards and regulations		
Alignment with IFRS S1/S2 standard	Gap analysis of TBC Bank's practices with IFRS S2 requirements has been conducted and Implementation Plan has been prepared	IFRS S1 and S2 to be implemented
Implementation of new NBG Pillar 3 ESG disclosure requirements ¹	NBG has updated ESG disclosure template substantially	Implementation of NBG's updated ESG Disclosure requirements
Development and initiation of the transition plan in line with the UK standard	Paris aligned GHG reduction targets for direct and indirect emissions have been calculated and the transitional plan has been established	Implementation of the transitional plan

¹ www.nbg.gov.ge

Methodologies and data

Development of sectoral guidelines	Two technical assistance (TA) programmes with ADB and DEG have been launched under which external consultants will support us in preparing sector-specific climate-risk guidelines	Development of 8 sectoral guidelines for relevant climate risks and delivery of climate risk trainings to relevant TBC staff
Portfolio distribution by geographical location		Development of a system to analyse portfolio distribution by geographic location and identify associated climate-related physical risks
Automation of the environmental, social and climate risk assessment process		Simplification and partial automation of the Environmental, Social and Climate Risk Assessment process and enhancing the evaluations through the integration of AI and improved reporting tools

TBC Group's ambition is to be the leading supporter of ESG principles in Georgia and the wider region. We aspire to make our environmental impact net-zero. By developing our measurement methodologies and improving our data, we have been able to define our net-zero pathway for direct environmental impact (Scope 1 and Scope 2 GHG emissions) more accurately. We aim to achieve a net-zero direct environmental impact by 2030.

In 2025, we measured TBC Bank's and TBC Group's direct and indirect performance against the Paris Agreement targets for the reduction of GHG emissions and identified pathways for emissions reduction in line with the Paris Agreement 1.5°C scenario targets. The GHG emissions pathways have been constructed based on the Science-Based Initiatives targets¹. Considering the current state and accuracy level of data, we consider ourselves to be on the path towards a net-zero target in 2050. Moreover, we seek to achieve net-zero for our environmental performance earlier and are implementing a long-term transition plan to reduce GHG emissions.

In 2025, TBC received technical assistance from the European Investment Bank (EIB). Under the technical assistance, the external consultants conducted a gap analysis to assess the existing strengths, identified areas where gaps remain, and provided directional insights to further enhance TBC Bank's climate-related disclosures in line with IFRS S2. The findings of the analysis make a foundation for the IFRS S2 full implementation. The EIB's TA also included a capacity building component under which training sessions have been held for strengthening TBC staff's expertise, skills, and knowledge about the topics such as: the IFRS S2 standard and results of the gap analysis; green financing opportunities and approaches to managing associated risks; EIB's Green Eligibility Checker tool designed to support green loan assessment process.

TBC ESG Academy



The ESG Academy is Georgia's first dedicated ESG education platform, designed for TBC employees, customers, and the wider public. Launched in 2024, its flagship programme – Green Mindset and Green Financing – has since delivered more than 40 training sessions, training around 730 TBC employees and 200 clients in Tbilisi and the regions about climate risks, green technologies, and sustainable business models.

¹ The Science-Based Targets Initiative (SBTi) is a corporate climate action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis (www.sciencebasedtargets.org).

2.1. Climate-related risks and opportunities

Climate-related risks

The assessment of climate-related risks and opportunities presented below is based on the potential transitional and physical risks identified by the Group for the Georgian environment, where the largest part of its operations (share 92%) is conducted.

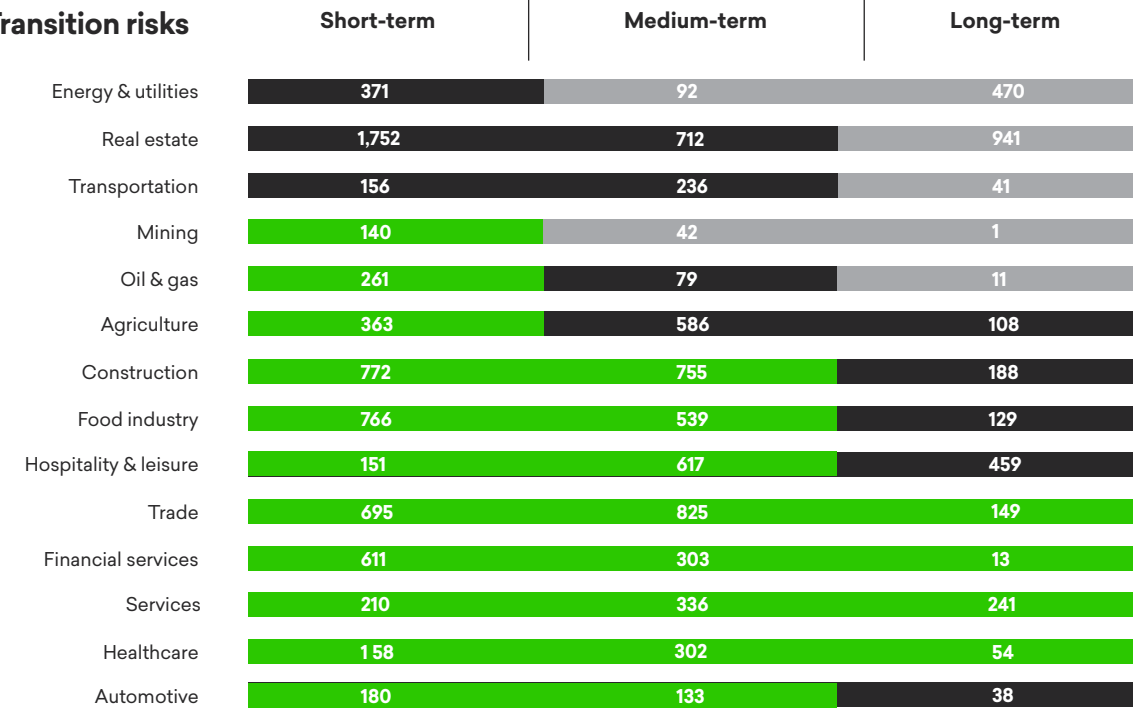
The time horizons considered in the assessment are short (0-3 years), medium (4-8 years), and long (above eight years). The levels of possible impact are classified as low, medium, or high. The categories of low, medium, and high risk were applied to compare the relative risk of sectors and risk categories. They do not indicate the materiality of the respective risk. The same is true of the judgements of the riskiness of sub-categories of transitional or physical risk compared to other sub-categories. Since these judgements are relative rather than absolute, they cannot be compared to other countries or regions.

Risk sources	Transition risks				Physical risks	
	Policy and legal	Technology	Market	Reputation	Acute	Chronic
Types of risks	<ul style="list-style-type: none"> Enhanced regulatory environmental and mandated requirements: may introduce minimum standard or expectations on green credentials of product outputs or business operations, and/or enhanced emissions-reporting obligations 	<ul style="list-style-type: none"> Substitution of existing products and services with lower emissions options, including requirements to replace manufacturing technology with cleaner alternatives Investment in technology to reduce emissions or improve the energy efficiency of operations and households 	<ul style="list-style-type: none"> Changing customer behaviour, including a deliberate move to lower carbon footprint products Increased cost of raw materials, increased volatility and costs, sourcing restrictions for carbon heavy raw materials 	<ul style="list-style-type: none"> Shifts in consumer preferences to green products Stigmatisation of the sector, resulting in reduced revenue from negative impacts on workforce management and planning (e.g., employee attraction and retention) Increased stakeholder concern or negative stakeholder feedback 	<ul style="list-style-type: none"> Increased severity of extreme weather events such as floods 	<ul style="list-style-type: none"> Changes in precipitation patterns and extreme variability in weather patterns affecting food production and living environment Rising mean temperatures affecting working conditions, living conditions, and local infrastructure Rising sea levels affecting local ecosystems, increasing subsidence, and flood risks
Time horizon	Medium	Long	Medium	Long	Medium	Long
Level of potential impacts affecting customers and TBC	Low	Low	Low	Low	Medium	Medium

The overall and sectoral assessments of transitional and physical risks are given below. Each sector that has a share of 1% or greater in the Bank's gross loan portfolio is assessed separately. Furthermore, carbon-related sectors such as metals and mining, oil and gas, are assessed separately, despite of having a share under 1%. The time horizon indicates when the respective risk will start to materialise, while the level of potential impacts gives the level of the risk. It is assumed that the level of risks remains the same in the following periods.

GEL in mln

Transition risks



Physical risks



● Low risk ● Medium risk ● High risk

Since 2024, we established enhanced climate-related approaches. We reviewed our assessments of climate-related transitional and physical risks on a sectoral level and incorporated the ESG Risk Radar¹ considerations of the National Bank of Georgia (NBG), especially for the short-term perspective. The scoring system of the ESG Risk Radar has been applied for all sectors in Georgia classified as main sectors by the NACE sector codes (Eurostat 2008). Currently, the highest score is 9, indicating that no critical sectors have yet been identified in Georgia. However, some sectors with scores of 7, 8, and 9 need to be considered as potentially high risk, while others (scores 5 and 6) render the portfolio vulnerable to climate risks². The ESG Risk Radar provides a foundation for the assessment of climate-related risks on a sectoral and customer level. We consider the ESG Risk Radar scores when addressing the risks and opportunities of climate-related activities. We developed our internal ESG profiles methodology based on the ESG Risk Radar. More details are given in the section on the overall risk management process on pages 146-150. Furthermore, the opportunities related to climate-exposed sectors are given below in the section on climate-related opportunities on page 143.

THE OVERALL ASSESSMENT OF THE IMPACT OF TRANSITIONAL POLICY AND LEGAL MEASURES

TBC Bank has assessed the potential impact of the policy measures laid out in Georgia's 2030 Climate Change Strategy³ and Climate Strategy Action Plan⁴ on the different economic sectors that it finances. As a summary of the potential impact of the various transition risks identified, the transitional risks in Georgia and on the TBC Bank's activities are low. Given that trade and services dominate the Georgian economy, the policy measures outlined in Georgia's 2030 Climate Change Strategy will have a low overall impact on those economic sectors, especially in the short and medium term.

Taking into consideration Georgia's status as a transitional, growing economy, Georgia's 2030 Climate Change Strategy aims not to impede GDP growth with policy measures but rather to support a smooth transition where necessary. It is worth noting that the economic sectors most affected by transitional risks worldwide, such as mining, crude petroleum, natural gas and metal ores, manufacturing coke and refined petroleum products⁵, are only present to a very limited extent in Georgia, resulting in the transitional measures having a low overall impact on economic growth, if any.

Technology risk

Technology risk is a subcategory of transition risk. The technology risk related to climate change, unnecessary investments in technological development, or missing investments in technological improvements are assessed to be low in Georgia. Georgian companies invest very little in the development of new green technologies; rather, they benefit from technologies developed in other, technologically advanced countries and deploy technologies which are already tested and established. Therefore, failed investments are unlikely to occur.

Market and reputational risk

Market risk is low, as consumer behaviour in Georgia shows a very slow trend towards lower carbon footprint products. For reputational risk, no material impact is expected, as TBC Bank has developed Environmental and Social Risk Management Procedures to identify, assess, manage, and monitor environmental and social risks. These procedures are fully compliant with Georgian environmental legislation and follow international best practices. Please see more information about the environmental management system on pages 146-150.

THE OVERALL ASSESSMENT OF THE IMPACT OF THE ACUTE AND CHRONIC PHYSICAL RISKS

Georgia's geographical location and natural conditions, as a small country with a mountainous landscape, a Black Sea coastal zone, and semi-arid areas in the Southeast, contribute to the country's vulnerability to the physical risks of climate change. The sectors that are thought to be most vulnerable to climate change in Georgia include agriculture, forestry, tourism, and healthcare⁶.

The impact of acute and chronic physical risks on economic sectors which are financed by TBC Bank will materialise over time. For the Group, risks can materialise through the impairment of asset values and deterioration in the creditworthiness of customers operating in Georgia. Certain geographic areas and economic sectors, such as winter resorts and agricultural land, are already partially affected and might deteriorate further in the medium term. The overall assessment of the potential impact of acute and chronic physical risks on Georgia and on TBC Bank's activities is medium in a long-term perspective. Currently, no material impact on TBC Bank's activities is observable. It is understood that climate change risks are largely associated with longer-term impacts; however, those longer-term impacts are unclear, especially considering the shorter-term maturity structure of the Bank's loan portfolio.

Climate-related opportunities

Climate-related opportunities are directly linked with climate risks and economic sectors that have significant negative environmental impact and/or might be potentially affected by climate risks. The financing of mitigation

measures that reduce GHG emissions covers sectors such as transportation, building, energy generation and transmission, agriculture, and manufacturing. Adaptation to climate change covers sectors of agriculture, infrastructure, tourism, and water resources.

TBC's approach corresponds with the Climate Action Plan of Georgia for the implementation of the Nationally Determined Contribution targets that are given below:

- To mitigate projected greenhouse gas emissions in the transport sector by 15% by 2030;
- To support the low carbon development of the building sector through encouraging energy efficient technologies and services;
- To mitigate projected greenhouse gas emissions in the energy generation and transmission sector by 15% by 2030;
- To support the low carbon development of agriculture sector through encouraging climate smart agricultural technologies and services;
- To support the low carbon development of industry sector through encouraging innovative, climate-friendly technologies and services, in order to mitigate projected emissions by 5%;
- To support the low carbon development of the waste sector through encouraging the innovative, climate-friendly technologies and services.

We acknowledge the importance of sustainable lending and are actively implementing a standardised approach to sustainable finance, including energy efficiency, renewable energy, and resource efficiency financing for our retail and business clients. The largest part of our sustainable portfolio consists of energy efficiency, renewable energy, and resource efficiency financing and equals GEL 1.294 billion out of GEL 2.286 billion. The remaining part of the sustainable 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 respective business departments of TBC Bank. For 2026, the target volume of GEL 3.2 billion was approved by the Board of Directors.

Considering the existing potential of renewable energy production, TBC became the leading partner in Georgia in local renewable energy financing, including hydropower stations.

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. Those 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 2025, TBC had various green facilities in place, totaling up to GEL 1,380 billion, from which around GEL 250 million has been attracted within 2025 from long-standing international partners, such as FMO, Proparco, EBRD, 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 setting 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 www.nbg.gov.ge
 2 Score 7 - A Agriculture, Forestry and Fishing, Growing of non-perennial Crops, Forestry and Logging, Manufacture of Food Products, Manufacture of Chemicals and Chemical Products, Electricity, Gas, Steam and Air Conditioning Supply, Water Supply, Sewerage, Waste Management and Remediation Activities. Score 6 - Growing of perennial Crops, Animal Production, Fishing and Aquaculture, Manufacturing, Manufacture of Tobacco Products, Manufacture of Coke and refined Petroleum Products, Manufacture of Motor Vehicles, Trailers and Semi-Trailers, Construction, Transportation and Storage (www.nbg.gov.ge).
 3 www.mepa.gov.ge
 4 www.mepa.gov.ge
 5 Key elements of the 2021 Biennial Exploratory Scenario: Financial risks from climate change | Bank of England.
 6 www.unfccc.int

Climate-related risks and opportunities in TBC Uzbekistan

The second largest subsidiary of the group is TBC UZ, which constitutes 6.7% of the Group's assets. Considering that TBC UZ's business activities are expanding annually, TBC Uzbekistan's role and importance continue to grow. In 2025, TBC Uzbekistan's lending operations broadened beyond retail segment and loan issuance have been introduced in the micro business segment. While the share of the micro portfolio is still low in the total loan portfolio and the retail segment has a very low average exposure (USD 678), the micro lending is projected to grow in the coming years. Therefore, we will observe the potential impact of climate-related risks and opportunities on the business model closely in the future.

Uzbekistan, already Central Asia's most populous country with a population of 37.3 million, is expected to grow to more than 50 million people by 2050. According to the Updated Nationally Determined Contribution of the Republic of Uzbekistan (NDC 3.0)¹, Uzbekistan is one of the most vulnerable countries to the climate change impact in the region. The rate of temperature increase in the country is higher than the global average.

Among the most critical climate-related physical risks in Uzbekistan is a higher risk of extreme water shortages and droughts, heat waves and floods. Consequently, climate risks in Uzbekistan are closely linked to water and food security, and land degradation. Irrigated agriculture accounts for 90% of water use, making crop production highly water-intensive in an increasingly water-stressed environment. Climate-smart agriculture and integrated water and land management will be critical for sustainable growth.

Uzbekistan is one of the most energy and resource-intensive countries in the region². With this resource-intensive economic model, the expected rapid population and economic growth will drive a significant growth in emissions. This growth trajectory can be materialised with strong attention to making growth sustainable. As a party to the UNFCCC and the Paris Agreement, Uzbekistan is committed in supporting global efforts to keep the increase in the global average air temperature "well below" 2°C and to "pursue efforts" to limit the temperature increase to 1.5°C.

In 2025, Uzbekistan presented its updated quantitative commitment under the Paris Agreement – NDC 3.0 for the period up to 2035 and has committed to achieving 50 percent reduction in specific GHG emissions (emissions' intensity) per unit of gross domestic product by 2035 from 2010 levels. The numerical target set under the NDC appears achievable, as this contribution does not require an absolute reduction in GHG emissions, but rather focuses on limiting their growth. At the same time, the NDC does not hinder the country's economic growth. The national roadmap designed to guide Uzbekistan's development through 2030 sets out comprehensive climate goals for key sectors of the national economy and calls for accelerated action to combat climate change. The strategy sets ambitious targets, including increasing renewable energy capacity. The country plans to increase the share of energy generated using renewable sources to 54 percent over the next five years, which will cut greenhouse gas emissions by 16 million tons. There are also plans to double energy efficiency in all sectors of the economy, achieve 95 percent coverage of the solid waste collection system with 35 percent of waste used for energy generation, and expand the forest cover up to 6.1 million hectares. The long-term goal is expected to be achieved with support of international organisations and financial institutions, and access to advanced energy-saving and environmentally friendly technologies and climate finance resources.

TBC UZ with its asset-light, fully digital banking model has a positive impact on environmental and climate-related aspects: it eliminates the need for physical branches, reducing energy use, construction impact, and carbon emissions. TBC UZ provides inclusive financial services to over half of Uzbekistan's population, including remote account opening for non-residents and SMEs. This approach not only drives financial accessibility and economic empowerment but also supports environmental sustainability by minimising resource consumption and promoting paperless operations.

2.2. Climate-related risks and opportunities on the businesses, strategy, and financial planning

In 2024-2025, 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. To support this process, we contracted an international consultancy company and local and international experts and developed a detailed scope of work covering the following: calculation of financed emissions, carbon reporting, Paris Agreement alignment, development of a decarbonisation action plan and carbon impact assessment methodology, carbon footprint assessments of selected customers, and building institutional capacity.

To support our transition plan, we have already implemented several different measures:

- In 2025, we installed an additional solar power plant at the data centre, bringing the total number of solar plants operating at our own locations to two, with a combined capacity of 272 kw. Total investments amounted to approximately GEL 386,394. In addition, we contracted new renewable energy suppliers, increasing the share of renewable energy in our total electricity consumption to 45%, while the share in regional operations reached 80%;
- We are gradually increasing the amount of electric and hybrid cars in our car fleet. The fleet now includes 90 electric and hybrid vehicles, accounting for 58% of all company cars;
- Starting in 2022, we installed energy-efficient heating/cooling systems in all newly renovated branches; total

investment, including construction works, amounts to GEL 2.3 million;

- During 2025, we continued renewing IT infrastructure with energy-efficient servers. As a result, the computational resources of the servers increased by 20-30%, without leading to any additional electricity consumption, hence these changes led to saving 20-30% in potential energy expenditure; furthermore, a solar power station in a total capacity of 142 kw provides an average of 30% of the data centre's overall energy demand;
- Furthermore, we have been installing 38 electric charger stations at our head office and other premises; this planned investment amounts to GEL 206,688.

In order to support the greening of our portfolio and reduce our financed emissions (Scope 3), we are enhancing our green financing efforts:

- We are increasing our volume of green financing every year;
- In 2025, we exceeded our strategic target of GEL 2 billion for the sustainable portfolio volume by 14.3 % and reached GEL 2.29 billion;
- Acquired green funding from various international financial institutions is increasing every year. As of 2025, it stands at GEL 1,380 billion.

The main opportunities lie in energy-efficiency and renewable energy financing. However, we offer a wide range of other green and climate-related financing to our customers. The table below provides a summary of climate-related opportunities by sector:

Sector	Bank's loan book	GHG contribution ³	Climate score ⁴	Product catalogue
Agriculture	3.9%	4	6	Energy-efficiency loans Climate-smart technologies New irrigation systems
Automotive	1.3%	1	2	Hybrid and electric cars Euro 5, Euro 6 and Euro 7 cars Energy-efficiency loans Industry autos
Construction	6.4%	3.5	6	Energy-efficiency loans for construction projects Production of energy-efficient building materials Energy-efficiency loans for machinery/appliances Charging stations for electric cars
Energy & utilities	3.5%	4	7	Renewable energy financing Charging stations for electric cars
Food industry	5.3%	2	4	Energy-efficiency loans (warehouses, storage, appliances, cars)
Individuals	36.8%	N/A	N/A	Energy-efficiency mortgages Hybrid and electric car loans
Manufacturing	0.7%	2	4	Energy-efficiency loans (machinery, appliances, buildings) Carbon filtering
Metals and mining	0.7%	2.5	4	Energy-efficiency loans (machinery, appliances, buildings)
Oil and gas	1.3%	4	7	Energy-efficiency loans for building charging stations for electric cars
Real estate	12.6%	1.5	3	Energy-efficiency loans Renewable energy financing (solar panels)
Transportation	1.6%	4	6	Hybrid and electric cars, Euro 5, Euro 6 and Euro 7 cars, buses, trucks

¹ [The Updated Nationally Determined Contribution of the Republic of Uzbekistan \(NDC 3.0\)](#).

² [World Bank Group – Uzbekistan: Country Climate and Development Report](#).

³ The Climate Risk Radar assigns a GHG-emissions contribution score according to the National Greenhouse Gas Inventory Report of Georgia 1990-2017.

⁴ The Climate Risk Radar defines 4 risk categories: 0-3 neglectable, 4-5 vulnerable, 6-7 high risk, 8-10 critical. There are no sectors with a critical risk profile.

Non-financial and sustainability information - climate-related financial disclosures 2025 *continued*

In 2025, we continued to incorporate climate and broader ESG considerations into our financial planning processes. We introduced a Green (Lending) Coordinator role in branches and conducted training sessions to strengthen the green lending capacity in front office. Additional qualitative considerations related to climate and ESG matters were incorporated in the 2025 financial planning cycle. In 2025, the Group also continued aligning loan portfolio growth planning with the risks and opportunities in different business segments and economic sectors: retail, MSME and corporate.

As of the end of 2025, the sustainable portfolio of TBC Bank, which equals to GEL 2.29 billion, includes exposures with different purposes, such as energy-efficiency loans, electric car loans, renewable energy financing for solar panels, wind and hydro power plants.

Sector	% in standalone Bank's loan book	Share in the sustainable portfolio	Focus areas for financing in 2025
Retail segment	37%	1.7%	Energy-efficiency Electric and hybrid cars Mortgages Solar panels
MSME segment	22%	4.5%	Energy-efficiency Renewable energy Climate-smart technologies Hybrid and electric cars Industry autos
Corporate segment	41%	93.8%	Energy-efficiency Renewable energy Climate-smart technologies New irrigation systems Industry autos

In 2026, 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.

2.3. Climate-related scenarios

TBC is taking significant steps to develop its scenario analysis capabilities to better understand and act on the implications of climate-related risks and opportunities for our business and customers. The development of climate related scenario analysis is a challenge, as the availability, accessibility, and suitability of climate data and subsector information for financial risk analysis, as well as climate-related risk modelling capabilities, are very limited in Georgia and still evolving. Despite these limitations, the scenario analysis allows us to test a range of possible future climate pathways and understand the nature and magnitude of the risks they present. The purpose of scenario analysis is not to forecast the future but to understand and prepare to manage the risks that could arise.

In 2024, the National Bank of Georgia (NBG) has developed a comprehensive Climate Stress Testing Framework¹ that integrates multiple analytical modules and specialised tools to assess both acute physical risks and transition risks. By covering both physical and transition risks, the framework provides a holistic view of the challenges posed by climate change. It also uses NGFS scenarios as reference scenarios to align the stress tests with globally recognised standards. The framework is comprehensive, covering both retail (Household sector) and non-retail portfolios (Corporate sector), ensuring that all significant exposures within Georgia's financial sector are evaluated for potential climate-related vulnerabilities.

The Climate Stress Testing Framework

The Climate Stress Testing Framework includes:

- Acute Physical Climate Risk Module² which focuses on assessing the immediate impacts of extreme weather events on the Georgian economy and financial system. This module utilises historical data, scenario construction, and advanced modelling techniques to project the economic damage associated with specific hazards such as heatwaves, extreme precipitation, and wind events. These projections are then used to evaluate the broader economic impacts, including potential changes in GDP and sectoral outputs;
- Transition Risk and Chronic Physical Risk Module³, which addresses the longer-term risks associated with gradual climate change and the transition to a low-carbon economy. By analysing scenarios such as delayed transition pathways, this module examines how abrupt policy changes, technological shifts, and market dynamics can affect the financial sector;
- Stress Test Module for Corporate Sector is designed to assess the exposure of corporate loans to climate-related risks, focusing on the potential impacts on non-performing loans (NPLs), loan loss provisions within each sector

and banks' capital adequacy. It integrates outputs from both the acute physical and transition risk modules to project sector-specific NPL ratios under various climate scenarios. This approach allows for a detailed analysis of how different industries within the corporate sector might be affected by climate-related risks, particularly those industries that are more carbon-intensive or less able to pass on costs associated with climate policies. The module uses NBG's Top-Down Stress Test Model to simulate the financial impacts on bank capital and overall sector stability;

- Stress Test Module for Household Sector evaluates the impact of climate-related risks on household loans, focusing on NPL ratios, loan loss provisions and their effect on banks' capital adequacy. It utilises projections of key variables, such as real estate prices and loan-to-value ratios, under different climate scenarios. By assessing the household sector's vulnerability to both acute physical and transition risks, this module provides insights into the broader impacts on financial stability, enabling a comprehensive evaluation of potential stress factors on household loan portfolios.

A key aspect of this modelling approach is the deviation from traditional Input-Output (IO) models. Typically, in IO models, gross output is determined endogenously from the exogenous final demand. However, in the context of extreme weather events, this assumption does not hold. Such events impose significant supply-side constraints on affected industries, limiting their ability to meet future demand for their goods. As a result, for these industries, final demand can no longer be considered exogenous because it must now account for the supply limitations imposed by the climate shock.

To address this complexity, a Mixed Endogenous/Exogenous Model (MEEM) is employed. This approach accommodates the simultaneous supply and demand constraints that arise when industries face disruptions due to acute physical risks. The MEEM, as described by Miller and Blair (1985), allows for a more accurate representation of the economic dynamics in scenarios where industries cannot fulfil the exogenously set demands due to physical constraints.⁴

Extreme weather events are treated as one-time shocks, with effects projected for the year following their occurrence, i.e., a one-year projection. However, the impacts of these hazards on subsequent years are also incorporated through frontloading. Frontloading ensures that the cumulative effects of each hazard on GDP and sectoral Gross Value Added (GVA) are captured, providing a more comprehensive picture of the long-term economic impacts.

In addition to GDP projections, additional macroeconomic variables are required as inputs to the NBG's top-down stress test model. ARDL models⁵ are particularly well-suited for studying the relationships between macroeconomic indicators (such as GDP, inflation, and interest rates) over time. They help to examine how changes in one variable affect another across different time horizons and to forecast future values of variables based on their historical patterns and relationships.

Scenario Selection

The NGFS has designed seven scenarios as part of its Phase IV, all of which share similar socio-economic assumptions and account for the recent energy market implications, such as those arising from the war in Ukraine. These scenarios are categorised into four groups: Orderly Scenarios (three scenarios), Disorderly Scenarios, Hot House World Scenarios (two scenarios), Too Little, Too Late Scenarios. The Delayed Transition with Medium Chronic Physical Risks scenario was chosen from the Disorderly category. This scenario was selected because it represents one of the highest transition risk scenarios, reflecting the substantial challenges that may arise if global climate action is delayed and then implemented abruptly. Delayed Transition assumes global emissions do not decrease until 2030, requiring

¹ www.nbg.gov.ge

² The NGFS does not provide acute climate risk assessments and scenarios specific to Georgia; therefore, alternative sources were needed. The GIZ Study, "Supporting Climate Resilient Economic Development in Georgia," offers essential information on historical and projected climate hazards and their economic effects for Georgia. In particular, it analyses past extreme climate events and the resulting monetary damages. These findings are then utilised to synthesise the anticipated differential effects of heatwaves, extreme precipitation, and extreme wind events on various sectors of the Georgian economy. (GIZ. 2022. Supporting Climate Resilient Economic Development in Georgia: www.giz.de)

³ For Georgia, these projections are generated using three Integrated Assessment Models (IAMs): REMIND-MAGPIE, MESSAGEix-GLOBIOM, and GCAM. Each of these models produces different projections of key climate-related and socio-economic variables, which are categorised into several scenarios. The REMIND-MAGPIE model was selected as the preferred tool for analysing long-term climate change scenarios relevant to Georgia due to several reasons: a) the REMIND-MAGPIE model groups Georgia into a region that is more aligned with its primary trading partners and economies with similar structures; b) the REMIND-MAGPIE model was found to be closer in its CO2 emissions projections, particularly in the energy sector; c) REMIND-MAGPIE was observed to provide more realistic projections, especially under the Net Zero 2050 scenario, and predicted lower and more plausible carbon prices and government carbon-tax revenues compared to MESSAGEix-GLOBIOM; d) the REMIND-MAGPIE model displayed more logical and consistent relationships between GDP growth and energy consumption, particularly in the industrial sector.

⁴ www.nbg.gov.ge

⁵ The Auto Regressive Distributed Lag (ARDL) model is a key tool for analysing economic time series data, especially when variables may be interrelated over time. The key features of ARDL models include their flexibility in capturing dynamic relationships between variables, their ability to account for both short-term and long-term effects, and their usefulness in analysing complex economic relationships. In the case of a climate stress test exercise, ARDL models are utilised to assess the long-run relationship between various macroeconomic variables—such as the nominal effective exchange rates, real estate prices—and real GDP growth. The results of these assessments are the Long-Run Multipliers (LRMs) for each macroeconomic variable, which are then used to generate projections for each variable. (www.nbg.gov.ge).

Non-financial and sustainability information - climate-related financial disclosures 2025 *continued*

strong policies thereafter to limit warming to below 2°C. This scenario involves higher transition risks due to delayed and uneven policy implementation across countries. Additional expert judgment was applied to the results to make them more relevant and appropriate to the Georgian context.

Conclusions

Acute Physical Climate Risk Scenario: The results by segments show that the potential impacts on non-performing loans (NPLs) in the retail, micro, SME, and corporate segments are immaterial. A few sectors show negative trends, such as agriculture, construction, industry, and non-renewable energy. However, considering that these are front-loaded effects, the results become negligible.

Transition Risk and Chronic Physical Risk Scenario: The results by segments show that the potential impacts on non-performing loans (NPLs) in the retail, micro, SME, and corporate segments are negligible.

Even if the climate stress tests are not forecasting tools, they indicate the level of resilience towards climate shocks, especially in the short and medium term. Longer-term effects cannot be observed sufficiently, as the local regulator limits the maximum maturity of a loan is limited to 15 years, with a few exceptions; hence the average maturity of the TBC's loan portfolio is shorter than the 30-year time-horizon of climate stress testing. Furthermore, the climate stress tests show that the most vulnerable sectors are non-renewable energy, oil and gas, and construction, if the transition risks materialise. However, as mentioned above, transition risk is rather low in Georgia.

3. Risk management

Processes for identifying and assessing climate-related risks

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. Our Environmental and Climate Change Policy ensures that we:

- establish methodologies to advance climate action and integrate the respective approaches into the operations and management processes of the Group;
- comply with applicable environmental, health and safety, and labour regulations;
- use sound environmental, health and safety, and labour practices; and
- take reasonable steps to ensure that our customers also fulfil their environmental and social responsibilities.

Our Environmental and Climate Change Policy is fully compliant with Georgian environmental legislation and follows international best practices. The full policy is available at www.tbcbankgroup.com.

Our EMS is based on four pillars:

- Internal environmental activities;
- Environmental and social risk management in lending;
- Sustainable finance; and
- External communications.

INTERNAL ENVIRONMENTAL ACTIVITIES

Calculation of Greenhouse gas (“GHG”) emissions

The implementation of an internal EMS addresses the Group's consumption of resources. TBC Bank has reviewed all its operational activities, procured items, and outsourced services that it can control (present and planned), and has identified all of the environmental aspects relevant to the business. These are sub-categorised into indirect and direct environmental aspects, analysed through a comprehensive scorecard, and managed accordingly.

TBC Bank has established a comprehensive internal environmental system to manage and report on the Group's GHG emissions and is committed to reducing its GHG emissions by closely monitoring its consumption of energy, water, and paper. The guidelines for documenting environmental data have been developed and responsible staff in subsidiary companies have been assigned to collect and provide the required data. More details on the Group's GHG emissions and targets are given in the section on metrics and targets on pages 151-155.

Lending operations

The risks associated with climate change have both a physical impact arising from more frequent and severe weather changes, and a transitional impact that may entail extensive policy, legal, and technological changes to reduce the ecological footprint of households and businesses. For the Group, both risks can materialise through the impairment of asset values and a deterioration in the creditworthiness of customers, which could result in a reduction in the Group's profitability. The Group may also become exposed to reputational risks because of lending to, or other business operations with, customers deemed to be contributing to climate change.

As mentioned above, climate risks can materialise through the impairment of asset values and the deteriorating creditworthiness of customers. Therefore, as a first step, we looked at JSC TBC Bank, which is the largest subsidiary of the Group by assets, constituting 92% of the Group's assets. In order to increase its understanding of climate-related risks on its loan portfolio, the Bank performs annual sectoral risk assessments, as different sectors might be vulnerable to different climate-related risks over different time horizons. The risk assessment process and content are based on TCFD recommendations, climate-related documents published by the Bank of England, the climate change assessments of Georgia performed as part of the IPCC reports, the ESG Risk Radar of the NBG, and the targets and strategy 2030 defined by the Georgian Government to achieve the National Determined Contribution of Georgia¹. The assessment of levels and impacts might change in the future, based on further reviews of the methodology, deep-dive analyses, and increased understanding of the impact of climate change risks.

The sectoral assessment was performed with the involvement of the business and credit risk specialists responsible for the respective economic sectors in the Bank.

The sectoral distribution of the loan portfolio as of 31 December 2025 is given in the table below:

Gross loans by sectors for standalone Bank		Total exposure (GEL mln)	% of gross portfolio
Individual		9,935	36.8%
Real estate		3,405	12.6%
Construction		1,715	6.4%
Trade		1,668	6.2%
Food industry		1,434	5.3%
Other		1,423	5.3%
Hospitality & leisure		1,227	4.5%
Agriculture		1,057	3.9%
Energy & utilities		933	3.5%
Financial services		927	3.4%
Services		786	2.9%
Healthcare		515	1.9%
Transportation		433	1.6%
Automotive		351	1.3%
Oil and gas		351	1.3%
Pawn shops		321	1.2%
Manufacturing		197	0.7%
Metals and mining		183	0.7%
Media & publishing		105	0.4%
Communication		27	0.1%
NGOs and public sector		1	0.0%
Government sector		0	0.0%
Total loans to customers		26,994	100%

¹ A nationally-determined contribution (NDC) is a national plan highlighting climate change mitigation, including climate-related targets for greenhouse gas emission reductions, policies and measures governments aim to implement in response to climate change and as a contribution to achieve the global targets set out in the Paris Agreement.

Non-financial and sustainability information - climate-related financial disclosures 2025 continued

The maturity of assets is essential when defining the different time horizons for analysis and when assessing the materiality of climate-related risks for the different sectors. The maturity structure of the loan portfolio shows that the majority of assets are distributed in much shorter time horizons than the timeframe in which the impacts of climate change, especially of physical risks, may arise in Georgia.

The maturity distribution of the loan portfolio as of 31 December 2025 is given in the table below for standalone Bank:

Sector	Total exposure (GEL mln)	% of gross portfolio	Volume of loans (GEL mln) <8y		Volume of loans (GEL mln) <15y	
			% of loans <8y	% of loans <15y	% of loans <8y	% of loans <15y
Individual	9,935	36.8%	5,684	57%	9,254	93%
Real estate	3,405	12.6%	2,464	72%	3,374	99%
Construction	1,715	6.4%	1,527	89%	1,715	100%
Trade	1,668	6.2%	1,519	91%	1,667	100%
Food industry	1,434	5.3%	1,305	91%	1,434	100%
Other	1,423	5.3%	1,181	83%	1,423	100%
Hospitality & leisure	1,227	4.5%	769	63%	1,227	100%
Agriculture	1,057	3.9%	949	90%	1,057	100%
Energy & utilities	933	3.5%	463	50%	873	94%
Financial services	927	3.4%	914	99%	927	100%
Services	786	2.9%	546	69%	786	100%
Healthcare	515	1.9%	460	89%	515	100%
Transportation	433	1.6%	392	91%	433	100%
Automotive	351	1.3%	314	89%	351	100%
Oil and gas	351	1.3%	340	97%	351	100%
Pawn shops	321	1.2%	321	100%	321	100%
Manufacturing	197	0.7%	157	80%	197	100%
Metals and mining	183	0.7%	182	99%	183	100%
Media & publishing	105	0.4%	96	91%	105	100%
Communication	27	0.1%	27	100%	27	100%
NGOs and public sector	1	0.0%	1	100%	1	100%
Government sector	0	0.0%	0	100%	0	100%
Total loans to customers (Gross)	26,994	100%	19,611	73%	26,221	97%

Processes for managing climate-related and environmental risks in lending

Since 2012, TBC Bank has had a process in place to consider environmental and social risk that aims to mitigate climate change, which was established in line with industry guidelines. TBC Bank has developed E&S risk management procedures to identify, assess, manage, and monitor environmental and social risks that are fully compliant with Georgian environmental legislation, follow international best practices, and incorporate appropriate consideration of IFC Performance Standards, EBRD Performance Requirements (PRs), and ADB's Safeguard Requirements (SRs). These procedures are fully integrated into the credit risk management process and are routinely applied to SMEs and corporate customers. In collaboration with partner IFIs, TBC Bank has developed a clear E&S risk categorisation matrix. Projects that are to be financed are analysed and classified according to E&S risk categories (low, medium, high and A category); where necessary, deep-dive analysis and due diligence are performed.

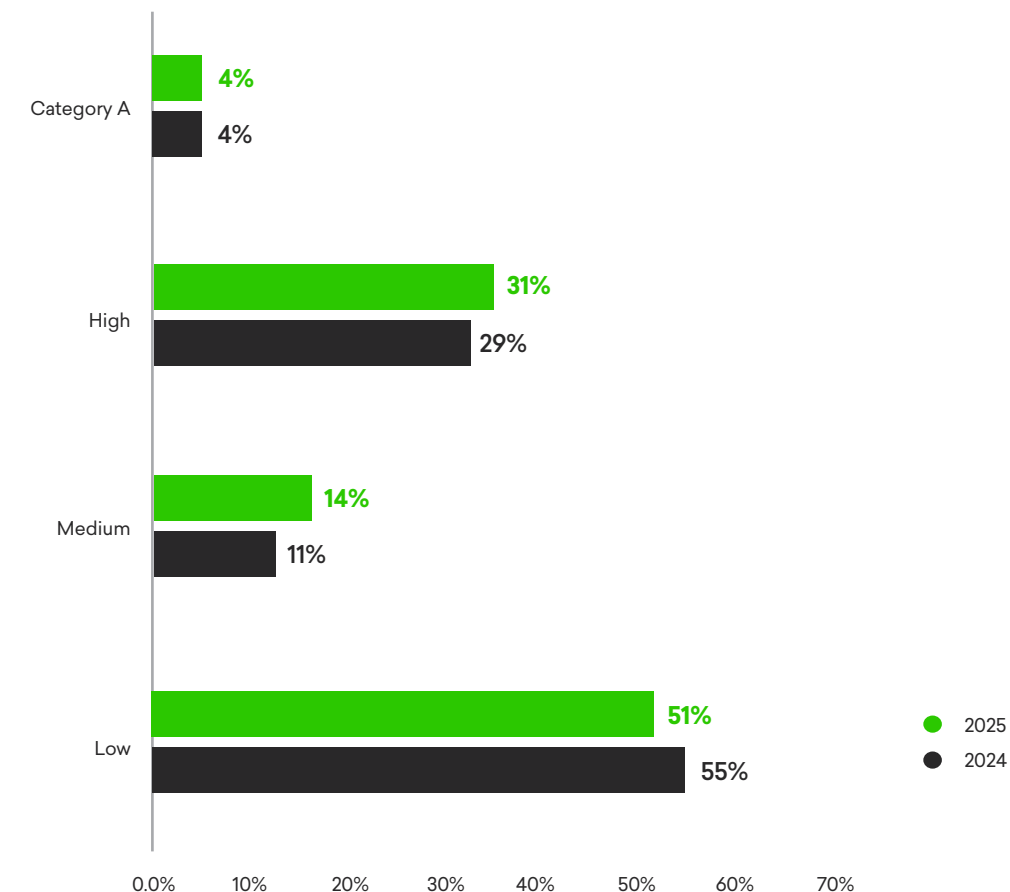
Starting from 2025, our risk assessment approach includes three components: environmental risk, social risk and climate risk. The risk categories of each component may differ for different business activities. When finalising each transaction's E&S risk category, priority is given to the most important risk component. Additionally, specialised external companies are involved in the detailed E&S risk assessment of Category A projects, such as hydroelectric plants. In 2024, the ESG Profile Methodology for corporate customers was refined further. ESG factors such as climate adaptation, transition to low-carbon activities, implementation of green technologies, diversity and inclusion, and good corporate governance are considered during the assessment, and respective scores are assigned based on expert judgment. The ESG profile consists of four main components:

- Climate change – covering physical and transitional risks;
- Environmental – covering environmental and social risks;
- Social – covering diversity, employee benefits and equal/fair pay;
- Governance – covering ESG governance, the Company's disclosures, and diversity at Board and executive management levels.

The results of the assessment will be useful for the development of decarbonisation and transition plans. The ESG Profile Methodology is considered to be at an initial stage and will evolve in the future as TBC's knowledge and expertise and the local regulatory framework for climate-related topics develop.

The table depicts the business loan portfolio broken down by E&S categories, by loan volumes.

Business gross loan portfolio breakdown by E&S categories (by shares)



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

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

High risk – transactions with potentially highly significant, negative, and/or long-term environmental, social and/or climate impacts, the magnitude of which may be difficult to determine at the loan application stage. These typically require analysis of 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.

Category A – transactions with potentially significant adverse social, environmental, and/or climate impacts that may be diverse, irreversible, or unprecedented, the assessment of which usually requires inputs from independent external experts and may require the involvement of IFI E&S specialists in the due diligence assessment process.

In addition, we strive to make a positive contribution to the development of private companies and assist them in the proper management of environmental and social risks related to their business activities. In cases where we identify any non-compliance with local legislative requirements and/or TBC's standards, we develop Environmental and Social

Non-financial and sustainability information - climate-related financial disclosures 2025 continued

Action Plans (ESAP) for our clients to assist them in enhancing their environmental performance and we closely monitor their implementation.

Other risk categories

Climate risk might impact other, more traditional risk categories for banking such as market risk, operational risk, liquidity risk, and reputational risk. A summary of the assessment is given on the table below. Certain risk factors, which were identified for operational and reputational risks, are already covered under the existing risk management framework.

Banking risk types	Impact from physical risk	Impact from transition risk
Market risk	No material impact expected	No material impact expected
Liquidity risk	No material impact expected	No material impact expected
Operational risk	Extreme events that would cause damage to the Group's own sites could affect its ability to provide services to its clients (e.g., lack of electricity supply, inability for employees to work in premises)	No material impact expected
	No material impact expected	
Reputational risk	No material impact expected	Financing to high-emitting borrowers could affect brand image, as perceived by stakeholders.
		No material impact expected

Supply chain monitoring

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. To decrease environmental and social risks in the supply chain, we require all suppliers' consent for personal data protection, anti-corruption, environmental, and tax avoidance clauses, which constitute an indispensable part of the contract and are mandatory for implementation.

Since 2019, we employ an Environmental and Social Risk Management Questionnaire to screen suppliers. The 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. The above-mentioned evaluation of suppliers is carried out by the ESG Coordination Department. In case we identify any medium or high-level non-compliance with our E&S standards, the ESG team develops an Environmental and Social Action Plans (ESAPs) for each company and monitors their implementation.

Raising environmental awareness among our employees

We believe that raising environmental awareness among our employees is vital for the effective implementation of EMS and to encourage new eco-friendly ideas and initiatives within the organisation.

For this purpose, we actively run various environmental and climate-related training programmes for different teams including branch employees, risk, credit and business staff. Our annual mandatory trainings include:

- Training in environmental and climate change topics for new employees – 2,031 new employees participated in online trainings in 2025 covering 96% of the target;
- Self-paced Environmental, Social and Climate Risk Management training for credit staff - 570 MSME and Corporate experts, analysts, and risk managers attended trainings in 2025, covering 100% of the target;
- ESRM and Green Lending online training - 404 credit risk staff participated in 11 online training sessions;
- An annual mandatory, self-paced online EMS and climate course for all staff, followed by a self-evaluation test – 8,198 employees including senior management participated in 2025, covering 96% of the target;
- TBC ESG Academy's Green Mindset and Green Financing course for front and back-office staff - 405 employees completed the two-day programme in 2025, and a total of 728 employees have participated since its launch in 2024;
- Training for Green Coordinators - Green coordinators within the MSME segment are appointed and the training was held to improve their capacity to identify green financing opportunities across various sectors and approaches to managing associated risks. 22 business analysts and risk managers attended a one-day session.

In 2025, several trainings were also delivered under the European Investment Bank's TA Programme to strengthen TBC staff's knowledge on a variety of topics:

- IFRS S2 standard requirements, TBC Bank's current level of alignment with the IFRS S2 standard, and the gaps that need further improvement - 13 employees attended training including Operational Risk Management, Enterprise Risk Management, Environmental and Social Risk Management, Financial Operations Management, Macro-Financial Analysis, ESG, and Investor Relations;
- EIB's Green Eligibility Checker: a tool designed to support green loan assessment process - 10 employees participated in the training;
- Green financing opportunities and approaches to managing associated risks - 22 employees from different divisions and business segments including business analysts and risk managers attended a two-day session.

Furthermore, members of the ESG Department successfully completed the following courses:

- Renewables Academy (RENAC) course, earning the GGF Green Finance Expert 2025–26 certification;
- Fundamentals of Sustainability Accounting of IFRS S1 and S2, which enhanced their ability to integrate sustainability considerations into financial analysis and lead on disclosure practices;
- theoretical and practical training course financed within Proparco's Technical Assistance on the French Development Agency's Taxonomy for climate mitigation and adaptation finance; and
- International Financial Institutions' guidelines for a harmonised approach to GHG accounting.

The ESRM Team also completed the following professional development activities:

- Two-day workshop of ESG Academy – Green Mindset and Green Financing;
- The Environmental Management course offered by the Caucasus Green Academy;
- The World Bank self-paced online course Identifying Environmental & Social Risks and Impacts;
- The World Bank self-paced online course Elements of an Environmental and Social Management System (ESMS);
- The self-paced course Overview of IFC Performance Standard 1; and
- The World Bank self-paced online course Sustainable MSME Finance for Financial Institutions.

EXTERNAL COMMUNICATION

TBC pays significant attention to external communication of E&S matters with existing and potential customers and other stakeholders. The feedback and recommendations received from our stakeholders and other interested parties enable us to continuously improve our E&S performance.

Our grievance mechanism enables any interested party to register complaints with regards to E&S issues via our website www.tbcbank.ge. All complaints are thoroughly analysed and addressed in a timely manner.

TBC Bank successfully passed the third-year surveillance audit of the Environmental Management System, ISO 14001:2015. This means that TBC's Environmental System is managed in accordance with international standards and requirements. The 2025 certification process was completed successfully.

TBC Bank annually discloses its Environmental and Social Performance Annual Report to all its partner International Financial Institutions. The report includes detailed information about Environmental and Social Risk Management in Lending, the distribution of the Bank's business portfolio in terms of environmental and social risk, a breakdown of its sustainable portfolio, respective procedure updates etc.

Since 2019, TBC Bank releases its annual full-scale Sustainability Report, which is prepared in accordance with Global Reporting Initiative (GRI) standards. The Sustainability Report helps the Company to understand its role and influence on sustainable development issues such as climate change, human rights, and social welfare. The report is available at www.tbcbankgroup.com.

4. METRICS AND TARGETS

The metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

The metrics related to the Group's own operations

TBC Bank has established a comprehensive internal environmental system to manage and report on the Group's GHG emissions and is committed to reducing its GHG emissions by closely monitoring its consumption of energy, water, and paper. The guidelines for documenting environmental data have been developed and responsible staff in subsidiary companies have been assigned to collect and provide the required data. TBC Bank also commissioned Bureau Veritas Georgia LLC, an independent consultant and certification company, to verify the measurements of its GHG emissions. The company provided a reasonable assurance covering historical data and information.

Non-financial and sustainability information - climate-related financial disclosures 2025 *continued*

Below is a summary of TBC Group's results in terms of Scope 1 and Scope 2 GHG emissions, water and paper consumption, performance against 2025 targets, and targets for 2026.

Total GHG emissions	2023 (tCO2)	2024 (tCO2eq)	2025 (tCO2eq)	2025 target	2025 result	2026 target
Scope 1* - fuel combustion (heating, vehicles, generators)	3,373	3,554	3,426	+3%	-3.6%	+2%
Scope 2 - electricity consumption	1,809	1,787	2,570	+2%	+43.8%	-10%
Total Scope 1 and Scope 2 emissions (tCO2eq)	5,182	5,341	5,996	+2%	+12.3%	-3%
Total emissions per full time employee (tCO2eq/pp)	0.68	0.44	0.42	N/A	-4.5%	-4%

- * **Scope 1:** a. 1,428 tCO2eq emissions in tonnes (from combustion of fuel (NG) from owned operation and facilities of TBC) in 2025 compared to 1,566 tCO2 in 2024 and 1,490 tCO2 in 2023. b. 1,825 tCO2eq emissions in tonnes (from owned vehicles of TBC) in 2025 compared to 1,827 tCO2 in 2024 and 1,736 tCO2 in 2023. c. 173 CO2eq emissions in tonnes (from owned generators of TBC) in 2025 compared to 162 tCO2 in 2024 and 147 tCO2 in 2023.

According to the GHG Protocol, companies using renewable electricity must report both location based and market based Scope 2 emissions to show the impact of their procurement choices while also reflecting the emissions intensity of the national grid, to which they remain physically connected. In 2025, TBC's market based Scope 2 emissions amounted to 2,570 tCO2eq (excluding renewable electricity emissions), whereas its location based Scope 2 emissions totaled 2,919 tCO2eq (treating renewable electricity as having the same emission factor as grid electricity).

Operational Intensity Ratio	2023	2024	2025
Employee (tCO2eq/per employee)	0.680	0.444	0.423
Revenue (tCO2eq/USD)	0.000008	0.000006	0.000005
EBTDA (tCO2eq/USD)	0.000013	0.000010	0.000009
Net profit (tCO2eq/USD)	0.000017	0.000013	0.000012

Operational Intensity Ratio – in accordance with the Streamlined Energy and Carbon Reporting (SECR) framework, we assess operational emissions intensity by calculating Scope 1 and Scope 2 emissions per employee and per unit of revenue and profit.

Energy consumption in kWh	2023	2024	2025
The annual quantity of energy consumed from activities for which the Group is responsible, including:			
The combustion of fuel	602,324	667,678	700,735
The operation of any facility	7,377,902	7,754,355	7,047,116
The annual quantity of energy consumed resulting from the purchase of electricity, heat, steam or cooling by the Company for its own use	16,618,415	17,280,679*	18,202,727*

* The annual electricity consumption reported for 2024 and 2025 includes renewable electricity, which is deducted from GHG emissions due to the application of zero emission factors. Renewable energy use amounted to 1,029,351 kWh in 2024 and 3,294,264 kWh in 2025.

Scope 1 - In 2025, this indicator decreased by 3.6% compared to 2024 at the Group level, in line with the estimated annual target - increase below 3%. Fuel for transport is accounting for 53% and natural gas combustion for 42% of total Scope 1 emissions.

Scope 2 – In 2025, Scope 2 (market-based) emissions from electricity consumption at the Group level increased by 43.8%, that is extremely significant increase compared to 2024 results. The change is largely driven by the rapid growth of TBC operations in Uzbekistan, where assets increased by 54% year-to-year. This expansion also led to a 75% increase in occupied surface area and 51% in employee number. While Group-level emissions increased significantly, Scope 2 emissions at the Group's largest subsidiary, TBC Bank, decreased by 8%, driven by a higher share of renewable energy consumption.

Operational Emission Intensity - As the business continues to grow, using intensity metrics provides a more accurate way to assess operational emissions performance in the context of expanding activities. While total emissions have increased due to operational growth, emissions per employee remain stable, and emissions per unit of revenue and net profit have decreased - indicating improved efficiency and demonstrating that operational intensity continues to decline even as the business scales.

2026 Targets – In 2026, we set Scope 1 and Scope 2 emissions targets aligned with the 1.5°C Paris Agreement pathway, using the Science Based Targets initiative (SBTi) methodology for energy consumption in buildings and fuel use in vehicles.

Resource Consumption

Efficient and sustainable resource use is a priority for TBC Group and is outlined in the Environmental and Climate Change Policy, which applies across the entire Group. The main resources consumed within TBC Bank and its subsidiaries are water and paper, and we regularly implement various initiatives to enhance resource efficiency and reduce overall consumption.

In 2025, total water consumption reached 94,133m³ group-wide, of which 59,061 m³ was used by TBC Bank and 35,072 m³ by other subsidiaries. Water consumption per employee increased by 6.4% compared to the previous year, slightly surpassing our 2025 target to keep the growth in water use below 6%.

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 26.4%, significantly surpassing the annual target of a 9% reduction.

Below is a summary of TBC Group's resource consumption per employee:

Resource consumption per employee	Actual 2023	Actual 2024	Actual 2025	2025 target	2025 result	2025 result
Water consumption per employee (m3/pp)	7.64	6.24	6.64	+6%	+6.4%	-2%
Printing paper per person in reams	10.17	8.42	6.20	-9%	-26.4%	-7%

Calculation methodology

To calculate the GHG inventory, we took the following steps: we set organisational boundaries, established the operational scope, and developed a structured approach for data collection and the 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). In preparing emissions data, the UK Government's Greenhouse Gas Conversion Factors for Company Reporting 2024 and National IPCC emission factors for electricity (tCO2*/MWh) were used. The required data were collected and a report was generated for TBC Group's main activities, as follows:

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

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

The boundary covers TBC Bank JSC in Georgia and its key subsidiaries, including TBC Capital LLC, TBC Pay, UFC, TBC Asset Management, and TBC Leasing, as well as other Group subsidiaries in Georgia such as TBC Insurance, TNET, TBC Group Support, and Space. The boundary also encompasses the Group's operations in Uzbekistan, including TBC Digital JSC and its subsidiaries.

TBC Group reports Scope 2 emissions in accordance with the GHG Protocol, presenting both location-based and market-based figures. The location-based method applies the average national grid emission factors for the countries where TBC operates: Georgia: 0.106 tCO2eq/MWh; Uzbekistan: 0.594 tCO2/MWh (0.726 tCO2eq including non-CO2 gases). The market-based method reflects contractual instruments and renewable energy arrangements used by TBC. It incorporates: On site solar generation owned by TBC, treated as zero emission electricity; and solar generation from leased solar stations.

Scope 3 Emissions

The metrics related to the Group's indirect impact

Materiality Assessment

We have a direct or indirect impact on the environment through our activities. However, in the case of financial institutions, the main source of Greenhouse Gas (GHG) emissions is not the emissions produced within our business processes or their own energy consumption, but GHG emissions produced by other sectors that are financed by us. Based on the materiality threshold of 40%, financed emissions constitute more than 40% of the total GHG emissions (indirect impact) and accordingly, Category 15: Financed Emissions is the only Scope 3 category classified as material within TBC Group's emissions inventory.

Furthermore, we continue to measure other Scope 3 categories that, while not material, remain relevant to our operational footprint, particularly Category 6: Business Travel (business flights), Category 5: Waste Generated in Operations, and Category 7: Employee Commuting. These categories remain relevant to our day-to-day activities and provide a more complete understanding of our overall environmental impact. Seven categories are considered not relevant, as TBC Group does not cover these activities. The remaining four categories are considered relevant but not material and are not yet incorporated into our Scope 3 emissions inventory.

The table above depicts which of the 15 categories of Scope 3 emissions have been included and which are considered to be immaterial or irrelevant to the business.

#	Scope 3 category	GHG calculation approach
1	Purchased goods and services	Not material
2	Capital goods	Not relevant
3	Fuel- and energy-related activities (not included in scope 1 or scope 2)	Not relevant
4	Upstream transportation and distribution	Not relevant
5	Waste generated in operations	Not material/included
6	Business travel	Not material/included (flights)
7	Employee commuting	Not material/included
8	Upstream leased assets	Not material
9	Downstream transportation and distribution	Not material
10	Processing of sold products	Not relevant
11	Use of sold products	Not material
12	End-of-life treatment of sold products	Not relevant
13	Downstream leased assets	Not relevant
14	Franchises	Not relevant
15	Investments	Included - financed emissions: debt investments (with known use of proceeds) and project finance

Financed emissions (Scope 3)

In 2025, we updated the tool for calculating TBC Bank's financed emissions based on the new National Greenhouse Gas Inventory Report of Georgia from 2022 and automated the tool to easily apply updates in the future.

TBC applies GHG emissions calculation methods for different asset classes, which have been developed by the Partnership for Carbon Accounting Financials (PCAF). In total, seven asset classes are considered. The financed emissions by asset class as of December 2025 are presented below:

	Financed GHG Emissions GgCO2eq/y	2023	2024	2025	Difference
Total Financed GHG Emissions GgCO2eq/y		3,165.9	3,442.6	1790.5	-48%
1	Listed equity and corporate bonds	61	66	8	-87.9%
2	Business loans and unlisted equity	2,857	2,921	1,390	-52.4%
3	Project finance	-15	-16	-10	---
4	Commercial real estate	2	8	7	-12.5%
5	Mortgages	30	36	34	-5.6%
6	Motor vehicle loans	0.9	0.6	0.5	-16.7%
7	Sovereign debt	230	427	361	-15.5%

Calculation methodology

- Business loans¹
- Project finance
- Retail mortgages
- Commercial real estate
- Corporate bonds
- Sovereign debts²

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. Score 2 or Score 3 quality data are applied to project financing, we use 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.

Based on sector-level emissions of the loan portfolio, we defined six sectors that either generate the highest emissions in our portfolio and/or have a high GHG emissions contribution score according to the NBG Risk Radar. We then assessed our capacity to reduce emissions within these sectors, directly linking this analysis to our green portfolio growth plan. Reducing emissions from financed activities depends on shifting investments toward less carbon-intensive, more energy-efficient projects and activities, thereby supporting a lower-carbon and more sustainable portfolio over time. Table below depicts those sectors with emission reduction targets in 2026.

Sector	GgCO2eq/y	Share in total emissions	Carbon contribution Score	2026 Target for GHG Emissions Reduction
Agriculture	488	27%	4	-4%
Manufacturing	407	23%	2	-4%
Transportation and storage	112	6%	4	-4%
Accommodation and food Service activities	108	6%	1.5	-2%
Construction	47	3%	3.5	-10%
Energy & utilities	30	2%	4	-10%

¹ www.nbg.gov.ge - 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).
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.

Other Scope 3 emissions

Category 5: Waste generated

In 2025, we developed methodologies for the calculation of Scope 3 category 5: emissions from waste. The information provided is based on the best data available at the time of reporting and part of the data used are based on estimates. The calculation methodology and underlying assumptions follow the GHG Protocol¹. Based on employees' work-regime patterns, we calculated the number of days staff are physically present in the office during the year. This allows us to estimate waste generation at the office per year by all employees. Our waste estimation assumes that a single employee generates at least four times less waste in an office setting compared to standard household municipal averages.

Category 6: International flights

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 (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

Category 7: Employee commuting

We also developed methodology for the calculation of Scope 3 Category 7: Employee Commuting. The calculation methodology and underlying assumptions follow the GHG Protocol. Using employees' work-regime patterns, we estimated the average number of days staff are physically present in the office. Commuting distances were then assessed by grouping employees based in Tbilisi and in the regions and calculating the average daily distance traveled per employee in each group. We also incorporated the different modes of transport used—walking, bus, metro, and car—by determining their proportional usage (according to Tbilisi and Batumi Transport Policy Documents) and applying transport-specific emission factors. This combined approach enabled a more accurate estimation of employee-commuting CO2 eq emissions.

#	Scope 3 category	GHG Emissions tCO2eq/y
5	Waste generated	767
6	Business travel	1,265
7	Employee commuting	1,798

The table below presents a change log with all updates that have been made in GHG emissions calculation methodology in the reporting year.

Topics	Previous approach	2025 update	Reason/impact
Scope 1/ Scope 2	CO2 reported	Added CH4 and N2O → reporting full CO2eq	Full alignment with ISO 14064 Standard requirements
Scope 2	2013 national emissions factors (EF) for Georgia & Uzbekistan	Updated to newest EF values	Reflects most recent grid mix
Scope 2	Market-based emissions reported	Added location-based emissions (alongside with market-based)	Full alignment with GHG Protocol Scope 2 Guidance ²
Scope 3	Category 6: Flights and Category 15: Financed Emissions reported	Added category 5: Waste generated and category 7: Employee commuting	Broader emissions accounting
Scope 3 financed emissions	Data on national asset and loan volume from 2023	Updated asset and loan volume on national level from 2025	Up-to-date emissions accounting at portfolio level
Scope 3 financed emissions	Sectoral data and EF taken from National GHG Inventory 2017	Updated data and EF Values from the latest National GHG inventory 2022 ³	Up-to-date emissions accounting

Sustainable portfolio

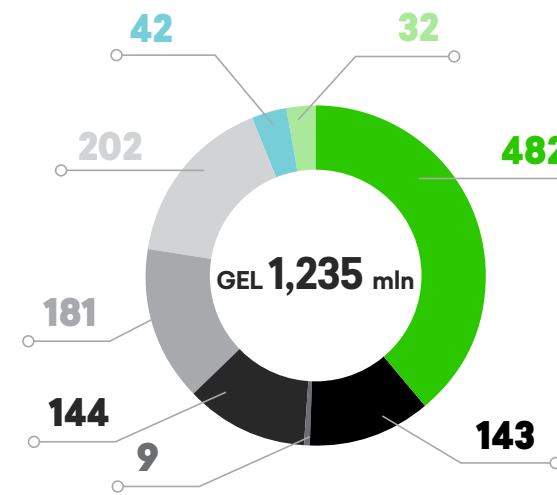
The climate action initiatives are part of TBC's overall ESG strategy, which is reviewed and approved by the Board of Directors annually. The ESG Strategy 2026-2028 reflects the Paris Agreement alignment considerations that were developed in 2024. We evaluated the existing portfolio to understand its 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 which includes divesting from high-carbon assets, investing in green technologies, and engaging with our customers to improve their sustainability practices.

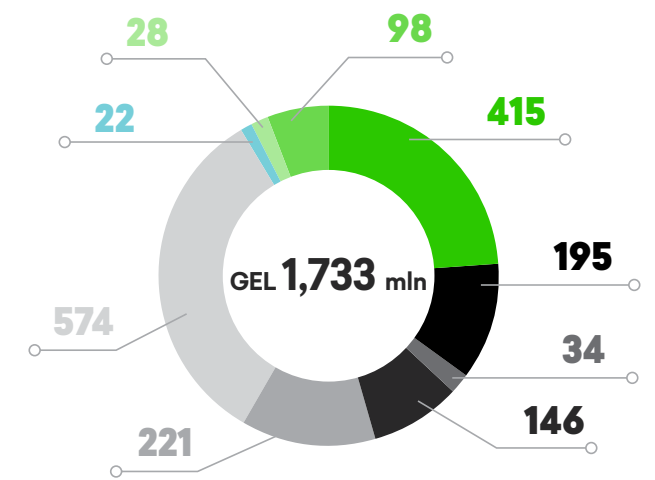
We continuously monitor the portfolio's performance against the set goals and regularly report the progress to our stakeholders.

The ESG strategy sets sustainable portfolio volume targets, which consists of renewable energy loans, energy efficiency loans, and financing with social components, etc. As of 31 December 2025, the total sustainable portfolio⁴ stood at GEL 2.29 billion. The target for 2026 is set at GEL 3.2 billion. The charts below depict the sustainable portfolio development as of 31 December 2025.

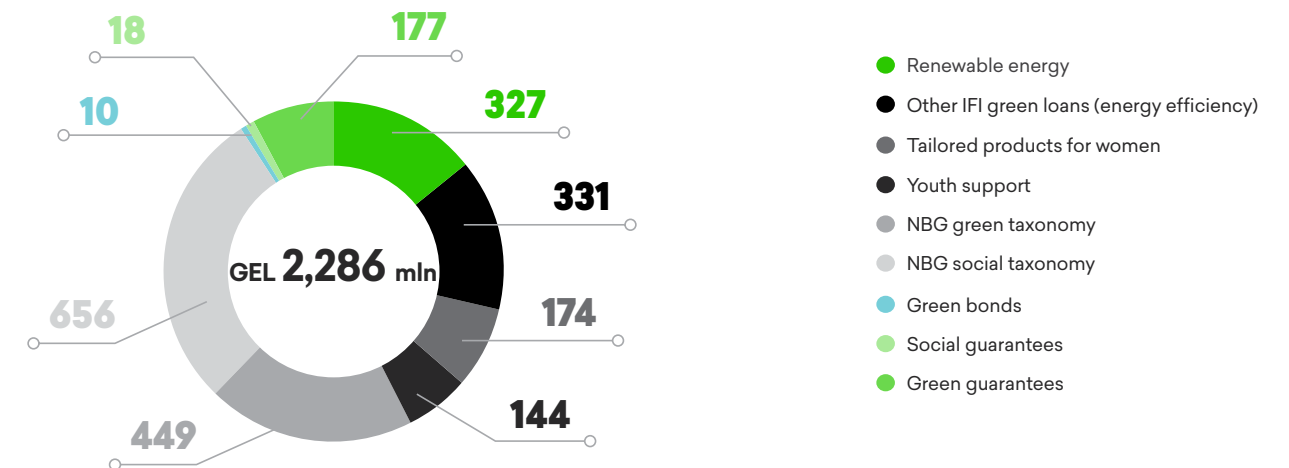
Sustainable portfolio 2023



Sustainable portfolio 2024



Sustainable portfolio 2025



1 www.ghgprotocol.org
 2 www.ghgprotocol.org
 3 www.undp.org

4 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 hydro power plants financed by the Bank; c) financing of startup companies and affordable housing which are categorised based on the Social Taxonomy of the National Bank of Georgia (NBG); d) green loans, which are assessed based on criteria defined by the Green Taxonomy of the NBG; e) social guarantees supporting affordable housing projects, which are categorised based on the Social Taxonomy of the NBG (www.nbg.gov.ge); and f) green and sustainability-linked bonds aligned with the ICMA (International Capital Markets Association) Green Bond Principles and Sustainability-linked Bond Principles.

Non-financial and sustainability information - climate-related financial disclosures 2025 continued

In 2025, the sustainable portfolio increased by GEL 553 million (32%), exceeding the 2025 target of GEL 2 billion by 14.3%. The Sustainable portfolio represents 8.4% of the total portfolio. This growth was driven primarily by financing for energy-efficient buildings (classified under NBG Green and Other IFI Green Loans), green guarantees supporting renewable energy projects, and social loans issued through various IFI programmes (Tailored Products for Women), as well as loans under state initiatives such as “Produce in Georgia” and the “Preferential Agrocredit” programmes (classified under NBG Social Financing).

In 2025, our renewable energy portfolio impact (avoided GHG emissions) amounted to 588 GgCO₂eq/y, measured based on the PCAF methodology.

Since 2022, ESG-related KPIs have been included in the executive management remuneration. Executive management KPIs are linked to the target volumes of the sustainable portfolio and other sustainable assets. For more details, please see the Human Resources and Remuneration Committee Report, page 214.

Specific efforts for indirect mitigation and adaptation through client engagement

Client engagement is a cornerstone of TBC’s approach to expanding green finance, advancing its transition plan, and supporting the country’s sustainable economic development. Through various initiatives, we aim to raise awareness, build client capacity, and promote climate action. A flagship effort is the ESG Academy - Georgia’s first dedicated ESG education platform—through which 204 clients were trained under the “Green Mindset and Green Business” programme as of December 2025, helping businesses integrate sustainability, better manage climate risks, and access green financing more easily.

In the coming years, with support from DEG and ADB through technical assistance programmes, we will further expand engagement channels by offering structured trainings, advisory sessions, and follow-up consultations on energy efficiency (EE), renewable energy (RE), and climate-smart technologies. One of the priority focus will be the agricultural sector, which is highly exposed to climate risks; trainings will promote climate-smart solutions, risk-mitigation practices, and practical applications for farmers and agribusinesses.

We also plan to improve data quality and climate-related reporting by developing tools to help clients estimate basic CO₂ emissions and strengthen TBC’s verification and reporting capabilities. As in-house expertise grows, TBC will increasingly provide direct advisory on climate-risk exposure, GHG calculation, and transition-planning support, complemented by sector-specific guidelines and enhanced staff capacity.

Ruisi Wind Power Plant



TBC financed the Ruisi Wind Power Plant project with USD 101 million. As the largest wind energy initiative in Georgia, the plant has an installed capacity of 206 megawatts and is expected to generate clean electricity sufficient to meet the annual energy needs of 350,000 households – equivalent to around 10% of Georgia’s population.

Non-financial and sustainability information statement

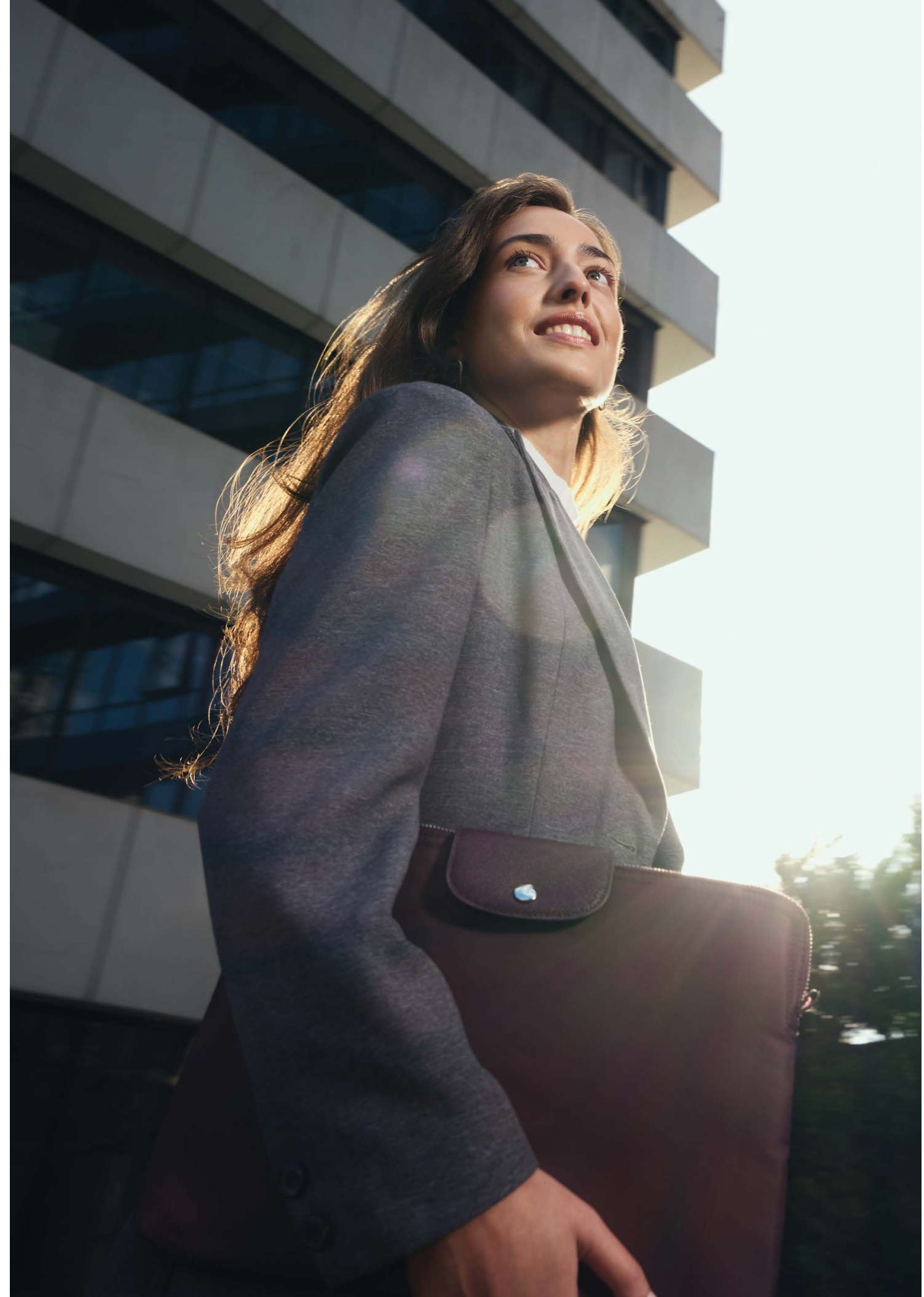
We are continuously improving our disclosures in line with emerging trends to promote environmental, social, and governance (ESG) principles within our Group and the communities in which we operate, demonstrating our commitment to fostering these values. We recognise the potential implications of Corporate Sustainability Reporting Directive (CSRD) legislation to UK companies and will continue to be mindful of developments in this area, and as the wider ESG regulatory landscape continues to evolve.

We also continue to comply with the non-financial reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006.

The table below summarises the references to the non-financial matters described in the Strategic Report. The policies mentioned below are available at www.tbcbankgroup.com under ESG tab.

