

evocaBANK

2025

# ANNUAL REPORT

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# EVOCABANK | FROM FOUNDATION TO THE PRESENT DAY

**1990**

Registered as the first commercial bank in Armenia.

**2005**

Became a shareholder of ArCa CJSC and a full member of the ArCa payment system.

**2006**

Obtained Affiliate Member status in the MasterCard Europe payment system. Began issuing Maestro, MasterCard Standard, MasterCard Gold, and MasterCard Business payment cards.

**2017**

The Bank was rebranded as Evocabank, changing its strategy and business model to a mobile-first format.

**2016**

The Bank's total regulatory capital exceeded the minimum requirement of AMD 30 billion established by the CBA. The Bank changed its legal form, being reorganized from an LLC into a CJSC.

**2008**

For the first time in Armenia, the Bank issued its own unsecured book-entry bonds and sold them to one of the leading Swiss banks.

**2023**

Evocabank launched the new state-of-the-art EvocaTOUCH 2 and EvocaINVEST applications. It introduced the Evoca Digital Card, the Action online loan, and the e-Sign electronic signature system to its partners.

**2024**

Evocabank established new international partnerships, including with EIB Global, sponsored a number of projects, introduced the new EvocaHOME overdraft product, and received international awards.

**2025**

In 2025, Evocabank celebrated its 35th anniversary by organizing the Getting Things Done conference, followed by a Gala Event held at the National Academic Theatre of Opera and Ballet. The Bank was reorganized from a CJSC into an OJSC, launched the Evoca Partners Club and Evoca Benefits projects, introduced the Evoca Travel Card and four new loan products, opened two new branches, and concluded new international cooperation agreements.

# MISSION, VISION AND VALUES OF THE BANK

## Our Mission

To deliver financial services in a simple, fast, and convenient manner through the active use of the latest technologies, operating in a mobile-first format.

We continuously improve our services to make people's lives more convenient.

## Our Vision

To be the most innovative and advanced financial institution providing banking services in Armenia, where all services can be accessed without visiting a bank branch.

## Our Values and Principles

**Integrity** – We act with integrity in all our relationships.

**Innovation** – We continuously introduce and implement innovations, offering our customers the best solutions based on the latest technologies.

**Reliability** – We are stable and reliable for both our customers and our partners.

**Transparency** – We are open and transparent to the public while ensuring the confidentiality of our customers' banking and commercial information.

**Customer Trust** – Our customers are at the center of everything we do. We value and maintain their trust.

**Convenience** – We strive to improve our customers' lifestyles by making them more convenient.

**Business Reputation** – Our good reputation is our most valuable and irreplaceable asset.

**Team Spirit** – We have brought together the best team to provide our customers with the highest quality service.

# OUR ACHIEVEMENTS IN 2025

## PARTNERSHIPS



Evocabank signed a cooperation agreement with the European Bank for Reconstruction and Development (EBRD), under which the Bank secured EUR 19.4 million to support local MSMEs and large businesses.



Evocabank secured a USD 5.5 million subordinated loan from responsAbility to expand the Bank's financing opportunities for the SME sector.



Evocabank secured USD 20 million from the Swiss BlueOrchard Microfinance Fund to increase lending to micro, small and medium-sized enterprises (MSMEs) in Armenia and enhance access to finance.



The Bank joined IFC's Global Trade Finance Program (GTFP), under which it established a USD 2 million trade finance line to support businesses operating in Armenia.



Evocabank secured USD 30 million in financing from the OPEC Fund to support the development and expansion of local businesses and green projects in Armenia.



Evocabank signed a Memorandum of Cooperation with the French Chamber of Commerce and Industry in Armenia (CCI France Armenia) to promote the development of French economic activity in Armenia and further strengthen relations between the two countries.

# CONFERENCES



## Evocabank participated in the IIA-Armenia 2025 Conference as a Silver Partner

The Institute of Internal Auditors Armenia held its annual conference at the Armenia Marriott Hotel. The theme of this year's conference was "GRC in the Era of AI and Digital Assets."



## Evocabank participated in the 2nd Miami-Dubai Chamber of Commerce as a Platinum Sponsor

The 2nd Miami-Dubai Chamber of Commerce was held in Downtown Miami, with Evocabank participating to further expand its network and support global business integration.



## Evocabank participated in the 50th Banking Association for Central and Eastern Europe (BACEE) Conference as a Platinum Sponsor

The 50th BACEE International Banking Conference took place in Vienna, with Evocabank among the participants. The event became one of the most significant gatherings for the banking community of Central, Eastern and South-Eastern Europe.

# CONFERENCES



## "Getting Things Done" Conference on the Occasion of Evocabank's 35th Anniversary

Evocabank organized an exclusive closed conference on the theme "Getting Things Done," attended by representatives of the Central Bank of Armenia, executives of banks and fintech companies, the Bank's VIP customers and partners from Armenia and around the world. The conference featured presentations by four internationally renowned speakers.



## Evocabank participated in the Robust Armenia 2025 Conference as the General Partner

The Robust Armenia 2025 Conference was held under the theme "Efficiency as the Key to Armenia's Energy Security." The conference aimed to present opportunities for strengthening Armenia's energy security and improving energy efficiency, as well as to highlight the practical significance of sustainable development and the ESG agenda.

# AWARDS



Global Business and Finance Magazine awarded Evocabank two awards: **"Most Innovative Digital Bank in Armenia 2025"** and **"Best Mobile Banking in Armenia 2025."**



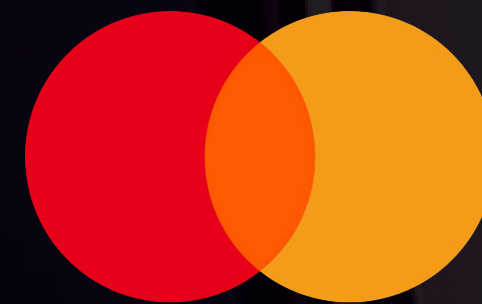
For the ninth consecutive year, the prestigious Global Finance magazine recognized Evocabank as **the Best Digital Bank in Armenia.**



International Finance Magazine awarded Evocabank the title **"Most Innovative SMEs Lending Partner - Banking Armenia 2025."**



BACEE presented Evocabank with the **"Award for the Development of International Banking Cooperation."**



Mastercard awarded Evocabank the **"Excellence in New Products Development"** award.



Visa awarded Evocabank the **"Highest Cashless Achievement"** award.



International Investor Magazine recognized Evocabank as the **"Best Bank in Armenia 2025."**



For the ninth consecutive year, the prestigious Global Finance magazine has recognized Evocabank as **the Best Digital Bank in Armenia.**

# MESSAGE FROM THE CHAIRMAN OF SUPERVISORY BOARD



**VAROUJAN AVEDIKIAN, LL.M., MPA**  
**Chairman of the Supervisory Board**

Varoujan Avedikian has more than 20 years of experience in financial law, banking regulation, corporate governance, and strategic leadership.

Throughout his professional career, he has held senior positions at the Central Bank of Armenia, taught at several leading educational institutions, including the French University in Armenia and the American University of Armenia, and has been actively involved in initiatives promoting the development of corporate governance culture in Armenia and internationally.

He currently serves as Managing Partner of Andersen in Armenia, Short-Term Expert at the Legal Department of the International Monetary Fund, and Trustee of the Foundation of the French University in Armenia. From 2020 to 2026, he was recognized by the International Financial Law Review as a Highly Regarded Lawyer in International Financial Law, and in 2023 he obtained the European Board Diploma (ecoDa).

Since 2022, he has served as a member of the Supervisory Board of Evocabank. From 2023 to 2024, he served as a member of the Audit Committee, and since 2024 he has held the position of Chairman of the Supervisory Board of Evocabank. He graduated from the University of Nicosia, the University of Leicester (LL.M.), the Boston University School of Law (LL.M.), and the Harvard Kennedy School (MPA).

Under Varoujan Avedikian's leadership, the Supervisory Board continues to contribute to Evocabank's strategic development, uphold high standards of corporate governance, and support the Bank's long-term sustainable growth.

# MESSAGE FROM THE CHAIRMAN OF SUPERVISORY BOARD

Dear Customers and Partners,

2025 was an important and significant year for Evocabank, marked by strong financial and operational results, as well as important developments in the area of corporate governance.

During the year, the Bank celebrated its 35th anniversary, reaffirming its position within the Armenian banking sector while continuing its sustainable development.

At the 2025 Annual General Meeting of Shareholders, a new composition of the Bank's Supervisory Board was elected. Throughout the year, the newly elected Supervisory Board and its committees were actively involved in matters relating to the Bank's strategic development, risk management, internal control, and corporate governance. During the year, the Supervisory Board also conducted a self-assessment of its performance and initiated an independent external evaluation process.

Another significant milestone during the year was the Bank's reorganization from a closed joint-stock company into an open joint-stock company. This transformation reflects the Bank's continued commitment to transparency, accountability, and the ongoing enhancement of corporate governance standards.

Throughout 2025, Evocabank continued its development by expanding its international partnerships, introducing new services, and strengthening its position in digital banking and technology-driven solutions. The Supervisory Board consistently supported initiatives that contribute to the Bank's long-term development and enhanced competitiveness.

On behalf of the Supervisory Board, I would like to express my sincere gratitude to our customers and partners for their trust, to the Bank's shareholders for their continued support of the Supervisory Board's work, to the Central Bank of the Republic of Armenia for its constructive cooperation, and to the Bank's management and employees for their dedication and the results achieved throughout the year.

Respectfully,  
Varoujan Avedikian

# MESSAGE FROM THE CHAIRMAN OF MANAGEMENT BOARD

evocabANK



## **KAREN YEGHIAZARYAN, MBA, PhD** **Chairman of the Management Board**

Karen Yeghiazaryan has more than 25 years of experience in the banking and financial sector, with particular expertise in international relations, financial markets, and strategic management.

He began his career at HayAgroBank and subsequently worked at Anelik Bank and Prometey Bank, holding various senior management positions.

He has also taught at several financial education institutions, contributing to the development of banking and finance professionals.

Since 2019, he has served as the Chairman of the Management Board of Evocabank. Mr. Yeghiazaryan graduated from the State Engineering University of Armenia, earned an MBA from the American University of Armenia, and obtained a PhD awarded by the Specialized Council of the Higher Attestation Committee of the Republic of Armenia. He also completed the prestigious Advanced Management Program at Harvard Business School.

Under Karen Yeghiazaryan's leadership, Evocabank continues to strengthen its position as a leading bank, delivering fast, convenient, and digital financial solutions for both businesses and individuals.

# MESSAGE FROM THE CHAIRMAN OF MANAGEMENT BOARD

Dear Partners,

2025 was a landmark year for Evocabank. During the year, the Bank celebrated its 35th anniversary, changed its legal form through its reorganization from a Closed Joint-Stock Company (CJSC) into an Open Joint-Stock Company (OJSC), and the Annual General Meeting of Shareholders elected new members to the Supervisory Board. Throughout the year, Evocabank introduced innovative products, achieved new milestones, implemented several major projects, and received numerous international awards and recognitions.

Compared to 2024, the Bank's total assets increased by 33.23%, reaching AMD 735.7 billion and ranking sixth in Armenia's banking sector. The loan portfolio grew by 30.01% to AMD 360 billion, while total liabilities increased by 34.72% to AMD 630.5 billion. Customer funds rose by 28.16%, reaching AMD 464.4 billion, and total equity increased by 24.94% to AMD 105.2 billion. The Bank's net profit amounted to AMD 21.4 billion, representing a 46.44% increase compared to the previous year.

Evocabank further strengthened its international partnerships by securing USD 20 million from BlueOrchard Microfinance Fund, USD 30 million from OPEC Fund, a USD 5.5 million subordinated loan from responsAbility, and EUR 19.4 million from the European Bank for Reconstruction and Development (EBRD).

The Bank also became a member of the American Chamber of Commerce in Armenia (AmCham Armenia), expanding opportunities for international cooperation. In addition, it signed a Memorandum of Understanding with CCI France Armenia to promote French business activities in Armenia and further strengthen economic relations between the two countries.

We are confident that in the years ahead we will continue this successful journey, creating sustainable value and further strengthening the trust of our customers, shareholders, partners, and employees.

Respectfully,  
Karen Yeghiazaryan

# THE BANK IN 2025

## **New Feature in EvocaTOUCH**

The new feature in EvocaTOUCH allows users to receive payment confirmation codes not only via SMS but also by e-mail, even when roaming is not activated.

## **Online Payments with Apple Pay**

Evocabank's vPOS now enables customers to make online payments not only by using their payment card details but also with Apple Pay, with just a single tap.

## **Crypto Account Now Available in EvocaTOUCH**

EvocaTOUCH now offers a new feature allowing users to add their Binance account and monitor their crypto assets directly from the application.

## **New Interface for More Convenient Online Payments**

Evoca's new digital solution makes online payments through the Bank's vPOS on partner websites faster and more convenient. The new payment interface is significantly more intuitive, simple, and secure. From now on, when customers make purchases on websites integrated with the Bank's vPOS, they can see their card details appear on the card design in real time as they enter them.

# NEW PRODUCTS AND SERVICES

During the year, the Bank introduced a number of innovative projects:

- **Evoca Travel Card**
- **Evoca Benefits**
- **New loan products for individuals and businesses**
- **Fast Business Loan**
- **EvocalNVEST updates and a new Telegram channel**
- **Myler Gift Card**



# NEW BRANCHES

Evocabank Opened the Republic and Yerevan Mall Branches with Extended Business Hours

## "Yerevan Mall" Branch

Monday to Sunday: 10:30 – 21:30  
(Branch providing limited banking services)

34/3 Arshakunyats Avenue

## "Republic" Branch

Monday to Sunday: 10:30 – 21:30  
(Branch providing limited banking services)

59 Republic Street



# CORPORATE SOCIAL RESPONSIBILITY



## Donation for the Yerevan Open 2025 International Chess Tournament

Evocabank provided financial support for the organization of the Yerevan Open 2025 International Chess Tournament by serving as its financial sponsor.

evoca

**50,000,000 ₺**

For the Reconstruction of  
the Spandaryan Canal

## AMD 50 Million for the Reconstruction of the Spandaryan Canal

Evocabank joined the fundraising campaign of the Hayastan All-Armenian Fund by donating AMD 50 million for the reconstruction of the Spandaryan Canal.

