

# CORPORATE SOCIAL RESPONSIBILITY

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2019

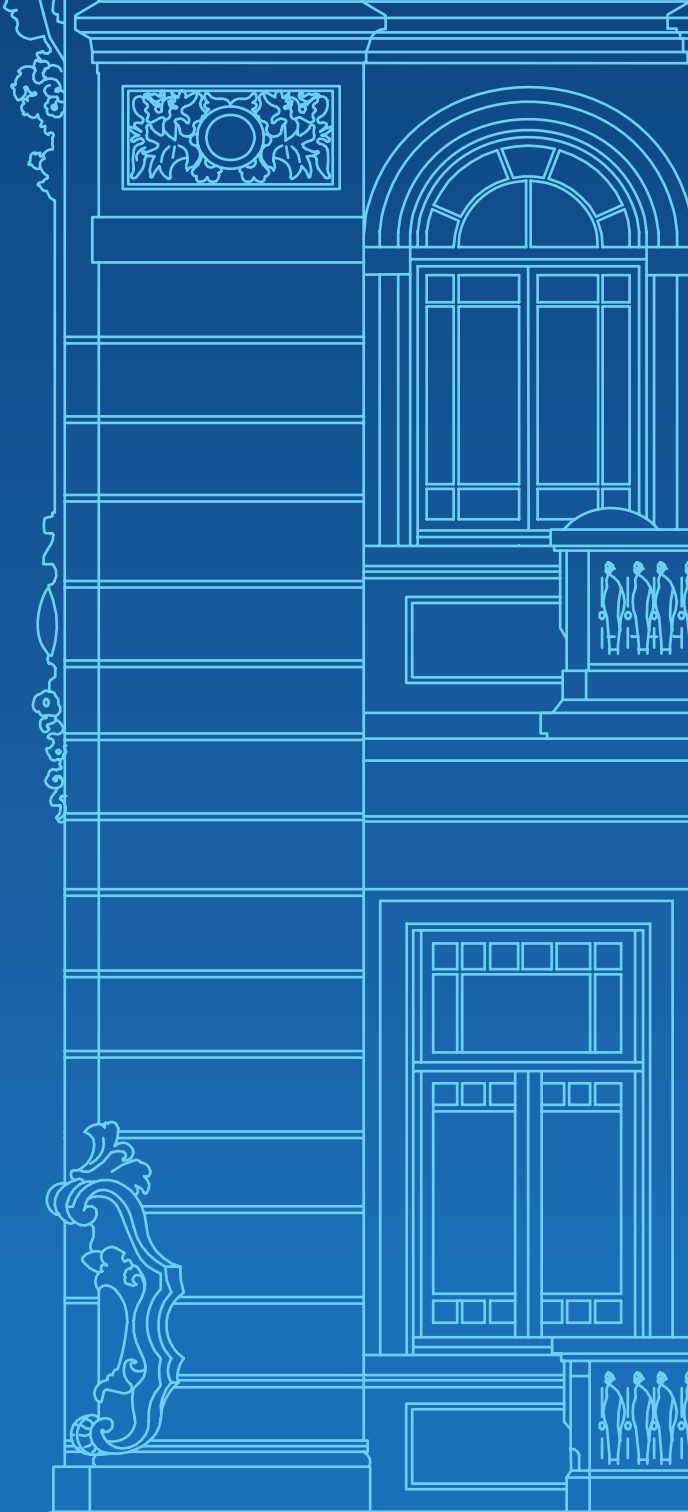




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## BUSINESS

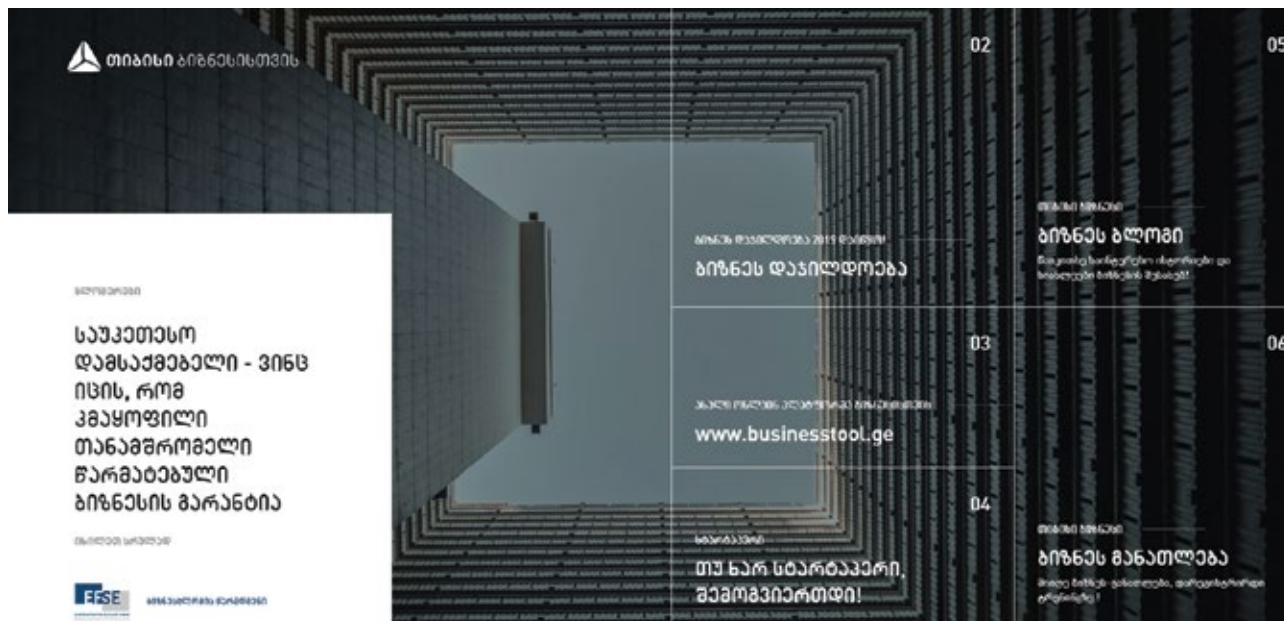
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One of the main catalysts for social and economic growth as well as for job creation in Georgia is the development of small and medium-sized enterprises. Job creation is of paramount importance to developing countries; therefore, TBC has made the promotion of small and medium-sized enterprises one of its main priorities. The bank's strategy is to be the champion of small- and medium-sized businesses not only in terms of financing, but also in terms of providing them with non-financial resources. TBC continuously assists business representatives with acquiring necessary competence, finding potential investors and partners, developing their activities, and implementing modern technologies.





[www.tbcbusiness.ge](http://www.tbcbusiness.ge)



TBC Bank has united its non-banking services in a single platform, **[www.tbcbusiness.ge](http://www.tbcbusiness.ge)**, where entrepreneurs can find information in the form of blogs about the activities of various companies, as well as interesting business news and trends. They can select an area of interest and attend trainings, master classes, and forums organized by TBC and gain information on their topics of interest from experts in the field.

The platform provides information about various business software to its users. It connects technological product suppliers and potential users by means of an unprecedented ecosystem - Businessstool.ge. Businesses operating in different areas can find and evaluate different software, applications, or tools made in Georgia all within a single platform. The website offers up to 70 software products to its users.

