



BANK OF GEORGIA
GROUP PLC

Human Rights Policy

HUMAN RIGHTS POLICY

ADOPTED BY

The Board of Directors of Bank of Georgia Group PLC

DATE OF ADOPTION

December 16th, 2022

APPLIES TO

Bank of Georgia Group PLC and its Group Companies

GROUP POLICY OWNER

Legal Department / ESG Legal Support

REVIEWED BY

HR Department;
Investor Relations Department;
Marketing Department;
Environment and Climate Risk Department.

LANGUAGE

English

INFORMATION CLASS

Public

CONTENTS

Definitions.....	4
Basic Principles.....	4
Group Entities.....	6
Scope & Objectives.....	8
Introduction.....	9
Human Rights, Environment and Doing Business.....	10
Principles.....	12
Principle 1: Prohibition of Discrimination and Harassment.....	12
Principle 2: Diversity and Inclusion.....	12
Principle 3: Human Rights and Our Employees.....	13
Principle 4: Freedom of Association and Collective Bargaining.....	13
Principle 5: Employee Health, Well-Being, and Safety.....	14
Principle 6: Forced Labour and Child Labour.....	15
Principle 7: Modern Slavery and Human Trafficking.....	15
Principle 8: Human Rights and Our Customers.....	15
Principle 9: Human Rights in Our Supply Chain.....	16
Principle 10: Personal Data Protections.....	16
Principle 11: Human Rights Process.....	17
Principle 12: Grievance Mechanisms and Reporting.....	17
Internal Rules.....	18
Responsibilities.....	18
Legal requirements and international standards.....	19
Related Policies.....	19
Changes to this Policy.....	19

DEFINITIONS

The below definitions apply to the terms used throughout the Policy.

Basic Principles

Discrimination

The intended or accomplished distinction, exclusion or restriction of certain individuals based on gender identity, gender expression, race, skin colour, lineage, national or ethnic origin, sexual orientation, social status, religion, age, disability or any other individual trait, with the purpose or effect of preventing or hindering the recognition and/or exercise, on an equal basis, of nullifying or impairing the recognition of human rights and fundamental freedom in all spheres, including public, private, political, economic, cultural or civil.¹

Diversity

This refers to a wide range of identities. Diversity broadly includes race, ethnicity, gender, age, national origin, religion, disability, sexual orientation, socioeconomic status, education, marital status, language, veteran status, physical appearance, etc. It also involves different ideas, perspectives and values.²

Diversity in the workplace

An effort to employ a diverse team of people that is reflective of the society in which it exists and operates.³

Equality

The right of diverse groups of people to have a similar social position and receive the same treatment,⁴ ensuring that every individual has an equal opportunity to make the most of their lives and talents.

¹WEPs, "Understanding Intersectionality: Targeting All Forms of Discrimination in the World of Work"

²University of Washington, "Diversity, Equity and Inclusion Glossary"

³WEPs, "Understanding Intersectionality: Targeting All Forms of Discrimination in the World of Work"

⁴ibid

Equity

While equality focuses on providing all individuals and groups with the same starting point and treating all people the same, equity takes peoples' differing experiences, needs and abilities into account and works to ensure all individuals and groups of people are afforded the same finish line.⁵

Harassment

The use of comments or actions that can be perceived as offensive, embarrassing, humiliating, demeaning and unwelcome.⁶

Inclusion

An organisational effort in which diverse groups or individuals having diverse backgrounds are culturally and socially accepted, welcomed, and equally treated.⁷

Work environment

Anywhere employees of the Group are conducting business on behalf of the Group, including, but not limited to, in person, on the phone, virtually, or through email or other internet communications channels, as well as on premises of the Group and at company-sponsored/organised events.

⁵ibid

⁶University of Washington, "Diversity, Equity and Inclusion Glossary"

⁷WEPs, "Understanding Intersectionality: Targeting All Forms of Discrimination in the World of Work"

DEFINITIONS

Group Entities

Bank of Georgia

JSC Bank of Georgia

Board

The Board of Directors of Bank of Georgia Group PLC.

Employees

Applies to the personnel of the Group companies hired under employment contracts and executive service agreements.

ESI Committee

Respective Committee established and governing environmental and social matters within the Bank of Georgia.

The Group

Bank of Georgia Group PLC and its Group Companies.