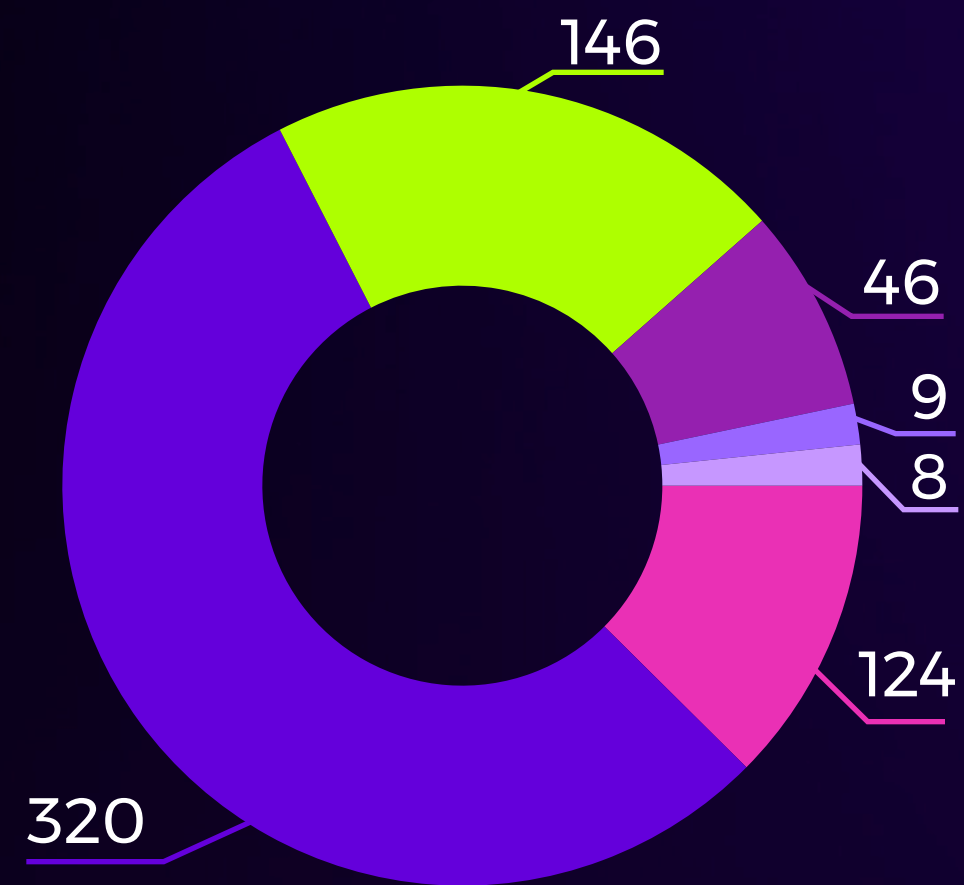
# PERSONNEL

During 2025, 192 employees joined the team.

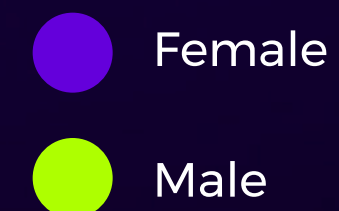
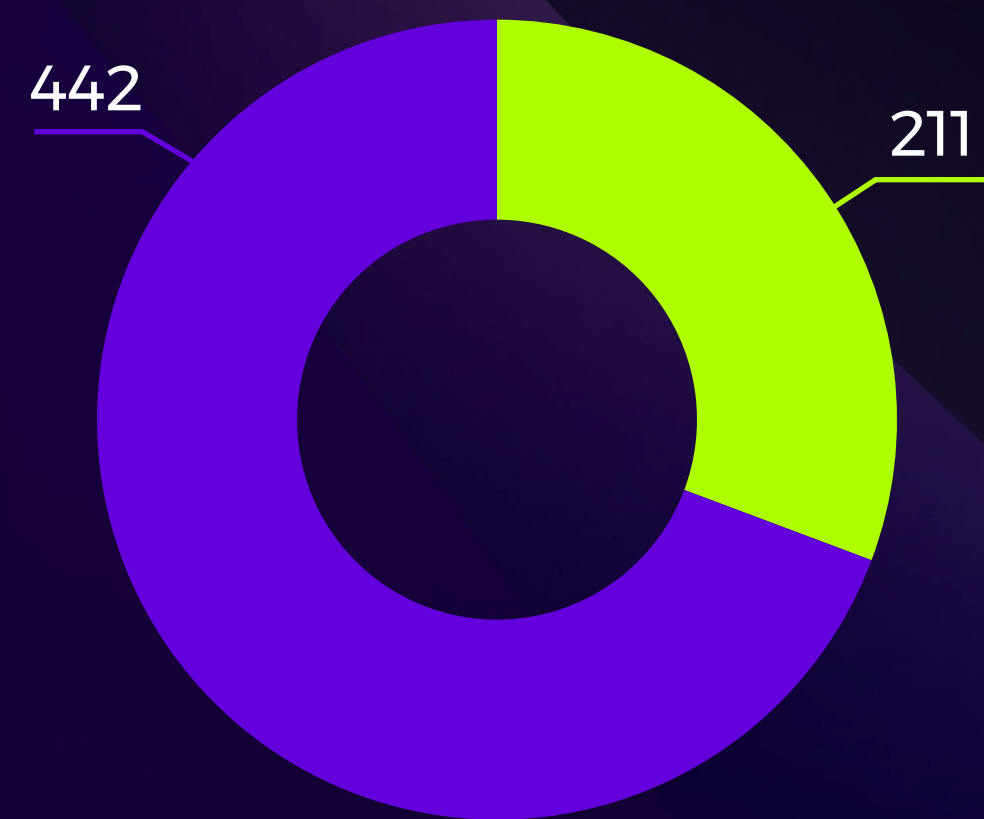
## Total Number of Employees

# 653

NUMBER OF EMPLOYEES BY AGE GROUP



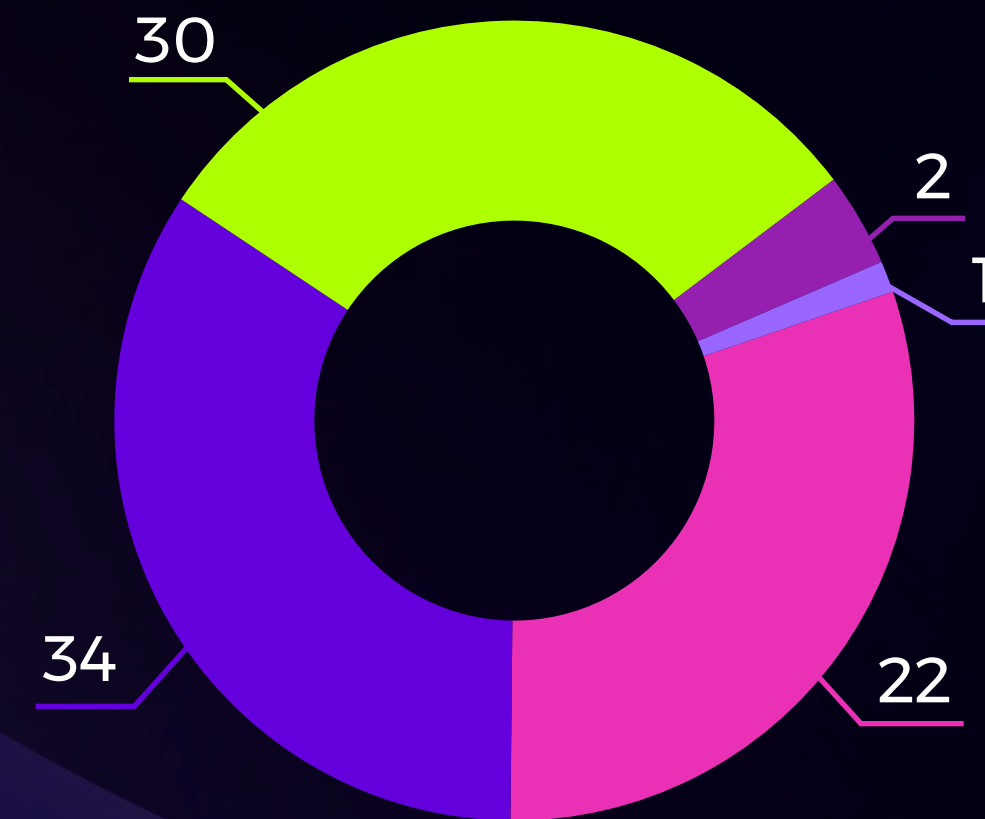
NUMBER OF EMPLOYEES BY GENDER



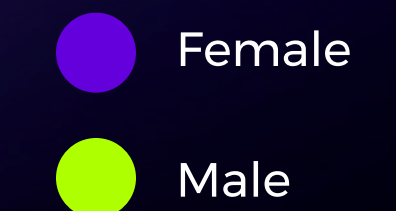
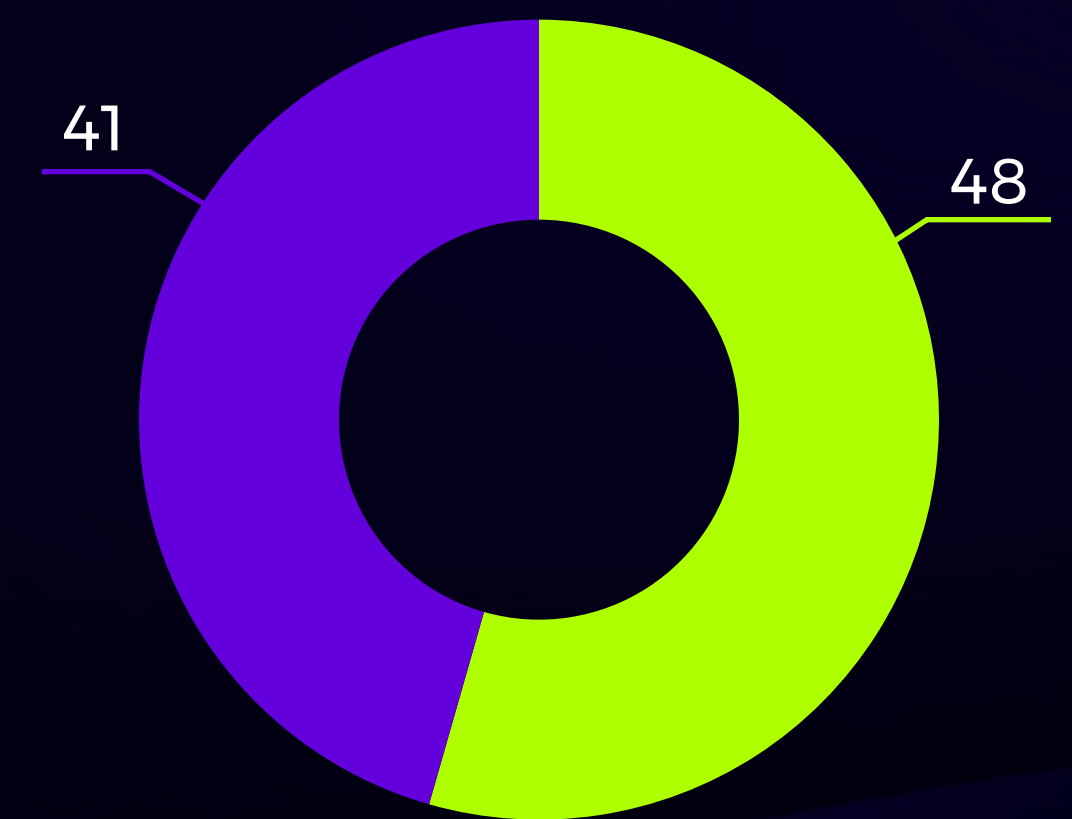
## Total Number of Managers

# 89

NUMBER OF MANAGERS BY AGE GROUP



NUMBER OF MANAGERS BY GENDER



# CORPORATE GOVERNANCE REPORT

## EVOCABANK OJSC

### INTRODUCTION AND CORPORATE GOVERNANCE APPROACH

Evocabank OJSC recognizes the importance of an effective corporate governance system as the foundation for the Bank's sustainable operations, responsible management, and sound risk oversight.

The Bank's corporate governance framework has been established in accordance with the legislation of the Republic of Armenia, the requirements of the Central Bank of the Republic of Armenia, and international best practices. It is continuously reviewed and enhanced, taking into account the Bank's strategic priorities, scale of operations, and risk profile.

The Bank's governance framework is based on the principles of clear allocation of authority and responsibilities, segregation of supervisory and executive functions, accountability, and transparency.

The Supervisory Board exercises overall oversight of the Bank's activities by approving its strategic direction, overseeing the effectiveness of the risk management, internal control, compliance, and internal audit systems, as well as evaluating the performance of the executive management.

During 2025, the Bank continued its efforts to further develop its corporate governance framework, including enhancing the activities of the Supervisory Board and its committees, strengthening accountability mechanisms, and reviewing its internal corporate governance procedures.

This Report presents the Bank's governance structure, the activities of the Supervisory Board and its committees, as well as the key corporate governance processes and approaches.

# SIGNIFICANT SHAREHOLDER AND BENEFICIAL OWNER



## MARETA GEVORKYAN

Mareta Gevorkyan is the sole owner of 100% of Evocabank's shares.

She was born in Dilijan, graduated from Dilijan Secondary School, and subsequently from the Yerevan State Pedagogical Academy.

Since relocating to Switzerland in 2008, she has been actively involved in banking, regional development, and social initiatives, contributing to the sustainable development of Armenia.

The Bank has no indirect significant shareholder.

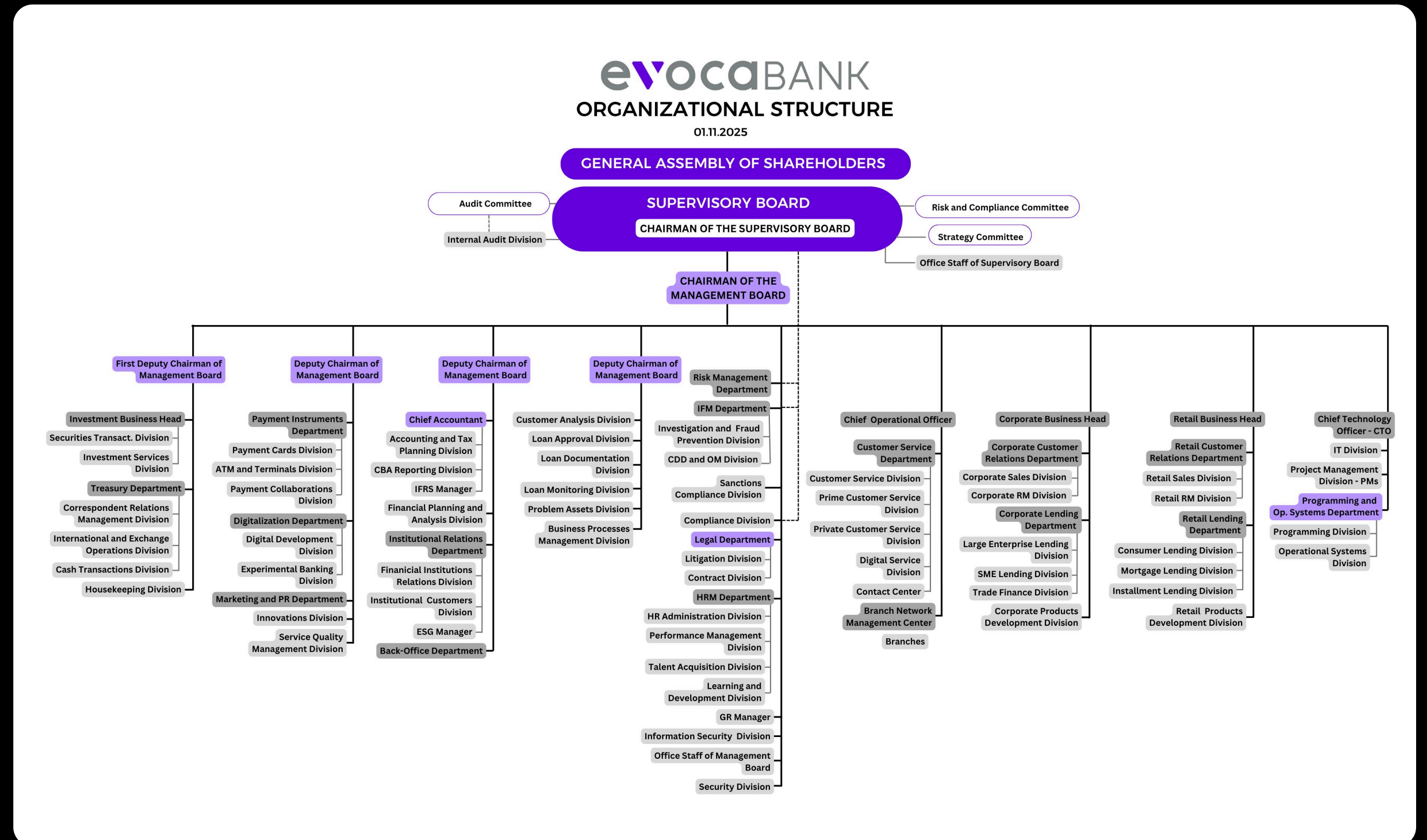
# GOVERNANCE FRAMEWORK

## GOVERNANCE STRUCTURE

In accordance with the legislation of the Republic of Armenia and the Bank's Charter, the Bank's governing bodies are

- ➔ **The General Meeting of Shareholders**
- ➔ **The Supervisory Board**
- ➔ **The Bank's executive body – the Management Board**

The Bank's governance framework is based on the principle of segregation of supervisory and executive functions, thereby promoting independent oversight, effective management, and accountability.



# GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders is the Bank's supreme governing body, authorized to make decisions on the principal strategic and structural matters relating to the Bank's activities.

The powers of the General Meeting are established by the legislation of the Republic of Armenia and the Bank's Charter and include, in particular, the approval of the annual reports, distribution of profits, election of the members of the Supervisory Board, and adoption of decisions on amendments to the Charter and other significant matters.

# SUPERVISORY BOARD OF THE BANK

The Supervisory Board exercises overall oversight of the Bank's activities and provides strategic direction in accordance with the legislation of the Republic of Armenia, the Bank's Charter, and the principles of corporate governance.

**The principal powers of the Supervisory Board are as follows:**

- Approval of the Bank's strategic directions and development programs
- Approval of business plans and the budget
- Oversight of the risk management and internal control systems
- Ensuring the effectiveness of the internal audit, compliance, and risk management functions
- Evaluation of the performance of the executive management
- Ensuring the continuous enhancement of the corporate governance framework. The Supervisory Board places particular emphasis on the Bank's sustainable development, risk management, capital adequacy, compliance, and the effectiveness of the internal control environment.

The Supervisory Board consists of non-executive members, which promotes independent oversight and objective decision-making. Five of the seven current members of the Supervisory Board are independent.

# SUPERVISORY BOARD OF THE BANK



**VAROUJAN AVEDIKIAN**  
LL.M., MPA

Chairman of Supervisory Board  
Independent board member



**MARINA BOUKI**  
MBA

Independent board member  
Chairwoman of Audit committee  
Strategy committee member



**MARTA ECHARRI**

Independent board member  
Audit committee member  
Strategy committee member



**VAZGEN GEVORKYAN**  
MBA, PhD

Board member  
Chairman of Strategy committee



**JOSE M. MORENO DE BARREDA**  
LL.M., MBA, PhD

Independent board member  
Chairman of Risk and Compliance committee  
Strategy committee member



**TATEVIK JANOYAN**  
MBA

Board member  
Audit committee member  
Risk and Compliance committee member



**PIERRE CAZILHAC**  
MBA

Independent board member  
Risk and Compliance committee member  
Strategy committee member

# MANAGEMENT BOARD OF THE BANK



**KAREN YECHIAZARYAN**  
**MBA, PHD**  
Chairman of  
Management Board



**ARMEN HAKOBYAN**  
**PHD**  
First Deputy Chairman of  
Management Board



**TATEVIK KHACHATRYAN**  
**MBA, PMP**  
Deputy Chairman of  
Management Board



**HAYK PETROSYAN**  
Deputy Chairman of  
Management Board



**LILIT GABOYAN**  
**MBA**  
Deputy Chairman of  
Management Board, CFO



**EMMA JANINYAN**  
**MBA, PHD, FCCA**  
Management board member,  
Chief Accountant



**SMBAT MARTIROSYAN**  
Management Board member,  
Head of Legal Department



**MHER SAHAKYAN**  
Management Board member,  
Head of Programming and  
Operational Systems Department

# SUPERVISORY BOARD COMMITTEES

## AUDIT COMMITTEE

The Audit Committee supports the Supervisory Board in matters relating to financial reporting, internal controls, internal audit, and external audit.

**The composition of the Audit Committee is**  
**Chair of the Audit Committee - Marina Bouki**  
**Members - Tatevik Janoyan, Marta Echarri**

## RISK AND COMPLIANCE COMMITTEE

The Committee oversees the risk management framework, the risk appetite framework, and the compliance and AML/CFT control functions.

The composition of the Risk and Compliance Committee is  
**Chair of the Risk and Compliance Committee - Jose M. Moreno de Barreda**  
**Members - Tatevik Janoyan, Pierre Cazilhac**

## STRATEGY COMMITTEE

The Strategy Committee supports the Supervisory Board in matters relating to the Bank's strategic development, implementation of the strategy, and oversight of long-term objectives.

The composition of the Strategy Committee is  
**Chair of the Strategy Committee - Vazgen Gevorkyan**  
**Committee Members - Jose M. Moreno de Barreda, Marta Echarri, Marina Bouki, Pierre Cazilhac**

# ACTIVITIES OF THE SUPERVISORY BOARD AND COMMITTEES

## MEETINGS OF THE SUPERVISORY BOARD AND COMMITTEES

During 2025, the Supervisory Board and its committees held regular and extraordinary meetings. During 2025, the following meetings were held

- 15 meetings of the Supervisory Board
- 4 meetings of the Audit Committee
- 4 meetings of the Risk and Compliance Committee

The Strategy Committee was established during the last quarter of 2025, and its first meeting was held in February 2026.

## ATTENDANCE AT MEETINGS

The members of the Supervisory Board actively participated in the meetings of the Supervisory Board and its committees throughout the year, ensuring effective oversight, appropriate engagement, and active involvement in the Bank's strategic and supervisory processes. At the same time, given the significant changes in the composition of the Supervisory Board in June 2025, the quantitative attendance data are not fully comparable due to the different terms of office of the Board members. Nevertheless, the continuity and effectiveness of the activities of the Supervisory Board and its committees were maintained throughout the reporting period.

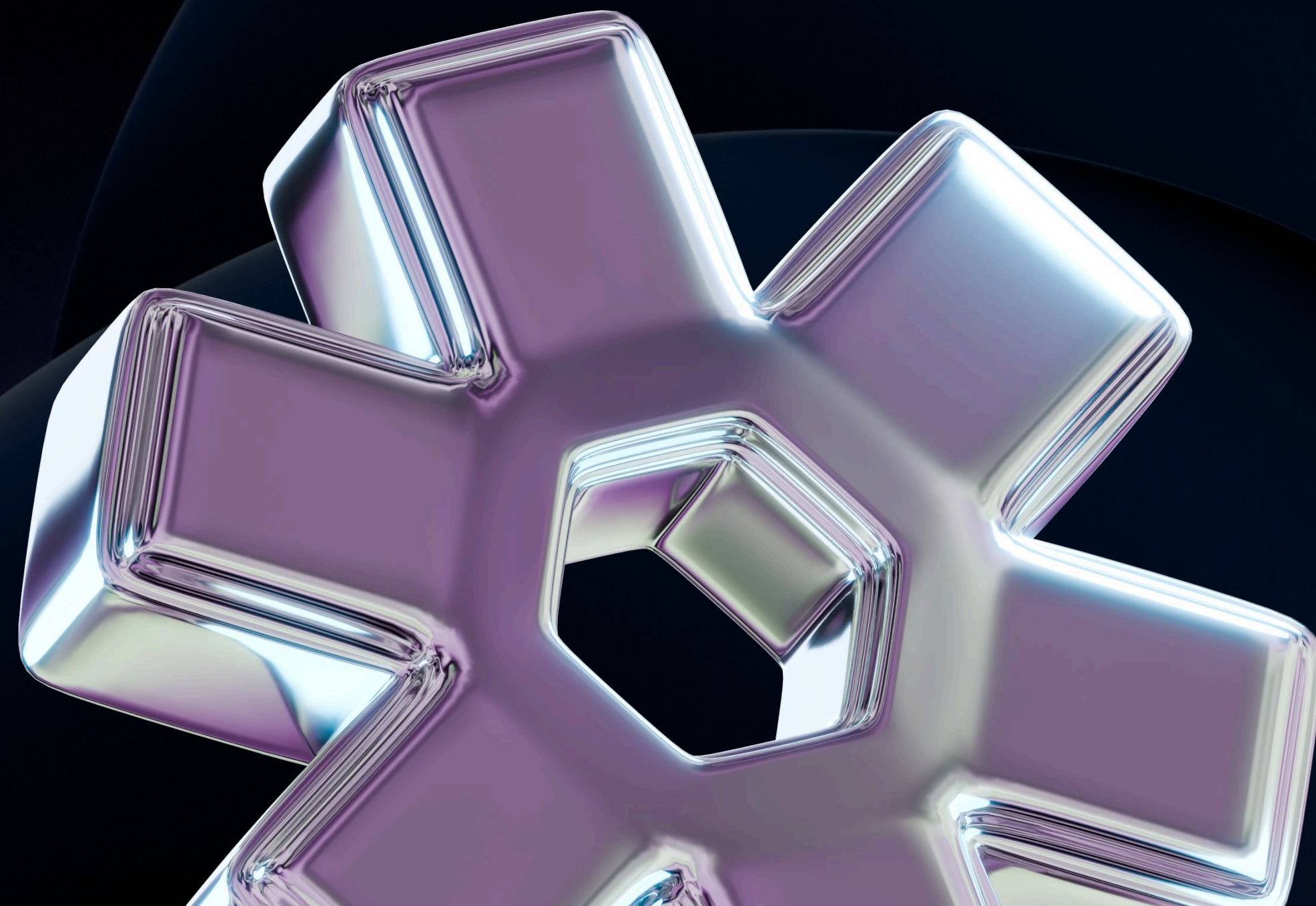
## **PROFESSIONAL DEVELOPMENT AND EVALUATION OF THE MEMBERS OF THE SUPERVISORY BOARD**

The Bank recognizes the importance of the continuous professional development of the members of the Supervisory Board, the updating of their knowledge, and the ongoing enhancement of their professional competencies.

The Bank's internal legal acts provide that, based on the results of the evaluation of the Supervisory Board's activities, the Supervisory Board discusses the need for training and development programs for its members.

During 2025, the members of the Supervisory Board participated in various trainings, professional discussions, and educational programs, including events on risk management, AML/CFT, sustainable development, corporate governance, and other topics related to banking activities.

At the same time, during 2025-2026, the Supervisory Board carried out work aimed at organizing the process of evaluating its activities. In particular, possible evaluation formats were reviewed, proposals from external specialized organizations were discussed, and preparatory work was carried out to ensure the effective organization of the evaluation process. The evaluation of the Supervisory Board's activities is planned to be conducted during 2026.



## **INDEPENDENCE OF THE MEMBERS OF THE SUPERVISORY BOARD AND MANAGEMENT OF CONFLICTS OF INTEREST**

The Bank is guided by the requirements and criteria established by the RA Law on Joint-Stock Companies and the legislation of the Republic of Armenia in ensuring the independence of the members of the Supervisory Board. During the formation of the Supervisory Board, the compliance of members with the independence criteria established by law is assessed, and the number of independent members is ensured in accordance with the requirements of the applicable legislation.

<b>Supervisory Board Member</b>	<b>Independence Status</b>
Varoujan Avedikian	Independent
Vazgen Gevorkyan	Non-independent
Marina Bouki	Independent
Jose M. Moreno de Barreda	Independent
Tatevik Janoyan	Non-independent
Pierre Cazilhac	Independent
Marta Echarri	Independent



An independent member of the Supervisory Board may be elected if such person

- a) has not held an executive management position in the company, nor been employed by the company or any of its affiliated persons during the previous three years
- b) has not, during the previous three years, received any remuneration, directly or indirectly, from the company or any of its affiliated person(s), other than remuneration received in the capacity as a member of the Supervisory Board
- c) has not, during the previous three years, had any material business relationship with the company and/or any of its affiliated person(s), whether directly or indirectly, as a partner, significant shareholder, member of the board, or member (representative) of the executive body
- d) has not, during the previous five years, been a shareholder and/or employee of the person carrying out the company's external audit and/or any of its affiliated person(s)
- e) has not served as a member of the company's Supervisory Board for more than six years during the previous ten years
- f) is not a significant shareholder of the company
- g) has not exercised direct supervision over the company as a public official during the previous one year
- h) is not a family member of any of the persons referred to in points (a)–(g) of this paragraph

The members of the Supervisory Board perform their duties with full awareness of their fiduciary obligations. In matters relating to the prevention and management of conflicts of interest, the Bank is guided by the legislation of the Republic of Armenia, as well as the Bank's internal legal acts and the principles of corporate governance.

## **REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD**

The Bank applies a structured approach to the remuneration of the Supervisory Board. The remuneration of the members of the Supervisory Board is approved by the General Meeting of Shareholders and is determined taking into account their participation in the meetings of the Supervisory Board and committees, as well as the additional functions and responsibilities assumed within the committees, including chairmanship of committees.

The remuneration structure is aimed at ensuring proper engagement, effective oversight, and active participation of the members of the Supervisory Board in the Bank's governance processes.

A remuneration and motivation system is also in place for the members of the Management Board and all employees, which is aligned with the results delivered by the Bank's Supervisory Board, Management Board members, and all employees, and contributes to the continuous improvement of performance. In 2026, the Bank also introduced a new performance management system approved by the Supervisory Board, which provides an additional link between remuneration and results achieved at the individual and organizational levels.



# EXTERNAL AUDIT

The external audit of the Bank's 2025 financial statements was performed by “Ernst & Young” CJSC. The Audit Committee and the Supervisory Board regularly consider matters relating to the independence and objectivity of the external auditor, as well as the effectiveness of the Bank's cooperation with the external auditor. To ensure the effective organization of the audit process and facilitate more detailed discussions, separate meetings were also held between the members of the Audit Committee and the external auditor.

# RIGHTS ATTACHED TO SHARES

The Bank's actually paid-in charter capital consists of ordinary and preferred registered shares, and the rights and obligations attached to each type of share are defined by the legislation of the Republic of Armenia and the Bank's Charter.