### BUSINESS EDUCATION

TBC's business education-supporting projects are part of the company's corporate social responsibility and reflect on its image and customer loyalty. As many as 4,000 people attended trainings organized by TBC in 15 different fields in 2019. The program was carried out with the support of the Asian Development Bank.

A new standard for the accounting and management of leases was introduced in 2019. Within its business education program, TBC Bank provided comprehensive information to its business clients on the newest standards for lease accounting. Representatives of 156 companies attended the

full IFRS for SMS 6-week course, organized by TBC Bank, and learned about the new standards.

A series of large-scale business forums in the regions of Georgia organized by TBC is ongoing with 4 regional business forums held in 2019. As many as 300 business representatives attended the Tskaltubo business forum while over 400 business representatives attended the Telavi, Zugdidi and Borjomi forums. Over 10 field experts met local businesses in each forum. After the main lectures, the audience was invited to attend various workshops. A partner of TBC's regional business is the European Fund for Southeast Europe (EFSE).



## STARTUPPER



Startupper is TBC's program aimed at facilitating the development of startups and stimulating the creation of new businesses. The program includes financial and non-financial support for startups: startup loans, operation products, events and trainings, individual consultations, and support.

In 2019, over 700 startups were trained under the auspices of the program. Three startup discussions were organized with more than 200 participants, and various blogs and articles were prepared for as many as 150 startups.

The startupperi.ge platform currently includes information about 456 startups. Information about special offers for startups from over 20 collaborating companies can also be found on the platform.

Startupper was launched in 2017 and over 34,800 startups have been registered in the program's various activities since. Favorable startup loans, in the total amount of 247 million GEL, have been issued to over 691 startups.



