



ESG Reporting and Disclosure Template Version 2.0

Name of the Reporting Entity:

Microbank MBC

Date:

31.12.2025

This Reporting Form №3 (ESG Reporting and Disclosure Template) has been developed to facilitate the disclosure of Environmental, Social, and Governance (ESG) information in accordance with Article 5, Paragraph 4 of the Regulation on Disclosure Requirements for Commercial Banks and Microbanks under Pillar 3.

Commercial banks and microbanks shall disclose ESG-related information as part of their Pillar 3 Annual Report, utilizing the most recent version of Reporting Form №3 (currently Version 2.0), as developed and issued by the National Bank of Georgia (NBG). The objective of this requirement is to ensure the provision of relevant, useful, consistent, and comparable ESG information across the financial sector.

Reporting Form №3 has been developed in alignment with leading international ESG disclosure standards and frameworks, including the EBA Pillar 3 ESG Disclosure Requirements, Basel framework for the voluntary disclosure of climate-related financial risks, IFRS Sustainability Disclosure Standards S1 and S2, the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board Standards (SASB), Task Force on Nature-related Financial Disclosures (TNFD), and the European Sustainability Reporting Standards (ESRS). It follows double materiality approach and reflects global best practices to support the financial sector in improving transparency and accountability on ESG matters.

Institutions are requested to provide ESG-related information across the following thematic areas: 1. Governance; 2. Strategy; 3. Risk Management; 4.a Metrics and Targets – Key Performance Indicators (KPIs); 4.b Metrics and Targets – Transition Risk, and 4.c Metrics and Targets – Physical Risk.

Upon completion, Reporting Form №3 must be submitted to the NBG as part of the institution's Pillar 3 Annual Report. All submitted forms will be published on the NBG's official website to foster transparency, comparability, and accountability within the financial sector.

ESG/Sustainability risks and opportunities include climate-related, nature-related, and other environmental, social, and governance factors. If the institution's approach differs across these categories, it is expected to provide detailed disclosures for each risk or opportunity type.

In case of questions, please contact: SustainableFinance@nbg.gov.ge



Disclosure on Governance



Qualitative information on financial institutions' governance processes, controls, and procedures used to assess, manage, and monitor ESG and sustainability-related risks and opportunities.

ESG/Sustainability risks and opportunities include climate-related, nature-related, and other environmental, social, and governance factors. If the institution's approach differs across these categories, it is expected to provide detailed disclosures for each risk or opportunity type.

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#	Question	Answer
1.1	<p>Supervisory Board Oversight</p> <p>Please describe how the bank's supervisory board oversees ESG/Sustainability-related risks and opportunities, including information about:</p> <ul style="list-style-type: none"> • Whether and how responsibilities for ESG/Sustainability risks and opportunities are reflected in the board's terms of reference, mandates, role descriptions, and other relevant governance documents; • How often the board and its committees are informed about ESG/Sustainability risks and opportunities, and the processes through which information is communicated; • How the board and its committees considers ESG/Sustainability risks and opportunities when overseeing the bank's strategy, its decisions on major transactions, and risk management processes, including the approach to managing trade-offs or competing priorities; • How the board oversees the setting of targets related to ESG/Sustainability risks and opportunities, monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies (see also Remuneration section). • How the board ensures that the appropriate skills and competencies are available to oversee strategies designed to respond to ESG/Sustainability risks and opportunities; 	<p>Microbank MBC's Supervisory Board ensures strategic oversight of ESG/sustainability-related risks and opportunities, which are integrated into the Microbank's corporate governance and risk management framework.</p> <p>In accordance with the Supervisory Board Charter, the Board defines the Microbank's strategy and ensures the appropriate integration of ESG considerations within it. This includes assessing not only the Microbank's financial performance but also its environmental and social impacts, as well as overseeing the identification of ESG risks and the processes established to mitigate them.</p> <p>Pursuant to the Risk Committee Charter, the Committee monitors the Pillar 3 disclosure process, including ESG-related disclosures and approves the annual Pillar 3 report for publication, thereby ensuring transparent reporting of ESG risks in compliance with regulatory requirements.</p> <p>The Supervisory Board receives information on ESG-related risks and opportunities through risk reports, annual reports and Pillar 3 disclosures.</p>
1.2	<p>Board of Directors Oversight</p> <p>Please describe management's (Board of Directors) role in the governance processes, controls and procedures used to assess, manage and oversee ESG/Sustainability risks and opportunities, including information about:</p> <ul style="list-style-type: none"> • Whether that role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and • Whether management uses controls and procedures to support the oversight of ESG/Sustainability risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions. 	<p>The Microbank's Directorate is responsible for defining ESG goals and objectives and ensuring their practical implementation, as well as for establishing and maintaining effective systems for managing financial and non-financial risks.</p> <p>The management of ESG matters is delegated to the Microbank's Chief Operations Officer and Chief Risk Officer. The Chief Operations Officer and Chief Risk Officer ensure the integration of ESG considerations into business processes, including the incorporation of environmental, social and governance factors into operational planning and risk management processes.</p> <p>The Human Capital Management and Corporate Sustainability Unit, operating under the supervision of the Chief Operations Officer, is responsible for developing the ESG strategy, coordinating ESG goals and initiatives, preparing ESG reporting and communicating on ESG matters with investors, partners and other stakeholders.</p> <p>The Risk Department is responsible for identifying, assessing, monitoring and integrating ESG risks into the risk management process. The Department ensures that ESG risks are incorporated into the Microbank's overall risk management framework, including the assessment of credit, operational, reputational and other material risks. It also conducts ongoing monitoring of ESG risks and prepares relevant reports for management and supervisory bodies.</p>
1.3	<p>Internal Reporting</p> <p>Please describe how the bank integrates ESG/Sustainability risks and opportunities into its internal reporting framework and structure, including:</p> <ul style="list-style-type: none"> • The processes and mechanisms through which ESG/Sustainability risks and opportunities are incorporated into internal reporting and information flows across the bank; • The structure and responsibilities related to the internal communication of ESG/Sustainability risks and opportunities between business lines, risk management, internal control functions, and the management body (Supervisory Board, Board of Directors); • The frequency of internal reporting and information exchange on ESG/Sustainability risks and opportunities, and how often the management body is informed of material ESG/Sustainability-related developments. 	
1.4	<p>Remuneration Policy</p> <p>Please describe how ESG/Sustainability risks and opportunities are incorporated into the bank's remuneration policy, including:</p> <ul style="list-style-type: none"> • Whether ESG/Sustainability-related factors are included as criteria in the remuneration policies applicable to the senior management (Board of Directors); • The specific ESG/Sustainability-related criteria, performance indicators, or metrics used to determine the variable remuneration; • How the achievement of ESG/Sustainability objectives is monitored, assessed, and linked to remuneration outcomes. 	

Disclosure on Strategy



Qualitative information on how financial institutions integrate ESG and sustainability-related risks and opportunities into their business model, strategy, and financial planning.

ESG/Sustainability risks and opportunities include climate-related, nature-related, and other environmental, social, and governance factors. If the institution's approach differs across these categories, it is expected to provide separate and detailed disclosures for each risk or opportunity type.