In particular, shareholders holding ordinary registered shares have the right to

- participate in the General Meeting of Shareholders with voting rights
- participate in the governance of the Bank
- receive dividends
- receive information on the Bank's activities
- submit proposals and vote at the General Meeting of Shareholders
- authorize third parties to represent their interests
- require the buyback of shares in cases prescribed by law
- appeal in court against decisions of the General Meeting of Shareholders that contradict the applicable legislation
- in the event of liquidation of the Bank, receive their respective share of the Bank's property
- exercise other rights provided for by the legislation of the Republic of Armenia and the Bank's Charter

Shareholders holding preferred shares have the right to

- participate in the General Meeting of Shareholders without voting rights
- receive dividends
- receive information on the Bank's activities
- in the event of liquidation of the Bank, receive their respective share of the Bank's property

The Bank's shareholders are obliged to

- participate in the formation of the Bank's property
- refrain from actions that may cause damage to the Bank
- not carry out actions that may disrupt the normal activities of the Bank
- participate in the adoption of decisions required to ensure the normal activities of the Bank, where their participation is mandatory
- fulfil other obligations prescribed by the legislation of the Republic of Armenia and the Bank's Charter

# CORPORATE GOVERNANCE ANNUAL STATEMENT

[↔](#) MORE

# KEY PRUDENTIAL RATIOS

As of the end of 2025, the required prudential ratios were as follows:

**17.86%**

Total Capital Adequacy Ratio (N1)

**38.35%**

Total Liquidity Ratio (N21)

**120.73%**

Current Liquidity Ratio (N22)

As of 30 June 2025

**16.50%**

Total Capital Adequacy Ratio (N1)

**39.98%**

Total Liquidity Ratio (N21)

**141.11%**

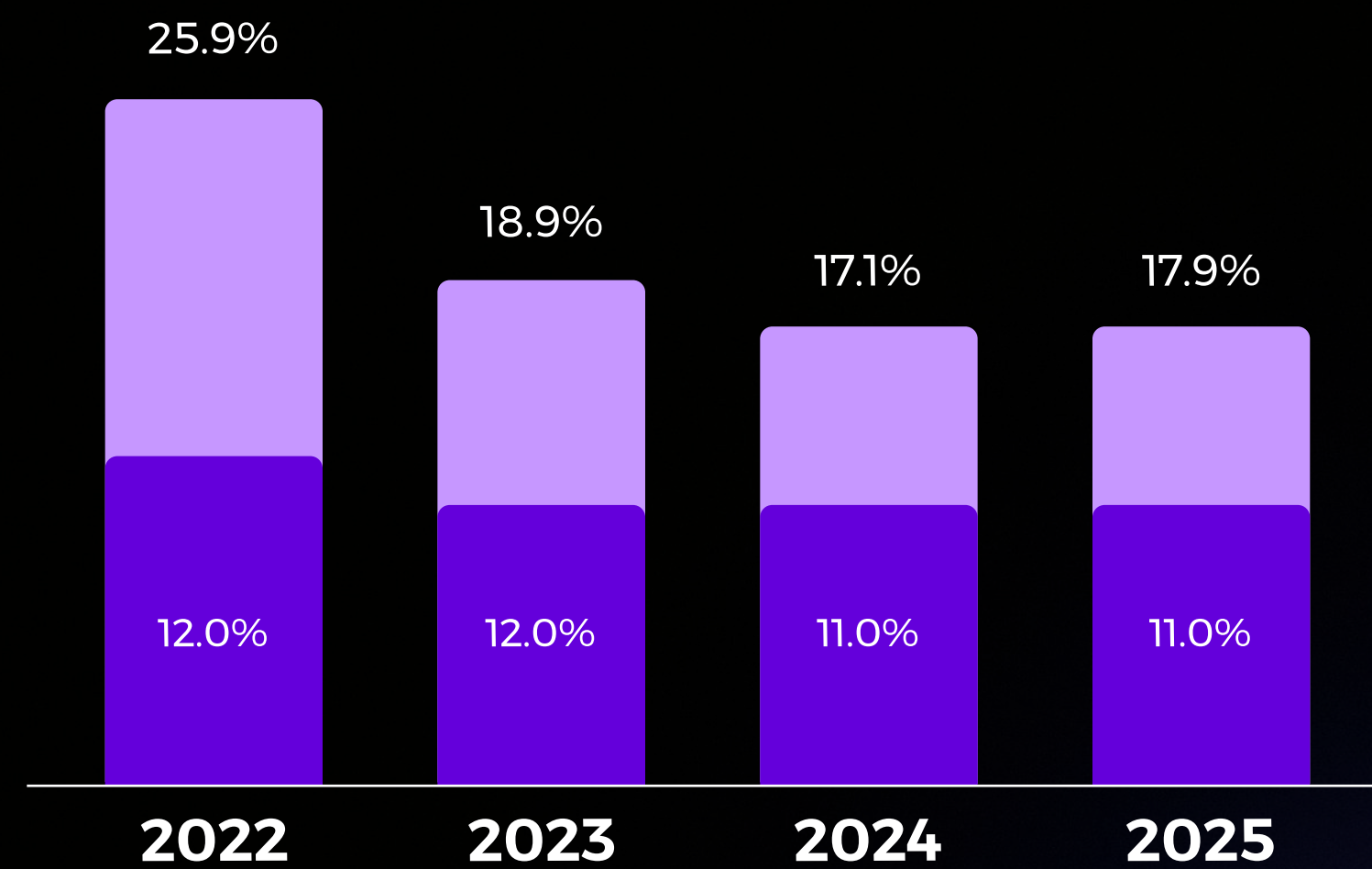
Current Liquidity Ratio (N22)

# RISK MANAGEMENT

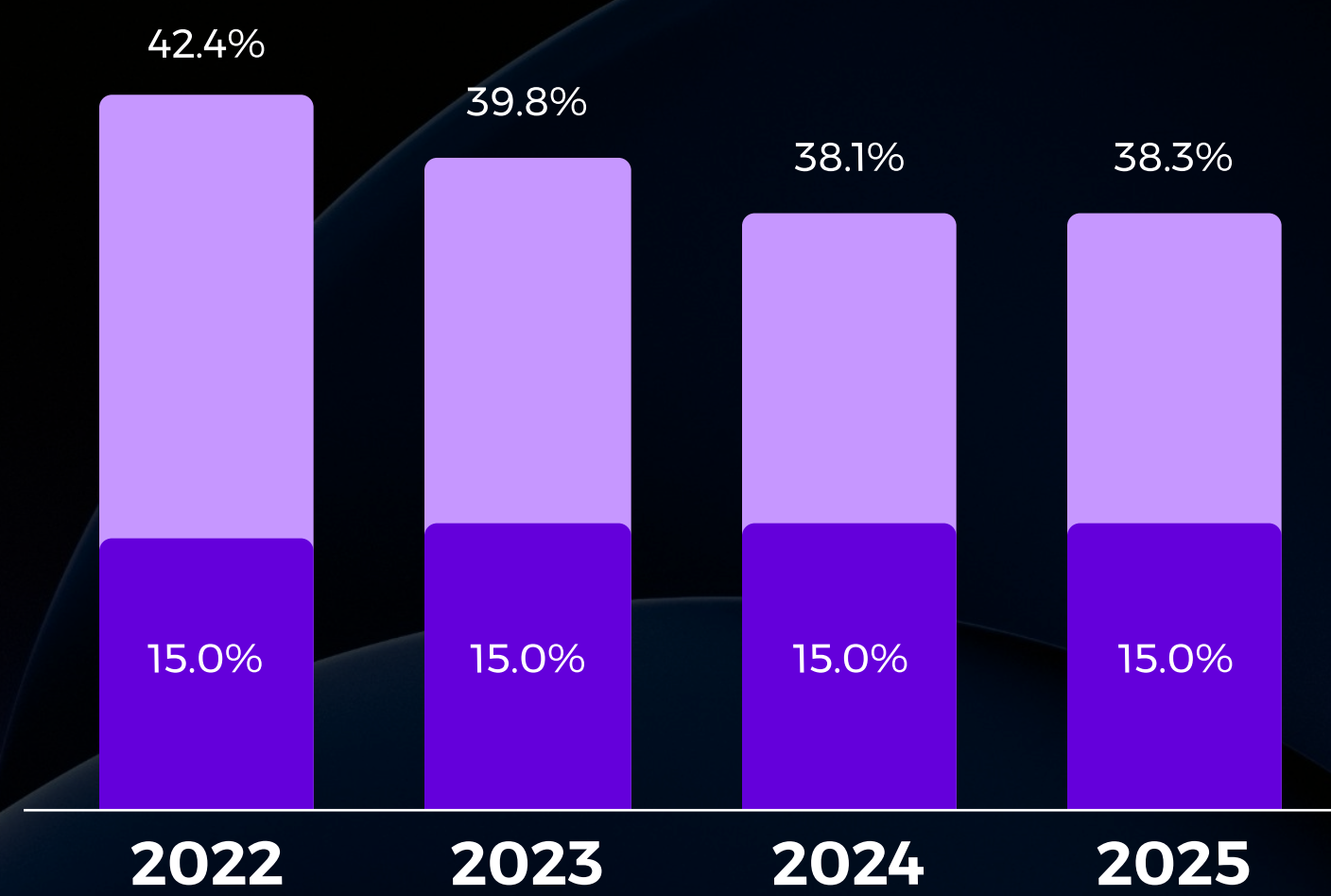
Key Risk Management Approaches

## Ratios

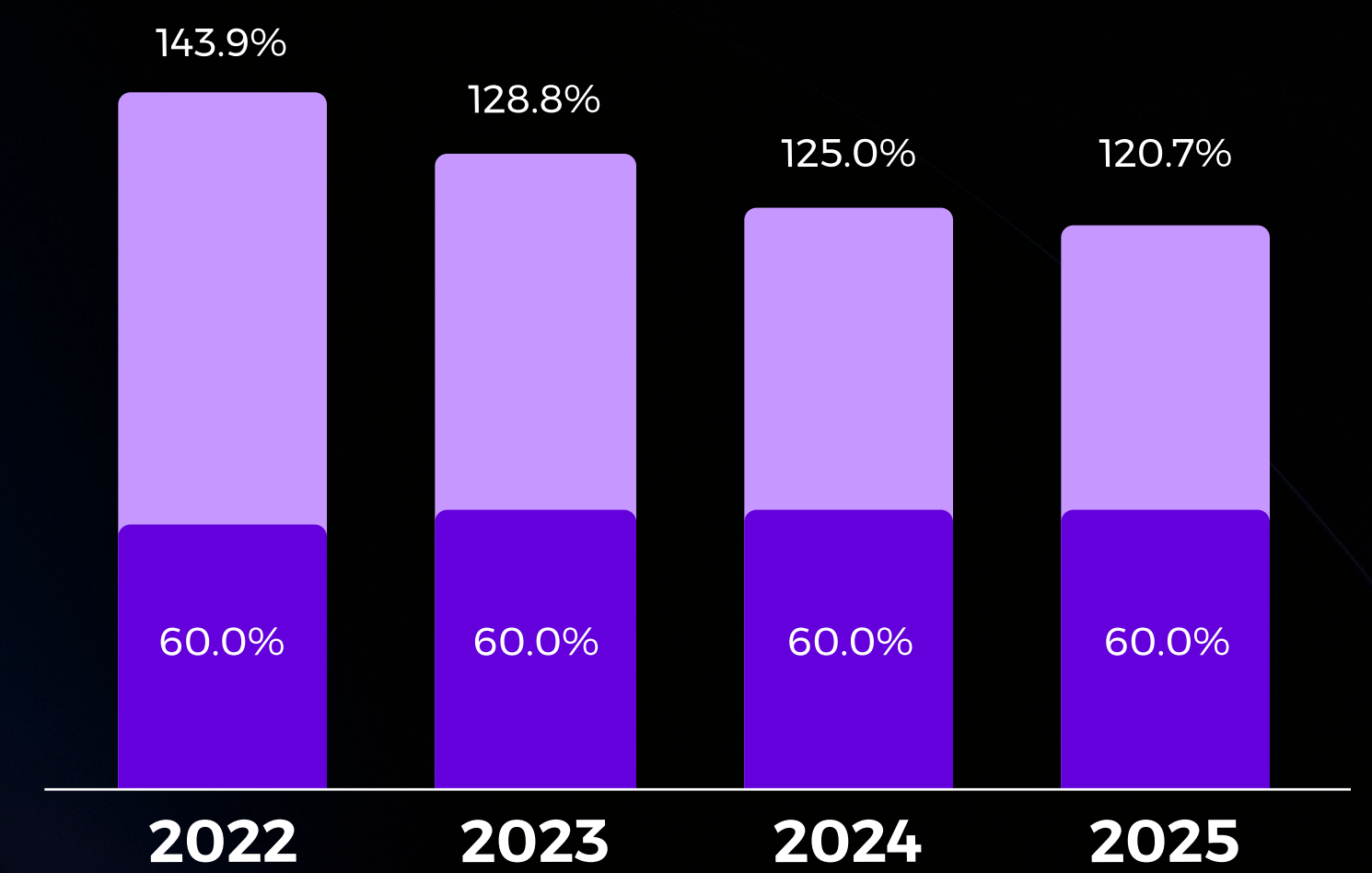
TOTAL CAPITAL ADEQUACY RATIO (N1)



TOTAL LIQUIDITY RATIO (N21)



CURRENT LIQUIDITY RATIO (N22)



● Limit      ● Buffer

# KEY RISK MANAGEMENT APPROACHES

## CREDIT RISK MANAGEMENT

Credit risk is managed at both the individual exposure level and the portfolio level. At the individual level, credit risk management is carried out through the assessment of information relating to the borrower and related parties, review of the borrower's credit history, analysis of the borrower's industry, financial performance and collateral, as well as by ensuring compliance with the established financial and collateral adequacy requirements. Credit risk is also managed through the performance of periodic purpose-specific and financial monitoring.

At the portfolio level, credit risk management is carried out by defining the Bank's credit risk appetite and credit portfolio concentration limits, continuously assessing the risk profile of the Bank's credit portfolio, and developing and continuously improving credit scoring models.

For portfolio credit risk management purposes, the Bank also performs stress testing to assess the impact of various macroeconomic scenarios on the quality of its credit portfolio. This enables the Bank to assess in advance the potential impact of changing conditions and to maintain adequate capital buffers to withstand different stress scenarios.

## **LIQUIDITY RISK MANAGEMENT**

For the purpose of liquidity risk management, the Bank operates within internal liquidity limits that are more stringent than the regulatory liquidity requirements.

Scenario analyses are performed on a monthly basis to assess the impact on various liquidity indicators and, where necessary, appropriate measures are undertaken. In addition, liquidity gap analysis is conducted on a monthly basis, and corrective actions are implemented where required.

## **INTEREST RATE RISK MANAGEMENT**

For the purpose of assessing interest rate risk, the Bank regularly monitors changes in market interest rates, which are discussed by the Asset and Liability Management Committee, and appropriate measures are planned accordingly.

The Bank has also established an internal risk appetite threshold for interest rate risk. The Bank regularly assesses the interest rate gap and conducts scenario analyses to evaluate the impact of changes in interest rates on the Bank's internal risk appetite, which may serve as an early signal for taking preventive measures.