### STARTUP DECREE



In 2019, as part of Startupper, an innovative project called Startup Credit was launched for the TBC team.

TBC's strategy is to establish its role as a key player in the development of Georgia's startup ecosystem. This year, TBC decided to encourage entrepreneurship within the company as well and provided the opportunity for employees with ideas to try their hand at a startup.

The project offers TBC employees a 6-month paid leave in order to implement their business ideas.

Out of 24 applications submitted as part of the "Startup Decree," three startup ideas of three persons from Tbilisi were selected: Ge Parts, Inventor, and Mushroom. The authors of the aforementioned ideas will use their 6-month paid leaves of absence to implement their startups in 2020.



## BUSINESS AWARD



For the fourth year TBC has organized the largest-scale award in business in Georgia aimed at supporting small and medium-sized enterprises and development of business society, as well as the popularization of doing business.

This year, during the final Business Awards ceremony winners were announced in the following categories: development of the best product/service, best innovations, distinguished for social responsibility, special care for employees, and best startups.

Over 350 businesses of various fields took part in Business Awards 2019. The public was informed of their activities on both TBC's communication channels and traditional media.

The Business Awards platform brought together as many as 2,000 members during its first 4 years, all of whom have shared the stories of their successes with all of Georgia.

### DAVID KAKABADZE 130

TBC is one of the major supporters of culture in Georgia. In so doing, TBC aims towards long-term and consistent promotion of both cultural institutions and individual creative and cultural projects.

In cooperation with the David Kakabadze Foundation, the 130th anniversary since the birth of Georgian artist, scientist, inventor and pioneer of Georgian modernism, Davit Kakabadze, was celebrated with a multi-stage project.

A retrospective exhibition, which united paintings, notes and sketches from state arts institutions as well as from the family of the artist and private collections was organized at TBC Gallery.

The TBC Art Gallery hosted a multimedia project entitled GAMMA. As part of the project, three young artists, Nikoloz Kapanadze, Mariam Akulashvili and Dimitri Shubitidze, created audiovisual spatial installations in digital media based on inspirations from David Kakabadze's concepts and for studying the interaction between humans and light.

The anniversary edition of the David Kakabadze catalogue was published. It fully reflects the range and scale of the artist's research and methods as well as the need for them in the modern world.





Within the scope of the project, with the support of TBC, the David Kakabadze Foundation created an archive which includes documentation from the artist's family as well as materials reflecting various creative processes.

To facilitate open and modern access by a wide audience to the Georgian heritage, the collections of David Kakabadze at various museums and theaters across Georgia were converted in their entirety into digital format.

Within the scope of the project, one of TBC's main aims was the comprehensive research of David Kakabadze's work. This was the approach underlying the creation of the interdisciplinary educational platform – BAZA, which will continue its development in 2020 as well. In the future, BAZA will create an area open to anyone: professional artists, researchers, students or simply interested people. This will be a space in which modern visual art is connected to cultural and scientific processes.

