

Transparency and success

INTERVIEW WITH VAKHTANG BUTSKHRIKIDZE

CHIEF EXECUTIVE OFFICER, TBC BANK



VAKHTANG BUTSKHRIKIDZE

joined TBC in 1993 and became the CEO of the company in 1998. He is also a member of the Supervisory Boards of the Association of Banks of Georgia and is Chairman of the Financial Committee of the Business Association of Georgia. He has been internationally praised for his achievements and received a number of awards including the Special Award for Responsible Capitalism in Adversity from FIRST.

Along with the thirtieth anniversary of the Georgia-UK relations another important milestone is approaching. Three decades after opening its first branch TBC has become an uncontested financial leader in the region resonating with the country's independence and advanced financial services. Today, TBC is a forward-thinking, tech-driven company with products and services that are placing Georgia on the global innovative map. Since 2014, TBC Bank has been listed on the London Stock Exchange and moved to the premium segment in 2016. Today, it is a constituent of FTSE 250 Index and a member of the FTSE4Good Index Series. FIRST is no stranger to the company's accomplishments as in 2019 – HRH Princess Anne presented Vakhtang Butskhrikidze, TBC CEO, with the Award for promoting Responsible Capitalism in Adversity at the FIRST's annual *Award for Responsible Capitalism*. On the eve of celebrating TBC Bank's thirtieth anniversary, Vakhtang Butskhrikidze discusses ambitious international expansion plans as well as achievements at home in Georgia.

Can you please give us an overview of the company?

Serving around 92 per cent of Georgia's adult population, TBC has a significant role in Georgia's economy. We account for 40 per cent total assets to GDP and 28.2 per cent loans to GDP, and have leading market shares in Georgia's loans and deposits of 38.1 per cent and 37.8 per cent, respectively. Besides, the company holds dominant positions in major business lines, comprising retail, corporate and MSMEs, with a range of financial services, including traditional banking and innovative customer-focused solutions.

We have several large-scale programs supporting entrepreneurs, emerging companies, and established businesses. Our "startaperi programme", designed to stimulate start-ups, covers more than 34,800 registered companies. Furthermore, with over 8,000 employees in a country with population of 3.7 million, TBC is a leading Georgian employer. I am indeed particularly proud of our team and everything it has achieved throughout the years. Also, we are actively investing in new technologies and developing Georgia's tech talent as well as advancing sustainable solutions and fostering innovative thinking: up to 10 per cent of our employees are part of our tech teams.

How have things changed since TBC Bank listed on the London Stock Exchange main market in 2014?

I'd stress the robust corporate governance built around the traditions of the LSE listing. We have become a role model and benchmark of transparency and success not only in the country, but across the region. We have paved the way for other corporate entities to fulfil similar aspirations, make necessary changes and benefit from new opportunities. TBC is further strengthening ties with British partners. We have introduced the country to UK investors, allowing them to become familiar with the market dynamics: 30 per cent of our investors are British funds, which through investment in TBC, contribute to the development of the Georgian economy. Moreover, TBC's Supervisory Board Members stand out for their professional accomplishments at their respective companies in the UK. Their experience, shared knowledge and expertise are of great value to TBC's current and future strategies.

What are TBC's international plans and how has the company established itself outside Georgia?

Our long-term strategy is to use our digital platforms to expand into carefully selected new markets. In 2020, TBC expanded digital operations outside Georgia, entering new markets in Uzbekistan, becoming thus the first mobile-only bank in the country. Our highly digitalized and asset-light strategy facilitated TBC UZ to serve customers in Uzbekistan mainly through our online platform 'Space'. Next generation physical locations across 12 cities in Uzbekistan are used primarily for client relationship purposes. Space's flexible digital platform allows for rapid scale up and customer reach. TBC UZ currently has over 1 million users and a growing team of 700 employees. In addition, we recently signed a Memorandum with EBRD and IFC in which each institution will acquire a 20 per cent stake in TBC UZ to support its operational growth and promote international corporate governance standards in the sector.

TBC is constantly transforming itself. With cutting-edge tech capabilities, geographical digital banking expansion, and strategies supporting growth and sustainability, TBC is on its way for a lasting leadership not only in the country, but beyond. It has played a crucial role in making the history of the independent Georgia and will undoubtedly keep positioning the country among the most advanced in this field. **E**