Group Companies

Means companies (a) whose affairs and policies Bank of Georgia Group PLC directly or indirectly controls or (b) as companies of which Bank of Georgia Group PLC owns directly or indirectly more than 50% of their capital, voting stock or other right of ownership. "Control", as used in this definition, means the power to direct the management and the policies of that company, whether through the ownership of share capital, by contract or otherwise.

Human Rights Committee

Respective Committee established and governing human rights matters within the Bank of Georgia.

SCOPE & OBJECTIVES

Bank of Georgia Group PLC and its Group Companies (the "Group") are committed to conducting business responsibly and to integrating environmental, social and governance (ESG) criteria into its decision-making processes.

Our Human Rights Policy (the "Policy") describes the basis of our commitment to respect human rights and the approaches, processes and tools we apply to implement it in our relationships with our employees and when providing financial products and services for our broad range of clients. It is an intrinsic part of the Group's commitment to doing business justly.

The Group recognises that human rights concerns can arise not only in its own operations, but also via interactions with external parties. This is why we expect our business partners to recognise and uphold human rights.

We constantly pay attention to how our business activities may affect human rights and never engage in any activities or relationships when there is clear evidence of human rights violations.

Our ongoing aim is to be a bank that strives to develop and maintain diversity and inclusivity – for our employees, our customers, all of our stakeholders and society at large.

The Group respects internationally recognised human rights, does not condone any kind of bullying, harassment and discrimination, and is committed to developing an inclusive culture free from these behaviours. It is expected that both leaders and employees will demonstrate an inclusive attitude and behave in such a way that builds and fosters an inclusive culture in the daily course of business.

This Policy sets the principles and guidelines for how the Group enhances human rights throughout the organisation and supports the Group in its efforts to become a better institution for our employees, customers and all other stakeholders.

The Policy applies to all employees of the Group, all functions, all units in the Group, and all subsidiaries once adopted by the management body and the board.

INTRODUCTION

Human rights are universal. Every person around the world deserves to be treated with dignity and have their interests considered equally. It is an integral part of our values and beliefs that is at the core of all we aspire to do and is designed to ensure we conduct ourselves in a manner that is consistent with the highest ethical standards.

While governments have the primary responsibility of protecting individuals against human rights abuses, business entities have a responsibility to respect human rights, and can play a positive role in the communities where they operate. As one of the largest banks in Georgia, we are well-positioned to contribute to building societies, where human rights are valued and respected.

As a financial institution, the Group – through the financial products and services it provides and salaries and taxes that it pays – contributes to the economic and social development that is important to supporting the protection of human rights.

We have worked hard to embed a respect for human rights across the Group – through the products we offer, in the way we make them, and in how we treat people. We plan to continue this journey.

We have a responsibility that goes beyond purely complying with the local laws. We believe businesses can help advance human rights by offering access to decent work, creating higher living standards, protecting people's rights and acting in a responsible manner.

We aim to continually improve our approach on human rights issues. A number of our core internal documents including the Code of Conduct and Ethics as well as our policies reflect our commitment to respect human rights.

In addition, we are guided by a wide range of international external standards and principles, including but not limited to the Universal Declaration of Human Rights, the ILO core conventions, the UN Guiding Principles on Business and Human Rights, OECD guidelines for Multinational Enterprises and IFC Performance Standards.

HUMAN RIGHTS, ENVIRONMENT AND DOING BUSINESS

Financial institutions play an important role in the society by managing financial assets, providing credit and other financial services in ways that promote sustainable economic growth and prosperity.

We believe a healthy environment is integral to fully enjoying a wide range of human rights. A safe, clean, healthy and sustainable environment is essential to the full enjoyment of a wide range of human rights, including rights to life, health, food, water and sanitation. Without a healthy environment, we may not have access to even the minimum standards of human dignity.

Environmental and social risks are important aspects when deciding whether to engage with clients or potential clients, as well as deciding what to finance. As a financial institution, we believe our financing choices can help society transition to becoming more sustainable.

We want to ensure that our actions are compliant with regulations and limit any negative impact our business may have on the environment and society.