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#	Question	Answer
21	<p>Identified ESG Risks and Opportunities</p> <p>Please describe the ESG/Sustainability risks and opportunities that are expected to affect the bank's prospects over the short, medium, and long term. In particular, please address:</p> <ul style="list-style-type: none"> A detailed description of the specific ESG/Sustainability risks and opportunities that the bank has identified as being reasonably expected to materially affect its prospects, including environmental, social, climate-related, and nature-related factors, where applicable; The time horizons over which the identified risks and opportunities are expected to have an impact (short term, medium term or longer term); The bank's definitions of "short term", "medium term" and "longer term", and how these definitions are linked to the planning horizons used for strategic decision-making. 	
22	<p>Business Model</p> <p>Please describe how the bank assesses and integrates ESG/Sustainability risks and opportunities within its business model, including:</p> <ul style="list-style-type: none"> A description of the current and anticipated effects of ESG/Sustainability risks and opportunities on the bank's business model and risk profile; An explanation of where within the business model ESG/Sustainability risks and opportunities are concentrated, such as specific geographical areas, types of assets, client segments, facilities, or other relevant dimensions. 	
23	<p>Strategy and Decision-making</p> <p>Please describe how the bank integrates ESG/Sustainability risks and opportunities into its strategy and decision-making processes, including:</p> <ul style="list-style-type: none"> How the bank has responded to and plans to respond to ESG/Sustainability-related risks and opportunities in its strategy and decision-making processes, including how these factors influence business planning, resource allocation, and long-term strategic priorities; How the bank's integration of ESG/Sustainability risks and opportunities evolves over time, in response to evolving external factors such as changes in policy frameworks, technological developments, the broader business environment, stakeholder preferences (e.g., consumers and investors), and shifts in the physical environment; How the bank resources, and plans to resource, the implementation of its ESG and sustainability-related strategic actions; Quantitative and qualitative updates on the progress made toward ESG/Sustainability-related objectives or initiatives disclosed in previous reporting periods, including any adjustments to targets or strategies based on changes in market conditions, regulatory developments, or operational challenges. 	<p>Environmental Risks</p> <p>The Microbank recognizes that its operations may have both direct and indirect impacts on the environment in which it operates. Potential environmental harm arising from activities financed through the Bank's lending portfolio has been identified as a material risk. In accordance with the Bank's operational risk management framework, natural hazards and disasters resulting from external factors constitute a risk that may disrupt critical systems and cause financial losses to the Bank.</p>
24	<p>Strategic Objectives and Targets</p> <p>Please describe the bank's ESG/Sustainability-related strategic targets and limits. Specifically, address:</p> <ul style="list-style-type: none"> The ESG/Sustainability targets and limits established by the bank, including, where applicable, quantitative or qualitative indicators such as the Green Asset Ratio (GAR), greenhouse gas (GHG) emissions reduction targets, or other relevant sustainability metrics; The scope of application of these objectives and targets, including whether they apply to the bank as a whole or to specific portfolios, business lines, client segments, or geographical regions; The time horizons over which the objectives and targets apply, the base period used to measure progress, and any milestones or interim targets; The processes used to define, approve, monitor, and periodically review these targets and limits, including the governance bodies involved and how progress is tracked over time; The alignment of the bank's ESG/Sustainability objectives, targets, and limits with relevant international and national frameworks, such as the Paris Agreement, national climate policies, NDC, etc. The actions taken or planned to achieve ESG/Sustainability-related targets; The bank's transition plan (if available), including key milestones, timelines, assumptions, external frameworks or standards adopted (e.g., Net Zero Banking Alliance, Science-Based Targets initiative, Global Biodiversity Framework), and consistency with the bank's broader strategy and risk appetite framework. 	<p>Social Risks</p> <p>Human Capital Risk</p> <p>The Microbank faces the risk of attracting and retaining highly qualified employees. The strategic transformation into a microbank has increased the demand for professionals with strong banking expertise and experience. To successfully adapt to a rapidly evolving business environment, the Microbank must support its employees in developing and maintaining the skills and competencies required to meet changing business needs and regulatory expectations.</p> <p>Governance Risks</p> <p>Compliance Risk</p>
25	<p>Scenario Analysis and Resilience</p> <p>Please describe how the bank assesses the resilience of its strategy to ESG/Sustainability risks, taking into account different scenarios. Specifically, address:</p> <ul style="list-style-type: none"> How scenario analysis is used to evaluate the potential impacts of ESG and sustainability risks — including climate-related (transition and physical), nature-related — on the bank's strategy, financial position, business model, and risk profile; The types of scenarios considered, such as different transition and physical risk scenarios, whether any scenarios are aligned with international agreements, and the time horizons applied in the analysis; The sources of scenarios used (e.g. external reference scenarios or internally developed scenarios) and the key assumptions and parameters underpinning the analysis; The scope of operations covered by the scenario analysis, such as relevant geographies, portfolios, business lines, or asset classes; How the results of the scenario analysis are used to inform strategic planning, target-setting and transition planning (where applicable), portfolio management, and risk mitigation actions. 	<p>Information Security Risk</p> <p>The Microbank operates under the supervision of the National Bank of Georgia and is subject to applicable laws, regulations and regulatory acts issued by the National Bank of Georgia. Georgia's regulatory framework is characterized by frequent legislative and regulatory updates. As a result, the Microbank is exposed to increasing regulatory requirements and a competitive environment that may be significantly affected by regulatory changes, the scope and impact of which cannot always be fully anticipated. Consequently, the Microbank's profitability and financial performance may be adversely affected by the costs and requirements associated with regulatory compliance.</p>
26	<p>Financial Impact Consideration</p> <p>Please describe how the bank considers the effects of ESG/Sustainability risks and opportunities on its financial position, financial performance, and cash flows. Specifically, address:</p> <ul style="list-style-type: none"> How ESG/Sustainability risks and opportunities have affected the bank's financial position, financial performance, and cash flows during the reporting period, including both quantitative impacts (such as specific amounts or ranges) and qualitative impacts where applicable; The anticipated effects of ESG/Sustainability risks and opportunities on the bank's financial position, financial performance, and cash flows over the short, medium, and long term, and how these considerations are incorporated into financial planning processes. 	<p>Information security risk represents a critical governance concern for the Microbank. Ensuring the confidentiality, integrity, and availability of customer data is a fundamental component of the Microbank's governance and risk management framework. Failure to adequately protect information assets may result in operational disruptions, financial losses, reputational damage, and regulatory sanctions.</p>
27	<p>Sustainable Credit and Investment Activities</p> <p>Please describe the bank's current and planned sustainable credit (lending) and investment activities in alignment with its strategic objectives and transition plan. Specifically, address:</p> <ul style="list-style-type: none"> The bank's current sustainable credit and investment activities, including the types and volumes of green loans, social loans, other forms of sustainable lending, and investments in sustainable assets or projects; The bank's future (planned) sustainable credit and investment activities, including anticipated changes in the composition of the loan and investment portfolio, development and scaling up of sustainable financial products, and any strategic focus on specific sectors, client segments, or geographies; How the bank monitors, assesses, and reports on the alignment of its credit and investment activities with its ESG/Sustainability objectives, targets, and transition plan. 	
28	<p>Counterparty Engagement</p> <p>Please describe policies and procedures related to direct and indirect engagement with new or existing counterparties (clients) on their strategies to mitigate and reduce environmental risks and socially harmful activities. Specifically, address:</p> <ul style="list-style-type: none"> How the bank assesses counterparties' capacity to manage ESG/Sustainability risks and opportunities, including the methods, criteria, or tools used for evaluation; How the bank engages in dialogue with counterparties to encourage the mitigation of ESG/Sustainability risks, including any specific engagement practices, monitoring mechanisms, or escalation procedures applied when ESG/Sustainability risk management practices are deemed insufficient. 	

Disclosure on Risk Management



Qualitative information on how financial institutions identify, assess, manage, and monitor ESG/Sustainability risks and opportunities, and how these are integrated into their overall risk management framework.