Reporting requirements	Relevant policies	Section of the annual report 2025
Environmental matters	<ul style="list-style-type: none"> - Environmental and Climate Change Policy 	- ESG strategy, page 120-125
Climate-related matters	<ul style="list-style-type: none"> - Environmental and Climate Change Policy 	- Climate-related financial disclosures 2025, page 128-159
Employees	<ul style="list-style-type: none"> - Code of Conduct and Ethics - Diversity, Equality and Inclusion Policy - Incident Response Policy (whistleblowing policy) 	- Employees, page 106-113
Social matters		<ul style="list-style-type: none"> - Customers, page 102-105 - Community, page 114-117
Human rights	<ul style="list-style-type: none"> - Human Rights Policy - Global Data Protection Policy 	<ul style="list-style-type: none"> - Commitment to ethics, diversity, integrity, and responsibility, page 112
Anti-corruption and anti-bribery matters	<ul style="list-style-type: none"> - Code of Conduct and Ethics - Anti-Financial Crime Policy 	<ul style="list-style-type: none"> - Commitment to ethics, diversity, integrity, and responsibility, page 112 - Non-financial risk management, page 86
Description of the business model		- Business model, page 20-21
Description of principal risks and impact on business activity		- Material existing and emerging risks, page 76-99
Non-financial key performance indicators		- Key performance indicators, page 24-27

Further information on non-financial and ESG matters can be found within our sustainable report available at www.tbcbankgroup.com under ESG tab.



Stakeholder engagement & s172 statement

The Board prioritises the long-term interests of all stakeholders with the Group's long-term goals in every decision it makes

THE BOARD'S ROLE

As set out in Section 172 ("s172") of the Companies Act 2006, 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 its 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, investors, as well as the community and the environment it operates in, as its primary stakeholders.

STAKEHOLDER ENGAGEMENT

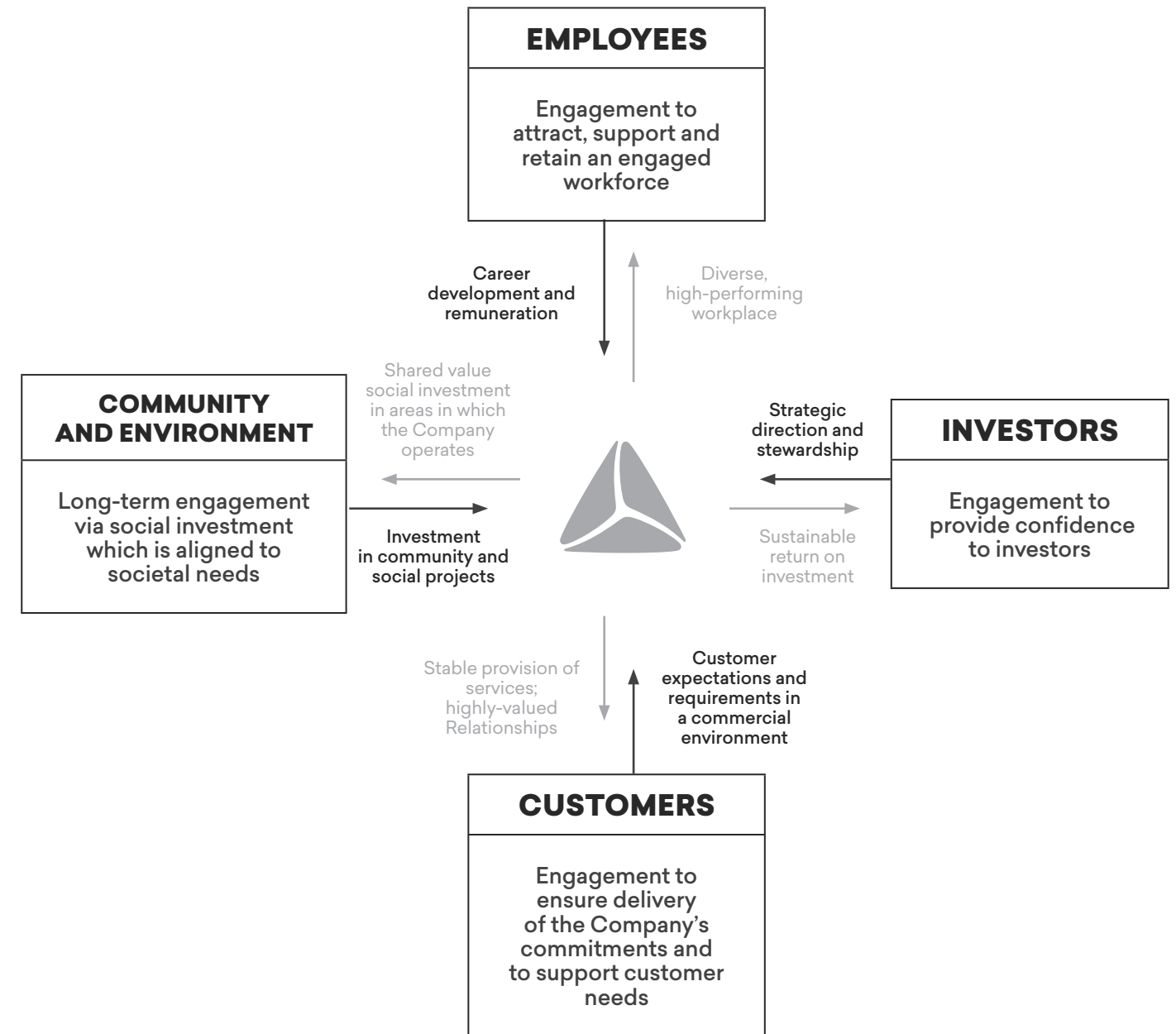
In 2025, the Board considered the provisions of the UK Corporate Governance Code 2024 in respect of stakeholder engagement, and the duties of each Director to consider the Company's stakeholders and the long-term interests of the Company in accordance with s172 of the Companies Act 2006. The Board is kept informed of the various ways in which the Company communicates with its stakeholders, and the outcome and key themes arising from such engagements in a number of ways. This is set out in more detail on the following pages.

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

It is important for all members of the Board to have sufficient understanding of the issues relating to each of the key stakeholder groups and 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 Ambassador 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 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 strengthening of those relationships.

The Company continues to foster its stakeholder engagement programme to ensure that the Board has had regard to its duties under s172. As explained in the Governance Report on pages 170 to 251, 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 on page 185. The following report sets out further information about our stakeholder engagement activities, and the Board's consideration towards all stakeholder groups throughout the year.



Strategic report
Governance
Financial statements
Additional information

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 wider remit, the Human Resources and Remuneration Committee provides further support to the Staff Ambassador in monitoring and following up on the progress of these themes.

The focus for 2025 was on three main themes, identified from employee feedback, covering organisational change management, supporting training and coaching for new managers, and enhancing communication between subsidiaries.

During the year, the Employee Ambassador initiative focused on conducting both online and in person meetings with employees across the Group and its key subsidiaries (including TBC Bank, TBC Insurance, TNET, and TBC UZ). These engagements aimed to gather employee feedback on processes, development opportunities, information flow, collaboration, and other experience-related topics. The programme also included the implementation of a survey designed to assess employee engagement, job satisfaction, and alignment with corporate values.

In response to this feedback, initiatives were introduced including a change management framework, which was rolled out during the year, and the development of a new manager support programme. In addition, a number of Group-wide meetings were held to foster cross-subsidary collaboration and to help strengthen connections across the business.

	<p>Engagement</p>	<p>Feedback in 2025</p>	<p>Response and impact on Board decisions</p>	<p>Priorities for 2026 and beyond</p>
<p>Customers</p> <p>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.</p>	<p>Digital surveys via the Medallia platform.</p> <p>Automated SMS surveys following branch visits.</p> <p>Comprehensive telephone surveys targeting various customer segments.</p> <p>Regular management dialogues with corporate clients.</p> <p>Informal interviews conducted by squad members in their respective domains.</p> <p>External market research to assess the Net Promoter Score (NPS) and overall customer satisfaction.</p> <p>In 2025, the Board engaged directly with customers, including business clients, to stay aligned with their needs and interests. For more details, please refer to the Stakeholders chapter on pages 66 to 69.</p>	<p>Appreciation for the service quality and accessibility following the implementation of customer experience improvements and ongoing demand for continuous improvement in these areas</p> <p>For more details, please refer to the Stakeholders chapter on pages 102 to 105.</p>	<p>Rolled out VOIX voice-audio monitoring system across the branch network for full transparency of customer interactions.</p> <p>Developed first AI Service Quality Assessment Model (MVP) in call centres based on TBC Service Principles.</p> <p>TBC Bank Georgia was the overall winner in the Best Use of Tech in Consumer Lending category at the 2025 Banking Tech Awards, demonstrating the Bank’s commitment to continued innovation, transformation, and to integrate AI and other new technologies to provide best-in-class services to customers.</p>	<p>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.</p> <p>The Bank will further accelerate its investment in digital capabilities and services, scaling AI-driven technology to support accessibility initiatives further.</p>
<p>Employees</p> <p>People are at the heart of TBC Bank’s success. People and culture serve as the anchor of the strategy, driving transformation and growth.</p>	<p>The Company maintains active 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.</p> <p>Initiatives undertaken through the year have included:</p> <p>Culture Transformation, with new corporate values launched alongside key cultural messages to support an aspirational culture. Initiatives including personality assessments, behavioral frameworks and manager-led workshops supported the cascade of values across the organisation, helping drive engagement and consistent behaviours throughout the organisation.</p> <p>In-person focus groups and targeted online surveys to gather employee feedback on employee engagement, job satisfaction, and alignment with Company values.</p> <p>Regular CEO and Management Board meetings with the full workforce, addressing topics such as:</p> <ul style="list-style-type: none"> Delivering strategy and achieving objectives. Corporate culture. Workforce health, safety, wellbeing and mental health <p>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.</p> <p>Designated Non-Executive Director for workforce engagement, who:</p> <ul style="list-style-type: none"> 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. For more details, please refer to the Employees section of the Our Stakeholders chapter on pages 106 to 113. 	<p>Using the Organisational Culture Assessment Instrument (OCAI), 13,000 colleagues were engaged and provided feedback on the current and desired culture of the Company.</p> <p>In 2025, TBC was recognised as Disability Inclusion Champion at the Asian Development Bank’s 11th Annual Trade and Supply Chain Award, reflecting the commitments to advancing diversity and disability inclusion.</p> <p>Further insights on the feedback gathered by regular NPS surveys can be found in the ‘Our Employees’ chapter on pages 106 to 113.</p> <p>Further insights from employee feedback gathered by the designated Non-Executive Director for workforce engagement can be found on page 165.</p>	<p>Following the OCAI cultural renewal initiative, the Group’s values evolved to comprise themes of being a team player, courageous, driven, goal-oriented, and customer-centric, to serve as the foundation for the Company’s culture.</p> <p>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:</p> <p>Strategic focus on employees: Ensures talent availability, competitive compensation, and flexible work arrangements to support the Company’s success.</p> <p>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.</p> <p>Employee development through TBC Academy: Free digital and in-person training programmes offered to employees. In 2025, over 700 employees participated in programmes to further enhance skills and opportunities.</p> <p>Diversity, benefits, and protections: Detailed in the 2024 Sustainability Report, published in June 2025, available at www.tbcbankgroup.com. Additionally, the Board, with support from the Human Resources & Remuneration Committee, ensures that clear and competitive remuneration policies and principles are in place for the Group, including in its subsidiary in Uzbekistan.</p> <p>The Corporate Governance Statement on pages 180 to 190 and the update from the designated Non-Executive Director for workforce engagement on page 165 provides additional information on how the Board responded to employee feedback.</p>	<p>The Company remains committed to preserving its core culture whilst embedding international values that champion diversity and inclusion across all operations.</p> <p>Development initiatives continue to expand through TBC Academy, leadership programmes and specialised technical training with the IT Academy, furthering the Company’s commitment to continuous professional development aligned with digital transformation goals.</p> <p>In 2026, the Company will continue to foster its core culture and employer brand, and to ensure continuous engagement and preserving performance in an AI-augmented world.</p>

	Engagement	Feedback in 2025	Response and impact on Board decisions	Priorities for 2026 and beyond
<p>Investors</p> <p>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.</p>	<p>In 2025, TBC Bank conducted its usual comprehensive investor relations programme, ensuring robust engagement through various channels: Opportunities for investor engagement with senior management:</p> <ul style="list-style-type: none"> • Quarterly financial results calls. • Post-results roadshow meetings, in locations and regions including Europe, London, Scandinavia and the US. • Participation in investor conferences <p>Regular updates to the Board: The Chairman, and the Board as a whole, receive feedback from shareholders throughout the year by way of regular updates from the Investor Relations team.</p> <p>Corporate website investor section:</p> <ul style="list-style-type: none"> • Includes all London Stock Exchange regulatory announcements. • Provides access to all Annual Reports. • Features webcasts of results and other investor presentations for shareholders. 	<p>Investor discussions: Discussions with investors in 2025 largely centred on Uzbekistan, given challenges on the operating and regulatory fronts during the year. In particular, investors were focused on the changing regulatory environment, which has led to TBC Uzbekistan recalibrating its lending from consumer lending to MSMEs.</p>	<p>During 2025, the Head of International Business took an active role in investor communications, offering deeper insight into key developments and supporting the Group's broader engagement efforts.</p> <p>There was an ongoing focus on Uzbekistan operations to continue to educate shareholders on the long-term growth potential in Uzbekistan.</p> <p>Other active engagement with shareholders:</p> <ul style="list-style-type: none"> • 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. 	<p>In February 2026 the Group conducted a Strategy Day to present its new strategic outlook and financial targets for 2026-28 to investors.</p> <p>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.</p>
<p>Community and Environment</p> <p>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.</p>	<p>The CEO provides regular updates to the Board on engagement with the community. The various initiatives are set out on pages 114 to 119.</p> <p>The Board were provided with updates on the ESG strategy and its implementation. Regular updates were provided on the process of developing the ESG Strategy and setting ESG targets through the active work of the ESG and Ethics Committee. For more details, please refer to the Our Community section on pages 114 to 119.</p>	<p>Access to finance for individuals and businesses.</p> <p>Support for small businesses and entrepreneurship.</p> <p>Education and development opportunities for young people.</p> <p>Women's empowerment and related initiatives, aligned with the Bank's ESG Strategy.</p>	<p>Board Support for ESG Matters:</p> <ul style="list-style-type: none"> • The Board is supported by the ESG and Ethics Committee. Details of the Committee's work are available on pages 240 to 243 and in the • Community Engagement: Supported education through funding online technology courses for students in grades 9-12 across Georgia, as well as intensive courses in high-demand IT fields for young professionals aged 18 and over, aligning TBC's tech-driven strategy with developing the interests of young people. • Sponsored arts and culture projects, including Georgia's flagship literary award, SABA, and newer initiatives such as the Eliso Award, honouring excellence in Georgian cinema. • Continued support for the Georgian Rugby Federation, which extends from national level to club level, as well as the youth and Under-20 teams. <p>Support and training for women in Uzbekistan, to attend university, for female entrepreneurs, as well as the extension of the #OnSideOfWomenBusiness platform launched in 2023 to support women-led business growth and economic participation.</p>	<p>In 2026 our focus will continue on supporting education, culture, art and sports: areas where sustained support builds skills, strengthens communities and contributes to the Country's long-term development.</p>

2

Chapter










Governance

Our Executive Committee

The Executive Committee of TBC Bank Group PLC supports the CEO in formulating and executing strategies, creating operational plans, developing company policies, overseeing operational and financial performance, and evaluating and managing risks. Regular meetings of the Executive Committee offer a platform for the Group CEO to engage in discussions on strategic, financial, and commercial aspects concerning the Group's companies.

For full biographies please refer to our website:

www.tbcbankgroup.com

		
<p>Vakhtang Butskhrikidze CEO</p>	<p>Giorgi Megrelishvili Deputy CEO, Chief Financial Officer</p>	<p>Nino Masurashvili Deputy CEO, Chief Risk Officer</p>
		
<p>George Tkhelidze¹ Deputy CEO, Corporate & Investment Banking, Wealth Management</p>	<p>Tornike Gogichaishvili² Deputy CEO, MSME and Affluent Banking</p>	<p>Oliver Hughes Head of International Business</p>
		
<p>Nikoloz Kurdiani CEO of Group's Operations in Uzbekistan</p>	<p>Bidzina Matsaberidze Chief Information Officer</p>	<p>Gvantsa Murghvliani Head of Human Capital Management</p>

¹ Appointed as CEO of JSC TBC Bank with effect from 12 March 2026.

² Tornike Gogichaishvili, Deputy CEO and head of MSME and Affluent Banking, stepped down with effect from 1 March 2026.

Our Board



	Arne Berggren
Position	Chair
Committee	Chair of CGN, Member of HR & RemCo
Appointed	Board: 13 August 2019, Chair: 1 March 2021
Nationality	Swedish
Career	Arne has worked in the financial services industry for more than 30 years. He has held several senior leadership and advisory positions at prominent financial institutions, including the IMF, World Bank, Swedbank, Carnegie Investment Bank AB and the Swedish Ministry of Finance and Bank Support Authority. Arne played a leading role in the handling of the Swedish banking crisis in 1991-93 and assisted the FRA in Thailand and FSC/KAMCO in South Korea during the Asian crisis. Arne has also served as an independent Non-Executive Director in asset management companies in Turkey and Slovenia, and in Greece at Piraeus Bank.
Skills & experience	Experience in international financial institutions and advising governments; Board membership and committee chairing experience in other UK listed banks; Experience in investment banking activities and in leading bank restructurings; Deep understanding of strategic planning and implementation.
Contribution to the company	With more than 25 years of international banking experience, coupled with his background and broad experience, Arne provides a valuable perspective as Chair to the Board. Arne plays a pivotal role in supporting the Company's relationship with its major shareholders, and, through his extensive experience in navigating economic uncertainty, is invaluable in meeting the challenges facing the Company and the wider sector. As Chair of the Corporate Governance and Nominations Committee, Arne has secured a number of high calibre appointments in recent years. This has been instrumental in ensuring the composition of the Board matches the culture, strategy and leadership needs of the Company.
External appointments	Chairman of Hoting Innovations AB



	Tsira Kemularia
	Senior Independent Non-Executive Director
	Member of AC and CGN
	Board: 10 September 2018, Senior Independent Director: 15 September 2021
	British
	Tsira is an experienced finance executive with over 25 years of experience in a broad range of roles. Currently, Tsira is a Vice President for FTSE100 energy major, Shell's, Corporate segment and the UK Country Controller. She is also a member of Shell's UK Management Board and is a Trustee of a BG Pensions Scheme. Over the years, Tsira's management roles have covered a number of finance disciplines such as; Head of Internal Audit for Shell's Commodity business globally, Head of Shell's Group Pension Group Strategy and Standards, CFO of Shell's commodity trading business in the Caribbean, M&A, Commercial Finance Management role for Russia & CIS and Commodity Market Risk Management for crude oil trading in Europe.
	More than 25 years of in-depth experience across the energy sector including regulated commodity trading and financial services; Chartered Director and Fellow with the Institute of Directors in London, UK; Former member of the British-Georgian Society and former Chair of the Georgian Community in the UK; Relevant experience and expertise in information security risk management
	Tsira's specialist knowledge in the areas of financial services, risk management and internal audit enables her to contribute to, and constructively challenge on, a wide range of Board matters. As a Chartered Director, Tsira's leadership qualities ensure she can act as a sound advisor to the Chair and represent the interests of the other Directors. Tsira brings significant regulatory, strategic and international financial services expertise and knowledge of financial markets to the Board.
	Shell International Ltd - VP Corporate and UK Controller, and director of various Shell Group entities Company Nominated Trustee Director of the British Gas Trustee Solutions Ltd, a closed pension fund (post British Gas acquisition by Shell)



	Per Anders Fasth
	Independent Non-Executive Director
	Chair of AC, Member of RC and CGN
	4 May 2021
	Swedish
	Over the past 25 years, Per Anders has served as CEO at SBAB Bank, Hoist Finance and European Resolution Capital as well as CFO and other senior executive positions at the leading North-European bank SEB. He has also gained extensive strategic consulting experience having spent 10 years at top-tier consultancies McKinsey & Company and QVARTZ (now Bain & Company). Per Anders has been a non-executive director of more than 15 financial institutions in Europe. In addition, he has extensive professional experience from having worked in more than 20 European countries as a non-executive director and advisor to corporations and governments.
	Extensive CEO and senior executive experience, having spent more than 20 years at leading banks and other financial institutions; Over 40 years of accumulated experience as an independent non-executive director; Strong listed corporate governance, leadership and strategic advisory skills; Significant financial reporting, investor relations and internal controls experience; Relevant experience from the financial information technologies (fintech) and credit management industries across Europe.
	Per Anders is regarded as a financial expert in the context of audit and risk committee work. He has extensive experience of operating in regulatory environments and is widely regarded in both the corporate and financial world. Per Anders's broad leadership and global executive experience brings a wide perspective to his role as Chair of the Audit Committee and in Board discussions and decision-making.
	Chairman of Lyra Financial Wealth AB Board member of Atle Fund Management AB Board member and audit committee chair of JSB Ukrgasbank Board member and chair of risk and audit committee of Brocc Finance AB



	Janet Heckman
	Independent Non-Executive Director
	Chair of HR & RemCo, Member of CGN and ESCE
	23 February 2023
	American
	Janet was the Managing Director for the Southern and Eastern Mediterranean (SEMED) Region at the European Bank for Reconstruction and Development (EBRD) from February 2017 until December 2019. Based in Cairo, she was also the Country Head for Egypt. She currently serves as a non-executive director on the boards of Astana International Exchange, Air Astana, Kazakhstan and Citi Kazakhstan. During her long career at Citi, she spent time as EMEA Corporate and Investment Managing Director and held a number of field roles across EMEA, and was responsible for Global Relationship Banking across CEEMEA.
	Over 30 years' experience in corporate, investment and development banking. Extensive expertise in global relationship banking. 15 years' experience in operations management; Relevant experience of developing and delivering business plans and strategic change in a wide range of jurisdictions, including across Central and Eastern Europe, North Africa, the Middle East and Central Asia. This included the establishment of key partnerships with national governments.
	Janet brings her extensive knowledge of financial services and corporate banking to the Board, with her past experiences in the formulation and delivery of strategy for regional operations at the EBRD, she is well suited to help guide the Company as it seeks to harness the large growth potential of the Uzbek market.
	Board member and audit committee chair of Astana International Exchange Board member of Air Astana, Kazakhstan Board member of Citibank Kazakhstan

Our Board continued



	Monica Kalia
Position	Independent Non-Executive Director
Committee	Member of AC, ESGE and TDAC
Appointed	1 November 2025
Nationality	British
Career	<p>Monica is a financial services executive with over 30 years of experience in the finance and fintech industries. She was the Founder and Managing Director of Neyber, a multi-award winning fintech firm focused on financial wellbeing and also served as a Non-Executive Director on the Board of the Money and Pensions Service.</p> <p>Monica is a consumer champion and has served as a Trustee for the debt charity, StepChange, and as a panel member for the UK Government's independent review into Access to Cash. She has also been recognised by Forbes as one of the top female leaders in fintech and by the Financial Times as one of the Top 100 most influential BAME leaders in UK tech.</p> <p>Earlier in her career, Monica was Co-Head of the European Banks research team at Goldman Sachs.</p>
Skills & experience	<p>Demonstrable commitment to championing the cause of the advancement of women and minorities in business;</p> <p>Over 25 years' experience in the financial services sector; Extensive experience in improving financial capability in areas such as affordable credit, savings and debt advice.</p>
Contribution to the company	Monica brings a strong blend of financial, technological, strategic, and governance expertise, developed through senior executive and non-executive positions at leading institutions including Goldman Sachs, Credit Suisse, the Money and Pensions Service, and LifeSight Ltd. She has extensive hands-on leadership experience in fintech innovation, digital transformation, and data-driven business models, complemented by deep knowledge of regulatory compliance and risk management.
External appointments	No current additional listed board appointments.



	Eran Klein
	Independent Non-Executive Director
	Chair of ESGE, Member of TDAC and RC
	4 May 2021
	British
	<p>Eran is an experienced international banker. Over a career spanning more than two decades, he held senior roles at leading financial institutions such as Citibank, Deutsche Bank, ING, and Commerzbank. Covering both developed and emerging markets, he has focused on a range of functions within banking, including risk, banking strategy, ESG, technology, corporate governance, geopolitical environment, credit, and financial services regulation. He is particularly enthusiastic about the intersection of ESG, technology (including cyber, AI, and digital), and risk.</p> <p>Eran is a board member at Chapter Zero Uzbekistan and Chapter Zero Ukraine & Caucasus. Until recently, he served as a non-executive director at PrivatBank, the largest bank in Ukraine, where he chaired the Risk Committee during the war.</p> <p>Eran holds an LLM (Master of Laws) with distinction from Chuo University, Japan's leading law faculty, as well as an MSc (Sloan Masters) from London Business School, UK.</p>
	<p>Extensive experience in banking, credit, capital markets and financial regulations;</p> <p>Extensive experience in ESG;</p> <p>Expertise in risk, corporate governance, strategy and structuring;</p> <p>Extensive Emerging Markets banking and stakeholder management experience;</p> <p>Relevant experience and expertise in information security risk management.</p>
	Eran brings to the Board extensive risk, ESG, technology, governance, financial regulation and strategy experience that he has gained at large financial institutions and consulting fields in both developed and developing markets, making him an ideal fit to spearhead the ESG and Ethics Committee agenda, on behalf of the Group.
	<p>Supervisory board member of Chapter Zero Ukraine and Caucasus</p> <p>Advisory board member of Chapter Zero Uzbekistan</p>

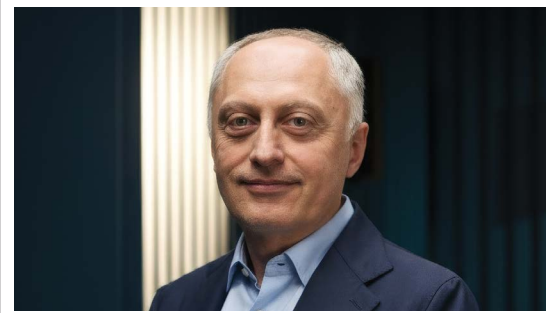


	Thymios P. Kyriakopoulos
	Independent Non-Executive Director
	Chair of RC, Member of AC and TDAC
	4 May 2021
	Greek
	<p>Thymios is a senior banking executive with considerable international experience. He specialises in investment management, operational transformation, balance sheet optimisation, risk management, and financial engineering. He served on the board of the Hellenic Corporation of Assets and Participations, the Greek sovereign wealth fund, as Chairman of its Investment and Risk Committee. He also served as Chairman of the Risk Committee of Attica Bank SA and is a member of the Board of Directors of Agreed Payments SA. Thymios was executive general manager and chief risk officer of Piraeus Bank S.A, a leading listed Greek Bank, Managing Director at Goldman Sachs Inc. in the fixed income currencies and commodities trading division, and has held board and executive roles in insurtech, fintech, financial services and advisory sectors.</p>
	<p>Extensive experience in global capital markets, corporate and retail credit, regional banking operations, and financial engineering;</p> <p>Expert risk manager, investment manager, and balance sheet optimiser; operational transformation leadership and crisis management spanning systemic banks and fintech;</p> <p>Strong governance, risk and asset management oversight skills for both listed and quasi-governmental entities.</p>
	Thymios brings extensive governance, financial and operational experience. His deep knowledge allows him to support and contribute to the strategic direction of the Company while controlling the path used in its implementation. Having led investment and risk functions in internationally listed banks and acted as chair of the investment committee of a national wealth fund, and chair of the risk committee of a listed Greek bank, Thymios's broad multijurisdictional risk expertise enables him to bring innovative and positive insights to his role as Chair of the Risk Committee.
	Board Member of Agreed Payments SA



	Rajeev Sawhney
	Independent Non-Executive Director
	Chair of TDAC, Member of RC and HR & RemCo
	24 November 2021
	Indian
	<p>Rajeev has 40 years' experience as a senior corporate growth executive. He specialises in digital technologies and has served in financial services and various other industry sectors in Europe, North America and Asia. Rajeev previously held the positions of Executive Chairman and non-executive director of OXSIGHT Ltd, a medical technology innovation company, and an Oxford University spin off. He was formerly a senior advisor to the CEO at global IT services firm Zensar Ltd in the UK and a member of the advisory board at Garble Cloud Inc., a cybersecurity company in Silicon Valley, USA. Prior to that, Rajeev gained strong operational experience as President of HCL Technologies and at the financial services firm, Mphasis, a Hewlett Packard company. Rajeev has been on the World Economic Forum expert Task Force on Low-Carbon Economic Prosperity, and contributed at the World Economic Forum Summer Davos on climate change deliberations.</p>
	<p>Strong global corporate leadership experience of more than 40 years;</p> <p>Significant advisory and executive experience with technology and cybersecurity companies in financial services and other industry sectors;</p> <p>Extensive expertise in Human Resource management;</p> <p>Relevant experience and expertise in information security risk management.</p>
	Rajeev brings the extensive international leadership and general management perspective that he has gained from the technology and fintech sectors to the Board. He provides valuable insights into the Company's increasingly important technological evolution. In line with this, he has been appointed Chair of the Technology and Data Committee, where he provides key support and leadership in these areas.
	No current additional board appointments

Our Board continued



	Nino Suknidze
Position	Independent Non-Executive Director and Employee Ambassador
Committee	Member of HR & RemCo and ESGE
Appointed	24 November 2021
Nationality	Georgian
Career	Nino is a business lawyer with over 20 years' experience in the Georgian market. She has a deep understanding of, and expertise in, various areas of practice including banking, finance, corporate, regulation, competition and capital markets. Previously, Nino served as general counsel at JSC Bank of Georgia. Before joining TBC Bank Group PLC, she held various positions at the Georgian offices of international law firms Dentons and DLA Piper over a period of more than 11 years. Currently Nino is the managing partner of the law firm Suknidze & Partners LLC.
Skills & experience	Strong financial services background; Extensive experience as a leading legal counsel in major financial services sector transactions and listings; Considerable governance, regulatory and risk management experience, including at an LSE-listed company; Experience in advising companies across a range of sectors, including telecommunications, pharmaceuticals, energy and commerce.
Contribution to the company	Nino is an experienced domestic and international lawyer with particular expertise in regulated sectors, where she has counselled on a wide range of legal, regulatory and business issues. Nino's valuable experience brings a considered perspective to the Board, and enriches discussion and strategic thought.
External appointments	Board member at Care Caucasus, a charity organisation in Georgia Member of the Board of Directors of the American Chamber of Commerce in Georgia (AMCHAM) Managing Partner at Suknidze & Partners

	Vakhtang Butskhrikidze
Position	Chief Executive Officer
Appointed	29 April 2016
Nationality	Georgian
Career	Vakhtang has more than 30 years of banking and financial industry experience. He led the Group from its founding in Georgia in 1992 as a start-up to the current market-leading financial institution. He joined TBC Bank as a Senior Manager in 1993 and became Chairman of the Management Board in 1996 Since 1998, he has held the position of Chief Executive Officer of JSC TBC Bank and was appointed as Chief Executive Officer of the Company in May 2016. Vakhtang is a prominent banker in the Caucasus and Eastern European region and has received several prestigious awards, including the Best Banker 2011 award from the GUAM Organisation for Democracy and Economic Development and was named CEO of the Year 2014 for Central and Eastern Europe and the CIS by EMEA Finance magazine. In March 2019, he won the Special Award for Responsible Capitalism in Adversity from the prestigious FIRST organisation - a multidisciplinary international affairs organisation, which aims to enhance dialogue between leaders in industry, finance and government.
Skills & experience	Leading banker in the Caucasus and Eastern European region; Over 25 years' strategic and financial leadership experience; Robust knowledge and expertise of strategic planning and development, start-up and fintech management, mergers and acquisitions, equity and debt capital raising and investor relations.
Contribution to the company	Vakhtang is an experienced leader with a strong track record of building and driving profitable growth. Vakhtang has gained detailed knowledge and experience through the various positions he has held within the business. This enables him to provide the Board with highly relevant and valuable leadership as TBC Bank Group PLC continues to focus on delivering long-term sustainable value for all its stakeholders.
External appointments	Board member of the Association of Banks of Georgia Board member of the Business Association of Georgia Member of the Visa Central & Eastern Europe, Middle East and Africa (CEMEA) Business Council

AC	Audit Committee
RC	Risk Committee
CGN	Corporate Governance and Nomination Committee
HR & RemCo	Human Resources and Remuneration Committee
TDAC	Technology, Data, AI and Cybersecurity Committee
ESGE	ESG and Ethics Committee



Corporate Governance Statement



GOVERNANCE HIGHLIGHTS FOR 2025:

- Approved comprehensive Group and business unit strategies, designed to accelerate sustainable growth, optimise profitability, deliver consistent shareholder value, and strengthen enterprise resilience.
- Approved quarterly dividend distributions to enhance shareholder value through more regular returns.
- Continued to advance risk management capabilities and control mechanisms across all lines of defence, and monitored the implementation of an integrated Internal Controls framework throughout the Group to ensure comprehensive oversight and regulatory compliance.
- Agreed an enhancement of its joint venture arrangements with the European Bank for Reconstruction and Development ("EBRD") and the International Finance Corporation ("IFC") by consolidation of its businesses in Uzbekistan under a single holding company, TBC Digital, to support continued growth.
- Appointed Monica Kalia as an independent Non-Executive Director, further strengthening the Board's overall expertise and capabilities to assist it in advancing the Group's long-term ambitions.
- Appointed George Tkheldze as CEO of the Group's subsidiary, JSC TBC Bank, to enable the Group CEO, Vakhtang Butskhrikidze to focus on Group strategy in Georgia, Uzbekistan and internationally.
- Devoted significant attention to leadership capabilities and succession planning, strengthening management depth through internal talent development and with targeted recruitment.
- Transitioned from AI experimentation to large-scale implementation, with GenAI-powered chatbots handling over 1 million monthly interactions in Georgia and voice-based agents managing 90% of payment reminder calls in Uzbekistan. The Bank completed formation of its core AI stack across both markets, automating over 70 internal workflows and launching AI assistants that significantly improved customer experience and operational efficiency.

OVERVIEW

The Group's Corporate Governance Statement for 2025 sets out the approach to governance and the work of the Board in this area over the previous year, together with the Board's ambitions for the year ahead. It explains how the Company has applied the main principles of the UK Corporate Governance Code 2024 (the "Code") as well as the work of the Board and its six Committees:

- Corporate Governance & Nomination Committee
- Audit Committee
- Risk Committee
- Human Resources and Remuneration Committee
- Technology, Data, AI & Cybersecurity Committee
- ESG & Ethics Committee

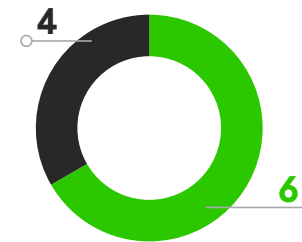
The Board is responsible for the long-term success of the Company, and its governance framework underpins that success. One of the Board's main responsibilities is to ensure the Group applies the highest standards of corporate governance, and that this is embedded in the culture and operations of the business. The Board's key corporate governance activities of 2025 are set out in this overview.

CORPORATE GOVERNANCE CODE COMPLIANCE STATEMENT

This Corporate Governance Statement, together with the Corporate Governance & Nomination Committee Report on pages 192 to 197, the Audit Committee Report on pages 198 to 206, the Risk Committee Report on pages 208 to 213, and the Directors' Human Resources and Remuneration Report on pages 214 to 234, provide a description of how the main principles of the Code have been applied by the Company during 2025. The Code is published by the Financial Reporting Council and is available on its website at www.frc.org.uk. It is the Board's view that, throughout the year ended 31 December 2025, the Company fully complied with the relevant provisions set out in the Code.

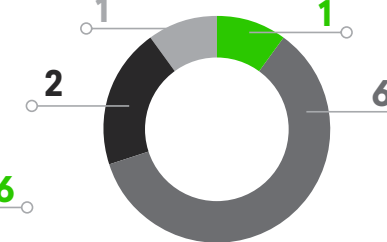
Board composition

GENDER DIVERSITY



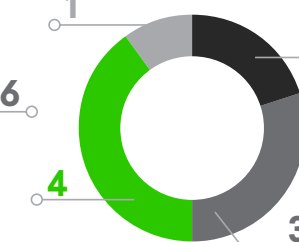
- Male
- Female

BOARD TENURE



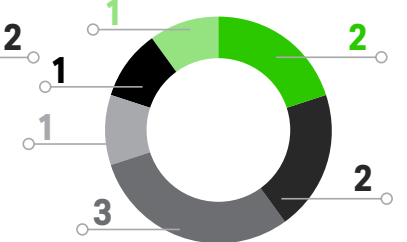
- 0-2 years
- 2-5 years
- 5-8 years
- 9+ (CEO)

AGE



- 40-49
- 50-59
- 60-69
- 70+

NATIONALITY



- Sweden
- Georgia
- UK
- India
- USA
- Greece

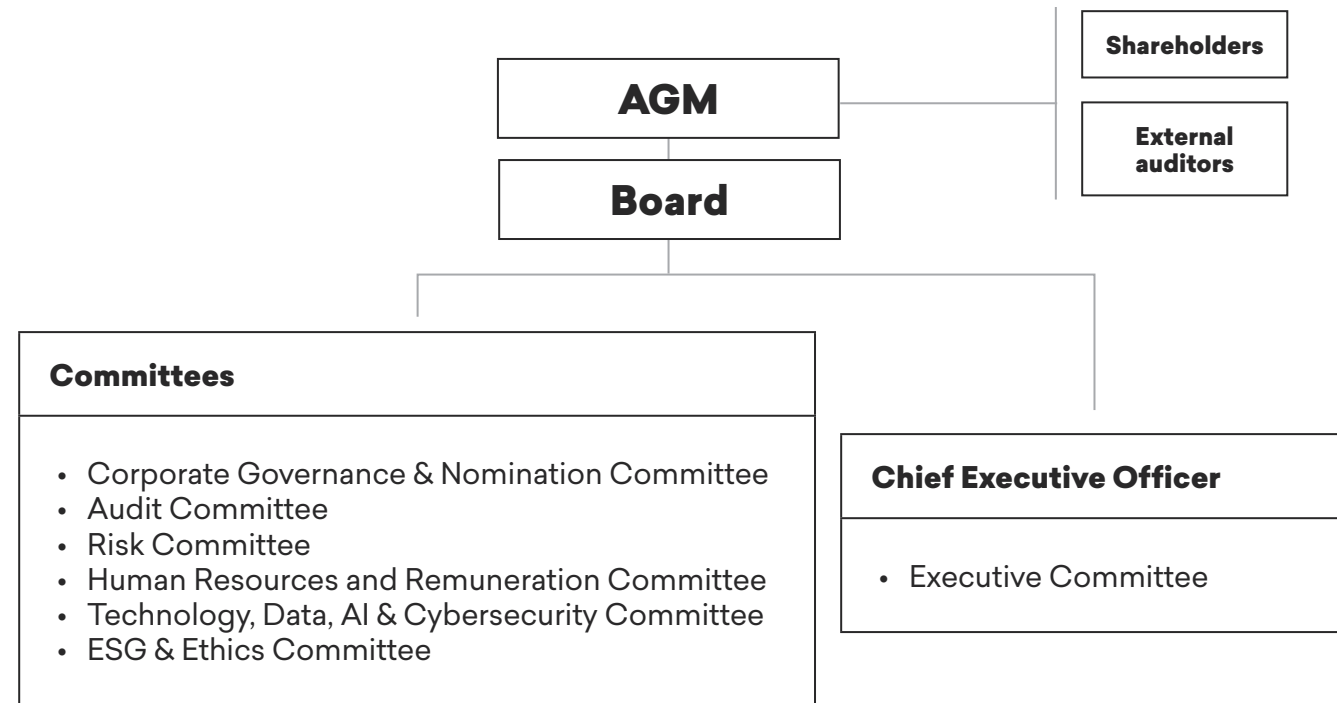
HOW WE OPERATE

The Board comprises the Chairman, eight independent Non-Executive Directors and the Chief Executive Officer. The Company operates a "mirror board" policy approach to its largest subsidiary, JSC TBC Bank. The Chairman and all independent Non- Executive Directors are expected to be members of the mirror board. The Chief Executive Officer is not a member of the supervisory board of JSC TBC Bank due to being the CEO of JSC TBC Bank, in accordance with the requirements of Georgian legislation.

DIVISION OF RESPONSIBILITIES

Board roles

There is a clear division between Non-Executive and Executive responsibilities which ensures accountability and oversight. The roles of Chairman and Chief Executive Officer are separately held, and their responsibilities are well defined, set out in writing and regularly reviewed by the Board. The role and remits of each of the Board Committees, alongside details of how each Committee has fulfilled that role and remit over 2025, are set out in the Committee reports. A full breakdown of the division of responsibilities between the Chairman, CEO and the Senior Independent Director is available on the website: www.tcbankgroup.com.



<p>Chairman</p> <p>The Chairman's principal responsibility is leadership and the effective running of the Board.</p>	<p>CEO</p> <p>The CEO's principal responsibility is running the Group's businesses. He is responsible for all executive management matters affecting the Group.</p>
<p>Senior independent director</p> <p>Provides a sounding board to the Chairman, and serves as an intermediary for other Directors, as well as being available to shareholders where necessary.</p>	<p>Non-executive directors</p> <p>Provide constructive challenge to the executive, as well as being a sounding board to the Chairman where necessary. Additionally, along with the Senior Independent Director, provide entrepreneurial leadership of the Group, and being collectively responsible, with the whole Board, for the long-term success of the Group and delivery of sustainable value to shareholders.</p>

If there is a need for independent advice in exercising any part of its remit, the Board or any of its members may seek this directly at the Company's expense. An established procedure for Directors, in relevant circumstances, allows for them to request to obtain independent professional advice at the Company's expense. No such requests were made in 2025. Directors' and Officers' Liability Insurance is maintained for all Directors.

Company secretary

Giorgi Giguashvili was appointed as Company Secretary from 1 October 2024.

Board leadership

The Board is the principal decision-making body of the Group and is collectively responsible for promoting the Group's purpose, strategy, culture, values and long-term success. The Board is composed of highly skilled professionals who bring a range of perspectives and corporate experience to the Boardroom (Directors' biographies are on pages 174 to 178).

Board attendance 2025

Board member	Board	Corporate Governance & Nomination Committee	Audit Committee	Risk Committee	Human Resources & Remuneration Committee	Technology, Data, AI & Cybersecurity Committee	ESG & Ethics Committee
Arne Berggren	14/14	7/7	-	-	5/5	-	-
Tsira Kemularia	14/14	7/7	6/7	-	4/4	-	-
Per Anders Fasth*	14/14	5/5	7/7	11/11	1/1	-	-
Janet Heckman	13/14	1/1	-	8/8	5/5	-	4/4
Monica Kalia*	2/2	-	2/2	-	-	1/1	-
Eran Klein	14/14	-	-	11/11	-	4/4	4/4
Thymios P. Kyriakopoulos	14/14	-	7/7	11/11	-	4/4	-
Nino Suknidze*	13/14	6/6	5/5	-	1/1	-	3/3
Rajeev Sawhney*	14/14	2/2	-	3/3	4/4	4/4	4/4
Vakhtang Butskhrikidze	14/14	-	-	-	-	-	-

* Janet Heckman stepped down from the Risk Committee on 1 November 2025 and was appointed to the Corporate Governance and Nomination Committee on 1 November 2025.
 * Per Anders Fasth stepped down from the Human Resources and Remuneration Committee on 12 February 2025 and was appointed to the Corporate Governance and Nomination Committee on 12 February 2025.
 * Monica Kalia joined the Board on 1 November 2025.
 * Tsira Kemularia stepped down from the HR and Remuneration Committee on 1 November 2025
 * Rajeev Sawhney stepped down from the Corporate Governance and Nomination Committee on 12 February 2025 and the ESG and Ethics Committee on 1 November 2025. He was appointed to the Human Resources and Remuneration Committee on 12 February 2025 and to the Risk Committee on 1 November 2025.
 * Nino Suknidze was appointed to the ESG and Ethics Committee on 12 February 2025 and the HR and Remuneration Committee on 1 November 2025. She stepped down from the Corporate Governance and Nomination Committee and Audit Committee on 1 November 2025.

1 Janet Heckman and Nino Suknidze were unable to attend one meeting each due to a prior commitment, however both provided full comments on the materials discussed at those meetings.

Matters reserved for the Board

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	Strategic priorities <i>(see page 23)</i>	Key stakeholders
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 life easier. More details on the Company's purpose, values and culture are set out later in this report.	Customer Experience	Customers, Colleagues, Communities, Investors
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 strategy. Further details on the strategic priorities are set out on pages 22 to 23. Key performance indicators are set out on pages 24 to 27.	Georgia - Market Leader Customer Experience Uzbekistan - Global Leader Digital Engagement	Customers, Colleagues, Communities, Investors
Organisation and leadership effectiveness	To ensure that the organisation leadership, design, capabilities and supporting systems match the requirements of the Group and the diverse strategies of the current and future businesses. Further details of the leadership team are set out on pages 172 to 173. Risk management and internal control systems and processes are set out on pages 72 to 75.	Digital Engagement Customer Experience	Customers, Colleagues, Communities, Investors
Operational and financial performance	Performance of the Group is reviewed in light of strategic aims, business plans and budgets. With the support of the Audit Committee, the Board approves the Group's annual and interim financial statements. Further details of the financial performance are set out on pages 236 to 385.	Georgia - Market Leader Uzbekistan - Global Leader Digital Engagement	Customers, Colleagues, Investors
Shareholder and stakeholder engagement	The Company puts the balance of stakeholder interests and the long-term interests of the Group at the heart of all of its decision-making. Further details of how the Company has engaged with stakeholders over 2025 and how it has taken stakeholders into account in its decision-making process are set out on pages 162 to 169.	Georgia - Market Leader Uzbekistan - Global Leader	Investors, Customers, Colleagues, Communities

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

ALIGNING PURPOSE, STRATEGY AND CULTURE

Purpose	Strategy	Culture
TBC Bank Group PLC aims to make people's lives easier	The Group's strategy focuses on delivering value to stakeholders by providing leading financial services in Georgia, building a digital ecosystem in Uzbekistan, and driving innovation through digitisation and automation. Guided by a customer-centric approach, the Board is committed to sustaining growth through income diversification and operational excellence, aligning with the mission to simplify lives and create long-term value.	The Board is responsible for defining, monitoring, and overseeing the Company's culture to ensure alignment with its purpose and strategy. It sets the tone from the top, fostering responsible behaviour across the organisation. Key stakeholder considerations and governance issues are central to Board decision-making, guided by the Chairman's careful management of the annual agenda. Regular updates on culture, employee engagement surveys, and alignment with TBC values are provided to the Board, offering insights into areas requiring executive focus, such as process simplification and improvement.

Principal decisions

During the year, the Board held a total of 14 meetings. 2 of these meetings were held in Georgia, 2 in London, and 1 in Uzbekistan, where the Directors attended in person. The remaining meetings were held in London or conducted via video conference. Attendance details for these meetings are provided on page 183.

Throughout the year, the Board addressed a broad range of strategic and operational matters, including:

- Macro-Economic Outlook and Political Risks
- Strategy Development and the Group's Strategic Journey
- Capital and Budget Planning
- Performance Reporting for the Last Period
- Financial Reports and Audit Issues
- Risk Management and other Internal Control Matters
- Corporate Governance Matters
- Remuneration and HR Issues
- Technology and Data Initiatives
- ESG and Ethics Matters
- Policy Reviews and Approvals

These discussions underscored the Board's commitment to maintaining robust governance, strategic alignment, and operational excellence.

Strategy and business performance

The Board approved the Group Strategy for 2026-2028, continuing its focus on an ambitious roadmap of providing full-spectrum market leadership in Georgia, a scaled digital ecosystem in Uzbekistan, and a disciplined third market entry. It also endorsed the Investor Relations strategy, aiming to strengthen the Group's market presence and enhancing investor communications.

The International Expansion Strategy and the Uzbekistan Strategy were both updated. These strategies support the Group's ambition to establish the largest digital financial ecosystem in Central Asia, and ensures the consolidation and importance of the Group's operations in Uzbekistan in consideration of potential markets.

The Board also approved the ESG Strategy, which underscores the Company's commitment to making a lasting sustainable impact by integrating ESG considerations into its operations, and is built around three pillars: a sustainable portfolio, climate-related risks, and diversity.

Key segmental strategies approved include the Unsecured Lending & Branch Network Strategy, Payment and Daily Banking Strategy, Retail / MSME Strategy. These strategies are designed to support and accelerate the Group's growth by pioneering innovation, deepening customer relationships, and driving synergies across business segments. The Board, with the support of the Technology, Data, AI and Cybersecurity Committee, endorsed the AI Strategy, and approved the Secure and Ethical Use of AI policy, reinforcing its commitment to harnessing AI as a catalyst for responsible business excellence and transparent operations.

The Board further endorsed Risk, IT, and HR and People strategies to ensure strong risk management, technological advancement, and talent development, all providing essential support for the Group's strategic goals.

Financial decisions

The Board considered, reviewed and approved the quarterly, interim and annual financial statements, including approval of the going concern basis of preparation and the Group's viability statement. A share buy-back programme was carefully considered and, after having considered the possible impact on the company's capital reserves, approved by the Board. The Board also approved the Company's interim and final dividend payments.

The Board reviewed and approved the Company's annual budget and long-term financial plan, designed to drive strategic growth and capitalise on emerging opportunities.

Risk, regulatory and legal considerations

With the support of the Risk Committee, the Board considered and approved the Bank's and the Group's overall risk strategy, risk appetite, recovery plan and long term capital and liquidity (including Internal Capital Adequacy Assessment Plan and Internal Liquidity Adequacy Assessment Plan). The Board received in-depth presentations on principal risks and focused on establishing risk and control best practices across the Group and its subsidiaries, while remaining informed on relevant regulatory changes and geopolitical, micro and macro-economic developments with potential impact. The Board also received quarterly progress reports from control functions, and also reviewed and approved the Internal Control Policy.

Governance

In 2025, the Board focused on strengthening the refreshed corporate governance framework developed and introduced by the Board in 2024, through an updated Group Member Governance policy, delegation and escalation protocols, refreshed clarity to divisions of responsibilities, and clear reporting lines between the Group and its subsidiaries, as well as between the Board and management. These efforts will support the drive for more synergies and strengthened governance as the Group continues to expand in international markets.

The Board continued to advance and promote succession planning to ensure a robust leadership pipeline that supports sustainable growth and long-term stability, and progress was made in ensuring the skills and experiences of executive talent meets the future needs of the Group and ensures its global competitiveness.

During the year, the relevant Committee and the Board reviewed and approved several critical policies to strengthen governance, risk management, and operational effectiveness.

Following an externally facilitated Board evaluation exercise, the Board and its Committees were assessed as functioning effectively. A detailed review of the findings resulted in annual action plans to drive further performance improvements, with progress against these plans regularly monitored throughout the year, more detail on which can be found on page 189.

BOARD OF DIRECTORS

Balance, skills and experience

In accordance with the Code, the majority of the Board are independent Non-Executive Directors. At the time of this report's publication, the Board comprises the Chairman, eight independent Non-Executive Directors and one Executive Director. Board and Committee composition can be found on page 183. Each Non-Executive Director is obliged to the inform the Board of any circumstances that could impact their independence.

The key contributions and relevant experience of each Director are set out on pages 174 to 178.

Diversity and inclusion

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 2025. The Policy allows the Board to ensure that Board appointments contribute to the Group-wide ambitions of diversity and inclusion. The Board is committed to ensuring the search for any additional Non-Executive Director considers the strengths that diversity, including gender, 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 and Company's diversity aims.

More information on Board diversity can be found in the Corporate Governance and Nomination Committee Report on pages 192 to 197 and the Board Diversity Policy is available at www.tbcbankgroup.com.

Ethnic and gender diversity

The Board exceeds 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 ambitions of the Parker Review to set targets relating to executive and their direct reports, and although the Group's operations are in jurisdictions with low levels of ethnic diversity, the Board embraces the significant value that inclusion and diversity of background bring to well-rounded Board discussions and robust decision-making. Although the Board has not yet set targets, it is working towards the 2027 target, and discussions have taken place at the Corporate Governance and Nomination Committee as well as the Board as to what these targets might look like, and being mindful of the region that the Group operates in. Most of TBC Bank Group PLC's workforce is based in Georgia and Uzbekistan, and as such it will look to set targets that take these demographic factors into account to ensure they are meaningful to the countries in which its workforce are located, 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 and maintained. As at the date of this Annual Report, four (40%) of the ten directors are female, and one of the senior board positions is held by a woman. The female representation of the Executive Committee is 25%.

In accordance with Listing Rule 6.6.6(10) and UKLR 6 Annex 1R, the gender and ethnicity of the Board can be found below; the position of the Senior Independent Director is held by Tsira Kemularia, a woman; and two members of the Board are from a minority ethnic background. For more information on our ethnic and gender diversity, please see page 196 of this Annual Report.

	Number of Board members	Percentage of the board (%)	Number of senior positions on the board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management (%)
Men	6	60	2	6	75
Women	4	40	1	2	25
Not specified/ prefer not to say	0	0	0	0	0
Total	10	100	3	8	100

	Number of Board members	Percentage of the board (%)	Number of senior positions on the board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management (%)
White British or other White (including minority-white groups)	8	80	3	8	100
Mixed/Multiple Ethnic Groups	0	0	0	0	0
Asian/Asian British	2	20	0	0	0
Black/African/ Caribbean/ Black British	0	0	0	0	0
Other ethnic group, including Arab	0	0	0	0	0
Not specified/ prefer not to say	0	0	0	0	0
Total	10	100	3	8	100

The CFO is not on the Board

Induction and training

Formal inductions are arranged for newly appointed Directors based on individual needs, skills and experience. Typically, these include a series of trainings tailored to individual needs, meetings with the Chairman of the Board and other Directors and executive management, as well as local site visits to provide familiarity with the business. An induction handbook is also provided to all newly appointed Directors.

In addition to its regular duties, there is a programme of ongoing training and continuing professional development for directors, to support individual and collective learning and development. In 2025, the Board undertook training on key topics, including:

- Data, Analytics and impact on business
- Customer Experience – Global and Local Perspectives
- Cybersecurity and Crisis Management

More detail of the training programmes undertaken in 2025 is provided on page 195.

Conflicts of interest

The Company's Articles of Association contain provisions which permit unconflicted Directors to authorise conflict situations, and the Board has adopted guidelines for dealing with conflicts of interest, with Directors' outside interests being regularly reviewed by the Corporate Governance and Nomination Committee, and responsibility for authorising conflicts of interest reserved for the Board.

Directors are required to report actual or potential conflicts of interests to the Board for consideration and the Company maintains a register of authorised conflicts of interest. The Chairman notes the Register and reminds Directors of their duties under the Companies Act 2006 relating to the disclosure of any conflicts of interest at the beginning of each Board meeting.

In the case of a potential conflict, the Corporate Governance and Nomination Committee considers the circumstances, appropriate controls and protocols and makes a recommendation to the Board. The Board confirmed that it was not aware of any situations that may or did give rise to conflicts with the interests of the Company, other than those that may arise from Directors' other appointments as disclosed in their biographies.

Other external appointments

Directors must disclose to the Board any alterations to their external commitments that arise during the year with an indication of the time commitment involved, and to notify the Board in advance of any additional external appointments. In 2025, the Board reviewed the Directors' current list of external appointments and confirmed that it does not believe any current directorships will affect the Non-Executive Directors' commitment to, or involvement with, the TBC Bank Group PLC Board, nor will they give rise to a potential conflict of interest which cannot be effectively managed by recusal.

Re-election of Directors

All Directors of the Board will be standing for re-election at this year's Annual General Meeting. Further information will be set out in the Notice of AGM. Biographical details of the Directors are included on pages 174 to 178.

How the Board monitors its performance

Throughout the year, the Chairman meets regularly and individually with each Director to discuss areas of focus and development for the following year. In addition, the Senior Independent Director works with the Board and management, including on 360 feedback, and feeds back to the Chairman on matters relevant to the Board and its performance. Further, and in line with best practice, an annual evaluation process is undertaken which considers the performance of the Board, its Committees and individual Directors.

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.

Areas of strength and areas for development are identified through the activities outlined above, and Lintstock's evaluations further inform training plans for Directors and identify areas of knowledge, expertise or diversity which should be considered in the succession plans. These outputs inform the themes and focus areas for the upcoming year, which in turn are agreed by the Board and reviewed on a regular basis in formal Board meetings. For more detail on the most recent Board evaluation please see later in this report.

Process steps for the externally facilitated Board evaluation

Step 1	Step 2	Step 3	Step 4
The Chairman and Company Secretary worked with Lintstock and undertook initial scoping and consultation on the process to be undertaken.	Following consultation and collaboration with the Board, Lintstock designed a survey appropriate to the Company's needs and tailored to its specific circumstances. As well as covering core aspects of governance, such as information, composition and dynamics, the review considered people, strategy and risk areas.	Board members completed the surveys, with anonymity ensured throughout the process to encourage open and candid feedback.	Lintstock provided a report of the Board evaluation to the Chairman and Company Secretary for discussion at the Board and each of the Committees. Additionally, Lintstock briefed the Chair and Board on the key findings and peer context.

This year's review placed particular emphasis on explicitly examining the Board's responsibilities in respect of JSC TBC Bank, and those relating to TBC Group as a whole.

2024 Board evaluation

The Board was found to have driven progress in terms of internal control and risk culture, as well as having an evolving and effective committee structure to support as effectively as possible. Confidence was again expressed in the Board's ability to provide rigorous challenge and confident oversight to the business.

Outcomes from the 2025 Board evaluation

In Lintstock's most recent Board evaluation, the findings were positive and encouraging. The Board was found to have worked effectively and supportively within an increasingly complex governance structure, competitive pressures, and against a backdrop of continuing political and geopolitical uncertainty and a fast-changing technological landscape.

Lintstock again undertook an analysis of the TBC Board relative to the Lintstock Governance Index, which helped the Directors to understand how the TBC Bank Group Board compares with other similar organisations, putting the findings into context.

Following discussion of the evaluation, the Board identified and agreed a number of priorities to enable continuous improvement, including: ongoing education and skills development for Directors to ensure digital technology expertise and oversight remained robust; to ensure a strong customer-first lens remained the focus of future strategy discussions; and to increase collaboration between the Board and investors, to ensure their views are well understood and represented in Board discussion. In addition, the Chair met with all Committee Chairs individually to discuss and agree priorities arising from Lintstock's review, which were directly applicable for their respective committee.

TCFD RELATED DISCLOSURES

The Board has overall responsibility for ESG and climate-related risk management; the ESG strategy was approved by the Board in November 2021 and is reviewed on an annual basis. The Board created a dedicated ESG and Ethics Committee in January 2022, responsible for supporting the Board in its oversight of ESG strategy implementation. The executive management has also established an ESG Committee for JSC TBC Bank, which monitors ESG and climate-related risks daily and provides quarterly reports to the ESG and Ethics Committee


More detail on the information that helps the Board understand the Company's climate risk profile are available in the TCFD disclosure section on pages 128 to 136 and in the ESG and Ethics Committee Report on pages 240 to 243.

ENGAGEMENT WITH SHAREHOLDERS

Effective communication with shareholders remains a priority for the Board. The Company's investor relations programme offers investors various opportunities to engage with executive management. The Company has a dedicated Investor Relations (IR) team, which is the first port of call for investors and analysts. Shareholders, potential investors and analysts are able to ask questions about the Group through the Company's permanent representative in London, who is always available to offer investor meetings and updates on investor relations and international media on behalf of the executive management team. The Chairman, Senior Independent Director and CEO are available to discuss the concerns of shareholders at any point during the year. Committee chairs are also available to answer shareholder questions at the AGM of the Company or at any time during the year. Details of our engagement with the shareholders can be found on pages 162 to 169.

ANNUAL GENERAL MEETING

The Notice of Annual General Meeting ("AGM") for 2026 will be circulated to all the shareholders at least 21 working days before the AGM and will also be made available on the investor relations website www.tcbankgroup.com. The voting on the resolutions will be announced via the Regulatory News Service and made available on the investor relations website www.tcbankgroup.com.



Arne Berggren
Chairman

7 April 2026



Corporate Governance and Nomination Committee Report



CHAIRMAN AND COMMITTEE BACKGROUND

Arne Berggren has chaired the Committee since September 2021. He has extensive experience of board and committee chairing at prominent financial institutions.

The Board is satisfied that the Committee as a whole has the competence relevant to the sector, and its members have an appropriate level of experience.

MEMBERS OF THE COMMITTEE

- Arne Berggren (Chairman of the Committee)
- Janet Heckman* (joined 1 November 2025)
- Tsira Kemularia*
- Per Anders Fasth* (joined 12 February 2025)
- Rajeev Sawhney* (stepped down 12 February 2025)
- Nino Suknidze* (stepped down 1 November 2025)

Meeting attendance shown on page 183

*Independent Director

KEY AREAS OF RESPONSIBILITY

- Corporate Governance
- Board Composition and Succession Planning
- Board Induction and Training
- Board Effectiveness
- Supervisory Board Appointments and Evaluation
- Group-wide talent management and success planning

More information on the Corporate Governance and Nomination Committee's roles and responsibilities can be found in its Terms of Reference, reviewed in December 2025, which have been adopted by the Board and are available on the Company's website: www.tcbankgroup.com.

COMMITTEE PURPOSE

The Corporate Governance and Nomination Committee oversees the Group's governance framework, policies and practices to ensure alignment with regulatory requirements and best practice. It supports the Board by overseeing Board composition and succession planning, ensuring the Board's size, structure, diversity and collective skills remain appropriate for the Group's strategy and risk profile. This includes Board induction, ongoing training and effectiveness, Board and committee evaluations, and appointments. The Committee also supports effective succession for executive management and other critical roles, underpinned by Group-wide talent management processes, and reports to the Board at least quarterly.

DURING THE YEAR THE COMMITTEE FOCUSED ON:

- The implementation of a unified corporate governance framework to guide subsidiary governance across the Group, building on governance mechanisms introduced in previous years.
- Governance around international expansion, including the establishment of sophisticated governance structures for TBC Uzbekistan.
- Ensuring ongoing alignment with diversity and inclusion best practice and regulatory compliance requirements, including the UK Corporate Governance Code 2024 and National Bank of Georgia requirements around director appointments.
- Talent management, succession planning and strategic appointments to reflect the Group's digital transformation priorities.
- Committee rotation strategy, to maintain expertise whilst introducing fresh perspectives.

PRINCIPAL ACTIVITIES AND SIGNIFICANT ISSUES CONSIDERED DURING 2025

Area of focus: Board composition and succession planning

Committee responsibility

The Committee reviews and makes recommendations to the Board on the structure, size and composition of the Board and its Committees, taking into account all applicable considerations including regulatory requirements, best practice, independence and diversity. The Committee is also responsible for setting and regularly reviewing succession plans for the Board and its Committees.

Activity and actions taken by the Committee

In line with its responsibilities, the Committee has remained focused on succession planning at both the Board and senior management levels to foster a strong and diverse talent pipeline. The Committee kept the Board Succession Policy under review, to ensure it remains aligned with the organisation's strategic priorities.

A key priority for the Committee during the year was the recruitment process resulting in the appointment of Monica Kalia, on which more information can be found later in this Committee report. The Committee also continued to build on discussions held in 2024, which had established a preliminary pipeline of potential Board candidates.

In addition to its work on leadership development and succession planning, the Committee undertook a review of the Board's skills matrix, with the support of Lintstock, and the suitability of the Board and Committee composition, resulting in a number of changes to Committee membership to ensure ongoing expertise alongside fresh perspectives and viewpoints.

Area of Focus: Group and Supervisory Board Appointments, Evaluation and Succession Planning

Committee Responsibility	Activity and actions taken by the Committee
<p>The Committee conducts the annual review of the CEO's performance in accordance with the approved process, and sets and maintains succession plans for the CEO.</p> <p>The Committee also reviews succession plans for Senior Management and the Company Secretary, making recommendations to the Board on any proposed changes.</p> <p>Furthermore, the Committee is responsible for making recommendations on appointments to the supervisory boards of principal/ material subsidiaries, in line with the Group's corporate governance framework.</p>	<p>The Committee oversaw the annual review of CEO performance, and used the feedback and findings to inform its work on ensuring suitable succession plans were in place for the CEO, Deputy CEOs and their direct reports.</p> <p>Over 2025, the Committee also managed complex governance appointments across TBC's international operations, particularly in Uzbekistan where strategic partnerships with IFC and EBRD required sophisticated board structures. Key executive appointments included CRO and CFO positions for TBC's Uzbekistan operations, with comprehensive interview and assessment processes. As part of the Board's commitment to ensuring it fosters the talents and expertise of its executive management team, the Committee reviewed and monitored the implementation of the management succession plan.</p> <p>During 2025, the Committee recommended to the Board for approval the a number of Group appointments and the extension of key management contracts, including the appointment of George Tkhelidze as CEO of TBC Bank Group's Georgian subsidiary, JSC TBC Bank.</p>

Area of Focus: Corporate Governance

Committee Responsibility	Activity and actions taken by the Committee
<p>The Committee is responsible for reviewing the effectiveness and adequacy of the Group's corporate governance framework and practices, and for monitoring activity relating to legal and regulatory developments, Board governance and best practice in corporate governance, to consider how these might affect the Group.</p>	<p>The Committee continued its focus on the implementation of the comprehensive corporate governance framework introduced during 2024, which was identified as a key priority for 2025, and provided enhanced governance policies, delegation protocols, and instructions for subsidiary operations across Georgia and Uzbekistan. Key activities included the development of the TBC Group Member Governance Policy and Delegation and Escalation Protocol, creation of instructions to CEO and Owner's Directives to Subsidiaries, and integration of regulatory developments covering fraud prevention, director verification, and technology governance.</p> <p>The Committee also received regular updates from the Company Secretary on recent and upcoming developments in UK corporate governance matters.</p>

Area of Focus: Board Effectiveness

Committee Responsibility	Activity and actions taken by the Committee
<p>The Committee helps to implement the annual process for evaluating the effectiveness of the Board and its committees, reviews the results of that process, and recommends to the Board an action plan arising from its outcome.</p>	<p>The Committee facilitated comprehensive board evaluation processes, implementing both internal assessment and external review components. Board themes for 2025 focused on strategic matters and commercial priorities, with infrastructure in place for routine oversight functions. The evaluation identified areas for focus including maintaining strategic and commercial focus, evolving the Board's composition, and focusing on talent management.</p>

Area of Focus: Group-wide talent management

Committee Responsibility	Activity and actions taken by the Committee
<p>The Committee regularly assesses talent management strategy throughout the Group, ensuring there is a sufficient pipeline of diverse talent available to achieve the Group's current strategy.</p>	<p>The Committee reviewed the outcomes of a full succession planning cycle for all leadership roles below the executive committee supported by detailed implementation and action plans. Focus areas included strengthening senior leadership succession where necessary, expanding talent identification and visibility, and implementing a robust annual monitoring cycle.</p>

Area of Focus: Board Induction and Training

Committee Responsibility	Activity and actions taken by the Committee
<p>The Committee is responsible for creating and reviewing the induction process for new Directors of the Board. The Committee also regularly assesses the training requirements of the Board members.</p>	<p>On appointment, Monica Kalia was provided with a comprehensive and tailored induction programme, during which she met members of executive management and received information about the role of the Board and individual Directors, each Board Committee and the powers delegated to those Committees. The programme is designed to provide a full understanding of the Company's business, governance framework and strategic priorities. Directors are also advised by the General Counsel and Company Secretary of the legal and regulatory obligations of a director of a company listed on the London Stock Exchange.</p> <p>The Committee maintained its focus on director development through targeted development programmes. Training included customer experience sessions delivered jointly across TBC Georgia and TBC Uzbekistan operations, with emphasis on customer-centric development and governance best practices. In addition, workshops were held focusing on the Group's data and analytics capabilities, demonstrating how advanced analytics and AI tools are embedded in commercial decision-making, portfolio management and customer engagement. A session on cybersecurity and crisis management, covering technology-enabled threats, resilience expectations and crisis-management governance, provided the Board with external perspectives on emerging cyber-risk scenarios and best-practice crisis-response frameworks, ensuring continued strengthening of the Board's oversight capability in this critical area.</p>

FURTHER MATTERS CONSIDERED BY THE COMMITTEE

Process for Appointments to the Board

The Board has a formal, thorough and transparent procedure in place for the recruitment and appointment of Directors. The Company's goal is to ensure that the Board is well-balanced and appropriate for the needs of the business. In consideration of future potential Board members, a pipeline of potential candidates has been drawn up, with the support of Nurole, for consideration and ongoing review, to ensure the Board maintains a balanced composition with the right level of skills, experience and industry knowledge

Step 1	Step 2	Step 3	Step 4	Step 5
<p>The Committee agrees the criteria for prospective appointees to the Board, informed by the Board skills matrix, and develops a job description to attract and recruit suitable candidates.</p>	<p>The Committee considers a longlist of candidates. The Supervisory Board has engaged executive search firms to source suitable candidates. In addition, recommendations from current Board members are considered, as will individuals who were sourced from the Committee's Previous candidate lists as part of its succession planning arrangements. Relevant candidates are approached by the Committee Chair.</p>	<p>The Company Secretary supports the process by arranging meetings/ interviews between members of the Committee and the short-listed Non-Executive Director candidates. Feedback from the Non-Executive Directors is discussed alongside consideration of potential conflicts and other matters identified through due diligence.</p>	<p>The Committee recommends its chosen candidates to the Board for discussion and facilitates opportunity for other Board members to meet/interview them. Approval of any appointment by the Board is subject to completion of outstanding due diligence and clearance by the National Bank of Georgia, due to the "mirror boards" policy of the Company.</p>	<p>Outstanding due diligence and associated procedures are completed prior to the announcement of appointments. Induction packs are issued and the new Non-Executive Directors undertake a rigorous on-boarding process, led by the Company Secretary.</p>

Board Appointments

Succession planning and the appointment of a new Board director was a focus of the Committee during 2025, and the Committee kept the Board Succession Policy and Board Diversity Policy under review as it undertook to recruit an additional Board director. The Committee considered any potential areas of skills or knowledge gaps, taking into account future director rotations, as well as appropriate diversity factors, to ensure the Board composition was well placed to deliver the Group’s strategic priorities. Following the established appointment process outlined earlier in this report, the Committee undertook a rigorous and extensive recruitment process, with the support of Nurole (who have no other connection with TBC Bank or any of the Company’s Directors), following which, Monica Kalia was appointed by the Board on 1 November 2025 due to her strong financial, technological, strategic, and governance expertise, which it was agreed would strengthen and enhance the Board’s collective skills.

Diversity and inclusion

The Committee regularly reviews the Board’s skills matrices, and monitors its diversity and inclusion targets, as well as those of the Group overall. The Board’s Diversity Policy is reviewed annually by the Committee, and is a key step in ensuring diversity considerations are appropriately taken into account through succession planning activities. During 2025, the Committee made sure that the Company addressed the expectations of stakeholders and market best practice for diversity and inclusion.

Details of the Committee’s work on diversity and inclusion are set out below. More information on diversity and inclusion related considerations, including gender and ethnicity representation on the Board, can be found on pages 186 to 187.

- **Developing the diversity of senior management by supporting meritorious advancement**
The Committee recognises the value of a wide range of diversity attributes being represented on the Board including, but not limited to, background, age, gender, ethnicity and disability. It is committed to pursuing diversity in its management team with the ultimate objective of diverse executives being Board appointable. In addition, the female representation of the Executive Committee and its direct reports is 42.1%.
- **Maintain momentum on ethnic minority background diversity**
While the target of the Parker Review to have at least one Director on the Board from an ethnic minority background has been exceeded, the Committee has not yet set formal Board quotas on ethnicity and other diversity characteristics, and more detail on this is set out on page 187. As the majority of the Group’s workforce is based in Georgia and Uzbekistan, the Committee is considering to set targets that are meaningful to the countries in which the workforce is based, as well as being suitable for a UK listed company. The Committee remains focused on promoting Board composition diversity.
- **Ensuring female representation on the Board of Directors**
The FTSE Women Leaders Review target of at least one-third female representation on the Board has been met, with four of the ten directors being women. The senior independent director position is held by a woman. The Committee also acknowledges the high number of female employees within the Group, and is committed to continuing investment in and development of the female employee pipeline to ensure higher female representation in senior management and on the Board is maintained.
- **Strengthen focus on diversity and inclusion throughout people processes**
At the Board level, there is currently a balance to be struck between selecting for diversity against selecting for an appropriate range of skills and experience to meet the Board’s fiduciary responsibilities. Progress continues to be made on strengthening the focus on diversity and inclusion throughout the Group’s people processes, and the Committee is mindful of the need to ensure that any future searches for additional Non-Executive Director considers the strengths that diversity, including gender, ethnicity, as well as other diversity characteristics, can bring to boards. To progress this further, where possible search firms signed up to the Voluntary Code of Conduct for Executive Search firms will be used.
- **Continue to improve transparency and accountability on diversity and inclusion by measuring and reporting against diversity objectives**
The Committee is committed to annual reporting and compliance with the Corporate Governance Code diversity objectives and evolving its practice. The Committee is also sighted on inclusion and diversity initiatives, and is keeping abreast of developing best practice in this area. The Committee gives thoughtful consideration to how best to meaningfully drive diversity and inclusion forward, and improve measurement and reporting on diversity compliance, objectives and initiatives. To this end, people processes will encourage sharing of diversity data.
- **Engage stakeholders on diversity and inclusion**
Stakeholder engagement is an important barometer for the Group in gaining a deeper understanding of what matters to our stakeholders. Nino Suknidze, the designated Non-Executive Director for workforce engagement, is ideally placed to gather further feedback from employees on diversity and inclusion. Further information on the role of the Non-Executive Director for Workforce Engagement can be found on page 167.

In accordance with Listing Rule 6.6.6(10) and UKLR 6 Annex 1R, a breakdown of the gender and ethnicity of the Board can be found within our Corporate Governance Statement at pages 180 to 190 of this Annual Report. Further information on our ethnic and gender diversity can also be seen earlier in this Committee report.

Independence of Non-Executive Directors, conflicts of interest and time requirements

The Committee has delegated authority from the Board to assess the independence of Non-Executive Directors. In accordance with the Code, the Committee has reviewed and confirmed that all Non-Executive Directors who have submitted themselves for election and re-election at the AGM are considered independent. This conclusion was reached after consideration of all circumstances that are likely to impair, or could appear to impair, independence.

The Board does not specify the exact time commitment required from its Non-Executive Directors as they are expected to fulfil the role and manage their commitments accordingly. The Committee is satisfied that none of its Directors is overcommitted and unable to fulfil the responsibilities expected of a Director of the Company. This is also evidenced in the high level of participation in Supervisory Board and Committee meetings.

Subsidiary and Group governance

Subsidiary governance has remained a focus of the Committee, and it has reviewed and recommended amendments to policies and procedures that enable effective management of the increasing complexity of the Group. The Committee also carried out a thorough review of all Board-level Committee Terms of Reference, including for this Committee. The new versions were approved by the Board in December 2025 and February 2026 and are available on the website at www.tbcbankgroup.com.