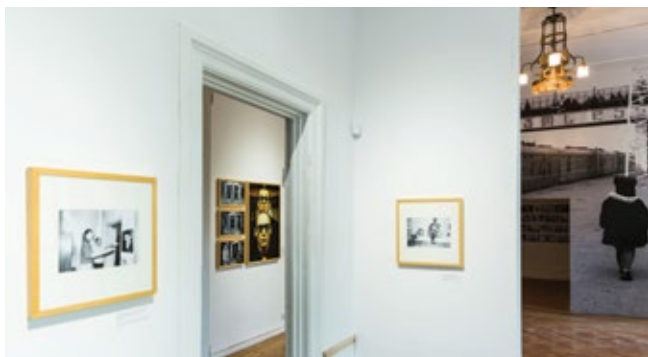
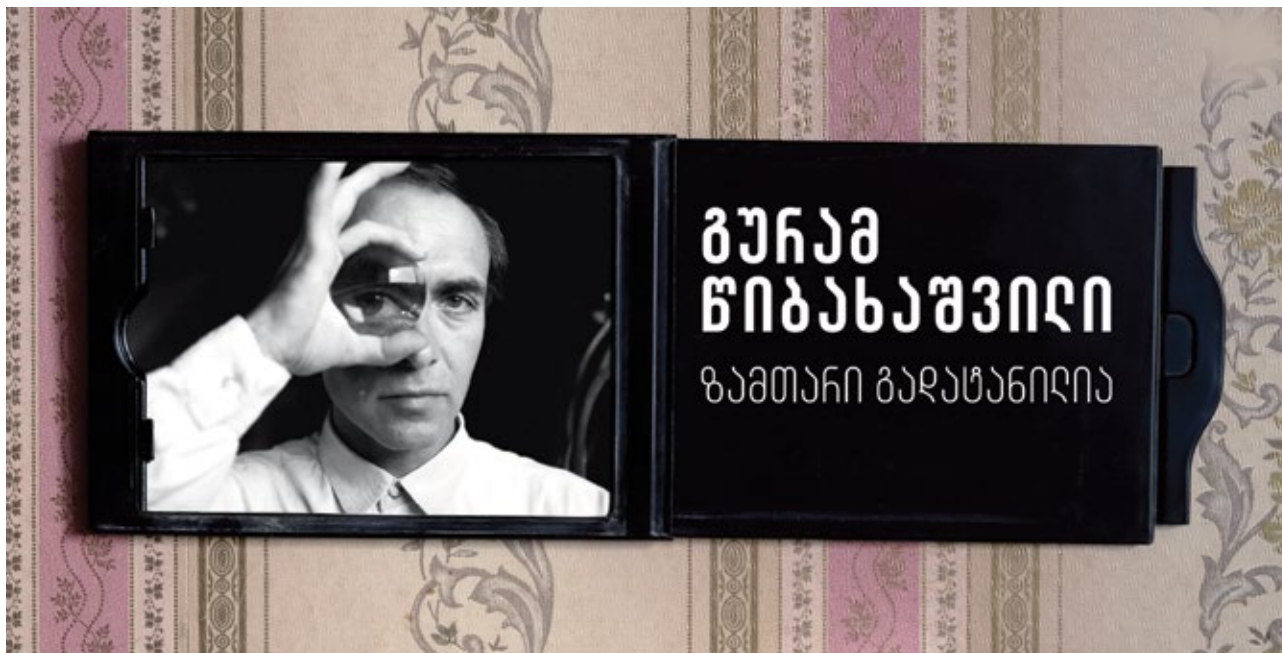
### GEORGIAN NATIONAL MUSEUM



In 2019, TBC partnered with the Georgian National Museum and entered a new stage of what is poised to be a very long-term cooperation: in 2020 a new museum will open in the ancient city of Vani where artifacts found at the Vani archaeological site will be exhibited. They are associated with the myth of the Golden Fleece and underscore the significance of Georgia's cultural heritage as an integral part of Western civilization.



## WINTERING OVER IS OVER



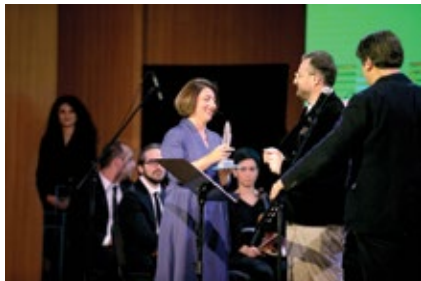
In 2019, TBC became a chronicler of the modern history of Georgia, reviving 90s' Georgia in Guram Tsibakhashvili's large-scale photo exhibition, book and a film **Wintering Over is Over**.

The book itself is composed of up to 250 photos taken by Guram Tsibakhashvili and essays by Ana Kordzaia-Samadashvili; it depicts one of the most crucial episodes of Georgia's recent past from 1987 to 1995. Up to 80 photos were exhibited in Tbilisi and Batumi.



Promoting literature remains a main priority for TBC. In 2019, in honour of the 17th annual Literary Award, Saba, the country's main literary event, Saba's electronic archive was updated to include as many as 6,000 electronic books, offering readers a new and unique experience.

For the development and popularization of the Georgian alphabet, the competition "Georgian A" was organized for the second time. As many as 200 works by Georgian calligraphers participated in the competition with the 16 best works being awarded recognition. The winning scripts will be digitalized and will become available to the public. In cooperation with Microsoft and Tbilisi State University, over 100,000 sentences were translated from Georgian into English and the Microsoft team is already working to integrate Georgian into Microsoft software.



## NEW GENERATION



In addition to the protection of Georgian heritage and promotion of culture, the new generation and its assistance is extremely important for TBC.

The project TBC Scholarship Holders, announced in late 2018, was organized successfully, with 200 talented young people from all over Georgia receiving monthly scholarships. Educational and entertaining events took place in honour of the scholarship holders for over the course of the entire year. The project will continue in 2020 as well.