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#	Question	Answer
3.1	<p>Assessment and Integration of ESG/Sustainability Risks</p> <p>Please describe the processes and related policies the bank has in place to identify, assess, prioritize, manage, and monitor ESG/Sustainability, including information about:</p> <ul style="list-style-type: none"> • Existence and scope of official ESG/Sustainability-related risk management policies, their key focus areas, and operational integration; • Definitions, overarching methodologies, and international/national standards underpinning ESG/Sustainability-related risk assessments; • How the bank assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the bank considers qualitative factors, quantitative thresholds or other criteria); • Whether and how the bank prioritises ESG/Sustainability-related risks relative to other types of risk; • Whether the bank has changed the processes it uses from the previous reporting period, including its rationale and scope. • The extent to which, and how, the processes for identifying, assessing, prioritising, and monitoring ESG/Sustainability-related risks are integrated into and inform the bank's overall risk management framework. 	
3.2	<p>ESG Risk Management Processes, Tools, and Instruments</p> <p>Please describe the specific methodologies, tools, instruments, and operational processes utilized to identify, measure, manage, and monitor activities and exposures that are sensitive or vulnerable to ESG/Sustainability risks, including information about:</p> <ul style="list-style-type: none"> • The approach used to determine materiality, including double materiality, of ESG/Sustainability risks and how these risks are assessed throughout the life cycle of exposures, including at loan origination, during creditworthiness assessment, and through ongoing monitoring; • The instruments and tools, including forward-looking tools (stress testing, sensitivity analysis, scenario analysis) used to evaluate ESG/Sustainability risks and levels at which these tools are applied (exposure-level, portfolio-level, sectoral-level, etc.); • Detailed methodologies and parameters used to identify and measure sensitive or vulnerable exposures, including consideration of collateral where relevant; • Processes for ongoing monitoring and management of identified sensitive exposures, including escalation procedures if risks exceed thresholds; 	
3.3	<p>ESG Risk Management and Mitigation</p> <p>Please describe how the bank manages and mitigates ESG/Sustainability risks, including information about:</p> <ul style="list-style-type: none"> • Key findings from ESG/Sustainability risks assessments and analyses (e.g., climate scenario analyses, ESG due diligence) and how assessment outcomes have influenced strategic decisions, risk appetite, and resource allocation; • Whether and how ESG/Sustainability risks and their impacts are incorporated into the Internal Capital Adequacy Assessment Process (ICAAP); • Whether and how ESG/Sustainability risks and their potential impacts are incorporated into the Internal Liquidity Adequacy Assessment Process (ILAAP); • The measures, activities, and tools implemented to manage and mitigate ESG/Sustainability risks, such as engagement with counterparties, adjustments of financial terms and conditions, integration of ESG risks into sectoral risk policies, portfolio diversification strategies, and the reallocation of financing and investments; • The methodology used to select appropriate mitigation measures and assess their effectiveness over time; 	<p>The management of environmental and social (E&S) risks is integrated into the Microbank's overall risk management framework. In particular, the Microbank maintains a list of prohibited activities. This list includes activities that may involve significant environmental, social, economic or cultural risks, as well as activities prohibited under Georgian legislation. During the credit appraisal process, all proposed financing activities are screened against the prohibited activities list to ensure compliance with the microbank's requirements. The Microbank has a designated employee responsible for overseeing ESG-related matters. This role includes ensuring that the Microbank's operations comply with the internal policies, procedures and processes established for the management of ESG issues. As part of its transformation into a microbank, Microbank plans to gradually implement a comprehensive environmental and social risk management framework, establish the relevant policies and procedures and ensure the effective management of environmental and social risks across its operations and lending activities.</p>
3.4	<p>Prudential Integration of ESG Risks</p> <p>Please describe whether and how ESG/Sustainability-related risks are integrated within the bank's prudential risk management framework. Specifically, address:</p> <ul style="list-style-type: none"> • How ESG risks (physical, transition, and liability) are linked to and affect prudential risk categories (credit, liquidity, funding, market, operational, and reputational risks); • Methodologies and instruments used to map ESG/Sustainability-related risks across prudential risk categories; • How short-, medium-, and long-term effects of ESG/Sustainability-related risks are embedded within the bank's risk appetite, risk tolerance framework, and escalation processes. 	
3.5	<p>Data Availability and Quality</p> <p>Please describe the availability and quality of data and information used to effectively manage ESG/Sustainability risks, including:</p> <ul style="list-style-type: none"> • Types of ESG/Sustainability-related data currently used, distinguishing internal data, third-party sources, regulatory disclosures, and external benchmarks; • Existing gaps in ESG/Sustainability-related risk data affecting the bank's risk assessment and management capabilities; • The measures the bank is taking to address data gaps and improve the quality, coverage, and accuracy of ESG/Sustainability-related risk data, including planned enhancements, technology adoption, new data partnerships, client engagement strategies, or methodological improvements. 	
3.6	<p>Assessment and Integration of ESG Opportunities</p> <p>Please describe the processes and related policies the bank has in place to identify, assess, prioritize, manage and monitor ESG/Sustainability-related opportunities, including information about:</p> <ul style="list-style-type: none"> • Existence and scope of official policies related to ESG opportunities, including whether they are aligned with international and national standards; • Processes, tools, and data sources used to identify and evaluate ESG-related opportunities; • Whether and how the bank prioritises ESG/Sustainability-related opportunities relative to other strategic objectives; • How identified ESG/Sustainability-related opportunities are integrated into the banks' business strategy and decision-making processes, including links to new product development, market positioning, and long-term value creation. 	

Disclosure on Metrics and Targets - KPIs



Key performance indicators (KPIs) across the three ESG pillars, reflecting how financial institutions measure, manage, and monitor their ESG/sustainability performance, assess progress toward stated objectives and targets, and address ESG/sustainability risks.

All metrics provided in this section should reflect data for the latest reporting year, unless otherwise specified. Please ensure consistency with the reporting period used in the institution's Pillar 3 Annual Report.

#	Category	KPI	Unit of measure	Description & Guidance	Answer	Comment
Environmental						
E.1		Volume of green loans issued during the reporting year (flow) (expressed in GEL)	GEL	Green loans refer to loans aligned with the Green Taxonomy, as defined in the 'Regulation on Loan Classification and Reporting in accordance with the Sustainable Finance Taxonomy'. If the bank issues green loans in multiple currencies, please report them separately by currency. Please use the same definition of "Green Loan" throughout the remainder of this document.	0	
E.2			USD			
E.3			EUR			
E.4			Other currency			
E.5		Share of green loans in the total loans issued during the reporting year	%		0	
E.6		Volume of other green financial products (guarantees, letter of credit, etc.) issued during the reporting year (flow) (expressed in GEL)	GEL	Green financial products refer to financial products aligned with the Green Taxonomy, as defined in the 'Regulation on Loan Classification and Reporting in accordance with the Sustainable Finance Taxonomy'. If the bank issues green financial products in multiple currencies, please report them separately by currency. Please use the same definition of "Green Financial Product" throughout the remainder of this document.	0	
E.7			USD			
E.8			EUR			
E.9			Other currency			
E.10		Share of other green financial products (guarantees, letter of credit, etc.) in the total portfolio of other financial products issued during the reporting year	%		0	
E.11		Total volume of green loans outstanding as of end of reporting year (stock) (expressed in GEL)	GEL		0	
E.12			USD			
E.13			EUR			
E.14			Other currency			
E.15		Share of green loans in the total outstanding portfolio of loans as of end of reporting year	%		0	
E.16	Green Financial Products	Total Volume of other green financial products (guarantees, letter of credit, etc.)	GEL		0	
E.17			USD			

E.18	outstanding as of end of reporting year (stock) (expressed in GEL)	EUR			
E.19		Other currency			
E.20	Share of other green financial products (guarantees, letter of credit, etc.) in the total outstanding portfolio of other financial products as of end of reporting year	%		0	
E.21	Volume of green investment securities as of end of reporting year (expressed in GEL)	GEL	Green Investment Securities refer to investment instruments (such as equity, debt, or fund units) where the underlying proceeds are exclusively applied to finance or re-finance new and/or existing projects that are aligned with the Green Taxonomy (as defined by the National Bank of Georgia (NBG) or equivalent international standards like the ICMA Green Bond Principles and EU Taxonomy). Please use the same definition of "Green Investment Securities" throughout the remainder of this document.	0	
E.22	Share of green investment securities in total amount of investment securities as of end of reporting year	%		0	
E.23	Volume of green debt securities issued during the reporting year (expressed in GEL)	GEL	Green Debt Securities refer to debt instruments (such as bonds) that have been granted status under the "Regulation on the Granting, Maintenance, and Revocation of Green, Social, Sustainability, and Sustainability-Linked Bond Status" by the NBG. This also includes securities aligned with recognized international standards—such as the ICMA Green Bond Principles or the Climate Bonds Initiative (CBI) Standards—and issued on either local or international markets. Please use the same definition of "Green Debt Securities" throughout the remainder of this document.	0	
E.24	Share of green debt securities in the total debt securities issued during the reporting year	%		0	
E.25	Total volume of green debt securities outstanding as of end of reporting year (stock) (expressed in GEL)	GEL		0	
E.26	Share of green debt securities in the total debt securities outstanding as of end of reporting year (stock)	%		0	
E.27	Green NPL Ratio	%	Share of non-performing green loans in the total green loans as of end of reporting year: Green NPL Ratio= (S3+POCI)/(S1+S2+S3+POCI)*100, where: S1 - Stage 1 green loans; S2 - Stage 2 green loans; S3 - Stage 3 green loans; and POCI - Purchased or Originated Credit-Impaired green loans	0	
E.28	Green Asset Ratio	%	Ratio of green assets (Loans, bonds, equity exposures, etc., financing activities classified as green) to total assets as of end of reporting year: GAR= Green Assets / Total Assets × 100	0	
E.29	Green Loan Target	%	A green loan target refers to a quantitative goal, expressed as a percentage share of the total loan portfolio.	0	
E.30	Gross Scope 1 GHG emissions	Metric tons of CO2 equivalent (tCO2eq)	Emissions from sources owned or controlled by the bank (e.g., fuel combustion, company vehicles) for the reporting year. Methodology: GHG Protocol.	162.2961	
E.31	Gross Scope 2 GHG emissions	tCO2eq	Indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the bank for the reporting year. Methodology: GHG Protocol.	39.825	
E.32	Gross Scope 3 GHG emissions (including financed emissions)	tCO2eq	All other indirect emissions in the value chain, including business travel, purchased goods, and services for the reporting year. Methodology: GHG Protocol.	26.5	
E.33	Carbon Footprint	tCO2eq	Total amount of greenhouse gases (GHG) emitted directly or indirectly by the bank during the reporting year: Carbon Footprint = Scope 1 + Scope 2 + Scope 3.	228.6211	
E.34	Gross financed emissions (Scope 3, Category 15)	tCO2eq	Emissions associated with lending, investments, and other financial services for the reporting year. Methodology: NBG Financed Emissions Tool; PCAF Standard.	22614.08098	Methodology: National Bank of Georgia's Financed Emissions Tool; Partnership for Carbon Accounting Financials (PCAF) Standard.
E.35	Operational Carbon Intensity (Scope 1 & Scope 2)	tCO2eq/€Mln.	GHG emissions per unit of business activity for the bank's own operations for the reporting year: Carbon Intensity= (Scope 1 + Scope 2 Emissions (tCO2e)) / Total Operating Income (€ Mln).	0.00000885	
E.36	Financed Emissions Intensity (Scope 3, Category 15)	tCO2eq/€Mln.	Carbon intensity of the bank's portfolio for the reporting year: Financed GHG emissions intensity (tCO2e/€Mln) = Σ [Financed GHG emissions (tCO2e) / Current value of loans/investments, (€Mln)]	N/A	
E.37	Financed Emissions Coverage	%	Percentage of the total portfolio (by value) for which the bank has calculated financed GHG emissions (Scope 3, Category 15) using the PCAF methodology. PCAF Coverage Ratio = (Exposure with calculated emissions / Total relevant portfolio exposure) × 100.	N/A	
E.38	Carbon Footprint Target	%	Target for reducing total GHG emissions (Scope 1, 2, and 3) compared to a defined base year. In the comment section, please specify base year and target year.	N/A	