Shareholder engagement

As part of the Board’s wider programme of shareholder engagement (see page 168 of this Annual Report), the Committee also reviewed and responded to the views provided to the Company by the various proxy voting agencies following the Annual General Meeting. Overall, feedback had been positive, with suggestions for 2025 taken into consideration in this Annual Report.

Workforce engagement

The Committee keeps the appointment of the staff ambassador to the workforce under regular review. Following a review in 2025, it was recommended that Nino Suknidze continues to be the Non-Executive Director for Workforce Engagement. Further information on the role of the Non-Executive Director for Workforce Engagement can be found on pages 164 to 165.

Committee effectiveness

The Committee undertook an internal review, facilitated with external support, of its effectiveness as part of the annual Board evaluation. Feedback noted the significant progress made on enhancing the Group governance framework and on succession planning. More information on the results of the Board evaluation is provided on pages 188 to 189.

2026 and beyond

Looking ahead to 2026, the Committee intends to keep under review the Board and executive management skills to ensure they continue to be suitable to meet the future needs of the organisation, and to identify training to support the development and augmentation of these skills. The Committee will continue to promote diversity opportunities at the executive level to ensure it supports the maintaining of a long-term pipeline of candidates. Additionally, the Committee will continue its focus on the ongoing strengthening of corporate governance frameworks to support digital banking operations and AI transformation, alongside governance maturity development for Uzbekistan operations and potential further expansion.



Arne Berggren
Chairman of the Corporate Governance and Nomination Committee
7 April 2026

Audit Committee Report



CHAIRMAN AND COMMITTEE BACKGROUND

Per Anders Fasth has chaired the Committee since June 2021. He has extensive experience in leading financial institutions and is considered by the Board to have recent and relevant financial experience. All members of the Committee are independent Non-Executive Directors. The Chairman of the Committee, and the Committee as a whole, is supported by a senior management team with extensive financial management experience, and he reports back to the Board on matters considered by the Committee. The Board is satisfied that the Committee as a whole has the competence relevant to the sector and its members have an appropriate level of experience of corporate financial matters.

MEMBERS OF THE COMMITTEE

- Per Anders Fasth* (Chairman of the Committee)
- Monica Kalia* (joined 1 November 2025)
- Tsira Kemularia*
- Thymios Kyriakopoulos*
- Nino Suknidze* (stepped down 1 November 2025)

Meeting attendance shown on page 183

*Independent Director

KEY AREAS OF RESPONSIBILITY

- Accounting and Financial Statement
- External Financial Reporting and Investor Relations
- Internal Controls
- Internal Audit
- Regulatory Compliance, AML and Anti-Financial Crime Risk Oversight
- External Audit
- Non-Audit Services

More information on the Committee can be found in its Terms of Reference, revised in February 2026, which have been adopted by the Board and are available on the Company's website: www.tbcbankgroup.com.

COMMITTEE PURPOSE

The Audit Committee assists the Board in fulfilling supervisory oversight responsibilities in relation to integrity of accounting, external financial reporting and investor relations, internal controls, compliance with regulatory and legal requirements, the effectiveness of the risk management framework and system of internal audit, external audit, and non-audit services of the Group and its subsidiaries.

SUMMARY OF KEY ACTIVITIES IN 2025

In addition to its core responsibilities, during the year the Committee focused on:

- Control Environment advancement, with an emphasis on reinforcing and integrating internal controls, including the implementation of consolidated control registers and frameworks across subsidiaries; enhanced fraud detection and prevention measures; and the strengthening of governance frameworks within rapid-growth markets to ensure robust control assurances and a culture of accountability across the organisation.
- Ensuring appropriate focus on subsidiary operations and attention to regulatory compliance and complexity challenges across the Group's operational jurisdictions, the need for enhanced financial reporting, and further strengthening the control framework to ensure it remained suitable for the operational environment.
- Oversight and review of the work of the Compliance Department, and maintained an ongoing focus on ensuring robust sanctions frameworks, with adjustments for evolving UK and EU guidance and NBG regulations. Investment in technology, training, and specialist expertise supported ongoing compliance efforts, with particular attention to international sanctions developments.
- Ensuring the effectiveness and objectivity of the Group's external auditor.
- The Company's financial performance and the integrity of the annual and interim financial statements: This included a thorough review of the Company's going concern viability statement and principal and emerging risks and uncertainties. The Committee also took steps to ensure that, when taken as a whole, the Annual Report is fair, balanced and understandable.
- Regular coordination with the Risk Committee through shared committee members and joint oversight of risk transformation programmes, framework reviews, and comprehensive action plans addressing both immediate incidents and long-term risk culture enhancement.

PRINCIPAL ACTIVITIES AND SIGNIFICANT ISSUES CONSIDERED DURING 2025

Area of Focus: Accounting and Financial Statements

Committee Responsibility

The Committee ensures and regularly monitors the integrity of the Group's Financial Statements, including to ensure they meet all statutory and appropriate financial reporting standards and, where applicable, the requirements of the Listing Rules, Disclosure Guidance and Transparency Rules and the UK Corporate Governance Code. Furthermore, the Committee is responsible for ensuring that there are no unsettled issues of significance between the management and the Group external auditors which could affect the truth and fairness of the statements.

Activity and actions taken by the Committee

The Committee, in line with the powers delegated to it from the Board, maintained rigorous oversight, co-ordinated and oversaw the financial reporting process and a comprehensive Annual Report process. It reviewed the Annual Report and financial statements with the intention of providing advice to the Board on whether, as required by the Code, "the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy". To make this assessment, the Committee considered the Annual Report and financial statements in detail to ensure the key messages of the report were aligned with the Group's performance and the strategy being pursued and the significant issues relating to the financial statements were consistent with those identified by the Independent Auditors' Report on pages 254 to 261. Further details on the Committee's role can be found later in this report in 'How the Audit Committee reviewed the financial statements'.

Area of Focus: External Financial Reporting and Investor Relations

Committee Responsibility	Activity and actions taken by the Committee
The Committee reviews the content and messages in the quarterly reports and investor presentations ahead of Investor and research outreach (including management roadshows), and in the annual report and accounts, and advises the Board on whether it provides the information necessary for shareholders and other external stakeholders to assess the Group's position and performance, business model and strategy and whether it informs the Board's statements in the annual report on these matters that are required under the UK Corporate Governance Code.	The Committee approved the Bank's financial results announcements and investor presentations with careful attention to significant accounting judgements, going concern, viability statement and principal and emerging risks and uncertainties, ensuring that disclosures were fair, balanced and understandable. Further details on the Committee's role can be found later in this report in 'How the Audit Committee reviewed the financial statements'. The Committee ensured transparent communication of any challenging issues, including fraud incidents, while maintaining balanced messaging about underlying business performance.

Area of Focus: Internal Controls

Committee Responsibility	Activity and actions undertaken by the Committee
The Committee reviews the Company's internal controls and other controls to ensure the effectiveness of the internal control structure, and reviews and ensure any changes recommended to the internal controls are implemented. Furthermore, in conjunction with the Company's Risk Committee, it assesses, manages and monitors the Group's internal control, risk management, compliance and governance functions.	The Committee spent significant time on internal controls throughout 2025, with the implementation of Group-wide consolidated control registers across 10 subsidiaries. The Committee monitored testing of key controls, and making recommendations where appropriate to address any deficiencies and further strengthen these controls. An internal control framework was successfully established across 10 subsidiaries, including Uzbekistan. Within TBC Bank Georgia, specialised risk awareness workshops on risk and controls were delivered to over 2,000 employees. In addition, each subsidiary conducted its own risk training programmes to reinforce local risk management practices. The Committee also encouraged more control responsibility in the first and second lines of defence functions. Further details on the Committee's role can be found later in this report in 'Risk Management Framework and Internal Control'.

Area of Focus: Internal Audit

Committee Responsibility	Activity and actions undertaken by the Committee
The Committee plays a key role in considering the effectiveness and independence of the Group's internal audit activities and its relationship with the external auditors as well as appointing (and dismissing if required) the Head of Internal Audit, and assessing their performance annually. The Committee has responsibility for approving the Internal Audit Charter and the Annual Internal Audit Plan.	An External Quality Assessment by EY showed solid progress since 2019, including achieving full Institute of Internal Auditors Standards compliance with stronger digital adaptation. The Committee reviewed Internal Audit reports, and addressed any significant findings. The Committee approved annual audit plans and budgets, while continue to emphasise the need for enhanced controls in rapidly growing markets, particularly in Uzbekistan, where strengthening of internal audit capabilities through the recruitment of additional skilled staff is planned. There was a focus on subsidiary audits and coordination with local audit committees to ensure consistent standards. Further details on the Committee's role can be found later in this report in 'Internal Audit'.

Area of Focus: Regulatory Compliance, AML and Anti-Financial Crime Risk Oversight

Committee Responsibility	Activity and actions undertaken by the Committee
The Committee reviews the effectiveness of the Company's compliance framework and systems, including monitoring compliance with applicable laws, regulations, supervisory expectations, and internal policies, as well as alignment with the Bank's approved Anti-Financial Crime (AFC) risk appetite.	The Committee reviewed AML, CTF and sanctions frameworks, including the overall compliance risk profile of the Bank and the Group, with ongoing monitoring of sanctions risks, alignment with the approved AFC risk appetite, and comprehensive training programmes, particularly in the area of KYC. The Committee reviewed quarterly Compliance reports on key risk areas, progress against Compliance Annual Strategy Initiatives, and the adequacy of remedial action plans addressing identified issues. The Committee approved the annual Compliance Plan, reviewed amendments to key compliance policies, and monitored strategic initiatives aimed at enhancing the effectiveness and digitalisation of compliance processes. There was particular attention to regulatory and supervisory developments across the Bank's operating jurisdictions, including Uzbekistan, with review of any Central Bank penalties, root cause analyses, and corrective measures Policy reviews covered Anti-Financial Crime, Securities Dealing, Tax Strategy, Related Party Transactions, Incident Response Policy, Insider Information Disclosure Policy and Conflict of Interest Policy.

Area of Focus: External Audit

Committee Responsibility	Activity and actions undertaken by the Committee
The Committee makes recommendations to the Board for shareholder approval in general meeting, in relation to the appointment, re-appointment and removal of the Group's external auditor, including approving its remuneration and terms of engagement subject to annually delegated authority by the shareholders at the general meeting	The Committee reviewed the 2025 External Audit Plan, ensuring appropriate audit plans were in place, and regularly reviewed the external audit findings. It also managed the competitive tender process leading to EY appointment from 2026, while maintaining PwC for the 2025 final year. Audit fees increased to accommodate Uzbekistan operations inclusion. The Committee monitored audit scope variations and additional fees for enhanced disclosures work. Regular reviews of auditor independence and competence were maintained, with satisfactory completion of year-end audits and no significant disagreements between auditors and management. Further details on the Committee's role can be found later in this report .

Area of Focus: Non-Audit Services

Committee Responsibility	Activity and actions undertaken by the Committee
The Committee regularly reviews the policy on the engagement of the external auditor to supply non-audit services and approves each engagement of the external auditor for permitted non-audit services (including the fees), before such engagement is confirmed.	Non-audit services are carefully monitored to maintain auditor independence, with annual reviews of ratios remaining well below 70% thresholds. The Committee approved policies for the provision of non-audit services by external auditors, ensuring compliance with regulatory requirements. Regular assessments confirm that non-audit work does not compromise audit independence or quality. Further details on the Committee's role in respect of 'Non-Audit Services' can be found later in this report.

FURTHER MATTERS CONSIDERED BY THE COMMITTEE

How the Audit Committee reviewed the financial statements

The Committee regularly reviews and monitors the effectiveness of the external audit process, taking into consideration relevant UK law, regulations, the Ethical Standard published by the FRC, and other professional requirements. The independence and objectivity of the External Auditor is also reviewed.

Before the audit, the Committee considered the audit coverage levels and underlying audit materiality levels and agreed them with the external auditors, PricewaterhouseCoopers LLP ("PwC"). The Committee ensured that the materiality levels agreed were sufficient to obtain appropriate audit evidence and that key risk areas were adequately addressed. Details of the materiality levels agreed are disclosed in the Independent Auditors' Report on page 258.

The Committee also considered Alternative Performance Measures ("APM"s) used by the Group. APMs are used in accordance with European Securities and Markets Authority (ESMA) guidelines with executive management highlighting any impact on APMs as a result of changes to accounting methods.

Audit Committee Report continued

In addition, the Audit Committee undertook a robust review of the financial statements published at the half year and the quarterly statements. The Committee has reviewed the various actions the Company has taken, as appropriate to its role in oversight of the financial statements, to ensure that all decisions were taken in accordance with Section 172 of the UK Companies Act 2006, and that all stakeholder considerations were taken into account when making key decisions. This has enabled the Board to approve the Stakeholder Engagement disclosure on pages 162 to 169 of the Strategic Report.

Taking the above into account, together with the opinion expressed by PwC, the Committee recommended, and in turn the Board confirmed, that the 2025 Annual Report, taken as a whole, is fair, balanced and understandable and provides the necessary information for shareholders to assess the Company's position, performance, business model and strategy.

Significant accounting judgements

The Committee reviewed the significant financial matters in connection with the financial statements, having regard to matters communicated to the Committee by the external auditors. The significant matters are set out in the following table.

These items were considered significant considering the level of materiality and the degree of judgement exercised by management. The Committee discussed these with the executive management and PwC to understand any areas where there had been or continued to be differences of opinion, and to satisfy itself that the conclusions drawn were reasonable and supportable based on the information available at the time, and that the corresponding disclosures were appropriate. As a result of this discussion, the Committee was satisfied that all issues had been fully and adequately addressed and that the judgements made were reasonable, appropriate and disclosed accordingly in the financial statements, and had been reviewed and challenged by the external auditors, who concurred with the approach taken by management.

Significant financial matters considered	How the Committee addressed the matters
<p>Key financial metrics and reporting materials</p> <p>The Audit Committee considered the key judgements in relation to external reporting to investors.</p> <p>Regulatory and other reporting</p> <p>The Audit Committee reviewed the required regular reporting, such as the Bank's Pillar 3 disclosures, and reviewed the Company's Sustainability Report.</p>	<p>In exercising its oversight, the Committee assessed management's assurance and preparation of external financial reporting. The Committee reviewed the draft external reporting disclosures and provided feedback and challenge on the top sensitive disclosures and key financial metrics to ensure that the Group was effective, consistent and transparent in its messaging. As mandated by the local regulations in Georgia, the Audit Committee reviewed and recommended the Bank's regular Pillar 3 reporting.</p>
<p>Key significant accounting matters raised by the external auditors</p> <p>The Audit Committee engaged with the external auditors during regular reports throughout the year and held detailed discussions on matters raised during the audit process.</p>	<p>Expected Credit Losses (ECLs) are a measure of the probability-weighted estimate of credit losses, which the management needs to estimate every year. The Committee discussed with PwC the current provisioning methodology for ECLs and the key management judgements and estimates used in the ECL estimation process, including: probability of default, credit risk parameters, estimates for forward-looking macroeconomic and judgements for their probability weightings and the external auditors' observations on any potential improvements going forward.</p> <p>The Committee also discussed with PwC the carrying value of investments in subsidiaries, and details of how this was addressed can be found on page 256.</p>

Risk management framework and internal control

The Board has delegated to the Committee, responsibility for reviewing the effectiveness of the system of internal control. This covers all material controls including financial, operational, reporting and compliance controls, as well as the financial reporting process. During 2025, the Board continued to build on the maturity of the internal control function established in 2023 in preparation for compliance with Provision 29 of the 2024 UK Corporate Governance Code in 2026, as well as ensuring the methodology for identifying the material controls, and the planned assurance activities over those controls would allow it to make the appropriate declarations of effectiveness from the financial year starting 1 January 2026.

Whilst primary responsibility for establishing and maintaining adequate internal controls and risk management systems has been delegated to executive management, the Committee is responsible for the oversight of the effectiveness of these controls and confirming they are sufficiently robust to effectively manage risks arising from changing economic conditions and activities across the Group. The Internal Audit function reports to the Committee on any control weaknesses and breakdowns providing robust root cause analysis and recommendations for improvements, along with clear ownership/accountability and deadlines for remediation. The Committee regularly reviews the progress of this vital function and, if necessary, alerts senior managers as well as the full Board if at any point it sees intractable problems and insufficient commitment to continuous process improvement.

In accordance with the Company's strategic commitment to fortify internal controls, a dedicated Internal Control (IC) Function was established in 2023 to enhance risk awareness and refine internal controls within the first line of defence and to be a link between first and second lines of defence. All members of the IC team have successfully completed the Sarbanes-Oxley Expert programme, provided by the Sarbanes-Oxley Compliance Professionals Association (SOXCPA) and are now recognised as fully certified Sarbanes-Oxley Experts, underscoring the team's expertise and adherence to globally recognised standards.

The IC Function plays a pivotal role in ensuring robust governance by performing control assurance testing and reporting the results directly to the Audit Committee. This independent assurance process provides transparency and confidence in the integrity of the Company's internal control environment. Collaboration with business units is central to the IC Function's approach. Each business area is supported by dedicated Internal Control Champions, who act as key partners to the IC team. These champions are responsible for maintaining control effectiveness within their respective areas and serve as critical links between operational teams and the IC Function.

Beyond monitoring control effectiveness, the IC Function fosters a strong culture of risk awareness and accountability across the organisation. By enhancing business processes, promptly identifying and mitigating risks, and promoting ownership of controls within the first line of defence, the IC Function delivers reasonable assurance to management and supports sustainable business performance. The Committee dedicates significant attention and time to reviewing the appropriateness and effectiveness of internal controls based on these assurance activities.

In 2025 the Committee received audit reports on Internal Control functions and reviewed the associated remediation plans. When necessary, the Committee challenges management until it is satisfied that control improvements are suitable.

The Internal Control Function oversees the Group-wide control assurance map, ensuring a comprehensive evaluation, testing, and follow-up of high and critical-risk processes. This cohesive and integrated strategy underscores the Company's commitment to a proactive and resilient internal control and risk management system.

Group management regularly reviews the accounting and practices applied by the reporting team to ensure the approach is aligned with the accepted financial control framework and financial reporting standard requirements, corresponds to industry best practice and responds to readers' requirements of Group financial statements. Important updates and any changes or restatements are discussed with the Audit Committee to obtain their clearance. The external audit firm is kept informed in order to reach an agreement on the final approach.

The Committee considers that there is a proper system and allocation of responsibilities for day-to-day monitoring of financial and other controls within the Group, with no significant systemic failings or weaknesses. It has also considered the risk of executive override of controls, and discussed with PwC its assessment of this mandatory audit risk.

In line with the provisions of the Code, the Board has responsibility for carrying out a robust analysis of the Group's emerging and principal risks. The Board has undertaken a careful assessment of the principal and emerging risks faced by the Group, including those that could threaten the business model, and its future performance, solvency and liquidity, as well as monitoring compliance to ensure that any mitigating actions are properly managed and completed. Assisted by the Committee, the Board also reviewed the effectiveness of internal control systems and risk management processes that were in place throughout the year and up to the date of this report and a number of recommendations for further enhancement were made.

Where areas for improvement were identified, new procedures have been introduced to strengthen the controls and will themselves be subject to regular review as part of the continuous assurance process.

Internal Audit

The Committee regularly reviews the effectiveness of the internal audit activities in the overall context of the Group's risk management system, and its relationship with the external auditors; considers and analyses internal audit quality self-assessment (in line with the best international practices for internal audit) and external assessment results, where applicable. It further appoints and assesses the performance of the Head of Internal Audit, and evaluates the effectiveness and independence of the Internal Audit function, including performance assessments for the Head of Internal Audit.

Audit Committee Report *continued*

Internal Audit provides an independent, objective and professionally challenging review of how the Group handles its assessment of the design and operational effectiveness of internal controls across all areas of the business, risk management, key financial and non-financial reporting and data management tasks to protect the assets, reputation and sustainability of the organisation.

The Head of Internal Audit reports directly to the Audit Committee and regularly attends Committee meetings where appropriate. The Internal Audit Function has direct access to the Board Chairman and to the Committee Chair, providing independence from the executive and ensuring direct accountability to the Committee. Meetings are held at least annually or more frequently, as required, with the Head of Internal Audit and key employees of internal audit, without the presence of executive directors and senior management, to discuss matters relating to its remit and any issues arising from the audits.

Internal Audit regularly undertakes audits of all the Group's key operating units, with a rolling risk-based audit plan agreed in advance with the Committee. In 2025, 100% of all pre-agreed internal audit assignments were completed. In addition, unscheduled audit engagements arising from regulatory requests were undertaken at both TBC Bank Georgia and TBC in Uzbekistan. The Head of Internal Audit reports the outcome of all audits and identifies any deficiencies to the Committee, which then considers the issue both in terms of severity and underlying trends, noting management's proposed remediation. Operational units of the Group that have shown continuing weaknesses are routinely re-inspected to confirm that improvements have been made as the Committee advised.

Internal Audit delivers an annual assurance statement to the Committee, which sets out the Head of Internal Audit's opinion, together with summarised reports of the internal audit work performed in comparison to the plan during the year, and an assessment of compliance with auditing standards.

The Committee considers that Internal Audit has established its functional independence from executive management and is free from any interference in determining the scope and performance of its work and the communication of its results. During 2025, Internal Audit effectively applied a risk-based approach to designing its annual schedule of work for the year, and uses robust root cause analysis to develop more themed reports, prioritising the higher risk areas of the Group and allowing it to respond rapidly to emerging issues, undertaking special deep-dive investigations (particularly arising from situations where the Group may have heightened vulnerability or has been the victim of fraud) and ensuring that Internal Audit is able to add more strategic value.

In addition, Internal Audit maintained its focus on the identification and reporting processes around capturing and disclosing related party lending and anti-money laundering procedures within the Group, in line with regulatory requirements.

Where appropriate, the Internal Audit function is authorised by the Committee to utilise external expertise to ensure a robust approach to risk coverage. There is a continued and particular shortage of IT internal auditors in Georgia, and given the importance of mitigating IT risk, Internal Audit, with the Committee's support, continued to bring on-board co-sourced auditors with specialised skills to ensure fully robust, integrated risk management assurance. TBC Bank Georgia plans to further strengthen its internal IT audit capabilities and gradually reduce reliance on external assurance providers for support as it recruits this expertise.

External Audit

External Auditors, tenure and audit plan

PwC is engaged to conduct a statutory audit and express an opinion on the Company and the Group's financial statements. Their audit includes an assessment of the internal control systems that produce the information contained in the financial statements to the extent necessary to express an audit opinion. PwC presented their proposed audit plan to the Committee for discussion. The objective was to ensure that the focus of their work considered the Group's structure and strategy as well as the risk profile. The audit plan was risk and materiality focused and designed to provide a high quality audit and other valuable insights.

Objectivity and independence

The Committee is responsible for monitoring and reviewing the objectivity and independence of the external auditors, and undertakes regular, and at least annual, assessments of the external auditor's objectivity, independence and effectiveness. In undertaking its annual assessment, the Committee has reviewed:

- The confirmation from PwC that they maintain appropriate internal safeguards in line with applicable professional standards;
- The mitigating actions taken to safeguard PwC's independent status, including the operation of policies designed to safeguard threats arising from the non-audit services provided by PwC and the employment of former PwC employees;
- The tenure of the audit partner and quality review partner (such tenure not being greater than five and seven years respectively); and

- The performance and effectiveness of PwC.
- The non-audit services policy and fees paid for both audit and non-audit related services, as outlined later in this Committee report.

Taking the above review into account, the Committee concluded that PwC remained objective and independent during the reporting cycle and has provided robust challenge and professionalism throughout. During the year, the Committee also received the outcome of the FRC's Audit Quality Review of PwC's audit of the Company's 2024 financial statements, undertaken as part of the FRC's annual inspection of audit firms. The Audit Committee Chair discussed the final report and findings with the Audit Partner, together with PwC's responses, and the Committee was satisfied with PwC's responses and conclusions reached.

Effectiveness of the external audit process

In preparation for the 2025 audit cycle, the Committee held planning meetings with PwC. The Committee suggested priority areas for PwC to consider, highlighting any concerns.

Given the structure of the Group, the UK, Georgian and Uzbek practices of PwC are involved in the external audit process. PwC Georgia and PwC Uzbekistan are part of PwC's Central and Eastern Europe (CEE) firm. In the opinion of the Committee, this 'triple coverage' works well and provides added reassurance in terms of scrutiny. The cooperation and communication between the two practices (UK and CEE) is well coordinated and draws, as required, on the wider international subject matter expertise of the firm's professionals, for example in expected credit losses, or compliance related work. The UK team coordinates the audit, issuing instructions and putting processes in place to monitor PwC CEE work.

Overall, in 2025, the Group spent USD 2.84 million (net of VAT) (2024: USD 2.83 million) for work undertaken by various accounting-based professional services firms for both audit and non-audit services. As for the fees related specifically to the Group's current audit firm, in 2025 the Group's contractual fees to PwC amounted to USD 1.86 million (net of VAT), both for audit (USD 1.86 million) and non-audit services (nil). This was predominantly for the Georgian Bank audit, but included audits of the subsidiaries of both the Bank and the Company. PwC's proposed fees were benchmarked against other similar services provided by other audit firms.

Audit tendering

External audit services were last tendered in 2021 for the audit of 2022-2024 and 2023-2025 options. The External Auditor has been in role for 4 years since the latest audit tender and has been TBC Bank Group PLC's external auditor from its incorporation in 2016. The lead audit partner has been in place since 2024.

To comply with the National Bank of Georgia's auditors' rotation requirements, during 2024, the Committee launched a tender procedure for the financial audit services for TBC Bank Group PLC and its subsidiaries for FY 2026-2028. Following a competitive tender process, the Board (following the Audit Committee's recommendation) recommended to shareholders at the 2025 Annual General Meeting that Ernst & Young LLP ("EY") be appointed as the Company's External Auditor for the year starting 1 January 2026. PwC continued in its role and undertook the audit of the TBC Group and TBC Bank Group PLC for the financial year ending 31 December 2025.

The Company is in compliance with the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014.

Non-audit services

The Group's Non-Audit Services Policy governs the engagement of PwC to provide non-audit services. The Policy reflects the independence rules within the FRC's Revised Ethical Standard 2019. The Group monitors all tracking procurement and tendering for all non-audit fees, and amounts approved under the Policy are reported at Committee meetings. PwC continues to provide certain services to the Company in accordance with the independence rules set out in the revised Policy.

The non-audit fees paid to PwC for 2025 were nil, (USD 0.36 million in 2024). The figure represents 0% (28% in 2024) of the average fees paid to PwC for Group audit services over the preceding three years and is well within the 70% cap required by Group Policy on non-audit services.

The Group has a policy of sharing business between suitable audit firms to provide diversification, promote competition and build relationships. In 2025, non-audit work was allocated to nine different accounting-based firms, including non-Big Four companies. The largest single non-audit contractual spending in 2025 was related to the work performed externally by Baker Tilly for valuation services for a total fee of USD 0.1 million (net of VAT). The largest total non-audit contractual spendings in 2025 were with BDO and KPMG, for USD 0.17 million and USD 0.33 million relating to consulting and advisory works respectively.

Audit Committee Report continued

Committee Independence

The Committee acts independently of executive management to fulfil its fiduciary duty to shareholders and ensure their interests are properly protected by effective internal controls, financial reporting, compliance with regulatory requirements and an appropriate relationship with external auditors.

The representatives from the external auditor and the Head of Internal Audit are each afforded time with the Committee to raise any concerns they may have without executive management being present.

The Committee regularly discusses with the internal and external auditors any identified instances of fraud, illegal acts, internal control deficiencies or other similar issues; if necessary, initiate special investigations and where appropriate hire special counsel, external consultants or experts to assist in such investigations.

The Committee is authorised to seek outside legal or other independent professional advice though this was not required during the year.

Audit Committees and the External Audit: Minimum Standard

The Group is compliant with Audit Committees and the External Audit: Minimum Standard published by the FRC in May 2023.

Committee effectiveness

The Committee undertook an internal review, facilitated with external support, of its effectiveness as part of the annual Board evaluation. Feedback showed the Committee was highly rated, and worked well to gain assurances on matters within their remit. The work undertaken by the Committee to further strengthen reporting on compliance and internal controls as commended. More information on the results of the Board evaluation is provided on pages 188 to 189.

2026 and beyond

Looking ahead to 2026, the Committee will continue to monitor the control environment, ensuring effective liaison between the Group's controls functions remains in place. Additionally, the Committee will continue to review and challenge management on significant accounting issues, and ensure transparency and accountability in reporting. The Committee will consider ways to continually improve the Annual Report, to provide investors and stakeholders with concise disclosures and transparent reporting.

For further information, please see the website: www.tbcbankgroup.com.



Per Anders Fath
Chairman of the Audit Committee

7 April 2026



Risk Committee Report



CHAIRMAN AND COMMITTEE BACKGROUND

Thymios P. Kyriakopoulos has chaired the Committee since June 2021. He brings extensive experience in global capital markets, balance sheet management and regional banking, and is recognised by the Board as having recent and relevant experience in risk management. All members of the Committee are independent Non-Executive Directors. The Committee operates independently of executive management, providing robust oversight and constructive challenge to ensure that the Group's risk profile remains aligned with its strategic objectives and evolving operating environment.

In carrying out its responsibilities the Committee places particular emphasis on anticipating emerging risks, strengthening resilience and supporting sustainable growth, in the context of an increasingly complex regional and regulatory landscape.

MEMBERS OF THE COMMITTEE

- Thymios P. Kyriakopoulos* (Chairman of the Committee)
- Per Anders Fasth*
- Janet Heckman* (stepped down 1 November 2025)
- Rajeev Sawhney* (joined 1 November 2025)
- Eran Klein*

Meeting attendance shown on page 183

*Independent Director

KEY AREAS OF RESPONSIBILITY

- Group Risk Appetite and Risk Framework
- Financial Risk Management
- Strategic Investments and Divestments
- Operational Resilience and Technology Risk
- Compliance, Regulatory and Legal Risk
- Stress Testing and Scenario Analysis

The Committee maintains a forward-looking approach, with emphasis on emerging risks and the sustainability of the Group's growth strategy. It also reviews the statement concerning internal risk management and the Group's Viability Statement included in this annual report on page 100.

More information on the Risk Committee can be found in its Terms of Reference, revised in December 2025, which have been adopted by the Board and are available on the Company's website: www.tbcbankgroup.com.

COMMITTEE PURPOSE

The Risk Committee assists and advises the Board in overseeing the enterprise-wide risk management framework and establishing a universal Group risk appetite structure. It ensures that this framework aligns with the Group's growth strategy while fostering a robust culture of prudent risk decision-making. The Committee systematically reviews risk analyses to uphold the highest governance standards and to provide a solid foundation for the Board's strategic decisions. Its sweeping oversight responsibilities encompass assessing principal and emerging risks that impact the business model, earnings capacity, capital adequacy and liquidity

SUMMARY OF KEY ACTIVITIES IN 2025

In addition to its core responsibilities relating to risk, during the year the Committee focused on:

- Provided a strategic focus on Uzbekistan operations, taking a systematic approach to subsidiary governance evolution, transitioning from direct Group involvement to local management with Group oversight, enhancing controls and managing regulatory uncertainties and complexity.
- Oversaw updates to the Risk Registry Framework and Risk Management Policy, with a particular focus on subsidiary integration.
- Oversaw the introduction of a Trading Securities Portfolio Policy.
- Focused on digital transformation risks, in particular AI/ML integration and cybersecurity governance, ensuring systematic improvements across subsidiaries with a focus on vulnerability management, and recognising the increasing importance of technology oversight in digital-first banking.
- Ensured transparent discussions on failures and challenges, to ensure the ongoing strengthening of risk culture.
- Monitoring Concentration Risk in line with macroeconomic uncertainties and market dynamics.
- Monitoring the evolving fraud landscape, driven in part by the rapid growth in digital crime, and ensuring robust and effective controls to monitor and manage potential incidents.

Inputs

Board mandates Foundation for focused oversight
Risk Management Framework Architecture Structural foundation for systematic risk management
Regulatory Environment and Compliance External drivers shaping priorities
Information Quality and Management Reporting Critical for informed decision-making
Organisational Risk Culture and Tone Cultural foundation enabling effective risk management
Strategic Business Context Alignment with business transformation
Stakeholder Expectations Market and investor influence on risk appetite
Technology and Digital Evolution New risks and capabilities driver
Crisis Management Preparedness Resilience and continuity planning
International Operations Complexity Cross-border governance challenges



Risk Committee
Board-level oversight and governance



Outputs

Risk appetite and strategy
Governance decisions and direction
Board recommendations reporting and escalations
Policy approvals and oversight mandates
Management actions and remediation plans
Reporting to Board on risk posture

Principal activities and significant issues considered during 2025

Area of Focus: Risk Appetite and Risk Framework

Committee Responsibility	Activity and actions taken by the Committee
The Committee regularly reviews and recommends for Board approval the risk appetite and risk strategy, ensuring that risk targets and boundaries are clearly defined for all key risks faced by the Group. Additionally, it ensures that appropriate risk management frameworks are in place to support these objectives. The Board delegates to the Committee the responsibility of overseeing matters related to the Group's risk appetite - an integral component of its risk management framework. This includes setting risk targets, defining tolerance thresholds, and ensuring robust risk management frameworks are maintained.	<p>The Committee oversaw reviews updates to the Risk Register Framework and Risk Management Policy. Key developments included:</p> <ul style="list-style-type: none"> Ensuring reporting lines were reflective of organisational structure, and that risk categories aligned with policy updates and regulatory expectations. In addition, the Policy was reviewed to ensure all relevant matters had been comprehensively addressed, with minor updates made as thought beneficial. The Committee maintained strong governance oversight, requesting detailed analysis and follow-up actions. <p>The systematic approach to risk appetite setting, particularly for new entities like FLITT, showed a mature risk framework application working as intended.</p> <p>More details on the Group's risk management can be found at page 72 of this Annual Report.</p>

Area of Focus: Financial Risk Management including Credit Risk, Credit Quality, Capital and Liquidity

Committee Responsibility	Activity and actions taken by the Committee
The Committee actively monitors the Company's financial risk position, considering macroeconomic developments and other dynamic risks and opportunities affecting the Group. It provides oversight of risks related to retail, MSME and corporate lending, and reviews Interest Rate Risk, Capital and Liquidity Management Policies and Processes, including oversight of the ICAAP and ILAAP development processes.	<p>The Committee's oversight reflected the asymmetric risk profile of the Group's operating regions, including exposure to currency volatility, capital flow sensitivity, and concentration risks linked to evolving economic structures. Particular attention was given to ensuring that capital and liquidity buffers remained robust under severe but plausible downside scenarios, including geopolitical shocks and tightening external funding conditions.</p> <p>Credit Risk Management:</p> <ul style="list-style-type: none"> Uzbekistan Strategy Refinement: guided implementation of enhanced credit controls to ensure sustainable growth. Georgia Portfolio Quality: Maintained oversight of underlying portfolio quality ensuring continued adherence to risk parameters. Real Estate Concentration: Provided ongoing strategic direction on sector concentration, ensuring measured exposure management. <p>Capital Management:</p> <ul style="list-style-type: none"> Distribution Policy Evolution: Oversaw strategic transition from traditional dividend approach, incorporating share buybacks for enhanced shareholder value delivery Uzbekistan ICAAP: Guided development of localised capital adequacy assessment with refinements to ensure appropriate risk appetite alignment. <p>Liquidity Management:</p> <ul style="list-style-type: none"> GEL Market Challenges: Successfully navigated challenging local currency funding conditions through alternative funding arrangements. Liquidity Ratios: Maintained comfortable liquidity positions above regulatory requirements, ensuring operational resilience across diverse market conditions. <p>For more details, please see the Risk Management sections on pages 72 to 75.</p>

Area of Focus: Operational Resilience

Committee Responsibility	Activity and actions taken by the Committee
The Committee oversees the Group's nonfinancial risks, including people, conduct and culture, ESG and climate risks, cyber and information security, data protection, and reputational risk.	<p>The Committee recognises operational resilience as a strategic differentiator in digital banking, where system stability, cyber defence and customer trust are critical to long-term franchise value.</p> <p>RCSA Framework Implementation:</p> <ul style="list-style-type: none"> 2024 Performance: ensured any high and critical weaknesses were addressed within agreed timelines. 2025 Planning: prioritised a number of business processes, with a focus on key business lines. Subsidiary Alignment: Enhanced coordination between operational risk, internal audit, and internal control functions. <p>Technology and Cyber Risk:</p> <ul style="list-style-type: none"> TNET Improvements: Enhanced governance, vulnerability analytics, and incident response capabilities. Group-wide Integration: Systematic approach to cybersecurity posture alignment across all entities. Vendor Management: Critical IT vendor assessments completed across subsidiaries. <p>Fraud Prevention:</p> <ul style="list-style-type: none"> Fraud Response: Comprehensive action plans including system enhancements and governance improvements where required. Control Framework: Strengthened fraud detection mechanisms and stricter oversight on policy changes.

Area of Focus: Compliance, regulatory and legal risk

Committee Responsibility	Activity and actions taken by the Committee
The Committee oversees compliance, regulatory and legal risk, ensuring policies remain aligned with regulatory requirements. It also reviews and approves the list of material risk takers in accordance with National Bank of Georgia regulations.	<p>The Committee carefully monitors the effect of regulatory divergence across jurisdictions that often surface when different regulatory oversight strategies are deployed. Particular attention is placed where regulated parameters could adversely incentivise risk decisions with short-term benefits. In those circumstances, additional controls are evaluated to ensure that a prudent balance of risk is maintained.</p> <p>Regulatory Engagement:</p> <ul style="list-style-type: none"> Georgia: Active dialogue with NBG on Basel III implementation, open banking requirements, and currency regulations. Uzbekistan: Management of a complex regulatory environment with ongoing clarification needs on lending classifications. Group Approach: Structured regulatory response coordination, with a comprehensive review of regulatory findings with structured response protocols. <p>Legal Risk Management:</p> <ul style="list-style-type: none"> Material Litigation: Active management of significant cases with regular Committee updates. Compliance Enhancement: Strengthened KYP processes, procurement controls, and training programmes.

Area of Focus: Stress Testing Framework

Committee Responsibility

The Committee ensures the Group operates a comprehensive and robust stress testing framework. It reviews stress scenarios and macroeconomic assumptions used in internal stress tests - including ICAAP, ILAAP, and Recovery Planning - and recommends their approval to the Board. The Committee also evaluates the results of both internal and regulatory stress tests. Emphasis was placed on reverse stress testing, to identify conditions under which the Group's business model could become unviable, thereby strengthening early warning capabilities and recovery planning.

Activity and actions taken by the Committee

The Committee continued to enhance the severity and sophistication of the Group's stress testing framework, with a focus on multi-factor scenarios reflecting correlated shocks across macroeconomic, geopolitical and operational dimensions.

ICAAP/ILAAP Integration:

- **Comprehensive Assessment:** Material risks coverage including political tensions, currency shocks, and reputational risks.
- **Capital Adequacy:** Economic capital requirements remained below regulatory CET1 thresholds.
- **Scenario Sophistication:** Evolution toward more constraining and sophisticated stress scenarios.

Recovery Plan Framework:

- **Stress Scenarios:** Four scenarios developed.
- **Recovery Capacity:** Comprehensive assessment under severe conditions with multiple recovery options identified.
- **Capital Contingency:** Identified capacity in CET1 capital within a one-year horizon.

Recovery Plan Stress Testing:

- **Scenario Development:** Four distinct stress scenarios covering systemic and idiosyncratic risks.
- **Recovery Tools:** Multiple capital generation mechanisms identified and validated.
- **Stress Buffer Management:** Clear frameworks for capital buffer utilisation under adverse scenarios

Further Matters considered by the Committee

Risk Strategy

The Committee supported the evolution of a forward-looking risk strategy aligned with the Group's transformation into a digital-first, multi-market financial services provider. It reviewed and recommended management KPIs aligned to the Group's strategy, which focused on four main transformation themes to enable the sustainable functioning of the business:

- Safeguarding the Group;
- Digitalising processes to enhance operational efficiency;
- Embedding risk management into the organisational culture;
- Optimising risk-return trade-offs.

Significant progress was made across all themes, contributing to the strengthening of the Group's overall risk profile.

Risk Management Policy and Risk Registry Framework

The Risk Management Policy and Risk Registry Framework were updated as part of an ongoing assessment of the Group's risk governance structure, risk management practices, and reporting capabilities.

Subsidiary Governance

The Committee oversaw a governance maturation during 2025, with a transition from Group operational involvement to local management with Group framework oversight. As part of this, the Committee further developed the control function, ensuring an emphasis on local control function capability building in line with Group standards. It works to ensure a successful integration of a unified risk appetite framework and that a comprehensive approach to cybersecurity alignment and integration risks when approaching subsidiary governance. The Committee also encourages cross-subsidiary learning, facilitating effective knowledge transfer and best practice sharing.

During 2025, the Committee received regular risk reports covering all key subsidiaries, including TBC Bank Georgia and TBC Uzbekistan, as well as deep-dives including TBC Insurance, Space International, Payme and TNET. In its focus on TBC Insurance and TNET, there was a particular focus on insurance risk management, to ensure strong performance across all risk categories, and improvements in IT risk detection and vendor management.

Risk Culture

The Committee emphasises that a strong risk culture is characterised not only by adherence to frameworks, but by the quality of judgement exercised under uncertainty, particularly in high-growth and rapidly changing environments.

The Committee considers a number of indicators when undertaking assessments of risk culture within the business. These include an accountability framework, outlining clear learnings from fraud incidents; transparency and openness of discussion around challenges and failures; continuous improvement, and a systematic approach to control enhancement and framework evolution; and evidence of challenge around management recommendations. There is an ongoing emphasis on maintaining third line independence while ensuring effective coordination, as well as a continued focus on risk culture development. By ensuring governance clarity, with a focus on clear roles and responsibilities, especially in subsidiary governance structures, the Committee intends to support a strong risk culture, with comprehensive learnings and remediation prioritised over quick fixes.

Collaboration with other committees

The Committee works closely with other committees to ensure a flow of risk assessments and recommendations to support other committees' decision-making, and to allow for shared oversight and information sharing. Examples of this work include:

- With the HR and Remuneration Committee by reviewing and confirming that 2024 KPIs relating to risk matters for management variable compensation had been met; and proposing KPIs for the Chief Risk Officer.
- With the Audit Committee to co-ordinate on internal audit findings and fraud incidents where appropriate; in the development and monitoring of the internal control framework; and on the Board's annual going concern statements.
- With the Technology, Data, AI and Cybersecurity Committee, in addressing information security and cybersecurity risks, and by ensuring that policies captured AI alongside other technology risk governance coordination.
- With various committees when coordinating on GRAPE Letter findings and on AML reports as required.

Through these collaborations, the Risk Committee is able to serve both as an independent risk oversight body and as a key input provider to other Board committees' decision-making processes.

Macroeconomic environment

The Committee discharged its duties amid a complex and evolving macroeconomic environment, ensuring the Group remained agile in managing risks. The Committee conducts horizon scanning to identify emerging threats, leveraging members' global expertise to assess potential risks and regulatory changes. Further details on key risks and uncertainties are provided in the Material Existing and Emerging Risks chapter on pages 76 to 99.

Committee effectiveness

The Committee undertook an external review of its effectiveness as part of the annual Board evaluation. The Committee was highly rated, with particular comment being made on their work to ensure strong working relationships with the management team. More information on the results of the Board evaluation is provided on pages 188 to 189.

2026 and beyond

Looking ahead, the Committee expects the external environment to remain structurally volatile, with continued geopolitical uncertainty, regulatory evolution, and technological disruption shaping the Group's landscape. Key areas of focus will include:

- Ensuring the scalability and consistency of risk governance across rapidly growing subsidiaries.
- Strengthening the Group's cyber-resilience and AI risk governance frameworks.
- Enhancing Group and subsidiary level capital planning and stress testing capabilities to reflect increasingly complex and correlated risk scenarios.
- Embedding a forward-looking risk culture that supports innovation while maintaining disciplined risk-taking.

The Committee will operate as the Board's strategic lens on uncertainty, resilience and long-term value under evolving regional and global risk conditions. It will continue to exercise its control function in close cooperation with the other Board committees.



Thymios Kyriakopoulos
Chairman of the Risk Committee

7 April 2026

Human Resources and Remuneration Committee Report



CHAIRMAN AND COMMITTEE BACKGROUND

Ms. Heckman brings over 30 years of senior experience in corporate, investment and development banking, with extensive exposure to strategic leadership and governance across multiple jurisdictions. Her background provides the Committee with strong insight into remuneration governance, risk alignment and sustainable value creation in regulated financial services environments.

MEMBERS OF THE COMMITTEE

- Janet Heckman* (Chair of the Committee)
- Arne Berggren
- Per Anders Fasth* (stepped down on 12 February 2025)
- Tsira Kemularia* (stepped down on 1 November 2025)
- Rajeev Sawhney* (joined 12 February 2025)
- Nino Suknidze* (joined 1 November 2025)

Meeting attendance shown on page 183

**Independent Director*

Only Committee members have the right to attend meetings, but the Chairman of the Committee may invite other attendees to attend all or part of any meeting if appropriate or necessary.

KEY AREAS OF RESPONSIBILITY

- Human resources strategy and related policies
- Remuneration Policy, including share-based and variable remuneration
- Oversight of wider workforce remuneration

The Committee ensures that the Bank's remuneration framework complies with applicable regulations, supports long-term sustainable performance and promotes fair, transparent and responsible reward outcomes aligned with corporate and individual performance.

More information on the Committee can be found in its Terms of Reference, revised in December 2025, which have been adopted by the Board and are available on the Company's website: www.tbcbankgroup.com.

COMMITTEE PURPOSE

The role of the Committee is to ensure, that:

- The strategies, policies and practices of the Company and its subsidiaries regarding human resources and remuneration support the Group's strategic objectives;
- The remuneration policy and practices of the Group are, in accordance with statutory and regulatory requirements, designed to support and promote the long-term success of the Group and to reward colleagues fairly and responsibly with a clear link to corporate and individual performance;
- Executive remuneration is linked to the Group's values, execution of its long-term strategy and aligned to the wider Group stakeholders' expectations;
- The remuneration policy and practices are fairly and consistently applied across the Group.

SUMMARY OF KEY ACTIVITIES IN 2025

During 2025, the Committee focused on overseeing the remuneration framework to ensure continued alignment with performance, risk and the long-term strategy. The Committee also considered pay competitiveness with reference to relevant market benchmarks.

The Committee remains satisfied that the remuneration approach in place supports the long-term people strategy and promotes a sustainable and performance-oriented reward culture.

PRINCIPAL ACTIVITIES AND SIGNIFICANT ISSUES CONSIDERED DURING 2025

The Committee undertook an annual review of its effectiveness as part of the Board evaluation. More information on the results of this can be found on pages 188 to 189.

BUSINESS CONTEXT

TBC Bank Group delivered a strong financial performance in 2025. Full-year net profit rose by 9% year-on-year to GEL 1.420 billion, while ROE reached 24.2%.

In Georgia, we continued to strengthen our leadership positions across all key segments, growing our total loan book by 11% year-on-year. Full-year net profit in Georgia reached GEL 1,377 million, up 8% year-on-year, with ROE of 24.3%.

In Uzbekistan, the business continued to scale and delivered solid results despite a number of operational challenges and a changing regulatory agenda during the year. Full-year net profit rose by 15% year-on-year to GEL 127 million, with ROE of 18.4%, while total operating income increased by 67% year-on-year to GEL 690 million.

INCENTIVE PAYMENTS FOR PERFORMANCE DELIVERED IN 2025

Incentive payments under the Combined Incentive Plan ("CIP") reflect TBC Group's strong financial and operational achievements. CEO variable remuneration is directly linked to key performance indicators, including company-wide and individual objectives, which were developed with consideration for the Group's strategic priorities and risk appetite.

Eligibility for any payout to the CEO (or any future executive director) under the CIP is subject to meeting the 'performance gateways' as a step 1, with minimum performance requirements set by the Committee for the financial year, including measures based on capital, liquidity, and profitability. For FY25, all performance gateways were achieved, making the CEO eligible to receive a payout under the Combined Incentive Plan.

Performance step 2 is an evaluation of Annual KPI performance scorecard under the Combined Incentive Plan. Based on the performance against the Annual KPI targets, the Committee determines an overall payout percentage between 0% and 200% of salary. The assessment of performance against the Annual KPI performance scorecards resulted in an outcome of 55.8% of maximum for the CEO. The Committee considered the outcome and felt it was a fair reflection of performance and so no further discretionary adjustments were required. This results in an overall outcome of 111.7% of salary for the CEO, equivalent to GEL 5,701,975 which is awarded entirely in shares.

This award is split between:

- A "Share Award" – 40% of the total (GEL 2,280,790) is paid in shares which must be held for at least three years (subject to 3-year clawback), but are not subject to any further performance conditions or linked to continued service.

Human Resources and Remuneration Committee Report continued

- A “Long-Term Share Award” – 60% of the total (GEL 3,421,185) is granted as a deferred award of shares which is subject to a potential scale back based on the TSR shareholder alignment mechanism. TSR performance will be measured over the annual performance year and the following two years. This part could be scaled back by 50% if TBC’s TSR is not at least in line with a weighted TSR index created by the Euro Stoxx 600 Banks (50% weighting) and Bank of Georgia (50% weighting). If TBC’s TSR is below the Weighted Index by 22.5% or more than the Long-Term Share Award will be scaled back by 50%. If TBC’s TSR is between 0% and 22.5% below the Weighted Index TSR, the reduction will be on a straight line basis from 100% to 50%. This Long-Term Share Award will vest after five years and is subject to malus and a 3-year clawback. This component of the CIP, comprising equity-based awards, is designed to align executive interests with shareholder value creation and ensure accountability for sustainable growth.

Pay outcomes, discretion and restraint

The Committee carefully considered whether the formulaic outcomes under the Combined Incentive Plan appropriately reflected the underlying performance of the Group, the shareholder experience and the broader economic environment. In particular, the Committee reviewed the absolute level of the CEO’s remuneration outcome in light of the improvement in financial performance and significant share price appreciation over the period. Having undertaken this assessment, and having consulted with the Risk Committee, the Committee concluded that the formulaic outcome appropriately reflected performance delivered in 2025 and therefore exercised no upward or downward discretion.

Outturn under the 2023-25 LTIP

Under the previous LTIP structure, a final award was granted to the CEO in 2023 for the performance period 2023 to 2025. This crystallised on 25 March 2026. The 2023-2025 LTIP performance achieved a performance outcome of 100% of the maximum available award, recognising the strong performance of the Bank over the period, including growth in net profit of 41.6% and TSR performance of +128%. From 2022, the NBG introduced a 200% cap on variable remuneration. Therefore, the 2023–2025 LTIP, together with previously awarded annual bonuses, must not exceed 200% of fixed pay. As a result, even under maximum performance, the granted amounts cannot be fully awarded and are capped in accordance with this 200% rule. Consequently, it was necessary for this award to be scaled back to a vesting level of 76.26% equaling 50,943 shares (on a gross basis).

Non-Executive Directors’ Remuneration

Non-Executive Directors’ fees remained unchanged during 2025. The fee structure introduced in 2024 continues to reflect the scale, complexity and international nature of the Group’s operations, as well as prevailing market practice. The Board intends to review fee levels during 2026 to ensure that they remain appropriate and competitive, while maintaining a disciplined approach to costs.

Wider Workforce Pay

TBC’s remuneration philosophy continues to apply across the wider workforce, with a focus on fairness, consistency and alignment with the Group’s values and long-term strategy. During 2025, the Committee oversaw the ongoing application of the remuneration frameworks and policies introduced in the prior year, ensuring they operated as intended and remained aligned with market practice and the Group’s performance.

During the year, the Employee Ambassador, Nino Suknidze, contributed to the Committee’s work, enabling closer collaboration and direct feedback from her engagement with the workforce, and supporting a more employee-centric approach to remuneration. This in turn has led to greater comfort, demonstrated by strong ENPS scores, around the transparency and openness of remuneration structures. More information on the work of the Employee Ambassador, in this regard and more broadly, can be found on pages 165 and 169 of this Report.

Advisors

In 2025, the Human Resources and Remuneration Committee engaged external advisors to provide additional support.

Korn Ferry was chosen by the Human Resources and Remuneration Committee following a tender process, in order to advise on the preparing of 2025 Directors Remuneration report. The expenses associated with Korn Ferry’s service in 2025 amounted to £64,427.50 (excluding VAT).

Korn Ferry did not provide any other services during the year to the Group. The fees incurred by Korn Ferry were determined on the time spent providing the advice, based on hourly rates. Both the Human Resources and Remuneration Committee and the Board express their satisfaction with the objectivity and independence of Korn Ferry’s advices. They ensured that the team from Korn Ferry providing the guidance had no affiliations with the Group that might compromise its independence.

Shareholder Engagement

The Committee engaged with shareholders in 2025 as part of its regular programme of dialogue on remuneration matters. Shareholder feedback continues to inform both the implementation of the Remuneration Policy and the Committee’s approach to disclosure, particularly in relation to the operation of the Combined Incentive Plan (“CIP”).

This engagement supported further enhancements to transparency in this report, including clearer articulation of performance conditions, outcomes and the Committee’s application of judgement. The Committee believes that this approach has strengthened alignment between remuneration outcomes, performance delivery and shareholder expectations.

2026 and beyond

The Group’s remuneration outcomes for 2025 were considered carefully in the context of the year’s financial and operational performance, as well as the broader external environment. The Committee exercised appropriate restraint and ensured that remuneration decisions remained aligned with performance, risk management and the long-term interests of shareholders. The Board remains committed to open and transparent engagement with shareholders, and the Committee welcomes ongoing dialogue throughout the year and at the AGM.

Looking ahead, the Committee will continue to focus on maintaining and evolving a robust, sustainable and fully compliant remuneration framework that supports long-term value creation. During 2026, the Committee will ensure continued alignment with the Group’s strategic objectives, performance culture and risk appetite. This will include consideration of incentive structures, performance measures and reward positioning to ensure they remain effective, competitive and aligned with shareholder interests.

The Committee will proactively engage with the NBG to ensure alignment with evolving regulatory expectations and good market practices in remuneration. It will continue to monitor developments in remuneration frameworks, regulatory requirements, and governance standards, ensuring that all arrangements remain fully compliant and appropriately structured. Regulatory considerations will be consistently embedded in the design and implementation of remuneration policies and incentive plans, supporting transparency, sound governance, and sustainable performance.

The Committee will also maintain structured engagement with the employee ambassador, supporting the consideration of employee perspectives in the development of HR and remuneration policies. This dialogue will inform the Committee’s approach to talent management, retention and workforce sustainability, in line with the Group’s long-term strategic objectives.

Closing Remarks

We are fortunate to have a very high performing management team and the returns to shareholders recently have been excellent. The Committee has determined remuneration outcomes for 2025 in light of the financial and operational performance, but this has been balanced with appropriate restraint to ensure that the adjusted remuneration outcomes remain aligned with performance delivery, effective risk management and the long-term interests of shareholders.

The Committee remains committed to open and transparent engagement with shareholders. Looking ahead, the Committee must review the remuneration policy again in 2026 ahead of seeking shareholder approval at the 2027 AGM and will engage shareholders later in the year as part of its considerations. In the meantime, we will remain focused on maintaining a robust and sustainable remuneration framework that supports long-term value creation in the interests of all stakeholders.



Janet Heckman

Chair of the Group Human Resources and Remuneration Committee

7 April 2026

Directors' Remuneration Report

This section of the report has been compiled in compliance with Part 3 of the revised Schedule 8 outlined in the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2008 (as amended), the UK Listing Rules and the UK Corporate Governance Code. At the forthcoming AGM, the Directors' Remuneration Report will undergo an advisory shareholder vote.

Directors' single total figure of remuneration for 2025

The next table provides a breakdown of the various elements of Non Executive Directors' pay for the year ended 31 December 2025 and for the prior year. This comprises the total remuneration earned in respect of the period from 1 January 2025 to 31 December 2025, and the prior period from 1 January 2024 to 31 December 2024.

	Salary/ Fees		Pension related benefits		Total Fixed		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
USD'000¹	2025	2024	2025	2024	2025	2024	2025	2024
Arne Berggren	432	400	-	-	432	400	432	400
Tsira Kemularia	187	178	-	-	187	178	187	178
Per Anders Fasth	200	184	-	-	200	184	200	184
Eran Klein	181	170	-	-	181	170	181	170
Thymios P. Kyriakopoulos	199	180	-	-	199	180	199	180
Rajeev Sawhney	181	166	-	-	181	166	181	166
Nino Suknidze ²	170	156	2	2	172	158	172	158
Janet Heckman	198	180	-	-	198	180	198	180
Monica Kalia ³	27	-	-	-	27	-	27	-

Notes to the table:

- All of above compensation is denominated (and shown in the table) in USD. Non-Executive Directors have not received any other payments or benefits from the Group in 2025 and 2024.
- Georgian law requires that the bank provides pension contributions for Nino Suknidze, as a Georgian resident, into the mandatory Georgian government pension scheme at a level of 2% of her fee. This pension scheme applies only to TBC Bank JSC and does not apply to TBC Bank Group PLC. The amount paid by TBC Bank Group PLC is not subject to pension contributions. No other Non-Executive Directors received pension contributions during the year.
- Monica Kalia joined the Board on 1 November 2025 as a member of the Audit Committee, Technology, Data, AI and Cybersecurity Committee, and ESG and Ethics Committee.

Executive Directors (Chief Executive Officer)

GEL'000	Salary/ Fees		Taxable benefits ⁵		Total Fixed		CIP Share Award/Annual Bonus ²		LTIP ^{3,4}		Total Variable		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Vakhtang Butskhrikidze ¹	5,105	5,105	60	59	5,165	5,164	2,281	3,154	7,546	12,792	9,827	15,946	14,992	21,110

Notes to the table:

- Salary was delivered as GEL 2,333,612 in cash and GEL 2,771,165 in shares in 2025. CEO compensation and taxable benefits (security allowances and insurance) are denominated in GEL. The CEO did not receive any remuneration other than that disclosed in the table.
- The CIP Share Award is delivered in shares which must be held for three years for 40% of the award and five years for 60% of the award. The amount shown in the table is in respect of the 40% Share Award. The remaining 60% Long Term Share Award will be disclosed when final performance has been assessed.
- 2023-2025 LTIP award was granted in 2023 for the performance period 2023 to 2025 and crystallised on 25 March 2026. The 2023-2025 LTIP performance achieved an outcome of 76.26% of the maximum available award, equaling 50,943 shares (on a gross basis) and recognising the excellent performance over the period. After deducting applicable taxes for Georgia and the UK, 38,207 shares were transferred to the CEO, subject to additional 2 year vesting period. The Single Total Figure table above reflects the value of the award on a gross basis, calculated using the three-month average share price for fourth quarter of 2025 GBP 41.15 and the foreign exchange rate per the National bank of Georgia of 3.599477 GEL/GBP.
- For the 2022-2024 LTIP award, 83,455 shares (on a gross basis) were transferred to the CEO. The vesting date for the award was 10 March 2025. The Single Total Figure table above reflects the value of the award on a gross basis, calculated using the share price on the vesting date of GBP 42.70 and the foreign exchange rate per the National Bank of Georgia of 3.5898 GEL/GBP.
- Currently the CEO has chosen not to receive a pension contribution from the Company.

DETAILS OF VARIABLE PAY EARNED IN THE YEAR

GATEWAY KPIS

Before an Award can be paid out the Committee must be satisfied that performance of the TBC Group passes the "Performance Gateway" set by the Committee for the financial year.

The following gateway KPIs were met as at the end of 2025, confirming the CEO's eligibility for variable award pay outs:

- CET1 ratio: The lower end of the amber zone of the Risk Appetite Framework (RAF) at 31 December each year as approved by the Risk Committee. This is currently 0.6pps above the regulatory ratio per the existing risk appetite;
- Liquidity (NSFR ratio): The lower end of the amber zone of the RAF at 31 December each year as approved by the Risk Committee. This is currently 3pps above the regulatory ratio per the existing risk appetite;
- Profitability (IFRS Group Profit): The Group shall not run a loss after incurring Variable Compensation expenses.

As shown in the next table, the status of the gateway KPIs set with respect to the variable pay out was above the respective targets as at the end of 2025:

		2025
CET 1 ratio	CET 1 Reg Requirement	14.75%
	Red zone limit (lower end of Amber zone)	15.35%
	Actual CET1 Capital Ratio	16.63%
NSFR	NSFR Reg Requirement	100.0%
	Red zone limit (lower end of Amber zone)	103.0%
	Actual NSFR	123.71%
(IFRS Group Profit)	Group IFRS Profit in FY 2025	GEL 1.420 billion
	Top Management Variable Comp in 2025 at grant gateway target	GEL 17.2 million

Determining the CEO's performance

TBC Bank PLC has delivered an outstanding year with a strong profitability of GEL 1.420 billion after tax and a Group Return on Equity of 24.2%. Awards under CIP and LTIP awards made to the CEO with respect to the performance year 2025 reflect the Committee's assessment of performance against company-wide and individual objectives, which were developed with consideration for the Group's strategic priorities and risk appetite.

Performance achieved against each measure was applied to the weighting of each objective to determine the outcome percentage under each incentive award. As part of this assessment, the Committee consulted the Group Risk Committee and took into consideration its feedback in determining outcomes for the CEO's risk and compliance measures. The Committee also considered whether any discretion should be exercised with respect to the risk and compliance targets of the Group Risk Appetite Framework (RAF).

KPI performance in 2025 reflected a varied outcome. While Group-level profitability metrics, including ROE and Net Profit, were below target, the NPL ratio outperformed plan, and Georgia's ESG – Volume of Sustainable Assets KPI exceeded its target.

Details of the payouts under each incentive plan are disclosed in more detail in the next two sections.

COMBINED INCENTIVE PLAN - SHARE AWARD AND LONG-TERM SHARE AWARD

As stated in the Chair's Statement, the gateway KPIs for the CIP award were fulfilled and the scorecard assessment for the CIP resulted in a score against KPIs of 55.8% of the maximum. The KPI outcomes are set out in the table below with the CEO's individual KPI outcome to show the overall outcome:

N	KPIs	Weight	Threshold	2025 Target ¹	Maximum	Actual 2025	KPI Fulfillment out of 100%	Weighted Fulfillment	Methodology
	Group	40%							
1	Group ROE	16%	22.2%	24.7%	27.2%	24.19%	57.1%	9.1%	TBC Group budget ROE
2	Group Net profit, GEL bln	16%	1.36	1.51	1.66	1.420	35.4%	5.7%	
3	Group NPL	8%	5.5%	3.8%	2.0%	2.75%	87.1%	7.0%	
	Country specific	50%							
4	GE: MAU (by login), mln	10%	1.17	1.30	1.43	1.30	70.2%	7.0%	Monthly Active Digital Users in TBC Bank
5	GE: ESG - Volume Of Sustainable Assets, GEL bln	10%	1.8	2.0	2.2	2.26	100.0%	10.0%	
6	GE: Net profit, GEL bln	10%	1.24	1.37	1.51	1.377	70.5%	7.0%	
7	UZ: Net Profit, UZS bln	20%	784.6	871.7	958.9	453	0.0%	0.0%	
8	Leadership	10%	1	7	10	8.2	100%	10.0%	The evaluation of the Chief Executive Officer's (CEO) leadership was conducted by the Corporate Governance and Nomination (CGN) and Human Resources and Remuneration Committees and approved by the full Board. During the year, the CGN Committee focusing on key areas such as strategic vision, leadership, and performance orientation. This process provides a holistic perspective on the CEO's impact on the organisation's long-term success and values.
	Overall total KPIs	100%						55.8%	

Notes to the table:

- 1. targets are aligned to the budget.

The Committee considered the 2025 remuneration outcomes in the context of the Group's overall performance and the level of KPI achievement during the year.

An achievement of 55.8% of the maximum resulted in a total payout of GEL 5,701,975, equivalent to 111.7% of the CEO's base salary, compared with a maximum opportunity of 200% of salary.

The Share Award will be delivered in shares, based on the ten-day average share price preceding the Human Resources and Remuneration Committee's decision date (GBP 43.955) and the applicable GBP/GEL exchange rate of 3.63708. The results in a payout of 5,701,975 GEL. The award is split between:

- A "Share Award" – 40% of the total (GEL 2,280,790) will be paid in shares which must be held for at least three years (subject to 3-year clawback). The Committee considers the 2025 Share Award outcome fair, reasonable, and proportionate, reflecting the CEO's performance and the value delivered throughout the year.
- A "Long-Term Share Award" – 60% of the total (GEL 3,421,185) will be granted as a deferred award of shares which will vest after 5 years and could be scaled back based on the TSR shareholder alignment mechanism. TSR performance will be measured over the annual performance year and the following two years. This part could be scaled back up to 50% if TBC's TSR is not at least in line with a weighted TSR index created by the Euro Stoxx 600 Banks (50% weighting) and Bank of Georgia (50% weighting). If TBC's TSR is below the Weighted Index by 22.5% or more than the Long-Term Share Award will be scaled back by 50%. If TBC's TSR is between 0% and 22.5% below the Weighted Index TSR, the reduction will be on a straight line basis from 100% to 50%.

LONG TERM INCENTIVE AWARD FOR 2023-2025

Under the 2023 award, the performance was assessed against TSR, ROE and ESG - Volume of Sustainable assets performance metrics. At the end of 2025 the LTIP achievements reached 100% across all three metrics, resulting in an overall performance achievement of 100%.

KPI (with weighting)	Below Target	Target (inclusive)	Above Target	Actual Result	Weighting	Achievement
Absolute target for total shareholder return (TSR) ¹	15%-17%	17%-20%	20%+	40.36%	50%	100%
Average ROE ²	17%-20%	20%-23%	23%+	25.44%	30%	100%
ESG KPI – Volume of Sustainable assets at the end of 2025 ³	1.2 billion - 1.4 billion GEL	1.4 billion - 1.5 billion GEL	Above 1.5 billion GEL	2.25 billion GEL	20%	100%
Total KPIs					100%	100%

Notes to the table:

- 1. TSR is calculated based on the assumption that dividends are reinvested at the share price on the ex-dividend date. It represents TSR over the three-year period divided by three. For calculations, the average share prices for month of February will be used.
- 2. Exceptional one-offs caused by regulatory changes (taxation, NBG lending rules, etc.) have been excluded from ROE calculations. The exclusion was subject to Committee discussion and approval.
- 3. The volume of sustainable, performing assets that went through the standard credit underwriting process: such as sustainable loans, including those loans which will be originated at TBC and might be syndicated within KPI performance period, as well as bonds issued by TBC Capital.

Based on this performance assessment, the table below illustrates the value receivable under the LTIP Award granted in 2023 for the performance period 2023 to 2025. Shares have crystallised on 25 March 2026 and will vest in 2028.

Directors' Remuneration Report continued

Award holder	Number of awards granted	Payout (% of maximum)	Number of shares due to vest ²	Value from share price increase ¹	Total value vesting ²
Vakhtang Butskhrikidze (CEO)	66,800	76.26%	50,943	GEL 3,644,553	GEL 7,545,600

Notes to the table:

- There was 69.5% share price appreciation from the date of grant (£24.28) to the three-month average share price to 31 December 2025 (£41.15).
- Value of shares is calculated based on a three-month average share price of £41.15 and the foreign exchange rate per the National bank of Georgia of 3.599477 to 31 December 2025.
- Gross number of shares is provided in the table. The net number of shares awarded, which was 38,207 is calculated from the gross amount, at the time of award, by deducting the applicable taxes in Georgia and UK, in line with the requirements of the Georgian tax legislation. The share price used to determine the number of shares is the average share price over the ten day period following the preliminary announcement of results for the financial year ended 31 December 2022 of GBP 24.28 and GEL: GBP exchange rate of 3.1539, in line with the approved policy.
- No dividend equivalents were payable on the 2025 award.

LONG TERM SHARE AWARDS GRANTED DURING THE YEAR

The following awards were granted to the CEO during the 2025 financial year:

Award holder	Type of award	Face value of award (% of salary)	Face Value of award (GEL)	Number of shares awarded (gross) ¹	Grant Date	End of performance period
Vakhtang Butskhrikidze (CEO)	Long-Term Share Award ²	92.7%	4,731,554	38,077	14/03/2025	31/12/2026

Notes to the table:

- The gross number of shares is provided in the table for illustrative purposes. The net number of shares granted, which was 28,557, is calculated from the gross amount, at the time of award, by deducting the applicable taxes in Georgia and the UK, in line with the requirements of the Georgian tax legislation. The share price used to determine the number of shares was the average share price over the ten-day period prior to the committee decision date of GBP 35.56 and GEL : GBP exchange rate of 3.49449, in line with the approved policy.
- The Long Term Share Award can vest at the end of 5 years anywhere between 50% to 100% of the face value based on TSR performance. TSR performance will be measured over 2024-2026. This part could be scaled back up to 50% if TBC's TSR is not at least in line with a weighted TSR index created by the Euro Stoxx 600 Banks (50% weighting) and Bank of Georgia (50% weighting). If TBC's TSR is below the Weighted Index by 22.5% or more than the Long-Term Share Award will be scaled back by 50%. If TBC's TSR is between 0% and 22.5% below the Weighted Index TSR, the reduction will be on a straight line basis from 100% to 50%.

DIRECTORS OUTSTANDING INCENTIVE SCHEME INTERESTS (AUDITED)

Long-Term Share Awards

The following tables summarise the outstanding awards made to Executive Director:

a. Salary in shares²

Vakhtang Butskhrikidze

Year of Grant	Interest at 01/01/2025	Granted in year	Vested in year	Interest at 31/12/2025	Grant date	Share price used for grant calculation ³	Vesting date ¹
2025	-	20,501	-	20,501	14/03/2025	£29.186	14/03/2025
Total	-	20,501	-	20,501			

Notes to the table:

- Refers to the salary in shares under the Directors' Remuneration Policy approved at the 21 May 2024 AGM. Starting from 2025, the salary in shares is subject to a holding period released in three equal annual tranches after one, two and three years.
- All share interests are presented net of all applicable taxes for Georgia and the UK.
- Applicable FX rate for GBP/GEL used for the 2025 award was 3.4772.

b. Short term share awards³

Vakhtang Butskhrikidze

Year of Grant	Type of award	Interest at 01/01/2025	Granted in year	Vested in year	Interest at 31/12/2025	Grant date	Share price used for grant calculation	Vesting date	Holding date
2025 ¹⁴	CIP Share Award	-	19,039	-	19,039	14/03/2025	£35.560	14/03/2025	14/03/2028
2024 ²⁵	Deferred Annual Bonus	21,696	-	10,848	10,848	25/03/2024	£29.303	25/03/2026	-
2023 ²⁶	Deferred Annual Bonus	11,087	-	11,087	-	10/03/2023	£24.904	10/03/2025	-
Total		32,783	19,039	21,935	29,887				

Notes to the table:

- Refers to the policy approved at the 21 May 2024 AGM. A "Share Award" – 40% of the total combined incentive plan which must be held for at least three years (subject to 3-year clawback), but are not subject to any further performance conditions or linked to continued service.
- Refers to the policy approved at the 14 June 2021 AGM. The Annual Bonus award is subject to a holding period with 50% of the shares subject to a holding period for 1 year and the other 50% for two years from the delivery date. The Annual Bonus award remains subject to malus before the end of the holding period and clawback at any time before the third anniversary of the end of the holding periods.
- All share interests are presented net of all applicable taxes for Georgia and the UK.
- Applicable FX rate for GBP/GEL used for the 2025 award was 3.49449.
- Applicable FX rate for GBP/GEL used for the 2024 award was 3.3401.
- Applicable FX rate for GBP/GEL used for the 2023 award was 3.18807.

c. Long Term Share Award / LTIP

Vakhtang Butskhrikidze

Year of Grant	Type of award	Interest at 01/01/2025	Granted in year	Vested in year	Lapsed in year	End of Holding in year	Interest at 31/12/2025 ²	Grant date	End of performance period	Vesting date ¹
2025	CIP Long Term ShareAward	-	38,077	-	-	-	38,077	14/03/2025	31/12/2026	14/03/2030
2023	LTIP	66,800	-	-	-	-	66,800	10/03/2023	31/12/2025	10/03/2028
2022	LTIP	83,455	-	83,455	-	-	-	10/03/2022	31/12/2024	10/03/2027
Total		150,255	38,077	83,455	-	-	104,877			

Notes to the table:

- As per the Remuneration Policy effective from 2022, the LTIP grants from 2022 onwards are subject to a 5-year vesting which does not require an additional holding period.
- The number of shares granted presented in the table are calculated from the gross maximum LTIP amount.

Directors' Remuneration Report continued

Directors Shareholdings (audited)

The following table sets out a summary of the Directors' interests in shares, including any interests held by connected persons. Vakhtang Butskhrikidze's shareholding of 3,274% of salary at 31 December 2025 exceeds the share ownership requirement of 200% of salary.

	Shareholding guideline (% of salary)	Shareholding at 31 Dec 2025 not subject to either continuing employment requirements or performance conditions (A) ¹	Shareholding at 31 Dec 2025 subject only to continuing employment requirements ² (B)	Total number of shares held (C = A+B)	Shares as a percentage of salary (D) ⁴	Number of shares subject to the performance conditions in relation to LTIP (E) ³	Total interests in shares still subject to conditions (B+E)	Total interests in shares (A+B+E)
Arne Berggren	-	7,000	-	7,000	-	-	-	7,000
Tsira Kemularia	-	-	-	-	-	-	-	-
Per Anders Fasth	-	-	-	-	-	-	-	-
Eran Klein	-	-	-	-	-	-	-	-
Thymios P. Kyriakopoulos	-	8,000	-	8,000	-	-	-	8,000
Rajeev Sawhney	-	-	-	-	-	-	-	-
Nino Suknidze	-	-	-	-	-	-	-	-
Janet Heckman	-	-	-	-	-	-	-	-
Monica Kalia	-	-	-	-	-	-	-	-
Vakhtang Butskhrikidze (CEO)	200%	912,693	216,997	1,129,690	3,274%	66,800	283,797	1,196,490

There were no changes to the Directors' interests in the Company's shares during the period between 31 December 2025 and the publication of this Annual Report other than those announced on 9 January, 12 March and 25 March 2026.

Notes to the table:

- This figure includes all shares held that are no longer subject to any performance conditions restrictions. Some of these shares may still be subject to clawback.
- This figure includes shares that are still subject to transfer restrictions, continuous employment condition and malus and clawback provisions. The figure includes shares granted as Share Salary in 2025, an Annual Bonus in 2024 and 2025 (deferred shares) and as an LTIP award for the 2021-2023 performance period, 2022-2024 performance period and Long Term Portion of Combined Incentive Plan granted in 2025.
- This figure includes awards granted, but not vested, under the LTIP that are subject to performance conditions. Details of these interests are described in the Directors Outstanding Incentive Scheme Interests chapter above.
- The shares as a percentage of salary have been calculated based on a share price of GBP 40.60 as of 31 December 2025 converted into GEL using the official exchange rate published by the NBS of 3.6446 for GEL/GBP for the same date.