Bank of Georgia ensures that transactions are reviewed and evaluated against the following applicable environmental and social requirements of Georgia, and any of Bank of Georgia's funders, should these requirements be more stringent than Georgia's legal requirements. These requirements include the following:

- Bank of Georgia's Environmental and Social Management Policy;
- IFI E&S Exclusion List;
- Georgia's environmental, social, health and safety and labour laws and regulations;

- International Labour Organisation Core Labour Standards;
- Applicable international environmental, social and health and safety conventions to which Georgia is a signatory;
- IFC Performance Standards (PSs) and EBRD Performance Requirements (PRs);
- Relevant environmental and social requirements of Bank of Georgia's funders, as reviewed from time to time.

PRINCIPLES

1 Prohibition of Discrimination and Harassment

The Group is dedicated to upholding a safe, diverse, inclusive, productive, professional, collegial, secure and trustful work environment, free from any kind of discrimination, harassment or similar violations, in which all individuals are treated with respect and dignity.

Discrimination and harassment is not accepted by or towards the employees, customers, vendors, contractors or any other individuals who conduct business with the Group.

We want to ensure a safe and inclusive environment, regardless of the ethnic heritage, colour, national origin/ancestry, citizenship status, age, race, physical or mental abilities, gender identity or expression, sexual orientation, values, religion/spiritual practice, political and/or other views, military/veteran status, income, family status, pregnancy, maternity, paternity or caring responsibilities, education, geographic location or on any other grounds which intends to achieve or results in denial of or interference with equal opportunity or treatment in employment process and professional work environments

Please also see our **Anti-Discrimination and Anti-Harassment Policy**.

2 Diversity and Inclusion

The Group is committed to treating everyone with dignity and respect regardless of position or circumstance. We value the benefits of a diverse workforce and believe that a wide range of experiences, perspectives and cultural understandings within the organisation not only benefit us as a workforce, but also increase our market standing with potential and existing customers.

Please also see our **Diversity and Inclusion Policy**.

3 Human Rights and Our Employees

We are focused on ensuring that our employees feel that employment, assignment, compensation, transfer, promotion, working conditions, terms of employment, termination of employment or retirement and training processes are fair, transparent and inclusive for all. We value and respect everyone's personal space and necessities at the workplace and do not condone any form of discrimination, harassment or inappropriate conduct.

Our approach in general is based on the ILO Declaration on Fundamental Principles and Rights at Work as well as applicable domestic labour laws.

4 Freedom of Association and Collective Bargaining

The Group promotes freedom of association, the right to collective bargaining and the elimination of all forms of forced or compulsory labour.

The Group complies with all applicable laws, rules and regulations. Together with our employee representatives, the Group is willing to seek solutions that best align with the interests of employees. This includes adhering to all local statutory and regulatory requirements. We are open to maintaining a constructive dialogue with all our employee representatives and interacting in partnership and in a spirit of trust.

PRINCIPLES

5 Employee Health, Well-Being and Safety

The well-being of our employees is an integral part of our culture. The Group prioritizes employee health, well-being and safety at the highest level. We provide equal access to health insurance and aim to help everyone in need of special care. We also have financial aid for newly married couples, as well as new parents. Within the Bank we also have our internal charity fund for special cases such as illness of family members of our employees and similar circumstances.

We outline the importance of work-life balance throughout the organization and strive to identify and assess the working conditions of our employees.

We have developed confidential and clear mechanisms to identify, examine and resolve workplace conflicts. We believe that emotionally and psychologically safe conditions ensure employees feel able to express their feelings, speak up and communicate openly.

In order to constantly ensure health and safety at work the Group has a modern prevention-oriented workplace protection system in place.

We are committed to being compliant with relevant health and safety legislations and requirements, providing a healthy and safe work environment, a positive health and safety culture and to effectively assess, manage and control the associated risks.

By strengthening the health and safety awareness and by providing direct and indirect access to medical care for our employees, the Group helps to reduce workplace accidents and job-related illnesses.

6 Forced Labour and Child Labour

The Group does not use child labour in its own business operations and has zero tolerance against forced or child labour in any aspect.

7 Modern Slavery and Human Trafficking

The Group has zero tolerance against modern slavery and human trafficking. We believe in doing business ethically, transparently and in full compliance with all applicable laws and regulations.

Even though we are a financial service provider and the risk of modern slavery and human trafficking at our own business operations is low, we recognise that our supply chain could potentially pose such risks.