E39		Gross Financed Emissions Target	%	Target for reducing financed GHG emissions (e.g., associated with loans, investments) compared to a defined base year. In the comment section, please specify base year and target year.		N/A
E40	Energy Use & Efficiency	Total Energy Consumption	KWh	Total energy consumed by the bank's buildings, branches, ATMs, and data centers. Include all relevant sources such as electricity, heating, and fuel, where applicable, during the reporting year.	295 000	
E41		Renewable Energy Share (RES)	%	Percentage of total energy sourced from renewables (e.g., solar, wind) used across all bank owned facilities during the reporting year. RES = (Renewable Energy Consumed / Total Energy Consumed) × 100 In the comment section, outline renewable energy procurement strategies and targets. Highlight green electricity procurement or on-site generation (e.g., rooftop solar panels).	N/A	
E42		Energy Consumption Intensity (ECI)	KWh per FTE	Operational energy efficiency measured as energy used per full time employee (FTE): ECI = Total Energy Consumption / Number of FTEs.	1017.24	
E43		Energy Efficiency Improvement	%	Year-over-year reductions in energy consumption: EE = (PreviousEnergyPerFTE - CurrentEnergyPerFTE) / PreviousEnergyPerFTE * 100 In the comment section, describe key energy-saving initiatives, technology investments, and efficiency measures (e.g., smart systems).	-0.54	
E44	Water Management	Total Water Consumption	Cubic meters (m³)	Total volume of water consumed across bank premises, including office buildings, branches, and operational hubs during the reporting year.	4200	
E45		Water Efficiency	m³ per FTE	Water usage efficiency measured per full-time employee (FTE) during the reporting year: WE = Total Water Withdrawal / Number of FTEs. In the comment section, include trends, reduction initiatives, and internal targets.	14.48275862	
E46		Water Recycling Rate	%	Percentage of total water withdrawn that is recycled or reused during the reporting year: WRR = (Volume of Recycled Water / Total Water Withdrawal) × 100 In the comment section, provide details on recycling practices and targets for increasing recycled water use.	0	
E47	Waste Management	Total Waste Generated	Kilograms (kg)	Total volume of solid waste generated from the bank's operations, including branches, offices, and data centers during the reporting year.	5250 KG	
E48		Waste Intensity	kg per FTE	Waste generation efficiency measured per full-time employee (FTE): WI = Total Waste / Number of FTEs. In the comment section, include trends and waste reduction initiatives.	18.10	
E49		Waste Recycling Rate	%	Percentage of total waste that is recycled: RR = (Recycled Waste / Total Waste) × 100 In the comment section, provide details on recycling practices.		
E50		Paper Use	kg	Total volume of paper used across the bank during the reporting year.	15030	
E51		Paper use Intensity	kg per FTE	Paper use efficiency measured per full-time employee (FTE): PI = Total Paper Use / Number of FTEs. In the comment section, explain trends and paper reduction initiatives.	51.83	
E52	Digitalization Initiatives to Reduce Waste	Yes/No	Indicate whether digital services (e.g., e-statements, e-contracts, paperless onboarding) are implemented to reduce paper and operational waste.	Yes	In 2025, in order to digitalize employment-related documentation, the MicroBank implemented Signify, an electronic signature platform, which reduces paper consumption. In addition, the Microbank has introduced an electronic document repository, where all documents are digitized, thereby reducing the need for printing and paper-based documentation.	
E53	E-Waste Collected	kg	Total amount of electronic waste collected (e.g., computers, phones, servers) that has been disposed of or recycled during the reporting year.	0	In the microbank, the disposal of electronic waste is not carried out. Instead, the Bank resells computers and related equipment on the secondary market.	
E54	E-Waste Intensity	kg per FTE	IT equipment lifecycle efficiency measured per full-time employee (FTE): E-WI = Total E-Waste Collected / Number of FTEs.	N/A		
E55	Operational Waste Management Initiatives	Yes/No	Indicate whether the bank has implemented any waste management initiatives (e.g., waste separation, secure document shredding, employee awareness campaigns). If yes, describe the type and scope (e.g., pilot, HQ-wide, system-wide).	-		
E56	Risk Management and Other Environmental Indicators	Environmentally Friendly Initiatives	Yes/No	Indicate whether the bank has implemented environmentally friendly initiatives (e.g., electric vehicles, rooftop solar, green procurement, office insulation upgrades). If "Yes", describe the types of initiatives, their scope (e.g., pilot, branch-level, company-wide) in the comment section.	-	
E57		Exclusion list screening	Yes/No	Indicate whether the bank conducts screening against an environmental or ESG-related exclusion list.	Yes	
E58		Climate-related governance preparedness	Yes/No	Indicate whether the governance bodies consider climate-related risks (e.g., physical risks—floods, heatwaves, droughts—and transition risks—policy changes, carbon pricing, technological shifts).	-	
E59		Climate Risk Integration	Yes/No	Indicate whether climate-related risks (both physical and transition) are integrated into the bank's ESG risk management framework.	-	
E60		Climate Risk Scenario Analysis	Yes/No	Indicate whether the bank performs climate-related risk scenario analysis for financial risk assessment.	-	
E61		Climate Transition Plan	Yes/No	Indicate whether the bank has adopted a formal climate transition plan.	-	

E.62	Nature-related governance preparedness	Yes/No	Indicate whether governance bodies consider nature-related risks (e.g., deforestation, biodiversity loss, water stress).	-	
E.63	Nature Risk Integration	Yes/No	Indicate whether nature-related risks (e.g., ecosystem degradation, water stress, species loss) are integrated into the bank's ESG risk management framework.	-	
E.64	Nature Scenario Analysis	Yes/No	Indicate whether the bank performs scenario analysis to assess financial risks related to biodiversity loss or ecosystem degradation.	-	
E.65	Environmental Stress Testing	Yes/No	Indicate whether the bank conducts stress testing for climate or nature-related risks.	-	