Payments to past Directors (audited)

No payments have been made to past Directors during the 2025 year.

Payments for loss of office (audited)

No payments have been made for loss of office in the 2025 year.

Relative importance of the expenditure on pay

The next table shows the Group's expenditure on pay compared with distributions to shareholders.

GEL,000	2025	2024	% change
Remuneration paid to or receivable by all employees ¹	650,797	570,461	14%
Distributions to shareholders by way of dividends or share buyback ²	623,622	421,896	48%
Other significant distributions and payments	-	-	-

Notes to the table:

- Total spend on pay includes total staff costs per Group's IFRS consolidated financial statements.
- Dividends of GEL 584,749,349 paid to shareholders in 2025 were the sum of gross amounts of 2024 full dividend and 2025 interim dividends. The Company operated a share buy-back of GEL 38,872,968. Amounts have been converted into GEL according to the exchange rate on the transaction dates.

Year-on-year change for Directors compared to global average for employees

The next table shows the percentage change in salary, benefits and Annual Bonus earned between 31 December 2020 and 31 December 2025 for the Directors compared to the average for other employees. In accordance with the Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019, which apply to financial years commencing on or after 10 June 2019, this analysis has been expanded to cover each Executive and Non-Executive Director.

In the next table, as per the requirements of the Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019, changes to the base pay (or fees), benefits and Annual Bonus of Directors are compared to employees over the same period (2024 to 2025, 2023 to 2024, 2022 to 2023, 2021 to 2022, 2020 to 2021).

	Change in 2025 against 2024 (%)			Change in 2024 against 2023 (%)			Change in 2023 against 2022 (%)			Change in 2022 against 2021 (%)			Change in 2021 against 2020 (%)		
	Taxable Benefits	Annual Bonus	Total Fees	Taxable Benefits	Annual Bonus	Total Fees	Taxable Benefits	Annual Bonus	Total Fees	Taxable Benefits	Annual Bonus	Total Fees	Taxable Benefits	Annual Bonus	Total Fees
Non-executive Directors¹															
Arne Berggren ⁵	8%	-	-	12%	-	-	-	-	-	-	-	13%	-	-	113%
Tsira Kemularia	5%	-	-	9%	-	-	2%	-	-	-	-2%	-	-	-	5%
Per Anders Fasth ⁶	9%	-	-	17%	-	-	2%	-	-	-	-	59%	-	-	-
Eran Klein ⁶	6%	-	-	10%	-	-	-	-	-	-	-	60%	-	-	-
Thymios P. Kyriakopoulos ⁶	11%	-	-	17%	-	-	-	-	-	-	-	59%	-	-	-
Rajeev Sawhney	9%	-	-	8%	-	-	1%	-	-	-	NMF	-	-	-	-
Nino Suknidze ⁶	9%	-	-	8%	-	-	-1%	-	-	-	NMF	-	-	-	-
Janet Heckman ⁷	10%	-	-	42%	-	-	NMF	-	-	-	-	-	-	-	-
Maria Luisa Cicognani ⁸	-	-	-	-	-	-	NMF	-	-	-	-31%	-	-	-	1%
Monica Kalia ⁹	NMF	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Executive Directors															
	Change in 2025 against 2024 (%)			Change in 2024 against 2023 (%)			Change in 2023 against 2022 (%)			Change in 2022 against 2021 (%)			Change in 2021 against 2020 (%)		
	Total Salary	Taxable Benefits	Annual Bonus	Cash Salary ¹²	Total Salary ¹²	Taxable Benefits ¹³	Annual Bonus ¹¹	Taxable Benefits	Annual Bonus	Taxable Benefits	Annual Bonus	Taxable Benefits	Annual Bonus	Taxable Benefits	Annual Bonus
Vakhtang Butskhrikidze ²	0%	2%	-28%	5%	61%	2%	11%	1%	2%	19%	1%	6%	-9%	0%	-4%
Average employee^{3,4}	8%	3%	-6%	10%	10%	5%	10%	10%	63%	15%	10%	9%	14%	2%	63%

Notes to the table:

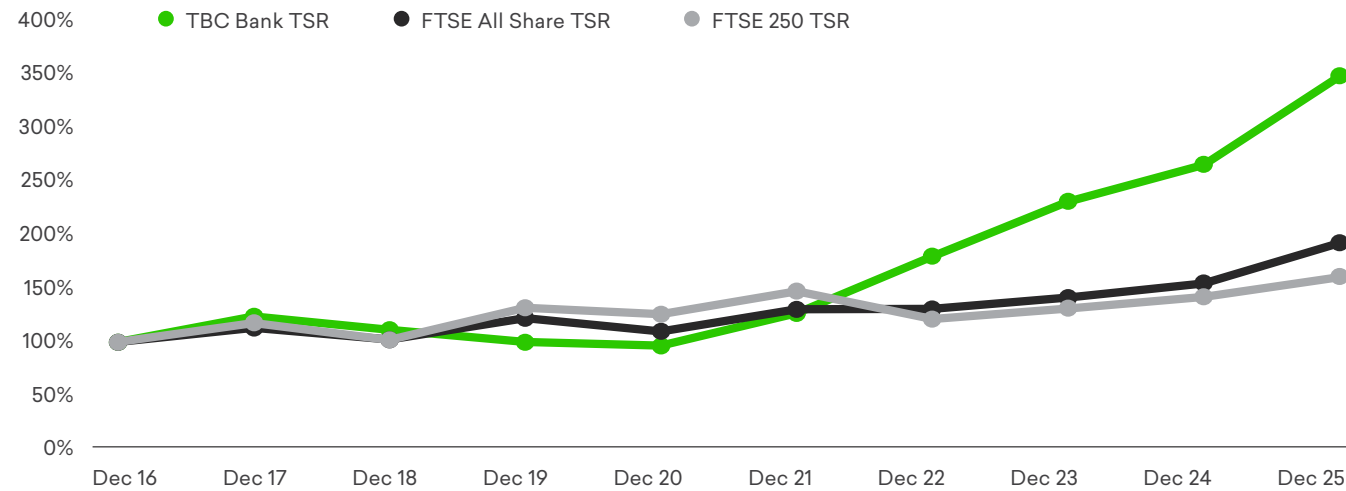
- Percentage change for Non-Executive Directors' salary, benefits and Annual Bonus is provided in USD.
- Percentage change for Executive Director's salary, benefits and Annual Bonus is provided in GEL.
- Percentage change for the workforce salary, benefits and Annual Bonus, where applicable, is provided in GEL.
- These numbers include the remuneration of the employees of the whole TBC Bank Group PLC, except for the Executive and Non-Executive Directors' remuneration provided in the given table, since at Company level there is only one employee.
- Arne Berggren was appointed as the Chairman of the Board on 1 March 2021. He joined the Board as an independent Non-Executive Director on 13 August 2019 and was appointed as a member of TBC Bank JSC Supervisory Board on 18 July 2019.
- Eran Klein, Per Anders Fasth and Thymios P. Kyriakopoulos joined the Board on 4 May 2021. Nino Suknidze and Rajeev Sawhney were appointed on 24 November 2021.
- Janet Heckman was appointed to the Board on 23 February 2023.
- Maria Luisa Cicognani stepped down from the Board on 14 September 2022.
- Monica Kalia was appointed to the Board on 1 November 2025.
- In light of the outbreak of COVID-19 a decision was taken not to grant an Annual Bonus (deferred shares) award to the CEO and the senior management team for 2020.
- The change for CEO represents Share Award (40% of new CIP award) against 2023 Annual Bonus.
- In 2024, TBC Bank Group PLC adjusted the CEO's remuneration to meet regulatory caps, reducing the incentive opportunity from 296% to 200% of salary under a new Combined Incentive Plan. This increased fixed pay through a higher Shares Salary, released over three years, and a 5% cash salary increase, below the workforce average. These changes reflect the CEO's expanded role and align the package with market benchmarks after remaining unchanged since 2022.
- From 2024, a revised calculation method was implemented in accordance with UK regulations on taxable benefits.

Directors' Remuneration Report continued

Performance graph and total remuneration history for Chief Executive Officer

The next graph shows the Company's performance, measured by TSR, compared with the performance of the FTSE 250 Index and the FTSE All-Share Index from 10 August 2016 when the shares were listed on the premium segment of the London Stock Exchange to 31 December 2025. These market indexes were selected because the Company is a constituent of both indices.

Total shareholder return



The total remuneration figures for Vakhtang Butskhrikidze (CEO) for 2015 to 2025 are shown in the next table. The Annual Bonus and long-term incentive award vesting level as a percentage of the maximum opportunity are also disclosed:

Financial Year	Currency	Single Total figure of remuneration ('000)	Annual Bonus / CIPs a percentage of maximum Annual Bonus opportunity (%)	LTIP vesting as a percentage of the maximum opportunity of shares that could have vested (%)
2025	GEL	14,992	56%	76%
2024	GEL	21,110	77%	100%
2023	GEL	16,569	66%	96%
2022	USD	1,728	56%	N/A
2021	USD	2,231	62%	43%
2020	USD	982	N/A	N/A
2019	USD	1,887	69%	N/A
2018	USD	3,356	85%	N/A
2017	USD	4,084	88%	N/A
2016	USD	3,017	85%	N/A
2015	USD	1,809	87%	N/A

Previous AGM voting outcomes

The Directors' Remuneration Policy, approved by shareholders at the 2024 Annual General Meeting, applies from 1 January 2024 to 31 December 2026. Further details are set out in the 2024 Annual Report available on www.tbcbankgroup.com.

The table below shows the voting outcome on the Directors' Remuneration Report at the 2025 Annual General Meeting.

Resolution	Votes For	% of votes cast For	Votes Against	% of votes cast Against	Total votes	% of issued share capital voted	Votes Withheld
Vote on the Directors' Remuneration Report at the 2025 AGM	33,615,553	87.44%	4,827,483	12.56%	38,443,036	68.39	1,538,617

At the 2025 Annual General Meeting, the Directors' Remuneration Report received 87.44% of votes cast in favour, demonstrating shareholder support for the Company's approach to executive remuneration and its implementation during the year.

The Human Resources and Remuneration Committee reviewed shareholder feedback received through ongoing engagement, which highlighted a focus on the transparency of disclosures relating to the Combined Incentive Plan ("CIP") and the overall level of CEO remuneration. In response, the Committee has enhanced the clarity of CIP performance disclosures in this report and confirmed that there will be no increase in the CEO's salary or overall remuneration opportunity for 2026.

The Committee remains committed to maintaining open and constructive dialogue with shareholders and will continue to take shareholder views into account when reviewing remuneration arrangements and future pay outcomes.

IMPLEMENTATION OF REMUNERATION POLICY FOR 2026

This section summarises how the 2024 Policy was implemented in 2026 for Executive and Non-Executive Directors.

Group CEO

Salary for the CEO	<p>There is no change to the salary level for FY26. Accordingly, the salary for the CEO from 1 January 2026 is GEL 5,104,777, where GEL 2,333,612 is paid in cash and GEL 2,771,165 is paid in shares.</p> <p>Salary in cash: The cash part of the salary is aimed to provide fixed cash remuneration (46% of the CEO's salary).</p> <p>Salary in shares: Part of the salary is delivered in the form of shares to align Executive Directors' and shareholders' interest (54% of the CEO's salary). These are subject to a holding period released in three equal annual tranches after one, two and three years (not subject to any continuing service requirements malus or clawback).</p>
Pension	The CEO has elected not to receive a pension from the Company
Combined Incentive Plan	<p>In accordance with the Remuneration Policy, the maximum opportunity for the CEO will be 200% of salary (cash and shares).</p> <p>The payouts under Combined Incentive Plan (The "CIP") for CEO will be subject to the following gateway conditions which will be assessed based on the 2025 performance period:</p> <ul style="list-style-type: none"> - CET1 ratio: Above the Supervisory Board approved risk appetite limit as of 31 December; - Liquidity (NSFR ratio): Above the Supervisory Board approved risk appetite limit as at 31 December; - Profitability (IFRS Group Profit): The Group shall be profitable (i.e. not run a loss) after incurring incentive expenses.

The performance targets for 2026 are deemed to be commercially sensitive at this time and will be disclosed in next year's Annual Report on Remuneration. The level of payout will be determined based on performance against the following annual KPIs.

KPI	Weight
Group ROE	16%
Group Net Profit	16%
Group NPL	16%
Group CIR	16%
Action Plan	18%
eNPS Group	8%
Leadership	10%

Upon vesting, dividend equivalents in respect of the Long-Term Share Award will be payable in cash equal to the dividends paid on the underlying shares between the date the award was made and the vesting date.
No dividend equivalents will be paid for any award (or part of an award) which lapses before it vests.

The Chair and Non-Executive Directors

During 2026, the Company plans to conduct a peer benchmarking exercise, supported by an external consultancy firm, to assess market practices and the appropriateness of current fee levels relative to comparable listed financial institutions. The outcome of this review will inform any potential future adjustments, if deemed appropriate.

	FY2025 USD'000
Chairman	390 (all inclusive)
Board Membership Fee (base NED fee)	130
Additional Fee for Senior Independent Board Member role	20
Employee Engagement Designated Independent Board Member role	10
Audit Committee member	15
Corporate Governance and Nominations Committee member	9
ESG and Ethics Committee member	9
Human Resources and Remuneration Committee member	15
Technology, Data, AI and Cybersecurity Committee member	9
Risk Committee member	15
Supervisory Board Committee Chairmanship Role (per committee)	3 x Committee membership fee

Where required by Georgian Law, the Non-Executive Directors resident in Georgia will receive pension contributions of 2% of fees payable to the Georgian National Pension fund.

Introduction

This Directors' Remuneration Policy (the "2024 Policy") was approved by shareholders at the 2024 AGM. A full version of the policy is contained within the 2023 Annual Report & Accounts on pages 238 to 249. In this year's report we provide a summary of the policy.

The 2024 Policy was developed taking into account:

- the National Bank of Georgia (NBG) Corporate Governance Code for Commercial Banks
- the 2024 UK Corporate Governance Code
- Directors' remuneration guidelines of our main institutional investors and shareholder advisory bodies

The NBG introduced a new Corporate Governance Code for Commercial Banks in 2018 which included certain requirements in relation to executives' remuneration that came into force from 2019 and a Fixed to Variable Pay Ratio cap which applied from 2022. The 2024 Policy seeks to ensure that the remuneration arrangements operate effectively within the Fixed to Variable Pay Ratio cap whilst maintaining a strong link between pay and long-term performance. The remuneration arrangements have therefore been rebalanced with a lower variable pay opportunity, which continues to be delivered exclusively in shares, deferred over the long-term to be closely aligned with all stakeholder interests, as well as to offer competitive compensation to Directors.

A SUMMARY OF THE POLICY: EXECUTIVE DIRECTOR

Salary – delivered as cash and shares	
Purpose and link to the strategy of the Group	Salaries are determined to provide an Executive Director with a competitive fixed income to efficiently retain and reward them and are based upon each Director's roles and responsibilities within the Group and relative skills and experience and are set based on market practice. <u>Salary in cash</u> The cash part of the salary is aimed to provide fixed cash remuneration. <u>Salary in shares</u> Part of the salary is delivered in the form of shares to align to shareholders' interests (not subject to any continuing service requirements, malus or clawback).
Operation	An Executive Director may be paid separate salaries for roles and responsibilities at different entities within the TBC Group as set out in a separate service contract with any relevant entity. The aggregate is disclosed in the Remuneration Report. Salaries are reviewed annually by the Remuneration Committee. Salaries will be reviewed against relevant bank peers and other companies of a comparable size and complexity. At portion, which for the CEO will be at least 50% of the total salary, will be delivered in shares. <u>Delivery of shares</u> Shares are usually delivered during the first quarter of the second year (i.e., the year after the work is performed) with the exact date determined by the Remuneration Committee. The number of shares is calculated based on the average share price over the year worked. All shares must be held for one year, two thirds for a second year and one third for a third year. The Committee has discretion to determine alternative holding periods should they consider this appropriate. The shares are registered in the trustees' name as nominee for the participants. An Executive Director is entitled to receive dividends and have voting rights from the delivery date.
Maximum Opportunity	Salary is set and reviewed annually to ensure that the Executive Director receives a fair compensation which is competitive for the role that the individual is asked to play within the Group and is commensurate with experience. Salary for the Executive Director is determined by the Remuneration Committee, taking into account his skills, performance and experience. The maximum salary level will be determined by the Committee in line with the principles outlined. Whilst there is no absolute maximum salary level, any increase will normally be in line with those awarded to the general workforce. Where an increase is to be awarded above those granted to the general workforce, we will engage with our shareholders and maintain the objective that the total reward potentially available is not excessive from the standpoint of relevant employment data. Any changes to salary must be recommended by the Remuneration Committee and approved by the Board.
Performance Measures	Not performance based

1At the time of the pension reform in 2019, in line with the transitional provisions of the Law on Pensions of Georgia, individuals above certain age were given a one-time opportunity to opt out of the pension scheme and the CEO decided to opt out from the Georgian state pension scheme.

Directors' Remuneration Report continued

Malus / clawback	Malus and clawback provisions are not applicable to salary delivered in cash or shares.
Pension	
Purpose and link to the strategy of the Group	To assist in providing for their retirement and to maintain a market competitive benefits package to attract and retain executive directors ¹ .
Operation	The Georgian government has a mandatory pension scheme. Under this scheme 2% of total employee compensation is to be contributed to a national pension fund.
Maximum Opportunity	In line with the workforce, the maximum employer contribution will not exceed 2% of total compensation. Currently the CEO has chosen not to receive a pension contribution.
Performance Measures	No performance measures apply to the contribution level
Malus / clawback	Malus and clawback provisions are not applicable.
Benefits	
Purpose and link to the strategy of the Group	Benefits are in line with Georgian market practice and are designed to be sufficient in order to attract and retain high calibre talent.
Operation	Benefits available to Executive Directors consist of insurance (such as medical, life and disability insurance), physical examinations, Directors' and officers' liability insurance, a car service, personal security arrangements and assistance with filling out tax returns, where required. The Remuneration Committee retains the discretion to provide additional benefits, where necessary or relevant in the context of the Director's location. Executive Directors are reimbursed for reasonable business expenses incurred in the course of carrying out duties under their service contracts, on provision of valid receipts.
Maximum Opportunity	The maximum amount payable depends on the cost of providing the benefits that the Remuneration Committee is willing to provide to the Executive Director in the location at which the Executive Director is based. The cost of providing comparable benefits in different jurisdictions may vary. Disclosure of amounts paid will be provided in the implementation report and will be explained where the cost of benefits is significant.
Performance Measures	Not performance based
Malus / clawback	Malus and clawback provisions are not applicable
Variable Pay	
Combined Incentive Plan ("CIP")	
Purpose and link to the strategy of the Group	The CIP has been designed to (i) be attractive and appropriately positioned against the market; (ii) be aligned with performance and shareholders; (iii) be transparent and easily understood; and (iv) takes into account best practice and meet regulatory requirements. It provides a strong motivational tool to achieve the annual KPIs which are set in accordance with the strategic objectives, with the payment in shares delivered over the long-term, and subject to the TSR alignment mechanism, providing alignment with sustained shareholder success.

Operation	<p>There will be a three-step performance assessment process for the CEO (and any other future Executive Director);</p> <p><u>Performance Step One – Performance Gateway</u> Eligibility for payments under the Combined Incentive Plan is subject to passing gateway criteria, measured over the Annual KPI Performance Period. The Gateway criteria are based on measures of financial soundness (including capital, liquidity and profitability).</p> <p><u>Performance Step Two - Annual KPI performance scorecard</u> KPIs will be set at the beginning of each year in relation to that year. The majority of the weighting will be based on Financial KPIs but other KPIs will also cover Customer, ESG and Leadership.</p> <p>Targets for each KPI will, where possible, be set with a threshold, target and maximum level with, pro-rata payouts between points. Each KPI will be assessed independently.</p> <p>At the end of the annual KPI performance period, the Committee will review the performance against the targets and agree the overall payout level. The formulaic level may be adjusted if it is not considered in line with underlying performance, the shareholder experience, or risk appetite.</p> <p><u>Payout process</u> Based on the performance against the Annual KPI targets, the Committee will determine an overall payout percentage between 0% and 200% of salary. The payout is split between:</p> <ul style="list-style-type: none"> - A "Share Award" – 40% of the total will be paid in shares which must be held for at least three years (subject to 3-year clawback) - A "Long-Term Share Award" – 60% of the total will be granted as a deferred award of shares which will vest after five years. (subject to malus and 3-year clawback) <p><u>Performance Step Three - TSR shareholder alignment mechanism</u> The grant value of a Long-Term Award has been determined by the stringent performance assessment in Performance Step 1 and Performance Step 2.</p> <p>At Performance Step 3, the number of shares comprising a Long Term Share Award may be scaled back by up to 50% if TBC's Total Shareholder Return ("TSR") is not at least in line with a weighted TSR index created by the Euro Stoxx 600 Banks (50% weighting) and Bank of Georgia (50% weighting). If TBC's TSR performance is less than the TSR of the Weighted Index, a Long-Term award will be scaled back proportionately from 100% to 50% if TBC's TSR is between 100% to 77.5% or below, the performance of the weighted index. TSR performance will be measured over the annual performance period for Performance Step 2 and the following two years. The Committee may use a different TSR benchmark or different measure of long term performance for future awards for Performance Step 3.</p> <p>The Remuneration Committee also has the discretion, any time after the Long-Term Share Award has been granted, to reduce (including to zero) an award if the Remuneration Committee considers that either the underlying financial performance of the Company or the performance of the individual is such that the level of vesting cannot be justified.</p> <p><u>Form of awards</u> A Share Award and LongTerm Share Award are delivered in shares or share awards with the number of shares typically calculated based on the average share price during the 10 days after the Remuneration Committee decision date, which shall be after the preliminary annual results. The Share Award is delivered in shares which are registered in the trustees' name as the nominee for the participants and the participants are entitled to receive dividends.</p> <p>The Long-Term Share Award may be granted in the form of conditional share awards, options or restricted share awards.</p> <p>To the extent permitted by the NBG regulations the Committee may decide that Awards may benefit from dividend equivalents at vesting or may use a discounted share price to determine the number of shares comprising an Award after Performance Step 2, broadly equivalent to the dividend yield on such basis as determined by the Committee. No dividends or dividend equivalents will be paid on any Award (or part therefore) that lapses on or before vesting.</p> <p><u>Dilution</u> For newly issued and treasury shares, the CIP is limited to using 10% in 10 years for employee plans and 5% in 10 years for discretionary plans. These limits will exclude shares under awards that have been renounced, forfeited, released, lapsed or cancelled or awards that were granted prior to the Company's IPO or awards that the Remuneration Committee decide will be satisfied by existing shares.</p> <p><u>Administration</u> The plan will be administered by the Remuneration Committee. Key discretions the Remuneration Committee has with respect to the plan are summarised further on in this Remuneration Policy.</p>
------------------	---

¹ At the time of the pension reform in 2019, in line with the transitional provisions of the Law on Pensions of Georgia, individuals above certain age were given a one-time opportunity to opt out of the pension scheme and the CEO decided to opt out from the Georgian state pension scheme.

Directors' Remuneration Report continued

Maximum Opportunity	<p>The Maximum opportunity under the Combined Incentive Plan is 200% of salary. Subject to achieving the Gateway criteria, under the annual KPI assessment:</p> <ul style="list-style-type: none"> For achieving maximum performance, 100% of the maximum opportunity being payable For achieving Target performance, no more than 70% of the maximum opportunity being payable For Threshold performance, no more than 10% of the maximum opportunity is payable. <p>The vesting of the Long-Term Share Award is subject to the TSR alignment mechanism whereby the vesting may be scaled back by up to 50%.</p>
Performance Measures	<p>The Gateway criteria are based on measures of financial soundness (capital, liquidity, profitability).</p> <p>The Annual KPIs are a mixture of corporate and individual performance measures. The majority of the weighting will be based on Financial KPIs but other KPIs will also cover Customer, ESG and Leadership.</p> <p>The Remuneration Committee may also adjust KPIs during the year to take account of material events, such as (without limitation): material corporate events, changes in responsibilities of an individual and/or currency exchange rates.</p> <p>The TSR alignment mechanism will be based on performance against a relevant Georgian and / or international banking comparators.</p>
Malus / clawback	<p>Awards are subject to the operation of malus at any time before the end of the vesting period (Long-Term Share Award) and clawback at any time before the third anniversary of the end of the holding period (for the Share Award).</p> <p>The precise powers of the Remuneration Committee to operate malus and clawback are set out in the terms and conditions governing the awards.</p>
Shareholding Requirement	
Purpose and link to the strategy of the Group	<p>To further enhance the alignment of shareholders' and Executive Directors' interests in long-term value creation and sustainability of results.</p>
Operation	<p>The Company has a minimum shareholding requirement of 200% of base salary, usually built up within five years of appointment. Until it is met, Executive Directors are expected to retain 50% of shares (net of tax) that vest from any share award.</p> <p>Shares counted for this purpose include any share awards which are not subject to future performance conditions (notwithstanding that holding / continued employment conditions may still apply).</p> <p>After employment the lower of the Executive Director's shareholding at termination or the in-service minimum shareholding requirement are required to be held for two years post-cessation.</p>
Performance Measures	<p>Not performance based</p>

MALUS AND CLAWBACK

Awards are subject to the operation of malus at any time before the end of the vesting period (Long-Term Share Award) and clawback at any time before the third anniversary of the end of the holding period (for the Share Award). The precise powers of the Remuneration Committee to operate malus and clawback are set out in the terms and conditions governing the awards. In summary, for awards granted whilst this 2024 Policy is in effect, if the Board determines (based on the recommendation of the Remuneration Committee) that:

- the Director deliberately misled the Company or the Bank in relation to financial performance;
- there has been a material misstatement or material error in the financial statements of the Company or the Bank;
- the Director participated in or was responsible for conduct which resulted in significant losses to the Company or the Bank;
- the Director failed to meet the relevant fit and proper criteria set by the NBG;
- there is evidence of misconduct or serious errors by the Director, including (without limitation) a breach of any code of ethics or any other material breach of internal company rules;
- the Company, the Bank and/or a relevant business unit suffers a significant downturn in its financial performance (e.g. specific business indicators) (for malus purposes), or the Director has caused the Company, the Bank and/ or a business unit to suffer a significant downturn in its financial performance (for clawback purposes);
- the Company, the Bank and/or a business unit in which the Director works suffers a significant failure of risk management (for malus purposes), or the Director has caused the Company, the Bank and/or the business unit in which the Director works to suffer a significant failure of risk management (for clawback purposes);

- there is a significant increase in the Company's and or Bank's or relevant business unit's economic or regulatory capital base (for malus purposes), or the Director's participation caused significant increase in the Company's and or Bank's or relevant business unit's economic or regulatory capital base (for clawback purposes); or
- the conduct of the Director contributed to the imposition of regulatory sanctions on the Company or the Bank.

The Board has the right to recover some or all of the award for that year or any subsequent financial year that is unvested (or unpaid) to lapse (or not be paid) (i.e., operate malus), and/ or to require the return of shares and/or cash value received by the Director pursuant to the award (i.e., operate clawback), as determined by the Board in its absolute discretion. Further, malus may be operated if it is considered that the underlying financial performance of the Company or the performance of the Executive Director during the vesting period is such that the original number of shares cannot be justified.

In addition, if it is discovered during the three years after cessation of employment that a good leaver is in fact a bad leaver according to the rules of the plan, the provisions of the plan applicable to bad leavers will apply and the individual will be required to return all shares acquired pursuant to awards that vested on or after the cessation of employment.

For awards granted prior to the effective date of this Policy, the awards are subject to the Company's previous malus and clawback policy as summarised in the Policy in effect from 1 January 2022.

Fees	
Purpose and link to the strategy of the Group	<p>To provide appropriate compensation for a Non-Executive Directors of the Group, sufficient to attract, retain and motivate high calibre individuals with the relevant skills, knowledge and experience to further the Group's strategy.</p>
Operation	<p>The Group pays fees to Non-Executive Directors. The fees are determined by the Board. The Chair is paid an all-inclusive fee for all Board responsibilities. The other Non-Executive Directors receive a basic Board fee, with additional fees for additional responsibilities such as where individuals serve as the Senior Independent Director, member or Chair of a Committee of the Board. Fees are generally paid monthly in cash. However, the Board reserves the right to pay the fees on a different basis.</p>
Maximum Opportunity	<p>The Board (excluding any Executive Directors) will review the amount of each component of fees periodically to assess whether, individually and in aggregate, they remain competitive and appropriate in light of changes in roles, responsibilities and/or time commitment of the Non-Executive Directors, and to ensure that individuals of the appropriate calibre are retained or appointed. Current fee levels are set out in the Annual Report of Remuneration. The maximum aggregate fees that may be paid to the Non- Executive Directors under article 81 of the Company's articles of association shall be USD 2,500,000.</p>
Performance Measures	<p>Not performance based.</p>
Malus / clawback	<p>Malus and clawback provisions are not applicable</p>
Benefits and Expenses	
Purpose and link to the strategy of the Group	<p>To compensate Non-Executive Directors for expenses incurred in connection with the performance of their Non-Executive Directors duties and to ensure the Group has the appropriate Non-Executive Directors input as and when required.</p>
Operation	<p>The Group may reimburse Non-Executive Directors for their expenses (and any tax payable thereon) incurred in connection with the performance of their duties including attending Board and Committee meetings (such as, for example, travel, accommodation, other subsistence expenses and personal security arrangements), Board/ Committee dinners and functions, Board training sessions, Director's and officers' liability insurance, advice in respect of professional duties and corporate hospitality events (or the Group may pay such expenses directly).</p>
Maximum Opportunity	<p>The maximum amount payable depends on the cost of providing such expenses in the location at which the Non-Executive Director is based. Shareholders should note that the cost of providing comparable expenses in different jurisdictions may vary widely.</p>
Performance Measures	<p>Not performance based</p>
Malus / clawback	<p>Malus and clawback provisions are not applicable</p>

POLICY TABLE: NON-EXECUTIVE DIRECTORS

the same way as the executives, the Non-Executive Directors receive their compensation both from the Company and the main subsidiary, TBC Bank JSC, proportionate to the time spent working on the respective entity's Boards and Committees.

SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

The service contracts of Executive Directors do not have a fixed duration and may be terminated by either party. They may contain tailored terms which allow for payments to continue to be paid if the Executive Director's employment is terminated under certain circumstances, such as following a corporate change, a change in control, involuntary termination, termination without cause, for "good leaver" reasons (including) death or disability, each as defined in the applicable Executive Director's service contract. Details of such terms contained in the current Executive Directors' service contract are described below (the Executive Directors' service contracts and Non-Executive Directors' letters of appointment are available for inspection at TBC Bank PLC's registered office).

a. Service contracts of the Group's current Executive Director Service contracts with TBC Bank PLC

On 12 May 2016, TBC Bank PLC entered into a service agreement with Vakhtang Butskhrikidze. The service agreement can be terminated by either party giving to the other party not less than seven months' written notice. In addition, TBC Bank PLC may terminate the service agreement without notice or pay in lieu of notice for cause (as defined in the service contract). The service contract contains non-compete and confidentiality provisions and is governed by English law.

Service contracts with TBC Bank JSC

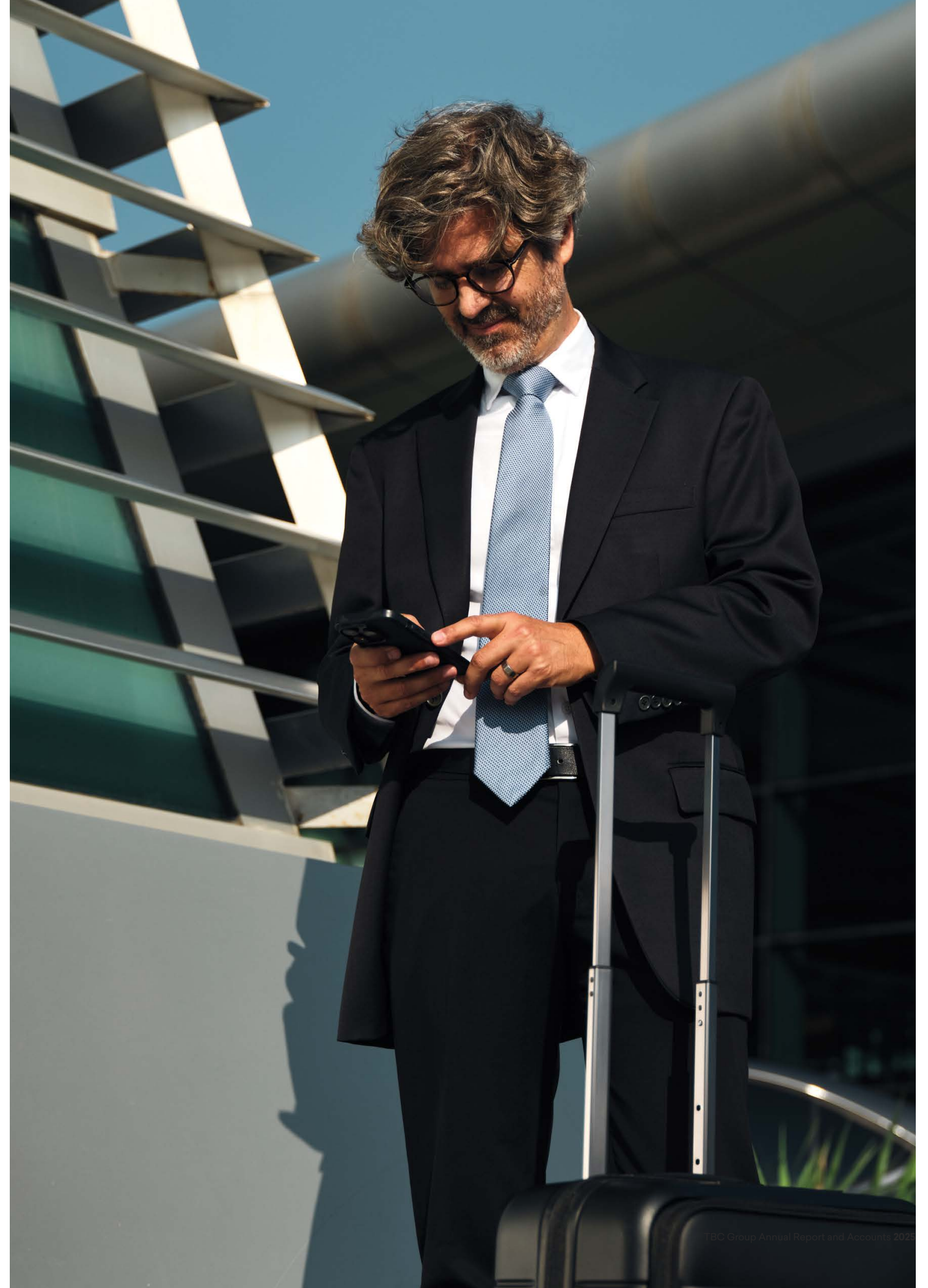
Vakhtang Butskhrikidze, as of 12 March 2026, served as CEO of TBC Bank JSC. The service agreement provided for Mr. Butskhrikidze to act as CEO of TBC Bank JSC. The agreement included non-compete and confidentiality provisions and was governed by Georgian law.

b. Letters of appointment – Non-Executive Directors

Each Non-Executive Director is required to submit himself or herself for annual re-election at the Annual General Meeting. The dates of appointment with the Group for each Non-Executive Director can be found in their biographies on pages 174 to 178. The letters of appointment provide for a one-month notice period although the Group may terminate the appointment with immediate effect without notice or pay in lieu of notice if the Non-Executive Director has committed any serious breach or non-observance of his or her obligations to the Group, is guilty of fraud or dishonesty, brings the Group or him/herself into disrepute or is disqualified from acting as a Non-Executive Director, among other circumstances. Upon termination, the only remuneration a Non-Executive Director is entitled to is accrued fees as at the date of termination, together with reimbursement of documented expenses incurred prior to the termination date.

Minor changes

The Human Resources and Remuneration Committee may make, without the need for shareholder approval, minor amendments to the Policy for administrative purposes or to take account of changes in legislation.



Technology, Data, AI and Cybersecurity Committee Report



CHAIRMAN AND COMMITTEE BACKGROUND

Rajeev Sawhney has chaired the Committee since January 2022. He has extensive experience in digital technologies and has served in Information Technology, focussing on Financial Services and various other industry sectors in several geographies across the world.

The Committee as a whole and the Chairman of the Committee are supported by a senior management team with extensive technology, data management experience and cybersecurity experience and the Chairman of the Committee reports back to the Board on matters considered by the Committee.

MEMBERS OF THE COMMITTEE

- Rajeev Sawhney* (Chairman of the Committee)
- Eran Klein*
- Thymios Kyriakopoulos*
- Monica Kalia* (joined 1 November 2025)

Meeting attendance shown on page 183

*Independent Director

KEY AREAS OF RESPONSIBILITY

- Technology Transformation including Data and AI
- Opportunities and Risks
- Resilience and Continuity
- Investment in Technology

More information on the Committee can be found in its Terms of Reference, revised in December 2025, which have been adopted by the Board and are available on the Company's website: www.tbcbankgroup.com.

COMMITTEE PURPOSE

The Technology, Data, AI & Cybersecurity Committee assists the Board in fulfilling its oversight of the Group's technology and data strategy by providing strategic leadership and direction. It works to ensure the Board's focus on key strategic matters in relation to technology, digital systems and platforms, data, analytics, automation, cyber security and Artificial Intelligence, as well as re-imagining digitalisation, as it addresses both the opportunities and risks inherent in the Group's technology-driven business model while preparing for the security challenges of an increasingly AI-powered threat environment. It maintains a strong focus on leveraging information technology, information security, AI and data capabilities to support business growth and international expansion as well as solidifying a dominant market position for the Bank in Georgia and fostering growth in Uzbekistan.

SUMMARY OF KEY ACTIVITIES IN 2025

During 2025, the Committee has taken significant steps in supporting the organisation's digital transformation, from foundational technology work to AI-powered operational excellence, and in leveraging technology and enhancing cybersecurity. It has driven proactive threat management in an evolving landscape of AI-powered attacks, to ensure ongoing operational resilience and customer security.

The Committee provided support to the Group's wider strategic goals, through measures such as ensuring technology architecture is designed for scalability across geographies and markets, and in particular in support of Uzbekistan operations.

To reflect the comprehensive and expanding scope of work and responsibility, the Committee updated its name from the Technology and Data Committee to the Technology, Data, AI and Cybersecurity Committee.

Principal activities and significant issues considered during 2025

Area of Focus: Technology Transformation

Committee Responsibility

The Committee has a key role in supporting the Bank's digital acceleration and periodically reviews the strategy and implementation milestones of the As-Is state of technology, data and cybersecurity landscape, the 3-year Target Operating Model and its alignment with overall Bank strategy. This includes assessing the impact of regulatory changes and readiness for changes, recommendations of technology & data audits both internal and external, gap analysis and mitigation plans.

Activity and actions taken by the Committee

During the year, the Committee approved a comprehensive three-year technology strategy for the Group, positioning TBC as a digital innovator with a data and AI-driven financial ecosystem. The strategy will be underpinned by reimagining digital systems, high performance software engineering, modernised data management, robust in-house platforms, secure and responsible AI adoption, as well as leading cybersecurity with real-time cyber health dashboards.

To support the strategy, the Committee oversaw a number of key AI-integration achievements, including the deployment of Georgia's first generative AI chatbot in the Georgian language, as well as GenAI knowledge bases and proactive voice assistants to improve user experiences. More information on how data and AI capabilities are being embedded in our operating model, both in Georgia and Uzbekistan, can be found earlier in this annual report.

The Committee also approved a number of major policies – Global Information Security Policy, TBC Bank Group PLC Global Data Protection Policy, Technology Policy, Data Governance Policy, and the Policy on the Secure and Ethical Use of AI.

Area of Focus: Opportunities and Risks

Committee Responsibility	Activity and actions taken by the Committee
The Committee reviews the opportunities and risks of the Group's technology and data systems including leveraging opportunities for competitive advantage and assessing risks and resilience in the context of changing business models, disruptive technologies, regulatory changes and cyber threats and works with the Risk and Audit committees where overlaps exist.	<p>The Committee conducted several deep dive sessions on the area of data and analytics, along with the ethical use of artificial intelligence. The Committee also undertook reviews of the opportunities and risks of technology and data systems, including leveraging opportunities and strategic initiatives for competitive advantage, enhancing digital customer experiences and assessing risks and resilience in the context of changing business models, disruptive technologies, regulatory changes (including with reference to the jurisdictions in which the Group operates in) and cyber threats.</p> <p>The Committee worked with a leading global technology consultancy firm to undertake a comprehensive assessment of data governance maturity and established a clear roadmap to further improve in areas such as legacy data technology risks, improving IT governance maturity, and training programmes.</p> <p>The Committee continues to develop and review comprehensive safeguards for AI implementation, data integrity controls and continuous monitoring to ensure robust AI risk management. It ensured the integration of the UK Cyber Governance Code of Practice into Group policies and worked with the Board to ensure early awareness and education on the practical applications of cybersecurity. Continuing the focus on education and awareness, the Committee facilitated a number of sessions with colleagues in Georgia and Uzbekistan on AI, as well as a cybersecurity session attended by the whole Board and delivered by EY.</p>

Area of Focus: Resilience and Continuity

Committee Responsibility	Activity and actions taken by the Committee
The Committee periodically reviews the Group's cybersecurity systems and the robustness of its business continuity plans.	<p>The Committee has established robust cybersecurity measures across the Group including operating a centralised Security Operations Centre, covering all companies in the Group with real-time monitoring, threat intelligence, and emergency response capabilities. Regular reviews of the cybersecurity and resilience position of the Group are undertaken, and the Committee considers Group-wide compliance with global information security policies and procedures. During 2025, this included reviews of critical systems, as well as response times to critical incidents and incident detection times.</p> <p>In joint sessions with the Risk Committee to review risk oversight, the Committee received and considered the business continuity and disaster recovery capabilities for TBC Uzbekistan, as part of its work in strengthening technology governance in the Group's subsidiaries. The Committee oversaw the migration to a new back up data centre, as well as disaster recovery testing for TBC Uzbekistan. It further maintained oversight of the development of short-term operational continuity plans and mid-term growth support strategies, addressing geographic concentration risks and regulatory constraints.</p> <p>In additional joint sessions with the Risk Committee to ensure an integrated to technology risk management, critical topics, including cybersecurity, business continuity, and the Group's risk appetite framework, were addressed, ensuring resilience and strategic alignment.</p>

Area of Focus: Organisational Structure and Investment

Committee Responsibility	Activity and actions taken by the Committee
The Committee reviews the organisation structure of the technology and data group in the context of governance, succession planning and talent management and furthermore considers additional investment.	<p>The Committee has overseen a period of governance maturation and updated its terms of reference to explicitly include AI and cybersecurity oversight, reflecting the ever increasing sophisticated governance needs of a digital-first banking operation. In addition, the Committee spends considerable time ensuring that technology architecture is designed for scalability across geographies, in particular to support the Uzbekistan operations.</p> <p>In considering the talent and skills needs of the business, the Committee discussions focused on future skills requirements and workforce transformation, including workforce composition, upskilling initiatives, data literacy enhancement and security awareness programmes. The changing nature of the business environment, and probably transformative shift in ways of working, requires an empowered workforce, and the Committee ensured the Board commitments to training and upskilling education programmes.</p>

Committee Effectiveness

The Committee undertook an internal review, facilitated with external support, of its effectiveness as part of the annual Board evaluation. The Committee was rated highly, and had significantly contributed to Group cyber-resilience and safety. More information on the results of the Board evaluation is provided on pages 188 to 189.

2026 and beyond

Looking ahead to 2026, the Committee will focus on three critical areas. Firstly, strengthening the foundational governance framework for technology operations in the Uzbekistan business, recognising that as a digital bank where technology underpins every aspect of the business, robust policies and processes are essential for sustainable growth and regulatory compliance. Second, managing the transformative and strategic integration of AI across all business functions—from risk mitigation and reporting to creating new revenue streams and operational efficiencies—while addressing the fundamental changes this will bring to workforce composition and organisational structure. Finally, building secure and resilient infrastructure that can withstand the evolving threat landscape, where AI and quantum computing are providing unprecedented capabilities to malicious actors; this requires moving beyond compliance box-ticking to developing institutional capabilities that enables real-time threat detection and response co-ordination across all subsidiaries, and maintains organisational resilience and business continuity against sophisticated cyber-attacks.



Rajeev Sawhney
 Chairman of the Technology, Data, AI and Cybersecurity Committee
 7 April 2026

ESG & Ethics Committee Report



CHAIRMAN AND COMMITTEE BACKGROUND

Eran Klein has chaired the Committee since January 2022. Eran is an experienced international banker and lawyer. Over a period spanning more than two decades, he has held senior roles in leading financial institutions across developed and emerging markets. Eran is certified in Championing Sustainability from the Boardroom by Stanford University's Doerr School of Sustainability and currently serves on two regional Chapter Zero boards. The Board considers him to have the necessary experience to support the Group's ESG strategy, as well as all other matters considered by the Board, including risk management, technology and banking strategy.

The Chairman of the Committee is supported by a senior management team with extensive ESG experience, and reports to the Board on the various ESG strategies and implementations considered by the Committee.

The Board is satisfied that the Committee as a whole has the competence relevant to the sector, and its members possess an appropriate level of experience in ESG matters.

MEMBERS OF THE COMMITTEE

- Eran Klein* (Chairman of the Committee)
- Janet Heckman*
- Monica Kalia* (joined 1 November 2025)
- Rajeev Sawhney* (stepped down 1 November 2025)
- Nino Suknidze*

Meeting attendance shown on page 183

*Independent Director

KEY AREAS OF RESPONSIBILITY

- ESG & Ethics Oversight
- ESG Targets and Strategic Recommendations

More information on the Committee can be found in its Terms of Reference, revised in December 2025, which have been adopted by the Board and are available on the Company's website: www.tbcbankgroup.com.

COMMITTEE PURPOSE

The ESG and Ethics Committee supports the Board in its development, approval and oversight of the implementation of various strategies, policies and programmes in relation to Environmental, Social and Governance ("ESG") matters for the Group and its subsidiaries, and seeks to promote the collective vision of values, conduct and culture within the Group. The Committee works to translate the evolving ESG agenda into practical, actionable transition plans that are measurable, benchmarked and aligned to clear milestones, including direct and indirect environmental impact, to ensure that there is understanding and support for the ESG strategy across the business.

The Group supports its ESG framework through the development and delivery of an ESG strategy. The ESG strategy reaffirms the Group's commitment to make a long-term, sustainable contribution not only in the countries of its operations but also across the broader region, and defines several key areas for the coming years, more information on which can be found on pages 120 to 127 of this Annual Report. The Committee is also responsible for providing strategic guidance and reviewing the Group's climate strategy and climate related matters, including disclosures and ensuring that these align with the Company's strategic priorities. More information on these disclosures can be found on pages 128 to 158 of this Annual Report.

SUMMARY OF KEY ACTIVITIES IN 2025

The Committee reviewed its terms of reference, to ensure the right focus on high-impact areas, including sustainable finance, stakeholder engagement, and material ESG priorities, leading to more targeted and commercially relevant discussions.

Under the ESG-driven business opportunities agenda, the Committee engaged with the Corporate and MSME segments of TBC Bank Georgia to assess the commercial potential of green financing and sustainable investment products, such as renewable energy and energy-efficiency lending, placing ESG as a driver of value creation and differentiation.

The Chief Risk Officer provided updates on how environmental, climate, and social risks were embedded in lending processes, more information on which can be found later in this report. In addition, briefings from the Investor Relations team on global ESG trends, regulatory developments, and investor expectations informed the Committee's materiality focus and strategic priorities.

These activities allowed the Committee to prioritise ESG issues with the greatest strategic and commercial impact, supporting stronger risk resilience and long-term value creation.

Principal activities and significant issues considered during 2025

Area of Focus: ESG Oversight

Committee Responsibility

The Committee regularly reviews the Group's ESG strategy (including climate strategy) as well as implementation plans (including monitoring their execution). In addition, the Committee makes recommendations regarding overall ESG targets in line with the Group's strategy, monitors communications with stakeholders and reviews ESG policies and practices.

Activity and actions taken by the Committee

The Committee receives regular updates on the adoption and impact of the ESG Strategy, the Company's ESG risk appetite, the development of the ESG framework and how behavioural change is being achieved throughout the organisation. It also reviews the Environmental and Climate Change Policy, Human Rights Policy and Code of Conduct and Ethics prior to review by the Board, and reviews the Sustainable Portfolio.

As well as keeping informed on external (local and international) developments in the ESG and regulatory landscape, the Committee oversees activities to support the Company's ESG Strategy, including the ESG Academy, ESG Related HR Support and overseeing management's efforts to raise internal awareness on ESG matters.

Further details on the Committee's role can be found later in this report in Group Disclosures and Performance Monitoring on ESG matters.

Area of Focus: Ethics Oversight

Committee Responsibility	Activity and actions taken by the Committee
The Committee has a role in assessing the Group's ethics-related policies. This includes ensuring their compliance with the ethics related standards, including fair treatment of customers.	The Committee reviewed updates on the fair treatment of customers of TBC Bank, and the policies, practices and framework of ethics and conduct supporting this. In 2025, the Committee approved additional commitments and expectations to policies to reflect ESG expectations and international best practice, as well as ensuring transparent disclosures where required. Further information on how the Company engages with its customers (and other stakeholders) in its decision-making process are set out on pages 162 to 169.

Further matters considered by the Committee

ESG-driven business opportunities and strategic integration

During the year, the Committee placed increased emphasis on ESG-driven business opportunities, expanding its scope to include Corporate and MSME segments of TBC Bank Georgia to support green financing, sustainable investment products, and sector-specific solutions. This placed ESG as a driver of innovation, customer engagement, and growth.

Together with the Chief Risk Officer, the Committee reviewed how environmental, climate, and social risks were managed within the lending process, including enhancements to internal green loan assessment capabilities. This strengthened alignment between the ESG strategy and the risk framework, supporting more resilient portfolio growth and clearer measurement of climate-related exposures.

The Committee also oversaw deep-dive reviews of climate performance, including Scope 1, 2, and 3 emissions and progress against the Net Zero Action Plan, supporting transparent tracking and disclosure.

Group Disclosures and Performance Monitoring on ESG Matters

The Committee oversees the Group's disclosures on ESG matters, including reporting in line with the Task Force on Climate-Related Financial Disclosure (TCFD) principles, in the Annual Report and Accounts. This also included reviewing and approving the Sustainability Report for 2024.

The Committee regularly reviews the ESG strategy action plan and targets, considering measures supporting the Company's aspiration to achieve net-zero for its direct impact. During the year the Committee received updates on topics including Scope 3 emissions and the evolving reporting requirements of CSRD reporting. The Committee works with the Audit Committee on reporting and compliance, ensuring alignment of responsibilities, and continues to be mindful of evolving ESG trends, investor expectations and regulatory requirements. In 2025, there was a particular focus on the regulatory frameworks for IFRS S1 and S2, and SRS, and the Committee's oversight of the early commencement of various projects to ensure full compliance with these reporting requirements within the set timeframes. More information on the Bank's ESG Strategy can be found on pages 120 to 127 of this Annual Report.

Cross-Committee Collaboration

During the year, the Committee worked closely with the Human Resources & Remuneration Committee on ethics and social matters, ensuring coordinated oversight of culture, conduct, and social responsibility. Joint work included reviewing and updating key policies such as the Code of Conduct and Ethics, DEI, and Human Rights policies, and ensuring alignment with international best practice.

The Committee also engaged with the Risk Committee to discuss emerging ESG risks, including climate-related credit exposures, regulatory developments, and social impact risks, strengthening alignment between risk management and ESG priorities.

In addition, the Committee collaborated with the Audit Committee on ESG reporting and compliance, contributing to the TCFD section of the Annual Report and reviewing key ESG disclosures, including the TCFD and Sustainability Reports, to ensure accuracy and alignment with global standards.

This cross-committee collaboration clarified responsibilities, reduced duplication, and strengthened governance, supporting a more integrated and accountable approach to ESG management across the organisation.

Committee effectiveness

The Committee undertook an internal review, facilitated with external support, of its effectiveness as part of the annual Board evaluation. Feedback was that the Committee was highly rated, and had a business-driven focus on ESG issues. More information on the results of the Board evaluation is provided on pages 188 to 189.

2026 and beyond

In 2026, alongside its regular review of ESG-driven opportunities across the business, the Committee will place increased focus on the Uzbek market by formally integrating TBC UZ into its Scope of Work. This will ensure consistent implementation of the Group's sustainability ambitions and enable closer oversight of regulatory developments, stakeholder expectations, and ESG opportunities in a key growth market.

The Committee will also conduct thematic deep dives on priority topics, including the Group's Transition Plan, alignment with IFRS S1 and S2, and initiatives to strengthen ESG education among employees and customers. These actions will support continued alignment with the existing ESG Strategy, meet regulatory and market expectations, and reinforce TBC's ambition to lead in sustainable finance across all geographies.

The Committee will work to further promote awareness-raising initiatives for the ESG Academy and continued ESG integration across the whole business ecosystem. There will be ongoing collaboration with other Board committees, including the Human Resources and Remuneration Committee on ethics and matters related to the social aspects of ESG, and the Audit Committee on reporting and compliance, as well as with the Risk Committee and the Technology, Data, AI and Cybersecurity Committee.

For further information on the Bank's ESG updates and its sustainability reports, please see the website: www.tbcbankgroup.com.



Eran Klein
Chairman of the ESG & Ethics Committee

7 April 2026

Directors' Report

Directors' report

In accordance with section 415 of the Companies Act 2006, the Directors of the Company are pleased to submit their Annual Report together with the audited consolidated financial statements, found on pages 253 to 261, for the financial year ended 31 December 2025.

This Directors' Report, set out on pages 244 to 248, coupled with the Strategic Report, set out on pages 7 to 169, form the Management Report, as required by article 4.1.5R of the Disclosure Guidance and Transparency Rules.

Other statutory and regulatory information incorporated into this Directors' Report by reference, including information required in accordance with the Companies Act 2006 and the FCA's Listing Rule 6.6.1R, can be found on the following pages:

Content	Page
Going Concern & Viability Statement	100
Greenhouse gas emissions	152
Section 172 statement	162
Employee engagement	165
Stakeholder engagement on key decisions	162
Disclosures required under DTR 4:	
Principal risks and uncertainties facing the business	76
Key performance indicators that effectively measure the development, performance and position of the business	24-27
Information relating to employee matters	106
Information relating to environmental matters	128
Likely future business developments	25
Disclosures required under Listing Rule 6.6.1:	
Details of long-term incentive schemes	220
Interest Capitalisation	343
Events after reporting period	n/a
Information on the Group's financial risk management and its exposure to credit, liquidity, interest rate and foreign currency risks	79
Research and Development	n/a

DIRECTORS

Appointment and replacement of Directors

The appointment and retirement of Directors is governed by the Articles of Association (the "Articles"), the Code and the Companies Act 2006 and related legislation.

In accordance with the Company's Articles of Association, the Directors are subject to annual re-appointment by shareholders and all the Directors will stand for re-appointment at the 2026 Annual General Meeting.

Powers of the Directors

The Directors may exercise all powers of the Company, subject to applicable laws and regulations and the Articles of Association.

Conflicts of Interests

The Company, in accordance with the requirements of the Companies Act 2006 and the Company's Articles of Association, 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, abstain from voting and decision-making on those matters.

For more information see page 188 of the Governance report.

Indemnities and Directors' and Officers' liability insurance

The Company has made qualifying third party indemnity provisions for the benefit of its Directors and these remain in force at the date of this Report. In addition, the Group maintains Directors' and Officers' liability insurance ("D&O") which provides appropriate cover for legal action brought against its Directors. The D&O insurance would not provide cover in event that a Director, Officer or Company Secretary is proven to have acted fraudulently or dishonestly. The above referred liability insurance was in force during the financial year ended 31 December 2025 and remains in force as at the time of this Report's publication.

Directors' Interests

Information on share ownership by the Directors can be found in the Remuneration Report on page 224.

Directors

The names of the Directors of the Company who were in office during the year end up to the date of signing the financial statements are set out on pages 174 to 178.

COMPANY STATUS AND BRANCHES

TBC Bank Group PLC is the holding company of the TBC Bank group of companies. TBC Bank Group PLC is a public listed company on the London Stock Exchange and is registered and domiciled in England and Wales (company number 10029943). It is the ultimate holding company of the Group, a full list of subsidiaries, partnerships, associates, joint ventures and joint arrangements is set out in Note 1 to the financial statements on pages 252 to 397. TBC Bank Group PLC does not have a branch network.

CHANGE OF CONTROL

There are no significant agreements to which the Company is a party of that take effect, alter or terminate upon a change of control of the Company. In addition, there are no agreements between the Company and its employees and the Directors that contain compensation clauses for loss of office or employment that occurs because of a takeover bid, resulting in a case of change of control.

RELATED PARTY TRANSACTIONS

Transactions with related parties are disclosed in Note 44 to the consolidated financial statements.

CAPITAL STRUCTURE

As of 31 December 2025, the Company's issued share capital comprised 55,822,154 ordinary shares (2024: 56,287,900) carrying a nominal value of £0.01 each, of which no shares are held in treasury. Therefore, the total number of voting rights in the Company is 55,831,154. The Company's issued ordinary share capital ranks equally in all respects and carries the right to receive all dividends and distributions declared, made or paid on or in respect of the ordinary shares.

In addition, 50,000 redeemable non-voting preference shares with a nominal value of £1.00 each (i.e., an aggregate of £50,000) were issued in connection with the initial capitalisation of the Company in 2016.

Further details on the Company's ordinary share capital and shares issued during the year can be found in Note 26 to the audited financial statements.

Rights and restrictions attached to shares

The rights and obligations attached to the Company's issued ordinary shares and redeemable non-voting preference shares are set out in its Articles of Association, which can be found on the Company's website. With regards to the ordinary shares, there are no voting restrictions on the shares issued and each ordinary share carries one vote, which can be cast at any general meeting of the Company. The redeemable non-voting preference shares are non-voting, and carry no rights to receive any of the profits of the Company available for distribution by way of dividend or otherwise. If there is a return of capital on winding up or otherwise, the assets of the Company available for distribution among the members shall be applied first in repaying the holders of the redeemable non-voting preference shares. The Company may redeem and cancel the redeemable non-voting preference shares at their nominal amount at any time.

Transfer restrictions

There are no specific restrictions on transfers of shares in the Company, which is governed by its Articles of Association and prevailing legislation, other than:

- Certain restrictions which may from time to time be imposed by laws or regulations, such as those relating to insider dealing;
- Pursuant to the Group's Share Dealing Code, whereby the Directors and designated employees require approval to deal in the Company's shares;
- Where a person with an interest in the Company's shares has been served with a disclosure notice and has failed to provide the Company with information concerning interests in those shares; and
- Pursuant to the Group's Remuneration Policy, whereby Participants (as defined therein) may be granted restricted share awards, which vest over a certain period of time from the award date and are subject to malus and clawback provisions.

All employees (including Directors) deemed by the Company to be insiders have complied with the Group's Share Dealing Code. There are no restrictions on exercising voting rights save in situations where the Company is legally entitled to impose such a restriction (for example, under the Articles of Association where amounts remain unpaid in the shares after request, or the holder is otherwise in default of an obligation to the Company). The Company is not aware of any arrangements between shareholders that may result in restrictions on the transfer of securities or voting rights.

Powers in relation to the Company issuing or buying back its own shares

The Companies Act 2006 and the Articles of Association determine the powers of Directors, in relation to share issues and buy backs of shares in the Company. Any shares which have been bought back may be held as treasury shares or cancelled immediately upon completion of the purchase.

Authority was given at a General Meeting of the Company held on 20 May 2025 (the "2025 AGM"), for the Company to allot ordinary shares in the capital of the Company up to an aggregate nominal value of £140,530. This authority will apply until the conclusion of the 2025 AGM or at close of business on 20 August 2026, if earlier. Shareholders will be requested to renew these authorities at the 2026 AGM.

In August 2025, the Board approved and announced the commencement of a share buyback programme of up to GEL 75 million in accordance with the terms of the general authority granted by shareholders at the 2025 AGM. The share buyback programme purpose was to purchase shares to reduce the Company's overall share capital.

During 2025, the Company repurchased in aggregate 389,719 shares (aggregate nominal value of the ordinary shares £16,651,807) at an average share price of GBP 42.73 for share cancellation. As of 31 December 2025 there were no shares held in treasury (2024: none).

Also during 2025, Apex Fiduciary Services Limited, the trustee of the Company's Employee Benefit Trust (EBT), purchased 244,480 shares at an average share price of GBP 43.77. These Ordinary Shares are to be held in the EBT and are intended to be used to satisfy the awards of share options granted to employees of the Company. The EBT is a discretionary trust for the benefit of the Company's employees, including the Directors of the Company. Subsequent to the announcement of a share buyback on 10 May 2024, the Company determined that rather than acquiring and then transferring these shares to the EBT, that the EBT would acquire shares directly.

A renewal of the authority to make market purchases will be sought from shareholders at each AGM of the Company. Purchases of ordinary shares will be made within guidelines established from time to time by the Board. Any purchase of ordinary shares would be made only out of the available cash resources of the Company. Ordinary shares purchased by the Company may be held in treasury or cancelled.

PROFITS AND DIVIDENDS

For the financial year ending 31 December 2025, the profit attributable to the Company's shareholders, after taxation, was GEL 1,397 million (2024: GEL 1,284 million). Quarterly dividends totalling GEL 584,749,349 were paid on the shares during the year.

Further information on dividends is shown in Note 26 on page 331 and is incorporated into this directors' report by reference.

The Board intends to recommend a final dividend of GEL 3.87 per TBC Bank Group PLC share, to be distributed to the Company's shareholders, payable in British Pounds Sterling. The Georgian Lari to Pound Sterling exchange rate that will apply to the final dividend payments on the conversion date of 5 June 2026 will be the average exchange rate of the National Bank of Georgia for the period of 1 June 2026 to and including 5 June 2026 (5 days average). Distribution of the dividend is subject to shareholders' approval at the 2026 AGM. If approved, the final dividend will be paid on

22 June 2026 to shareholders on the Register of Members at close of business in the UK (i.e. 6pm London time) on 22 May 2026. The Company has operated a scrip dividend scheme which was last approved at the 2025 Annual General meeting for the period to the 2028 Annual General Meeting. The scrip dividend programme enables shareholders to receive new fully paid ordinary shares in the Company instead of cash dividends. The operation of the scheme is strictly subject to the discretion of the Directors to make an offer of new fully paid ordinary shares in respect of any particular dividend. Should the Directors decide not to offer new shares in respect of any particular dividend, cash will automatically be paid instead. The final dividend for the year ended 31 December 2025 will be paid in cash only and an offer of new shares will not be made in respect of this dividend.

ARTICLES OF ASSOCIATION

The Company's Articles of Association were adopted pursuant to a resolution passed at a general meeting of the Company held on 12 May 2016. The Articles of Association may only be amended by a special resolution at a general meeting of the shareholders. The Company's current Articles are available on its website at www.tbcbankgroup.com.

MAJOR SHAREHOLDERS

As of 31 December 2025, the Company had been notified under Rule 5 of the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority (the "DTRs") of the following interests of 3% or more in its total voting rights:

Shareholder	% of voting rights	No. of voting rights
Mamuka Khazaradze and Badri Japaridze	15.33	8,558,454
BlackRock	6.74	3,760,696
Dunross & Co	5.57	3,108,246
Fidelity International	4.60	2,565,540
Vanguard Group	4.51	2,520,355
TBC Management	4.01	2,236,231
GTN Asia Financial Services	3.29	1,837,504
Allan Gray Investment Management	3.28	1,831,304

The table below shows the changes to the interests disclosed above as notified to the Company following the year end and at the date of this report. Current and future regulatory filings by shareholders will be available on the Group's website at www.tbcbankgroup.com and the LSE website at www.londonstockexchange.com.

Shareholder	% of voting rights	No. of voting rights
BlackRock	6.28	3,505,603
FIL Limited	7.41	4,131,252

POLITICAL DONATIONS

The Group did not make any political donations or incur any political expenditure during 2025.

CHARITABLE DONATIONS

Please refer to pages 349 and 351.

ANNUAL GENERAL MEETING

The 2025 AGM was held at the offices of Baker McKenzie, 280 Bishopsgate, London EC2M 4AG.

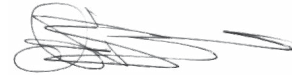
At the AGM held in May 2025, all of the resolutions were passed with the requisite majority. In the event 205 or more votes are received against a recommended resolution at a general meeting, the Board would announce the actions it intends to take to engage with shareholders to understand the result, in accordance with the 2024 UK Corporate Governance Code.

Directors' Report continued

At the 2026 AGM, shareholders will have the opportunity to ask questions to members of the Board, including the Chairmen of the Board Committees.

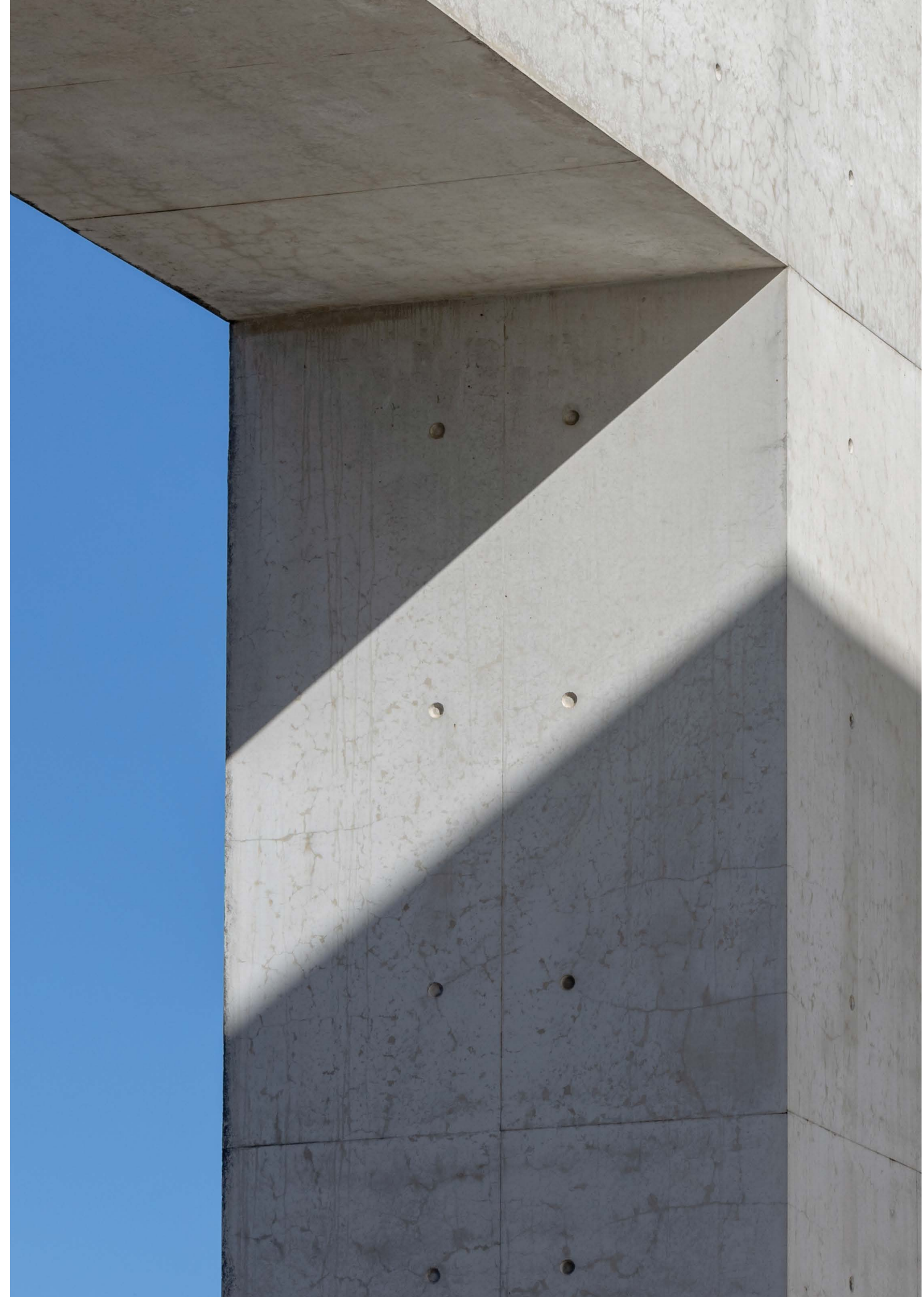
DISCLOSURE OF INFORMATION TO THE AUDITORS

The Directors, who held office at the date of approval of this Annual Report, confirm that, so far as they are aware, there is no relevant audit information of which the group's and company's auditors are unaware. Each Director has taken all steps that he/she reasonably should have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the group's and company's statutory auditors are aware of such information. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.



Arne Berggren
Chairman

7 April 2026



Statement of directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the group and the company financial statements in accordance with UK-adopted international accounting standards.

The group has also prepared financial statements in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union have been followed for the group financial statements and UK-adopted international accounting standards have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The Directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the group's and company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Governance section of the Annual Report confirm that, to the best of their knowledge:

- the group financial statements, which have been prepared in accordance with UK-adopted international accounting standards and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the group;
- the company financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities and financial position of the company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the group and company, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the group's and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's and company's auditors are aware of that information.

By order of the Board



Arne Berggren
Chairman

7 April 2026

3

Chapter

Financial statements

Independent auditors' report to the members of TBC Bank Group PLC

Report on the audit of the financial statements

Opinion

In our opinion, TBC Bank Group PLC's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2025 and of the group's profit and the group's and company's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Consolidated and Separate Statements of Financial Position as at 31 December 2025;
- the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated and Separate Statements of Cash Flows and Consolidated and Separate Statements of Changes in Equity for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the audit committee.

Separate opinion in relation to international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union

As explained in note 2 to the financial statements, the group, in addition to applying UK-adopted international accounting standards, has also applied international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

In our opinion, the group financial statements have been properly prepared in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in note 34 to the financial statements, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- The scope of our audit and the nature, timing and extent of audit procedures performed were determined by our risk assessment, the financial significance of components and other qualitative factors (including history of misstatement through fraud or error).
- Our scoping was primarily driven by legal entity contribution to profit before tax, revenue and total assets. This approach also ensures that we align our resources with the location of the key financial reporting functions and material operations of the group. We also considered overall coverage in assessing the appropriateness of our scoping.

Key audit matters

- Expected credit loss allowance on loans and advances to customers (group)
- Investments in subsidiaries (parent)

Materiality

- Overall group materiality: GEL 83.6m (2024: GEL 77.2m) based on 5% of profit before tax.
- Overall company materiality: GEL 33.5m (2024: GEL 25.9m) based on 1% of total assets.
- Performance materiality: GEL 62.7m (2024: GEL 57.9m) (group) and GEL 25.1m (2024: GEL 19.4m) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Independent auditors' report to the members of TBC Bank Group PLC continued

The key audit matters below are consistent with last year.

Key audit matter

Expected credit loss allowance on loans and advances to customers (group)

Refer to Audit Committee Report, Note 2 - Material Accounting Policy Information, Note 3 - Sources of Estimation Uncertainty and Judgements in Applying Accounting Policies, Note 10 - Loans and Advances to Customers and Note 37 - Financial and Other Risk Management in the Annual Report.

We focused on this area as management's estimates regarding the expected credit loss ('ECL') allowance for loans and advances to customers are complex, require a significant degree of judgement and are subject to high degree of estimation uncertainty.

Under IFRS 9, Financial Instruments, management is required to determine the credit loss allowance expected to occur over either a 12-month period or the remaining life of an asset, depending on the stage allocation of the individual asset. This staging is determined by assessing whether or not there has been a significant increase in credit risk ('SICR') or default of the borrower since loan origination.

Management has designed and developed several models to achieve compliance with the requirements of IFRS 9 and implemented IT systems for ECL estimation. Among other factors, management exercises judgement in applying the models when past experience is not considered reflective of future outcomes due to limited or incomplete data.

Areas of the most significance relate to the judgements and assumptions used in the determination of the modelled ECL allowance. These include:

- Judgemental criteria applied for identification of SICR, involving qualitative assessment of borrowers' creditworthiness (relevant to Corporate and SME portfolios JSC TBC Bank - Georgia); and
- Critical assumptions applied in the estimation of loss given default ('LGD') and probability of default ('PD').

How our audit addressed the key audit matter

We gained an understanding and evaluated the design and implementation of the key controls over the determination of ECL allowance and tested their operating effectiveness. These controls included among others:

- Controls over model performance monitoring, including periodic reviews of the policy and models, testing model estimates against actual outcomes and approval of model methodology changes;
- Control over governance of independent validation unit;
- Review and approval of the key assumptions used for estimation of LGDs and PDs;
- Controls over the accuracy of key parameters (such as PD, LGD) used by the calculation engine;
- Controls over regular monitoring of the financial standing of the borrowers;
- Controls over the automated ECL calculation by the relevant IT system;
- Management committee's assessment and approval of ECL modelled outputs;

We assessed whether the ECL model methodologies developed by management comply with IFRS 9. We assessed the reasonableness of the critical assumptions applied in estimation of LGDs and PDs.

We reperformed the calculation of ECL for selected portfolios and assessed whether management's ECL calculations were consistent with the approved model methodologies.

We reperformed the calculation of PDs and LGDs for all segments and assessed whether risk parameters calculations are consistent with the approved model methodologies.

We critically evaluated key aspects of model monitoring and validation ("backtesting" of projected ECL) performed by management relating to model performance and stability. We have critically assessed the monitoring results and challenged explanations for deviations from the expectation. We evaluated whether model methodologies were updated to address the results of backtesting, where relevant.

We involved our credit risk modelling specialists in performing the above procedures.

We evaluated and reviewed the application of the judgemental criteria set by management for determining whether there had been a SICR (applicable to Corporate and SME portfolios of JSC TBC Bank - Georgia).

We verified adequacy and completeness of disclosures in the separate and consolidated financial statements in accordance with applicable accounting standards.

Investments in subsidiaries (company)

Refer to Audit Committee Report, Note 2 - Material Accounting Policy Information and Note 44 - Related Party Transactions in the Annual Report.

In the separate statement of financial position as at 31 December 2025, investments in subsidiaries are held at cost less any impairment. We focused on this area because investments in subsidiaries represent the largest asset balance on the separate statement of financial position. The assessment of whether these investments are impaired is inherently judgemental and depends on management's estimation of their recoverable amounts. Accordingly, there is a risk that the carrying value of the investments exceeds their recoverable amount and that an impairment charge is required.