TBC supports talented young people as part of STATUS DONATES initiative as well and in 2019 it assisted 19 young people in obtaining education and professional development.

### YOUNG INVENTORS

TBC is interested in all platforms aimed at the education of children and youth, therefore, it is a partner of Leonardo Da Vinci a competition for young inventors and researchers as well as of the Millennium Innovations Award. The goal behind these projects is to stimulate pupils' interest in innovations and technologies and to promote new and unique inventions that change people's lives for the better.

In summer 2019, TBC supported the visit of 5 winners of Millenium Innovation Award to the US, at NASA Space Center, where they spent a week getting to know about modern technology achievements.



First place winners of «Leonardo da Vinci» competition: Mariam Magradze, Teona Kontridze and Tekla Lezhava



## EDUCATIONAL FESTIVALS



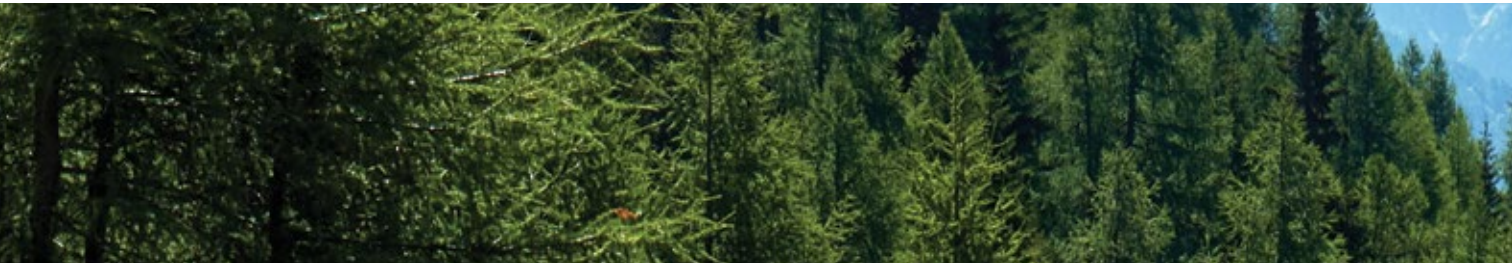
In the summer of 2019, with the assistance of TBC, five winners of the Millennium Innovation Competition went to NASA university in the US for a week to see first-hand some of the greatest achievements of modern technology. For the second year, TBC has been supporting a children's festival that unites diverse educational and entertainment activities. This year for the first time, the festival also became a partner of the Tbilisi International Book Festival, which exhibits and sells both Georgian and translated books each year. The book fair is visited by tens of thousands of people over four days, including a significant number of children and youth.

### GREEN INITIATIVES

Environmental issues are gaining increasingly critical importance worldwide. TBC appreciates the environmental challenges that our country and our society face. We are aware of the important role of the private sector in this process and we believe that taking care of the environment should become one of the priority directions of all private companies. As one of the leading private companies in the country, we implement green initiatives, carry out business activities in accordance with environmental and social standards, and encourage our clients to do the same.

TBC developed its environmental policy in accordance with ISO 14001. The policy defines the systematic environmental approach, aims and objectives of the organization. TBC acknowledges the direct and indirect effects of its activities on the environment and the community and feels responsible for ensuring that any potential negative effects are minimized.

- We estimate greenhouse gas (CO2) emissions each year and implement appropriate measures to reduce them;
- Up to 70% of TBC's vehicle fleet has been replaced by hybrid and electric vehicles leading to an approximately 30% reduction in the monthly use of fuel. Within the project's scope, electric chargers have been installed in 14 locations in Tbilisi and the regions, which can be used by TBC employees and clients as well as the public. In the future it is planned to increase the number of electric chargers;
- We are actively involved in the restoration of green cover. In 2018, TBC planted 17,500 Caucasian pines in 10 hectares of forest area in Borjomi and it has financed the planting of 1,100 plants in Varketili, Tbilisi this year;
- ESG rating - In 2019, TBC Bank Group received a rating of A (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.
- Waste separation bins were placed in the head office;
- Discarded paper from the head office is now used to produce books that are provided free of charge to libraries in high mountainous areas;
- We have undertaken the digitalization of various internal processes, leading to reduced paper consumption;
- By organizing regular training courses and meetings on the topic, we ensure that we are raising the environmental awareness of our employees.