Social

S.1	Volume of social loans issued during the reporting year (flow) (expressed in GEL)	GEL	Social loans refer to loans aligned with the Social Taxonomy, as defined in the 'Regulation on Loan Classification and Reporting in accordance with the Sustainable Finance Taxonomy'. If the bank issues social loans in multiple currencies, please report them separately by currency. Please use the same definition of "Social Loan" throughout the remainder of this document.	N/A	
S.2		USD			
S.3		EUR			
S.4		Other currency			
S.5	Share of social loans in the total loans issued during the reporting year	%		N/A	
S.6	Volume of other social financial products (guarantees, letter of credit, etc.) issued during the reporting year (flow) (expressed in GEL)	GEL	Social financial products refer to financial products aligned with the Social Taxonomy, as defined in the 'Regulation on Loan Classification and Reporting in accordance with the Sustainable Finance Taxonomy'. If the bank issues social financial products in multiple currencies, please report them separately by currency. Please use the same definition of "Social Financial Product" throughout the remainder of this document.	N/A	
S.7		USD			
S.8		EUR			
S.9		Other currency			
S.10	Share of other social financial products (guarantees, letter of credit, etc.) in the total portfolio of other financial products issued during the reporting year	%		N/A	
S.11	Volume of sustainable loans issued during the reporting year (flow) (expressed in GEL)	GEL	Sustainable loans refer to loans aligned with the Green Taxonomy and the Social Taxonomy, as defined in the 'Regulation on Loan Classification and Reporting in accordance with the Sustainable Finance Taxonomy'. If the bank issues sustainable loans in multiple currencies, please report them separately by currency. Please use the same definition of "Sustainable Loan" throughout the remainder of this document.	N/A	
S.12		USD			
S.13		EUR			
S.14		Other currency			
S.15	Share of sustainable loans in the total loans issued during the reporting year	%		N/A	
S.16	Volume of other sustainable financial products (guarantees, letter of credit, etc.) issued during the reporting year (flow) (expressed in GEL)	GEL	Sustainable financial products refer to financial products aligned with the Green Taxonomy and the Social Taxonomy, as defined in the 'Regulation on Loan Classification and Reporting in accordance with the Sustainable Finance Taxonomy'. If the bank issues sustainable financial products in multiple currencies, please report them separately by currency. Please use the same definition of "Sustainable Financial Product" throughout the remainder of this document.	N/A	
S.17		USD			
S.18		EUR			

S.19		Other currency			
S.20	Share of other sustainable financial products (guarantees, letter of credit, etc.) in the total portfolio of other financial products issued during the reporting year	%		N/A	
S.21	Volume of loans issued to women entrepreneurs during the reporting year (flow) (expressed in GEL)	GEL	Woman Entrepreneur, as defined by Sub-paragraph "1h" of the first paragraph of Article 2 of the "Regulation on Disclosure requirements for commercial banks within Pillar 3." Please use the same definition of "Woman Entrepreneur" throughout the remainder of this document.	17605970	
S.22		USD			
S.23		EUR			
S.24		Other currency			
S.25	Share of loans to women entrepreneur in the total loans issued during the reporting year	%		10.01	
S.26	Total volume of social loans outstanding as of end of reporting year (stock) (expressed in GEL)	GEL		N/A	
S.27		USD			
S.28		EUR			
S.29		Other currency			
S.30	Share of social loans in the total outstanding portfolio of loans as of end of reporting year	%		N/A	
S.31	Total Volume of other social financial products (guarantees, letter of credit, etc.) outstanding as of end of reporting year (stock) (expressed in GEL)	GEL		N/A	
S.32		USD			
S.33		EUR			
S.34		Other currency			
S.35	Share of other social financial products (guarantees, letter of credit, etc.) in the total outstanding portfolio of other financial products as of end of reporting year	%		N/A	
S.36	Total volume of sustainable loans outstanding as of end of reporting year (stock) (expressed in GEL)	GEL			
S.37		USD			
S.38		EUR			
S.39		Other currency			
S.40	Share of sustainable loans in the total outstanding portfolio of loans as of end of reporting year	%		N/A	
S.41	Total Volume of other sustainable financial products (guarantees, letter of credit, etc.)	GEL		N/A	
S.42		USD			

S.43	outstanding as of end of reporting year (stock) (expressed in GEL)	EUR			
S.44		Other currency			
S.45	Share of other sustainable financial products (guarantees, letter of credit, etc.) in the total outstanding portfolio of other financial products as of end of reporting year	%		N/A	
S.46	Total volume of loans to women entrepreneurs outstanding as of end of reporting year (stock) (expressed in GEL)	GEL		17,849,854.00	
S.47		USD			
S.48		EUR			
S.49		Other currency			
S.50	Share of loans to women entrepreneurs in the total outstanding portfolio of loans as of end of reporting year	%		11.47	
S.51	Volume of social/sustainable/ sustainability-linked investment securities as of end of reporting year (expressed in GEL)	GEL	Social/Sustainability Investment Securities refer to investment instruments (such as equity, debt instruments, or fund units) where the proceeds are exclusively applied to finance or re-finance new and/or existing projects that are aligned with Social or Sustainability Taxonomies (as defined by the National Bank of Georgia or equivalent international standards, such as the ICMA Social Bond Principles or the ICMA Sustainability Bond Guidelines). Sustainability-Linked Investment Securities refer to investment instruments (such as equity debt instruments, or fund units) whose financial and/or structural characteristics are linked to the issuer's achievement of predefined ESG/sustainability objectives (as defined by the National Bank of Georgia or equivalent international standards, such as the ICMA Sustainability-Linked Bond Principles). Please use the same definition of "Social, Sustainability, and Sustainability-Linked Investment Securities" throughout the remainder of this document.	N/A	
S.52	Share of social/sustainable/ sustainability-linked investment securities in total amount of investment securities as of end of reporting year	%		N/A	
S.53	Volume of social/sustainable/ sustainability-linked debt securities issued during the reporting year (expressed in GEL)	GEL	Social/Sustainable/Sustainability-linked Debt Securities refer to debt instruments (such as bonds) that have been granted status under the "Regulation on the Granting, Maintenance, and Revocation of Green, Social, Sustainability, and Sustainability-Linked Bond Status" by the NBG. This also includes securities aligned with recognized international standards—such as the ICMA Social Bond Principles, the ICMA Sustainable Bond Guidelines or ICMA Sustainability-linked Bond Principles—and issued on either local or international markets. Please use the same definition of "Social/Sustainable/Sustainability-linked Debt Securities" throughout the remainder of this document.	N/A	
S.54	Share of social/sustainable/ sustainability-linked debt securities in the total debt securities issued during the reporting year	%		N/A	
S.55	Total volume of social/sustainable/ sustainability-linked issued debt securities outstanding as of end of reporting year (stock) (expressed in GEL)	GEL		N/A	
S.56	Share of social/sustainable/ sustainability-linked debt securities in the total issued debt securities outstanding as of end of reporting year (stock)	%		N/A	
S.57	Social NPL Ratio	%	Share of non-performing social loans in the total social loans as of end of reporting year. Social NPL Ratio = $(S3 + POCI) / (S1 + S2 + S3 + POCI) * 100$, where: S1 - Stage 1 social loans; S2 - Stage 2 social loans; S3 - Stage 3 social loans; and POCI - Purchased or Originated Credit-Impaired social loans.	N/A	
S.58	Sustainable NPL Ratio	%	Share of non-performing sustainable loans in the total sustainable loans as of end of reporting year. Sustainable NPL Ratio = $(S3 + POCI) / (S1 + S2 + S3 + POCI) * 100$, where: S1 - Stage 1 sustainable loans; S2 - Stage 2 sustainable loans; S3 - Stage 3 sustainable loans; and POCI - Purchased or Originated Credit-Impaired sustainable loans.	N/A	
S.59	NPL Ratio for women entrepreneurs (WE)	%	Share of non-performing loans to women enterprises in the total loans to women enterprises as of end of reporting year. WE Non-performing loans = $(E3 + POCI) / (E1 + E2 + E3 + POCI)$, where: E1 - Stage 1 loans; E2 - Stage 2 loans; E3 - Stage 3 loans; and POCI - Purchased or Originated Credit-Impaired loans (here loans refer to loans issued to WE)	0.13	
S.60	Social Asset Ratio	%	Ratio of social assets (Loans, bonds, equity exposures, etc., financing activities classified as social) to total assets: SAR= Social Assets / Total Assets * 100.	N/A	
S.61	Sustainable Asset Ratio	%	Ratio of sustainable assets (Loans, bonds, equity exposures, etc., financing activities classified as sustainable) to total assets: SuSAR= Sustainable Assets / Total Assets * 100.	N/A	
S.62	Social Loan Target	%	A social loan target refers to a quantitative goal, expressed as a percentage share of the total loan portfolio.	N/A	
S.63	Sustainable Loan Target	%	A sustainable loan target refers to a quantitative goal, expressed as a percentage share of the total loan portfolio.	N/A	