In respect of the carrying value of investments in subsidiaries we have:

- Obtained and evaluated management's assessment of impairment of investments in subsidiaries and tested relevant key inputs;
- Assessed the reasonableness of the main assumptions used in the impairment test;
- Evaluated whether there are other factors impacting the carrying value of the investment based on our understanding of the business and accounting treatment; and
- We verified adequacy and completeness of disclosures in the separate financial statements in accordance with applicable accounting standards.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

TBC Bank Group's banking and insurance activities are primarily carried out in Georgia, with subsidiary operations in three other countries. The group's business activities comprise of two major segments for which it manages and reports its operating results and financial position, namely Georgian financial services and Uzbekistan operations; and one other operations and eliminations segment.

Within these segments, two components (JSC TBC Bank - Georgia and JSCB TBC Bank - Uzbekistan) are considered significant components due to size and the parent company is considered a non-significant component. These components were subject to an audit of their complete financial information. A further three components were in scope for specific audit procedures, as these components contributed a significant proportion of certain financial statement line items. Together with the procedures performed at the group level, including auditing the consolidation, and financial statement disclosures, this gave us the evidence we needed to form our opinion on the financial statements as a whole. Other entities are considered as non-significant or inconsequential components for which audit procedures are performed on specific balances.

Our audit approach and team was designed to reflect the structure of the group, and we therefore used component auditors, who are familiar with the relevant businesses in their geographical locations, to audit the relevant component that was in scope for the group audit. As part of the planning and execution of the audit, the UK audit team held meetings with the component auditors on several occasions and reviewed selected workpapers and conclusions, in order to ensure that the procedures performed to support the group audit were sufficient for our purposes. Specific audit procedures were also performed at the UK parent company level, mainly related to the presentation of the group financial statements, the consolidation process, taxation and elements of laws and regulations specific to the UK. Based on the procedures we performed, our audit coverage accounted for 97% of revenue and 99% of total assets of the group.

The impact of climate risk on our audit

As part of our audit, we considered the group's governance framework and risk assessment processes, as outlined in the Governance, Strategy and Risk Management sections of the Climate-related financial disclosures, to obtain an understanding of the process management adopted to assess the extent of the potential impact of climate risk on the group's financial statements. We evaluated and challenged management's assessment, including their conclusion that there are no material impacts on the group's financial statements, as set out in Climate-related scenarios. We assessed that the key financial statement line items and estimates which are more likely to be materially impacted by climate risks are those associated with expected credit losses.

We also considered the consistency of the disclosures in relation to climate change (including the disclosures in the Task Force on Climate-related Financial Disclosures (TCFD) section) within the Annual Report with the financial statements and our knowledge obtained from our audit.

Our procedures did not identify any material impact in the context of our audit of the financial statements as a whole for the year ended 31 December 2025.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Independent auditors' report to the members of TBC Bank Group PLC continued

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements - group	Financial statements - company
Overall materiality	GEL 83.6m (2024: GEL 77.2m).	GEL 33.5m (2024: GEL 25.9m).
How we determined it	5% of profit before tax	1% of total assets
Rationale for benchmark applied	The group is a profit-oriented entity with publicly traded equity and therefore it is appropriate to use a profit-oriented benchmark for the calculation of materiality.	The parent company is a holding company with investments in the subsidiaries within the group. The parent company's performance is measured primarily on the value of these investments, and therefore total assets is considered an appropriate materiality benchmark.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between GEL 33.5m and GEL 75.2m. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to GEL 62.7m (2024: GEL 57.9m) for the group financial statements and GEL 25.1m (2024: GEL 19.4m) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the audit committee that we would report to them misstatements identified during our audit above GEL 4.1m (group audit) (2024: GEL 3.8m) and GEL 1.6m (company audit) (2024: GEL 1.2m) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Performing a risk assessment to identify factors that could impact the going concern basis of accounting, including the current and forecast financial performance, regulatory metrics and the sector in which the group operates;
- Evaluating the reasonableness of the group's forecasts, including their assessment of liquidity and regulatory capital adequacy requirements, macro scenarios, budget planning, recovery planning, stress testing and estimated financing pipeline;
- Testing the group's available financial resources as at the balance sheet date;
- Reviewing the group's regulatory correspondence and reports provided to governance forums such as the audit committee; and
- Reviewing the appropriateness of the disclosures in the Annual Report.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

Independent auditors' report to the members of TBC Bank Group PLC continued

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the audit committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of laws and regulations determined by the National Bank of Georgia as well as financial sanctions imposed internationally, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006, UK and Georgian tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias through judgements and assumptions in significant accounting estimates and manual journal postings. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Performing inquiries with management and those charged with governance, including the group's Chief Legal Counsel and Internal Audit, in relation to known or suspected instances of non-compliance with laws and regulations and fraud.
- Assessing matters reported on the group's whistleblowing helpline and the results of management's investigation of such matters.
- Attending key committee meetings, including audit committee and reviewing management information presented at these meetings.
- Reading key correspondence with regulatory authorities and legal advisors.
- Challenging assumptions and judgements made by management in their significant accounting estimates, in relation to the expected credit loss allowance on loans and advances to customers.
- Identifying and testing journal entries meeting specific risk criteria.
- Incorporating unpredictability into the nature, timing and/or extent of our testing.
- Performing inquiries, testing and other related procedures to understand and assess management's response to the increased risk of non-compliance with sanctions imposed in relation to the geopolitical conflict between Russia and Ukraine and other financial sanctions risks.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements and the part of the Directors' Remuneration report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

We were first appointed by the company for the financial year ended 31 December 2016. Our uninterrupted engagement covers 10 financial years.

Other matter

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R - 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.



Daniel Brydon (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

7 April 2026

Consolidated statement of financial position

TBC Bank Group PLC
Registration number: 10029943

<i>In thousands of GEL</i>	Note	31 December 2025	31 December 2024
ASSETS			
Cash and cash equivalents	6	2,363,583	3,047,401
Reverse repurchase receivables	7	184,979	-
Due from other banks	8	143,150	45,498
Mandatory cash balances with NBG	9	2,357,950	2,576,731
Loans and advances to customers	10	28,722,347	25,683,798
Investment securities	11	6,251,550	5,538,476
Repurchase receivables	13	101,648	140,058
Finance lease receivables	14	842,436	612,320
Investment properties		11,430	9,752
Current income tax prepayment	35	42,507	60,422
Deferred income tax asset	35	5,264	3,150
Other financial assets	12	392,913	436,574
Other assets	15	790,568	604,911
Premises and equipment	16	735,479	621,662
Right of use assets	17	154,899	130,682
Intangible assets	16	760,438	589,067
Goodwill	18	79,348	59,964
TOTAL ASSETS		43,940,489	40,160,466
LIABILITIES			
Due to credit institutions	19	7,373,628	7,630,850
Customer accounts	20	25,660,058	22,863,833
Other financial liabilities	22	660,264	476,143
Current income tax liability	35	13,097	1,227
Deferred income tax liability	35	59,823	50,220
Debt securities in issue	21	1,007,573	448,064
Other liabilities	23	153,573	159,136
Lease liabilities	36	139,690	107,963
Subordinated debt	24	910,299	1,148,374
Additional Tier 1 capital subordinated notes	25	1,020,473	1,062,119
Redemption liability	26	595,544	473,528
TOTAL LIABILITIES		37,594,022	34,421,457
EQUITY			
Share capital	26	1,705	1,722
Share premium	26	411,088	411,088
Shares held by trust	26	(89,086)	(66,982)
Merger reserve	26	402,862	402,862
Share based payment reserve	27	11,659	(1,886)
Other reserves	26	(639,852)	(478,042)
Retained earnings		6,077,089	5,286,738
Equity attributable to the owners of TBCG		6,175,465	5,555,500
Non-controlling interest	39	171,002	183,509
TOTAL EQUITY		6,346,467	5,739,009
TOTAL LIABILITIES AND EQUITY		43,940,489	40,160,466

The consolidated and the separate financial statements on pages from 262 to 397 were approved for issue by the Board of Directors on 7 April 2026 and signed on its behalf by:



Vakhtang Butskhrikidze
Chief Executive Officer

The notes set out on pages 269 to 397 form an integral part of these consolidated and separate financial statements.

Consolidated statement of profit or loss and other comprehensive income

<i>In thousands of GEL</i>	Note	2025	2024
Interest income	30	4,689,341	3,694,520
Interest income calculated using effective interest rate method	30	4,466,362	3,569,444
Other interest income	30	222,979	125,076
Interest expense	30	(2,328,258)	(1,863,577)
Net interest on currency swaps	30	(8,629)	70,264
Net interest income		2,352,454	1,901,207
Fee and commission income	31	1,071,763	842,286
Fee and commission expense	31	(455,073)	(321,860)
Net fee and commission income		616,690	520,426
Insurance contract revenue		209,552	158,828
Reinsurance service result		(20,251)	(12,935)
Insurance service claims and expenses incurred		(129,667)	(110,622)
Insurance profit		59,634	35,271
Net gains from derivatives, foreign currency operations and translation	32	336,021	359,511
Other operating income		24,587	16,733
Share of profit of associates		572	574
Other operating non-interest income		361,180	376,818
Credit loss allowance for loans to customers	10	(380,790)	(176,866)
Credit loss allowance for finance lease receivables		(38,454)	(13,462)
Credit loss allowance for other financial assets and other assets		(12,785)	(8,814)
Net impairment of non-financial assets		(15,070)	(7,619)
Impairment loss due to write-down of the asset held for sale		-	(9,800)
Operating income after expected credit and non-financial asset impairment losses		2,942,859	2,617,161
Staff costs	33	(650,797)	(570,461)
Depreciation and amortisation	16,17	(168,437)	(145,289)
Administrative and other operating expenses	34	(450,417)	(357,326)
Operating expenses		(1,269,651)	(1,073,076)
Profit before tax		1,673,208	1,544,085
Income tax expense	35	(252,936)	(236,454)
Profit for the year		1,420,272	1,307,631
Other comprehensive (expense)/income for the year			
<i>Items that may be reclassified subsequently to profit or loss, net of tax:</i>			
Net gains reclassified to profit or loss upon disposal of investment securities		(11,660)	(1,512)
Movement in fair value reserve for investment securities measured at fair value through other comprehensive income		(45,268)	26,971
Exchange differences on translation to presentation currency		24,758	(8,516)
Net other movements		(517)	836
Other comprehensive (expense)/income for the year, net of tax		(32,687)	17,779
Total comprehensive income for the year		1,387,585	1,325,410
Profit is attributable to:			
- Shareholders of TBCG		1,397,337	1,284,051
- Non-controlling interest		22,935	23,580
Profit for the year		1,420,272	1,307,631
Total comprehensive income is attributable to:			
- Shareholders of TBCG		1,361,301	1,302,169
- Non-controlling interest		26,284	23,241
Total comprehensive income for the year		1,387,585	1,325,410
Earnings per share for profit attributable to the owners of the Group:			
- Basic earnings per share (in GEL)	28	25.23	23.41
- Diluted earnings per share (in GEL)	28	24.96	23.27

Consolidated statement of changes in equity

In thousands of GEL	Note	Share capital	Share premium	Treasury shares	Shares held by trust	Merger reserve	Share based payments reserve	Other reserves	Total equity excluding non-controlling interest		Non-controlling interest	Total equity
									Retained earnings	Non-controlling interest		
Balance as of 1 January 2024		1,690	295,605	-	(75,609)	402,862	23,677	(397,992)	4,433,496	4,683,729	136,453	4,820,182
Profit for the year		-	-	-	-	-	-	-	1,284,051	1,284,051	23,580	1,307,631
Other comprehensive income/(expense) for 2024:		-	-	-	-	-	-	18,118	-	18,118	(339)	17,779
Total comprehensive income for 2024:		-	-	-	-	-	-	18,118	1,284,051	1,302,169	23,241	1,325,410
Share issue for scrip dividend		47	115,483	-	-	-	-	-	115,530	115,530	-	115,530
Share based payment expense	27	-	-	-	-	-	25,160	-	25,160	25,160	-	25,160
Delivery of SBP shares to employees	27	-	-	-	34,999	-	(50,723)	-	(15,724)	(15,724)	-	(15,724)
Share buy-back		-	-	(44,274)	(26,372)	-	-	-	(70,646)	(70,646)	-	(70,646)
Shares cancelled	26	(15)	-	44,274	-	-	-	15	(44,274)	-	-	-
Dividends declared	26	-	-	-	-	-	-	-	(395,525)	(395,525)	-	(395,525)
Capital injection from NCI shareholders	39	-	-	-	-	-	-	-	-	-	42,634	42,634
Remeasurement of redemption liability	26	-	-	-	-	-	-	(108,048)	-	(108,048)	-	(108,048)
Dilution of interest from NCI		-	-	-	-	-	-	(2,458)	8,954	6,496	(6,496)	-
Other movements		-	-	-	-	-	-	12,323	36	12,359	(12,323)	36
Balance as of 31 December 2024		1,722	411,088	-	(66,982)	402,862	(1,886)	(478,042)	5,286,738	5,555,500	183,509	5,739,009
Profit for the year		-	-	-	-	-	-	-	1,397,337	1,397,337	22,935	1,420,272
Other comprehensive (expense)/income for 2025:		-	-	-	-	-	-	(36,036)	-	(36,036)	3,349	(32,687)
Total comprehensive income for 2025:		-	-	-	-	-	-	(36,036)	1,397,337	1,361,301	26,284	1,387,585
Share based payment expense	27	-	-	-	-	-	40,252	-	40,252	40,252	-	40,252
Delivery of SBP shares to employees	27	-	-	-	17,119	-	(26,707)	-	(9,588)	(9,588)	-	(9,588)
Share buy-back		-	-	(69,088)	(39,223)	-	-	-	(108,311)	(108,311)	-	(108,311)
Shares cancelled	26	(17)	-	69,088	-	-	-	17	(69,088)	-	-	-
Dividends declared	26	-	-	-	-	-	-	-	(584,734)	(584,734)	-	(584,734)
Capital injection from NCI shareholders	39	-	-	-	-	-	-	-	-	-	8	8
Remeasurement of redemption liability	26	-	-	-	-	-	-	30,727	-	30,727	-	30,727
Reorganization effect	26	-	-	-	-	-	-	(67,880)	46,836	(21,044)	(43,267)	(64,311)
Purchase of subsidiary	26	-	-	-	-	-	-	(88,638)	-	(88,638)	4,476	(84,162)
Disposal of subsidiary		-	-	-	-	-	-	-	-	-	(8)	(8)
Balance as of 31 December 2025		1,705	411,088	-	(89,086)	402,862	11,659	(639,852)	6,077,089	6,175,465	171,002	6,346,467

Consolidated statement of cash flows

In thousands of GEL	Note	2025	2024
Cash flows from operating activities			
Interest received		4,639,024	3,617,417
Interest (paid) / received on currency swaps	30	(8,629)	70,264
Interest paid		(2,291,428)	(1,821,460)
Fees and commissions received		1,085,883	823,373
Fees and commissions paid		(463,210)	(370,436)
Insurance premiums received		202,888	132,851
Insurance claims paid		(109,887)	(93,654)
Cash received from trading in foreign currencies		279,187	221,693
Other operating income received		20,929	17,030
Staff costs paid		(624,871)	(530,975)
Administrative and other operating expenses paid		(480,043)	(300,168)
Income tax paid		(226,123)	(355,566)
Cash flows from operating activities before changes in operating assets and liabilities		2,023,720	1,410,369
Net change in operating assets			
Due from other banks and mandatory cash balances with NBG		114,930	(948,427)
Reverse repurchase receivables		(184,979)	-
Loans and advances to customers		(3,503,841)	(3,991,238)
Finance lease receivables		(237,831)	(202,200)
Other financial assets		(58,290)	(5,467)
Other assets		13,399	(64,922)
Net change in operating liabilities			
Due to other banks		(25,376)	121,519
Customer accounts		2,987,421	2,097,850
Other financial liabilities		(129,837)	144,786
Other liabilities		(3,607)	11,835
Net cash flows from/(used in) operating activities		995,709	(1,425,895)
Cash flows used in investing activities			
Acquisition of investment securities	11	(5,559,811)	(7,556,810)
Proceeds from disposal of investment securities	11	2,256,912	715,242
Proceeds from redemption at maturity of investment securities	11	2,622,537	4,816,768
Acquisition of premises and equipment		(146,923)	(151,060)
Proceeds from disposal of premises and equipment		20,742	1,341
Acquisition of intangible assets		(238,604)	(189,178)
Acquisition of subsidiaries, net of cash acquired	26	(18,998)	-
Proceeds from disposal of subsidiary, net of disposed cash*		2,870	-
Proceeds from disposal of investment properties		2,757	10,954
Dividend received		1,167	680
Net cash flows used in investing activities		(1,057,351)	(2,352,063)
Cash flows (used in)/from financing activities			
Proceeds from other borrowed funds	36	3,959,445	4,741,936
Redemption of other borrowed funds	36	(4,271,121)	(1,662,072)
Repayment of principal of lease liabilities	36	(23,581)	(22,391)
Proceeds from subordinated debt	36	-	236,586
Redemption of subordinated debt	36	(229,843)	(3,040)
Cash paid for share buy-back		(108,311)	(70,657)
Capital injection from NCI shareholders		-	42,634
Proceeds from debt securities in issue	36	544,449	295,614
Redemption of debt securities in issue	36	-	(764,848)
Proceeds from additional Tier 1 capital subordinated notes	36	-	805,050
Redemption of additional Tier 1 capital subordinated notes	36	(1,964)	(340,331)
Dividends paid		(487,552)	(275,015)
Net cash (used in)/from financing activities		(618,478)	2,983,466
Effect of exchange rate changes on cash and cash equivalents		(3,698)	77,806
Net decrease in cash and cash equivalents		(683,818)	(716,686)
Cash and cash equivalents at the beginning of the year	6	3,047,401	3,764,087
Cash and cash equivalents at the end of the year	6	2,363,583	3,047,401

* The total consideration received amounted to GEL 12,305 thousand and was settled fully in cash. The cash and cash equivalents balance of the subsidiary at the date control was lost amounted to GEL 9,435 thousand.

The notes set out on pages 269 to 397 form an integral part of these consolidated and separate financial statements.

Separate statement of financial position of TBC Bank Group PLC

<i>In thousands of GEL</i>	Note	31 December 2025	31 December 2024
ASSETS			
Cash and cash equivalents	6	111,534	69,331
Loans to subsidiaries	10	588,292	150,305
Other financial assets	12	97,214	769
Investments in subsidiaries			
Investments in subsidiaries' equity	44	2,528,447	2,344,683
Contributions for subsidiaries' compensation scheme		31,638	29,705
Other assets		155	56
TOTAL ASSETS		3,357,280	2,594,849
LIABILITIES			
Current income tax liability		11,483	-
Other financial liabilities	22	254,434	6,109
Debt securities in issue	21	698,697	303,674
TOTAL LIABILITIES		964,614	309,783
EQUITY			
Share capital	26	1,705	1,722
Shares held by trust	26	(89,086)	(66,982)
Share premium	26	411,088	411,088
Merger reserve	26	565,029	565,029
Share based payment reserve	27	24,135	1,367
Capital redemption reserve		32	15
Retained earnings		1,479,763	1,372,827
TOTAL EQUITY		2,392,666	2,285,066
TOTAL LIABILITIES AND EQUITY		3,357,280	2,594,849

The consolidated and the separate financial statements on pages from 262 to 397 were approved for issue by the Board of Directors on 7 April 2026 and signed on its behalf by:



Vakhtang Butskhrikidze
Chief Executive Officer

Separate statement of changes in equity of TBC Bank Group PLC

<i>In thousands of GEL</i>	Note	Share capital	Shares held by trust	Treasury shares	Share premium	Merger reserve	Share based payment reserve	Retained earnings	Capital redemption reserve	Total
Balance as of 1 January 2024		1,690	(75,609)	-	295,605	565,029	8,116	1,256,442	-	2,051,273
Profit for the year		-	-	-	-	-	-	556,184	-	556,184
Total comprehensive income for 2024		-	-	-	-	-	-	556,184	-	556,184
Share issue for scrip dividend		47	-	-	115,483	-	-	-	-	115,530
Dividends declared		-	-	-	-	-	-	(395,525)	-	(395,525)
Delivery of SBP shares to employees		-	34,999	-	-	-	(35,743)	-	-	(744)
Share based payment expense	27	-	-	-	-	-	28,994	-	-	28,994
Shares cancelled		(15)	-	44,274	-	-	-	(44,274)	15	-
Share buy-back		-	(26,372)	(44,274)	-	-	-	-	-	(70,646)
Balance as of 31 December 2024		1,722	(66,982)	-	411,088	565,029	1,367	1,372,827	15	2,285,066
Profit for the year		-	-	-	-	-	-	760,758	-	760,758
Total comprehensive income for 2025		-	-	-	-	-	-	760,758	-	760,758
Dividends declared		-	-	-	-	-	-	(584,734)	-	(584,734)
Delivery of SBP shares to employees		-	17,119	-	-	-	(18,422)	-	-	(1,303)
Share based payment expense	27	-	-	-	-	-	41,190	-	-	41,190
Shares cancelled		(17)	-	69,088	-	-	-	(69,088)	17	-
Share buy-back		-	(39,223)	(69,088)	-	-	-	-	-	(108,311)
Balance as of 31 December 2025		1,705	(89,086)	-	411,088	565,029	24,135	1,479,763	32	2,392,666

The notes set out on pages 269 to 397 form an integral part of these consolidated and separate financial statements.

Separate statement of cash flows of TBC Bank Group PLC

<i>In thousands of GEL</i>	Note	2025	2024
Cash flows used in operating activities			
Interest received		74,514	12,375
Interest paid		(68,626)	(19,960)
Fees and commissions paid		(47)	(44)
Staff costs paid		(6,171)	(4,836)
Administrative and other operating expenses paid		(19,314)	(11,658)
Net cash flow used in operating activities		(19,644)	(24,123)
Cash flows from investing activities			
Investments in subsidiaries		(80,448)	(252,118)
Cash received from recharge agreement		39,654	26,899
Dividends received		730,521	568,839
Loans to subsidiaries		(573,790)	(195,997)
Repayments of loans to subsidiaries		164,721	94,765
Cash paid to settle derivative instruments		(3,684)	(31,940)
Net cash flows from investing activities		276,974	210,448
Cash flows used in financing activities			
Dividends paid		(487,552)	(275,015)
Cash paid for share buy-back		(108,311)	(70,657)
Proceeds from debt securities in issue	36	382,474	251,727
Redemption of debt securities in issue	36	-	(125,238)
Net cash flows used in financing activities		(213,389)	(219,183)
Effect of exchange rate changes on cash and cash equivalents		(1,738)	2,734
Net increase / (decrease) in cash and cash equivalents		42,203	(30,124)
Cash and cash equivalents at the beginning of the year		69,331	99,455
Cash and cash equivalents at the end of the year		111,534	69,331

Notes to the consolidated and separate financial statements

1. Introduction

Principal activity. TBC Bank Group PLC (hereafter the “Company”) is a public limited by shares company, incorporated in the United Kingdom. TBC Bank Group PLC held 99.88% of the share capital of JSC TBC Bank (hereafter the “Bank”) as at 31 December 2025 (2024: 99.88%), thus representing the Bank’s ultimate parent company. The Company is the parent of a group of companies incorporated mainly in Georgia and Uzbekistan, their primary business activities include providing banking, leasing, insurance, brokerage and card processing services to corporate and individual customers. TBC Bank Group PLC and its subsidiaries is referred as “TBCG” or “the Group”. The Group’s list of subsidiaries is provided below.

The shares of TBC Bank Group PLC were admitted to the Equity Shares (Commercial Companies) (“ESCC”) category of the Official List of the UK Listing Authority and admitted to trading on the London Stock Exchange PLC’s Main Market for listed securities effective on 10 August 2016 (the “Admission”). The Company’s registered legal address is 100 Bishopsgate, C/O Law Debenture, London, England, EC2N 4AG. Registered number of TBC Bank Group PLC is 10029943. The Bank is the Group’s main operating unit, and it accounts for majority of the Group’s activities.

JSC TBC Bank was incorporated on 17 December 1992 and is domiciled in Georgia. The Bank is a joint stock company limited by shares and was set up in accordance with Georgian legislation. The Bank’s registered address and place of business is 7 Marjanishvili Street, 0102 Tbilisi, Georgia.

The Bank’s principal business activity is universal banking operations that include corporate, small and medium enterprises, retail and micro-operations within Georgia. The Bank has been operating since 20 January 1993 under a general banking license issued by the National Bank of Georgia (“NBG”). In 2020, TBC Bank Group PLC established JSCB TBC Bank, which delivers its services through the digital banking platform operated by Group’s subsidiary Space JSC.

The Bank has 122 (2024: 125) branches within Georgia (Excluding pawnshop units).

JSCB TBC Bank (hereafter the “UZ Bank”) was incorporated and is domiciled in the Republic of Uzbekistan. It is a joint stock commercial bank limited by shares and was set up in accordance with regulations of the Republic of Uzbekistan. As at 31 December 2025, TBC Bank Group PLC indirectly held 79.69% of the share capital of UZ Bank through its subsidiary TBC Digital JSC (2024: 67.92%).

The UZ Bank’s principal business activity is retail and micro-operations within the Republic of Uzbekistan and universal banking operations for individuals. The UZ Bank operates under a general banking license issued by the Central Bank of Uzbekistan (“CBU”) on 11 April 2020, which was renewed by the UZ Bank on 17 March 2022.

As at 31 December 2025 and 31 December 2024 the following shareholders owned more than 3% of the total outstanding shares of the Company. Other shareholders individually owned less than 3% of the outstanding shares. As at 31 December 2025 and 31 December 2024 the Group had no ultimate controlling party.

<i>Shareholders</i>	% Of ownership interest held as of 31 December	
	2025	2024
BlackRock	6.74%	4.60%
Dunross & Co.	5.57%	6.84%
Fidelity International	4.60%	2.47%
Vanguard Group	4.51%	4.24%
GTN Asia Financial Services	3.29%	N/A
Allan Gray Investment Management	3.28%	4.62%
Mamuka Khazaradze and Badri Japaridze	15.33%	15.40%
Other*	56.68%	61.83%
Total	100.00%	100.00%

*Other include individual as well as corporate shareholders.

The notes set out on pages 269 to 397 form an integral part of these consolidated and separate financial statements.

Notes to the consolidated and separate financial statements continued

1. Introduction continued

Subsidiaries and associates. The consolidated financial statements include the following principal subsidiaries:

Subsidiary name	Proportion of voting rights and ordinary share capital held as 31 December		Place of incorporation or registration	Year of incorporation or acquisition	Functional Currency	Principal activities
	2025	2024				
JSC TBC Bank	99.88%	99.88%	Tbilisi, Georgia	1992	GEL	Banking
United Financial Corporation JSC	99.53%	99.53%	Tbilisi, Georgia	2001	GEL	Card processing
TBC Capital LLC	100%	100%	Tbilisi, Georgia	1999	GEL	Brokerage
TBC Leasing JSC	100%	100%	Tbilisi, Georgia	2003	GEL	Leasing
TBC Kredit LLC ¹	N/A	100%	Baku, Azerbaijan	1999	AZN	Non-banking credit institution
TBC Pay LLC	100%	100%	Tbilisi, Georgia	2008	GEL	Payment processing
TBC Invest-Georgia LLC	100%	100%	Ramat Gan, Israel	2011	ILS	Financial services
TBC Asset Management LLC	100%	100%	Tbilisi, Georgia	2021	GEL	Asset management
TBC Insurance JSC	100%	100%	Tbilisi, Georgia	2014	GEL	Insurance
Redmed LLC	100%	100%	Tbilisi, Georgia	2019	GEL	Healthcare e-commerce
TNET LLC	100%	100%	Tbilisi, Georgia	2019	GEL	Ecosystem
Index LLC	100%	100%	Tbilisi, Georgia	2009	GEL	Public register business and real estate services
Art Area.ge LLC	100%	100%	Tbilisi, Georgia	2012	GEL	Digital Channel
Saba LLC	85.00%	85.00%	Tbilisi, Georgia	2012	GEL	Education
TBC Art Gallery LLC ²	100%	100%	Tbilisi, Georgia	2012	GEL	PR and marketing
Marjanishvili 7 LLC	100%	100%	Tbilisi, Georgia	2020	GEL	Customer experience servicing
TBC Digital JSC	79.69%	100%*	Tashkent, Uzbekistan	2019	UZS	Investment
JSCB TBC Bank	100%	100%	Tashkent, Uzbekistan	2020	UZS	Banking
TBC Fin Service LLC	100%	100%	Tashkent, Uzbekistan	2019	UZS	Leasing
MFO TBC Credit LLC	100%	100%	Tashkent, Uzbekistan	2024	UZS	Micro lending
TBC Sug'Urta JSC	100%	100%	Tashkent, Uzbekistan	2024	UZS	Insurance
Payme JSC	100%	100%*	Tashkent, Uzbekistan	2011	UZS	Payment processing
DWH CO LLC	100%	100%	Tashkent, Uzbekistan	2024	UZS	Data hosting and processing services
TBC BNPL LLC	100%	N/A	Tashkent, Uzbekistan	2025	UZS	Buy Now Pay Later (BNPL) and instalment
Shoppe Group LLC	52.94%	N/A	Tashkent, Uzbekistan	2025	UZS	Retail management platform
TBC Group Support LLC	100%	100%	Tbilisi, Georgia	2020	GEL	Group risk and knowledge centre
Space JSC	100%	100%	Tbilisi, Georgia	2021	GEL	Software services
Space International JSC	100%	100%	Tbilisi, Georgia	2021	GEL	Digital banking platform
TBC International Holdings Limited**	100%	100%	London, UK	2023	GEL	Financial services
Tpay LLC	100%	100%	Tbilisi, Georgia	2023	GEL	Payment processing
Fondy Payments LTD	100%	100%	Drogheda, Ireland	2019	EUR	Payment processing

*In May 2025 the Group completed the reorganisation of the structure of Uzbekistan operations. For more details refer to Note 26.

**As permitted by Section 479A of the Companies Act 2006, TBC International Holdings Limited (Company Registration Number :15122698) is exempt from the requirement to have its financial statements audited for the financial year ended 31 December 2025. The exemption is made available as TBC Bank Group PLC as the sole shareholder has provided its consent not to require audited accounts and has provided a guarantee under Section 479C of the Companies Act 2006. Under the terms of the guarantee, TBC Bank Group PLC has guaranteed all outstanding liabilities of TBC International Holdings Limited as at 31 December 2025. This guarantee will remain enforceable until all such liabilities have been fully discharged.

1. Introduction continued

The Group has investments in the following associates:

Associate name	Proportion of voting rights and ordinary share capital held as 31 December		Place of incorporation or registration	Year of incorporation or acquisition	Principal activities
	2025	2024			
CreditInfo Georgia JSC	21.08%	21.08%	Tbilisi, Georgia	2005	Financial intermediation
Tbilisi Stock Exchange JSC	28.79%	28.87%	Tbilisi, Georgia	2015	Finance, Service
Georgian Central Securities Depository JSC	22.87%	22.87%	Tbilisi, Georgia	1999	Finance, Service
Georgian Stock Exchange JSC ³	17.33%	17.33%	Tbilisi, Georgia	1999	Finance, Service
Kavkasreestri JSC ³	10.03%	10.03%	Tbilisi, Georgia	1998	Finance, Service

The country of incorporation is also the principal area of operation of each of the above subsidiaries and associates.

The Group's corporate structure consists of a number of related undertakings, comprising subsidiaries and associates, which are not consolidated or equity accounted due to immateriality. List of these undertakings, the country of incorporation and the ownership of each share class is set out below. For the complete list of related undertakings and their addresses, see the Appendix A below.

Company name	Proportion of voting rights and ordinary share capital held as 31 December		Place of incorporation or registration	Year of incorporation or acquisition	Principal activities
	2025	2024			
TBC Invest International LLC ²	100%	100%	Tbilisi, Georgia	2016	Investment Vehicle
University Development Fund ²	33.33%	33.33%	Tbilisi, Georgia	2007	Education
Natural Products of Georgia LLC ²	25.00%	25.00%	Tbilisi, Georgia	2001	Trade, Service
TBC Trade LLC ²	100%	100%	Tbilisi, Georgia	2008	Trade, Service
Freeshop.ge LLC ²	100%	100%	Tbilisi, Georgia	2010	Retail Trade
The.ge LLC ⁴	N/A	100%	Tbilisi, Georgia	2012	Retail Trade
Mypost LLC ²	100%	100%	Tbilisi, Georgia	2019	Postal Service
Billing Solutions LLC ²	51.00%	51.00%	Tbilisi, Georgia	2019	Software Services
Vendoo LLC (Geo) ²	100%	100%	Tbilisi, Georgia	2018	Retail Leasing
F Solutions LLC ²	100%	100%	Tbilisi, Georgia	2016	Software Services
Space Int LLC (Uz)	100%	100%	Tashkent, Uzbekistan	2024	Computer Programming
TBC Operations LLC	100%	N/A	Tashkent, Uzbekistan	2025	Administrative and Operational Management
TAPUZ LIMITED	50.10%	N/A	United Arab Emirates	2025	Holding

¹ In 2025 TBC Kredit LLC was disposed.

² Dormant

³ The Group has significant influence on Georgian Stock Exchange JSC (with representatives in management board) and Kavkasreestri JSC.

⁴ In 2025 The.ge LLC was liquidated.

2. Material Accounting Policy Information

Basis of preparation. The consolidated financial statements and the separate financial statements of TBC Bank Group PLC, together referred as “financial statements” have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 and, for the group, in accordance with, International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

The consolidated and separate financial statements have been prepared in line with the valuation methods described in the accounting policies below. The principal accounting policies applied in the preparation of the consolidated and separate financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated below.

In accordance with the exemption permitted under section 408 of the Companies Act 2006, the separate statement of comprehensive income of TBCG is not presented as part of these separate financial statements. TBCG’s income for the year is disclosed within the separate statement of changes in equity.

Going concern. The Board has fully reviewed the available information pertaining to the principal existing and emerging risks strategy, financial health, profitability of operations, liquidity and solvency of the Group, and determined that the Group’s business remains a going concern. The Directors have not identified any material uncertainties that could threaten the going concern assumption and have a reasonable expectation that the Group has adequate resources to remain operational and solvent for the foreseeable future (which is, for this purpose, a period of 12 months from the date of approval of these financial statements).

Accordingly, the accompanying financial statements are prepared in line with the going concern basis of accounting.

Presentation currency. These consolidated financial statements are presented in thousands of Georgian Lari (“GEL thousands”), except per-share amounts and unless otherwise indicated.

Consolidated financial statements. Subsidiaries are those investees that the Group controls. The Group may have power over an investee even when it holds less than the majority of voting power in it. In such a case, the Group assesses the size of its voting rights relative to the size and dispersion of holdings of the other vote holders to determine if it has de-facto power over the investee. Subsidiaries are consolidated from the date on which control is transferred to the Group and are deconsolidated from the date on which control ceases.

Separate financial statements. Investments in subsidiaries - The Company accounts for investments in subsidiaries at the original cost of the investment until the investment is de-recognised or impaired for its separate financial statements. The carrying amounts of the investments are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets’ recoverable amounts are estimated. Value in use is determined by the present value of expected future cash flows discounted to present value. An impairment loss is recognised when the carrying amount of the investments exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Business combinations and goodwill accounting. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured at the fair value of consideration, including contingent consideration, given at the acquisition date. Acquisition-related costs are recognised as an expense in the profit or loss in the period in which they are incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

The Group measures the non-controlling interest, that represents the current ownership’s interest and entitles the holder to a proportionate share of net assets in the event of liquidation on a transaction-by-transaction basis, either at: (a) fair value, or (b) the non-controlling interest’s proportionate share of net assets of the acquired entity. Non-controlling interests that are not present ownership interests are measured at fair value.

Goodwill is measured by deducting the acquiree’s net assets from the aggregate of the consideration transferred for the acquiree, the amount of non-controlling interest in the acquiree and fair value of an interest in the acquiree held immediately before the acquisition date.

The Group tests goodwill for impairment at least annually and whenever there are indications that goodwill may be impaired. Goodwill is allocated to the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the business combination. Such units or group of units represent the lowest level at which the Group monitors goodwill and are not larger than an operating segment. Gains or losses on disposal of an operation within a cash generating unit to which goodwill has been allocated include the carrying amount of goodwill associated with the disposed operation. This is generally measured on the basis of the relative values of the disposed operation and the portion of the cash-generating unit which is retained.

2. Material Accounting Policy Information *continued*

The consideration transferred for the acquiree is measured at the fair value of the assets given up, equity instruments issued and liabilities incurred or assumed, including fair value of assets or liabilities from contingent consideration arrangements, but excludes acquisition related costs such as advisory, legal, valuation and similar professional services.

Transaction costs incurred for issuing equity instruments are deducted from the equity; transaction costs incurred for issuing debt are deducted from the carrying amount and all other transaction costs associated with the acquisition are expensed.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless the cost cannot be recovered. The Company and all of its subsidiaries use uniform accounting policies consistent with the Group’s policies.

Non-controlling interest is that part of the net results and of the equity of a subsidiary attributable to interests that are not owned, directly or indirectly, by the Company. Non-controlling interest forms a separate component of the Group’s equity.

Purchases and sales of non-controlling interests. The Group applies the economic entity model to account for transactions with owners of non-controlling interest (“NCI”). Any difference between the purchase consideration and the carrying amount of non-controlling interest acquired is recorded as a capital transaction directly in equity. The Group recognises the difference between sales consideration and the carrying amount of non-controlling interest sold as a capital transaction in the statement of changes in equity.

For the put options existing with non-controlling interest the Group recognises the liability at the present value of the redemption amount in accordance with IAS 32 paragraph 23. This liability is recognised even if the put option is out of the money because exercising the option remains at the discretion of NCI and not the Company.

In case the ownership interest has been retained by minority shareholders, the non-controlling interest is not derecognised in the statement of financial position at initial recognition, and the offsetting effect of redemption liability is recognised in the other reserves through equity.

When the risks and rewards associated with actual ownership of the shares is held by minority shareholders any subsequent remeasurement of redemption liability is recognised through other reserves as well.

Initial recognition of financial instruments. Financial instruments measured at fair value through profit or loss (“FVTPL”) are initially recorded at fair value. All other financial instruments are initially recorded at fair value adjusted for transaction costs.

Financial assets – classification and subsequent measurement – measurement categories. The Group classifies financial assets in the following measurement categories: FVTPL, fair value through other comprehensive income (“FVTOCI”) and amortised cost (“AC”). The classification and subsequent measurement of debt financial assets depends on: (i) the Group’s business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. The line items Financial Assets and Financial Liabilities in the statement of financial position include those assets and liabilities that are in the scope of IFRS 17 for disclosure purposes.

Financial assets impairment – expected credit loss (ECL) allowance. The Group assesses, on a forward-looking basis, the ECL for debt instruments measured at AC and FVTOCI and for the exposures arising from loan commitments and financial guarantee contracts. The Group measures expected credit loss (“ECL”) and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

2. Material Accounting Policy Information continued

The Group applies a three-stage model for impairment, based on changes in credit quality since initial recognition. The Group's definition of defaulted assets and definition of default is based on the occurrence of one or more loss events, described further in Note 37:

- Stage 1: A financial instrument that is not defaulted on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL");
- Stage 2: If the Group identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis ("Lifetime ECL"). If a SICR is no longer observed, the instrument will move back to Stage 1. In case of loans previously having default flag, they are moved back from stage 2 to stage 1 with 6-month cure period, while restructured loans remain in stage 2 until the restructured status is removed. To remove restructured status, the borrower should make at least 12 consecutive payments, unless financial monitoring is performed. Refer to Note 37 for a description of how the Group determines, on a forward-looking basis, when a SICR has occurred.
- Stage 3: Defaulted assets are transferred to Stage 3 and allowance for Lifetime ECL is recognised.

Change in ECL is recognised in the statement of profit or loss with a corresponding allowance reported as a decrease in carrying value of the financial asset on the statement of financial position. For financial guarantees and credit commitments, provision for ECL is reported as a liability in Provisions for Liabilities and Charges.

Finance lease receivables – expected credit loss (ECL) Allowance. The ECL is determined in the same way as for financial assets measured at AC and recognised through an allowance account to write down the receivables' net carrying amount to the present value of expected cash flows discounted at the interest rates implicit in the lease investments. There is a 'three stage' approach which is based on the change in credit quality of financial lease receivables since initial recognition. Immediate loss that is equal to the 12-month ECL is recorded on initial recognition of financial leases that are not defaulted. In case of a significant increase in credit risk, impairment is measured using

lifetime ECL rather than 12-month ECL. The estimated future cash flows reflect the cash flows that may result from obtaining and selling the assets subject to the lease.

The Group normally structures its finance lease contracts so that the lessee makes a minimum prepayment of 20% of the equipment purchase price at the inception of the lease term. The Group holds title to the leased assets during the lease term. The title to the asset under the finance lease contract is transferred to the lessee at the end of the contract's term, including full repayment of lease payments. Generally, the lease terms are up to five years.

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. The main types of collateral obtained are:

- Leased assets.
- Real estate properties.
- Third party guarantees.

The financial effect of collateral is presented by disclosing the collateral values separately for (i) those assets where collateral and other credit enhancements are equal to or exceed the assets' carrying value ("over-collateralised assets") and (ii) those assets where collateral and other credit enhancements are less than the assets' carrying value ("under-collateralised assets").

The Group classifies its portfolio into three stages.

For stage 1 exposures the Group creates 12 months expected credit losses, whereas for stage 2 and stage 3 lifetime expected credit losses are created.

For the Stage 2 classification purposes the Group applies both quantitative and the qualitative criteria including, but not limited to:

- 30 days past due (DPD) overdue.
- Downgrade of the risk category of the borrower since initial recognition.

2. Material Accounting Policy Information continued

Default definition includes criteria such as: (i) 90 DPD overdue (ii) distressed restructuring and (iii) other criteria indicating the borrower's unlikeliness to repay the liabilities.

The Group incorporates forward looking information (FLI) for both individual and collective assessment. For FLI purposes the Group defines three scenarios, which are:

- Baseline (most likely);
- Upside (better than most likely);
- Downside (worse than most likely).

The Group derives the baseline macroeconomic scenario and considers projections from various external sources – the National Bank of Georgia, Ministry of Finance of Georgia, Central Bank of Uzbekistan, International Monetary Fund ("IMF") as well as other International Financial Institutions ("IFI") - to ensure the alignment to the market expectations. Refer to Note 37 for the description of how the Group incorporates FLI in ECL calculations. Upside and downside scenarios are defined based on the framework developed by the Bank's macroeconomic unit.

The Group calculates expected impairment losses for each scenario. To come up with the final expected credit loss figures the bank applies probability weighted average approach where probabilities of each scenario are used as weights.

Write-offs. The loans are collectively assessed for write off based on overdue days criteria or are individually evaluated, depending on the loan segment and product type. Loans are written off when recovery is deemed highly unlikely. Retail and micro loans are written off after 1,080 days for collateralised loans and 180 days for non-collateralised loans. Corporate and MSME exposures are written off after a maximum of 1,460 days past due, subject to individual assessment.

Financial assets- derecognition and modification. The Group derecognises financial assets when (a) the assets are redeemed or the rights to cash flows from the assets otherwise expired or (b) the Group has transferred the rights to the cash flows from the financial assets or entered into a qualifying pass-through arrangement while (i) also transferring substantially all risks and rewards of ownership of the assets or (ii) neither transferring nor retaining substantially all risks and rewards of ownership, but not retaining control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose restrictions on the sale. The Group sometimes renegotiates or otherwise modifies the contractual terms of the financial assets.

The Group assesses whether the modification of contractual cash flows is substantial, in which it considers certain qualitative and quantitative factors combined. Based on below shown internally developed methodology there are certain qualitative triggers which lead to asset derecognition with no further quantitative testing required. These qualitative criteria are included in the list below:

- Change in contract currency;
- Consolidation of two or more loans into one new loan;
- Change in counterparty;
- Loan with no predetermined payment schedule is changed with loan with schedule or vice versa;
- Change in contractual interest rate due to market environment changes.

2. Material Accounting Policy Information *continued*

The Group compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. It should be assessed whether change in contractual cash flow is significant (significance defined as 10% change). If the test result is above 10% threshold, loan should be derecognised, whereas if the test result is below or equal to 10%, financial asset can be assessed as modified.

The Group recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate and recognises a modification gain or loss in profit or loss. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

Reverse repurchase receivables. Reverse repurchase receivables are accounted for as collateralized lending transactions with maturity more than three months. Under these arrangements, the Group provides funds to a counterparty and receives securities as collateral, which is not recognised on the balance sheet unless the risks and rewards of ownership are transferred. These types of receivables are classified as financial assets and measured at amortized cost.

Due from other banks. Amounts due from other banks are recognised when the Group advances money to counterparty banks. Amounts due from other banks are carried at AC when: (i) they are held for the purposes of collecting contractual cash flows and those cash flows represent solely payments of principal and interest ("SPPI"), and (ii) they are not designated at fair value through profit or loss. Otherwise, they are carried at fair value through profit or loss (FVTPL).

Mandatory cash balances with the National Bank of Georgia. Mandatory cash balances with National Bank of Georgia are carried at AC and represent mandatory reserve deposits that are not available to finance the Group's day-to-day operations. Hence, they are not considered as part of cash and cash equivalents for the purposes of the consolidated statement of cash flows.

Loans and advances to customers. Loans and advances to customers are recorded when the Group advances money to purchase or originate a loan due from a customer.

Impairment allowances are determined based on the ECL models. Note 37 provides information about inputs, assumptions and estimation techniques used in measuring ECL, including an explanation of how the Group incorporates forward-looking information in the ECL models.

Repossessed collateral. Repossessed collateral represents non-financial assets acquired by the Group to settle overdue loans. The assets are initially recognised at fair value when acquired and included in premises and equipment, investment property or repossessed collateral within other assets depending on their nature and the Group's intention in respect of recovery of these assets and are subsequently re-measured and accounted for in accordance with the accounting policies for these categories of assets. Repossessed assets are recorded at the lower of cost or net realisable value.

2. Material Accounting Policy Information *continued*

Finance lease receivables. Where the Group is a lessor in a lease that substantially transfers all risks and rewards incidental to ownership to the lessee, the assets leased out are presented as finance lease receivables and carried at the present value of the future lease payments. Finance lease receivables are initially recognised at commencement (when the lease term begins) using a discount rate determined at inception (the early date of the lease agreement and the date of commitment by the parties to the principal provisions of the lease).

The difference between the gross receivable and the present value represents unearned finance income. This income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return. The interest income on stage 3 exposures is recognised on a carrying amount after deducting ECL. Incremental costs directly attributable to negotiating and arranging the lease are included in the initial measurement of the finance lease receivables and reduce the amount of income recognised over the lease term. Finance income from leases is recorded within interest income in the profit or loss.

Investments in debt securities. Based on the business model and the cash flow characteristics, the Group classifies investments in debt securities as carried at AC, FVTOCI or FVTPL. Debt securities are carried at AC if they are held for collection of contractual cash flows and where those cash flows represent SPPI, and if they are not voluntarily designated at FVTPL in order to significantly reduce an accounting mismatch.

Debt securities are carried at FVTOCI if they are held for collection of contractual cash flows and for selling, where those cash flows represent SPPI, and if they are not designated at FVTPL. Interest income from these assets is calculated using the effective interest rate method and recognised in profit or loss. An impairment allowance estimated using the expected credit loss model is recognised in profit or loss for the year. All other changes in the carrying value are recognised in OCI. When the debt security is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from OCI to profit or loss.

Investments in equity securities. Financial assets that meet the definition of equity from the issuer's perspective - instruments that do not contain a contractual obligation to pay cash and that represent a residual interest in the issuer's net assets - are considered investments in equity securities by the Group.

Investments in equity securities are measured at FVTPL, except where the Group elects at initial recognition to irrevocably designate an equity investment at FVTOCI. The Group's policy is to designate equity investments as FVTOCI when those investments are held for strategic purposes other than solely to generate investment returns.

For FVTPL investments, fair value changes are recognised in profit or loss. For FVTOCI investments, fair value changes are recognised in other comprehensive income (OCI), with no reclassification to profit or loss upon disposal.

Financial liabilities - measurement categories. Financial liabilities are classified and subsequently measured at AC, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g., short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

2. Material Accounting Policy Information continued

Debt securities in issue. Debt securities in issue include promissory notes, bonds, certificates of deposit and debentures issued by the Group. Debt securities are measured at AC. If the Group purchases its own debt securities in issue, they are removed from the consolidated statement of financial position and the difference between the carrying amount of the liability and the consideration paid is included in gains arising from retirement of debt.

Additional tier 1 capital subordinated notes. The Group classifies Additional tier 1 (AT1) capital subordinated notes as financial liabilities measured at amortised cost using the effective interest rate method. Such instruments with perpetual maturity and discretionary coupon payments, may be written down, converted into equity, or otherwise modified under the resolution regime implemented by the National Bank of Georgia.

Customer accounts. Customer accounts are non-derivative financial liabilities to individuals, state or corporate customers and are carried at AC.

Subordinated debt. Subordinated debt can only be paid in the event of a liquidation after the claims of other higher priority creditors have been met and is included in the Bank's "Tier 2" capital. Subordinated debt is measured at amortised cost, using the effective interest rate method.

Derivative financial instruments. Derivative financial instruments, including foreign exchange contracts, interest rate futures, forward rate agreements, currency and interest rate swaps, currency and interest rate options are recognised at their fair value. The Group also enters into offsetting deposits with its counterparty banks to exchange currencies. Such deposits, while legally separate, are aggregated and accounted for as a single derivative financial instrument (currency swap) on a net basis where (i) the deposits are entered into at the same time and in contemplation of one another, (ii) they have the same counterparty, (iii) they relate to the same risk and (iv) there is no apparent business purpose for structuring the transactions separately that could not also have been accomplished in a single transaction. All derivative instruments are carried as assets when fair value is positive and as liabilities when fair value is negative.

When derivative instruments are entered into with a view to decrease cost of funding, the respective interest effect is separated from the fair value change and recognised within net interest income.

Hedge accounting. The Group applies fair value hedge accounting, whereby the gains and losses on the hedging instruments are recognised in the income statement to offset the fair value adjustment recognised on the hedged item, while the cost of hedging arising from basis spread is recognised in other comprehensive income (OCI).

If a hedge relationship no longer meets the criteria for hedge accounting, hedge accounting is discontinued and the cumulative adjustment to the carrying amount of a hedged item for which the effective interest rate method is used is amortised to the income statement on a recalculated effective interest rate, unless the hedged item has been derecognised, in which case it is recognised in the income statement immediately. Please refer to Note 32 for further explanation.

2. Material Accounting Policy Information continued**Insurance contracts**

Scope. IFRS 17 applied to the following contracts for the Group: (a) insurance contracts issued by the Group, (b) reinsurance contracts held by the Group. IFRS 17 applies to the whole set of rights and obligations created by an insurance contract. Cash flows generated by such rights and obligations are incorporated in the measurement of assets and liabilities associated with an insurance contract. However, an insurance contract may also contain components which are excluded from the scope of IFRS 17 and are accounted for under different standards, subject to specific criteria: (a) embedded derivatives, (b) investment components, (c) promises to transfer to a policyholder distinct goods or services other than insurance contract services. The Group has certain loans where borrowers are required to conclude life insurance contracts to secure the loan repayment upon death. The Group has considered how this arrangement should be accounted for when the insurance contract is issued by the Group subsidiary. In terms of the legislation, borrowers may choose between several unrelated insurance companies apart from the Group subsidiary and they may also change the insurer at any time during the term of the loan. Accordingly, the Group concluded that the loan and the related insurance policy represent two separate contracts: loans are accounted for under IFRS 9 and life insurance contracts are accounted for under IFRS 17.

Level of aggregation. The Group identifies portfolios of insurance contracts. A portfolio of insurance contracts is defined as insurance contracts that are subject to similar risks and managed together. Portfolios are further disaggregated into profitability-based groups of insurance contracts that are, on initial recognition: (a) onerous, if any, (b) profitable, with no significant possibility of subsequently becoming onerous, if any, and (c) remaining contracts, if any. According to IFRS 17, groups cannot contain contracts that are written more than one year apart, a requirement commonly referred to as annual cohort requirement.

Contract boundary. The contract boundary concept is used to determine which cash flows are considered in the measurement of an insurance contract. Cash flows that are not within the boundary of an insurance contract relate to future insurance contracts. The Group generally determines the contract boundary with a reference to its ability to reprice the insurance contract as a whole.

Expected future cash flows. Included in the measurement of each group of contracts within the scope of IFRS 17 are all the future cash flows within the boundary of each group of contracts. The estimates of these future cash flows are based on probability-weighted expected future cash flows. The Group estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, the Group uses information about past events, current conditions, and forecasts of future conditions.

Where estimates of expenses-related cash flows are determined at the portfolio level or higher, they are allocated to groups of contracts on a systematic basis, such as activity-based costing method. The Group has determined that this method results in a systematic and rational allocation. Similar methods are consistently applied to allocate expenses of a similar nature. Expenses of an administrative policy maintenance nature are allocated to groups of contracts based on the gross earned premium of groups.

2. Material Accounting Policy Information continued

Risk adjustment for non-financial risk. The risk adjustment for non-financial risk is included in the expected cash flows to represent compensation required for bearing the non-financial risk arising from uncertainty in future cash flows. Under IFRS 17 requirements, the risk adjustment for non-financial risk includes: (a) the degree of diversification benefit that the entity includes when determining the compensation that it requires for bearing that risk, and (b) both favourable and unfavourable outcomes in a way that reflects the entity's degree of risk aversion.

Contractual service margin. The contractual service margin (CSM) is a component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit that the entity will recognise as it provides

insurance contract services under the insurance contracts in the group. Pattern of CSM recognition would be thus determined based on the coverage units, reflecting the pattern under which the insurance contract service benefit is transferred to the policyholder of the insurance contracts.

Insurance contract services are the services that the Group provides to a policyholder of an insurance contract and comprise of coverage for an insurance event. Considering the short-term nature of the Group's insurance contracts and the insurance coverage that is evenly distributed over time, the Group uses contract period as a coverage unit for each portfolio.

Premium allocation approach. This approach is applied to all insurance contracts, unless they have direct participation features or the contract is eligible for, and the entity elects to apply, the premium allocation approach. The Group elected to apply premium allocation approach.

The Group uses Premium allocation approach (PAA) for its total portfolio as the coverage period of each contract in the group (including coverage arising from all premiums within the contract boundary determined at inception date is one year or less. The Group does not use variable fee approach for any of its contracts.

Insurance finance income and expenses. Insurance finance income or expenses reflect the changes in the carrying amount of the group of insurance contracts that relate to financial risks. They comprise the effect of the time value of money (that is, the accretion of interest on all of the fulfilment cash flows, the risk adjustment for non-financial risk and the contractual service margin) as well as the effect of financial risk and changes in financial risks. The Group's policy is to account for the total insurance finance income and expenses in the statement of profit or loss.

Reinsurance contracts held. The Group elected to present a single net amount in net expenses for reinsurance contracts held.

Premises and equipment. Premises and equipment are stated at cost, less accumulated depreciation and provision for impairment, where applicable. Cost of premises and equipment of acquired subsidiaries is the estimated fair value at the date of acquisition.

At the end of each reporting period management assesses whether there is any indication of impairment of premises and equipment. If any such indication exists, management estimates the recoverable amount to determine whether an impairment loss should be recognised.

2. Material Accounting Policy Information continued

Intangible assets. Intangible assets, other than goodwill, have definite useful lives and primarily comprise capitalised computer software, accounted for using the cost model. Acquired software licences are capitalised based on acquisition and implementation costs, while directly attributable development costs are capitalised if future economic benefits are probable. Capitalised costs include staff and direct overheads, whereas maintenance costs are expensed as incurred.

Depreciation and amortisation. Land and construction in progress are not depreciated. Depreciation on other items of premises and equipment and right-of-use assets and amortisation of intangible assets are calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives as follows:

Asset	Useful life
Premises	40 – 110 years
Furniture and fixtures	5 – 8 years
Computers and office equipment	3 – 8 years
Other equipment	2 – 10 years
Right of use assets	Term of the underlying lease
Intangible assets	1 – 20 years

The residual value of an asset is nil if the Group expects to use the asset until the end of its physical life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Investment property. Investment property is stated at cost less accumulated depreciation and provision for impairment, where applicable. It is amortised on a straight-line basis over an expected useful life of 30 to 50 years. Land included in investment property is not depreciated. Residual values of investment properties are estimated to be nil. In case of any indication that the investment properties may be impaired, the Group estimates the recoverable amount as the higher of value in use and fair value less costs to sell.

Earned rental income is recorded in profit or loss for the year within other operating income.

Accounting for leases by the Group as a lessee. The Group leases office, branches and service centre premises. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is recognised at cost and depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

2. Material Accounting Policy Information *continued*

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

As an exception to the above, the Group accounts for short-term leases and leases of low value assets by recognising the lease payments as an operating expense on a straight-line basis.

In determining the lease term, management of the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after 2. Material Accounting Policy Information termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Income taxes. Income taxes are recognised in the consolidated financial statements in accordance with the legislation enacted or substantively enacted by the end of reporting period in the respective territories that the company and its subsidiaries operate. The income tax charge/credit comprises of current tax and deferred tax and is recognised in profit or loss except if it is recognised directly in other comprehensive income because it relates to transactions that are also recognised, in the same or a different period, directly in other comprehensive income.

Current tax is the amount expected-to-be-paid to or recovered from the tax authorities in respect of taxable profits or losses for the current and prior periods. Taxable profits or losses are based on estimates if consolidated financial statements are authorised prior to filing relevant tax returns. Taxes, other than on income, are recorded within administrative and other operating expenses.

Deferred income tax is provided using the balance sheet liability method for tax loss carry forwards and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax balances are measured at tax rates enacted or substantively enacted at the end of reporting period that are expected to apply to the extent of time when the temporary differences will reverse or the tax loss carry forwards will be utilised.

Deferred income tax is provided on post-acquisition retained earnings of subsidiaries, except where the Group controls the subsidiary's dividend policy and it is probable that the difference will not reverse through dividends or otherwise in the foreseeable future.

Share capital. Ordinary shares with discretionary dividends are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Any excess of the fair value of consideration received over the par value of shares issued is recorded as share premium in equity.

Dividends. Dividends are recorded in equity in the period in which they are declared. Any dividends declared after the end of the reporting period and before the consolidated financial statements are authorised for issue, are disclosed in the subsequent events note.

Income and expense recognition. Interest income and expense are recorded for all debt instruments, other than those at FVTPL, using the effective interest rate method. As part of interest income or expense this method defers all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. The Group does not have interest income on debt instruments at FVTPL.

Fees integral to the effective interest rate include origination fees received or paid by the entity relating to the creation or acquisition of a financial asset or issuance of a financial liability, for example fees for evaluating creditworthiness, evaluating and recording guarantees or collateral, negotiating the terms of the instrument and for processing transaction documents. Commitment fees received by the Group to originate loans at market interest rates are integral to the effective interest rate if it is probable that the Group will enter into a specific lending arrangement and does not expect to sell the resulting loan shortly after origination. The Group does not designate loan commitments as financial liabilities at FVTPL.

2. Material Accounting Policy Information *continued*

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for (i) financial assets that have become defaulted (Stage 3), for which interest income is calculated by applying the effective interest rate to their AC, net of the ECL provision, and (ii) financial assets that are purchased or originated defaulted, for which the original credit-adjusted effective interest rate is applied to the AC.

All other fees, commissions, and other income and expense items are generally recorded when earned, either at a point in time upon completion of the transaction or over time based on the proportion of services provided relative to total services under the contract.

For cross currency basis swaps interest component calculation, notional amount is multiplied by contractual interest rate for respective period. While making allocation of an interest income/(expense) from foreign exchange (FX) Swaps transactions, annualized spread earned interest income/(expense) is calculated and distributed linearly throughout the lifetime of the contract.

Fee and commission income. Fee and commission income is recognised over time on a straight-line basis as the services are rendered, when the customer simultaneously receives and consumes the benefits provided by the Group's performance. Such income includes recurring fees for account maintenance, account servicing fees, account subscription fees, annual plastic card fees etc. Variable fees are recognised only to the extent that management determines that it is highly probable that a significant reversal will not occur.

Other fee and commission income is recognised at a point in time when the Group satisfies its performance obligation, usually upon execution of the underlying transaction. The amount of fee or commission received or receivable represents the transaction price for the services identified as distinct performance obligations. Such income includes fees for arranging a sale or purchase of foreign currencies on behalf of a customer, fees for processing payment transactions, plastic card transactions, merchant fees, fees for cash settlements, collection or cash disbursements, etc.

Foreign currency translation. The Group's presentation currency is the Georgian Lari. TBCG's and the Bank's presentation currency is the Georgian Lari. The functional currency of each of the Group's consolidated entities is the currency of the primary economic environment in which the entity operates. Transactions in foreign currencies are initially recorded in the functional currency, converted at the rate of exchange ruling at the date of the transaction.

The results and financial position of each group entity (the functional currency of none of which is a currency of a hyperinflationary economy) are translated into the presentation currency as follows:

- (i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the respective reporting period;
- (ii) Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions);
- (iii) Components of equity are translated at the historic rate; and
- (iv) All resulting exchange differences are recognised in other comprehensive income.

After losing control over a foreign operation, the exchange differences previously recognised in other comprehensive income are reclassified to profit or loss for the year as part of the gain or loss on disposal. On partial disposal of a subsidiary without loss of control, the related portion of accumulated currency translation differences is reclassified to non-controlling interest within equity.

2. Material Accounting Policy Information continued

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

The closing rates of exchange used for translating foreign currency balances for the years 2025 and 2024 were as follows:

	31 December 2025	31 December 2024
EUR/GEL	3.1737	2.9306
GBP/GEL	3.6446	3.5349
USD/GEL	2.6951	2.8068
UZS 1,000/GEL	0.2242	0.2177

Staff costs and related contributions. Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits as well as the cash settled part of the share-based payment schemes are accrued in the year in which the associated services are rendered by the Group's employees.

Earnings per share. Basic earnings/(loss) per share ("EPS") are calculated by dividing the profit or loss attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares in issue during the year, excluding treasury shares.

Diluted earnings per share. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. In calculating diluted EPS, non-vested ordinary shares are treated as outstanding on the grant date.

Segment reporting. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker. Segments whose revenue, result or assets are ten percent or more of all the segments are reported separately.

Share based payments. Under the share-based compensation plan the Group receives services from management as consideration for equity instruments of the Company. The fair value of the employee services received in exchange for the grant of the equity instruments is recognised as an expense. The total amount to be expensed is determined by the reference to the fair value of the equity instruments granted, excluding the impact of any non-market service and performance vesting conditions. Non-market vesting conditions are included in the assumptions about the number of equity instruments that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At each balance sheet date, the Group revises its estimates of the number of equity instruments that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision of original estimates, if any, in profit or loss, with a corresponding adjustment to equity. Increase in equity on accrued shares resulting from the equity settled scheme is accounted for under share-based payment reserve. Upon award of shares to the scheme participants, respective share-based payment reserve is transferred to share capital and share premium in case shares are issued on the market. When shares are repurchased from market initially and held via employee benefit trust, these shares are presented as treasury shares under shares held by trust category in the Statement of Financial Position until they are awarded to participants. When an award takes place, treasury shares amount is credited with corresponding debit recognised in share-based payment reserve. When portions of a single grant vest on two or more dates the entity applies graded vesting for accounting of share-based payment arrangement. Vesting period of each tranche of the grant ends when the employee owns the shares with no further service restrictions. Under graded vesting scheme the expense for earlier years is higher than for later years. Each tranche is expensed over its own service period with a credit entry being equity.

Scrip dividends. The scrip dividend programme enables shareholders, if they wish, to receive new fully paid ordinary shares in the Company instead of cash dividends. In such cases the Company issues new ordinary shares. Upon distribution, the Group increases its equity by the amount of scrip dividends, transferring from dividends payable liability to the share capital and share premium accounts to reflect the issuance of new shares.

3. Sources of Estimation Uncertainty and Judgements in Applying Accounting Policies**Critical Judgements and Estimates**

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and are based on the management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements and estimates that have the most significant effect on the amounts recognised in the consolidated financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities are the following:

Judgements and estimates related to ECL measurement. Measurement of ECLs is a significant estimate that involves determination of methodology, development of models and preparation of data inputs. Expert management judgement is also an essential part of estimating expected credit losses.

Management applies significant judgements and estimates in calculating ECL, including the following:

Judgements used to define criteria used in definition of default. The Group defines default using both quantitative and qualitative criteria. Borrower is classified as defaulted if:

- any amounts of contractual repayments are past due more than 90 days, or
- factors indicating the borrower's unlikelihood-to-pay becomes present.

Unlikelihood to repay is assessed using qualitative and quantitative criteria based on clients monitoring/financial stability. In addition, default exit criteria are defined using judgement as well as whether default should be applied on a borrower or exposure level. For more details on the methodology of the Bank please see Note 37.

Judgements used to define criteria for assessing if there has been a significant increase in credit risk (SICR) which is defined using both quantitative and qualitative criteria.

Qualitative factors usually include judgements around delinquency period of more than 30 days on contractual repayments; exposure is restructured but is not defaulted; borrower is classified as "watch".

The Bank evaluates the change in the probability of default parameter for each specific exposure on a quantitative basis, comparing it to a predefined threshold since its initial recognition. When the absolute relative change in the probability of default surpasses the specified threshold, it is considered a Significant Increase in Credit Risk (SICR), leading to the transfer of the exposure to Stage 2. Apart from statistical thresholds, this year the Bank incorporated an additional condition to the existing PD-based SICR criterion, referred to as the PD Backstop. The PD Backstop represents the highest Risk Group (Rating) up to which there is strong and undisputed evidence that the level of default risk is not materially different.

3. Sources of Estimation Uncertainty and Judgements in Applying Accounting Policies *continued*

The quantitative indicator for SICR is utilised in retail and micro segments, provided there is a substantial number of observations for accurate assessment.

Estimations used for calculation of credit risk parameters namely probability of default (PD) and loss given default (LGD). The judgements include and are not limited by:

- (i) definition of the segmentation for risk parameters estimation purposes,
- (ii) decision whether simplified or more complex models can be used,
- (iii) time since default date after which no material recoveries are expected,
- (iv) collateral haircuts from market value as well as the average workout period for collateral discounting.

The table below describes sensitivity on 10% increase of PD and LGD estimates for the Bank. For sensitivity calculation purposes, the staging has been unchanged:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
10% increase (decrease) in PD estimates	Increase (decrease) credit loss allowance on loans and advances by GEL 16,163 (GEL 16,164).	Increase (decrease) credit loss allowance on loans and advances by GEL 16,425 (GEL 15,218).
10% increase (decrease) in LGD estimates	Increase (decrease) credit loss allowance on loans and advances by GEL 28,013 (GEL 30,580).	Increase (decrease) credit loss allowance on loans and advances by GEL 25,351 (GEL 26,679).

The table below describes sensitivity on 10% increase of PD and LGD estimates for UZ Bank. For sensitivity calculation purposes, the staging has been unchanged:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
10% increase (decrease) in PD estimates	Increase (decrease) credit loss allowance on loans and advances by GEL 11,286 (GEL 11,287).	Increase (decrease) credit loss allowance on loans and advances by GEL 5,813 (GEL 5,813).
10% increase (decrease) in LGD estimates	Increase (decrease) credit loss allowance on loans and advances by GEL 20,051 (GEL 20,053).	Increase (decrease) credit loss allowance on loans and advances by GEL 8,184 (GEL 8,191).

4. Adoption of New or Revised Standards and Interpretations

Amendments to IAS 21 Lack of Exchangeability (Issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025). In August 2023, the IASB issued amendments to IAS 21 to help entities assess exchangeability between two currencies and determine the spot exchange rate, when exchangeability is lacking. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. The amendments to IAS 21 do not provide detailed requirements on how to estimate the spot exchange rate. Instead, they set out a framework under which an entity can determine the spot exchange rate at the measurement date. When applying the new requirements, it is not permitted to restate comparative information. It is required to translate the affected amounts at estimated spot exchange rates at the date of initial application, with an adjustment to retained earnings or to the reserve for cumulative translation differences.

The amendment had no impact on the Group's financial statements.

5. New Accounting Pronouncements

The Group has not early adopted any of the amendments effective after 31 December 2025. The Group expects the amendments will have an insignificant effect, when adopted, or is in the process of assessing the scale of any potential impact on the consolidated financial statements of the Group and the separate financial statements of TBC Bank Group PLC.

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026). On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- (a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- (b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- (c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVTOCI).

The amendment will have no material impact on the Group's financial statements.

Annual Improvements to IFRS Accounting Standards (Issued in July 2024 and effective from 1 January 2026). IFRS 1 was clarified that a hedge should be discontinued upon transition to IFRS Accounting Standards if it does not meet the 'qualifying criteria', rather than 'conditions' for hedge accounting, in order to resolve a potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9. IFRS 7 requires disclosures about a gain or loss on derecognition relating to financial assets in which the entity has a continuing involvement, including whether fair value measurements included 'significant unobservable inputs. This new phrase replaced reference to 'significant inputs that were not based on observable market data'. The amendment makes the wording consistent with IFRS 13. In addition, certain IFRS 7 implementation guidance examples were clarified and text added that the examples do not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7. IFRS 16 was amended to clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply IFRS 9 guidance to recognise any resulting gain or loss in profit or loss. This clarification applies to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment. In order to resolve an inconsistency between IFRS 9 and IFRS 15, trade receivables are now required to be initially recognised at 'the amount determined by applying IFRS 15' instead of at 'their transaction price (as defined in IFRS 15)'. IFRS 10 was amended to use less conclusive language when an entity is a 'de-facto agent' and to clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de-facto agent. IAS 7 was corrected to delete references to 'cost method' that was removed from IFRS Accounting Standards in May 2008 when the IASB issued amendment 'Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate'.

The amendment will have no material impact on the Group's financial statements.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on 13 November 2025 and effective from 1 January 2027). The International Accounting Standards Board (IASB) has issued amendments that clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one. These narrow-scope amendments aim to improve the usefulness of the resulting information in a cost-effective manner. Developed in response to stakeholder feedback, these amendments are expected to reduce diversity in practice and provide a clearer basis for reporting in a hyperinflationary currency. The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates are effective for annual periods beginning on or after 1 January 2027. Companies can choose to apply them earlier.

The Group is currently assessing the impact of the amendments on its financial statements.

5. New Accounting Pronouncements *continued*

IFRS 18 Presentation and Disclosure in Financial Statements (Issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027). In April 2024, the IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information.

The Group is in the process of assessment of the scale of any potential impact on the consolidated profit or loss statement and cash flow statement of the Group and the separate cash flow statement of TBC Bank Group PLC.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (Issued on 9 May 2024 and effective for annual periods beginning on or after 1 January 2027). The International Accounting Standard Board (IASB) has issued a new IFRS Accounting Standard for subsidiaries. IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures.

Applying IFRS 19 will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements. Subsidiaries using IFRS Accounting Standards for their own financial statements provide disclosures that may be disproportionate to the information needs of their users. IFRS 19 will resolve these challenges by:

- enabling subsidiaries to keep only one set of accounting records – to meet the needs of both their parent company and the users of their financial statements;
- reducing disclosure requirements – IFRS 19 permits reduced disclosure better suited to the needs of the users of their financial statements.

IFRS 19 will not have impact as the Group is not eligible to apply it.

Amendments to IFRS 19 Subsidiaries without public accountability: Disclosures (Issued on 21 August 2025 and effective from 1 January 2027). In August 2025, the IASB issued amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures, which help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically: IFRS 18 Presentation and Disclosure in Financial Statements, Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7); International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12); Lack of Exchangeability (Amendments to IAS 21); and Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). With these amendments, IFRS 19 reflects the changes to IFRS Accounting Standards that take effect up to 1 January 2027, when IFRS 19 will be applicable.

The amendment will not have impact as the Group is not eligible to apply IFRS 19.

Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (Issued on 18 December 2024 and effective from 1 January 2026). The IASB has issued amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Current accounting requirements may not adequately capture how these contracts affect a company's performance. To allow companies to better reflect these contracts in the financial statements, the IASB has made targeted amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures. The amendments include: (a) clarifying the application of the 'own-use' requirements; (b) relaxing certain hedge accounting requirements if these contracts are used as hedging instruments; and (c) adding new disclosure requirements to enable investors to understand the effect of these contracts on financial performance and cash flows.

The amendment will have no material impact on the Group's financial statements.

6. Cash and Cash Equivalents

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Cash on hand	897,946	862,343
Cash balances with the National Bank of Georgia (other than mandatory reserve deposits)	243,677	289,382
Cash balances with the Central Bank of Uzbekistan (other than mandatory reserve deposits)	113,122	52,817
Correspondent accounts and overnight placements with other banks	557,286	652,770
Placements with and receivables from other banks with original maturities of less than three months	551,919	1,190,251
Total gross amount of cash and cash equivalents	2,363,950	3,047,563
Less: Credit loss allowance	(367)	(162)
Stage 1	(367)	(162)
Total cash and cash equivalents	2,363,583	3,047,401

As of 31 December 2025, 79% of the correspondent accounts and overnight placements with other banks was placed with Organisation for Economic Co-operation and Development (OECD) banking institutions (31 December 2024: 86%).

As of 31 December 2025, GEL 447,879 thousand was placed on interbank term deposits with three OECD banks and none with non-OECD (as at 31 December 2024 GEL 960,638 thousand was placed on interbank term deposits with four with OECD bank and none with non-OECD banks). Interest rate analysis of cash and cash equivalents is disclosed in Note 37.

As of 31 December 2025, in the separate statement of financial position of TBC Bank Group PLC cash and cash equivalents represents correspondent accounts and overnight placements with other banks in the amount of GEL 10,102 thousand (31 December 2024: GEL 48,451 thousand). 89% of correspondent accounts and overnight placements with other banks are placed with BB rated financial institutions and 11% are placed with A+ financial institutions rated. (2024: 95% placed with BB rated, 5% placed with A+ rated financial institutions).

As of 31 December 2025, in the separate statement of financial position of TBC Bank Group PLC cash and cash equivalents represents placements with and receivables from other banks with original maturities of less than three months in the amount of GEL 101,432 thousand (31 December 2024: GEL 20,879 thousand). 100% of these amounts are placed with BB rated financial institutions (2024: 100% placed with BB rated).

The Bank earned an average annual interest of 7.97% annual interest in GEL on cash balances with NBG during the year 2025 (2024: 8.19%).

UZ Bank earned an average annual interest of 12.00% annual interest in UZS on cash balances with CBU during the year 2025 (2024: 11.75%). In June 2025, Uzbekistan's Long-Term Foreign and Local Currency Issuer Default Rating (IDRs) has been upgraded to 'BB' with a Stable Outlook. The country ceiling has been upgraded to 'BB' and short-term foreign and local-currency IDRs are affirmed at 'B'.