## **FOREIGN EXCHANGE RISK MANAGEMENT**

For the purpose of foreign exchange risk management, the Bank has established an internal risk appetite threshold as well as internal limits for foreign exchange position ratios that are more stringent than the regulatory requirements. Within these limits, the Bank manages its open foreign exchange positions.

## **OPERATIONAL RISK MANAGEMENT**

For the purpose of operational risk management, the Bank has established both an overall risk appetite threshold and internal Key Risk Indicator (KRI) limits for each business process. The Bank has implemented a Risk and Control Self-Assessment (RCSA) process, under which operational processes are reviewed, inherent risks are assessed, and, where necessary, measures are taken to manage residual risks.

The Bank continuously maintains a database of operational incidents, which serves as a basis for identifying risk-bearing processes and ensuring timely response.

The Bank also continuously undertakes measures to strengthen its information security systems and prevent fraud.

## **COUNTRY RISK MANAGEMENT**

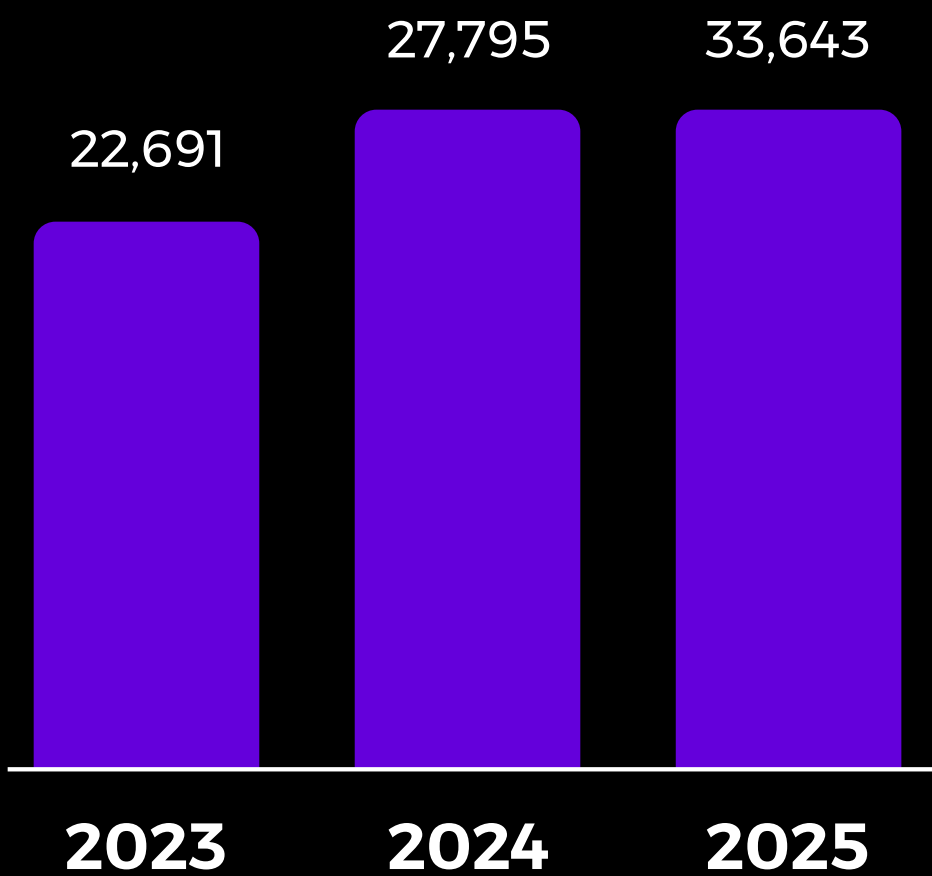
For the purpose of country risk management, the Bank has established maximum acceptable risk limits both for each country and for counterparties operating within that country, based on the credit ratings assigned by international rating agencies.

Compliance with these limits is monitored on a daily basis, and, where necessary, appropriate measures are undertaken.

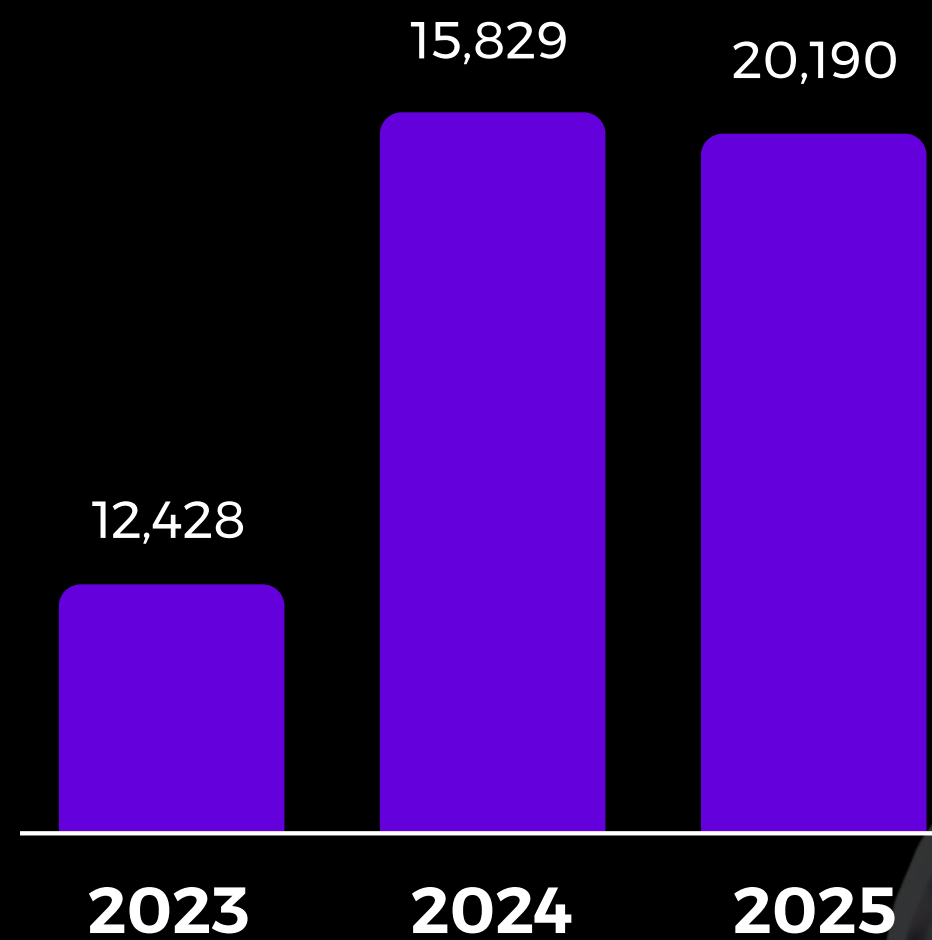
# THE ARMENIAN BANKING SYSTEM

In 2025, the banking sector exhibited stable growth across key indicators. Total assets increased by 16.6%, while liabilities grew by 15.4%. The loan portfolio expanded significantly by 15.8%, and deposits saw a steady rise of 22.7% compared to year-end 2024. Notably, net profit surged by 16% compared to Q4 2024.

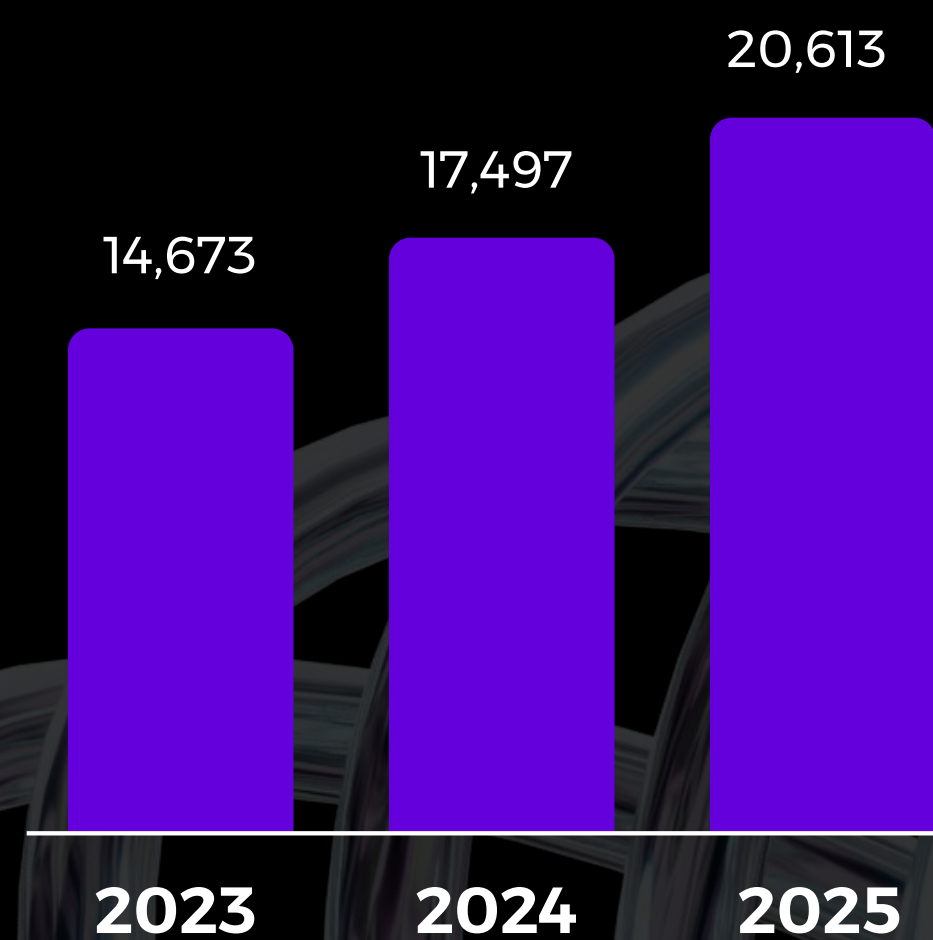
TOTAL ASSETS (MUSD)



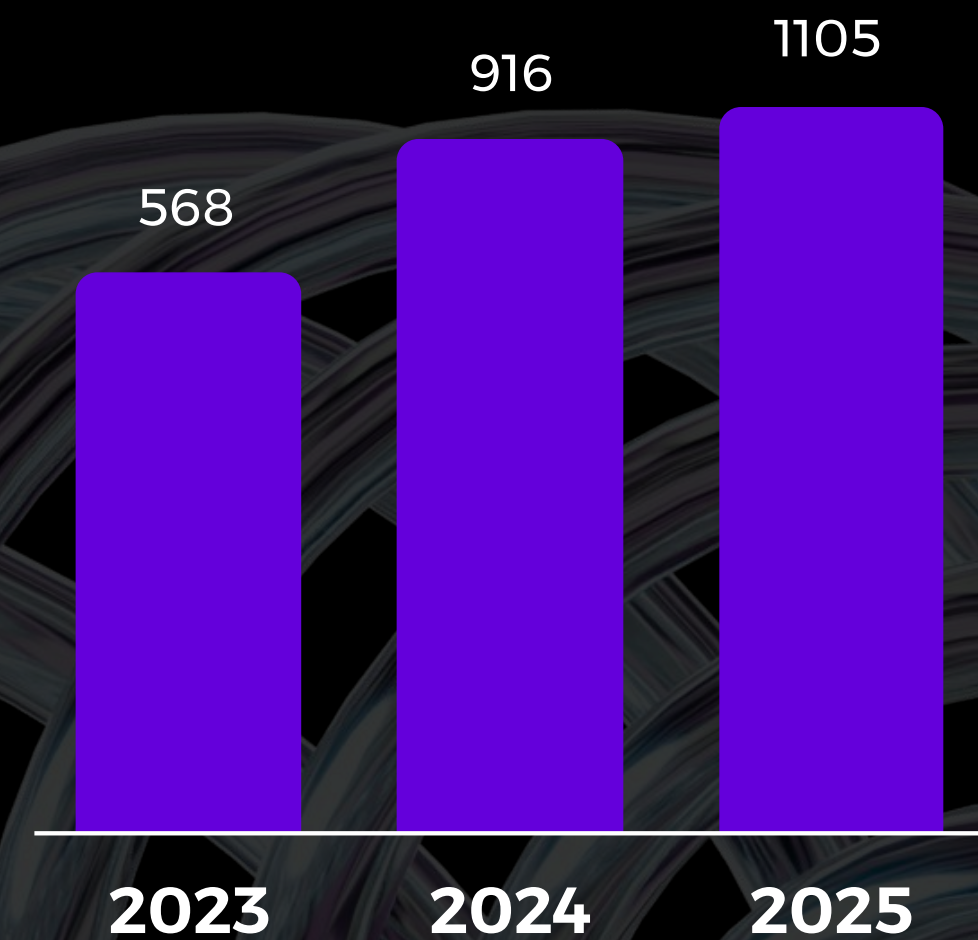
LOANS AND ADVANCES (MUSD)



AMOUNTS DUE TO CUSTOMERS (MUSD)



NET PROFIT (MUSD)

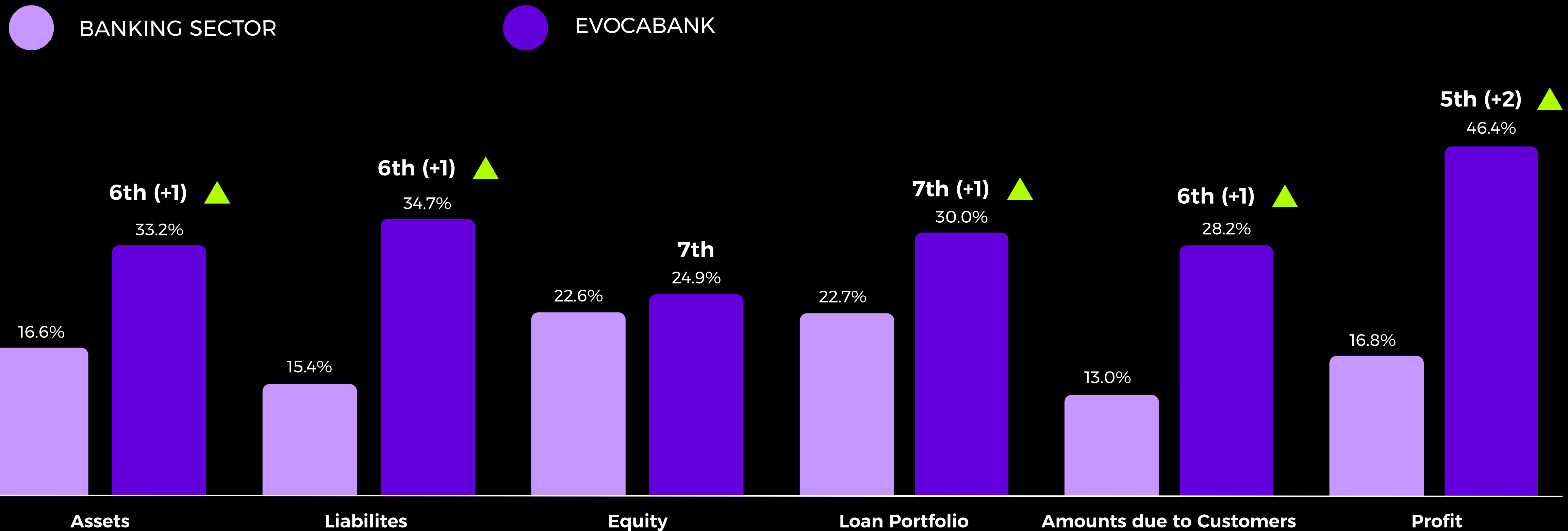


**Disclaimer:** Henceforth, USD figures are presented for reference only. YoY growth rates have been calculated in AMD, the reporting currency. Differences between USD and AMD growth rates are primarily due to FX rate movements during the respective periods.