We have processes in place in order to identify the parties in our supply chain that may pose a risk of modern slavery and human trafficking. The Group recognises that it needs to have appropriate processes in place to minimise the risk that our operations could be used in this manner. We have structured our contracts with suppliers accordingly, and aim to minimise the risks of such abuses.

8 Human Rights and Our Customers

We put our customers' best interests and needs in the centre of everything we do. We proactively check and make sure that full equity is always ensured when offering products.

Financial health and inclusion are important for the Group. We aim to protect our customers from human rights risks such as discrimination, financial distress, the misuse of their data and other internationally recognised human rights breaches.

PRINCIPLES

9 Human Rights in Our Supply Chain

Human rights are vital to us and we expect the same from our suppliers and third parties. In the Group, human rights are taken into account in procurement decisions along with commercial aspects. We are always determined to assess the level of social and environmental risks associated with a supplier prior to our relationship.

Our vendors are expected to respect their employees' human rights, offer equal employment opportunities to all and to not tolerate discrimination or harassment. We expect that our vendor partners and their supply-chains abide by all applicable local laws and regulations in the jurisdictions.

10 Personal Data Protection

Individual employee data, as well as client data is regarded as highly sensitive data and therefore special care and security precautions are required when handling, processing, transferring, disclosing and/or sharing such data. Handling of such data is strictly in line with respective laws and national data protection provisions. Our Data Protection Officer and our data protection procedures ensure that everyone working with data complies with internal and external data protection regulations.

11 Human Rights Process

The Group seeks to prevent, mitigate or remediate adverse human rights impacts that are linked to our operations, activities and business relationships. Due diligence is carried out in order to help identify, assess, prevent and mitigate actual or potential adverse human rights risks and impacts.

12 Grievance Mechanisms and Reporting

The Group encourages all its stakeholders to contact the Group in case they have clear evidence of human rights abuses. Clients, employees and all other stakeholders can contact us or make complaints through several channels, including in branches, by phone, website, social media presences and by post.

The Group has a governance process – the Human Rights Committee, as well as whistleblowing and grievance mechanisms in place to ensure that any violation of the Policy principles will be managed appropriately.

Please also see our Whistleblowing Policy

INTERNAL RULES

To ensure that the leaders and employees of the Group fully understand the scope and responsibilities regarding human rights, we have internal rules in the workplace. These rules ensure compliance

with human rights, anti-discrimination legislation, and encourage and support a culture of equal opportunities, equal rights and fair treatment within the Group.

RESPONSIBILITIES

It is everybody's responsibility to contribute to creating a culture where human rights are central. It is expected that all employees will behave in a way that is respectful of other colleagues.

It is expected that all leaders and employees proactively counteract and stop any direct or indirect bullying, harassment or discrimination. According to the Group's internal regulations, breaches of this Policy may result in disciplinary action, up to and including dismissal. Personnel who fail to comply with this Policy may have their contract terminated or suspended, or be subject to other appropriate action.

Our Human Rights Committee supervises and monitors the implementation process and compliance with the relevant human rights laws and regulations and ensures the Bank's consistency with the relevant internationally recognised human rights and anti-discriminatory practices. It also regularly assess the salient human rights risks, associated with the Bank's activities and verifies that these risks are properly identified, assessed, monitored and mitigated. The Committee takes all necessary steps to resolve the employee and customer complaints and grievances related to human rights violations.

LEGAL REQUIREMENTS AND INTERNATIONAL STANDARDS

The Group's work against discrimination and harassment of any kind is based on, but not limited to, the following relevant local legal requirements and internationally agreed upon standards:

- The UN's Universal Declaration of Human Rights
- The Charter of Fundamental Rights of the European Union
- ILO Fundamental Instruments
- Convention on the Elimination of all forms of Discrimination against Women
- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- UN Global Compact
- IFC Performance Standards

We continually review and reflect changes in the legislation in our working environment.

RELATED POLICIES

Anti-Bribery and Anti-Corruption Policy

Code of Conduct and Ethics

Environmental and Social Policy

Anti-Discrimination and Anti-Harassment Policy

Diversity and Inclusion Policy

Whistleblowing Policy

CHANGES TO THIS POLICY

We keep this Policy under regular review. Original/previous versions (if any) can be obtained by contacting ESG Legal Support Officer (where necessary).

