Approved by the Chairman of the
Supervisory Board

M. Khazaradze

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JSC TBC Bank

Risk, Ethics and Compliance Committee

Charter

1. Purpose of the Committee

1.1. The Risk, Ethics and Compliance Committee (the "Committee") is established by the supervisory board of JSC TBC Bank (the "Bank").

1.2. The purpose of the Committee is to assist the members of the supervisory board of the Bank (the "Supervisory Board") in its oversight of all matters related to the risk management practices of the Bank and its subsidiaries (together, the "Group") and the Group's implementation of the highest standards of business ethics and compliance with all of the legal requirements to which the Group is subject.

1.3. The Committee shall have the resources and authority appropriate to discharge its responsibilities, including but not limited to inviting Group staff to its meetings, requesting reports and documents from the staff, utilising consultancy and advisory services. Committee members shall have unlimited access to all internal Group information.

2. Committee Composition and Meetings

2.1. The Committee shall be formed of no less than three members of the Supervisory Board of the Bank, of which the majority shall be independent. The chairman of the Supervisory Board may be a Committee member, but not a Committee chairman.

2.2. Committee members shall have adequate qualifications, necessary knowledge and experience in matters within the Committee's competence.

2.3. The Supervisory Board shall designate one Committee member as the Committee's chair (the "Chairman"). In the absence of the Chairman, the remaining, present members of the Committee shall elect one of themselves to chair the meeting.

2.4. Committee meetings shall be held at least quarterly. All Committee members are expected to attend meetings, in person or via telephone or video conference. The Chairman, members, chief executive officer or the chief risk officer of the Bank may each convene the Committee meeting at any time, to consider any matters falling within the competence of the Committee.

2.5. The Committee shall appoint its secretary (the "Secretary"). The Secretary shall forward notice of each meeting confirming venue, time and date of the meeting, together with an agenda, to all members of the committee or to any other person required to attend the meeting no later than three working days before the date of the meeting.

2.6. Only members of the Committee have the right to attend Committee meetings. However, other individuals including chairman of the Supervisory Board, chief executive officer, chief risk officer, other representatives of the Group's risk, compliance, legal and internal and external audit functions may be invited to attend all or part of any meeting by the Committee, as and when deemed

appropriate and necessary. Committee meetings shall be of sufficient duration as the Committee deems appropriate to fulfill its responsibilities.

2.7. The quorum for Committee meetings shall be three. Each member shall have one vote. The Chairman shall have the casting vote.

2.8. The Secretary shall minute the proceedings and the decisions of all meetings of the Committee, including recording the names of those present, absent and in attendance. The Secretary shall prepare and circulate the draft minutes of the Committee meetings promptly to all members and other attendees of the relevant meeting. Minutes of any Committee meeting shall be announced as final, once approved by the Committee Chairman.

3. Committee's Functions, Roles and Responsibilities

3.1 The Committee's main responsibilities are to:

3.1.1. consider and recommend to the Supervisory Board the risk appetite and risk strategy for the Group with a view to ensuring that risk targets and boundaries are set for all key risks faced by the Group and respective management frameworks are established;

3.1.2. monitor the Group's risk profile to make sure that it complies with the established risk appetite. When key vulnerabilities are observed, significant risks are identified or the Group is deviating from its targeted risk profile, the Committee should recommend major mitigating actions, request formal action plans from management if required and ensure that corrective actions are taken in a timely manner.

3.1.3. periodically review the Group's business model to ensure consistency with risk appetite and industry outlook and make respective recommendations to the Supervisory Board;

3.1.4. assess risk management practices and capabilities within the Group including but not limited to: risk governance structure, quality of risk identification, assessment and management techniques and tools and reporting capabilities;

3.1.5. Ensure that adequate policies and procedures are in place for managing risks faced by the Group. Review key framework and other policy documents and make recommendations to the Supervisory Board for their approval;

3.1.6. review and approve (business) credit facilities to borrowers if the latter represents one of the TOP 20 groups of borrowers of the Bank or exceeds 5% of the Bank's supervisory capital. Approve changes to the terms of exposures that have been approved by the Committee (excluding changes caused by general changes in lending criteria on the market, such as changes in interest rates);

3.1.7. support the development of an ethical culture within the Bank based on principles of honesty, integrity, fairness and transparency; and

3.1.8. supervise and facilitate compliance within the Bank; review and monitor all legal and regulatory compliance matters/issues as they occur and recommend corrective actions.

4. Self-Assessment, Reporting, Amendments

4.1 Apart from the regular reporting to the Supervisory Board on the outcomes of activities of the Committee, the Committee shall conduct an annual self-assessment and report any conclusions and recommendations to the Supervisory Board not later than in three months period from the end of the relevant year. Chairman of the Committee shall report to the Supervisory Board.

4.2 The Committee shall review and assess annually the adequacy of this Charter and, if appropriate, recommend amendments to the Charter to the Supervisory Board.