6. Cash and Cash Equivalents *continued*

The credit ratings of correspondent accounts and overnight placements with other banks are as follows:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
AA	15,508	25,051
AA-	2,373	8,202
A+	334,615	446,356
A	6,811	28,544
A-	83,808	65,979
BBB+	75	-
BBB	-	1,833
BBB-	6,321	30,903
BB+	252	1,663
BB	67,509	4,380
BB-	31,428	15,346
B+	4,869	14,738
B	1,588	9,733
B-	2,129	42
Total correspondent accounts and overnight placements with other banks	557,286	652,770

The credit rating of placements with and receivables from other banks with original maturities of less than three months stands as follows:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
AAA	-	205,904
A	447,879	233,102
BBB+	-	43,959
BBB	-	477,673
BB	16,177	70,000
BB-	694	141,558
B+	32,068	15,014
B	55,101	3,041
Total placements with and receivables from other banks with original maturities of less than three months	551,919	1,190,251

The table illustrates the ratings by international agencies Standard & Poor's and Fitch Ratings. When different credit ratings are designated by the agencies, the highest designated rating for this asset is used, for those financial institutions which are not assigned credit ratings, country ratings are used.

7. Reverse Repurchase Receivables

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Reverse repurchase receivables	184,979	-
Total reverse repurchase receivables	184,979	-

As at 31 December 2025 there were GEL 197,099 thousand investment securities held as collateral against reverse repurchase receivables (2024: nil). 100% of these amounts are placed with AAA rated financial institutions.

8. Due from Other Banks

Amounts due from other banks include placements with original maturities of more than three months, that are not collateralised and do not represent past due amounts as at 31 December 2025 and 31 December 2024.

Credit ratings of placements with and receivables from other banks with original maturities of more than three months and restricted cash were as follows:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
A	11,814	10,910
BB	32,851	9,617
BB-	8,449	-
B+	29,262	24,971
B	34,429	-
B-	26,345	-
Total placements with and receivables from other banks with original maturities of more than three months and restricted cash	143,150	45,498

As at 31 December 2025 the Group had two placements, with original maturities of more than three months and with aggregated amounts above GEL 5,000 thousand (2024: two). The total amount of these placements was GEL 34,234 thousand (2024: GEL 19,481 thousand).

The total aggregated amount of placements with other banks with original maturities of more than three months was GEL 143,740 thousand (2024: GEL 45,429 thousand) or 99.5% of the total amount due from other banks (2024: 99.8%).

As at 31 December 2025 GEL 692 thousand (2024: GEL 695 thousand) were kept on deposits as restricted cash under an arrangement with a credit card company or credit card related services with other banks.

For the estimated fair values of due from other bank balances please refer to Note 42.

For the purpose of ECL measurement due from other banks balances are included in Stage 1. The ECL for these balances at 31 December 2025 is GEL 1,282 thousand (2024: GEL 627 thousand).

9. Mandatory Cash Balances With NBG

Mandatory cash balances with the National Bank of Georgia (“NBG”) represent amounts deposited with the NBG. Resident financial institutions are required to maintain an interest-earning obligatory reserve with the NBG, the amount of which depends on the level of funds attracted by the financial institutions. The Bank earned up to 0.62% and 0.28% annual interest in USD and EUR, respectively, on mandatory reserve with NBG during the year 2025 (2024: 0% and 0% in USD and EUR, respectively).

In November 2025, Fitch Ratings has affirmed Georgia’s Long-Term Foreign and Local Currency Issuer Default Rating (IDRs) at ‘BB’ and has revised the Outlook from Negative to Stable. The country ceiling is affirmed at ‘BBB-’, while short-term foreign and local-currency IDRs are kept at ‘B’.

10. Loans and Advances to Customers

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Corporate loans	11,340,467	9,848,706
Loans to micro, small and medium enterprises	6,287,443	5,948,420
Consumer loans	6,266,241	5,164,603
Mortgage loans	5,373,055	5,126,953
Total gross loans and advances to customers at amortised cost (AC)	29,267,206	26,088,682
Less: credit loss allowance:	(544,859)	(404,884)
Stage 1	(152,675)	(138,293)
Stage 2	(114,161)	(81,043)
Stage 3	(278,023)	(185,548)
Total loans and advances to customers at amortised cost (AC)	28,722,347	25,683,798

As at 31 December 2025 loans and advances to customers carried at GEL 1,645,745 thousand have been pledged as collateral for the borrowings from the National Bank of Georgia (2024: GEL 1,118,011 thousand). The loans and advances to customers are pledged under the monetary policy framework for the borrowings from the National Bank of Georgia.

10. Loans and Advances to Customers *continued*

The following tables disclose the changes in the credit loss allowance and gross carrying amount for loans and advances to customers carried at amortised cost between the beginning and the end of the reporting period. Below main movements in the table are described:

- Transfers occur between Stage 1, 2 and 3, due to significant increases (or decreases) of credit risk or exposures becoming defaulted in the period, and the consequent “step up” (or “step down”) between 12-month and Lifetime ECL. It should be noted, that:
 - For loans, which existed at the beginning of the previous month, opening exposures are disclosed as transfer amounts;
 - For newly issued loans, exposures upon issuance are disclosed as transfer amounts;
- New originated or purchased gives us information regarding gross loans issued and corresponding credit loss allowance created during the period (however, exposures which were issued and repaid during the period and issued to refinance existing loans are excluded);
- Derecognised during the period refers to the balance of loans and credit loss allowance at the beginning of the period, which were fully repaid during the period. Exposures which were issued and not fully repaid during the period, written off or refinanced by other loans, are excluded;
- Net repayments refer to the net changes in gross carrying amounts, which is loan disbursements less repayments, excluding loans that were fully repaid;
- Write-offs refer to write off of loans during the period;
- Foreign exchange movements refer to the translation of assets denominated in foreign currencies and effect to translation in presentational currency for foreign subsidiary;
- Net re-measurement due to stage transfers and risk parameters changes refers to the movements in ECL as a result of transfer of exposure between stages or changes in risk parameters and forward-looking expectations;
- Modification refers to changes in terms that do not result in derecognition;
- Re-segmentation refers to the transfer of loans from one reporting segment to another. For presentation purposes, amounts are rounded to the nearest thousands of GEL, which in certain cases is disclosed as nil.
- For details of expected credit loss (ECL) methodology refer to Note 37.

10. Loans and Advances to Customers continued

Total loans <i>In thousands of GEL</i>	Gross carrying amount			Total	Credit loss allowance			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
At 1 January 2025	24,051,415	1,462,901	574,366	26,088,682	138,293	81,043	185,548	404,884
<i>Movements with impact on credit loss allowance charge for the period:</i>								
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(2,934,448)	2,969,054	(34,606)	-	(87,902)	101,923	(14,021)	-
- to defaulted (from Stage 1 and Stage 2 to Stage 3)	(53,900)	(733,492)	787,392	-	(6,859)	(90,990)	97,849	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	1,444,782	(1,442,002)	(2,780)	-	102,608	(101,156)	(1,452)	-
New originated or purchased	17,874,061	-	-	17,874,061	270,530	-	-	270,530
Derecognised or fully repaid during the period	(10,029,583)	(211,181)	(117,803)	(10,358,567)	(149,335)	(13,979)	(39,398)	(202,712)
Net repayments	(3,899,069)	(189,331)	(103,546)	(4,191,946)	-	-	-	-
Net re-measurement due to stage transfers, changes in risk parameters and repayments*	-	-	-	-	(116,235)	136,179	376,004	395,948
<i>Movements without impact on credit loss allowance charge for the period:</i>								
Write-offs	-	-	(331,376)	(331,376)	-	-	(331,376)	(331,376)
Changes in accrued interest	44,899	14,964	8,716	68,579	-	-	-	-
Modification	753	(163)	180	770	(41)	-	78	37
Foreign exchange movements	91,312	16,864	8,827	117,003	1,616	1,141	4,791	7,548
At 31 December 2025	26,590,222	1,887,614	789,370	29,267,206	152,675	114,161	278,023	544,859

10. Loans and Advances to Customers continued

Total loans <i>In thousands of GEL</i>	Gross carrying amount			Total	Credit loss allowance			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
At 1 January 2024	20,337,024	1,320,300	416,355	22,073,679	104,666	88,065	158,841	351,572
<i>Movements with impact on credit loss allowance charge for the period:</i>								
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(2,538,621)	2,603,644	(65,023)	-	(99,835)	117,215	(17,380)	-
- to defaulted (from Stage 1 and Stage 2 to Stage 3)	(38,921)	(524,744)	563,665	-	(9,380)	(102,183)	111,563	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	1,616,497	(1,614,245)	(2,252)	-	99,449	(97,821)	(1,628)	-
New originated or purchased	13,999,349	-	-	13,999,349	247,466	-	-	247,466
Derecognised or fully repaid during the period	(7,163,036)	(186,309)	(87,482)	(7,436,827)	(79,726)	(15,516)	(32,181)	(127,423)
Net repayments	(2,406,351)	(148,126)	(72,290)	(2,626,767)	-	-	-	-
Net re-measurement due to stage transfers, changes in risk parameters and repayments*	-	-	-	-	(125,065)	90,935	156,450	122,320
<i>Movements without impact on credit loss allowance charge for the period:</i>								
Write-offs	-	-	(191,297)	(191,297)	-	-	(191,297)	(191,297)
Changes in accrued interest	12,068	1,457	8,406	21,931	-	-	-	-
Modification	1,816	241	(69)	1,988	5	2	43	50
Foreign exchange movements	231,590	10,683	4,353	246,626	713	346	1,137	2,196
At 31 December 2024	24,051,415	1,462,901	574,366	26,088,682	138,293	81,043	185,548	404,884

*Movements with impact on credit loss allowance charge for the period differs from statement of profit or loss with amount of recoveries and unwinding of discount of GEL 82,976 thousand in 2025 (2024: GEL 65,498 thousand). The amount of recoveries include recoveries from sale of written off portfolio in the amount of GEL 13,290 thousand sold in 2025 (2024: GEL 7,047 thousand).

10. Loans and Advances to Customers continued

Corporate loans <i>In thousands of GEL</i>	Gross carrying amount			Total	Credit loss allowance			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
At 1 January 2025	9,054,002	638,105	156,599	9,848,706	15,524	1,528	36,862	53,914
<i>Movements with impact on credit loss allowance charge for the period:</i>								
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(608,560)	613,211	(4,651)	-	(1,146)	1,146	-	-
- to defaulted (from Stage 1 and Stage 2 to Stage 3)	(18,719)	(92,848)	111,567	-	(806)	(41)	847	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	102,446	(101,488)	(958)	-	1,249	(486)	(763)	-
New originated or purchased	6,392,599	-	-	6,392,599	40,794	-	-	40,794
Derecognised or fully repaid during the period	(4,377,089)	(36,115)	(11,203)	(4,424,407)	(49,783)	(39)	(1,854)	(51,676)
Net repayments	(631,123)	(45,259)	(11,186)	(687,568)	-	-	-	-
Net re-measurement due to stage transfers, changes in risk parameters and repayments	-	-	-	-	9,265	(80)	23,496	32,681
<i>Movements without impact on credit loss allowance charge for the period:</i>								
Re-segmentation	181,504	35	391	181,930	825	14	201	1,040
Write-offs	-	-	(3,310)	(3,310)	-	-	(3,310)	(3,310)
Changes in accrued interest	17,162	1,482	6,560	25,204	-	-	-	-
Modification	289	(61)	(24)	204	-	-	(11)	(11)
Foreign exchange movements	(7,392)	10,657	3,844	7,109	15	7	922	944
At 31 December 2025	10,105,119	987,719	247,629	11,340,467	15,937	2,049	56,390	74,376

10. Loans and Advances to Customers continued

Corporate loans <i>In thousands of GEL</i>	Gross carrying amount			Total	Credit loss allowance			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
At 1 January 2024	7,739,101	410,366	114,138	8,263,605	18,454	2,445	32,606	53,505
<i>Movements with impact on credit loss allowance charge for the period:</i>								
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(384,704)	411,661	(26,957)	-	(1,759)	3,960	(2,201)	-
- to defaulted (from Stage 1 and Stage 2 to Stage 3)	(19,209)	(85,929)	105,138	-	(5,533)	(1,645)	7,178	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	54,757	(54,757)	-	-	211	(209)	(2)	-
New originated or purchased	5,206,364	-	-	5,206,364	34,834	-	-	34,834
Derecognised or fully repaid during the period	(3,969,700)	(37,114)	(14,537)	(4,021,351)	(44,166)	(100)	(2,030)	(46,296)
Net repayments	130,101	(12,213)	(7,269)	110,619	-	-	-	-
Net re-measurement due to stage transfers, changes in risk parameters and repayments	-	-	-	-	12,257	(2,968)	18,012	27,301
<i>Movements without impact on credit loss allowance charge for the period:</i>								
Re-segmentation	161,798	3,972	(3,170)	162,600	981	14	-	995
Write-offs	-	-	(16,827)	(16,827)	-	-	(16,827)	(16,827)
Changes in accrued interest	(3,106)	(3,193)	5,565	(734)	-	-	-	-
Modification	947	354	9	1,310	3	-	4	7
Foreign exchange movements	137,653	4,958	509	143,120	242	31	122	395
At 31 December 2024	9,054,002	638,105	156,599	9,848,706	15,524	1,528	36,862	53,914

10. Loans and Advances to Customers continued

MSME <i>In thousands of GEL</i>	Gross carrying amount			Total	Credit loss allowance			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
At 1 January 2025	5,423,532	256,764	268,124	5,948,420	28,936	23,893	60,422	113,251
<i>Movements with impact on credit loss allowance charge for the period:</i>								
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(751,364)	759,232	(7,868)	-	(16,493)	19,823	(3,330)	-
- to defaulted (from Stage 1 and Stage 2 to Stage 3)	(17,575)	(178,458)	196,033	-	(1,893)	(22,955)	24,848	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	367,443	(367,408)	(35)	-	25,089	(25,065)	(24)	-
New originated or purchased	2,836,764	-	-	2,836,764	52,809	-	-	52,809
Derecognised or fully repaid during the period	(1,051,042)	(77,408)	(72,044)	(1,200,494)	(11,524)	(5,483)	(15,354)	(32,361)
Net repayments	(1,176,880)	(62,005)	(60,357)	(1,299,242)	-	-	-	-
Net re-measurement due to stage transfers, changes in risk parameters and repayments	-	-	-	-	(46,474)	32,951	46,451	32,928
<i>Movements without impact on credit loss allowance charge for the period:</i>								
Re-segmentation	(14,640)	5,993	4,777	(3,870)	3,257	1,736	2,537	7,530
Write-offs	-	-	(41,900)	(41,900)	-	-	(41,900)	(41,900)
Changes in accrued interest	14,040	2,454	(1,701)	14,793	-	-	-	-
Modification	165	23	188	376	2	9	78	89
Foreign exchange movements	30,863	1,217	516	32,596	301	141	921	1,363
At 31 December 2025	5,661,306	340,404	285,733	6,287,443	34,010	25,050	74,649	133,709

10. Loans and Advances to Customers continued

MSME <i>In thousands of GEL</i>	Gross carrying amount			Total	Credit loss allowance			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
At 1 January 2024	4,982,978	325,283	178,527	5,486,788	24,158	32,785	51,797	108,740
<i>Movements with impact on credit loss allowance charge for the period:</i>								
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(695,446)	714,111	(18,665)	-	(16,250)	22,040	(5,790)	-
- to defaulted (from Stage 1 and Stage 2 to Stage 3)	(5,548)	(234,570)	240,118	-	(1,087)	(30,809)	31,896	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	435,001	(434,154)	(847)	-	28,604	(27,425)	(1,179)	-
New originated or purchased	2,910,982	-	-	2,910,982	65,295	-	-	65,295
Derecognised or fully repaid during the period	(1,108,843)	(51,950)	(48,626)	(1,209,419)	(7,448)	(5,220)	(13,287)	(25,955)
Net repayments	(1,000,832)	(63,067)	(48,267)	(1,112,166)	-	-	-	-
Net re-measurement due to stage transfers, changes in risk parameters and repayments	-	-	-	-	(63,725)	32,429	37,783	6,487
<i>Movements without impact on credit loss allowance charge for the period:</i>								
Re-segmentation	(145,839)	(4,140)	3,139	(146,840)	(878)	(36)	-	(914)
Write-offs	-	-	(41,377)	(41,377)	-	-	(41,377)	(41,377)
Changes in accrued interest	7,779	2,625	1,185	11,589	-	-	-	-
Modification	205	(105)	(110)	(10)	-	5	13	18
Foreign exchange movements	43,095	2,731	3,047	48,873	267	124	566	957
At 31 December 2024	5,423,532	256,764	268,124	5,948,420	28,936	23,893	60,422	113,251

Notes to the consolidated and separate financial statements continued

10. Loans and Advances to Customers continued

Consumer loans <i>In thousands of GEL</i>	Gross carrying amount			Total	Credit loss allowance			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
At 1 January 2025	4,830,615	236,633	97,355	5,164,603	92,249	49,323	68,170	209,742
<i>Movements with impact on credit loss allowance charge for the period:</i>								
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(1,042,604)	1,050,939	(8,335)	-	(68,951)	74,436	(5,485)	-
- to defaulted (from Stage 1 and Stage 2 to Stage 3)	(10,968)	(434,771)	445,739	-	(3,361)	(66,714)	70,075	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	389,589	(388,521)	(1,068)	-	70,200	(69,535)	(665)	-
New originated or purchased	7,262,224	-	-	7,262,224	175,704	-	-	175,704
Derecognised or fully repaid during the period	(4,205,271)	(41,130)	(18,070)	(4,264,471)	(87,833)	(7,143)	(17,357)	(112,333)
Net repayments	(1,471,601)	(56,745)	(25,630)	(1,553,976)	-	-	-	-
Net re-measurement due to stage transfers, changes in risk parameters and repayments	-	-	-	-	(74,177)	102,880	294,658	323,361
<i>Movements without impact on credit loss allowance charge for the period:</i>								
Re-segmentation	(133,773)	(5,689)	(5,102)	(144,564)	(4,109)	(1,743)	(2,729)	(8,581)
Write-offs	-	-	(282,186)	(282,186)	-	-	(282,186)	(282,186)
Changes in accrued interest	14,091	11,426	4,542	30,059	-	-	-	-
Modification	16	(7)	11	20	(43)	(7)	7	(43)
Foreign exchange movements	48,071	2,875	3,586	54,532	1,300	999	2,610	4,909
At 31 December 2025	5,680,389	375,010	210,842	6,266,241	100,979	82,496	127,098	310,573

10. Loans and Advances to Customers continued

Consumer loans <i>In thousands of GEL</i>	Gross carrying amount			Total	Credit loss allowance			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
At 1 January 2024	3,296,256	218,195	79,101	3,593,552	60,181	45,289	56,600	162,070
<i>Movements with impact on credit loss allowance charge for the period:</i>								
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(661,606)	668,530	(6,924)	-	(80,217)	84,504	(4,287)	-
- to defaulted (from Stage 1 and Stage 2 to Stage 3)	(7,147)	(169,789)	176,936	-	(1,912)	(68,540)	70,452	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	395,523	(394,823)	(700)	-	63,287	(62,873)	(414)	-
New originated or purchased	4,466,856	-	-	4,466,856	145,970	-	-	145,970
Derecognised or fully repaid during the period	(1,691,846)	(47,184)	(13,158)	(1,752,188)	(27,932)	(8,958)	(13,253)	(50,143)
Net repayments	(991,355)	(42,143)	(11,363)	(1,044,861)	-	-	-	-
Net re-measurement due to stage transfers, changes in risk parameters and repayments	-	-	-	-	(67,249)	59,723	87,812	80,286
<i>Movements without impact on credit loss allowance charge for the period:</i>								
Re-segmentation	1,840	744	-	2,584	(75)	60	(25)	(40)
Write-offs	-	-	(128,959)	(128,959)	-	-	(128,959)	(128,959)
Changes in accrued interest	7,743	2,610	2,109	12,462	-	-	-	-
Modification	189	(36)	13	166	2	(4)	8	6
Foreign exchange movements	14,162	529	300	14,991	194	122	236	552
At 31 December 2024	4,830,615	236,633	97,355	5,164,603	92,249	49,323	68,170	209,742

Strategic report

Governance

Financial statements

Additional information

10. Loans and Advances to Customers continued

Mortgage loans <i>In thousands of GEL</i>	Gross carrying amount			Total	Credit loss allowance			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
At 1 January 2025	4,743,266	331,399	52,288	5,126,953	1,584	6,299	20,094	27,977
<i>Movements with impact on credit loss allowance charge for the period:</i>								
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(531,920)	545,672	(13,752)	-	(1,312)	6,518	(5,206)	-
- to defaulted (from Stage 1 and Stage 2 to Stage 3)	(6,638)	(27,415)	34,053	-	(799)	(1,280)	2,079	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	585,304	(584,585)	(719)	-	6,070	(6,070)	-	-
New originated or purchased	1,382,474	-	-	1,382,474	1,223	-	-	1,223
Derecognised or fully repaid during the period	(396,181)	(56,528)	(16,486)	(469,195)	(195)	(1,314)	(4,833)	(6,342)
Net repayments	(619,465)	(25,322)	(6,373)	(651,160)	-	-	-	-
Net re-measurement due to stage transfers, changes in risk parameters and repayments	-	-	-	-	(4,849)	428	11,399	6,978
<i>Movements without impact on credit loss allowance charge for the period:</i>								
Re-segmentation	(33,091)	(339)	(66)	(33,496)	27	(7)	(9)	11
Write-offs	-	-	(3,980)	(3,980)	-	-	(3,980)	(3,980)
Changes in accrued interest	(394)	(398)	(685)	(1,477)	-	-	-	-
Modification	283	(118)	5	170	-	(2)	4	2
Foreign exchange movements	19,770	2,115	881	22,766	-	(6)	338	332
At 31 December 2025	5,143,408	184,481	45,166	5,373,055	1,749	4,566	19,886	26,201

10. Loans and Advances to Customers continued

Mortgage loans <i>In thousands of GEL</i>	Gross carrying amount			Total	Credit loss allowance			Total
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
At 1 January 2024	4,318,689	366,456	44,589	4,729,734	1,873	7,546	17,838	27,257
<i>Movements with impact on credit loss allowance charge for the period:</i>								
Transfers:								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(796,865)	809,342	(12,477)	-	(1,609)	6,711	(5,102)	-
- to defaulted (from Stage 1 and Stage 2 to Stage 3)	(7,017)	(34,456)	41,473	-	(848)	(1,189)	2,037	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	731,216	(730,511)	(705)	-	7,347	(7,314)	(33)	-
New originated or purchased	1,415,147	-	-	1,415,147	1,367	-	-	1,367
Derecognised or fully repaid during the period	(392,647)	(50,061)	(11,161)	(453,869)	(180)	(1,238)	(3,611)	(5,029)
Net repayments	(544,265)	(30,703)	(5,391)	(580,359)	-	-	-	-
Net re-measurement due to stage transfers, changes in risk parameters and repayments	-	-	-	-	(6,348)	1,751	12,843	8,246
<i>Movements without impact on credit loss allowance charge for the period:</i>								
Re-segmentation	(17,799)	(576)	31	(18,344)	(28)	(38)	25	(41)
Write-offs	-	-	(4,134)	(4,134)	-	-	(4,134)	(4,134)
Changes in accrued interest	(348)	(585)	(453)	(1,386)	-	-	-	-
Modification	475	28	19	522	-	1	18	19
Foreign exchange movements	36,680	2,465	497	39,642	10	69	213	292
At 31 December 2024	4,743,266	331,399	52,288	5,126,953	1,584	6,299	20,094	27,977

No post model overlays have been processed as of 31 December 2025 (2024: nil).

10. Loans and Advances to Customers continued

The credit quality of loans to customers carried at amortised cost at 31 December 2025 is as follows:

<i>In thousands of GEL</i>	Stage 1	Stage 2	Stage 3	Total
Corporate loans risk category				
- Very low	9,901,369	604	-	9,901,973
- Low	203,689	962,721	-	1,166,410
- Moderate	61	24,394	-	24,455
- Default	-	-	247,629	247,629
Gross carrying amount	10,105,119	987,719	247,629	11,340,467
Credit loss allowance	(15,937)	(2,049)	(56,390)	(74,376)
Carrying amount	10,089,182	985,670	191,239	11,266,091
Loans to MSME risk category				
- Very low	4,619,592	8,610	-	4,628,202
- Low	1,001,989	61,232	-	1,063,221
- Moderate	38,584	231,980	-	270,564
- High	1,141	38,582	-	39,723
- Default	-	-	285,733	285,733
Gross carrying amount	5,661,306	340,404	285,733	6,287,443
Credit loss allowance	(34,010)	(25,050)	(74,649)	(133,709)
Carrying amount	5,627,296	315,354	211,084	6,153,734
Consumer loans risk category				
- Very low	3,525,545	21,224	-	3,546,769
- Low	1,806,416	48,725	-	1,855,141
- Moderate	348,428	220,619	-	569,047
- High	-	84,442	-	84,442
- Default	-	-	210,842	210,842
Gross carrying amount	5,680,389	375,010	210,842	6,266,241
Credit loss allowance	(100,979)	(82,496)	(127,098)	(310,573)
Carrying amount	5,579,410	292,514	83,744	5,955,668
Mortgage loans risk category				
- Very low	3,828,763	9,918	-	3,838,681
- Low	1,191,356	16,782	-	1,208,138
- Moderate	123,289	136,161	-	259,450
- High	-	21,620	-	21,620
- Default	-	-	45,166	45,166
Gross carrying amount	5,143,408	184,481	45,166	5,373,055
Credit loss allowance	(1,749)	(4,566)	(19,886)	(26,201)
Carrying amount	5,141,659	179,915	25,280	5,346,854

10. Loans and Advances to Customers continued

The credit quality of loans to customers carried at amortised cost at 31 December 2024 is as follows:

<i>In thousands of GEL</i>	Stage 1	Stage 2	Stage 3	Total
Corporate loans risk category				
- Very low	8,870,847	-	-	8,870,847
- Low	182,630	469,886	-	652,516
- Moderate	525	168,219	-	168,744
- Default	-	-	156,599	156,599
Gross carrying amount	9,054,002	638,105	156,599	9,848,706
Credit loss allowance	(15,524)	(1,528)	(36,862)	(53,914)
Carrying amount	9,038,478	636,577	119,737	9,794,792
Loans to MSME risk category				
- Very low	4,371,686	10,659	-	4,382,345
- Low	997,903	78,450	-	1,076,353
- Moderate	52,714	129,810	-	182,524
- High	1,229	37,845	-	39,074
- Default	-	-	268,124	268,124
Gross carrying amount	5,423,532	256,764	268,124	5,948,420
Credit loss allowance	(28,936)	(23,893)	(60,422)	(113,251)
Carrying amount	5,394,596	232,871	207,702	5,835,169
Consumer loans risk category				
- Very low	2,932,274	4,135	-	2,936,409
- Low	1,586,412	21,077	-	1,607,489
- Moderate	311,929	169,440	-	481,369
- High	-	41,981	-	41,981
- Default	-	-	97,355	97,355
Gross carrying amount	4,830,615	236,633	97,355	5,164,603
Credit loss allowance	(92,249)	(49,323)	(68,170)	(209,742)
Carrying amount	4,738,366	187,310	29,185	4,954,861
Mortgage loans risk category				
- Very low	3,567,829	10,691	-	3,578,520
- Low	1,117,222	107,742	-	1,224,964
- Moderate	58,215	190,032	-	248,247
- High	-	22,934	-	22,934
- Default	-	-	52,288	52,288
Gross carrying amount	4,743,266	331,399	52,288	5,126,953
Credit loss allowance	(1,584)	(6,299)	(20,094)	(27,977)
Carrying amount	4,741,682	325,100	32,194	5,098,976

Please refer to note 37 for the definitions of the credit quality grades.

Notes to the consolidated and separate financial statements *continued*

10. Loans and Advances to Customers *continued*

The contractual amounts outstanding on loans to customers that have been written off during the period partially or fully but are still subject to enforcement activity was principal amount GEL 176,366 thousand (31 December 2024: GEL 58,220 thousand) and accrued interest GEL 49,650 thousand (31 December 2024: GEL 7,784 thousand).

Economic sector risk concentrations within the customer loan portfolio are as follows:

<i>In thousands of GEL</i>	31 December 2025		31 December 2024	
	Amount	Percentage (%)	Amount	Percentage (%)
Individual	11,790,524	40%	10,701,680	41%
Real Estate	3,404,763	12%	2,816,094	11%
Construction	1,742,021	6%	1,578,826	6%
Trade	1,667,971	6%	1,686,918	6%
Food Industry	1,434,190	5%	1,353,283	5%
Hospitality, Restaurants & Leisure	1,227,208	4%	1,323,642	5%
Agriculture	1,056,809	4%	1,044,920	4%
Energy & Utilities	933,201	3%	895,637	3%
Financial Services	929,959	3%	456,224	2%
Services	786,594	3%	590,700	2%
Healthcare	514,707	2%	580,472	2%
Transportation	433,423	1%	380,751	1%
Automotive	351,097	1%	223,788	1%
Pawn Shops	320,833	1%	245,453	1%
Metals and Mining	183,017	< 1%	191,429	1%
Communication	107,373	< 1%	34,004	< 1%
Other	2,383,516	8%	1,984,861	8%
Total gross loans and advances to customers	29,267,206	100%	26,088,682	100%

As of 31 December 2025, the Group had 12 borrowers (2024: 9 borrowers) with aggregated gross loan amounts above GEL 100,000 thousand. The total aggregated amount of these loans was GEL 1,719,948 thousand (2024: GEL 1,472,144 thousand) or 5.9% of the gross loan portfolio (2024: 5.6%).

The amount and type of collateral required depend on an assessment of the credit risk of the counterparty. There are three key types of collateral:

- Real estate.
- Movable property including fixed assets, inventory and precious metals;
- Financial assets including deposits, shares, and third-party guarantees.

The financial effect of collateral is presented by disclosing the collateral values separately for (i) those assets where collateral and other credit enhancements are equal to or exceed the assets' carrying value ("over-collateralised assets") and (ii) those assets where collateral and other credit enhancements are less than the assets' carrying value ("under-collateralised assets").

10. Loans and Advances to Customers *continued*

The effect of collateral as at 31 December 2025:

<i>In thousands of GEL</i>	Over-collateralised Assets		Under-collateralised Assets	
	Carrying value of the assets	Fair value of collateral	Carrying value of the assets	Fair value of collateral
Corporate loans	6,574,952	21,770,338	4,765,515	1,409,481
Consumer loans	1,517,878	3,799,758	4,748,363	35,388
Mortgage loans	5,109,364	11,107,103	263,691	128,615
Loans to micro, small and medium enterprises	4,750,762	11,556,376	1,536,681	425,696
Total	17,952,956	48,233,575	11,314,250	1,999,180

The effect of collateral as at 31 December 2024:

<i>In thousands of GEL</i>	Over-collateralised Assets		Under-collateralised Assets	
	Carrying value of the assets	Fair value of collateral	Carrying value of the assets	Fair value of collateral
Corporate loans	5,809,411	18,351,209	4,039,295	1,276,205
Consumer loans	1,372,297	3,533,669	3,792,306	28,355
Mortgage loans	4,887,712	10,672,774	239,241	98,636
Loans to micro, small and medium enterprises	4,767,331	11,395,454	1,181,089	398,545
Total	16,836,751	43,953,106	9,251,931	1,801,741

As at 31 December 2025 loans and advances to customers which were 1. over-collateralised and 2. credit loss allowance was nil, amounted to GEL 2,150,726 thousand (2024: GEL 2,228,380 thousand).

Notes to the consolidated and separate financial statements continued

10. Loans and Advances to Customers continued

The effect of collateral by types as at 31 December 2025:

<i>In thousands of GEL</i>	Over-collateralised Assets		Under-collateralised Assets	
	Carrying value of the assets	Fair value of collateral	Carrying value of the assets	Fair value of collateral
Cash Cover	469,977	494,098	128,236	110,911
Gold	297,813	402,683	19,855	19,648
Inventory	616,029	8,331,320	316,591	159,895
Real Estate	16,569,137	39,005,474	2,967,218	1,708,726
Unsecured and secured solely by third party guarantees	-	-	7,882,350	-
Total	17,952,956	48,233,575	11,314,250	1,999,180

The effect of collateral by types as at 31 December 2024:

<i>In thousands of GEL</i>	Over-collateralised Assets		Under-collateralised Assets	
	Carrying value of the assets	Fair value of collateral	Carrying value of the assets	Fair value of collateral
Cash Cover	495,484	533,785	66,434	58,543
Gold	230,831	310,572	10,487	10,339
Inventory	860,198	6,280,516	326,944	161,456
Real Estate	15,248,883	36,824,105	2,490,223	1,571,304
Other	1,355	4,128	47	99
Unsecured and secured solely by third party guarantees	-	-	6,357,796	-
Total	16,836,751	43,953,106	9,251,931	1,801,741

The financial effect of collateral is determined by comparing the fair value of collateral to outstanding gross loans and advances on the reporting date.

10. Loans and Advances to Customers continued

Stage 3 loans presented by segments and collateral classes as at 31 December 2025 are the following:

<i>In thousands of GEL</i>	Loans				Total fair value of collaterals
	Corporate	MSME	Consumer	Mortgage	
Cash Cover	61	1,591	27	-	151
Gold	-	-	1,375	-	1,729
Inventory	7,894	6,475	-	-	68,301
Real Estate	227,677	249,934	17,899	43,892	872,382
Unsecured and secured solely by third party guarantees	11,997	27,733	191,541	1,274	-
Total	247,629	285,733	210,842	45,166	942,563

Stage 3 loans presented by segments and collateral classes as at 31 December 2024 are the following:

<i>In thousands of GEL</i>	Loans				Total fair value of collaterals
	Corporate	MSME	Consumer	Mortgage	
Cash Cover	727	1,485	1	-	1,072
Gold	-	37	1,096	-	1,303
Inventory	5,577	4,891	-	-	69,057
Real Estate	141,076	245,640	15,521	51,598	769,207
Other	-	1	55	-	74
Unsecured and secured solely by third party guarantees	9,219	16,070	80,682	690	-
Total	156,599	268,124	97,355	52,288	840,713

The potential ECL balances, without consideration of collateral for stage 3 loans that are individually assessed, amounted GEL 45,293 thousand (31 December 2024: GEL 31,640 thousand). The ECL amounts after taking collateral into account, as well as the gross carrying amounts of the related loans, totalled GEL 18,684 thousand and GEL 87,263 thousand respectively (31 December 2024: GEL 11,396 thousand and GEL 49,452 thousand).

10. Loans and Advances to Customers continued

The gross carrying amount of stage 2 loans that have been modified since initial recognition at a time when the loss allowance was measured at an amount equal to lifetime expected credit losses and for which the loss allowance has changed during the reporting period to an amount equal to 12-month expected credit losses loans are the following:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Stage 1	43,992	265,864
Stage 2	111	49,586
Stage 3	-	1,417
Total	44,103	316,867

At the central level a specific unit manages collateral to ensure that they serve as an adequate mitigation for credit risk management purposes. In line with the Group's internal policies, collateral provided to loans are evaluated by the Internal Appraisal Group (external reviewers are used in case of loans to related parties or specific cases when complex objects are appraised). The Internal Appraisal Group is part of the collateral management unit and, in order to ensure adequate and objective appraisal procedures, it is independent from the loan granting process. Real estate collateral of significant value is re-evaluated annually by internal appraisers. Statistical methods are used to monitor the value of real estate collateral that are of non-significant value and other types of collateral such as movable assets and precious metals.

In some instances, where the discounted recovery from the liquidation of collateral (adjusted for the liquidity haircut and discounted for the period of expected workout time) is larger than the estimated exposure at default, no credit loss allowance is recognised. Collateral values include the contractual price of third-party guarantees, which, due to their nature, are capped at the loan's carrying value. The values of third-party guarantees in the tables above amounted to GEL 73,728 thousand and GEL 79,080 thousand as of 31 December 2025 and 2024, respectively.

Refer to Note 42 for the estimated fair value of each class of loans and advances to customers. Interest rate analysis of loans and advances to customers is disclosed in Note 37. Information on related party balances is disclosed in Note 44.

For the year ended 31 December 2025 amortised cost of loans with lifetime ECL immediately before contractual modification that was not a derecognition event was GEL 415,355 thousand (31 December 2024: GEL 1,358,144 thousand). During 2025, gains less losses recognised in profit or loss on modifications of loans with lifetime ECL that did not lead to derecognition was GEL 5 thousand (2024: nil).

As at 31 December 2025 gross carrying amount of loans that were contractually modified (without derecognition) in the past when measured at lifetime ECL and which were reclassified to Stage 1 (12 months ECL) during the current year was GEL 52,235 thousand (31 December 2024: GEL 354,202 thousand).

As of 31 December 2025, in the separate statement of financial position of TBC Bank Group PLC, loans to subsidiaries represent amounts issued for Uzbekistan operations. The carrying value amounted to GEL 53,497 thousand for USD-denominated loans (2024: GEL 108,027 thousand) and GEL 534,795 thousand for UZS-denominated loans (2024: GEL 42,278 thousand). There were no overdue amounts as at the reporting date; the loans were classified as Stage 1 and carried a very low loan credit risk category. For the definition of Uzbekistan operations, refer to Note 29.

11. Investment Securities

Investment securities comprise the following:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Investment securities measured at fair value through other comprehensive income	5,735,499	5,364,624
Investment securities measured at fair value through Profit and loss	23,859	-
Bonds carried at amortised cost	492,192	173,852
Total Investment Securities	6,251,550	5,538,476

Investment securities measured at fair value through other comprehensive income comprise the following:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Corporate bonds		
Gross carrying amount	1,891,646	1,317,070
ECL (Stage 1)	(576)	(444)
Fair value adjustment	1,043	(992)
Corporate bonds measured at FVTOCI	1,892,113	1,315,634
Ministry of Finance of Georgia treasury bills		
Gross carrying amount	2,749,904	2,617,815
ECL (Stage 1)	(2,499)	(4,848)
Fair value adjustment	(16,873)	39,133
Ministry of Finance of Georgia treasury bills at FVTOCI	2,730,532	2,652,100
Certificates of Deposit of the NBG		
Gross carrying amount	9,890	-
ECL (Stage 1)	(2)	-
Fair value adjustment	5	-
Certificates of Deposit of the NBG at FVTOCI	9,893	-
Foreign government treasury bills		
Gross carrying amount	1,106,154	1,395,463
ECL (Stage 1)	(107)	(7)
Fair value adjustment	(4,243)	182
Foreign government treasury bills at FVTOCI	1,101,804	1,395,638
Total investment securities measured at fair value through other comprehensive income excluding corporate shares	5,734,342	5,363,372
Corporate shares – unquoted	1,157	1,252
Total investment securities measured at fair value through other comprehensive income	5,735,499	5,364,624

11. Investment Securities continued

All debt securities in 2025 and 2024 except for corporate bonds and foreign government treasury bills are issued by the Government of Georgia and National Bank of Georgia. Country rating for Georgia stands at 'BB' with stable outlook (as assigned by Fitch rating agency in November 2025). 82.7% of corporate bonds is issued by AAA rated international financial institutions, 7.2% of corporate bonds are issued by BBB rating and BB 10.1%. Information includes credit ratings assigned by the international rating agencies (Standard & Poor's, Fitch), for those financial institutions which are not assigned credit ratings, country ratings are used. The foreign government treasury bills include treasury bills issued by the Governments of the United States of America (76.4% of the total foreign government treasury bills in 2025 and 99.9% in 2024), Swiss Confederation (8.1% of the total foreign government treasury bills in 2025 and nil in 2024), Romania (6.9% of the total foreign government treasury bills in 2025 and nil in 2024) and Uzbekistan (0.1% of the total foreign government treasury bills in 2025 and 0.1% in 2024). The country ratings for the United States of America, Swiss Confederation, Romania and Uzbekistan, stand at 'AA+', 'AAA', 'BBB-' and 'BB' respectively as assigned by Fitch rating agency in 2025.

The Group designated investments in corporate shares disclosed in the above table as equity securities at FVTOCI. The FVTOCI designation was made because the investments are expected to be held primarily for liquidity management or medium-term investment purposes instead of short-term profit making from subsequent sales.

As at 31 December 2025 investment securities measured at fair value through other comprehensive income carried at GEL 1,218,669 thousand have been pledged for the borrowings from the National Bank of Georgia (2024: GEL 2,538,803 thousand).

The investment securities measured at fair value through other comprehensive income are pledged under the monetary policy framework for the borrowings from the National Bank of Georgia. The pledged instruments are the treasury bills issued by the government of Georgia (GEL 1,218,669 thousand in 2025 and GEL 1,972,203 thousand in 2024) and corporate bonds (nil in 2025 and GEL 566,600 thousand in 2024).

The movements in investment securities measured at fair value through other comprehensive income are as follows:

<i>In thousands of GEL</i>	2025	2024
Carrying amount as of 1 January	5,364,624	3,475,461
Purchases	5,071,473	7,349,079
Disposals	(2,256,912)	(715,242)
Redemption at maturity	(2,447,869)	(4,699,257)
Revaluation	(56,928)	25,459
Interest income accrued	417,663	329,008
Interest income received	(394,147)	(289,436)
Effect of translation to presentation currency	(2,932)	30,764
Transfer from/(to) repurchase receivables	38,410	(140,058)
Changes in credit loss allowance	2,117	(1,154)
Carrying amount as of 31 December	5,735,499	5,364,624

11. Investment Securities continued

Bonds carried at amortised cost, comprise the following:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Central Bank of Uzbekistan bills	203,953	155,553
Ministry of Finance of Uzbekistan treasury bills	285,755	10,540
Corporate bonds	3,435	8,340
Total gross amount of bonds carried at amortised cost	493,143	174,433
Less: credit loss allowance by stages	(951)	(581)
Stage 1	(951)	(581)
Total bonds carried at amortised cost	492,192	173,852

The Latest country rating for Uzbekistan stands at BB.

The movements in bonds carried at amortised cost are as follows:

<i>In thousands of GEL</i>	2025	2024
Carrying amount at 1 January	173,852	73,963
Purchases	464,479	207,731
Redemption at maturity	(174,668)	(117,511)
Interest income accrued	41,158	15,657
Interest income received	(24,324)	(5,911)
Effect of translation to presentation currency	12,065	406
Changes in credit loss allowance	(370)	(483)
Carrying amount as of 31 December	492,192	173,852

For the fair value disclosure of the bonds carried at amortised cost refer to Note 42. An analysis on interest rate for bonds carried at amortised cost is disclosed in Note 37.

As at 31 December 2025 none of the bonds carried at amortised cost have been pledged to local banks or financial institutions as collateral for other borrowed funds (2024: nil). Refer to Note 19.

12. Other Financial Assets

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Receivables from plastic card service providers	87,825	72,999
Receivables on credit card services and money transfers	85,190	67,519
Receivables on terminated leases	77,664	56,670
Derivative financial assets	43,746	156,598
Derivatives margin	31,506	13,501
Receivables on guarantees and letters of credit	23,261	23,990
Advances paid to promotional service provider	17,677	20,091
Reinsurance receivables	15,707	11,178
Trade receivables	9,700	6,017
Government subsidy related receivables	3,271	4,283
Receivables from leasing suppliers	1,302	1,309
Receivables from sales of non-financial assets	-	413
Other	46,748	44,620
Total gross amount of other financial assets	443,597	479,188
Less: credit loss allowance	(50,684)	(42,614)
Total other financial assets	392,913	436,574

Derivatives margin is held as collateral for derivative financial instruments.

Refer to Note 42 for disclosure of the fair value of other financial assets.

Refer to Note 41 for disclosure of derivative financial assets.

Credit quality of other financial assets subject to ECL is analysed below:

<i>In thousands of GEL</i>	Credit loss allowance ranges			
	0-10%	10%-30%	30%-80%	80%-100%
31 December 2025				
Gross amount	310,165	30,645	22,854	36,187
Credit loss allowance	(843)	(5,878)	(9,974)	(33,989)
Net carrying amount	309,322	24,767	12,880	2,198
31 December 2024				
Gross amount	257,594	23,699	7,445	33,852
Credit loss allowance	(1,530)	(4,669)	(3,933)	(32,482)
Net carrying amount	256,064	19,030	3,512	1,370

13. Repurchase Receivables

Repurchase receivables represent securities sold under sale and repurchase agreements which the counterparty has the right, by contract or custom, to sell or repledge.

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Investment securities measured at FVTOCI sold under sale and repurchase agreements	101,648	140,058
Total repurchase receivables	101,648	140,058

13. Repurchase Receivables continued

As at 31 December 2025 credit loss allowance for Investment securities measured at FVTOCI sold under sale and repurchase agreements was GEL 96 thousand (2024: nil). Meanwhile credit risk category of total portfolio is classified as very low.

In 2024 the Group entered a non-deliverable cross-currency basis asset swap, effective 27 December 2024. The Group transferred title of GEL 143.5 million securities in exchange for USD 49.45 million in US Treasury bonds. The transaction was governed by the ISDA Master Agreement. The arrangement matured on 27 June 2025.

14. Finance Lease Receivables

As at 31 December 2025 finance lease receivables comprised of GEL 842,436 thousand (2024: GEL 612,320 thousand).

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. The main types of collateral obtained are:

- Leased assets.
- Real estate properties.

The financial effect of collateral is presented by disclosing the collateral values separately for (i) those assets where collateral and other credit enhancements are equal to or exceed the assets' carrying value ("over-collateralized assets") and (ii) those assets where collateral and other credit enhancements are less than the assets' carrying value ("undercollateralized assets").

Finance lease payments receivable and their present values as of 31 December 2025 are as follows:

<i>In thousands of GEL</i>	Due in 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due in 5 years or more	Total
Lease payments receivable	590,679	254,394	104,400	70,139	47,541	107,387	1,174,540
Unearned finance income	(141,763)	(61,835)	(30,145)	(19,388)	(12,519)	(23,827)	(289,477)
Credit loss allowance	(32,568)	(5,754)	(1,405)	(869)	(600)	(1,431)	(42,627)
Present value of lease payments receivable	416,348	186,805	72,850	49,882	34,422	82,129	842,436

Finance lease payments receivable and their present values as of 31 December 2024 are as follows:

<i>In thousands of GEL</i>	Due in 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due in 5 years or more	Total
Lease payments receivable	414,789	158,168	84,509	58,387	39,223	88,216	843,292
Unearned finance income	(86,936)	(49,896)	(24,365)	(16,293)	(10,579)	(22,222)	(210,291)
Credit loss allowance	(12,956)	(3,418)	(1,358)	(962)	(601)	(1,386)	(20,681)
Present value of lease payments receivable	314,897	104,854	58,786	41,132	28,043	64,608	612,320

For fair values refer to Note 42.

Notes to the consolidated and separate financial statements *continued*

14. Finance Lease Receivables *continued*

The following table discloses the changes in the credit loss allowance and gross carrying amount for finance lease receivables for the year ended 2025:

<i>In thousands of GEL</i>	Gross carrying amount				Credit loss allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
At 1 January 2025	538,471	70,065	24,465	633,001	10,217	5,730	4,734	20,681
Transfers								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(259,582)	271,001	(11,419)	-	(24,573)	25,003	(430)	-
- to defaulted (from Stage 1 and Stage 2 to Stage 3)	(743)	(122,643)	123,386	-	(66)	(22,427)	22,493	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	123,192	(119,242)	(3,950)	-	1,648	(1,629)	(19)	-
New originated or purchased	825,960	-	-	825,960	30,427	-	-	30,427
Derecognised or fully repaid during the period	(264,659)	(7,712)	(12,974)	(285,345)	(6,615)	(1,833)	(2,943)	(11,391)
Net repayments	(211,198)	(21,137)	(14,732)	(247,067)	-	-	-	-
Foreign exchange movements	11,479	1,860	684	14,023	350	176	407	933
Other movements	-	-	(55,509)	(55,509)	-	-	-	-
Net re-measurement due to stage transfers, changes in risk parameters and repayments	-	-	-	-	3,871	1,774	(3,668)	1,977
At 31 December 2025	762,920	72,192	49,951	885,063	15,259	6,794	20,574	42,627

14. Finance Lease Receivables *continued*

The following table discloses the changes in the credit loss allowance and gross carrying amount for finance lease receivables for the year ended 2024:

<i>In thousands of GEL</i>	Gross carrying amount				Credit loss allowance			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
At 1 January 2024	328,044	59,669	23,554	411,267	3,475	3,277	4,104	10,856
Transfers								
- to lifetime (from Stage 1 and Stage 3 to Stage 2)	(60,953)	63,674	(2,721)	-	(3,555)	4,139	(584)	-
- to defaulted (from Stage 1 and Stage 2 to Stage 3)	(2,483)	(17,086)	19,569	-	(237)	(2,202)	2,439	-
- to 12-months ECL (from Stage 2 and Stage 3 to Stage 1)	7,642	(7,421)	(221)	-	805	(710)	(95)	-
New originated or purchased	407,658	-	-	407,658	12,600	-	-	12,600
Derecognised or fully repaid during the period	(96,958)	(25,984)	(14,953)	(137,895)	(1,248)	(1,685)	(3,053)	(5,986)
Net repayments	(45,360)	(3,100)	(4,696)	(53,156)	-	-	-	-
Foreign exchange movements	901	280	341	1,522	(34)	1	(14)	(47)
Other movements	(20)	33	3,592	3,605	-	-	-	-
Net re-measurement due to stage transfers, changes in risk parameters and repayments	-	-	-	-	(1,589)	2,910	1,937	3,258
At 31 December 2024	538,471	70,065	24,465	633,001	10,217	5,730	4,734	20,681

Strategic report

Governance

Financial statements

Additional information

Notes to the consolidated and separate financial statements *continued*

14. Finance Lease Receivables *continued*

As at 31 December 2025, credit quality of finance lease receivables is analysed below:

<i>In thousands of GEL</i>	Stage 1	Stage 2	Stage 3	Total
Finance lease receivables risk category				
- Very low	706,760	-	-	706,760
- Low	56,111	16,713	-	72,824
- Moderate	49	38,379	-	38,428
- High	-	17,100	-	17,100
- Default	-	-	49,951	49,951
Gross carrying amount	762,920	72,192	49,951	885,063
Credit loss allowance	(15,259)	(6,794)	(20,574)	(42,627)
Carrying amount	747,661	65,398	29,377	842,436

As at 31 December 2024, credit quality of finance lease receivables is analysed below:

<i>In thousands of GEL</i>	Stage 1	Stage 2	Stage 3	Total
Finance lease receivables risk category				
- Very low	507,376	-	-	507,376
- Low	31,095	10,440	-	41,535
- Moderate	-	51,869	-	51,869
- High	-	7,756	-	7,756
- Default	-	-	24,465	24,465
Gross carrying amount	538,471	70,065	24,465	633,001
Credit loss allowance	(10,217)	(5,730)	(4,734)	(20,681)
Carrying amount	528,254	64,335	19,731	612,320

Please refer to Note 37 for the definitions of the credit quality grades.

14. Finance Lease Receivables *continued*

The effect of collateral as at 31 December 2025:

<i>In thousands of GEL</i>	Over-collateralised Assets		Under-collateralised Assets	
	Gross carrying value of the assets	Fair value of collateral	Gross carrying value of the assets	Fair value of collateral
Finance lease receivables	458,760	748,439	426,303	105,571
Total	458,760	748,439	426,303	105,571

The effect of collateral as at 31 December 2024:

<i>In thousands of GEL</i>	Over-collateralised Assets		Under-collateralised Assets	
	Gross carrying value of the assets	Fair value of collateral	Gross carrying value of the assets	Fair value of collateral
Finance lease receivables	334,337	535,210	298,664	78,257
Total	334,337	535,210	298,664	78,257

The following table presents the potential ECL balances for Stage 3 finance lease receivables without consideration of collateral:

<i>In thousands of GEL</i>	31 December 2025		31 December 2024	
	Gross carrying amount	Credit loss allowance without collaterals	Gross carrying amount	Credit loss allowance without collaterals
Stage 3	49,951	(20,896)	24,465	(5,249)
Total	49,951	(20,896)	24,465	(5,249)

15. Other Assets

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Current other assets		
Repossessed collateral	422,062	318,033
Prepayments for other assets	107,100	76,834
Prepayments for purchase of leasing assets	91,777	118,641
Assets repossessed from terminated leases	9,543	-
Prepaid taxes other than income tax	4,897	3,758
Other	31,423	13,791
Total current other assets	666,802	531,057
Non-current other assets		
Assets repossessed from terminated leases	-	4,483
Prepayments for construction in progress	57,785	30,370
Prepaid insurance of leasing assets	1,558	1,366
Assets purchased for leasing purposes	6,635	7,428
Insurance and reinsurance contract assets	33,077	19,007
Investments in associates	4,866	4,666
Other	19,845	6,534
Total non-current other assets	123,766	73,854
Total other assets	790,568	604,911

Repossessed collateral represents tangible assets acquired by the Group in settlement of overdue loans which is expected to be disposed in the foreseeable future. The assets do not meet the definition of non-current assets held for sale and are classified as inventories in accordance with IAS 2 "Inventories". The assets are initially recognised at the lower of cost and net realisable value when acquired. In 2025, collaterals repossessed for settlement of impaired loans amounted to GEL 214,254 thousand (2024: GEL 127,281 thousand).

For certain repossessed collateral, the Group has granted previous owners a right to repurchase the repossessed collateral at prices equal to or higher than the carrying value of the loan at the date of repossession. This right is usually effective for a period of 6 to 24 months from the repossession date, during this time the repossessed collateral may not be disposed to third parties. In some cases, prolongation of repurchase right is offered to the owners of the property. As at 31 December 2025, the carrying value of the repossessed collaterals subjected to the repurchase agreement was GEL 200,540 thousand (2024: GEL 138,269 thousand).

16. Premises, Equipment and Intangible Assets

<i>In thousands of GEL</i>	Land, premises and leasehold improvements	Office and other equipment*	Construction in progress**	Total premises and equipment	Intangible assets***
At cost					
1 January 2024	205,908	388,099	175,342	769,349	705,065
Additions	13,831	74,475	67,176	155,482	195,512
Transfers within premises and equipment	(695)	5,329	(4,634)	-	-
Transfers to investment property	(7,311)	-	-	(7,311)	-
Disposals	(18,670)	(7,010)	(51)	(25,731)	(2,361)
Impairment charge	(763)	(215)	-	(978)	(4,649)
Effect of translation to presentation currency	48	128	330	506	556
31 December 2024	192,348	460,806	238,163	891,317	894,123
Additions	5,627	63,326	9,628	165,238	255,500
Acquisition of subsidiary	-	202	-	202	5,952
Transfers within premises and equipment	217	24,791	(25,008)	-	-
Transfers to investment property	(899)	-	-	(899)	-
Disposals	(2,239)	(18,453)	(198)	(20,890)	(10,012)
Impairment charge	-	57	-	57	-
Effect of translation to presentation currency	193	1,629	576	2,398	5,285
31 December 2025	195,247	532,358	309,818	1,037,423	1,150,848
Accumulated depreciation / amortisation					
1 January 2024	(47,207)	(208,802)	-	(256,009)	(233,682)
Depreciation / amortisation charge	(3,909)	(34,043)	-	(37,952)	(75,644)
Disposals effect on depreciation due to transfer to investment property	1,562	-	-	1,562	-
Disposals effect on depreciation	17,505	5,292	-	22,797	4,252
Effect of translation to presentation currency	(29)	(24)	-	(53)	18
31 December 2024	(32,078)	(237,577)	-	(269,655)	(305,056)
Depreciation / amortisation charge	(5,210)	(39,400)	-	(44,610)	(86,759)
Disposals effect on depreciation due to transfer to investment property	123	-	-	123	-
Disposals effect on depreciation	1,589	11,122	-	12,711	1,671
Effect of translation to presentation currency	(19)	(494)	-	(513)	(266)
31 December 2025	(35,595)	(266,349)	-	(301,944)	(390,410)
Carrying amount					
31 December 2024	160,270	223,229	238,163	621,662	589,067
31 December 2025	159,652	266,009	309,818	735,479	760,438

*Office and other equipment include furniture and fixtures, computer and office equipment, motor vehicles as well as other equipment.

**Construction in progress consists of construction and refurbishment of branch premises and the Bank's new headquarters, that will be transferred to premises upon completion.

***Included within intangible assets is internally generated software. As of 31 December 2025, gross carrying amount of internally generated intangible assets was GEL 432,471 thousand (31 December 2024: GEL 306,311 thousand), with amortisation amount of GEL 86,047 thousand (31 December 2024 : GEL 59,553 thousand) and net carrying value of GEL 346,423 thousand (31 December 2024: GEL 246,758 thousand). Additions amounted to GEL 101,196 thousand in 2025 and GEL 67,041 thousand in 2024.

At 31 December 2025, the gross carrying value of premises and equipment, which has been fully depreciated and still in use, was approximately GEL 177,935 thousand (2024: GEL 158,565 thousand).

17. Right of Use Assets

The Group leases offices, branches and service centres. Rental contracts are typically made for fixed periods of 1 to 14 years.

Leases are recognised as a right-of-use asset and a corresponding liability from the date when the leased asset becomes available for use by the Group.

The movements in right of use of assets are as follows:

<i>In thousands of GEL</i>	2025	2024
Carrying amount at 1 January	130,682	120,077
Additions of new contracts	50,002	42,034
Increases in value from substantial changes in contractual terms	3,445	157
Disposals	(5,430)	(14,443)
Depreciation charge	(36,869)	(31,403)
Disposals effect on depreciation	13,069	14,260
Carrying amount at 31 December	154,899	130,682

The lease agreements do not impose any covenants, other than the security interests in the leased assets that are held by the lessor. Leased assets cannot be used as collateral for borrowings.

Expenses relating to short-term leases amounted GEL 3,067 thousand during 2025 (2024: GEL 2,304 thousand) and expenses relating to leases of low-value assets amounted GEL 10,883 thousand during 2025 (2024: GEL 9,543 thousand). These expenses are included in administrative and other operating expenses.

18. Goodwill

As at 31 December 2025 the carrying amount of Goodwill represented GEL 79,348 thousand (2024: GEL 59,964 thousand).

Goodwill Impairment Test. Goodwill is allocated to cash-generating units (CGUs, which represent the lowest level within the Group at which the goodwill is monitored by Management and which are not larger than a segment) as follows:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Bank Republic JSC	24,166	24,166
<i>Bank Republic Retail</i>	11,088	11,088
<i>Bank Republic Corporate</i>	7,491	7,491
<i>Bank Republic MSME</i>	4,791	4,791
<i>Bank Republic Other</i>	796	796
Shoppe Group LLC*	19,384	-
My.ge LLC	15,812	15,812
Payme JSC	14,015	14,015
Other	5,971	5,971
Total carrying amount of goodwill	79,348	59,964

*For the acquisition details refer to note 26.

18. Goodwill continued

The recoverable amount of each CGU was determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets covering a three-year period. Cash flows beyond the three-year period are extrapolated using the estimated growth rates stated below, which is relevant for the market, where CGU is operating.

Key assumptions used for value-in-use calculations is following:

	31 December 2025	31 December 2024
Bank Republic JSC*		
Growth rate applied to free cash flow to equity beyond three years	5.0% p.a	5.0% p.a.
Pre-tax discount rate	17.7% p.a	14.2% p.a.
My.ge LLC		
Growth rate applied to free cash flow to equity beyond three years	5.0% p.a	5.0% p.a.
Pre-tax discount rate	16.6% p.a	16.8% p.a.
Payme JSC		
Growth rate applied to free cash flow to equity beyond three years	5.7% p.a	5.7% p.a.
Pre-tax discount rate	17.5% p.a	18.8% p.a.
Shoppe Group LLC		
Growth rate applied to free cash flow to equity beyond three years	5.7% p.a	-
Pre-tax discount rate	19.2% p.a	-

*Assumptions related to Bank Republic JSC are similar for all related CGUs.

Pre-tax discount rate used for value-in-use calculations is the assumption to which the recoverable amount is most sensitive. The management determined the budgeted gross margin based on past performance and its market expectations. The weighted average long term growth rates used are consistent with the forecasts included in the industry reports. The discount rates reflect specific risks related to the relevant CGUs.

If pre-tax discount rate applied to the discounted cash flows of CGUs have been 10% higher than the management's estimates or growth rate beyond three years of free cash flow to equity had been 10% lower, the Group would not need to reduce the carrying value of goodwill or carrying value of net assets of the CGU. The following table shows the summary analysis of CGUs' recoverable amounts and discount rates:

	2025		2024	
	Difference between recoverable Amount and carrying amount	Discount rate at which carrying amount equals value in use	Difference between recoverable Amount and carrying amount	Discount rate at which carrying amount equals value in use
Bank Republic Retail	2,181,350	33.09% p.a	4,785,755	39.4% p.a.
Bank Republic Corporate	3,098,816	32.48% p.a	4,966,633	32.99% p.a.
Bank Republic MSME	1,239,961	31.21% p.a	2,044,636	29.66% p.a.
My.ge LLC	15,734	19.43% p.a	18,377	20.96% p.a.
Payme JSC	520,364	52.92% p.a	654,410	95.26% p.a.
Shoppe Group LLC	134,218	49.00% p.a	-	-

For stand-alone financial statements the Management has also reviewed the subsidiaries investments for potential impairment. The management has reviewed qualitative indicators of potential impairment and, if there were any, has additionally performed quantitative test. For quantitative impairment exercise, the Company has determined future cash flows based on budgeted results and long-term growth rates for each industry. As a result of this exercise, none of the investments indicate a need for impairment.

19. Due to Credit Institutions

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Due to other banks		
Correspondent accounts and overnight placements	220,605	356,722
Deposits from banks	680,144	664,012
Sale and repurchase agreements with other banks	100,013	-
Total due to other banks	1,000,762	1,020,734
Other borrowed funds		
Borrowings from foreign banks and international financial institutions	3,802,829	3,225,088
Borrowings from other local banks and financial institutions	100,037	81,108
Borrowings from National Bank of Georgia	2,470,000	3,303,920
Total other borrowed funds	6,372,866	6,610,116
Total amounts due to credit institutions	7,373,628	7,630,850

Refer to Note 37 for the disclosure of the maturity analysis of due to credit institutions.

As of 31 December 2025, nil borrowings from other local banks and financial institutions are attributable to separate TBC Bank Group PLC (2024: GEL nil).

20. Customer Accounts

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
State and public organisations		
Current/settlement accounts	869,520	1,085,073
Term deposits	631,227	393,531
Other legal entities		
Current/settlement accounts	6,844,712	6,034,554
Term deposits	3,344,612	2,985,339
Individuals		
Current/settlement accounts	6,328,304	5,832,579
Term deposits	7,641,683	6,532,757
Total customer accounts	25,660,058	22,863,833

State and public organisations include government owned profit-oriented businesses.

20. Customer Accounts continued

Economic sector concentrations within customer accounts are as follows:

<i>In thousands of GEL</i>	31 December 2025		31 December 2024	
	Amount	Percentage (%)	Amount	Percentage (%)
Individuals	13,967,377	54%	12,362,205	54%
Financial services	2,905,996	11%	2,444,638	11%
Trade	1,975,282	8%	1,701,422	7%
Services	1,106,836	4%	874,992	4%
Energy & utilities	1,079,632	4%	1,139,221	5%
Transportation	950,159	4%	816,464	4%
Construction	768,563	3%	838,761	4%
Government sector	768,156	3%	586,939	3%
Real estate	628,090	2%	575,421	3%
Healthcare	205,697	1%	155,702	1%
Hospitality & leisure	162,793	1%	128,893	1%
Agriculture	97,305	< 1%	68,783	< 1%
Metals and mining	24,930	< 1%	23,619	< 1%
Other	1,019,242	4%	1,146,773	5%
Total customer accounts	25,660,058	100%	22,863,833	100%

As of 31 December 2025, the Group had 189 customers (2024: 168 customers) with balances above GEL 10,000 thousand. Their aggregate balance was GEL 8,771,656 thousand (2024: GEL 8,293,682 thousand) or 34.2% of total customer accounts (2024: 36.3%).

As of 31 December 2025, included in customer accounts are deposits of GEL 83,084 thousand and GEL 195,021 thousand (2024: GEL 80,281 thousand and GEL 206,934 thousand) held as collateral for irrevocable commitments under letters of credit and guarantees issued, respectively. The latter is discussed in Note 38. As of 31 December 2025, deposits held as collateral for loans to customers amounted to GEL 605,009 thousand (2024: GEL 592,328 thousand).

Refer to Note 42 for the disclosure of the fair value of each class of customer accounts. Information on related party balances is disclosed in Note 44.

21. Debt Securities in Issue

As of 31 December 2025, debt securities in issue comprised of:

In thousands of GEL

Currency	Maturity date	Coupon rate	Weighted average effective interest rate	Carrying amount
USD	3/20/2026-12/23/2030	5.80%-8.25%	7.9%	470,600
GEL	3/20/2026-6/27/2026	3M TIBR + 2.75%	12.0%	90,997
UZS	12/25/2026-6/05/2028	19.00%-24.00%	23.3%	445,976
Total debt securities in issue				1,007,573

As of 31 December, 2024, debt securities in issue comprised of:

In thousands of GEL

Currency	Maturity date	Coupon rate	Weighted average effective interest rate	Carrying amount
USD	3/20/2026-4/29/2030	7%-8.25%	8.2%	321,189
GEL	3/20/2026-6/27/2026	3M TIBR + 2.75%	13.0%	90,058
UZS	11/29/2025 - 12/25/2026	24%	26.5%	36,817
Total debt securities in issue				448,064

As of 31 December 2025, in the separate statement of financial position of TBC Bank Group PLC, debt securities in issue with a carrying amount of GEL 292,764 thousand were denominated in USD and GEL 405,933 thousand denominated in UZS (31 December 2024: GEL 303,674 thousand denominated in USD and nil in UZS). The terms and details of the issuance are provided below.

On December 23 2025, JSC TBC Bank issued the USD 15,000,000, 5.80% senior Eurobond due on December 23 2030, that will be redeemed at their principal amount. Interest on the Notes is payable semi-annually. The issue price is 100% of nominal value.

On December 15 2025, TBC Leasing issued the USD 15,000,000, 7.25% bond due on December 15 2028, that will be redeemed at their principal amount. Interest on the Notes is payable quarterly. The issue price is 100% of nominal value.

On December 12 2025, TBC Leasing issued the USD 30,000,000, 7.25% bond due on December 12 2028, that will be redeemed at their principal amount. Interest on the Notes is payable quarterly. The issue price is 100% of nominal value.

On December 8 2025, JSCB TBC Bank issued the UZS 49,600,000, 19.00% bond due on December 8 2027, that will be redeemed at their principal amount. The issue price is 100% of nominal value.

21. Debt Securities in Issue continued

On June 5 2025, TBC Bank Group PLC issued the USD 140,000,000, 22.00% synthetic bond due on June 5 2028, denominated in Uzbek sum and settled in U.S. dollars, that will be redeemed at their principal amount. Interest on the Notes is payable semi-annually. The issue price is 100% of nominal value.

On February 8 2024, TBC Bank Group PLC issued the USD 30,000,000, 7.25% senior unsecured Notes due on February 8 2027, that will be redeemed at their principal amount. Interest on the Notes is payable semi-annually. The issue price is 100% of nominal value.

On April 18 2024, TBC Bank Group PLC issued the USD 20,000,000, 8.25% senior unsecured Notes due on April 18 2027, that will be redeemed at their principal amount. Interest on the Notes is payable semi-annually. The issue price is 100% of nominal value.

On May 13 2024, TBC Bank Group PLC issued the USD 30,000,000, 7.50% senior unsecured Notes due on May 13 2026, that will be redeemed at their principal amount. Interest on the Notes is payable semi-annually. The issue price is 100% of nominal value.

On June 27 2024, TBC Bank Group PLC issued the USD 30,000,000, 7.50% senior unsecured Notes due on July 27, 2026 that will be redeemed at their principal amount. Interest on the Notes is payable semi-annually. The issue price is 100% of nominal value.

22. Other Financial Liabilities

Other financial liabilities comprise the following:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Derivative financial liabilities	138,251	92,182
Trade payables	116,822	158,470
Dividends payable	96,457	-
Insurance contract liabilities	76,956	48,474
Liabilities for leasing activities	46,100	53,914
Payables to plastic card service providers	35,154	20,963
Payable under letters of credit	27,529	8,433
Reinsurance contract liabilities	27,328	15,028
Transfers in transit	24,050	19,321
Liability related to loyalty programme	20,909	15,689
Payable to deposit insurance agency	2,373	2,026
Prepayments related to guarantees	526	368
Security deposits for finance lease receivables	435	591
Other accrued liabilities	47,374	40,684
Total other financial liabilities	660,264	476,143

Refer to Note 42 for disclosure of the fair value of other financial liabilities.

Refer to Note 41 for disclosure of derivative financial liabilities.

Notes to the consolidated and separate financial statements continued

22. Other Financial Liabilities continued

The table below presents other financial liabilities as reported in the separate statement of financial position of TBC Bank Group PLC.

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Option liability*	115,296	-
Dividends payable	96,457	-
Derivative financial liabilities	35,625	2,860
Other financial liabilities	7,056	3,249
Total other financial liabilities	254,434	6,109

*For the terms and conditions of the option refer to note 26.

23. Other Liabilities

Other liabilities comprise the following:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Accrued employee benefit costs	101,650	105,932
Advances received	24,134	18,402
Provisions for liabilities and charges	14,071	17,863
Taxes payable other than on income	12,424	6,437
Other	1,294	10,502
Total other liabilities	153,573	159,136

The accrued employee benefit costs mainly consist of bonuses to employees.

All the above liabilities are expected to be settled within twelve months after the year-end.

24. Subordinated Debt

As of 31 December 2025, subordinated debt comprises of:

In thousands of GEL

Currency	Issue date	Maturity date	Agreement interest rate	Outstanding amount in GEL
USD	12/18/2015-12/27/2024	3/31/2028-11/30/2033	8.25%-10.31%	553,075
EUR	9/26/2023-4/17/2024	9/26/2033-1/16/2034	7.70%-7.87%	357,224
Total subordinated debt				910,299

As of 31 December 2024, subordinated debt comprised of:

In thousands of GEL

Currency	Issue date	Maturity date	Agreement interest rate	Outstanding amount in GEL
USD	12/18/2015-11/20/2023	12/31/2026-11/30/2033	8.22%-11.23%	816,609
EUR	9/23/2023-4/17/2024	9/26/2033-1/16/2034	9.04%-9.48%	331,765
Total subordinated debt				1,148,374

In 2025, the Group made early repayments of subordinated debt amounting to USD 85,000 thousand in total.

The debt ranks after all other creditors in case of liquidation, except AT1 Notes listed in Note 25.

Refer to Note 42 for the disclosure of the fair value of subordinated debt. Information on related party balances is disclosed in Note 44.

25. Additional Tier 1 Capital Subordinated Notes

As at 31 December 2025, additional Tier 1 capital subordinated notes, comprised of:

In thousands of GEL

Currency	Coupon rate	Weighted average effective interest rate	Carrying amount
USD	8.9%-10.3%	10.6%	1,020,473
Total additional Tier 1 capital subordinated notes			1,020,473

As at 31 December 2024, additional Tier 1 capital subordinated notes, comprised of:

In thousands of GEL

Currency	Coupon rate	Weighted average effective interest rate	Carrying amount
USD	8.9%-10.3%	10.6%	1,062,119
Total additional Tier 1 capital subordinated notes			1,062,119

On April 23 2024, JSC TBC Bank successfully issued USD 300 million, 10.25% coupon rate, perpetual subordinated callable additional Tier 1 capital notes. The Notes were listed on Euronext Dublin's Global Exchange Market and rated B2 by Moody's.

26. Equity**Share capital***In thousands of GEL, unless otherwise indicated*

	Number of ordinary shares	Share Capital
As of 1 January 2024	55,393,664	1,690
Scrip dividend issued	1,331,033	47
Shares cancelled	(436,797)	(15)
As of 31 December 2024	56,287,900	1,722
Shares cancelled	(465,746)	(17)
As of 31 December 2025	55,822,154	1,705

As of 31 December 2025, the total authorized number of ordinary shares was 55,822,154 shares (31 December 2024: 56,287,900 shares). Each share has a nominal value of one British Penny. All issued ordinary shares are fully paid and entitled to dividends.

26. Equity *continued***Treasury shares**

Treasury shares refer to shares that a Group has repurchased but not reissued. These shares are not considered outstanding and do not carry voting rights or dividend entitlements.

In thousands of GEL, unless otherwise indicated

	Number of shares	Treasury shares
As of 1 January 2024	-	-
Share buy-back	436,797	(44,274)
Shares cancelled	(436,797)	44,274
As of 31 December 2024	-	-
Share buy-back	465,746	(69,088)
Shares cancelled	(465,746)	69,088
As of 31 December 2025	-	-

Dividends*In thousands of GEL*

	2025	2024
Dividends payable at 1 January	-	-
Interim dividend:		
Dividends declared during the year	276,361	140,640
Dividends paid during the year:	(179,904)	(140,640)
Scrip dividends	-	(40,953)
Dividends paid in cash	(179,904)	(99,687)
Prior year final dividend:		
Dividends declared during the year	308,373	254,885
Dividends paid during the year:	(308,373)	(254,885)
Scrip dividends	-	(74,577)
Dividends paid in cash	(308,373)	(180,308)
Dividends payable at 31 December	96,457	-

All dividends declared in GEL and paid in GBP.

On November 5 2025, TBC Bank Group PLC's board of directors declared an 3Q 2025 quarterly dividend of GEL 1.75 per share payable by cash. The record date will be on 9 January 2026 and dividend will be paid on 10 February 2026. The total amount of dividend declared was GEL 96,457 thousand.

On August 7 2025, TBC Bank Group PLC's board of directors declared an 2Q 2025 quarterly dividend of GEL 1.75 per share payable by cash. The record date was on 24 October 2025 and dividend was paid on 21 November 2025. The total amount of dividend distributed was GEL 96,555 thousand.

On May 7 2025, TBC Bank Group PLC's Board of directors declared an 1Q 2025 quarterly dividend of GEL 1.5 per share payable by cash. The record date will be on 15 August 2025 and dividend will be paid on 5 September 2025. The total amount of dividend distributed was GEL 83,350 thousand.

26. Equity continued

On February 11 2025, TBC Bank Group PLC's Board of directors declared a final dividend of GEL 5.55 per share payable by cash. The record date was on 6 June 2025 and dividend was paid on July 11 2025. The total amount of dividend distributed was GEL 308,373 thousand.

On August 8 2024, TBC Bank Group PLC's Board of directors declared an interim dividend of GEL 2.55 per share payable by cash or shares (under TBC Bank Group PLC's SCRIP dividend program) at the option of the Shareholder. The record date was on 4 October 2024 and dividend was paid on November 11 2024. As a result, the company has issued additional 459,096 shares to meet requests of those shareholders who opted to receive a scrip dividend. The total amount of dividend distributed was GEL 140,640 thousand.