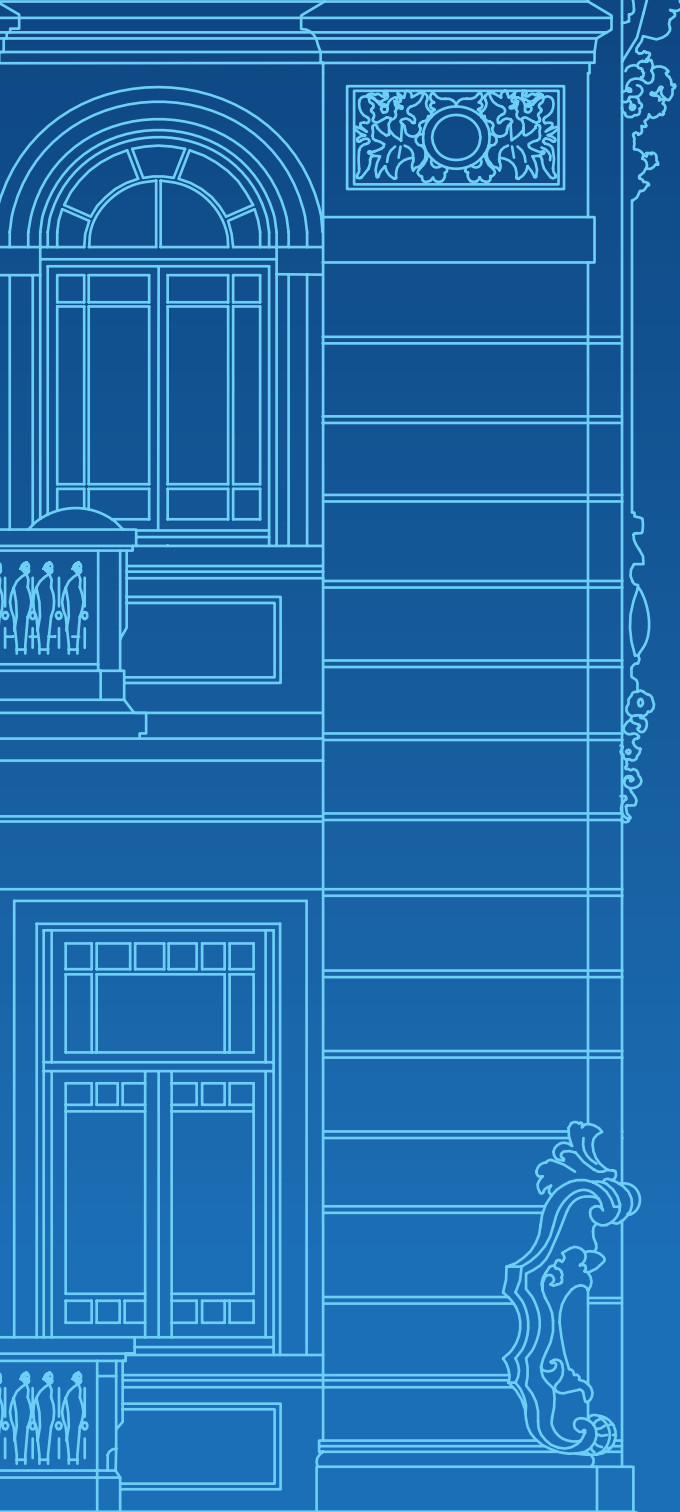


## SUSTAINABLE LENDING AND FUNDING

TBC pays particular attention to the indirect effect on the environment caused by the business activities of its clients.

- Since 2012, an environmental and social risk management procedure has been implemented. Based on the procedure, the environmental and social risks of our clients are evaluated and managed;
- We have developed a list of banned activities that are not to be financed by the bank;
- To improve the management system and introduce best practices, we constantly cooperate with collaborating international financial institutions protecting the environment. In June 2019, in cooperation with the Dutch Development Bank (FMO), an Environmental and Social Risk Management Master Class was organized for representatives of financial institutions of the Caucasus Region;
- As part of sustainable financing, in cooperation with EBRD, a special bank product "Women in Business" has been developed. It aims at promoting women to expand existing businesses and implement new business ideas. In addition, a special foundation, Youth Support, has been established to assist young potential entrepreneurs;
- We are leaders in financing the sustainable energy sector. In addition, we are actively involved in financing energy-efficient projects. For example, an energy efficiency investment in a wine producer leads to the reduction of its annual electricity consumption by 97%. In addition, we facilitated the re-equipment of a major meat plant, reducing its annual electricity consumption by approximately 30%;
- We are always working towards raising our clients' environmental awareness by participating in TBC's business forums, our environmental and social risk management group members provide information to the public on environmental regulations and news.





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