



Minimum Shareholding Policy for Executive Directors




Target audience:	TBC Bank Group PLC Executive Directors	
Policy Owner (Responsible for the document):	Compliance Department of TBC Bank JSC	
Units engaged in the implementation:	JSC TBC Bank Supervisory Board Support Department	
Reviewed by:	JSC TBC Bank Legal Department	
Approved by:	TBC Bank Group PLC Board of Directors  _____ Arne Berggren Chairman of the TBC Bank Group PLC Board of Directors	
Effective Date:	12.12.2023	
Replaces (Previous version):	2019 Version	
In the event of any discrepancies or inconsistency between the English version of this Policy and a translated version, the English version shall prevail.		
Version		Date
Previous version	1 st	02.04.2019
Current version	2 nd	12.12.2023
Revision frequency	Annual/Ad hoc	
Accessibility	Internal	
Application and alterations	This Policy applies to the executive directors of TBC Bank Group PLC	
Definitions	Terms written in bold capital letters that have not been defined in this Policy will carry the same meanings as stated in the Glossary approved by TBC Bank Group PLC Board of Directors.	

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1. PURPOSE AND SCOPE

- 1.1 The purpose of this Minimum Shareholding Policy for Executive Directors (“**the Policy**”) is to align the interest of the **TBC PLC** executive directors with the long-term interests of the shareholders. Each **TBC PLC** executive director must establish and maintain a level of share ownership in **TBC PLC** equal to the Minimum Shareholding Requirement. This **Policy** operates by restricting the disposal of the relevant **TBC PLC** shares. It does not require the executive directors to acquire additional **TBC PLC** shares to satisfy the Minimum Shareholding Requirement.
- 1.2 This **Policy** applies to the executive directors of **TBC PLC** the list of which is given in Annex1 attached hereto.

2. THE MINIMUM SHAREHOLDING REQUIREMENT

- 2.1 This **Policy** requires **TBC PLC** executive directors to build and maintain shares of at least 200% of base, gross salary, (the “**Minimum Shareholding Requirement**”) during their tenure. Once the **Minimum Shareholding Requirement** has been met, the executive director must maintain the **Minimum Shareholding Requirement** for as long as the executive director remains an executive director. The **Minimum Shareholding Requirement** will also apply for two years post-employment at a level equal to the lower of:
- 2.1.1 50% of the **Minimum Shareholding Requirement** immediately prior to departure; or
- 2.1.2 the executive director's actual shareholding on departure.
- 2.2 **TBC PLC** executive directors are prohibited from disposing of shares acquired by them from awards under any **TBC PLC** equity-based incentive scheme, unless immediately after the disposal, **TBC PLC** executive director continues to hold a number of **TBC PLC** shares to satisfy the **Minimum Shareholding Requirement**.

3. SHARES COUNTED WITHIN THE MINIMUM SHAREHOLDING REQUIREMENT

- 3.1 Deferred **TBC PLC** shares paid to **TBC PLC** executive directors in relation to salary and bonus and vested awards from the **TBC PLC** Long Term Incentive Plan (or equivalent scheme) can be included for the purposes of calculating the **Minimum Shareholding Requirement**. However, any deferred shares will be considered on a net of tax basis.
- 3.2 Unvested awards under the **TBC** Long Term Incentive Plan (or equivalent scheme) will not count towards the **Minimum Shareholding Requirement**.

4. SCOPE OF THE RESTRICTION

- 4.1 **TBC PLC** executive directors are prohibited from disposing of relevant **TBC PLC** shares where, immediately after the disposal, **TBC PLC** executive director no longer satisfies the **Minimum Shareholding Requirement**, except:
- 4.1.1 as may be permitted by the Remuneration Committee of the **Board** at its sole discretion;
- 4.1.2 to the extent that such disposal is in compliance with statutory obligations (for example in relation to tax and social security obligations or in compliance with a court order).
- 4.2 **TBC PLC** shares acquired through **TBC**'s equity-based incentive schemes will be affected by this **Policy**.

5. ENFORCEABILITY OF THE POLICY/ THE TRUSTEES OF THE EMPLOYEE BENEFIT TRUST

- 5.1 The Remuneration Committee of the **Board** can take any steps as it considers appropriate to ensure that the **Minimum Shareholding Requirement** is fulfilled.
- 5.2 An Employee Benefit Trust (“**EBT**”) will be established by **TBC PLC** for the purposes of satisfying the conditions set in the terms of the share-based remuneration plans of **TBC PLC** executive directors and other eligible employee under the **TBC** Long Term Incentive Plan (or an equivalent share-based scheme). It is envisaged that the Trustee of the **EBT** may be asked to hold shares in the **EBT** to satisfy the terms of the deferred **TBC PLC** shares awarded to **TBC PLC** executive directors and other employees.
- 5.3 The Remuneration Committee of the **Board** can, without limitation, specify that the deferred **TBC PLC** shares paid to **TBC PLC** executive directors in relation to salary and bonus and vested awards from the **TBC** Long Term Incentive Plan (or equivalent scheme) can be held by the Trustee of the **EBT** for as long as the shares are unvested. In the case of vested shares, they can be held by the Trustee of the **EBT** as nominee for **TBC PLC** executive directors and other employees if they so wish during the holding period.

6. ANNUAL REPORTING

- 6.1 **TBC PLC** will include details of the **Minimum Shareholding Requirement** and each **TBC PLC** executive director's compliance with the **Minimum Shareholding Requirement** within the Remuneration Committee Report of the Annual Report.

7. REVIEW OF POLICY

- 7.1 The Remuneration Committee of the **Board** will review this **Policy** on a regular basis.
- 7.2 The **Minimum Shareholding Requirement** may be amended by the Remuneration Committee of the **Board** at its sole discretion. Any change to the **Minimum Share Requirement** will be notified to **TBC PLC** executive directors and the Remuneration Committee of the **Board** will include details of any changes within the Remuneration Policy.

ANNEX 1

Vakhtang Butskhrikidze - CEO