S.64		Target for loans issued to women entrepreneurs	%	Target for loans issued to women entrepreneurs refers to a quantitative goal, expressed as a percentage share of the total loan portfolio.	N/A	
S.65		Diversity policy for governance bodies	Yes/No	Indicate whether the bank has a formal diversity policy covering the Supervisory Board and/or Board of Directors/executive management. If "Yes", provide the scope and implementation mechanisms in the comment section.	-	The microbank operates in accordance with the National Bank of Georgia's "Corporate Governance Code for Commercial Banks" and takes into account the requirements of this Code regarding diversity within governing bodies.
S.66		Women on supervisory board	%	Percentage of women on the Supervisory Board at the end of the reporting year.	33%	
S.67		Women in Top Management	%	The share of women among senior executives, including members of the board of directors and other C-level positions, as of the end of the reporting year.	50%	
S.68		Women in Middle Management	%	Percentage of women in middle management roles as of the end of the reporting year. Define middle management based on the bank's internal classification.	54%	
S.69		Female Employees	%	Percentage of female employees in the total workforce as of the end of the reporting year.	70%	
S.70		Employees with Disabilities	%	Percentage of employees who self-identify as having a disability, based on local legal or internal HR definitions as of the end of the reporting year.	0%	
S.71		Disability-Inclusive Hiring Program	Yes/No	Indicate whether the bank has adopted inclusive hiring policies or specific programs targeting persons with disabilities. If "Yes", describe scope (e.g., hiring targets, accessible recruitment platforms, support measures, and progress in the comment section.	No	
S.72	Employee Diversity	Workforce age distribution as of the end of the reporting year	Number of employees per age group	<20	1	
S.73				20-30	119	
S.74				30-40	124	
S.75				40-50	40	
S.76				>50	6	
S.77					Gender Pay Gap	%
S.78		Gender Equal Pay Gap	%	Adjusted Gender Pay Gap – The percentage difference in average annual total remuneration between female and male employees performing the same or equivalent work (e.g., within the same grade, job level, or function). The adjusted averages should be calculated by comparing employees within the same or similar job grades, functions, or roles, and then aggregating the results using a common weighting structure. Adjusted Gender Pay Gap = (Average adjusted male total remuneration - Average adjusted female total remuneration) / Average adjusted male total remuneration × 100; where: Average adjusted male/female remuneration = $\sum (\text{Average male/female remuneration in group } i \times \text{Weight of group } i)$ i = job grade, function, or comparable employee group Weight of group i = the share of employees in that group relative to the total workforce.	7	
S.79		Training Coverage	%	Percentage of employees who received training during the reporting year.	100%	
S.80		Average Training Hours	Hours	Average annual training hours per Full-Time Employee (FTE) during the reporting year.	0.17	
S.81		Training Investment per Employee	GEL	Average annual training and development expenses per employee during the reporting year. Include both internal and external training costs.	284.62	
S.82		Inclusion of ESG in Employee Training	Yes/No	Indicate whether ESG or sustainability topics are integrated into employee training programs (e.g., onboarding, annual refresher). In the comment section, describe the content, target audience (e.g., all staff, leadership), and frequency.	-	
S.83		Internal promotion rate	%	Percentage of vacancies filled by internal candidates during the reporting year.	10%	

S.84	Employee Development, Satisfaction and Retention	Employee turnover rate	%	Proportion of employees who left the bank during the reporting year. Turnover Rate = (Number Employees who left / Average number of employees) × 100 Where: Average number of employees = (Total employees at start of year + Total employees at end of year) / 2	18%	
S.85		Average Employee Tenure	Years	Average number of years employees have stayed with the bank as of end of the reporting year. Average Tenure = \sum (Years of Service for each Employee) \ Total Number of Current Employees	3.20	
S.86		Employee satisfaction survey	Yes/No	Indicate whether bank conducts an employee satisfaction survey.	-	
S.87		Overall employee satisfaction rate	%	Percentage of employees who reported being "satisfied" or "very satisfied" (or an equivalent positive response). Please provide a description of the assessment approach in the comment section.	-	
S.88		Flexible Work Arrangements	Yes/No	Indicate whether flexible working arrangements (e.g., remote work, flex hours) are available. If "yes", provide uptake percentage in the comment section.	-	
S.89		Parental leave uptake	Number	Total number of employees who took parental leave during the reporting year. Disaggregate by gender if possible.	22	
S.90		Parental leave duration	Days	Average length of parental leave taken per employee. In the comment section, include any policies or support measures offered.	447	
S.91	Labor Rights	Child and forced labor policy	Yes/No	Indicate whether the bank has a policy prohibiting child labor and forced labor. In the comment section, describe how the policy is communicated, enforced, and reviewed.	-	
S.92		Non-discrimination policy	Yes/No	Indicate whether the bank has a non-discrimination policy covering race, gender, religion, disability, or other grounds. In the comment section, outline implementation, communication, and enforcement mechanisms.	Yes	In 2025, the Microbank was in the process of developing a "Discrimination and Sexual Harassment Prevention Policy," which prohibits discrimination on any grounds and applies to employees, job applicants, customers and other third parties. The policy is scheduled to be approved by the Supervisory Board in the following year. The document outlines the procedures for submitting complaints related to incidents of discrimination and/or sexual harassment. It provides detailed definitions of the relevant terminology, comprehensive descriptions of the applicable procedures and mechanisms, designated email addresses and all other necessary information to assist potential victims in reporting incidents and/or filing complaints. In addition, a dedicated section of the policy is devoted to implementation measures and awareness-raising activities, including both online and offline training and communication initiatives aimed at promoting understanding and effective application of the policy throughout the organization.
S.93		Compliance with labor standards	Yes/No	Indicate whether the bank complies with local labor laws and international standards (e.g., ILO). In the comment section, describe mechanisms for compliance (e.g., audits, training, corrective action).	Yes	The Microbank's operations comply with the current Labour Code of Georgia. The Microbank ensures fair labour practices, non-discrimination, a safe working environment and the protection of employees' rights, all of which are governed by internal policies, including the Internal Regulations, the Code of Ethics and the Occupational Health and Safety Policy. The Microbank has an internal communication and grievance mechanism in place for employees, which ensures staff engagement and enables the timely and effective resolution of labour-related issues. In addition, compliance with labour practices is regularly reviewed by Internal Audit, ensuring control over adherence to applicable legislation and internal policies.
S.94		Occupational Health and Safety Policy	Yes/No	Indicate whether the bank has a formal policy on occupational health and safety.	Yes	
S.95		Training on Labor Rights / Human Rights	Yes/No	Indicate whether labor rights and human rights are part of employee training.	-	
S.96		Grievance Mechanism – Labor Practices	Yes/No	Indicate whether the bank has a formal grievance mechanism in place for labor-related issues.	Yes	
S.97		Number of Grievances Related to Labor Practices	Number	Report the number of complaints or grievances raised related to labor rights (e.g., working conditions, harassment, discrimination) during the reporting year.	1	
S.98	Inclusion of Labor Rights in Supplier Agreements	Yes/No	Indicate whether labor rights (e.g., fair wages, working conditions) are included in supplier/vendor agreements. In the comment section, describe how these are monitored and enforced.	No		
S.99	Customer Satisfaction and Loyalty	Customer satisfaction survey	Yes/No	Indicate whether the bank conducts customer satisfaction surveys. Describe frequency, and trends in the comment section.	-	
S.100		Customer Retention Rate	%	Percentage of customers retained over the reporting year. Retention Rate = ((Number of customers at end of period – New customers during period) / Number of customers at start of period) × 100 "Customers" include both individual and corporate clients, and refer to active customers only — i.e., those with at least one active product or service relationship during the reporting period.	98	
S.101		Customer Complaint Rate	Number, per 1,000 customers	Total number of complaints received during the reporting year, normalized per 1,000 active customers: Complaints Rate = (Total Complaints / Total Active Customers) × 1,000 "Complaints" include all types of customer complaints received through any official bank channel, including branches, call centers, email, online platforms, mobile banking, monitored social media, or those forwarded by the NBS.	1.2	
S.102		Customer Privacy Complaints	Number, per 1,000 customers	Total number of complaints received concerning breaches of customer data privacy during the reporting year, normalized per 1,000 active customers: Privacy Complaints Rate = (Total Privacy Complaints / Total Active Customers) × 1,000 "Customer privacy complaints" include all complaints related to personal data protection or privacy breaches received through any official bank channel, including branches, call centers, email, online platforms, mobile banking, monitored social media, or those forwarded by the NBS.	0	
S.103		Accessibility for persons with disabilities	Yes/No	Indicate whether the bank has implemented policies or measures to ensure accessibility of facilities, digital platforms (e.g., websites, mobile apps), and documents for persons with disabilities. Describe key features and actions taken for customers in the comment section.	No	