On February 15 2024, TBC Bank Group PLC's Board of directors declared a final dividend of GEL 4.67 per share payable by cash or shares (under TBC Bank Group PLC's SCRIP dividend programme) at the option of the Shareholder. The record date was on June 14 2024 and dividend was paid on July 19 2024. As a result, the company has issued additional 871,937 shares to meet requests of those shareholders who opted to receive a scrip dividend. The total amount of dividend distributed was GEL 254,885 thousand.

Shares held by trust

Part of the shares are held by the employee benefit trust (EBT) for the purpose of future employee share based payments plan. The EBT has waived its rights to receive dividends on such shares. Information related to the shares held by trust is presented below:

<i>In thousands of GEL, unless otherwise indicated</i>	Number of shares held by trust (Quantity)	Shares held by trust (GEL equivalent)
As of 1 January 2024	1,133,044	75,609
Purchase of shares by employee benefit trust	288,774	26,372
Delivery of bonus shares to employees via trust shares	(553,583)	(34,999)
As of 31 December 2024	868,235	66,982
Purchase of shares by employee benefit trust	244,480	39,223
Delivery of bonus shares to employees via trust shares	(222,911)	(17,119)
As of 31 December 2025	889,804	89,086

Merger Reserve

Following a group restructuring in 2016, TBC Bank Group PLC was established as a parent entity of JSC TBC Bank and was successfully listed on the London Stock Exchange on 10 August 2016. As a result, the shares of JSC TBC Bank have been exchanged for shares of TBC Bank Group PLC for existing shareholders.

Following the admission to the premium listing, TBCG's management undertook a reduction of capital in order to create distributable reserves in TBCG's standalone financial statements: each TBCG share had an original (tender offer) nominal value of GBP 5.00, that was reduced to GBP 0.01 following the capital reduction. The capital reduction created a distributable reserve that was recognised as retained earnings in the standalone statements. Total standalone equity was set at an amount equal to JSC TBC Bank's total equity at the moment of reorganisation. The balancing figure to arrive at the total standalone equity after consideration of share capital and retained earnings, was recognised as merger reserve according to Companies Act 2006 section 612 and amounted to GEL 565,029 in the standalone statements.

26. Equity continued

In the consolidated statements, share capital was recognised with the same amount as recognised in the standalone statements, whilst retained earnings were set at an amount equal to the retained earnings of JSC TBC Bank at the moment of reorganisation. The balancing figure to arrive at the total consolidated equity (equal to JSC TBC Bank's total equity at the moment of reorganisation), was recognised as merger reserve and amounted to GEL 402,862 in the consolidated statements.

Other reserves

As at 31 December 2025 and 31 December 2024 other reserves, comprised of:

<i>In thousands of GEL</i>	31 December 2025	31 December 2024
Reserve for redemption liability	(595,544)	(473,528)
Fair value reserve for investment securities at FVTOCI	(19,124)	37,804
Currency translation reserve	(25,498)	(42,878)
Capital redemption reserve	32	15
Other reserves	282	545
Total other reserves	(639,852)	(478,042)

The movements in other reserves are as follows:

<i>In thousands of GEL</i>	2025	2024
Other reserves at the beginning of the year	(478,042)	(397,992)
Recognition of redemption liability during the period	(88,638)	-
Reorganisation effect	(64,104)	-
Remeasurement of redemption liability during the period*	30,727	(108,048)
Exchange differences on translation to presentation currency	17,377	(7,834)
Change fair value reserve of Investment securities measured at FVTOCI	(56,928)	25,459
Dilution of NCI	-	(2,458)
Capital redemption reserve	17	15
Other effects	(261)	12,816
Other reserves at the end of the year	(639,852)	(478,042)

*Remeasurement contains the effects of changes of exchange rate, unwinding accrual and expected results.

Option agreement with minority shareholders of TBC Digital JSC

In May 2025, the Group entered into an agreement that restructured its operations in Uzbekistan. Under the new arrangement, TBC Digital JSC - a holding company controlled by the Group (the Group held 79.69% of its total shares as of June 30, 2025) - became the 100% owner of both JSCB TBC Bank and Payme JSC. As of 31 December 2024, the Group directly held a 67.92% interest in JSCB TBC Bank and 100% of Payme JSC, with the remaining interest in JSCB TBC Bank held by minority shareholders.

Prior to the reorganisation transaction, minority shareholders held a put option to sell their shares in JSCB TBC Bank, while the Group held a corresponding call option to purchase those shares. The Group recognised a redemption liability in respect of the put option, which amounted to GEL 473,528 thousand as at 31 December 2024.

26. Equity continued

Under the new arrangement, the existing put and call options over JSCB TBC Bank were replaced with options over TBC Digital JSC. Minority shareholders hold a put option exercisable from the fifth anniversary of the transaction's completion date for as long as they retain shares, while the Group holds a call option exercisable from the eighth anniversary of the transaction's completion date.

The Group analysed the terms of put and call options and concluded that the shares subject to options shall not be accounted for as acquired and non-controlling interests should be recognised (refer to Note 39 for more details).

On the date of the reorganisation, 31 May 2025, the Group derecognised the redemption liability related to the previous agreement and recognised a new redemption liability representing the present value of redemption liability for put option, recorded through the other reserves within equity as the reorganisation represents an equity transaction with shareholders (The reorganisation effect amounted of GEL 64,104 thousand as presented in the table above).

The redemption liability is carried at amortised cost and interest is unwound as well as subsequent remeasurement effects on each reporting date are recorded through other reserves in equity, as allowed by IFRS for transactions where the non-controlling participants remain exposed to the risks and rewards associated with the subsidiary's shares. The redemption liability amounted to GEL 506,906 thousand as at 31 December 2025.

In the separate statement of financial position of TBC Bank Group PLC, the option is recognised and measured at fair value.

Acquisition of Shoppe Group LLC and option agreement with minority shareholders

In September 2025, TBC Bank Group PLC acquired a 46.67% equity interest in Shoppe Group LLC, Uzbekistan's leading retail management platform, further strengthening its offering for small and medium sized enterprises in the country.

The acquisition was financed by cash consideration of GEL 18,999 thousand. Immediately following this acquisition, in September 2025, TBC Bank Group PLC subscribed to newly issued shares through an additional capital injection of GEL 5,422 thousand, increasing its ownership by a further 6.27%. Consequently, TBC Bank Group PLC's total interest in Shoppe Group LLC increased to 52.94%.

The fair value of net assets acquired amounted of GEL 9,512 thousand at acquisition. Non-controlling interest measured at proportionate share of net assets amounted of GEL 4,476 thousand and goodwill arising on acquisition of GEL 19,385 thousand was recognised in the Group's consolidated statement of financial position, arising from the expected synergies from combining the operations of the Group and Shoppe Group LLC, as well as from intangible assets that did not qualify for separate recognition.

Minority shareholders hold a put option over remaining shares in Shoppe Group LLC, which may be exercised twice: the third and the fourth anniversaries of the transaction completion date. The Group holds a call option to acquire the remaining minority interest, which is also exercisable twice: the third and the fourth anniversaries of the transaction completion date.

The Group analysed the terms of put and call options and concluded that the shares subject to options shall not be accounted for as acquired and non-controlling interests should be recognised (Refer to Note 39).

The Group recognised the redemption liability as a present value of the estimated exercise price payable to NCI shareholders if the put option is exercised, recorded through the other reserves within equity.

The redemption liability amounted to GEL 88,638 thousand as at 31 December 2025.

27. Share Based Payments

2024 remuneration scheme – Executive Directors

TBC Bank Group PLC ("TBC PLC") announced a directors' remuneration policy, which was approved by shareholders at the 2024 AGM and provides the framework for directors' remuneration for the three-year period from 2024-2026.

In consideration of the evolving strategy, the maturity of the business, and local market practices, there was a proposal to alter the structure of the incentive model. The change involved transitioning from separate annual bonuses delivered in shares and an LTIP scheme to a unified incentive known as the "Combined Incentive Plan." This new plan integrates short and long-term performance elements, incorporating a substantial long-term share-based deferral.

The new arrangement replaced the existing remuneration plan for Executive Directors starting in 2024. Therefore, the 2024 year has been modified with the new plan. Modification did not result in acceleration as the terms have not been worsened for scheme participants.

New plan for the Executive Director from 2024 includes the following components regarding share remuneration:

- **Shares Salary** will be subject to a 3-year holding period and will be released in three equal annual tranches after one, two and three years respectively at 33%-33%-34% (not subject to any continuing service requirements, malus or claw back).
- **Variable Pay – Combined Incentive Plan ("CIP")**, which includes a three-step performance assessment process:
 1. **Performance Gateway** – Eligibility for payments under the Combined Incentive Plan is subject to passing gateway criteria, measured over the Annual KPI Performance Period. The Gateway criteria are based on measures of financial soundness (including capital, liquidity and profitability).
 2. **Annual KPI performance scorecard** – Based on performance against the Annual KPI targets, the Remuneration Committee will determine an overall payout percentage of salary. The payout is split between a "Share Award" – 40% of the total will be paid in shares which must be held for at least three years (subject to 3-year claw back) and a "Long-Term Share Award" – 60% of the total will be awarded as a deferred award of shares which will vest after five years. (Subject to continued employment, malus and a 3-year claw back)
 3. **TSR shareholder alignment mechanism** – The grant value of a Long-Term Share Award (60%) determined by the stringent performance assessment in Performance Step 1 and Performance Step 2 may be scaled back by up to 50% if TBC's Total Shareholder Return ("TSR") is not at least in line with a weighted TSR index.
- **Shareholding Requirement** – Minimum shareholding requirement of 200% of base salary.

The participants are entitled to receive dividends on the Share Salary and the Share Award (40% of variable remuneration).

Upon vesting, dividend equivalents in respect of the Long-Term Share Award will be payable in cash equal to the dividends paid on the underlying shares between the date the award was made and the vesting date.

No dividends or dividend equivalents will be paid on any Award (or part therefore) that lapses on or before vesting.

27. Share Based Payments continued

2022-2023 remuneration scheme

The below section explains only the components that are still expensed based on the 2022-2023 schemes until vesting. The remuneration system was approved by shareholders at the TBC Bank Group PLC's Annual General Meeting in June 2021 and came into effect on 1 January 2022. It covers the period 2022-2023. The Share salary from previous systems have already vested.

Variable Remuneration

Variable remuneration of the Top Management consisted of the annual bonus delivered in shares (the "Annual Bonus") and the share awards under the Long-Term Incentive Plan (the "LTIP Award"). 60% of variable remuneration is the LTIP Award and the remaining 40% constituted the Annual Bonus.

- (a) *Annual Bonus under Deferred Share plan 2022-2023 Annual Bonus is delivered in TBC PLC shares.* The Executive Directors received the annual bonus entirely in TBC PLC shares and it did not comprise any cash component. Annual Bonus award is subject to a holding period (but not continued employment) over 2 years period with 50% being released after one year and remaining 50% being released at the end of second year. The Annual Bonus is subject to malus and claw back provisions as described in the Deferred Share Plan. During the holding period, participants are entitled to vote at the shareholder meetings and receive dividends.
- (b) *Long Term Incentive Plan (LTIP) 2022-2023* The level of LTIP Award grant was determined pro rata from the LTIP maximum opportunity based on the assessment of the base i.e., prior year's Annual Bonus corporate KPIs performance. LTIP Awards granted would then be subject to 3-year LTIP forward-looking performance conditions and would vest at the end of 5-year period following the grant. LTIP Award forward-looking KPIs were set at the beginning of each year in relation to that year's cycle by the Remuneration Committee. The Participants are not entitled to any dividend or voting rights until the LTIP Award vests.

Middle Management

Middle management receives cash bonuses, as well as share-based awards. According to the scheme, each year, subject to predefined performance conditions, a certain number of shares are awarded to most of the middle managers in the Group. The performance features key performance indicators (KPIs) divided into (i) corporate and (ii) individual. The corporate KPIs are mainly related to achieving profitability, efficiency, and portfolio quality metrics set by the Board as well as non-financial indicators regarding to customers' experience and employees' engagement. The individual performance indicators are set on an individual basis and are used to calculate the number of shares to be awarded to each employee. Once awarded, all shares carry service conditions and, before those conditions are met, are eligible for dividends; however, they cannot be sold or transferred to third parties.

Service conditions foresee continuous employment until the gradual transfer of the full title to the scheme participants is complete. Vesting conditions are 33%, 33%, 34% per year for the 3-year period since the award date. Under this compensation system the total vesting period extends to 4 years since the grant date. In addition, the variable remuneration structure for other identified Material Risk Taker ("MRT") employees, below the level of executive management board members of JSC TBC Bank, is subject to regulatory requirements and is in line with the NBG CG Code. For MRT employees holding end date for non-deferred variable remuneration is 6 months after award date.

Currently, remuneration scheme for the year 2025 is being granted.

27. Share Based Payments continued

Tabular information on the schemes is given below:

	31 December 2025	31 December 2024
Number of unvested shares at the beginning of the period	1,507,090	1,608,323
Number of shares granted	255,658	285,871
Change in estimates of number of shares expected to vest	(24,849)	(125,630)
Change in number of shares based on actual share price, exchange rate and KPI accomplishment	94,381	54,090
Number of shares vested	(282,649)	(315,564)
Number of unvested shares at the end of the period	1,549,631	1,507,090

Expense recognised as staff cost during the period was GEL 40,163 thousand (31 December 2024: GEL 30,959 thousand).

The fair value of the employee services received in exchange for the grant of the equity instruments is determined by the nature of the award. Currently there are several types of share-based award schemes as described above. The deferred share salary and deferred share bonus are the grants of the possible bonus pool amount, which will be based on the performance conditions. The fair value of the award is determined by the present value of the amount as at grant date and probable performance conditions accomplishment. The LTIP and long-term plan are the awards of potential maximum share numbers also up to performance conditions. The fair value of the award as of the grant date is determined by the grant date share price and probable performance conditions accomplishment. The fair value amount of 2025 performance related grants are GEL 45,049 thousand. The tax part of the existing variable remuneration system is accounted for on both equity and cash settled basis. Cash settled part recognised as liability at the end of 31 December 2025 is GEL 1,125 thousand (31 December 2024: GEL 1,966 thousand). Staff costs related to equity settled part of the share-based payment schemes are recognised in the income statement on a pro-rata basis over the vesting period of each relevant scheme tranche and corresponding entry is credited to share based payment reserve in equity.

The Group operates employee benefit trust (EBT) set up by the Executive Equity Compensation Trustee – Sanne Fiduciary Services Limited (the "Trustee") which acts as the trustee of the Group's share-based payments plan. EBT, under the instruction of the Company, purchases TBC Bank Group PLC's shares from the open market and holds them before they are awarded to participants. TBC Bank Group PLC pays cash for the share purchase, and the amount is later reimbursed by the Bank under a recharge agreement. Decision on the number of shares to be purchased each year is the remit of the Remuneration Committee of the TBC Bank Group PLC. The shares are presented under Shares held by trust category in the Statement of Financial Position until they are awarded to participants. As at 31 December 2025 the share number held by Trustee was 889,804 (31 December 2024: 868,235), which represents 1.6% of total outstanding shares (31 December 2024: 1.5%).

28. Earnings Per Share

Basic earnings per share are calculated by dividing the profit or loss attributable to the owners of the Group by the weighted average number of ordinary shares in issue during the year.

<i>In thousands of GEL</i>	2025	2024
Profit for the year attributable to the owners of the TBCG	1,397,337	1,284,051
Weighted average number of ordinary shares in issue	55,383,224	54,841,392
Basic earnings per ordinary share attributable to the owners of the Group (expressed in GEL per share)	25.23	23.41

Diluted earnings per share are calculated by dividing the profit or loss attributable to owners of the Group by the weighted average number of ordinary shares adjusted for the effects of all dilutive potential ordinary shares during the year. Ordinary shares with dilutive potential represent those shares that were granted to the participants of the share-based payments scheme and are not yet distributed.

<i>In thousands of GEL</i>	2025	2024
Profit for the year attributable to the owners of the TBCG	1,397,337	1,284,051
Weighted average number of ordinary shares in issue adjusted for the effects of all dilutive potential ordinary shares during the period	55,992,480	55,169,751
Diluted earnings per ordinary share attributable to the owners of the Group (expressed in GEL per share)	24.96	23.27

29. Segment Analysis

The Management Board (the "Board") is the chief operating decision maker (CODM) and it reviews the Group's internal reporting to assess the performance and to allocate resources. The segment profit measure is profit for the period.

The operating segments are defined as follows:

- Georgian financial services - include JSC TBC Bank with its Georgian subsidiaries and JSC TBC Insurance, with its subsidiary.
- Uzbekistan operations – Shoppe Group LLC and TBC Digital JSC with respective subsidiaries.
- Other operations and eliminations – include non-material or non-financial subsidiaries of the group and intra-group eliminations.

The reportable segments are the same as the operating segments.

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Group's total revenue in 2025 and 2024.

Allocation of indirect expenses is performed based on drivers identified for each type of cost where possible. If there is no identifiable driver for any type of expense/overhead cost, those expenses are allocated between segments based on the same logic as applied for the expenses with similar nature (e.g., other operating expenses would follow the pattern of closest category of operating expenses).

The intersegment transfer pricing methodology is an internally developed tool founded on matched maturity logics. It is used to effectively manage liquidity and mitigate interest rate risks within the Group. The process entails the corporate centre borrowing monetary amounts (deposits) from different business segments. Compensation for each deposit is based on its specific currency, duration, type, liquidity and capital requirements, ensuring equitable treatment for each segment. In turn, business segments borrow funds from the corporate centre to finance loans and other assets. The pricing for each borrowing transaction is determined based on factors such as the currency, loan type (fixed, floating, mixed interest rates), loan duration, and capital requirement.

Notes to the consolidated and separate financial statements continued

29. Segment Analysis continued

The table below presents the income statement for the year ended 31 December 2025 regarding the Group's operating segments:

<i>In thousands of GEL</i>	Georgian financial services	Uzbekistan operations	Other operations and eliminations*	Total
Interest income	3,622,567	1,064,618	2,156	4,689,341
Interest expense	(1,814,300)	(526,176)	12,218	(2,328,258)
Net interest on currency swaps	11,562	(1,645)	(18,546)	(8,629)
Net interest income	1,819,829	536,797	(4,172)	2,352,454
Fee and commission income	800,825	258,964	11,974	1,071,763
Fee and commission expense	(346,979)	(110,287)	2,193	(455,073)
Net fee and commission income	453,846	148,677	14,167	616,690
Net insurance income	52,272	8,229	(867)	59,634
Net gains/(losses) from derivatives, foreign currency operations and translation	346,897	(5,001)	(5,875)	336,021
Other operating income	23,080	1,243	264	24,587
Share of profit of associate	572	-	-	572
Other operating non-interest income and net insurance income	422,821	4,471	(6,478)	420,814
Credit loss allowance for loans to customers	(177,357)	(203,384)	(49)	(380,790)
Credit loss allowance for other financial and impairment of non-financial assets	(29,715)	(35,255)	(1,339)	(66,309)
Operating income after expected credit loss allowance and non-financial asset impairment losses	2,489,424	451,306	2,129	2,942,859
Staff costs	(490,139)	(104,391)	(56,267)	(650,797)
Depreciation and amortisation	(130,539)	(26,767)	(11,131)	(168,437)
Administrative and other operating expenses	(269,593)	(174,553)	(6,271)	(450,417)
Operating expenses	(890,271)	(305,711)	(73,669)	(1,269,651)
Profit before tax	1,599,153	145,595	(71,540)	1,673,208
Income tax expense	(222,533)	(18,960)	(11,443)	(252,936)
Profit for the period	1,376,620	126,635	(82,983)	1,420,272

*The Group has not included eliminations separately considering their immateriality. Meanwhile other operating income includes intergroup dividends of GEL 827,601 thousand.

29. Segment Analysis continued

The table below presents the income statement for the year ended 31 December 2024 regarding the Group's operating segments:

<i>In thousands of GEL</i>	Georgian financial services	Uzbekistan operations	Other operations and eliminations*	Total
Interest income	3,132,568	554,488	7,464	3,694,520
Interest expense	(1,622,756)	(239,134)	(1,687)	(1,863,577)
Net interest on currency swaps	82,000	(12,500)	764	70,264
Net interest income	1,591,812	302,854	6,541	1,901,207
Fee and commission income	677,020	156,517	8,749	842,286
Fee and commission expense	(278,765)	(45,045)	1,950	(321,860)
Net fee and commission income	398,255	111,472	10,699	520,426
Net insurance income	35,986	-	(715)	35,271
Net gains/(losses) from derivatives, foreign currency operations and translation	367,867	(501)	(7,855)	359,511
Other operating income	16,290	71	372	16,733
Share of profit of associate	574	-	-	574
Other operating non-interest income and net insurance income	420,717	(430)	(8,198)	412,089
Credit loss allowance for loans to customers	(114,187)	(67,356)	4,677	(176,866)
Credit loss allowance for other financial and impairment of non-financial assets	(13,985)	(9,775)	(15,935)	(39,695)
Operating income after expected credit loss allowance and non-financial asset impairment losses	2,282,612	336,765	(2,216)	2,617,161
Staff costs	(445,995)	(67,935)	(56,531)	(570,461)
Depreciation and amortisation	(121,756)	(13,375)	(10,158)	(145,289)
Administrative and other operating expenses	(219,755)	(127,031)	(10,540)	(357,326)
Operating expenses	(787,506)	(208,341)	(77,229)	(1,073,076)
Profit before tax	1,495,106	128,424	(79,445)	1,544,085
Income tax expense	(218,220)	(18,100)	(134)	(236,454)
Profit for the period	1,276,886	110,324	(79,579)	1,307,631

*The Group has not included eliminations separately considering their immateriality. Meanwhile other operating income includes intergroup dividends of GEL 582,770 thousand.

Notes to the consolidated and separate financial statements *continued*

29. Segment Analysis *continued*

The table below presents certain asset and liability information as at 31 December 2025 regarding the Group's operating segments:

<i>In thousands of GEL</i>	Georgian financial services	Uzbekistan operations	Other operations	Eliminations	Total
Gross loans and advances to customers	26,994,035	2,273,172	588,291	(588,292)	29,267,206
Customer accounts	24,324,216	1,479,519	-	(143,677)	25,660,058
Goodwill	28,197	33,399	17,752	-	79,348
Capital expenditures	283,631	114,494	92,980	(70,367)	420,738
Credit related commitments and performance guarantees	3,107,308	172,514	-	-	3,279,822

The table below presents certain asset and liability information as at 31 December 2024 regarding the Group's operating segments:

<i>In thousands of GEL</i>	Georgian financial services	Uzbekistan operations	Other operations	Eliminations	Total
Gross loans and advances to customers	24,502,727	1,569,093	167,167	(150,305)	26,088,682
Customer accounts	21,890,518	1,055,758	-	(82,443)	22,863,833
Goodwill	28,197	14,015	17,752	-	59,964
Capital expenditures	212,818	90,705	78,214	(30,743)	350,994
Credit related commitments and performance guarantees	3,411,522	-	-	-	3,411,522

30. Interest Income and Expense

<i>In thousands of GEL</i>	2025	2024
Interest income calculated using effective interest rate method		
Loans and advances to customers	3,850,647	3,053,149
Investment securities	458,821	344,665
Due from other banks	149,097	161,941
Repurchase receivables	3,349	6,392
Other financial assets	4,448	3,297
Other interest income		
Finance lease receivables	222,979	125,076
Total interest income	4,689,341	3,694,520
Interest expense		
Customer accounts	(1,377,118)	(1,153,903)
Due to credit institutions	(637,463)	(444,253)
Debt securities in issue and AT1	(197,528)	(149,219)
Subordinated debt	(104,158)	(109,176)
Other interest expense		
Lease Liabilities	(11,991)	(7,026)
Total interest expense	(2,328,258)	(1,863,577)
Net interest on currency swaps	(8,629)	70,264
Net interest income	2,352,454	1,901,207

During 2025 interest accrued on defaulted loans amounted to GEL 33,989 thousand (2024: GEL 41,351 thousand).

During 2025 capitalised interest expense in the amount of GEL 6,415 thousand (2024: GEL 4,262 thousand) was attributable to the construction of the Group's headquarter. The capitalisation rate used to determine the amount of borrowing costs recognised is weighted average of interest-bearing liabilities by currencies: 8.17% in GEL, 3.47% in USD and 2.56% in EUR. (2024: 8.20% in GEL, 2.80% in USD and 2.70% in EUR). For details of construction in progress please refer to Note 16.

31. Fee and Commission Income and Expense

The table below presents fee and commission incomes and expenses for the year ended 31 December 2025 regarding the Group's operating segments:

<i>In thousands of GEL</i>	Georgian financial services	Uzbekistan operations	Other operations and intersegment eliminations*	Total
- Card operations	441,749	11,131	(2,336)	450,544
- Settlement transactions	188,822	204,846	(189)	393,479
- Guarantees issued	53,859	-	-	53,859
- Cash transactions	16,697	-	-	16,697
- Issuance of letters of credit	9,446	-	-	9,446
- Foreign exchange operations	20,931	-	-	20,931
- Other	69,321	42,987	14,499	126,807
Total fee and commission income	800,825	258,964	11,974	1,071,763
- Card operations	(267,443)	(14,530)	1,762	(280,211)
- Settlement transactions	(18,616)	(78,023)	(91)	(96,730)
- Cash transactions	(25,501)	-	-	(25,501)
- Guarantees received	(1,836)	-	-	(1,836)
- Letters of credit	(2,937)	-	-	(2,937)
- Foreign exchange operations	-	-	(1)	(1)
- Other	(30,646)	(17,734)	523	(47,857)
Total fee and commission expense	(346,979)	(110,287)	2,193	(455,073)
Net fee and commission income	453,846	148,677	14,167	616,690

31. Fee and Commission Income and Expense *continued*

The table below presents fee and commission incomes and expenses for the year ended 31 December 2024 regarding the Group's operating segments:

<i>In thousands of GEL</i>	Georgian financial services	Uzbekistan operations	Other operations and intersegment eliminations*	Total
- Card operations	377,642	1,230	(1,539)	377,333
- Settlement transactions	158,915	137,550	384	296,849
- Guarantees issued	54,270	-	-	54,270
- Cash transactions	19,331	-	(536)	18,795
- Issuance of letters of credit	6,053	-	-	6,053
- Foreign exchange operations	6,376	-	-	6,376
- Other	54,433	17,737	10,440	82,610
Total fee and commission income	677,020	156,517	8,749	842,286
- Card operations	(210,481)	(3,387)	569	(213,299)
- Settlement transactions	(16,736)	(37,871)	(120)	(54,727)
- Cash transactions	(21,574)	-	8	(21,566)
- Guarantees received	(1,842)	-	-	(1,842)
- Letters of credit	(1,212)	-	-	(1,212)
- Foreign exchange operations	-	-	(4)	(4)
- Other	(26,920)	(3,787)	1,497	(29,210)
Total fee and commission expense	(278,765)	(45,045)	1,950	(321,860)
Net fee and commission income	398,255	111,472	10,699	520,426

*The Group has not disclosed eliminations separately considering their immateriality.

For the definition of the segments refer to Note 29.

32. Net Gains from Derivatives, Foreign Currency Operations and Translation

Net gains from derivatives, foreign currency operations and translation for the following years are as follows:

<i>In thousands of GEL</i>	2025	2024
Net gains from trading in foreign currencies	120,267	429,327
Net gains/(losses) from foreign exchange translation	215,747	(70,477)
Net gains from derivative financial instruments other than derivatives on foreign currency	7	661
Total net gains from derivatives, foreign currency operations and translation	336,021	359,511

Fair Value Hedge

The Group enters fixed-for-floating cross-currency interest rate swaps (CCIRS) to manage exposure to changes in fair value arising from movements in foreign exchange rates on debt securities issued and measured at amortised cost.

The objective of the hedge is to mitigate foreign exchange risk arising from the USD exposure, as the Group's functional currency is GEL. The hedge is structured as a fair value hedge of changes in the spot USD/GEL exchange rate over a two-year period, with a hedge ratio of 1:1. Under this arrangement, the swap offsets foreign exchange (FX) movements on the designated bond portion, ensuring that changes in fair value attributable to FX risk are neutralized in profit or loss.

The hedging instrument is a CCIRS with a notional amount of USD 200 million, entered with Goldman Sachs International, of which the maturity date is February 2027, and the swap USD/GEL exchange rate is 2.8100. The hedged item is a portion (USD 200 million) of the Group's USD-denominated AT1 perpetual bond liability, which is accounted for at amortized cost (refer to the Note 25).

An economic relationship exists as the hedged item and hedging instrument are expected to move in opposite directions in response to USD/GEL spot FX movements, due to offsetting USD-denominated cash flows and with FX risk (absent pervasive credit risk effects) being the primary driver of fair value changes.

Under the fair value hedge, only the spot FX rate is designated as the Hedge. Cost of hedging accounting is applied to the foreign currency basis spreads, while the forward element continues to be included in the hedging instrument.

Hedge ineffectiveness arises from differences in contractual terms between the hedged item and hedging instrument, and from changes in the hedging instrument's fair value due to counterparty credit risk and other adjustments.

32. Net Gains from Derivatives, Foreign Currency Operations and Translation *continued*

The Group applied qualitative and quantitative methods, including established statistical techniques, at hedge inception to assess prospective effectiveness, considering the economic relationship, hedge ratio, and credit risk. At each reporting date, the Group assesses whether conditions remain consistent with the initial analysis, evaluates hedge effectiveness, and updates documentation if needed.

The table below represents hedge instruments and hedge items by hedged risk as of 31 December 2025 (2024: nil).

<i>In thousands of GEL</i>	Hedge Instrument				Hedge Item			Ineffectiveness	
	Notional amount ¹	Carrying amount of liability	Balance sheet presentation	Change in fair value ²	Carrying amount	Balance sheet presentation	Change in fair value ²	Recognised in profit and loss	Profit and loss presentation
Foreign currency	539,020	28,156	Other financial liability	22,880	541,834	Additional Tier 1 capital subordinated notes	22,880	-	Net gains from derivatives, foreign currency operations and translation

1. The notional amounts of derivative contracts designated in qualifying hedge accounting relationships represent the nominal value of outstanding transactions at the balance sheet date.

2. Used in effectiveness assessment and represents the amount attributable to the designated hedged risk.

As of 31 December 2025, the cost of hedging arising from basis spread recognised in OCI was GEL 286 thousand (31 December 2024: nil).

33. Staff Costs

<i>In thousands of GEL</i>	2025	2024
Wages and salaries		
Salaries and bonuses	582,252	517,066
Share based compensation	40,163	30,959
Pension contributions	10,906	10,421
Other compensation cost	17,476	12,015
Salaries and other employee benefits	650,797	570,461

Share based compensation represents remuneration paid in shares and is excluded as non-cash in the consolidated statement of cash flows. On the other hand, acquisition of treasury shares for share-based payment scheme is included as financing activity in the consolidated statement of cash flows.

Breakdown of monthly average number of employees by categories is as follows:

	2025	2024
Headquarters*	7,227	5,872
Branches*	4,502	4,228
Other administrative staff **	2,419	2,083

*Only monthly average number of employees in headquarters and branches employees in JSC TBC Bank, TBC Insurance JSC, JSCB TBC bank and TBC Kredit LLC are considered.

**Employees from other subsidiaries are considered under other administrative staff.

In 2025 monthly average number of employees in TBC Bank Group PLC, as a standalone entity, was 9 individuals (2024: 10). Except for 1 person, all other employees represent the directors of the Group. Hence no disclosure is made on breakdown of staff cost by its nature.

34. Administrative and Other Operating Expenses

<i>In thousands of GEL</i>	2025	2024
Advertising and marketing services	101,509	81,677
Professional services	90,338	75,995
Intangible asset maintenance	87,956	57,934
Taxes other than on income	24,825	18,363
Resolution Fund expense	17,719	-
Communications and supply	17,099	11,184
Rent*	13,950	11,847
Premises and equipment maintenance	13,333	11,110
Utilities services	10,280	9,415
SMS service fees	9,686	9,687
Stationery and other office expenses	7,474	7,938
Business trip expenses	6,083	5,061
Insurance	5,349	2,859
Personnel training and recruitment	5,030	5,584
Transportation and vehicle maintenance	3,685	3,745
Security services	2,965	2,347
Representative expenses	1,707	2,883
Charity	1,062	1,123
Loss on disposal of premises and equipment	461	722
Loss on disposal of repossessed collateral	407	1,179
Provision (reversal) / expense for liabilities and charges	(2,615)	391
Other	32,114	36,282
Total administrative and other operating expenses	450,417	357,326

*Represents short-term leases and low value leases exempt from IFRS 16.

The table below presents the total remuneration for the Group's auditor:

<i>In thousands of GEL</i>	Audit	Audit Related	Other Services	Total
2025				
Fees payable to the company's auditors for the audit of consolidated financial statements	1,228	-	-	1,228
Audit of the financial statements of the company's subsidiaries*	3,471	-	-	3,471
Audit-related assurance services**	-	391	-	391
Total auditors' remuneration	4,699	391	-	5,090
2024				
Fees payable to the company's auditors for the audit of consolidated financial statements	1,194	-	-	1,194
Audit of the financial statements of the company's subsidiaries*	2,540	-	-	2,540
Audit-related assurance services**	-	634	-	634
Other assurance services***	-	-	976	976
Total auditors' remuneration	3,734	634	976	5,344

* Apart from fees paid to the Group auditors for the audit of the Company's consolidated and stand-alone accounts, the Group auditor also performs the audit of 6 subsidiaries JSC TBC Bank, TBC Insurance JSC, JSCB TBC Bank and TBC Fin service LLC, TBC Digital and Payme JSC.

**Audit-related assurance services represent fees for the review of the interim financial information of the Group.

***In 2024 other assurance services include services in relation to issuance of AT1 notes.

35. Income Taxes

Income tax comprises of the following:

<i>In thousands of GEL</i>	2025	2024
Current tax charge	245,585	232,547
Deferred tax charge	7,351	3,907
Total income tax expense for the year	252,936	236,454

Current income tax liability to the tax authorities is generally paid on a quarterly basis. The amount is calculated by dividing previous year current income tax amount by 4 equal portions. The liability is settled in the following year, based on current income tax liability amount as at year-end. The weighted average income tax rate is 2025: 20% (2024: 20%), when the income tax rate applicable to the majority of subsidiaries income ranged from 15% - 20% (2024: 15% - 20%).

The UK has enacted legislation to implement the Organisation for Economic Cooperation and Development (OECD) global minimum tax rules (Pillar Two), effective from 1 January 2024. Accordingly, the Group is within the scope of the Pillar Two rules for the year ended 31 December 2025 and has performed the required Pillar Two calculations to assess its potential exposure to Pillar Two income taxes. Based on the calculations performed for the year ended 31 December 2025, the Group's estimated Pillar Two top-up tax charge amounts to GEL 11,483 thousand which is presented within income tax expense, with a corresponding current tax liability.

Reconciliation between the expected and the actual taxation (credit)/expense is provided below.

<i>In thousands of GEL</i>	2025	2024
Statutory rate	20%	20%
Profit before tax	1,673,208	1,544,085
Theoretical tax charge at weighted average applicable tax rate of 20% (2024: 20%)	332,037	311,367
Tax effect of items which are not deductible or assessable for taxation purposes:		
Income which is exempt from taxation	(113,974)	(81,936)
Pillar two top-up tax expense	11,483	
Non-deductible expenses	15,769	7,023
Other differences	7,621	-
Total income tax expense for the year	252,936	236,454

Differences between financial reporting requirements and statutory taxation regulations in Georgia and Uzbekistan give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The tax effect of the movements in these temporary differences is detailed below and is recorded at the rate of 20% (2024: 20%) for Georgia, 20% (2024: 20%) for Uzbekistan and 25% (2024: 25%) for United Kingdom.

35. Income Taxes continued

Income which is exempt from taxation includes interest income from placements in NBG, Georgian Government Treasury bills and IFI securities. Non-deductible expenses include penalties paid and charity expenses towards beneficiary which are not registered charity organisations.

Deferred tax assets/liabilities as of 31 December 2025 and 31 December 2024 are the following:

<i>In thousands of GEL</i>	1 January 2025	Credited/ (charged) to profit or loss	Credited to other comprehensive income	Effect of currency translation	31 December 2025
Tax effect of (taxable)/deductible temporary differences and tax loss carry forwards					
Premises and equipment and intangibles	(56,111)	(3,001)	-	(301)	(59,413)
Loans and advances to customers	(443)	(5,723)	-	674	(5,492)
Other financial assets	7,257	(1,488)	444	(30)	6,183
Other assets	(604)	16,705	-	(1,306)	14,795
Other financial liabilities	2,084	109	-	(554)	1,639
Other liabilities	1,299	(19,110)	-	(736)	(18,547)
Share based payment	3,316	1,275	-	-	4,591
Finance lease receivables	195	4,163	-	1,671	6,029
Goodwill	(3,640)	(202)	-	-	(3,842)
Investments in associates	(423)	(79)	-	-	(502)
Net deferred tax asset/(liability)	(47,070)	(7,351)	444	(582)	(54,559)

35. Income Taxes continued

<i>In thousands of GEL</i>	1 January 2024	Credited/ (charged) to profit or loss	Charged to other comprehensive income	Effect of currency translation	31 December 2024
Tax effect of (taxable)/deductible temporary differences and tax loss carry forwards					
Premises and equipment and intangibles	(58,212)	2,118	-	(17)	(56,111)
Loans and advances to customers	(3,720)	3,455	-	(178)	(443)
Other financial assets	5,569	1,075	613	-	7,257
Other assets	426	(1,023)	-	(7)	(604)
Other financial liabilities	(305)	2,389	-	-	2,084
Other liabilities	1,780	(464)	-	(17)	1,299
Share based payment	5,938	(2,622)	-	-	3,316
Finance lease receivables	-	195	-	-	195
Goodwill	(3,402)	(238)	-	-	(3,640)
Investments in associates	(423)	-	-	-	(423)
Tax loss carried forward*	8,792	(8,792)	-	-	-
Net deferred tax asset/(liability)	(43,557)	(3,907)	613	(219)	(47,070)

*Tax loss carried forward is related to operations in Uzbekistan.

In the context of the Group's current structure and Georgian tax legislation, tax losses and current tax assets of different group companies may not be offset against current tax liabilities and taxable profits of other group companies. Therefore, deferred tax assets and liabilities are offset only when they relate to the same taxable entity and the same taxation authority.

Temporary differences associated with investments in subsidiaries are immaterial.

36. Reconciliation of Liabilities Arising from Financing Activities

The table below sets out movements in the Group's liabilities from financing activities for each of the periods presented. The items of these liabilities are those that are reported as financing activities in the statement of cash flows.

<i>In thousands of GEL</i>	Other borrowed funds	Debt securities in issue	Additional Tier 1 capital subordinated notes	Subordinated debt	Lease liabilities	Hedging instruments	Total
Liabilities from financing activities at 1 January 2024	3,505,625	879,159	547,015	868,730	91,879	-	5,892,408
Proceeds from principal *	4,741,936	295,614	805,050	236,586	-	-	6,079,186
Redemption of principal	(1,662,072)	(764,848)	(340,331)	(3,040)	(22,391)	-	(2,792,682)
Interest accrued	244,408	47,141	102,078	109,176	7,026	-	509,829
Interest paid**	(238,076)	(44,864)	(101,596)	(99,757)	(7,051)	-	(491,344)
Additions	-	-	-	-	45,656	-	45,656
Other non-cash movements***	-	-	-	-	(10,812)	-	(10,812)
Foreign exchange adjustments	18,295	35,862	49,903	36,679	3,656	-	144,395
Liabilities from financing activities at 31 December 2024	6,610,116	448,064	1,062,119	1,148,374	107,963	-	9,376,636
Proceeds from principal*	3,959,445	544,449	-	-	-	-	4,503,894
Redemption of principal	(4,271,121)	-	(1,964)	(229,843)	(23,581)	-	(4,526,509)
Interest accrued	571,706	92,323	105,205	104,158	11,991	28,564	913,947
Interest paid**	(556,236)	(85,171)	(102,617)	(107,376)	(11,929)	(23,002)	(886,331)
Additions	-	-	-	-	61,410	-	61,410
Other non-cash movements***	-	-	-	-	(3,813)	(286)	(4,099)
Foreign exchange adjustments	58,956	7,908	(42,270)	(5,014)	(2,351)	22,880	40,109
Liabilities from financing activities at 31 December 2025	6,372,866	1,007,573	1,020,473	910,299	139,690	28,156	9,479,057

*Principal is amortised cost without accrued interest and any other costs.

**Interests paid are included in the operating section of the consolidated statement of cash flows. Interest paid on hedge instruments represent net amount of paid and received interest amounts on these instruments.

***Other non-cash movements represent derecognitions and other movements for finance lease contracts.

For reconciliation of redemption liability refer to Note 26.

The reconciliation table includes the following movement of separate TBC Bank Group PLC: Proceeds from principal of debt securities in issue GEL 382,474 thousand (GEL 251,727 thousand in 2024), redemption of debt securities in issue nil (GEL 125,238 thousand in 2024), redemption of other borrowed funds nil (nil in 2024).

37. Financial and Other Risk Management**Credit Quality**

Depending on the type of financial asset the Group may utilise different sources of asset credit quality information including credit ratings assigned by the international rating agencies (Standard & Poor's, Fitch), credit scoring information from credit bureau and internally developed credit ratings. Financial assets are classified in an internally developed credit quality grades by considering the internal and external credit quality information in combination with other indicators specific to the particular exposure (e.g., delinquency). The Group uses following credit quality grades:

- Very low risk – exposures demonstrate strong ability to meet financial obligations.
- Low risk – exposures demonstrate adequate ability to meet financial obligations.
- Moderate risk – exposures demonstrate satisfactory ability to meet financial obligations.
- High risk – exposures that require closer monitoring, and
- Default – exposures in default, with observed credit impairment.

The table below shows internal and external grades used in ECL calculation.

Credit quality grade	Internal rating grades		External ratings	Internal ratings
	Rating for retail and micro loans	Rating for SME and corporate loans	Credit bureau (When applicable)	International credit ratings (When applicable)
Very low	1-10	1-15	A; B; C1; C2; C3	A1.3; A1.4; A1.5; A2; A3; B1; B2
Low	11-21	16-24	A; B; C1; C2; C3; D1; D2; D3	A2; A3; B1; B2; B3; C1
Moderate	22-35	25-40	A; B; C1; C2; C3; D1; D2; D3; E1; E2; E3	A1.3; A1.4; A1.5; A2; A3; B1; B2; B3; C1; C2; C3
High	36-44	41-68	D1; D2; D3; E1; E2; E3	A1.3; A1.4; A1.5; A2; A3; B1; B2; B3; C1; C2; C3; D1; D2; D3

Expected credit loss (ECL) measurement

ECL is a probability-weighted estimate of the present value of future cash shortfalls. An ECL measurement is unbiased and is determined by evaluating a range of possible outcomes. ECL measurement is based on four components used by the Group: Probability of Default ("PD"), Exposure at Default ("EAD"), Loss Given Default ("LGD") and Discount Rate. The estimates consider forward looking information, that is, ECLs reflect probability weighted development of key macroeconomic variables that have an impact on credit risk.

The Group uses a three-stage model for ECL measurement and classifies its borrowers across three stages: The Group classifies its exposures as Stage 1 if no significant deterioration in credit quality occurred since initial recognition and the instrument was not defaulted when initially recognised. The exposure is classified to Stage 2 if the significant deterioration in credit quality was identified since initial recognition, but the financial instrument is not considered defaulted. The exposures for which the defaulted indicators have been identified are classified as Stage 3 instruments. The Expected Credit Loss (ECL) amount differs depending on exposure allocation to one of the Stages. In the case of Stage 1 instruments, the ECL represents that portion of the lifetime ECL that can be attributed to default events potentially occurring within the next 12 months from the reporting date. In case of Stage 2 instruments, the ECL represents the lifetime ECL, i.e., credit losses that can be attributed to possible default events during the whole lifetime of a financial instrument. Generally, lifetime is set equal to the remaining contractual maturity of the financial instrument.

37. Financial and Other Risk Management continued

Factors such as existence of contractual repayment schedules, options for extension of repayment maturity and monitoring processes held by The Group affect the lifetime determination. In case of Stage 3 instruments, default event has already incurred and the lifetime ECL is estimated based on the expected recoveries.

Definition of default

Financial assets for which the Group observed occurrence of one or more loss events are classified in Stage 3.

The Group uses both quantitative and qualitative criteria for the definition of default. The borrower is classified as defaulted if at least one of the following occurred:

- Any amount of contractual repayments is past due more than 90 days.
- Factors indicating the borrower's unlikelihood-to-pay.

In case of individually significant borrower's the Group additionally applies criteria including but not limited to bankruptcy proceedings, significant fraud in the borrower's business that significantly affected its financial condition, breach of the contract terms etc. For SME and corporate borrowers' default is identified on the counterparty level, meaning that all the claims against the borrower are treated as defaulted. As for retail and micro exposures, facility level default definition is applied considering additional pulling effect criteria. If the amount of defaulted exposure exceeds predefined threshold, all the claims against the borrower are classified as defaulted. Once a financial instrument is classified as defaulted, it remains as such until it no longer meets any of the default criteria for a consecutive period of six months, in which case exposure is considered to no longer be in default (i.e., to have cured). Probation period of six months has been determined on analysis of likelihood of a financial instrument returning to default status after curing. Exposures which are moved to stage 2 from default state are kept there for certain period before transferring to Stage 1 and classified as fully performing instruments again.

Significant increase in credit risk ("SICR")

Financial assets for which the Group identifies significant increase in credit risk since its origination are classified in Stage 2. SICR indicators are recognised at financial instrument level even though some of them refer to the borrower's characteristics. The Group uses both quantitative and qualitative indicators of SICR.

Quantitative criteria

On a quantitative basis the Group assesses change in probability of default parameter for each particular exposure since initial recognition and compares it to the predefined threshold. When absolute relative change in probability of default exceeds the applicable threshold, SICR is deemed to have occurred, and exposure is transferred to Stage 2. While defining and applying SICR thresholds, the Bank considers product type, age of the contracts and rating at origination, therefore, SICR threshold for each particular sub segment vary.

Apart from statistical thresholds, the Bank incorporates an additional condition to the PD-based SICR assessment, referred to as the PD Backstop. The PD Backstop represents the highest Risk Group (Rating) up to which there is strong and undisputed evidence that the level of default risk is not materially different.

An exposure is transferred to Stage 2 when both SICR Quantitative Conditions are met, i.e., the current rating is worse than the backstop rating and when absolute relative change in probability of default exceeds the applicable threshold.

37. Financial and Other Risk Management continued

Below we disclose the threshold ranges across the relevant subgroups in percentage points triggering contract to move to stage 2:

Mortgage	0% - 5.8%
Consumer (further divided into subgroups to apply thresholds)	0% - 25.9%
Micro (further divided into subgroups to apply thresholds)	0% - 24.4%

Qualitative criteria

Financial asset is transferred to Stage 2 and lifetime ECLs is measured if at least one of the following SICR qualitative criteria is observed:

- delinquency period of more than 30 days on contractual repayments.
- exposure is restructured but is not defaulted.
- borrower is classified as a “watch”.

The Group has not rebutted the presumption that there has been significant increase in credit risk since origination when financial asset becomes more than 30 days past due. This qualitative indicator of SICR together with debt restructuring is applied to all segments. Particularly for corporate and SME segment the Group uses downgrade of risk category since origination of the financial instrument as a qualitative indicator of SICR. Based on the results of the monitoring, borrowers are classified across different risk categories. In case there are certain weaknesses present, which if materialised may lead to loan repayment problems, borrowers are classified as “watch” category. Although watch borrowers' financial standing is sufficient to repay obligations, these borrowers are closely monitored, and specific actions are undertaken to mitigate potential weaknesses. Once the borrower is classified as “watch” category, it is transferred to Stage 2. If any of the SICR indicators described above occur, financial instrument is transferred to Stage 2. Financial assets may be moved back to Stage 1, if SICR indicators are no longer observed.

ECL measurement

The Group utilises two approaches for ECL measurement – individual assessment and collective assessment. Individual assessment is mainly used for stage 2 and stage 3 individually significant borrowers. For selecting individually significant exposures, the management uses the following estimated thresholds above which exposures¹ are selected for individual review: for stage 2 - to GEL 10 million and for stage 3 - GEL 4 million. Additionally, the Group may arbitrarily designate selected exposures to individual measurement of ECL based on the Group's credit risk management or underwriting departments' decision. The individual assessment considers the latest available information in order to define ECL under baseline, upside and downside scenarios.

The Group uses the discounted cash flow (DCF) method for the determination of recovery amount under individual assessment. In order to ensure the accurate estimation of recoverable amount the Group utilises scenario analysis approach. Scenarios may be defined considering the specifics and future outlook of individual borrower, sector the borrower operates in or changes in values of collateral. In case of scenario analysis, the Group forecasts recoverable amount for each scenario and estimates respective losses. Ultimate ECL is calculated as the weighted average of losses expected in each scenario, weighted by the probability of scenario occurring.

As for the non-significant and non-impaired significant borrower's the Group estimates expected credit losses collectively.

37. Financial and Other Risk Management continued

For the collective assessment and risk parameters estimation purposes the exposures are grouped into homogenous risk pools based on similar credit risk characteristics. Common credit risk characteristics of the group include but are not limited to: Stage (Stage 1, Stage 2 or Stage 3), type of counterparty (individual vs business), type of product, rating (external or internal), overdue status, restructuring status, months in default category or any other characteristics that may differentiate certain sub-segments for risk parameter's estimation purposes. Number of pools differs for different products/ segments considering specifics of portfolio and availability of data within each pool. Collective ECL is the sum of the multiplications of the following credit risk parameters: EAD, PD and LGD, that are defined as explained below and discounted to present value using the instrument's effective interest rate.

The key principles of calculating the credit risk parameters:

Exposure at default (EAD)

The EAD represents estimation of exposure to credit risk at the time of default occurring during the life of financial instrument. The EAD parameter used for the purpose of the ECL calculation is time-dependent, i.e., the Group allows for various values of the parameter to be applied to subsequent time periods during the lifetime of an exposure. Such structure of the EAD is applied to all Stage 1 and Stage 2 financial instruments. In case of Stage 3 financial instruments and defaulted POCI assets, the EAD vector is one-element with current EAD as the only value. EAD is determined differently for amortising financial instruments with contractual repayment schedules and for revolving facilities. For amortising products EAD is calculated considering the contractual repayments of principal and interest over the 12-month period for facilities classified in Stage 1 and over lifetime period for remaining instruments. It is additionally adjusted to include the effect of reduction in exposure due to prepayments - Namely full prepayment ratio. Full Prepayment Ratio (FPR) parameter represents the probability that a financial instrument will be fully prepaid during the particular period to maturity. For the purpose of calculating Full Prepayment Ratio, the Group make the analysis of the historical data of the contracts fully prepaid until the maturity. For revolving facilities, the Bank calculates the EAD based on the expected limit utilisation percentage conditional on the default event.

Probability of default (PD)

Probability of default parameter reflects the likelihood of a default of a facility over a particular time horizon. It provides an estimate of the likelihood that a borrower will be unable to meet its contractual debt obligations. The PD parameter is time-dependent (i.e., has a specific term structure) and is applied to all non-defaulted contracts. Taking into account specific nature of different segments of clients for which the PD is estimated as well as unique characteristics that drive their default propensity, the PD is modelled differently for Retail and Micro segments and Corporate and SME segments. PD assessment approach is also differentiated for different time horizons and is further adjusted due to expected influence of macroeconomic variables as forecasted for the period (see 'Forward Looking Information' section for further details on incorporation of macroeconomic expectations in ECL calculation). FLI adjustment is applied on PD for the three-year period, given the uncertainty involved in the macroeconomic forecasts for the longer time horizon. Two types of PDs are used for calculating ECLs: 12-month and lifetime PD. Lifetime PDs represent the estimated probability of a default occurring over the remaining life of the financial instrument and it is a sum of the 12 months marginal PDs over the life of the instrument. The Group generally uses number-based approach of PD model construction, however for the nonhomogeneous portfolio's, exposure-weighted approach is utilised. The Group uses different statistical approaches such as the extrapolation of 12-month PDs based on migration matrixes, developing lifetime PD curves based on the historical default data and gradual convergence of long-term PD with the long-term default rate.

¹ Total exposure of the bank toward the borrower or group of interconnected borrowers

37. Financial and Other Risk Management continued**Loss given default (LGD)**

The LGD parameter represents the share of an exposure that would be irretrievably lost if a borrower defaults. For Stage 1 and Stage 2 financial instruments, the LGD is estimated for each period in the instrument's lifetime and reflects the share of the expected EAD for that period that will not be recovered over the remaining lifetime of the instrument after the default date. For Stage 3 financial instruments, the LGD represents the share of the EAD as of reporting date that will not be recovered over the remaining life of that instrument. Assessment of LGD varies by the type of counterparty, segment, type of product, securitisation level, availability of historical observations and portfolio sale. The general LGD estimation process employed by the Group is based on the assumption that after the default of the exposure, two mutually exclusive scenarios are possible. Non-sold scenario-The exposure either leaves the default state (cure scenario) or does not leave the default state and will be subject to recovery process (non-cure scenario); Sold scenario-

exposure is sold. The probability that an exposure is sold, probability of a cure and the probability that a cured exposure defaults again are all determined in the estimation process. Risk parameters applicable to both sub-scenarios, i.e., cure rates and recovery rates, are estimated by means of migration matrices approach, whereas the probability of sale is determined by expert judgement until enough data is gathered to allow for statistical estimation. For each LGD portfolio the Group defines the recovery horizon for non-sold exposures and maximum period for an exposure to be sold (which is set at the average time-to-sale), after which no material recoveries are assumed. Recovery horizon is defined by data analytics and expert judgment. For certain portfolios based on the limitations of observations alternative versions of the general approach may be applied. For significant corporate exposures, the Group uses the LGD modelling approach that is based on realised recoveries from historical defaults, adjusted with approximation of future recoveries from individually assessed defaulted exposures. In order to model LGD for SME and non-significant corporate borrowers, the Group is estimating recoverable amount from the collateral and assumes that no recoveries from cash is expected. In order to estimate recoverable amount from the collateral the Group is applying respective haircuts defined for different types of collateral and discounts them using effective interest rate over the realisation period. In addition, at each reporting date, the Group makes the decision which historical data horizon should be used in order to model recoveries.

Forward-looking information

The measurement of unbiased, probability weighted ECL requires inclusion of forward-looking information obtainable without undue cost or effort. For forward-looking information purposes, the Group defines three macro scenarios. The scenarios are defined as baseline (most likely), upside (better than most likely) and downside (worse than most likely) scenarios of the state of the economy. To derive the baseline macro-economic scenario, the Group takes into account forecasts from various external sources – the National Bank of Georgia, Ministry of Finance, International Monetary Fund (IMF) as well as other International Financial Institutions (IFIs) – in order to ensure the alignment to the consensus market expectations. Upside and downside scenarios are defined based on the framework developed by the Group's macroeconomic unit.

The Group uses statistical models and historical relationship between the various macroeconomic factors and default observations to derive forward-looking adjustments. In case these models do not provide reasonable results either from statistical or business perspective, the Group may apply expert judgment or use an alternative approach. As at 31 December 2025, the Group employs statistical models to derive forward looking adjustment in all segments except for corporate. In corporate segment, due to the insignificance of the statistical models, the Group does not apply FLI adjustment. The baseline, upside and downside scenarios were assigned probability weighing of 50%, 25% and 25%, respectively.

The forward-looking information is incorporated in collective assessment of expected credit losses of Retail and MSME portfolios and individually assessed exposures.

37. Financial and Other Risk Management continued**Model maintenance and validation**

The Group regularly reviews its methodology and assumptions to reduce any difference between the estimates and the actual credit loss. Such back-testing (including back-casting) is performed at least once a year. As part of the back-testing process, the Group evaluates actual realisation of the risk parameters and their consistency with the model estimates. Additionally staging criteria are also analysed within the back-testing process. The results of backtesting the ECL measurement methodology are communicated to the Group Management and further actions for tuning the models and assumptions are defined after discussions between authorized persons.

Risk governance

ECL impairment models were developed by internal credit risk governance division with the involvement of external consultants. The division runs the models to calculate ECL each month. They are also responsible for model back-testing, analytics and governance.

Economic scenarios and probability weights are prepared by macro-financial analysis unit.

All the assumptions, including PMAs and PMOs used in the ECL measurement go through a review and approval process:

- Chief Economist reviews and approves the forward-looking scenarios and respective weights.
- Internal allowance committee reviews and approves appropriateness of the estimates and judgements as well as PMAs and PMOs used in ECL measurement on a regular basis; internal committee includes Head of ERM, Heads of Portfolio Credit Risk Management divisions and CRO, who ultimately approves ECL results as of each reporting date.
- Models used in calculation, as well as back-testing process is also validated by the model risk management division.

Climate risk. The Group's largest operations are located in Georgia hence the climate risk overview is done by the management from Georgian perspective. The second largest subsidiary of the group is UZ Bank and constitutes 6.67% of the Group's assets. Considering that UZ Bank business activities focus on retail segment with a very low volume of the average exposure, it is considered to be immaterial for the Group from the climate-risk perspective. The Georgia's 2030 Climate Change Strategy and Climate Action Plan lay out different policy measures on which TBC Bank based its identification of the potential impact of the policy measures on different economic sectors. As a summary of the potential impact of the various transition risks and physical risks identified, the transitional risks in Georgia are low, considering, that trade and services dominate the Georgian economy, the policy measures outlined in the Georgia's 2030 Climate Change Strategy will have overall low impact on the economic sectors, especially in short and medium term. The Georgia's 2030 Climate Change Strategy takes into consideration that Georgia is a transitional and growing economy, and therefore the government strategy is not to impede the growth of the GDP with policy measures and rather to support a smooth transition where necessary. It is worth noting, that the economic sectors most affected by transitional risks world-wide such as mining crude petroleum, natural gas and metal ores, manufacturing coke and refined petroleum products are present to the very limited extent in Georgia, resulting in a low overall impact of transitional measures on economic growth, if any. 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, especially for the short-term perspective. Furthermore, the Bank performed climate stress testing of the credit portfolio. The maturity structure of the loan portfolio shows that the largest part of assets is distributed in the time horizons that are much shorter than the impacts of climate change, especially of physical risks, can be materialised in Georgia. Therefore, the bank has not made any adjustment to the level of provisions purely related to climate risk. On the other hand, the understanding of climate related risks, which have longer-term impacts need to be increased in coming years, therefore, when the bank has a more definitive analysis, it will further develop the approach, how to consider climate risks in provisioning. No post model adjustments (PMAs) or Post model overlays (PMOs) have been posted for 2025 in this regard.

37. Financial and Other Risk Management *continued***Insurance Risk**

TBC Insurance carries out assessment of potential losses posed by individuals and business entities insured under health, life, PA and other property and casualty insurance contracts. As such, TBC Insurance is exposed to the uncertainty as to the timing and severity of claims under these contracts. The principal risk is that the frequency and severity of claims may be higher than expected. Insurance events are by their nature random, and the actual number and size of events during any one year may vary from those estimated using established statistical techniques. TBC Insurance also has exposure to market risk through insurance and investment activities.

TBC Insurance's key methods in managing these risks are two-fold. Firstly, the risk is managed through appropriate underwriting and secondly, is transferred using reinsurance. TBC Insurance purchases reinsurance for various business lines: motor, life, property, cargo, liability, and surety business.

Non-financial risk adjustment including technique used to measure it and confidence level:

In case of the gross of reinsurance calculation for groups with sufficient and reliable own statistics a stochastic bootstrapping method is applied to calculate sufficient number of scenarios from which one in line with the 75% confidence level equivalent is taken. The BEL (best estimate liabilities) determined at this percentage is compared to the actual BEL of the Company. This way the difference between the two gives the related risk adjustment. For groups where sufficient and/or reliable data is not available the average RA% of the remaining portfolio can be chosen based on characteristics of the given group.

In the end the total Company level RA is determined as simple sum of RAs per groups, while also the diversification effect is calculated using the easiest and most reliable parameters for correlation between those from Solvency II Directive. For the final RA%s this diversification ratio is incorporated into the raw (previously calculated) RA%s. Later these RA%s are used in the calculations as multipliers to the BEL.

For the reinsurance RA rates, the followings are considered:

- In terms of proportional reinsurance - due to the proportionality - simply the gross rates are applied.
- In terms of non-proportional reinsurance:
 - The share of projected such payments are usually nil or immaterial due to the low probability of such huge claims to happen.
 - However, it happens a few times, but those are not sufficient for a reliable sophisticated analysis, therefore as the best benchmark still the gross rates are applied.

Maturity of insurance liabilities:

The measurement of a group of contracts includes all the future cash flows within the boundary of each contract in the group, determined as follows:

- Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay premiums or has a substantive obligation to provide services.

A substantive obligation to provide services ends when:

- The Group has the practical ability to reassess the risks of the policyholder and can set a price or level of benefits that fully reflects those reassessed risks; or
- The Group has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio, and the pricing of the premiums up to the reassessment date does not take into account risks that relate to periods after the reassessment date.

37. Financial and Other Risk Management *continued*

Sensitivity analysis for insurance risk:

The assumptions used in the estimation of insurance assets and liabilities are intended to result in best estimate liabilities which are sufficient to cover any liabilities arising out of insurance contracts so far as can reasonably be foreseen.

For all types of insurance contracts, the Group estimates BEL arising from reported but not settled claims based on the latest information the Group has related to the severity of the claim. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In addition, the Group estimates the ultimate liability arising from claims under life and health insurance contracts that are incurred but not yet reported at the reporting date. The liability is calculated by using standard actuarial methods such as chain-ladder method for life insurance and expected loss ratio method for health insurance. The primary underlying assumption of the chain-ladder method is that historical loss development patterns are indicative of future loss development patterns. The expected loss ratio is the ratio of ultimate losses to earned premiums. The ultimate losses can be calculated as the earned premium multiplied by the expected loss ratio. The total reserve is calculated as the ultimate losses less paid losses.

Sensitivity analysis for life insurance shows that 5% increase in the chain-ladder development factors would increase best estimate liability by GEL 663 thousand (2024: GEL 225 thousand), accordingly 5% decrease in the development factors would decrease best estimate liability by GEL 150 thousand (2024: GEL 159 thousand).

Health insurance is short-tailed business as there is only a two-month limit to report a claim after the occurrence. To calculate BEL for health insurance management uses subsequent period actual claims which are reported before the financial statement reporting date. For the remaining period expert judgement is applied. Medical services received in a limited number of medical institutions may be reported after 2 months from claims occurrence date. Due to immateriality of such claims historically, no actuarial method is used, instead expert judgement is applied.

Management believes that the BEL set up is adequate and there will be no need of additional reserve requirements.

Geographical risk concentrations

Assets, liabilities, credit related commitments and performance guarantees have generally been attributed to geographic regions based on the country in which the counterparty is located. Balances legally outstanding to/from offshore companies which are closely related to Georgian counterparties are allocated to the caption "Georgia". Cash on hand and premises and equipment have been allocated based on the country in which they are physically held.

Tables below include geographical concentration by country of incorporation. Loans and advances to Uzbekistan, OECD and Non-OECD resident customers, as well as to Georgian customers, are issued to the entities most of which are based and performing in Georgia.

Notes to the consolidated and separate financial statements continued

37. Financial and Other Risk Management continued

The geographical concentration of the Group's assets and liabilities as of 31 December 2025 is set out below by country of incorporation:

<i>In thousands of GEL</i>	Georgia	Uzbekistan	OECD	Non-OECD	Total
Assets					
Cash and cash equivalents	1,236,590	225,337	885,941	15,715	2,363,583
Reverse repurchase receivables	-	-	184,979	-	184,979
Due from other banks	90,602	40,708	11,814	26	143,150
Mandatory cash balances with NBG	2,357,950	-	-	-	2,357,950
Loans and advances to customers	25,760,491	2,106,626	522,646	332,584	28,722,347
Investment securities	3,040,660	484,994	2,489,429	236,467	6,251,550
Repurchase receivables	101,648	-	-	-	101,648
Finance lease receivables	597,235	245,201	-	-	842,436
Other financial assets	348,542	10,225	33,693	453	392,913
Total financial assets	33,533,718	3,113,091	4,128,502	585,245	41,360,556
Non-financial assets	2,268,282	298,158	12,899	594	2,579,933
Total assets	35,802,000	3,411,249	4,141,401	585,839	43,940,489
Liabilities					
Due to credit institutions	3,428,729	48,863	3,664,605	231,431	7,373,628
Customer accounts	20,122,580	1,502,313	1,273,325	2,761,840	25,660,058
Debt securities in issue	518,923	39,971	448,679	-	1,007,573
Additional Tier 1 capital subordinated notes	-	-	1,020,473	-	1,020,473
Other financial liabilities	461,309	38,015	160,781	159	660,264
Lease liabilities	83,698	55,992	-	-	139,690
Subordinated debt	156,371	-	753,928	-	910,299
Redemption liability	-	-	506,906	88,638	595,544
Total financial liabilities	24,771,610	1,685,154	7,828,697	3,082,068	37,367,529
Non-financial liabilities	195,783	29,338	651	721	226,493
Total liabilities	24,967,393	1,714,492	7,829,348	3,082,789	37,594,022
Net balance sheet position	10,834,607	1,696,757	(3,687,947)	(2,496,950)	6,346,467
Performance guarantees	1,232,054	-	519,037	102,075	1,853,166
Undrawn credit lines	573,049	172,514	1,082	823	747,468
Letters of credit issued	150,283	-	-	-	150,283
Financial guarantees issued	517,960	-	1,598	9,347	528,905

37. Financial and Other Risk Management continued

The geographical concentration of the Group's assets and liabilities as of 31 December 2024 is set out below by country of incorporation:

<i>In thousands of GEL</i>	Georgia	Uzbekistan	OECD	Non-OECD	Total
Assets					
Cash and cash equivalents	1,253,315	218,734	1,525,239	50,113	3,047,401
Due from other banks	34,568	-	10,907	23	45,498
Mandatory cash balances with NBG	2,576,731	-	-	-	2,576,731
Loans and advances to customers	23,464,645	1,496,454	439,607	283,092	25,683,798
Investment securities	2,862,085	155,135	1,926,150	595,106	5,538,476
Repurchase receivables	-	-	140,058	-	140,058
Finance lease receivables	429,435	179,659	-	3,226	612,320
Other financial assets	272,175	8,094	126,409	29,896	436,574
Total financial assets	30,892,954	2,058,076	4,168,370	961,456	38,080,856
Non-financial assets	1,905,584	159,197	12,064	2,765	2,079,610
Total assets	32,798,538	2,217,273	4,180,434	964,221	40,160,466
Liabilities					
Due to credit institutions	3,966,076	323,908	2,724,140	616,726	7,630,850
Customer accounts	17,762,242	1,055,758	1,396,081	2,649,752	22,863,833
Debt securities in issue	411,247	36,817	-	-	448,064
Additional Tier 1 capital subordinated notes	1,062,119	-	-	-	1,062,119
Other financial liabilities	364,302	25,725	85,975	141	476,143
Lease liabilities	88,093	18,813	-	1,057	107,963
Subordinated debt	162,552	-	843,508	142,314	1,148,374
Redemption liability	-	-	473,528	-	473,528
Total financial liabilities	23,816,631	1,461,021	5,523,232	3,409,990	34,210,874
Non-financial liabilities	181,604	27,175	657	1,147	210,583
Total liabilities	23,998,235	1,488,196	5,523,889	3,411,137	34,421,457
Net balance sheet position	8,800,303	729,077	(1,343,455)	(2,446,916)	5,739,009
Performance guarantees	1,434,027	-	471,593	85,500	1,991,120
Undrawn credit lines	612,776	-	1,309	1,106	615,191
Letters of credit issued	242,968	-	-	1,179	244,147
Financial guarantees issued	557,239	-	1,149	2,676	561,064

37. Financial and Other Risk Management continued

The table below presents the geographical concentration of certain assets and liabilities reported in the separate statement of financial position of TBC Bank Group PLC as of 31 December 2025, categorized by country of incorporation:

<i>In thousands of GEL</i>	Georgia	Uzbekistan	OECD	Non-OECD	Total
Assets					
Cash and cash equivalents	110,430	-	1,104	-	111,534
Loans to subsidiaries	-	588,292	-	-	588,292
Liabilities					
Other financial liabilities	132,345	1,158	120,783	148	254,434
Debt securities in issue	292,764	-	405,933	-	698,697

The table below presents the geographical concentration of certain assets and liabilities reported in the separate statement of financial position of TBC Bank Group PLC as of 31 December 2024, categorized by country of incorporation:

<i>In thousands of GEL</i>	Georgia	Uzbekistan	OECD	Non-OECD	Total
Assets					
Cash and cash equivalents	66,882	-	2,449	-	69,331
Loans to subsidiaries	-	150,305	-	-	150,305
Liabilities					
Other financial liabilities	6,109	-	-	-	6,109
Debt securities in issue	303,674	-	-	-	303,674

Market risk. Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. Management sets risk appetite limits on the value of risk that may be accepted, which is monitored on a regular basis. These limits provide buffers over regulatory limits, ensuring early detection of potential losses in the event of more significant market movements.

Currency risk. Foreign exchange rate risk arises from the potential change in foreign currency exchange rates, which can affect the value of a financial instrument. This risk stems from the open currency positions created due to mismatches in foreign currency assets and liabilities. The NBG requires the Bank to monitor both balance sheet and total aggregate (including off-balance sheet) open currency positions and to maintain the later one within 20% of the Bank's regulatory capital. The Asset-Liability Management Committee ("ALCO") has set limits on the level of exposure by currency as well as on aggregate exposure positions which are more conservative than those set by the NBG. The Bank's compliance with such limits is monitored daily by the heads of the Treasury department and Financial Risk Management division.

Currency risk management framework is governed through the Foreign Exchange Risk Management Policy. The table below summarises the Group's exposure to foreign currency exchange rate risk at the balance sheet date. While managing open currency position the Group considers part of the provisions to be denominated in the USD, Euro and other currencies. Gross amount of currency swap deposits is included in Derivatives. Therefore, total financial assets and liabilities below are not traceable with either balance sheet or liquidity risk management tables, where net amount of gross currency swaps is presented.

37. Financial and Other Risk Management continued

The Group's exposure to foreign currency exchange rate risk as at 31 December 2025:

<i>In thousands of GEL</i>	Monetary financial assets	Monetary financial liabilities	Derivatives	Net position
GEL	20,392,825	16,423,043	206,533	4,176,315
USD	12,020,714	13,463,640	1,134,272	(308,654)
EUR	5,576,135	4,178,296	(1,404,403)	(6,564)
UZS	3,006,066	2,471,886	(20,094)	514,086
Other	364,816	249,191	(10,813)	104,812
Total	41,360,556	36,786,056	(94,505)	4,479,995

The Group's exposure to foreign currency exchange rate risk as at 31 December 2024:

<i>In thousands of GEL</i>	Monetary financial assets	Monetary financial liabilities	Derivatives	Net position
GEL	18,097,799	15,162,913	1,167,218	4,102,104
USD	13,003,588	13,659,391	499,033	(156,770)
EUR	4,831,363	3,326,042	(1,499,194)	6,127
UZS	2,031,195	1,451,272	(103,428)	476,495
Other	116,911	155,590	55,676	16,997
Total	38,080,856	33,755,208	119,305	4,444,953

USD strengthening by 15% (weakening 15%) would decrease Group's profit or loss and equity in 2025 by GEL 46,298 thousand (increase by GEL 46,298 thousand). Euro strengthening by 15% (weakening 15%) would decrease Group's profit or loss and equity in 2025 by GEL 985 thousand (increase by GEL 985 thousand).

USD strengthening by 15% (weakening 15%) would decrease Group's profit or loss and equity in 2024 by GEL 23,516 thousand (increase by GEL 23,516 thousand). Euro strengthening by 15% (weakening 15%) would increase Group's profit or loss and equity in 2024 by GEL 919 thousand (decrease by GEL 919 thousand).

Interest rate risk. Interest rate risk arises from potential changes in the market interest rates that can adversely affect the fair value or future cash flows of the financial instrument. This risk can arise from maturity mismatches of assets and liabilities, as well as from the re-pricing characteristics of such assets and liabilities.

The biggest share of the Bank's deposits is at fixed interest rates, while more than half of the Bank's borrowings is at a floating interest rate. In addition, the Bank actively uses floating and combined¹ interest rate structures in its loan portfolio. In case of need, the Bank also applies for interest rate risk hedging instruments in order to mitigate interest rate risk. Furthermore, many of the Bank's loans to customers contain a clause allowing it to adjust the interest rate on the loan in case of adverse interest rate movements, thereby limiting the Bank's exposure to interest rate risk. The management also believes that the Bank's interest rate margins provide a reasonable buffer to mitigate the effect of possible adverse interest rate movements.

¹ In case of combined interest rates, interest rate is fixed for a pre-agreed term, and switches to floating interest rate after the term passes.

37. Financial and Other Risk Management continued

The Group employs an advanced framework for the management of interest rate risk by establishing appropriate Risk Appetite limits, monitoring compliance with them and preparing forecasts. From September 2020 the NBG introduced regulation on interest rate risk and set the limit for Economic Value of Equity (EVE) sensitivity at 15% of NBG Tier 1 Capital. The main principles and assumptions of NBG IRR methodology are in line with Basel standards developed for IRR management purposes.

According to NBG guidelines the net interest income sensitivity under parallel shifts of interest rate scenarios is maintained for monitoring purposes, while EVE sensitivity is calculated under 6 predefined stress scenarios of interest rate changes and the limit is applied to the worst-case scenario result.

Interest rate risk is managed by the Balance Sheet Management division and is monitored by the ALCO, which decides on actions that are necessary for effective interest rate risk management and follows up on their implementation. Financial and Capital Risk Management (FCRM) division is responsible for developing procedures, policy document and setting risk appetite for interest rate risk. The major aspects of interest rate risk management development and the respective reporting are periodically provided to the Management Board, the Supervisory Board's Risk Committee.

Following main assumptions under NBG IRR Regulation and Basel 2016 guidelines, at 31 December, 2025, if market interest rates for each currency had been 200 basis points higher, with all other variables held constant, profit would have been equivalent GEL 3 million lower, mainly as a result of relatively closed NII gaps (2024: GEL 14 million lower). If market interest rates for each currency at 31 December, 2025 had been 200 basis points lower with all other variables held constant, profit for the year would have been equivalent GEL 6 million higher, mainly as a result of relatively closed NII gaps (2024: GEL 11 million higher). Compared to the last year, in 2025 in both scenarios the effects have been muted due to the relatively closed NII gaps.

At 31 December, 2025, if interest rates had been 200 basis points lower, with all other variables held constant, other comprehensive income would have been GEL 241 million higher (2024: GEL 100 million), as a result of an increase in the fair value of fixed rate financial assets measured at fair value through other comprehensive income and repurchase receivables. If interest rates at 31 December, 2025 had been 200 basis points higher with all other variables held constant, Other comprehensive income would have been GEL 241 million lower (2024: GEL 100 million), as a result of decrease in the fair value of fixed rate financial assets measured at fair value through other comprehensive income.