# POSITIONING IN THE BANKING MARKET

Leveraging its competitive advantages, innovation and technology, stability and reliability, strong profitability, and robust capital adequacy, Evocabank continues to strengthen its position in the Armenian banking sector.

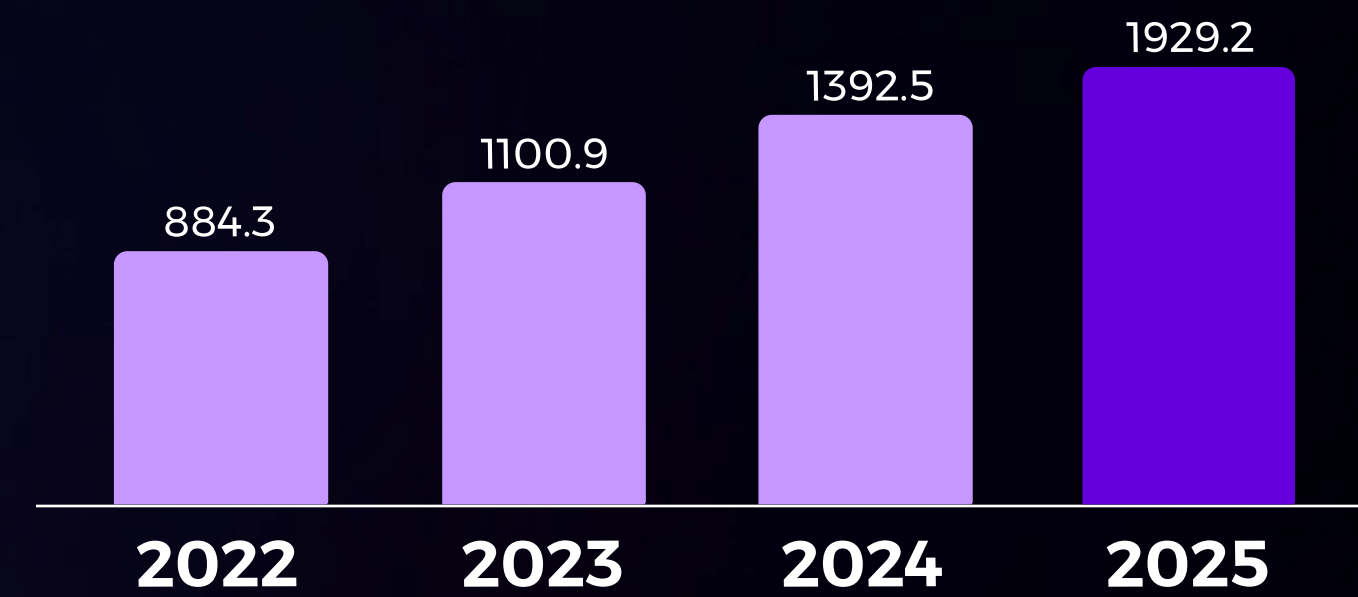
## Annual Change Analysis of Key Indicators (2024-2025)



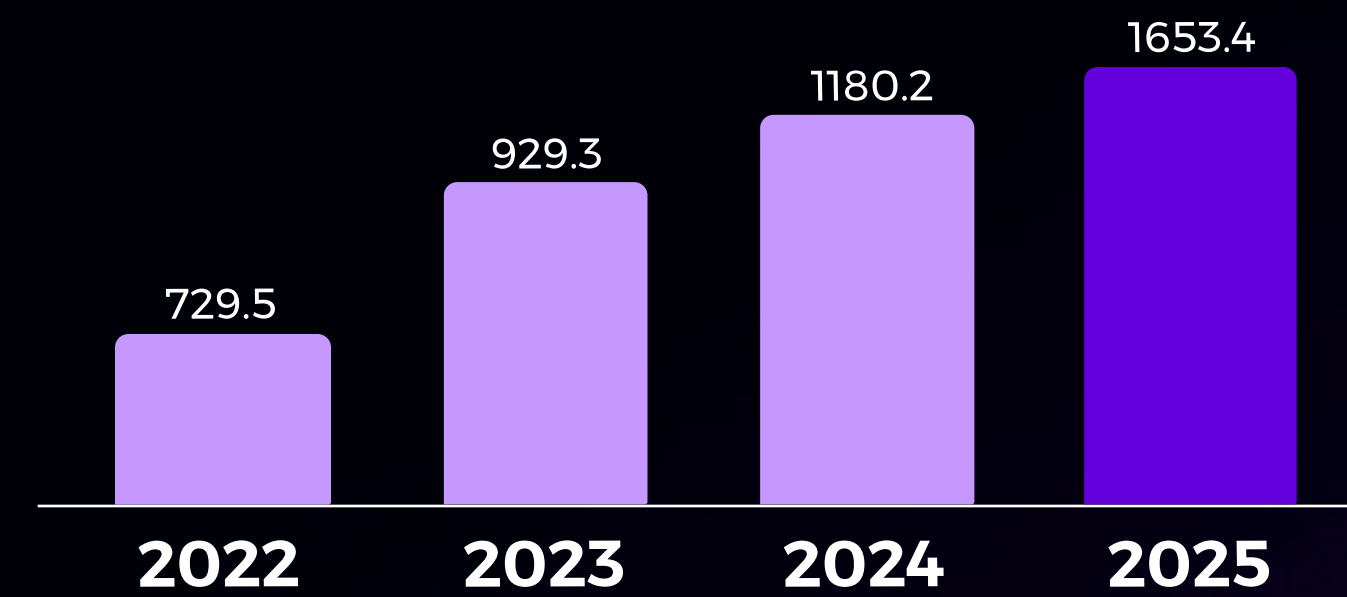
# BALANCE SHEET

In 2025, Evocabank delivered strong performance across key financial indicators. The loan portfolio grew by 30%, while the deposits and bonds portfolio increased by 28.2%, contributing to a 33.2% rise in total assets and a 34.7% growth in liabilities. Notably, equity grew by 24.9% compared to year-end 2024, underscoring the Bank's solid financial health and resilience.

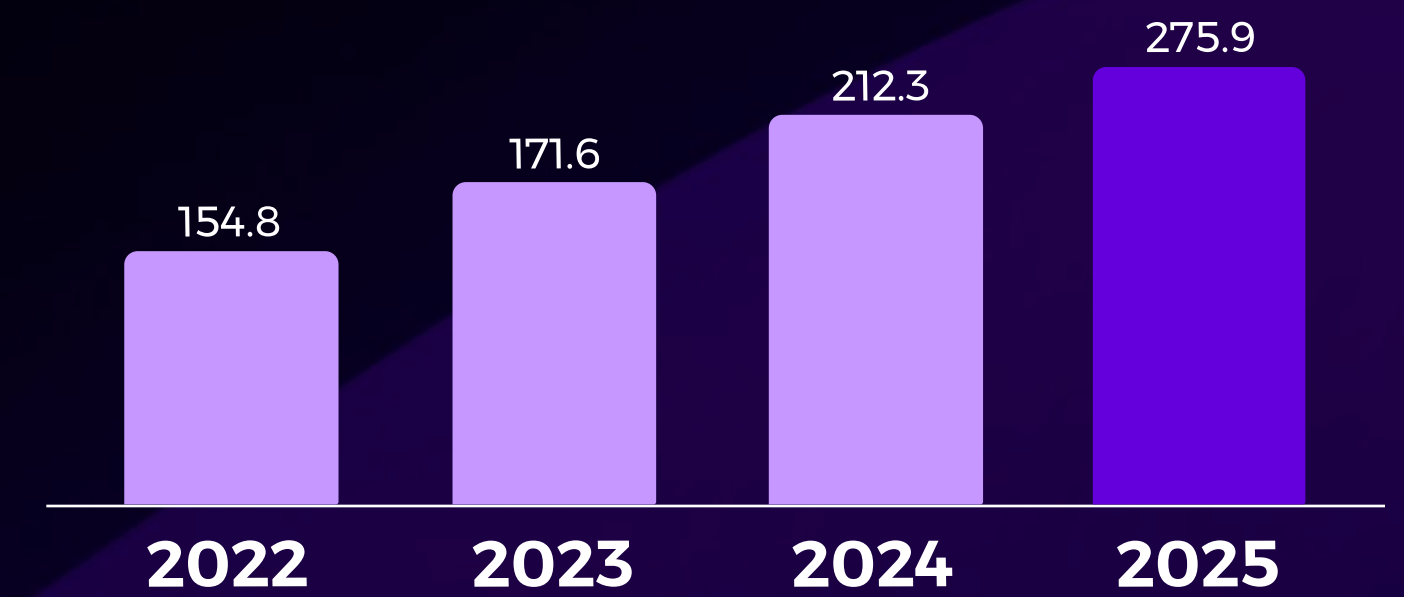
TOTAL ASSETS (MUSD)



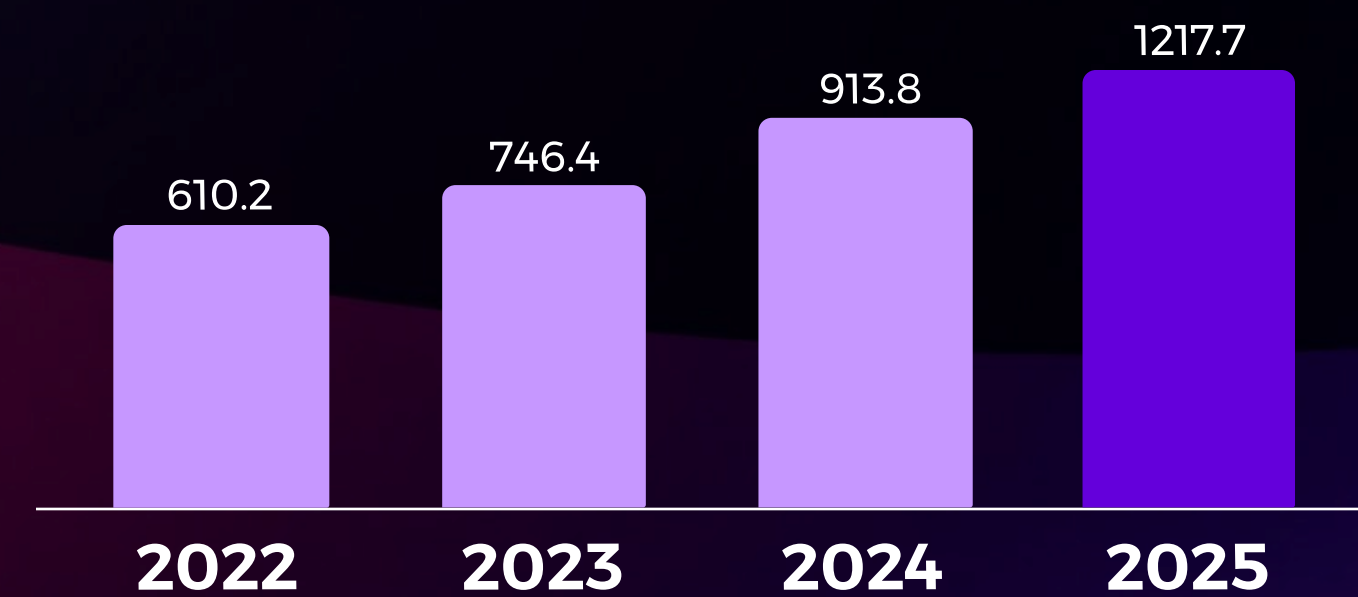
TOTAL LIABILITIES (MUSD)



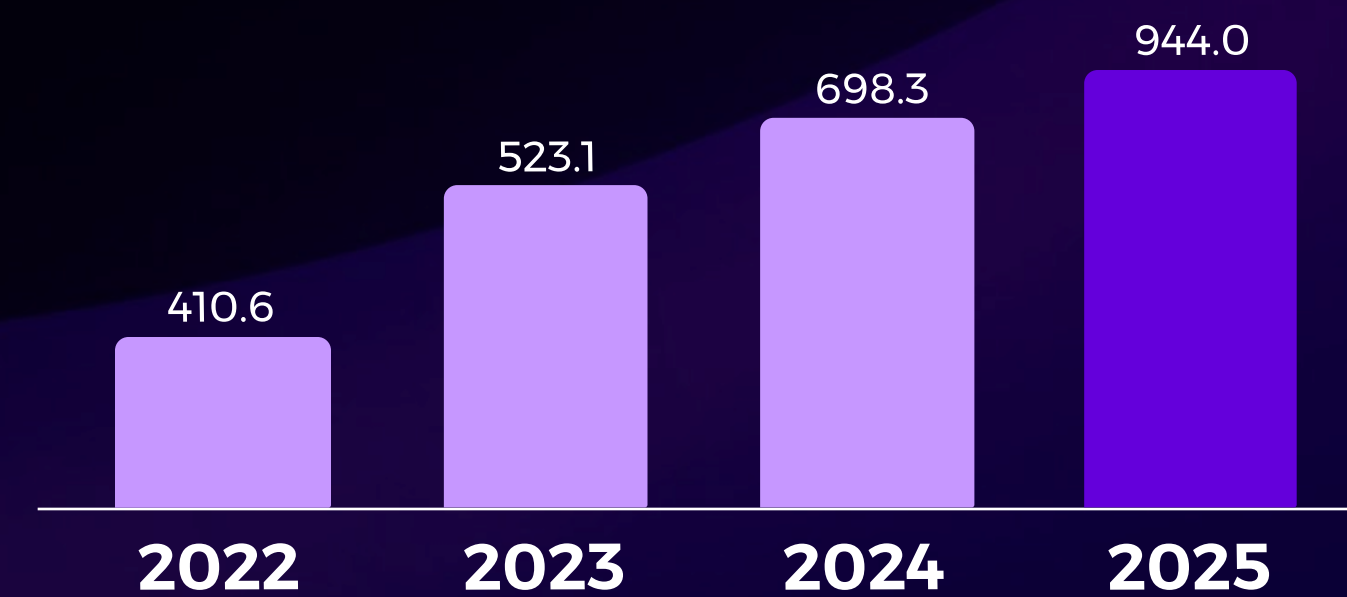
EQUITY (MUSD)



DEPOSITS AND BONDS (MUSD)



LOANS AND ADVANCES TO CUSTOMERS (MUSD)