S.104		Digital Service Usage Rate	%	Share of total customers using digital channels (e.g., mobile banking, online banking).	N/A	
S.105	Stakeholder Engagement & Financial Inclusion	Community investment	Yes/No	Indicate whether the bank contributed to local community development. Provide examples of supported projects or programs in the comment section.	-	<p>The Microbank, within the framework of its corporate responsibility, supports various local community development initiatives. It engages both in direct partnership projects and in initiatives aimed at community empowerment in cooperation with various international and local organizations. The Microbank has been an active signatory of the Women's Empowerment Principles (WEPs) since 2018. Throughout this period, the Microbank has continuously implemented initiatives aimed at promoting gender equality both within the organization and beyond.</p> <p>In 2025, Microbank MBC supported a large-scale exhibition and sales event of women entrepreneurs' products, initiated by LIN Women, through a financial contribution. Approximately 200 women entrepreneurs from different regions presented their products at the exhibition. Visitors had the opportunity to explore and purchase a wide range of locally made goods, including food products, wine, gifts, toys, accessories, handmade items, as well as beauty and personal care products. The exhibition supports participating communities in maintaining and improving their financial well-being.</p> <p>The Microbank is also actively involved in the National Bank of Georgia's financial education program "FinEdu," within which meetings were held in 2025 with approximately 300 students from 10 schools. In addition, the Microbank is an annual financial supporter of the Georgian Aquatic Sports Federation, contributing to the promotion of aquatic sports and a healthy lifestyle within the community. In 2025, the Microbank provided financial support to the Federation. Furthermore, MBC seeks to prioritize social enterprises and in particular, women-led businesses when purchasing corporate and incentive gifts for employees. In 2025, the Microbank collaborated with the social enterprise "Dediko."</p>
S.106		Financial inclusion initiatives	Yes/No	Indicate whether the bank implements initiatives aimed at expanding access to financial services for underserved, vulnerable, or previously unbanked populations. In the comment section, describe the scope of these initiatives, the target groups, and the delivery channels (e.g., mobile or online banking, micro- and SME financing, products tailored to rural communities, women, youth, or persons with disabilities, and other inclusive service models).	-	
S.107		Individuals Reached via Financial Inclusion Initiatives	Number	Number of individuals served or reached through the bank's financial inclusion initiatives during the reporting year.		
S.108		Access to financial services in underserved areas	%	Indicate the percentage of physical service points (e.g., branches) located in underserved regions of Georgia (excluding major urban centers such as Tbilisi, Batumi, and Kutaisi).	95	
S.109		Financial literacy initiatives	Yes/No	Indicate whether the bank runs financial literacy programs. If "Yes", describe the target audiences, delivery formats, and achieved outcomes in the comment section.	Yes	<p>For the purpose of raising awareness on financial education, Microbank MBC actively cooperates with the National Bank of Georgia. Within the framework of these initiatives, the primary target audience is defined as school and university students. The Microbank's priority is to support young people living in regional areas and to provide them with access to information on financial topics. In line with this objective, several partnership initiatives were implemented in 2025. As part of the "FinEdu" program, Microbank employees acted as ambassadors and met with approximately 300 students from 10 schools, delivering educational sessions on financial literacy. In the same year, MBC also participated in the development of "FinEdu" educational comics. In addition, the Microbank supported the National Bank of Georgia's competition "The Regulator's Dilemma," within which the winning team was sponsored by the Bank.</p>
S.110		Participation in community development initiatives	Yes/No	Indicate whether the bank engages in public or private community development initiatives. If "Yes", describe the nature, scale, and outcomes of participation in the comment section.	-	
S.111	Stakeholder engagement activities	Yes/No	Indicate whether the bank organizes stakeholder consultations, public meetings, or other engagement activities. If "Yes", specify the number and purpose of the activities conducted during the reporting period in the comment section.	-		

Governance						
G.1	Board Oversight & Management Accountability	Integration of ESG into Strategy	Yes/No	Indicate whether ESG-related aspects are integrated into the bank's long-term business strategy.	-	
G.2		ESG strategy approval by board	Yes/No	Indicate whether ESG-related strategies and policies are approved by the Supervisory Board.	-	
G.3		ESG expertise on the board	Yes/No	Indicate whether the Supervisory board members have relevant ESG experience or have completed specialized ESG certification.	-	
G.4		ESG oversight at board level	Yes/No	Indicate whether ESG oversight is assigned to the Supervisory Board and/or to a specific committee (e.g., ESG Committee, Risk Committee). Specify in comment section.	-	
G.5		Designated ESG officer or unit	Yes/No	Indicate whether ESG responsibilities are formally assigned to a dedicated officer or unit. If "Yes", provide the title, role, and reporting line in the comment section.	Yes	Human Capital Management and Corporate Sustainability Division, Risk Department
G.6		ESG responsibility at management level	Yes/No	Indicate whether a member of senior management has oversight of ESG activity implementation (e.g., Chief Risk Officer).	Yes	Chief Operations Officer, Chief Risk Officer
G.7		Integration into Internal Reporting Framework	Yes/No	Indicate whether the bank integrates ESG/Sustainability risks and opportunities into its Internal Reporting Framework (e.g., Management Information Systems (MIS), Risk Dashboards).	-	

G.8	ESG reporting frequency to the board	Annual / Biannual / Quarterly	Indicate how often ESG matters are formally reported to the Supervisory Board or relevant committee.	Annual	
G.9	ESG Training for Board/Senior Management	Yes/No	Indicate whether ESG-related training is provided to the Supervisory Board members and/or senior management. In the comment section, specify the frequency, delivery format (e.g., online, in-person), and key topics covered.		
G.10	ESG-linked Executive Remuneration	Yes/No	Indicate whether executive compensation includes ESG-related performance indicators or targets.		
G.11	Code of conduct	Yes/No	Indicate whether the bank has a formal code of conduct or ethics policy.	Yes	
G.12	Anti-bribery policy	Yes/No	Indicate whether the bank has an anti-bribery policy in place.	Yes	
G.13	Anti-money laundering (AML) policy	Yes/No	Indicate whether the bank has a formal anti-money laundering (AML) and Combating the Financing of Terrorism (CFT) policy.	Yes	
G.14	Business integrity policy	Yes/No	Indicate whether the bank has a formal policy promoting responsible business practices and ethical conduct.	No	
G.15	ESG-related fines or sanctions	Yes/No	Indicate whether the bank incurred any legal or regulatory penalties related to ESG issues during the reporting year. If "Yes", describe the type and value of fines in the comment section.	No	
G.16	Fines for anti-competitive behavior, anti-trust, and monopoly practices	Yes/No	Indicate whether the bank incurred any fines or expenses related to anti-competitive behavior, anti-trust, or monopoly practices during the reporting year. If "Yes", briefly describe the case(s) in the comment section.	No	
G.17	Business Continuity Plans (BCPs)	Yes/No	Indicate whether the bank has up-to-date business continuity plans for critical operational sites (e.g., head office, data centers, key branches). Specify scope, coverage, and testing frequency in the comment section.	Yes	
G.18	ESG Risk Management Policy	Yes/No	Indicate whether the bank has an approved ESG risk management policy.	No	
G.19	ESG Risk Integration	Yes/No	Indicate whether ESG risks are integrated into the bank's overall risk management framework.	No	
G.20	Cybersecurity policy	Yes/No	Indicate whether the bank has a formal cybersecurity policy.	Yes	
G.21	Cybersecurity audit	Yes/No	Indicate whether the bank conducts cybersecurity audits. Describe the audit frequency, scope (e.g., systems reviewed, internal/external audits) in the comment section.	Yes	
G.22	ESG/Sustainability disclosure aligned with recognized international frameworks	Yes/No	Indicate whether the bank publishes an ESG/Sustainability Report following internationally recognized standards or frameworks (e.g., GRI, SASB, UNGC, IFRS S1/S2). Specify which standards are used and the frequency of disclosure in the comment section.	Yes	
G.23	Third-party assurance of ESG disclosures	Yes/No	Indicate whether ESG/Sustainability Reports are assured by a third party. Include the scope of assurance and the name of the assurance provider.	No	
G.24	ESG rating performance	Rating score	Report third-party ESG rating scores (e.g., MSCI, Sustainalytics). Describe dynamics over time in the comment section.	No	
G.25	ESG governance disclosure	Yes/No	Indicate whether the governance structure overseeing ESG issues is publicly disclosed (e.g., in sustainability or annual reports). Provide source in the comment section.	Yes	
G.26	Board consultation with stakeholders on ESG	Yes/No	Indicate whether formal engagement occurs between the Board and stakeholders (e.g., shareholders, NGOs) on ESG matters. Specify format and frequency in the comment section.	No	
G.27	Commitment to SDGs and/or Net Zero Alignment	Yes/No	Indicate whether the bank has made a formal commitment to the UN Sustainable Development Goals (SDGs) and/or to Net Zero or Paris Agreement targets. If "Yes", specify the nature of the commitment (e.g., specific SDGs, Net Zero year), and reference any supporting strategy or public statement in the comment section.		
G.28	Progress reporting on SDGs and climate goals	Yes/No	Indicate whether the bank publicly reports progress on SDG targets and/or Net Zero/climate alignment commitments. Include frequency and main disclosure channels in the comment section.	Yes	COP
G.29	Signatory to international initiatives	Yes/No	Indicate whether the bank is a signatory or member of international sustainability-related initiatives (e.g., PRB, PRI, PCAF, UN Global Compact, NZBA). If "Yes", list initiatives and date of joining in the comment section.	Yes	UN Global Compact

Disclosure on Metrics and Targets - Transition Risk

Quantitative information on bank's exposure by sector, together with associated financed emissions, credit quality and maturity ladder.