Liquidity Risk. The liquidity risk is the risk that TBC Bank either does not have sufficient financial resources available to meet all its obligations and commitments as they fall due or can access those resources only at a high cost. The risk is managed by the Balance Sheet Management division and Treasury Department and is monitored by the ALCO, within their pre-defined functions. FCRM is responsible for developing procedures, policy document and setting risk appetite on funding and market liquidity risk management. In addition, FCRM performs liquidity risk assessment and communicates the results to the MB and Risk Committee of the Supervisory Board on a regular basis.

The principal objectives of the TBC Bank's liquidity risk management policy are to: (i) ensure the availability of funds in order to meet claims arising from total liabilities and off-balance sheet commitments, both actual and contingent, at an economic price; (ii) recognise any structural mismatch existing within TBC Bank's statement of financial position and set monitoring ratios to manage funding in line with well-balanced growth; and (iii) monitor liquidity and funding on an on-going basis to ensure that approved business targets are met without compromising the risk profile of the Bank.

The liquidity risk is categorized into two risk types: the funding liquidity risk and the market liquidity risk.

37. Financial and Other Risk Management continued

Funding liquidity risk is the risk that TBC will not be able to efficiently meet both expected and unexpected current and future cash flow and collateral needs without affecting either its daily operations or its financial condition. To manage funding liquidity risk TBC Bank uses the Liquidity Coverage ratio and the Net Stable Funding ratio set, forth under Basel III, and defined further by the NBG. In addition, the Bank performs stress tests and "what-if" scenario analysis. For NBG LCR the limits are set by currency (GEL, FC, Total). TBC monitors compliance with NBG LCR limits on a daily basis. On a monthly basis the Bank also monitors compliance with the set limit for NBG NSFR.

The Liquidity Coverage Ratio is used to help manage short-term liquidity risks. The Bank's liquidity risk management framework is designed to comprehensively project cash flows arising from assets, liabilities and off-balance sheet items over certain time buckets and ensure that NBG LCR limits, are met daily.

The Net Stable Funding ratio is used for long-term liquidity risk management to promote resilience over a longer time horizon by creating additional incentives for TBC Bank to rely on more stable sources of funding on a continuous basis. The Bank also monitors deposit concentration for large deposits and sets the limits for non-Georgian resident's deposits share in total deposit portfolio.

The Bank relies on relatively stable deposits from Georgia as the main source of funding. In order to maintain and further enhance the liability structure TBC Bank sets the targets for deposits and IFI funding within the Bank's risk appetite.

The Bank's liquidity position was strong as of 31 December 2025, both LCR and NSFR ratios above the NBG minimum requirements of 100%.

Maturity analysis. The table below summarizes the maturity analysis of the Group's financial liabilities, based on remaining undiscounted contractual obligations as of 31 December 2025 subject-to-notice repayments are treated as if notice were to be given immediately. However, the Group expects that many customers will not request repayment on the earliest date the Group could be required to pay and the table does not reflect the expected cash flows indicated by the Group's deposit retention history.

37. Financial and Other Risk Management continued

The maturity analysis of undiscounted financial liabilities as of 31 December 2025 is as follows:

<i>In thousands of GEL</i>	Less than 3 months	From 3 to 12 months	From 1 to 5 years	Over 5 years	Total
Due to credit institutions	3,167,060	1,375,495	3,362,218	108,639	8,013,412
Customer accounts – individuals	8,929,669	3,824,183	1,489,340	67,500	14,310,692
Customer accounts – other	8,435,398	1,151,588	2,542,979	336,221	12,466,186
Other financial liabilities	456,772	146,430	58,995	-	662,197
Lease liabilities	18,796	48,003	149,802	81,718	298,319
Subordinated debt	28,930	54,853	407,824	970,988	1,462,595
Debt securities in issue	127,986	307,098	864,656	-	1,299,740
Additional Tier 1 capital subordinated notes	8,949	91,651	317,377	1,010,663*	1,428,640
Redemption liability	-	-	818,155	-	818,155
Derivative financial instruments:					
-Inflows	(627,163)	(1,084,354)	(738,376)	-	(2,449,893)
-Outflows	634,754	1,174,714	778,676	-	2,588,144
Performance guarantees	1,880,027	-	-	-	1,880,027
Financial guarantees	533,362	-	-	-	533,362
Letters of credit	25,123	130,679	18,486	-	174,288
Undrawn credit lines	747,469	-	-	-	747,469
Total potential future payments for financial obligations	24,367,132	7,220,340	10,070,132	2,575,729	44,233,333

37. Financial and Other Risk Management continued

The maturity analysis of undiscounted financial liabilities as of 31 December 2024 is as follows:

<i>In thousands of GEL</i>	Less than 3 months	From 3 to 12 months	From 1 to 5 years	Over 5 years	Total
Due to credit institutions	4,119,214	1,001,998	2,914,665	129,029	8,164,906
Customer accounts – individuals	8,357,428	3,017,632	1,145,095	37,905	12,558,060
Customer accounts – other	8,470,458	542,201	1,808,943	93,607	10,915,209
Other financial liabilities	396,005	70,723	9,415	-	476,143
Lease liabilities	13,988	36,601	102,967	23,359	176,915
Subordinated debt	31,157	84,183	659,124	1,118,968	1,893,432
Debt securities in issue	5,346	46,500	455,092	20,144	527,082
Additional Tier 1 capital subordinated notes	9,321	95,651	419,888	1,051,972*	1,576,832
Redemption liability	-	-	604,766	-	604,766
Derivative financial instruments:					
-Inflows	(2,440,676)	(1,204,395)	(127,835)	-	(3,772,906)
-Outflows	2,496,157	1,234,019	134,912	-	3,865,088
Performance guarantees	2,027,714	-	-	-	2,027,714
Financial guarantees	566,230	-	-	-	566,230
Letters of credit	121,989	143,145	15,200	-	280,334
Undrawn credit lines	615,191	-	-	-	615,191
Total potential future payments for financial obligations	24,789,522	5,068,258	8,142,232	2,474,984	40,474,996

*These amounts represent discounted perpetual payments.

The undiscounted financial liability gap analysis does not reflect the historical stability of the current accounts. Their liquidation has historically taken place over a longer period than the one indicated in the tables above. These balances are included in amounts due in less than three months in the tables above. Accordingly, the table does not reflect the Management's expectations as to actual cash outflows.

Term deposits included in the customer accounts are classified based on remaining contractual maturities, however, according to the Georgian Civil Code, individuals have the right to withdraw their deposits prior to maturity, if they partially or fully forfeit their right to accrued interest and the Group is obliged to repay such deposits upon the depositor's demand. Based on the Bank's deposit retention history, the Management does not expect that many customers will require repayment on the earliest possible date.

The Group does not use the above undiscounted maturity analysis to manage liquidity as it shows contractual terms purely and disregard the actual expected behaviour of the instruments. Instead, the Group monitors the liquidity gap analysis based on the expected maturities. Expected maturities disclosure include customers' deposits and contingent liabilities according to their behavioural analysis, while for undiscounted cash flow disclosure purposes, demand deposits are put in on demand bucket.

Notes to the consolidated and separate financial statements continued

37. Financial and Other Risk Management continued

The maturity analysis of certain undiscounted assets and liabilities reported in the separate statement of financial position of TBC Bank Group PLC as of 31 December 2025 and 31 December 2024 is as follows:

<i>In thousands of GEL</i>	Less than 3 months	From 3 to 12 months	From 1 to 5 years	Over 5 years	Total
As of 31 December 2025					
Other financial liabilities	120,395	7,822	204,334	-	332,551
Debt securities in issue	42,781	251,166	636,688	-	930,635
As of 31 December 2024					
Other financial liabilities	5,471	638	-	-	6,109
Debt securities in issue	2,452	20,371	321,707	-	344,530

As at 31 December 2025 the analysis by expected maturities of financial assets is as follows:

<i>In thousands of GEL</i>	Less than 3 months	From 3 to 12 months	From 1 to 5 years	Over 5 years	Total
Cash and cash equivalents	2,363,583	-	-	-	2,363,583
Reverse repurchase receivables	-	184,979	-	-	184,979
Due from other banks	6,960	84,548	50,976	666	143,150
Mandatory cash balances with NBG	2,357,950	-	-	-	2,357,950
Loans and advances to customers	3,001,106	5,935,376	12,915,770	6,870,095	28,722,347
Investment securities	5,996,848	161,708	92,994	-	6,251,550
Repurchase receivables	101,648	-	-	-	101,648
Finance lease receivables	173,968	242,380	343,959	82,129	842,436
Other financial assets	308,749	48,303	35,795	66	392,913
Total financial assets	14,310,812	6,657,294	13,439,494	6,952,956	41,360,556

As at 31 December 2024 the analysis by expected maturities of financial assets is as follows:

<i>In thousands of GEL</i>	Less than 3 months	From 3 to 12 months	From 1 to 5 years	Over 5 years	Total
Cash and cash equivalents	3,047,401	-	-	-	3,047,401
Due from other banks	40	15,928	28,882	648	45,498
Mandatory cash balances with NBG	2,576,731	-	-	-	2,576,731
Loans and advances to customers	2,578,492	4,889,780	11,538,840	6,676,686	25,683,798
Investment securities	5,411,768	122,153	4,549	6	5,538,476
Repurchase receivables	-	140,058	-	-	140,058
Finance lease receivables	59,723	92,320	395,665	64,612	612,320
Other financial assets	354,687	66,775	15,112	-	436,574
Total financial assets	14,028,842	5,327,014	11,983,048	6,741,952	38,080,856

37. Financial and Other Risk Management continued

As at 31 December 2025 the analysis by expected maturities is as follows:

<i>In thousands of GEL</i>	Less than 3 months	From 3 to 12 months	Over 1 years	Total
Total financial assets	14,310,812	6,657,294	20,392,450	41,360,556
Due to credit institutions	3,151,464	1,278,031	2,944,133	7,373,628
Customer accounts	2,080,276	871,365	22,708,417	25,660,058
Debt securities in issue	125,295	281,639	600,639	1,007,573
Additional Tier 1 capital subordinated notes	8,869	86,420	925,184	1,020,473
Other financial liabilities	456,835	146,045	57,384	660,264
Lease liabilities	10,149	23,669	105,872	139,690
Subordinated debt	27,163	48,869	834,267	910,299
Redemption liability	-	-	595,544	595,544
Total financial liabilities	5,860,051	2,736,038	28,771,440	37,367,529
Net liquidity gap as of 31 December 2025	8,450,761	3,921,256	(8,378,990)	3,993,027
Cumulative gap as of 31 December 2025	8,450,761	12,372,017	3,993,027	

As at 31 December 2024 the analysis by expected maturities is as follows:

<i>In thousands of GEL</i>	Less than 3 months	From 3 to 12 months	Over 1 years	Total
Total financial assets	14,028,842	5,327,014	18,725,000	38,080,856
Due to credit institutions	4,087,160	820,641	2,723,049	7,630,850
Customer accounts	1,737,651	182,911	20,943,271	22,863,833
Debt securities in issue	5,317	36,462	406,285	448,064
Additional Tier 1 capital subordinated notes	9,236	90,199	962,684	1,062,119
Other financial liabilities	396,006	70,723	9,414	476,143
Lease liabilities	8,914	22,461	76,588	107,963
Subordinated debt	21,853	8,591	1,117,930	1,148,374
Redemption liability	-	-	473,528	473,528
Total financial liabilities	6,266,137	1,231,988	26,712,749	34,210,874
Net liquidity gap as of 31 December 2024	7,762,705	4,095,026	(7,987,749)	3,869,982
Cumulative gap as of 31 December 2024	7,762,705	11,857,731	3,869,982	

37. Financial and Other Risk Management *continued*

The analysis of expected maturities of certain assets and liabilities reported in the separate statement of financial position of TBC Bank Group PLC as of 31 December 2025 and 31 December 2024 is as follows:

<i>In thousands of GEL</i>	Less than 3 months	From 3 to 12 months	From 1 to 5 years	Over 5 years	Total
As of 31 December 2025					
<i>Assets</i>					
Loans to subsidiaries	8,552	97,219	482,521	-	588,292
<i>Liabilities</i>					
<i>Other financial liabilities</i>	119,048	6,532	128,854	-	254,434
Debt securities in issue	42,117	233,641	422,939	-	698,697
As of 31 December 2024					
<i>Assets</i>					
Loans to subsidiaries	-	-	150,305	-	150,305
<i>Liabilities</i>					
Other financial liabilities	5,471	638	-	-	6,109
Debt securities in issue	2,427	19,364	281,883	-	303,674

The Management believes that the Group has sufficient liquidity to meet its current on and off-balance sheet obligations.

38. Contingencies and Commitments

Legal and regulatory matters. When determining the level of provision to be set up with regards to such matters, or the amount (not subject to provisioning) to be disclosed in the financial statements, the management seeks both internal and external professional advice. The management believes that the provision recorded in these consolidated financial statements is adequate and the amount (not subject to provisioning) need not be disclosed as it will not have a material adverse effect on the financial condition or the results of future operations of the Group.

Tax legislation. Georgian and Uzbekistan tax and customs legislation is subject to varying interpretations, and changes, which can occur frequently. The management's interpretation of the legislation as applied to the Group's transactions and activity may be challenged by the relevant authorities. In both Uzbekistan and Georgia, the period of limitation for tax review is generally three years. To respond to the risks, the Group has engaged external tax specialists to carry out periodic reviews of Group's taxation policies and tax filings. The Group's management believes that its interpretation of the relevant legislation is appropriate, and the Group's tax and customs positions will be substantially sustained.

Compliance with covenants. The Group is subject to certain financial and non-financial covenants primarily related to its borrowed funds. These borrowings are subject to covenant requirements. Non-compliance with such covenants may result in negative consequences for the Group including mandatory prepayment and declaration of default. The Group was in compliance with all covenants as of 31 December 2025 and 31 December 2024.

Group's financial covenants mainly consist of the following major sub-categories. The key covenants within each category, together with their respective compliance status, are disclosed below.

Covenant Description	Status
Liquidity	
Net Stable Funding Ratio (NSFR)	Complied
Liquidity Coverage Ratio (LCR)	Complied
Net loan to deposit and funding ratio	Complied
Capital Adequacy	
Tier 1 capital ratio	Complied
Total capital ratio	Complied
Asset Quality	
Open Credit Exposure Ratio	Complied
Par 90 to Gross Loan portfolio	Complied
Net Problem assets to total capital	Complied
Open Loan Position	Complied
Credit Concentration	
Related Party Exposure Ratio	Complied
Largest Group Exposure Ratio	Complied
Foreign Exchange Risk	
Single Currency Foreign Exchange Risk Ratio	Complied
Aggregate Foreign Exchange Risk Ratio	Complied
Short Foreign Exchange Position	Complied

For all financial covenants the group monitors risks related to its potential breach.

38. Contingencies and Commitments continued

Management of Capital. The Bank manages capital requirements under regulatory rules. The Bank complied with all its imposed capital requirements for the years 2025 and 2024. Based on information provided internally to key management personnel, the amount of capital that the Bank managed (the Bank's total equity adjusted for regulatory corrections) was GEL 5,222,768 thousand as of 31 December 2025 (2024: GEL 4,843,167 thousand), regulatory Tier 1 capital amounts to GEL 6,233,431 thousand (2024: GEL 5,895,717 thousand), total regulatory capital amounts to GEL 7,072,885 thousand (2024: GEL 6,861,963 thousand).

UZ Bank manages capital requirements under regulatory rules. UZ Bank complied with all its imposed capital requirements for the years 2025 and 2024. Based on information provided internally to key management personnel, the amount of capital that the UZ Bank managed (UZ Bank's total equity adjusted for regulatory corrections) was UZS 2,502,984,171 thousand as of 31 December 2025 (2024: UZS 2,389,155,709 thousand), regulatory Tier 1 capital amounts to UZS 2,502,984,171 thousand (2024: UZS 2,389,155,709 thousand), total regulatory capital amounts to UZS 2,593,554,585 thousand (2024: UZS 2,520,739,144 thousand).

TBC Sug'urta manages its capital to ensure compliance with regulatory requirements and to maintain financial stability. In accordance with Presidential Resolution No. PP-108 dated 1 March 2024, the Company's charter capital exceeds the applicable minimum threshold. Additionally, in line with Order of the Minister of Finance of the Republic of Uzbekistan No. 1806 dated 12 May 2008, the Company maintains a solvency margin in full compliance with regulatory standards, supporting its ability to meet insurance obligations.

On 16 September 2016, ISSSG (Insurance State Supervision Service of Georgia) issued directives N°15 and N°16 on the determination of the Regulatory Solvency Margin ("RSM") and Regulatory Capital, respectively. The laws also impose the requirements on maintaining minimum Regulatory Capital benchmarking against RSM. JSC TBC Insurance was in compliance with capital requirements set by ISSSG during 2024 and 2025.

Credit related commitments and financial guarantees. The primary purpose of these instruments is to ensure that funds are available to a customer as required. Financial guarantees and standby letters of credit, which represent the irrevocable assurances that the Group will make payments in the event that a customer cannot meet its obligations to third parties, carry the same credit risk as loans. Documentary and commercial letters of credit, that are underwritten by the Group on behalf of a customer authorizing a third party to draw drafts on the Group up to a stipulated amount under specific terms and conditions, are collateralized by the underlying shipments of goods to which they relate or cash deposits and therefore carry less risk than a direct borrowing. Commitments to extend credit represent unused portions of authorisations to prolong credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Group is potentially exposed to a loss in an amount equal to the total unused commitments.

38. Contingencies and Commitments continued

However, the likely amount of loss is lower than the total unused commitments since most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Group monitors the term to maturity of credit related commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term ones.

As of 31 December 2025, outstanding credit related commitments presented by stages are as follows:

<i>In thousands of GEL</i>	Stage 1	Stage 2	Stage 3
Undrawn credit lines	728,693	13,408	5,367
Letters of credit issued	149,331	952	-
Financial guarantees issued	519,839	8,950	116
Total credit related commitments before ECL	1,397,863	23,310	5,483
Credit loss allowance for credit related commitments			
Undrawn credit lines	(1,677)	(145)	-
Letters of credit issued	(178)	(1)	-
Financial guarantees issued	(668)	-	(14)
Credit loss allowance for credit related commitments	(2,523)	(146)	(14)

As of 31 December 2024, outstanding credit related commitments presented by stages are as follows:

<i>In thousands of GEL</i>	Stage 1	Stage 2	Stage 3
Undrawn credit lines	587,473	22,296	5,422
Letters of credit issued	244,147	-	-
Financial guarantees issued	558,990	2,001	73
Total credit related commitments before ECL	1,390,610	24,297	5,495
Credit loss allowance for credit related commitments			
Undrawn credit lines	(1,662)	(146)	-
Letters of credit issued	(327)	-	-
Financial guarantees issued	(762)	-	-
Credit loss allowance for credit related commitments	(2,751)	(146)	-

Notes to the consolidated and separate financial statements *continued*

38. Contingencies and Commitments *continued*

The credit quality of contingencies and commitments is as follows at 31 December 2025:

<i>In thousands of GEL</i>	Stage 1	Stage 2	Stage 3	Total
<i>Undrawn credit lines risk category</i>				
- Very low	680,949	1,862	238	683,049
- Low	40,685	6,518	79	47,282
- Moderate	7,035	3,548	62	10,645
- High	24	1,480	58	1,562
- Default	-	-	4,930	4,930
Carrying amount	728,693	13,408	5,367	747,468
Credit loss allowance	(1,677)	(145)	-	(1,822)
<i>Letters of credit issued risk category</i>				
- Very low	149,331	-	-	149,331
- Low	-	-	-	-
- Moderate	-	952	-	952
- High	-	-	-	-
- Default	-	-	-	-
Carrying amount	149,331	952	-	150,283
Credit loss allowance	(178)	(1)	-	(179)
<i>Financial guarantees issued risk category</i>				
- Very low	516,437	-	-	516,437
- Low	2,974	8,655	-	11,629
- Moderate	428	245	-	673
- High	-	50	-	50
- Default	-	-	116	116
Carrying amount	519,839	8,950	116	528,905
Credit loss allowance	(668)	-	(14)	(682)

38. Contingencies and Commitments *continued*

The credit quality of contingencies and commitments is as follows at 31 December 2024:

<i>In thousands of GEL</i>	Stage 1	Stage 2	Stage 3	Total
<i>Undrawn credit lines risk category</i>				
- Very low	545,410	890	-	546,300
- Low	37,283	15,650	-	52,933
- Moderate	4,779	4,811	-	9,590
- High	1	945	-	946
- Default	-	-	5,422	5,422
Carrying amount	587,473	22,296	5,422	615,191
Credit loss allowance	(1,662)	(146)	-	(1,808)
<i>Letters of credit issued risk category</i>				
- Very low	244,147	-	-	244,147
- Low	-	-	-	-
- Moderate	-	-	-	-
- High	-	-	-	-
- Default	-	-	-	-
Carrying amount	244,147	-	-	244,147
Credit loss allowance	(327)	-	-	(327)
<i>Financial guarantees issued risk category</i>				
- Very low	558,463	-	-	558,463
- Low	406	1,735	-	2,141
- Moderate	121	266	-	387
- High	-	-	-	-
- Default	-	-	73	73
Carrying amount	558,990	2,001	73	561,064
Credit loss allowance	(762)	-	-	(762)

38. Contingencies and Commitments *continued*

The total outstanding contractual amount of undrawn credit lines, letters of credit, and guarantees does not necessarily represent future cash requirements, as these financial instruments may expire or terminate without being funded. Non-cancellable commitments as of 31 December 2025 were GEL 290,536 thousand (2024: GEL 234,369 thousand).

Performance guarantees. Performance guarantees are contracts that provide compensation in case of another party fails to perform a contractual obligation.

As of 31 December 2025, outstanding performance guarantees presented by stages are as follows:

<i>In thousands of GEL</i>	Stage 1	Stage 2	Stage 3
Outstanding amount	1,802,410	47,492	3,264
Credit loss allowance	(2,294)	(971)	(327)

As of 31 December 2024, outstanding performance guarantees presented by stages are as follows:

<i>In thousands of GEL</i>	Stage 1	Stage 2	Stage 3
Outstanding amount	1,968,360	18,617	4,143
Credit loss allowance	(2,705)	(9)	(2,389)

The credit quality of performance guarantees is as follows at 31 December 2025:

<i>In thousands of GEL</i>	Stage 1	Stage 2	Stage 3	Total
Performance guarantees risk category				
- Very low	1,795,024	-	-	1,795,024
- Low	6,448	24,149	-	30,597
- Moderate	938	23,196	-	24,134
- High	-	147	-	147
- Default	-	-	3,264	3,264
Carrying amount	1,802,410	47,492	3,264	1,853,166
Credit loss allowance	(2,294)	(971)	(327)	(3,592)

38. Contingencies and Commitments *continued*

The credit quality of performance guarantees is as follows at 31 December 2024:

<i>In thousands of GEL</i>	Stage 1	Stage 2	Stage 3	Total
Performance guarantees risk category				
- Very low	1,957,824	-	-	1,957,824
- Low	9,237	13,754	-	22,991
- Moderate	1,299	4,838	-	6,137
- High	-	25	-	25
- Default	-	-	4,143	4,143
Carrying amount	1,968,360	18,617	4,143	1,991,120
Credit loss allowance	(2,705)	(9)	(2,389)	(5,103)

Fair value of credit related commitments was GEL 2,683 thousand as of 31 December 2025 (2024: GEL 2,897 thousand).

Total credit related commitments and performance guarantees are denominated in currencies as follows:

<i>In thousands of GEL</i>	2025	2024
GEL	1,566,679	1,736,716
USD	1,001,537	1,025,856
EUR	442,030	546,678
Other	269,576	102,272
Total	3,279,822	3,411,522

Capital expenditure commitments. As of 31 December 2025, the Group has contractual capital expenditure commitments amounting to GEL 188,502 thousand (2024: GEL 128,055 thousand). Out of total amount as at 31 December 2025, contractual commitments related to the head office construction amounted GEL 80,005 thousand (2024: GEL 50,414 thousand).

39. Non-Controlling Interest

Non-controlling interest in TBC Digital JSC

As a result of the Group's reorganisation of its operations in Uzbekistan (refer to Note 26), TBC Digital JSC became the holding company for JSCB TBC Bank and Payme JSC. Following the reorganisation, minority shareholders hold an interest in TBC Digital JSC, resulting in a non-controlling interest of 20.31% as at the date of the transaction.

On the date of the reorganisation, 31 May 2025, the net assets of TBC Digital JSC amounted to GEL 649,955 thousand, of which the share attributable to non-controlling interests was GEL 131,984 thousand. Prior to the reorganisation of the Group's operations in Uzbekistan, non-controlling interests were held directly in JSCB TBC Bank. At the reorganisation date of 31 May 2025, non-controlling interests in JSCB TBC Bank amounted to GEL 175,251 thousand.

As the Group retained control over TBC Digital JSC and its subsidiaries following the reorganisation, the change in the non-controlling interest was accounted for as an equity transaction.

Before the reorganization, in 2024, additional capital injections were made into JSCB TBC Bank. In July 2024, TBC Bank Group PLC and NCI shareholders finalized capital injections on a proportionate basis, injecting GEL 64,465 thousand and GEL 42,634 thousand, respectively.

In December 2024 TBC Bank Group PLC solely made additional capital injections in JSCB TBC Bank increasing the total shareholding to 67.92%. The capital injected amounted to GEL 103,355 thousand. The carrying value of the net assets of JSCB TBC Bank was GEL 546,221 thousand, out of which NCI amounted to GEL 175,236 thousand. Since the Group has already owned 60.24% of the total shareholding (i.e., exercising the control) the decrease in NCI was accounted for as an equity transaction.

Non-controlling interest in Shoppe Group LLC

Following completion of the acquisition of Shoppe Group LLC shares, the non-controlling interest amounted to 47.06% (see Note 26 for further details). At initial recognition, the net assets of Shoppe Group LLC amounted of GEL 9,512 thousand, and the NCI was measured at GEL 4,476 thousand in accordance with the Group's proportionate share policy.

39. Non-Controlling Interest continued

The following table provides information for each subsidiary with a non-controlling interest as of 31 December 2025:

<i>In thousands of GEL</i>	Proportion of non-controlling interest's voting rights held	Profit attributable to non-controlling interest	Accumulated non-controlling interest in the subsidiary
TBC Digital JSC including:	20.31%	21,385	156,677
JSCB TBC Bank	20.31%	18,255	38,333
Payme JSC	20.31%	3,628	1,558
Shoppe Group LLC	47.06%	(157)	4,346
JSC TBC Bank including:	0.12%	1,707	9,979
United Financial Corporation JSC	0.47%	74	335
Total non-controlling interest		22,935	171,002

The summarized financial information of these subsidiaries as at and for the year ended 31 December 2025 was:

<i>In thousands of GEL</i>	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit	Total comprehensive income	Net cash flows
TBC Digital JSC including:	1,750,327	1,739,610	1,419,037	1,299,361	689,176	126,828	147,938	1,593
JSCB TBC Bank	1,700,928	1,653,304	1,405,144	1,275,243	621,390	111,253	127,798	(25,013)
Payme JSC	47,249	86,306	13,570	24,118	67,870	18,020	22,617	26,596
Shoppe Group LLC	3,810	6,554	1,129	-	768	(335)	(311)	3,634
JSC TBC Bank including:	20,005,832	20,167,888	6,849,328	27,405,624	2,636,104	1,333,454	1,282,966	(499,790)
United Financial Corporation JSC	7,804	55,143	3,276	848	31,415	15,844	15,844	1,084

The following table provides information for each subsidiary with a non-controlling interest as of 31 December 2024:

<i>In thousands of GEL</i>	Proportion of non-controlling interest's voting rights held	Profit attributable to non-controlling interest	Accumulated non-controlling interest in the subsidiary
JSCB TBC Bank	32.08%	21,997	175,236
JSC TBC Bank including:	0.12%	1,583	8,273
United Financial Corporation JSC	0.47%	55	252
Total non-controlling interest		23,580	183,509

The summarised financial information of these subsidiaries as at and for the year ended 31 December 2024 was:

<i>In thousands of GEL</i>	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit	Total comprehensive income	Net cash flows
JSCB TBC Bank	1,158,029	1,059,033	684,845	985,995	318,429	54,992	53,963	139,688
JSC TBC Bank including:	18,980,343	18,684,729	7,351,780	24,858,572	2,373,954	1,244,717	1,270,896	(873,122)
United Financial Corporation JSC	6,535	41,472	4,897	1,738	25,101	11,788	11,788	330

40. Offsetting Financial Assets and Financial Liabilities

As of 31 December 2025, financial instruments subject to offsetting, enforceable master netting and similar arrangements were as follows:

	Gross amounts before offsetting in the statement of financial position	Gross amounts set off in the statement of financial position	Net amount after set off in the statement of financial position	Amounts subject to master netting and similar arrangements not set off in the statement of financial position		
	(a)	(b)	(c)=(a)-(b)	Financial instruments	Cash collateral received	Net amount of exposure
<i>In thousands of GEL</i>						
Assets						
- Repurchase receivables	101,648	-	101,648	100,013	-	1,635
- Reverse repurchase receivables	184,979	-	184,979	184,979	-	-
Other financial assets:						
- Receivables on credit card services and money transfers	86,157	967	85,190	35,154	-	50,036
- Derivative financial assets	43,746	-	43,746	24,056	-	19,690
- Derivatives margin	31,506	-	31,506	31,506	-	-
Assets subject to offsetting, master netting and similar arrangement	448,036	967	447,069	375,708	-	71,361
Liabilities						
- Sale and repurchase agreements with other banks	100,013	-	100,013	100,013	-	-
Other financial liabilities:						
- Payables on credit card services and money transfers	36,121	967	35,154	35,154	-	-
- Derivative financial liabilities	138,251	-	138,251	24,056	31,506	82,689
Liabilities subject to offsetting, master netting and similar arrangement	274,385	967	273,418	159,223	31,506	82,689

40. Offsetting Financial Assets and Financial Liabilities continued

As of 31 December 2024, financial instruments subject to offsetting, enforceable master netting and similar arrangements were as follows:

	Gross amounts before offsetting in the statement of financial position	Gross amounts set off in the statement of financial position	Net amount after set off in the statement of financial position	Amounts subject to master netting and similar arrangements not set off in the statement of financial position		
	(a)	(b)	(c)=(a)-(b)	Financial instruments	Cash collateral received	Net amount of exposure
<i>In thousands of GEL</i>						
Assets						
Other financial assets:						
- Receivables on credit card services and money transfers	68,482	963	67,519	20,963	-	46,556
- Derivative financial assets	156,598	-	156,598	71,386	-	85,212
- Derivatives margin	13,501	-	13,501	13,501	-	-
Assets subject to offsetting, master netting and similar arrangement	238,581	963	237,618	105,850	-	131,768
Liabilities						
Other financial liabilities:						
- Payables on credit card services and money transfers	21,926	963	20,963	20,963	-	-
- Derivative financial liabilities	92,182	-	92,182	71,386	13,501	7,295
Liabilities subject to offsetting, master netting and similar arrangement	114,108	963	113,145	92,349	13,501	7,295

The amount set off in the statement of financial position reported in column (b) is the lower of (i) the gross amount before offsetting reported in column (a) and (ii) the amount of the related instrument that is eligible for offsetting. Similarly, the amounts in columns (d) and (e) are limited to the exposure reported in column (c) for each individual instrument in order not to understate the ultimate net exposure.

The disclosure does not apply to loans and advances to customers and related customer deposits unless they are netted-off in the statement of financial position.

41. Derivative Financial Instruments

In the normal course of business, the Group enters various derivative financial instruments, to manage currency, liquidity and interest rate risks and for trading purposes.

<i>In thousands of GEL</i>	2025	2024
Derivative financial assets	43,746	156,598
Derivative financial liabilities	(138,251)	(92,182)
Total	(94,505)	64,416

Foreign Exchange Forwards and swaps

Foreign exchange derivative financial instruments the Group entered are generally traded in an over-the-counter market with professional counterparties on standardised contractual terms and conditions. Derivatives have potentially favourable (assets) or unfavourable (liabilities) conditions because of fluctuations in market interest rates, foreign exchange rates or other variables relative to their terms. The aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time.

The Group enters derivative contracts, primarily cross-currency interest rate swaps, to serve as hedging instruments in fair value hedge relationships, as appropriate to the underlying risk (Refer to Note 32 for more details). As at 31 December 2025, the total fair value of these derivatives included within other financial liabilities amounted to GEL 28,156 thousand and was designated as a hedging instrument (31 December 2024: nil).

41. Derivative Financial Instruments continued

The table below sets out fair values, at the balance sheet date, of currencies receivable or payable under foreign exchange forwards and swaps the Group entered. The table reflects gross positions before the netting of any counterparty positions (and payments) and covers the contracts with settlement dates after the respective balance sheet date.

	2025		2024	
<i>In thousands of GEL</i>	Contracts with positive fair value	Contracts with negative fair value	Contracts with positive fair value	Contracts with negative fair value
Derivative financial instruments: fair values, at balance sheet date				
- USD payable on settlement (-)	(1,024,107)	(117,125)	(671,608)	(3,420,255)
- USD receivable on settlement (+)	101,177	2,174,326	4,283,353	295,301
- GEL payable on settlement (-)	(92,451)	(815,627)	(422,451)	(96,324)
- GEL receivable on settlement (+)	936,892	177,719	691,313	989,519
- EUR payable on settlement (-)	(120,233)	(1,433,741)	(3,546,479)	(187,570)
- EUR receivable on settlement (+)	149,571	-	31,965	2,165,510
- UZS payable on settlement (-)	-	(53,892)	(589)	(110,721)
- UZS receivable on settlement (+)	33,798	-	7,882	-
- Other payable on settlement (-)	(288,357)	(167,759)	(310,064)	(49,584)
- Other receivable on settlement (+)	347,456	97,848	93,276	321,942
Fair value of Derivative financial instruments	43,746	(138,251)	156,598	(92,182)
Net fair value of Derivative financial instruments		(94,505)	64,416	

42. Fair Value Disclosures**(a) Fair value hierarchy**

Fair values of financial instruments are determined to a hierarchy that reflects the observability of significant market inputs. The three levels of the fair value hierarchy are defined as following:

Level 1 - Financial instruments if their value is observable in an active market.

Level 2 - Financial instruments with quoted prices for similar instruments in active markets valued using models with significant observable inputs are classified as level 2.

Level 3 - Financial instruments valued using valuation techniques with significant inputs that are not based on observable market data.

42. Fair Value Disclosures continued**(b) Fair values of financial instruments carried at fair value**

Recurring fair value measurements are those that the accounting standards require or permit in the statement of financial position at the end of each reporting period. The level in the fair value hierarchy into which the recurring fair value measurements are categorised as follows:

<i>In thousands of GEL</i>	31 December 2025				31 December 2024			
	Level 1	Level 2	Level 3	Total fair value	Level 1	Level 2	Level 3	Total fair value
Financial assets carried at fair value								
Investment securities measured at FVTOCI								
Corporate bonds	5,592	1,886,521	-	1,892,113	68,280	1,247,354	-	1,315,634
Foreign government treasury bills	1,101,804	-	-	1,101,804	1,395,638	-	-	1,395,638
Certificates of Deposits of NBG	-	9,893	-	9,893	-	-	-	-
Ministry of Finance of Georgia treasury bills	-	2,730,532	-	2,730,532	-	2,652,100	-	2,652,100
Repurchase receivables	-	101,648	-	101,648	140,058	-	-	140,058
Corporate shares	-	921	236	1,157	-	997	255	1,252
Financial assets measured at FVTPL								
Derivative financial assets	-	43,746	-	43,746	-	156,598	-	156,598
Investment securities measured at FVTPL	-	-	23,859	23,859	-	-	-	-
Total assets recurring fair value measurements	1,107,396	4,773,261	24,095	5,904,752	1,603,976	4,057,049	255	5,661,280
Financial liabilities carried at fair value								
Derivative financial liabilities	-	138,251	-	138,251	-	92,182	-	92,182
Total liabilities recurring fair value measurements	-	138,251	-	138,251	-	92,182	-	92,182

42. Fair Value Disclosures continued**(c) Level 3 fair value measurements**

(i) Movements in Level 3 financial instruments

There were no transfers between levels 1, 2 and 3 during the year ended 31 December 2025 (2024: none).

(ii) Significant unobservable inputs to Level 3 financial instruments

The description of the valuation technique and the description of inputs used in the fair value measurement for level 3 measurements:

	Valuation technique	Significant unobservable inputs	2025 Range		2024 Range		Units
			Min	Max	Min	Max	
Assets carried at fair value							
- Corporate shares	Asset-based approach	Book value per share	1.00	33.00	1.00	33.00	GEL
- Investment securities measured at FVTPL	Discounted cash flow model	Fair value per share	1.021	1.025	-	-	GEL

Investments classified at FVTPL represent TBC Leasing JSC's investments in investment funds. The fair value of these investments is determined based on the market value of the respective funds' net asset values. These investment funds manage portfolios of underlying assets, and the fair value attributable per share held is used to determine the fair value of the investment in each respective fund.

There were no changes in the valuation technique for the level 2 and level 3 recurring fair value measurements during the year ended 31 December 2025 (2024: none).

42. Fair Value Disclosures continued**(d) Assets and liabilities not measured at fair value but for which fair value is disclosed**

Fair values analysed by level in the fair value hierarchy and carrying value of assets not measured at fair value are as follows:

<i>In thousands of GEL</i>	31 December 2025				
	Level 1	Level 2	Level 3	Total fair value	Carrying value
Financial assets					
Cash and cash equivalents	897,946	1,465,637	-	2,363,583	2,363,583
Reverse repurchase receivables	-	184,979	-	184,979	184,979
Due from other banks	-	143,150	-	143,150	143,150
Mandatory cash balances with NBG	-	2,357,950	-	2,357,950	2,357,950
Loans and advances to customers:					
- Corporate loans	-	-	11,241,496	11,241,496	11,266,091
- Consumer loans	-	-	6,073,007	6,073,007	5,955,668
- Mortgage loans	-	-	5,203,132	5,203,132	5,346,854
- Loans to micro, small and medium enterprises	-	-	6,157,464	6,157,464	6,153,734
Bonds carried at amortised cost	39	495,630	-	495,669	492,192
Finance lease receivables	-	-	843,678	843,678	842,436
Other financial assets	-	349,167	-	349,167	349,167
Non-financial assets					
Investment properties, at cost	-	-	18,373	18,373	11,430
Total assets (excluding assets with no fair value hierarchy)	897,985	4,996,513	29,537,150	35,431,648	35,467,234
Financial liabilities					
Customer accounts	-	14,042,539	11,619,776	25,662,315	25,660,058
Debt securities in issue	-	1,027,991	-	1,027,991	1,007,573
Due to credit institutions	-	-	7,373,617	7,373,617	7,373,628
Other financial and lease liabilities	-	661,704	-	661,704	661,703
Subordinated debt	-	-	908,639	908,639	910,299
Additional Tier 1 capital subordinated notes	1,090,446	-	-	1,090,446	1,020,473
Total liabilities (excluding liability with no fair value hierarchy)	1,090,446	15,732,234	19,902,032	36,724,712	36,633,734
Performance guarantees	-	-	3,592	3,592	3,592
Financial guarantees	-	-	682	682	682
Credit related commitments	-	-	2,001	2,001	2,001
Total credit related commitments and performance guarantees	-	-	6,275	6,275	6,275

42. Fair Value Disclosures continued

<i>In thousands of GEL</i>	31 December 2024				
	Level 1	Level 2	Level 3	Total fair value	Carrying value
Financial assets					
Cash and cash equivalents	862,343	2,185,058	-	3,047,401	3,047,401
Reverse repurchase receivables	-	-	-	-	-
Due from other banks	-	45,498	-	45,498	45,498
Mandatory cash balances with NBG	-	2,576,731	-	2,576,731	2,576,731
Loans and advances to customers:					
- Corporate loans	-	-	9,691,963	9,691,963	9,794,792
- Consumer loans	-	-	5,075,473	5,075,473	4,954,861
- Mortgage loans	-	-	5,005,377	5,005,377	5,098,976
- Loans to micro, small and medium enterprises	-	-	5,860,017	5,860,017	5,835,169
Bonds carried at amortised cost	14,128	156,291	-	170,419	173,852
Finance lease receivables	-	-	692,149	692,149	612,320
Other financial assets	-	279,976	-	279,976	279,976
Non-financial assets					
Investment properties, at cost	-	-	17,135	17,135	9,752
Total assets (excluding assets with no fair value hierarchy)	876,471	5,243,554	26,342,114	32,462,139	32,429,328
Financial liabilities					
Customer accounts	-	12,952,215	9,826,927	22,779,142	22,863,833
Debt securities in issue	-	447,449	-	447,449	448,064
Due to credit institutions	-	-	7,630,517	7,630,517	7,630,850
Other financial and lease liabilities	-	491,924	-	491,924	491,924
Subordinated debt	-	-	1,140,070	1,140,070	1,148,374
Additional Tier 1 capital subordinated notes	1,072,019	-	-	1,072,019	1,062,119
Total liabilities (excluding liability with no fair value hierarchy)	1,072,019	13,891,588	18,597,514	33,561,121	33,645,164
Performance guarantees	-	-	5,103	5,103	5,103
Financial guarantees	-	-	762	762	762
Credit related commitments	-	-	2,135	2,135	2,135
Total credit related commitments and performance guarantees	-	-	8,000	8,000	8,000

42. Fair Value Disclosures continued

The carrying amounts of cash and cash equivalents, due from other banks, bonds carried at amortised cost, other financial assets and liabilities, subordinated debt, and credit related commitments and performance guarantees are a reasonable approximation of fair value as they are short-term in nature or reprice to current market rates frequently.

The fair values in the level 2 and level 3 of the fair value hierarchy were estimated using the discounted cash flows valuation technique. The fair value of unquoted fixed interest rate instruments was calculated based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity. The fair value of investment properties was estimated using market comparatives.

Amounts due to credit institutions were discounted at the Group's own incremental borrowing rate. Liabilities due on demand were discounted from the first date that the Group could be required to pay the amount. There were no changes in the valuation technique for the level 2 and level 3 measurements of assets and liabilities not measured at fair values in the year ended 31 December 2025 (2024: none).

Debt securities in issue as reported in the separate statement of financial position of TBC Bank Group PLC as of 31 December 2025, are classified as level 2 financial instruments, with a carrying amount of GEL 698,697 thousand and the fair value of GEL 719,475 thousand (31 December 2024: classified as level 2 with a carrying amount of GEL 303,674 thousand and the fair value of GEL 298,615 thousand).

Loans to subsidiaries, as reported in the separate statement of financial position of TBC Bank Group PLC as of 31 December 2025, are classified as level 3 financial instruments, with a carrying amount of GEL 588,292 thousand, which is considered a reasonable approximation of fair value (31 December 2024: classified as level 3 with a carrying amount of GEL 150,305 thousand).

43. Presentation of Financial Instruments by Measurement Category

The following table provides a reconciliation of classes of financial assets with these measurement categories as of 31 December 2025:

<i>In thousands of GEL</i>	Amortised cost	FVTOCI	FVTPL	Total
Assets				
Cash and cash equivalents	2,363,583	-	-	2,363,583
Reverse repurchase receivables	184,979	-	-	184,979
Due from other banks	143,150	-	-	143,150
Mandatory cash balances with NBG	2,357,950	-	-	2,357,950
Loans and advances to customers	28,722,347	-	-	28,722,347
Investment securities	492,192	5,735,499	23,859	6,251,550
Repurchase receivables	-	101,648	-	101,648
Other financial assets	349,167	-	43,746	392,913
Total financial assets subject to IFRS 9 measurement categories	34,613,368	5,837,147	67,605	40,518,120
Finance lease receivables	-	-	-	842,436
Non-financial assets	-	-	-	2,579,933
Total assets	34,613,368	5,837,147	67,605	43,940,489

The following table provides a reconciliation of classes of financial assets with these measurement categories as of 31 December 2024:

<i>In thousands of GEL</i>	Amortised cost	FVTOCI	FVTPL	Total
Assets				
Cash and cash equivalents	3,047,401	-	-	3,047,401
Due from other banks	45,498	-	-	45,498
Mandatory cash balances with NBG	2,576,731	-	-	2,576,731
Loans and advances to customers	25,683,798	-	-	25,683,798
Investment securities	173,852	5,364,624	-	5,538,476
Repurchase receivables	-	140,058	-	140,058
Other financial assets	279,976	-	156,598	436,574
Total financial assets subject to IFRS 9 measurement categories	31,807,256	5,504,682	156,598	37,468,536
Finance lease receivables	-	-	-	612,320
Non-financial assets	-	-	-	2,079,610
Total assets	31,807,256	5,504,682	156,598	40,160,466

For the measurement purposes, IFRS 9, classifies financial assets into the categories discussed in Note 2.

As of 31 December 2025, and 2024 all of the Group's financial liabilities except for derivatives are carried at amortised cost. Derivatives belong to the assets fair value through profit or loss measurement category under IFRS 9.

44. Related Party Transactions

Pursuant to IAS 24 "Related Party Disclosures", parties are generally considered to be related if the parties are under common control or one party has the ability to control the other or it can exercise significant influence over the other party in taking financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form:

- The key management personnel include members of TBCG's Board of Directors and the Management Board of the Bank.
- Other related parties include close family members such as spouses, children, parents, and siblings of key management personnel and Entities significantly controlled or owned by key management personnel or their close family members.

Transactions between TBC Bank Group PLC and its subsidiaries also meet the definition of related party transactions.

As at 31 December 2025 and 2024 the Group's outstanding balances with related parties were as follows:

<i>In thousands of GEL</i>	Contractual interest rate	Key management personnel	Other related parties	Associates
2025				
Gross amount of loans and advances to customers	4.8%-33.0%	1,961	1,907	-
Customer accounts	0%-13.1%	10,715	34,459	8,145
2024				
Gross amount of loans and advances to customers	4.8%-36.0%	826	1,759	-
Customer accounts	0%-12.2%	14,064	40,185	5,798

The Group's income and expense items with related parties except from key management compensation for the years 2025 and 2024 were as follows:

<i>In thousands of GEL</i>	Key management personnel	Other related parties	Associates
2025			
Interest income - loans and advances to customers	39	118	-
Interest expense	641	1,407	493
Fee and commission income	21	43	3
Administrative and other operating expenses (excluding staff costs)	2,012	-	-
2024			
Interest income - loans and advances to customers	344	115	-
Interest expense	475	835	248
Fee and commission income	17	72	4
Administrative and other operating expenses (excluding staff costs)	2,312	-	-

44. Related Party Transactions *continued*

The aggregate loan amounts disbursed to and repaid by related parties during 2025 and 2024 were as follows:

<i>In thousands of GEL</i>	Key management personnel	Other related parties
2025		
Amounts disbursed to related parties during the year	2,369	2,437
Amounts repaid by related parties during the year	(1,227)	(2,357)
2024		
Amounts disbursed to related parties during the year	2,505	1,662
Amounts repaid by related parties during the year	(7,635)	(1,722)

As of 31 December 2025, and 2024 transactions and balances of TBC Bank Group PLC with subsidiaries were as follows:

<i>In thousands of GEL</i>	Contractual interest rate	Carrying amount
2025		
Cash and cash equivalents	-	110,430
Loans issued*	8%-24.50%	588,292
Investment in subsidiaries	-	2,560,085
Other financial assets	-	97,214
Foreign exchange forward contracts liability	-	35,625
2024		
Cash and cash equivalents	-	66,882
Loans issued*	8.25%- 24.50%	150,305
Investment in subsidiaries	-	2,374,388
Other financial assets	-	769
Foreign exchange forward contracts liability	-	2,860

*Loans issued represent short term intragroup obligation in USD, all of which is classified at stage 1 with no ECL for the separate statement of financial position.

The income and expense items for TBC Bank Group PLC with subsidiaries except from key management compensation for the years 2025 and 2024 were as follows:

<i>In thousands of GEL</i>	2025	2024
Interest income	82,767	15,862
Interest expense	19,347	1,279
Fee and commission expense	15	15
Dividend income	827,601	582,770
Professional Expenses	10,178	2,850
Net losses from currency derivatives, foreign currency operations and translation	18,657	11,837

44. Related Party Transactions *continued*

The movement of investment in subsidiary for separate TBC Bank Group PLC for the year 2025 was as follow:

<i>In thousands of GEL</i>	1 January 2025	Considerations for investments in subsidiaries	Capital injections	Reorganisation of Uzbekistan operations	31 December 2025
JSC TBC Bank	1,452,451	-	-	-	1,452,451
JSC Space	130,503	-	28,500	-	159,003
T Net LLC	87,691	-	11,063	-	98,754
TBC Group support LLC	19,037	-	9,500	-	28,537
TBC Insurance JSC	7,823	-	-	-	7,823
TBC International Holding Limited	16,903	-	6,887	-	23,790
Marjanishvili 7 LLC	244	-	-	-	244
TBC Digital JSC*	41	98,100	-	635,280	733,421
Payme JSC	241,421	-	-	(241,421)	-
JSCB TBC Bank	388,569	-	-	(388,569)	-
Shoppe Group LLC	-	18,998	5,426	-	24,424
Investment in subsidiaries	2,344,683	117,098	61,376	5,290	2,528,447

*In May 2025 the Group completed the reorganisation of the structure of Uzbekistan operations. For more details refer to the note 26.

The movement of investments in subsidiary for separate TBC Bank Group PLC for the year 2024 was as follow:

<i>In thousands of GEL</i>	1 January 2024	Considerations for investments in subsidiaries	Capital injections	Purchase of additional interest from minority shareholders	31 December 2024
JSC TBC Bank	1,452,451	-	-	-	1,452,451
Payme JSC	240,360	-	1,061	-	241,421
JSCB TBC Bank	217,749	-	170,820	-	388,569
JSC Space	84,503	-	46,000	-	130,503
T Net LLC	75,142	-	12,549	-	87,691
TBC Group support LLC	8,200	-	10,837	-	19,037
TBC Insurance JSC	7,823	-	-	-	7,823
TBC International Holding Limited	1,629	-	15,274	-	16,903
Marjanishvili 7 LLC	244	-	-	-	244
TBC Digital JSC	-	-	41	-	41
Investment in subsidiaries	2,088,101	-	256,582	-	2,344,683

44. Related Party Transactions *continued*

The compensation of the TBCG Board of Directors and the Bank's Management Board is presented below:

<i>In thousands of GEL</i>	2025	2024
Salaries and short-term bonuses	19,053	18,974
Equity-settled share-based compensation	28,214	21,736
Total	47,267	40,710

Included In salaries and bonuses for 2025, GEL 4,874 thousand (2024: GEL 4,411 thousand) relates to compensation for TBC Bank Group PLC's non-executive directors (2025: 9 persons, 2024: 8 persons). For 2025, GEL 2,573 thousand (2024: GEL 2,386 thousand) relates to salary expense of non-executive directors for standalone TBC Bank Group PLC.

Details of the director's remuneration are discussed in the remuneration committee report.

45. Events After Reporting Period

On February 19, 2026, TBC Bank Group PLC's board of directors declared 2025 final dividend of GEL 3.87 per share payable in cash (total GEL 213,062 thousand). The record date will be on 22 May 2026, while dividend will be paid on 22 June 2026.

Notes to the consolidated and separate financial statements continued

Appendix A - A full list of related undertakings and the country of incorporation is set out below.

Company Name	Address
JSC TBC Bank	7 Marjanishvili Street, 0102, Tbilisi, Georgia
United Financial Corporation JSC	154 Agmashenebeli Avenue, 0102, Tbilisi, Georgia
TBC Capital LLC	11 Chavchavadze Avenue, 0179, Tbilisi, Georgia
TBC Leasing JSC	76M Chavchavadze Avenue, 0179, Tbilisi, Georgia
TBC Pay LLC	7 Marjanishvili Street, 0102, Tbilisi, Georgia
TBC Invest-Georgia LLC	7 Jabonitsky street, Ramat Gan, 52520, Tel Aviv, Israel
Index LLC	129a Shalva Nutsbidze str, 0186, Tbilisi, Georgia
TBC Insurance JSC	III Floor, 24B, Al. Kazbegi Avenue, 0186, Tbilisi, Georgia
TBC Invest International LLC	7 Marjanishvili Street, 0102, Tbilisi, Georgia
University Development Fund NNLE	1 Chavchavadze Avenue, 0128, Tbilisi, Georgia
JSC Credit Information Bureau 'Creditinfo'	2 Tarkhnishvili street, 0108, Tbilisi, Georgia
VENDOO LLC	Block B, Com.P. N8, 44 Petre Kavtaradze street, 0128, Tbilisi, Georgia
Natural Products of Georgia LLC	Vake district, 0179, Chavchavadze Avenue, I lane #2, apartment 59, Tbilisi, Georgia
Mobi Plus JSC	45 Vazha Pshavela Avenue, 0186, Tbilisi, Georgia
Mineral Oil Distribution Corporation JSC	11 Tskalsadeni Street, 0178, Tbilisi, Georgia
Georgian Card JSC	Ap. N8; Beliashvili Street 53, 0159, Tbilisi Georgia
Georgian Central Securities Depositor JSC	Saburtalo district, Vazha-Pshavela avenue, N 71, office N 7, floor 7, block 10, Tbilisi, Georgia
The Guivy Zaldastanishvili American Academy in Georgia JSC	37a Chavchavadze Avenue, 0179, Tbilisi Georgia
United Clearing Centre JSC	5/1 Sul Khan Saba Street, 0108, Tbilisi, Georgia
Association georgian Banking and Finance Academy NNLE	123, Agmashenebeli Avenue, 0102, Tbilisi, Georgia
Tbilisi's City JSC	15 Rustaveli Avenue, 0108, Tbilisi Georgia
TBC Trade LLC	11A Chavchavadze Ave, 0179, Tbilisi, Georgia
Redmed LLC	24B, Al. Kazbegi Avenue, Office N7, 0186, Tbilisi, Georgia
TNET LLC	Floor 4, 129a Shalva Nutsbidze str, Tbilisi, Georgia
TBC Digital JSC	10 B, Fidokor street, Mirabad district, 100015, Tashkent, Uzbekistan
Mypost LLC	129a Shalva Nutsbidze St., 0186, Vake, Tbilisi, Georgia
Billing Solutions LLC	Khelovanta Street No. 14a / Vazisubani I Microdistrict, Block of Painters No. 4 / Khelovanta Street No. 14, Isani District, 0190, Tbilisi, Georgia
F Solutions LLC	Kakheti Highway No. 36, Building No. 6, Apartment No. 97, Isani-Samgori District, 0190, Tbilisi, Georgia
Payme JSC	10 B, Fidokor street, Mirabad district, 100015, Tashkent, Uzbekistan
TBC Fin Service LLC	10 B, Fidokor street, Mirabad district, 100015, Tashkent, Uzbekistan
Marjanishvili 7 LLC	7 Marjanishvili, st. Didube-chugureti District, 0102, Tbilisi, Georgia
JSCB TBC Bank	10 B, Fidokor street, Mirabad district, 100015, Tashkent, Uzbekistan
TBC Group Support LLC	7 Marjanishvili st. Didube-chugureti District, 0102, Tbilisi, Georgia
Tbilisi Stock Exchange JSC	Block 10, 7th Floor, Office No. 7, 71 Vazha Pshavela Ave, 0186, Tbilisi, Georgia
Georgian Stock Exchange JSC	Block 10, 7th Floor, Office No. 7, 71 Vazha Pshavela Ave, 0186, Tbilisi, Georgia
Kavkasreestri JSC	74a chavchavadzis avenue, vake-saburtalo, 0179, Tbilisi, Georgia
Freeshop.ge LLC	74 chavchavadzis avenue, vake-saburtalo, 0179, Tbilisi, Georgia
SABA LLC	Flat N10, Gabashvili street N5, vake-saburtalo, 0179, Tbilisi, Georgia
Artarea.ge LLC	flat 74, 25a Al. Kazbegi Avenue, 0160, Tbilisi, Georgia
TBC Art Gallery LLC	N6 Tsimakuridze str, 0102, Tbilisi, Georgia
TBC Asset Management LLC	7 Marjanishvili Street, 0102, Tbilisi, Georgia
S.W.I.F.T. SC	1 Adele Avenue, B-1310, La Hulpe, Belgium
Space International JSC	7 Marjanishvili Street, 0102, Tbilisi, Georgia
Space JSC	7 Marjanishvili Street, 0102, Tbilisi, Georgia
TBC International Holdings Limited	100 Bishopsgate, C/O Law Debenture, EC2N 4AG, London, England
Tpay LLC	7 Marjanishvili Street, 0102, Tbilisi, Georgia
DWH CO LLC	10 B, Fidokor street, Mirabad district, 100015, Tashkent, Uzbekistan
Fondy Payments LTD	103/104 O'connell Street, V94 At85, Limerick, Ireland
MFO TBC Credit LLC	10 B, Fidokor street, Mirabad district, 100015, Tashkent, Uzbekistan
TBC Sug'urta JSC	Yunusabad district, Abdulla Qodiriy street, 1, Tashkent, Uzbekistan
Shoppe Group LLC	6, Shakhrisabz Street, Mingo'rik MFY, Mirabad District, Tashkent, Uzbekistan
TBC BNPL LLC	10 B, Fidokor street, Mirabad district, 100015, Tashkent, Uzbekistan
TBC Operations LLC	10 B, Fidokor street, Mirabad district, 100015, Tashkent, Uzbekistan
TAPUZ LIMITED	Office 2201, D81, Floor 22, Sky Tower, Shams Abu Dhabi, Al Reem Island, Abu Dhabi, United Arab Emirates
Space Intl LLC	10 B, Fidokor street, Mirabad district, 100015, Tashkent, Uzbekistan

Strategic report

Governance

Financial statements

Additional information

4

Chapter

Additional information

Glossary

Bank	Joint Stock Company TBC Bank
Board	Board of Directors of TBC Bank Group PLC
Chairman	Chairman of Board of Directors of TBC Bank Group PLC
Code	The UK Corporate Governance Code
Company	TBC Bank Group PLC
Conversion rate	Number of loans disbursed from generated leads
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
Customer Effort Score	Customer Effort Score measures the level of effort a customer must expend to interact with an organisation, resolve issues, or complete a purchase
DAU/MAU	Average daily active digital users divided by monthly active digital users. DAU/MAU is calculated for the Bank internet and mobile banking only
Digital daily active users (DAU)	Monthly average number of individual digital users who logged into our digital channels at least once per day
Digital monthly active users (MAU)	An individual user who logged into the digital application at least once during the month
Digital penetration	Monthly active digital users divided by monthly active customers
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
ESG and Ethics Committee	Committee at the Board level to support and advise the Board of Directors in its oversight of the ESG and climate-related matters
ESG Committee	Committee at the executive management level to support and advise the management of TBC Bank in its oversight of the ESG and climate-related matters
Executive Management	Executive Management of Joint Stock Company TBC Bank
GFS	Georgian financial services or Georgia FS
Group	TBC Bank Group PLC and its subsidiary companies
Growth at constant currency basis	Refers to growth at fixed exchange rate of the starting period
Larisation	Larisation is a strategy implemented by the National Bank of Georgia (NBG) to reduce the economy's dependence on foreign currencies and promote the stability of the financial sector and broader economy
Lead	A potential client who has expressed interest in the product
Micro loans	Includes collateralised business and agri loans up to GEL 1 million, as well as micro businesses with a maximum turnover of GEL 2 million
MSME (Micro, Small and Medium) segment	Business customers (legal entities and private individual customers that generate income from business activities) who are not included in the CIB segment
MSME monthly active customers	MSME legal entity that used Business mBank or iBank at least once, or had at least one active credit product, or performed at least one debit transaction, or had any type of deposit with a balance above a certain threshold
NPS (Net Promoter Score)	Net promoter score measures how willing customers are to recommend our products and services to others
Retail monthly active customers	For Georgian business, an individual user who has at least one active product as of the reporting date or performed at least one transaction during the past month. For Uzbek business, an individual user who logged into the digital application at least once during the month
Retail segment	Non-business individual customers
Space	Space JSC
Supervisory Board	Supervisory Board of Joint Stock Company TBC Bank

TBC Asset Management	TBC Asset Management JSC
TBC Bank	TBC Bank Group PLC and its subsidiary companies
TBC Group	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. It also offers non-financial services via TNET, the largest digital ecosystem in Georgia. Since 2019, It has expanded its operations into Uzbekistan by operating the fastest-growing digital financial ecosystem in the country. TBC Bank Group PLC is listed on the London Stock Exchange under the symbol TBCG
TBC Bank Uzbekistan	TBC Bank Uzbekistan JSC
TBC Capital	TBC Capital LLC
TBC Insurance	TBC Insurance JSC
TBC Invest	TBC Invest LLC
TBC JSC	TBC Bank JSC
TBC Leasing	TBC Leasing JSC
TBC PLC	TBC Bank Group PLC
TBC UZ	TBC Bank Uzbekistan JSCB
TBCG	TBC Bank Group PLC
TNET	TNET LLC

Alternative performance measures

The Group utilises a wide range of alternative performance measures (APMs) to assess the Group's performance. These measures can be grouped under the following headings:

- Profitability
- Asset quality & portfolio concentration
- Capital & liquidity positions

Certain performance measures are calculated on standalone basis for the Bank only in order to highlight the performance of the Bank, which is the major subsidiary of the Group, as well as facilitate peer comparison.

The regulatory performance measures are calculated in accordance with NBG's requirements for the Bank only based on local accounting standards.

Term	#	Type	Definition
Profitability			
ROE	1	IFRS based	Return on average total equity (ROE) equals profit attributable to owners divided by the monthly average of total shareholders' equity attributable to the equity holders for the same period; annualised where applicable.
ROA	2	IFRS based	Return on average total assets (ROA) equals profit of the period divided by monthly average total assets for the same period; annualised where applicable.
Cost to income	3	IFRS based	Cost to income ratio equals total operating expenses for the period divided by the total revenue for the same period (revenue represents the sum of net interest income, net fee and commission income and other non-interest income).
NIM	4	IFRS based	Net interest margin (NIM) is net interest income divided by monthly average interest-earning assets; annualised where applicable. Interest-earning assets include investment securities (excluding CIB shares), net investment in finance lease, net loans, and amounts due from credit institutions.
Loan yields	5	IFRS based	Loan yields equal interest income on loans and advances to customers divided by monthly average gross loans and advances to customers; annualised where applicable.
Deposit rates	6	IFRS based	Deposit rates equal interest expense on customer accounts divided by monthly average total customer deposits; annualised where applicable.
Cost of funding	7	IFRS based	Cost of funding equals sum of the total interest expense and net interest gains on currency swaps (entered for funding management purposes), divided by monthly average interest bearing liabilities; annualised where applicable.

Asset quality & portfolio concentration

Cost of risk	8	IFRS based	Cost of risk equals credit loss allowance for loans to customers divided by monthly average gross loans and advances to customers; annualised where applicable.
PAR 90 to gross loans	9	IFRS based	PAR 90 to gross loans ratio equals loans for which principal or interest repayment is overdue for more than 90 days divided by the gross loan portfolio for the same period.
NPLs to gross loans	10	IFRS based	NPLs to gross loans equals loans with 90 days past due on principal or interest payments, and loans with a well-defined weakness, regardless of the existence of any past-due amount or of the number of days past due divided by the gross loan portfolio for the same period.
NPL provision coverage	11	IFRS based	NPL provision coverage equals total credit loss allowance for loans to customers divided by the NPL loans.
Total NPL coverage	12	IFRS based	Total NPL coverage equals total credit loss allowance plus the minimum of collateral amount of the respective NPL loan (after applying haircuts in the range of 0%-50% for cash, gold, real estate and PPE) and its gross loan exposure divided by the gross exposure of total NPL loans.
Credit loss level to gross loans	13	IFRS based	Credit loss level to gross loans equals credit loss allowance for loans to customers divided by the gross loan portfolio for the same period.
Related party loans to gross loans	14	IFRS based	Related party loans to total loans equals related party loans divided by the gross loan portfolio.
Top 10 Borrowers to total portfolio	15	IFRS based	Top 10 borrowers to total portfolio equals the total loan amount of the top 10 borrowers divided by the gross loan portfolio.
Top 20 Borrowers to total portfolio	16	IFRS based	Top 20 borrowers to total portfolio equals the total loan amount of the top 20 borrowers divided by the gross loan portfolio.

Capital & liquidity positions

Net loans to deposits plus IFI funding	17	IFRS based	Net loans to deposits plus IFI funding ratio equals net loans divided by total deposits plus borrowings received from international financial institutions.
Leverage	18	IFRS based	Leverage equals total assets to total equity
Net stable funding ratio (NSFR)		Regulatory based	Net stable funding ratio equals the available amount of stable funding divided by the required amount of stable funding as defined by NBG in line with Basel III guidelines. Calculations are made for TBC Bank only.
Liquidity coverage ratio (LCR)		Regulatory based	Liquidity coverage ratio equals high-quality liquid assets divided by the total net cash outflow amount as defined by the NBG. Calculations are made for TBC Bank only.
CET 1 CAR (Basel III)		Regulatory based	CET 1 CAR equals CET 1 capital divided by total risk weighted assets, both calculated in accordance with requirements of the NBG Basel III standards. Calculations are made for TBC Bank only.
Tier 1 CAR (Basel III)		Regulatory based	Tier 1 CAR equals tier 1 capital divided by total risk weighted assets, both calculated in accordance with requirements of the NBG Basel III standards. Calculations are made for TBC Bank only.
Total CAR (Basel III)		Regulatory based	Total CAR equals total capital divided by total risk weighted assets, both calculated in accordance with requirements of the NBG Basel III standards. Calculations are made for TBC Bank only.
CET 1 CAR (Basel III)		Regulatory based	CET 1 CAR equals CET 1 capital divided by total risk weighted assets, both calculated in accordance with requirements of the CBU in national accounting standards. Calculations are made for TBC UZ Bank standalone.
Tier 1 CAR (Basel III)		Regulatory based	Tier 1 CAR equals tier I capital divided by total risk weighted assets, both calculated in accordance with the requirements of the CBU in national accounting standards. Calculations are made for TBC UZ Bank standalone.
Total CAR (Basel III)		Regulatory based	Total CAR equals total capital divided by total risk weighted assets, both calculated in accordance with the requirements of the CBU in national accounting standards. Calculations are made for TBC UZ Bank standalone.

Alternative performance measures continued

These tables provide the reconciliation of the Group's IFRS based alternative performance measures with Financial Statements. Numbers in the following tables are presented in thousands of GEL unless otherwise stated.

1	Reference to financial statements	2025	2024
Profit attributable to owners	Consolidated statement of profit and loss and other comprehensive income	1,397,337	1,284,051
Monthly averages of total shareholders' equity attributable to owners	Not available	5,777,097	5,012,531
Return on average total equity (ROE)		24.2%	25.6%

2	Reference to financial statements	2025	2024
Profit attributable to owners	Consolidated statement of profit and loss and other comprehensive income	1,397,337	1,284,051
Monthly averages of total assets	Not available	41,783,237	35,986,877
Return on average total assets (ROA)		3.3%	3.6%

3	Reference to financial statements	2025	2024
Total operating expenses	Consolidated statement of profit and loss and other comprehensive income	(1,269,651)	(1,073,076)
Total revenue	Consolidated statement of profit and loss and other comprehensive income	3,389,958	2,833,722
Cost to income		37.5%	37.9%

4	Reference to financial statements	2025	2024
Net interest income	Consolidated statement of profit and loss and other comprehensive income	2,352,454	1,901,207
Monthly average interest earning assets	Not available	33,529,107	28,516,991
Net interest margin (NIM)		7.0%	6.7%

5	Reference to financial statements	2025	2024
Interest income from loans ¹	Note 30	4,073,627	3,178,225
Total monthly average loan portfolio	Not available	28,106,964	24,175,342
Loan yields¹		14.5%	13.1%

6 Returns	Reference to financial statements	2025	2024
Interest expense from customer accounts	Note 30	(1,377,118)	(1,153,903)
Total monthly average deposits portfolio	Not available	24,036,181	21,506,107
Deposit rates		5.7%	5.4%

7	Reference to financial statements	2025	2024
Total interest expense	Consolidated statement of profit and loss and other comprehensive income	(2,336,887)	(1,793,313)
Monthly average interest bearing liabilities	Not available	34,287,610	29,400,826
Cost of fund		6.8%	6.1%

8	Reference to financial statements	2025	2024
Credit loss allowance for loans ¹	Consolidated statement of profit and loss and other comprehensive income	(419,244)	(190,328)
Total monthly average loan portfolio	Not available	28,106,964	24,175,342
Cost of risks¹		1.5%	0.8%

9	Reference to financial statements	2025	2024
Total principal or interest repayment is overdue for more than 90 days	Not available	597,408	379,775
Total gross loan portfolio ¹	Note 10, Note 14	30,152,269	26,721,683
Par 90 to gross loans¹		2.0%	1.4%

10	Reference to financial statements	2025	2024
NPLs to gross loans equals loans with 90 days past due on principal ¹	Not available	827,800	592,554
Total gross loan portfolio ¹	Note 10, Note 14	30,152,269	26,721,683
NPLs to gross loans¹		2.7%	2.2%

11	Reference to financial statements	2025	2024
Total credit loss allowance for loans to customers ¹	Note 10, Note 14	587,486	425,565
NPL provision coverage ¹	Not available	827,800	592,554
NPL provision coverage¹		71.0%	71.8%

12	Reference to financial statements	2025	2024
Total NPL coverage ¹	Not available	1,061,779	852,951
Total NPL exposure ¹	Not available	827,800	592,554
Total NPL coverage¹		128.3%	143.9%

13	Reference to financial statements	2025	2024
Total credit loss allowance for loans to customers ¹	Note 10, Note 14	587,486	425,565
Total gross loan portfolio ¹	Note 10, Note 14	30,152,269	26,721,683
Credit loss level to gross loans¹		1.9%	1.6%

¹ Includes finance lease receivables.

Alternative performance measures continued

14	Reference to financial statements	2025	2024
Related party loans	Note 44	3,867	17,643
Total gross loan portfolio ¹	Note 10, Note 14	30,152,269	26,721,683
Related party loans to gross loans¹		0.0%	0.1%

15	Reference to financial statements	2025	2024
Top 10 borrowers	Not available	1,516,885	1,560,881
Total gross loan portfolio ¹	Note 10, Note 14	30,152,269	26,721,683
Top 10 borrowers¹		5.0%	5.8%

16	Reference to financial statements	2025	2024
Top 20 borrowers	Not available	2,359,379	2,281,050
Total gross loan portfolio ¹	Note 10, Note 14	30,152,269	26,721,683
Top 20 borrowers¹		7.8%	8.5%

17	Reference to financial statements	2025	2024
Net loans ¹	Consolidated statement of financial position	29,564,783	26,296,118
Deposits + IFI funding	Not available	28,845,296	25,723,385
Net loans to deposits + IFI funding¹		102.5%	102.2%

18	Reference to financial statements	2025	2024
Total assets	Consolidated statement of financial position	43,940,489	40,160,466
Total equity	Consolidated statement of financial position	6,346,467	5,739,009
Leverage		6.9x	7.0x

¹ Includes finance lease receivables.

Abbreviations

ACCA	Association of chartered certified accountants	ICT	Information and Communications Technology
AGM	Annual general meeting	IDR	Issuer default rating
ALCO	Asset-liability management committee	ILAAP	Internal liquidity adequacy assessment process
APM	Alternative performance measure	IFC	International Finance Corporation
ATM	Automated teller machine	IFI	International financial institution
AUM	Assets under management	IFRS	International Financial Reporting Standards
BNPL	Buy now, pay later	IMF	International Monetary Fund
CAGR	Compounded annual growth rate	IPCC	Intergovernmental Panel on Climate Change
CAR	Capital adequacy ratio	IPO	Initial public offering
CBU	Central Bank of Uzbekistan	IT	Information technology
CEE	Central and Eastern Europe	JSC	Joint stock company
CEO	Chief executive officer	KPI	Key performance indicators
CFA	Chartered financial analyst	LSE	London Stock Exchange
CFO	Chief financial officer	LTIP	Long-term incentive plan
CIB	Corporate investment banking	LTV	Loan to value
CIS	The Commonwealth of Independent States	MBA	Master of business administration
COR	Cost of risk	MSME	Micro, small and medium-sized enterprises
CRO	Chief risk officer	NBG	National Bank of Georgia
CSR	Corporate social responsibility	NCI	Non-controlling interest
DCF	Discounted cash flows	NIM	Net interest margin
EBRD	European Bank for Reconstruction and Development	NMF	No meaningful figure
ECL	Expected credit losses	NPL	Non-performing loans
EMEA	Europe, Middle East and Africa	NPS	Net promoter score
EMS	Environmental management system	OCI	Other comprehensive income
ENPS	Employee Net Promoter Score	OECD	Organisation for Economic Cooperation and Development
ERM	Enterprise risk management	PLC	Public limited company
ESG	Environmental, social and governance	POS	Point of sale
ESRM	Environmental and social risk management	P2P	Peer-to-peer
EU	European Union	PWC	PricewaterhouseCoopers LLP
EUR	Euro	ROA	Return on average assets
FC	Foreign currency	ROE	Return on average equity
FDI	Foreign direct investment	SME	Small and medium-sized enterprises
FTSE	Financial Times Stock Exchange	SPPI	Solely payments of principal and interest
FVTOCI	Fair value through other comprehensive income	TCFD	Force on climate-related financial disclosures
GBP	Great British pound, national currency of the UK	TOM	Top-of-mind score
GDP	Gross domestic product	UK	United Kingdom of Great Britain and Northern Ireland
GEL	Georgian lari, national currency of Georgia	USD	The US dollar, national currency of the United States
GHG	Greenhouse gas	UZS	Uzbekistani Som, national currency of Uzbekistan
GWP	Gross written premium	VAR	Value-at-risk
NMF	Not meaningful figure	WM	Wealth management
HNWI	High-net-worth individuals		
HR	Human resources		
IAS	International Accounting Standards		
ICAAP	Internal capital adequacy assessment process		

Shareholders information

REPORTS AND COMMUNICATIONS

We issue regulatory announcements through the Regulatory News Service (“RNS”). Our regulatory announcements are also available at our website www.tbcbankgroup.com in the “regulatory news” section.

SHARE PRICE INFORMATION

Our latest and historical share prices are available through our website www.tbcbankgroup.com.

SHAREHOLDER INQUIRES

TBC Bank Group PLC’s share register is maintained by Equiniti.

If you have any questions about your TBC Bank Group PLC’s shares, please contact Equiniti

SHAREHOLDER HELPLINE

UK callers: 0371 384 2030

International callers: +44 371 384 2030

Aspect House

Spencer Road

Lancing

West Sussex

BN99 6DA

United Kingdom

OUR REGISTERED ADDRESS

100 Bishopsgate

C/O Law Debenture

London

England

EC2N 4AG

WEBSITE

Our annual report, financial results and investor presentations, as well as other significant information are available through our website: www.tbcbankgroup.com.