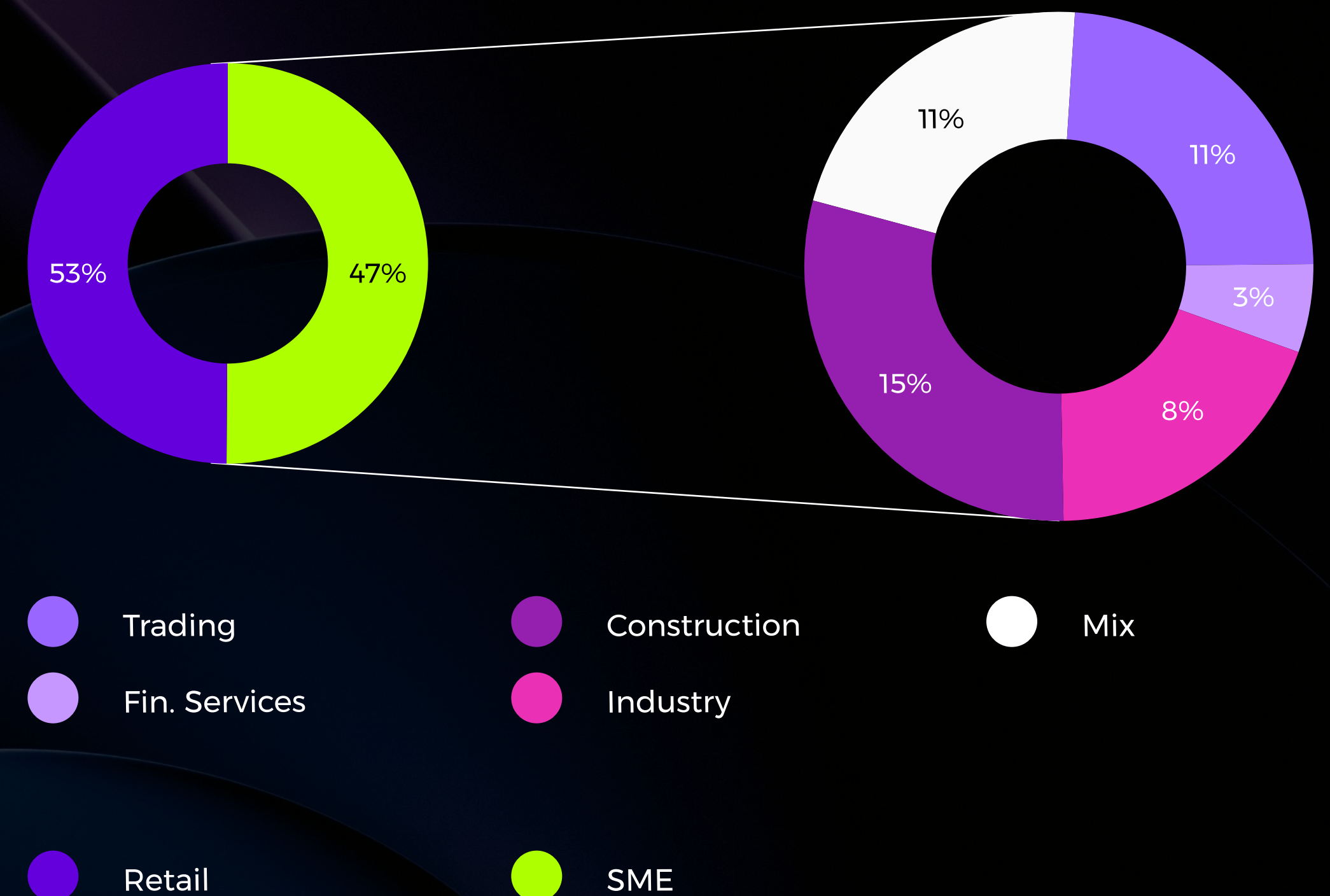
# CREDIT PORTFOLIO

In 2025, Evocabank recorded strong growth in its retail and SME loan portfolios, highlighting its strategic focus on these priority segments. The SME portfolio grew by 25.3%, while retail lending saw a robust 40.6% increase, reinforcing the Bank's commitment to supporting small businesses and individual clients.