All metrics provided in this section should reflect data for the latest reporting year, unless otherwise specified. Please ensure consistency with the reporting period used in the institution's Pillar 3 Annual Report.

Do not change the format of the template.

#	Sector/Subsector Name	Total Outstanding Loans issued to Legal Entities (GEL)			D	E	Residual Maturity				J
		A	B	C			F	G	H	I	
			of which Green Loans	Of which non-performing loans	% of Total Exposure	GHG financed emissions (in tons of CO2 equivalent)	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted residual maturity
4.b.1	A - Agriculture, forestry and fishing	109105.5993	0	0	#DIV/0!		109105.5993	0	0	0	0
4.b.2	A.01 - Crop and animal production, hunting and related service activities	0	0	0	#DIV/0!		0	0	0	0	0
4.b.3	A.02 - Forestry and logging	0	0	0	#DIV/0!		0	0	0	0	0
4.b.4	A.03 - Fishing and aquaculture	0	0	0	#DIV/0!		0	0	0	0	0
4.b.5	B - Mining and quarrying	0	0	0	#DIV/0!		0	0	0	0	0
4.b.6	B.05 - Mining of coal and lignite	0	0	0	#DIV/0!		0	0	0	0	0
4.b.7	B.06 - Extraction of crude petroleum and natural gas	0	0	0	#DIV/0!		0	0	0	0	0
4.b.8	B.07 - Mining of metal ores	0	0	0	#DIV/0!		0	0	0	0	0
4.b.9	B.08 - Other mining and quarrying	0	0	0	#DIV/0!		0	0	0	0	0
4.b.10	B.09 - Mining support service activities	0	0	0	#DIV/0!		0	0	0	0	0
4.b.11	C - Manufacturing	0	0	0	#DIV/0!		0	0	0	0	0
4.b.12	C.10 - Manufacture of food products	0	0	0	#DIV/0!		0	0	0	0	0
4.b.13	C.11 - Manufacture of beverages	0	0	0	#DIV/0!		0	0	0	0	0
4.b.14	C.12 - Manufacture of tobacco products	0	0	0	#DIV/0!		0	0	0	0	0
4.b.15	C.13 - Manufacture of textiles	0	0	0	#DIV/0!		0	0	0	0	0
4.b.16	C.14 - Manufacture of wearing apparel	252264.3371	0	58552.5894	#DIV/0!		252264.3371	0	0	0	0
4.b.17	C.15 - Manufacture of leather and related products	0	0	0	#DIV/0!		0	0	0	0	0
4.b.18	C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	0	0	0	#DIV/0!		0	0	0	0	0
4.b.19	C.17 - Manufacture of pulp, paper and paperboard	0	0	0	#DIV/0!		0	0	0	0	0
4.b.20	C.18 - Printing and service activities related to printing	0	0	0	#DIV/0!		0	0	0	0	0
4.b.21	C.19 - Manufacture of coke oven products	0	0	0	#DIV/0!		0	0	0	0	0
4.b.22	C.20 - Production of chemicals	0	0	0	#DIV/0!		0	0	0	0	0
4.b.23	C.21 - Manufacture of pharmaceutical preparations	0	0	0	#DIV/0!		0	0	0	0	0
4.b.24	C.22 - Manufacture of rubber products	0	0	0	#DIV/0!		0	0	0	0	0
4.b.25	C.23 - Manufacture of other non-metallic mineral products	0	0	0	#DIV/0!		0	0	0	0	0
4.b.26	C.24 - Manufacture of basic metals	0	0	0	#DIV/0!		0	0	0	0	0
4.b.27	C.25 - Manufacture of fabricated metal products, except machinery and equipment	0	0	0	#DIV/0!		0	0	0	0	0
4.b.28	C.26 - Manufacture of computer, electronic and optical products	0	0	0	#DIV/0!		0	0	0	0	0
4.b.29	C.27 - Manufacture of electrical equipment	0	0	0	#DIV/0!		0	0	0	0	0
4.b.30	C.28 - Manufacture of machinery and equipment n.e.c.	0	0	0	#DIV/0!		0	0	0	0	0
4.b.31	C.29 - Manufacture of motor vehicles, trailers and semi-trailers	0	0	0	#DIV/0!		0	0	0	0	0
4.b.32	C.30 - Manufacture of other transport equipment	0	0	0	#DIV/0!		0	0	0	0	0
4.b.33	C.31 - Manufacture of furniture	0	0	0	#DIV/0!		0	0	0	0	0
4.b.34	C.32 - Other manufacturing	174303.9523	0	38166.96	#DIV/0!		174303.9522	0	0	0	0
4.b.35	C.33 - Repair and installation of machinery and equipment	0	0	0	#DIV/0!		0	0	0	0	0
4.b.36	D - Electricity, gas, steam and air conditioning supply	0	0	0	#DIV/0!		0	0	0	0	0
4.b.37	E - Water supply; sewerage, waste management and remediation activities	0	0	0	#DIV/0!		0	0	0	0	0
4.b.38	F - Construction	219465.1563	0	9641.61	#DIV/0!		127577.1504	91888.00586	0	0	0
4.b.39	F.41 - Construction of buildings	0	0	0	#DIV/0!		0	0	0	0	0
4.b.40	F.42 - Civil engineering	0	0	0	#DIV/0!		0	0	0	0	0
4.b.41	F.43 - Specialized construction activities	0	0	0	#DIV/0!		0	0	0	0	0
4.b.42	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	534220.6813	0	58176.15665	#DIV/0!		464927.4686	69293.21277	0	0	0
4.b.43	H - Transportation and storage	0	0	0	#DIV/0!		0	0	0	0	0
4.b.44	H.49 - Land transport and transport via pipelines	0	0	0	#DIV/0!		0	0	0	0	0
4.b.45	H.50 - Water transport	0	0	0	#DIV/0!		0	0	0	0	0
4.b.46	H.51 - Air transport	0	0	0	#DIV/0!		0	0	0	0	0
4.b.47	H.52 - Warehousing and support activities for transportation	0	0	0	#DIV/0!		0	0	0	0	0
4.b.48	H.53 - Postal and courier activities	0	0	0	#DIV/0!		0	0	0	0	0
4.b.49	I - Accommodation and food service activities	0	0	0	#DIV/0!		0	0	0	0	0
4.b.50	L - Real estate activities	471248.868	0	0	#DIV/0!		174541.4964	296707.3716	0	0	4
4.b.51	K - Financial and insurance activities	0	0	0	#DIV/0!		0	0	0	0	0
4.b.52	Exposures to other sectors (NACE codes J, M - U)	1743796.281	0	167642.6449	#DIV/0!		1110150.667	633645.6142	0	0	7
4.b.53	TOTAL				#DIV/0!						

Definitions:

Total Outstanding Loans issued to Legal Entities (GEL): The total stock of loans (on-balance sheet items) granted to legal entities (excluding sole proprietors) as of the end of the reporting year. Amounts should be reported in GEL, with foreign currency exposures converted using the end-of-period exchange rate.

of which Green Loans: Loans aligned with the Green Taxonomy, as defined in the 'Regulation on Loan Classification and Reporting in accordance with the Sustainable Finance Taxonomy', expressed in GEL. (<https://nbg.gov.ge/en/page/sustainable-finance-taxonomy>).

Of which non-performing loans: Non-performing loans defined as NPL= (S3 + POCI), where: S3 - Stage 3 loans; and POCI - Purchased or Originated Credit-Impaired loans.

% of Total Exposure: Percentage share in total outstanding loans issued to legal entities (calculated automatically).

GHG Financed Emissions: Financed emissions of total outstanding loans to legal entities, by sector (can be calculated using the NBG Financed Emissions Tool - <https://nbg.gov.ge/en/page/financed-emissions>).

Residual Maturity: allocate loans to the relevant maturity bucket based on the loan's remaining maturity.

Average Weighted Residual Maturity: The average remaining maturity of loans, expressed in years, weighted by the outstanding loan amounts.

Comment Section:

Please describe any data gaps, use of proxies, estimation methods, or other data quality issues related to the reported figures.