OVERALL STRUCTURE OF THE LOAN PORTFOLIO

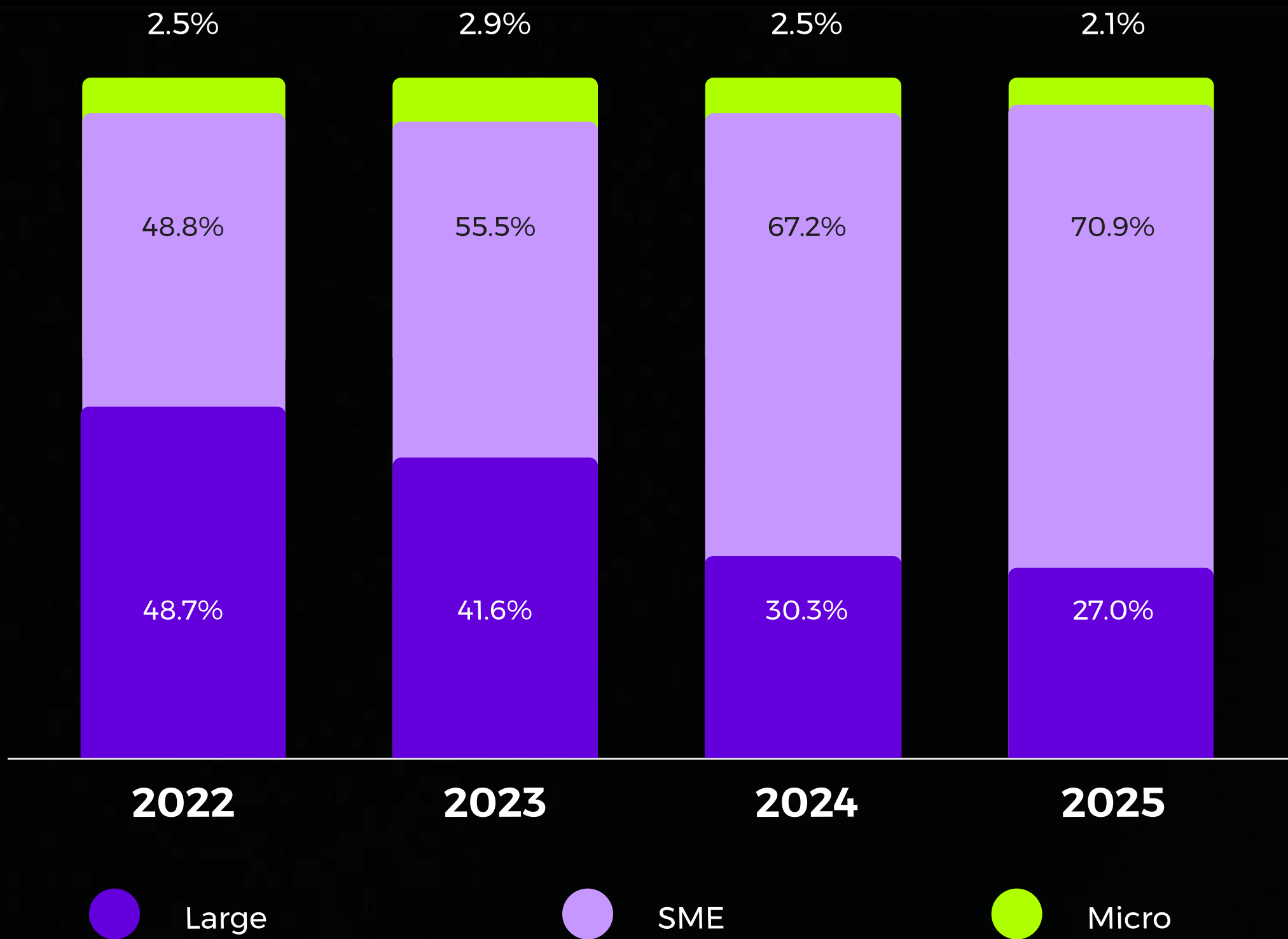


RETAIL LOAN PORTFOLIO STRUCTURE

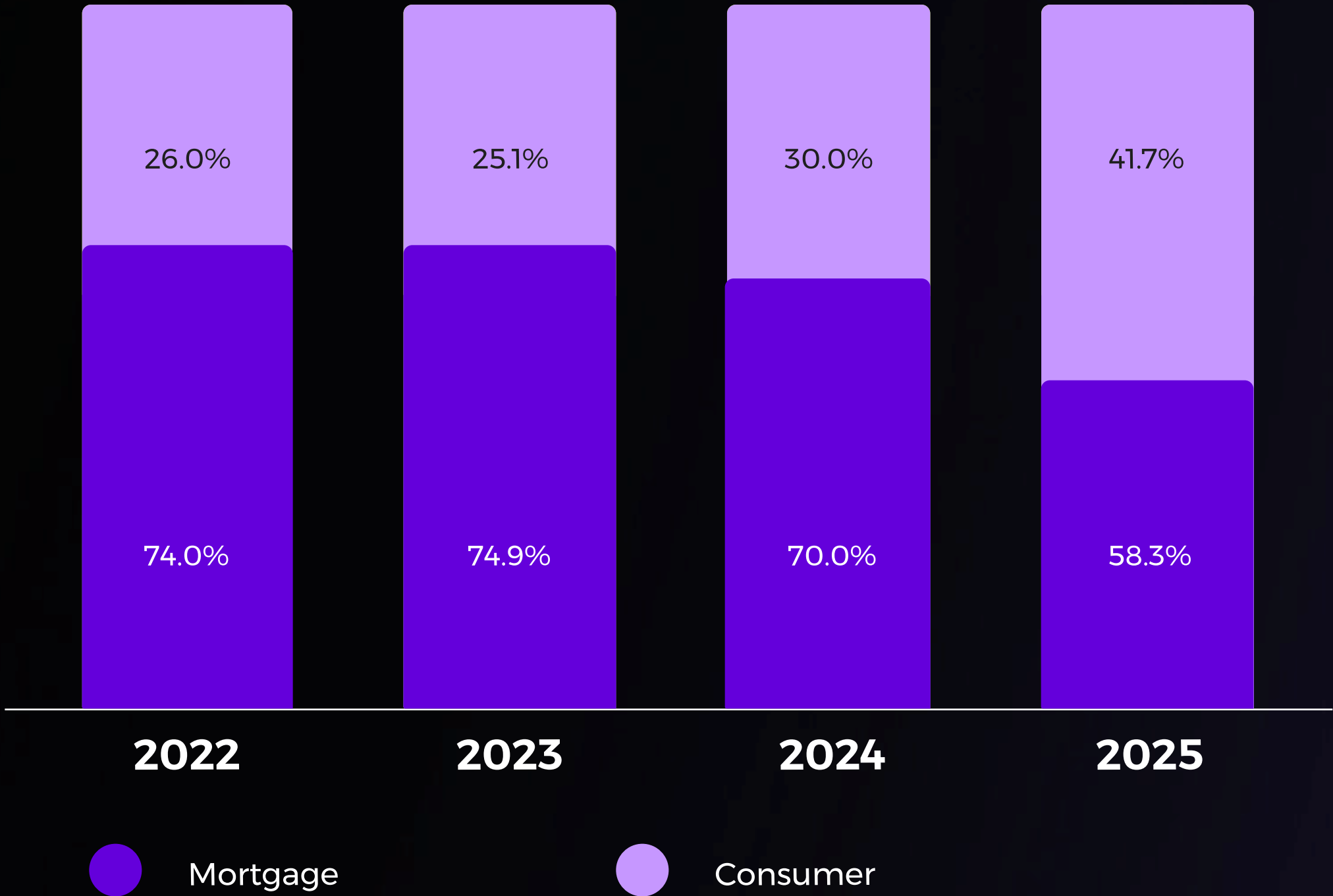


# CREDIT PORTFOLIO

## CORPORATE LOAN PORTFOLIO STRUCTURE



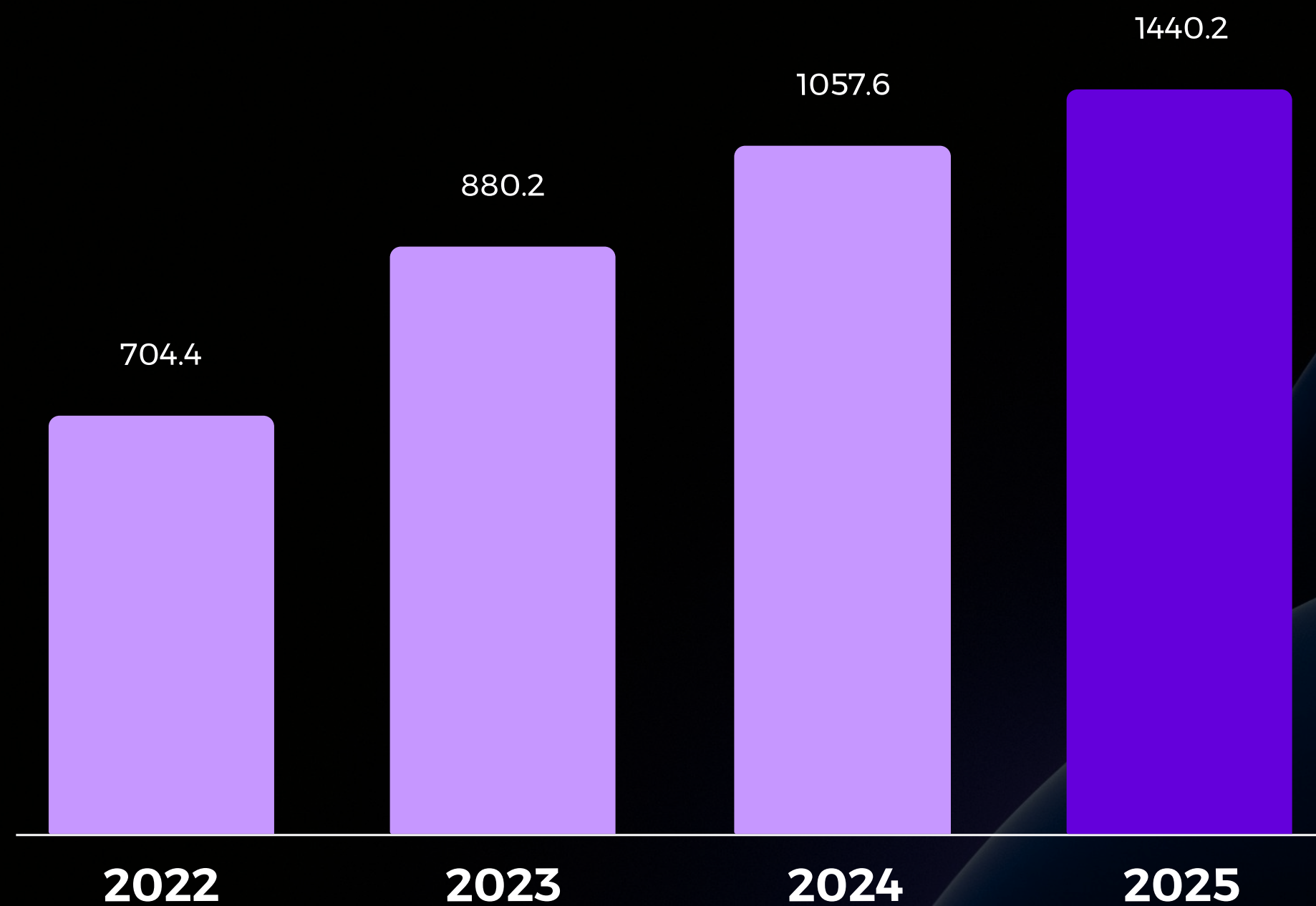
## RETAIL LOAN PORTFOLIO STRUCTURE



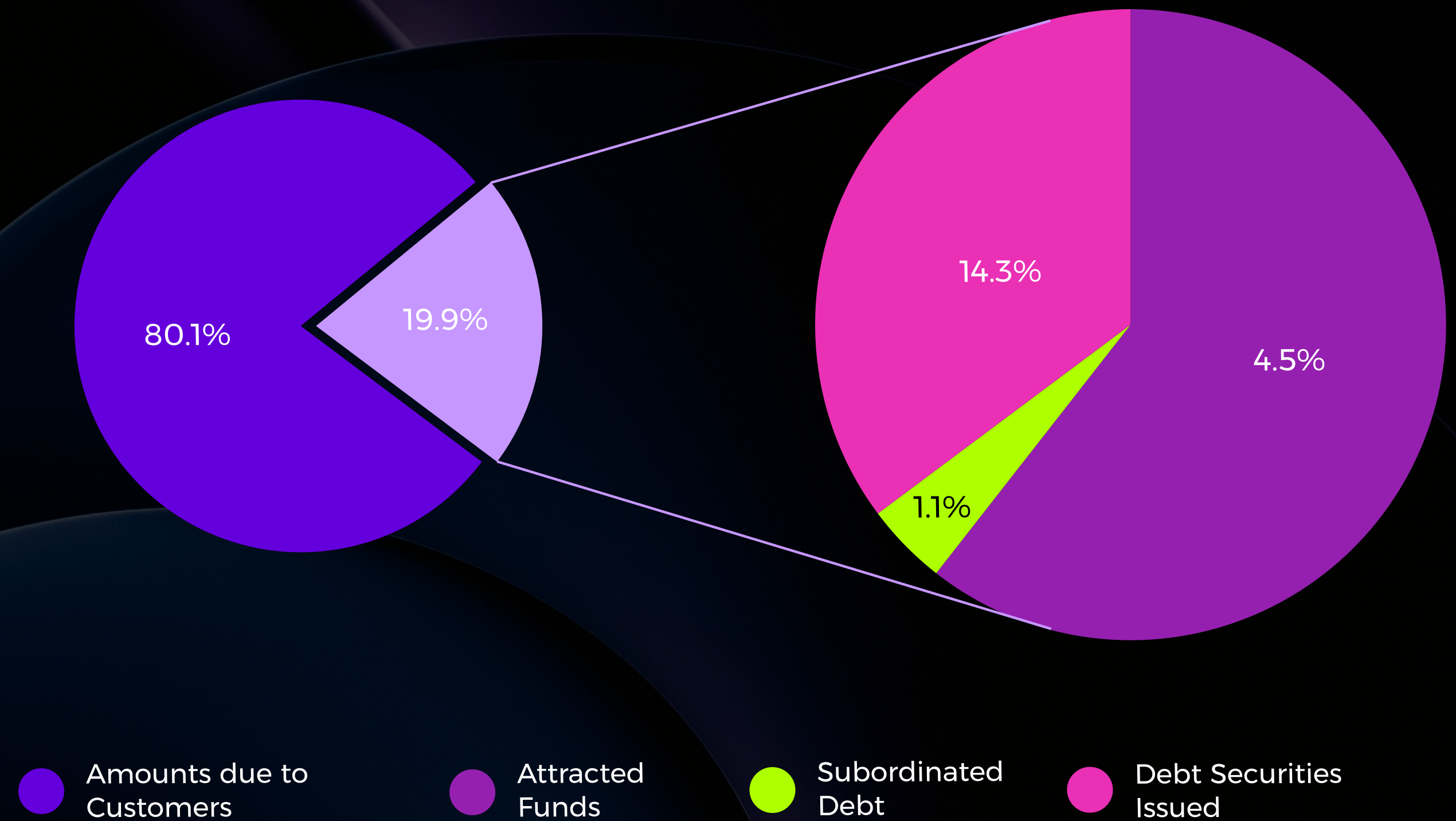
# FUNDING STRUCTURE

Evocabank is strategically expanding its funding channels through collaborations with international financial institutions. In parallel, we are introducing products such as deposits and corporate bonds with favourable terms. This strategic initiative highlights the bank's dedication to strengthening its funding base, ensuring a stable and sustainable source of funds to support future growth

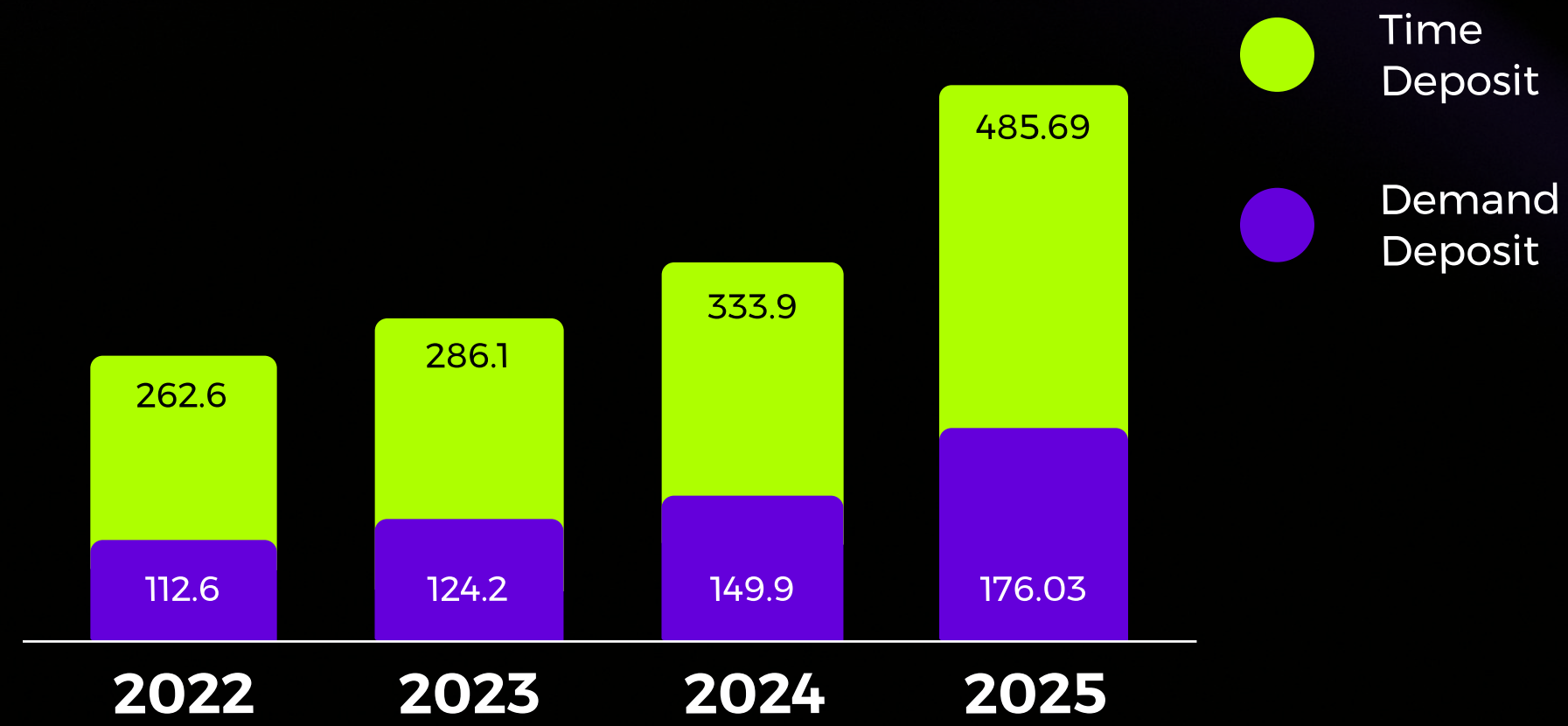
TOTAL FUNDING (MUSD)



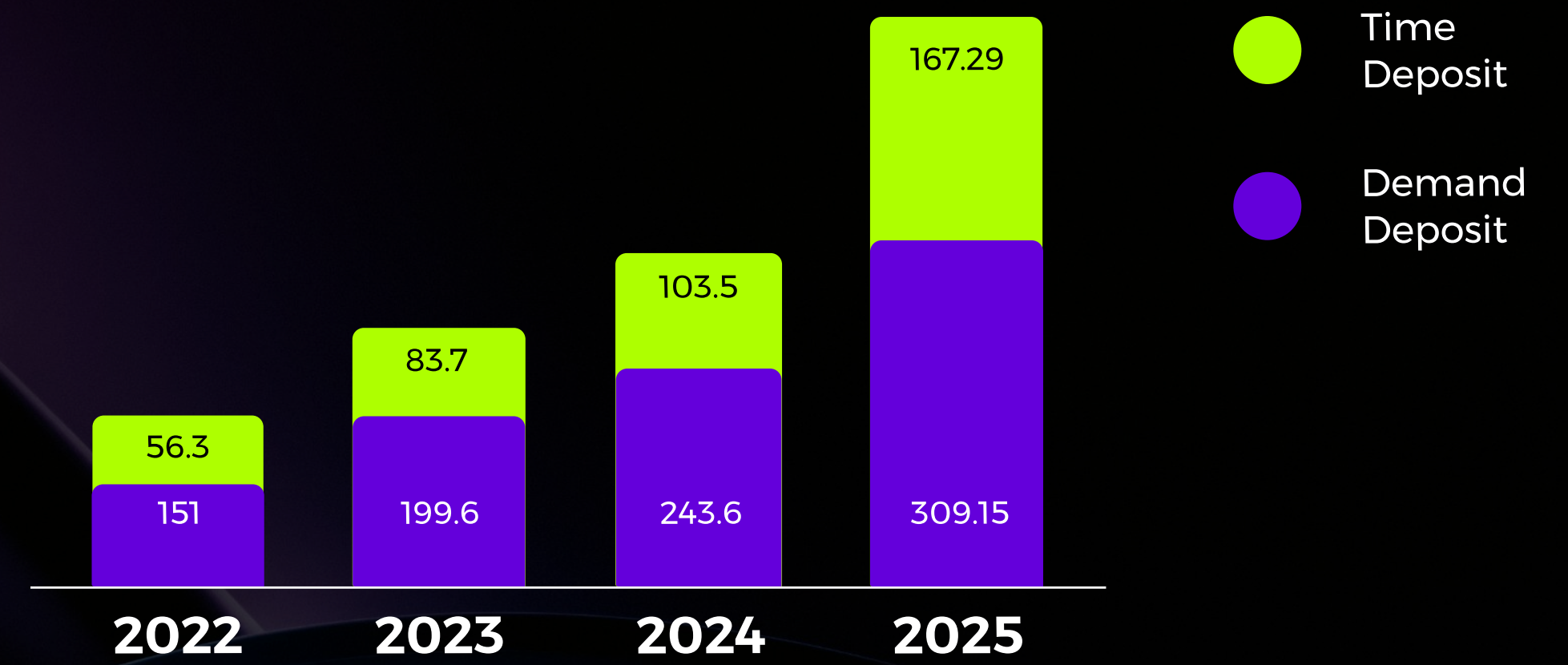
FUNDING STRUCTURE, 2025



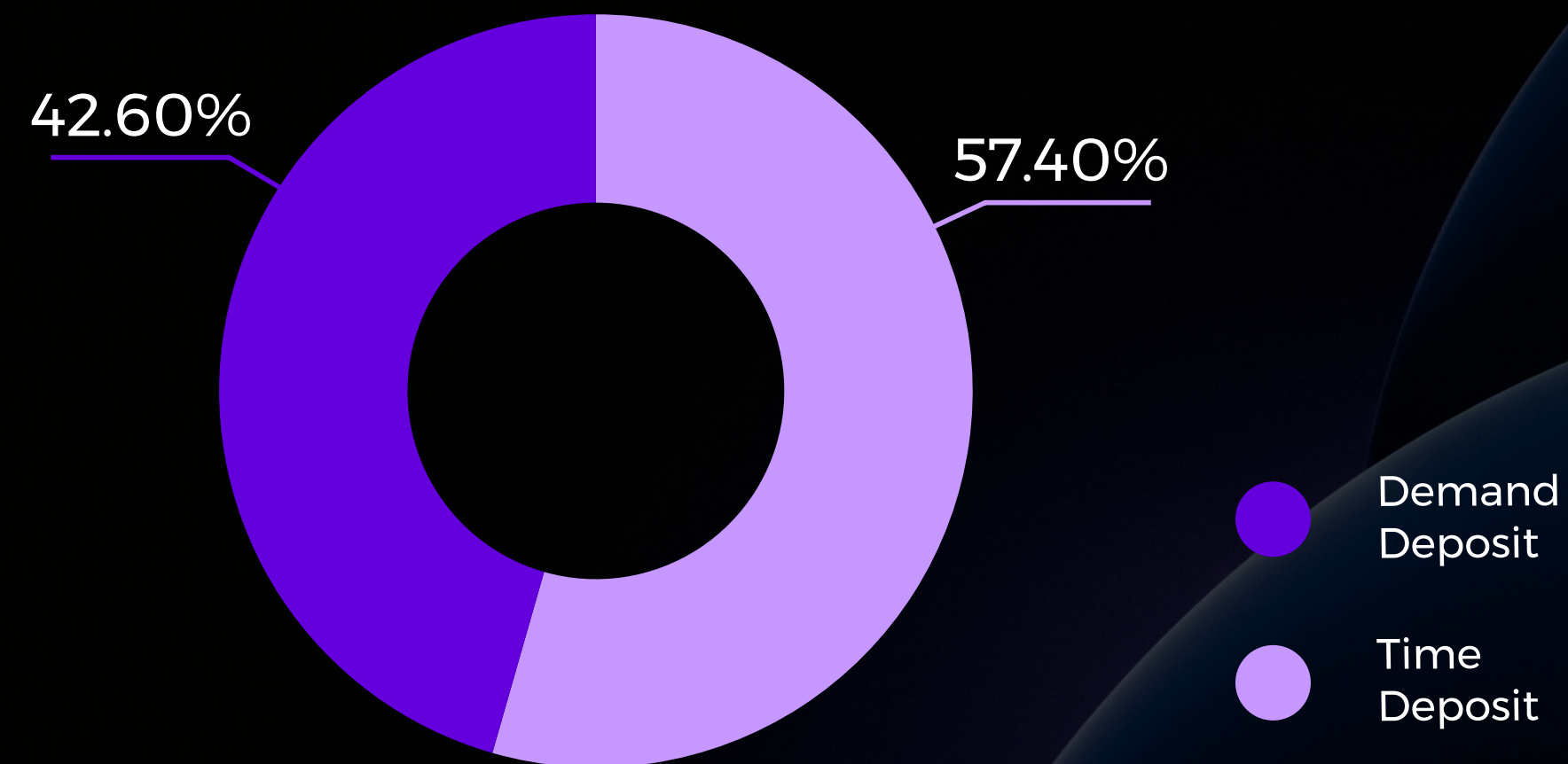
### RETAIL DEPOSIT PORTFOLIO (MUSD)



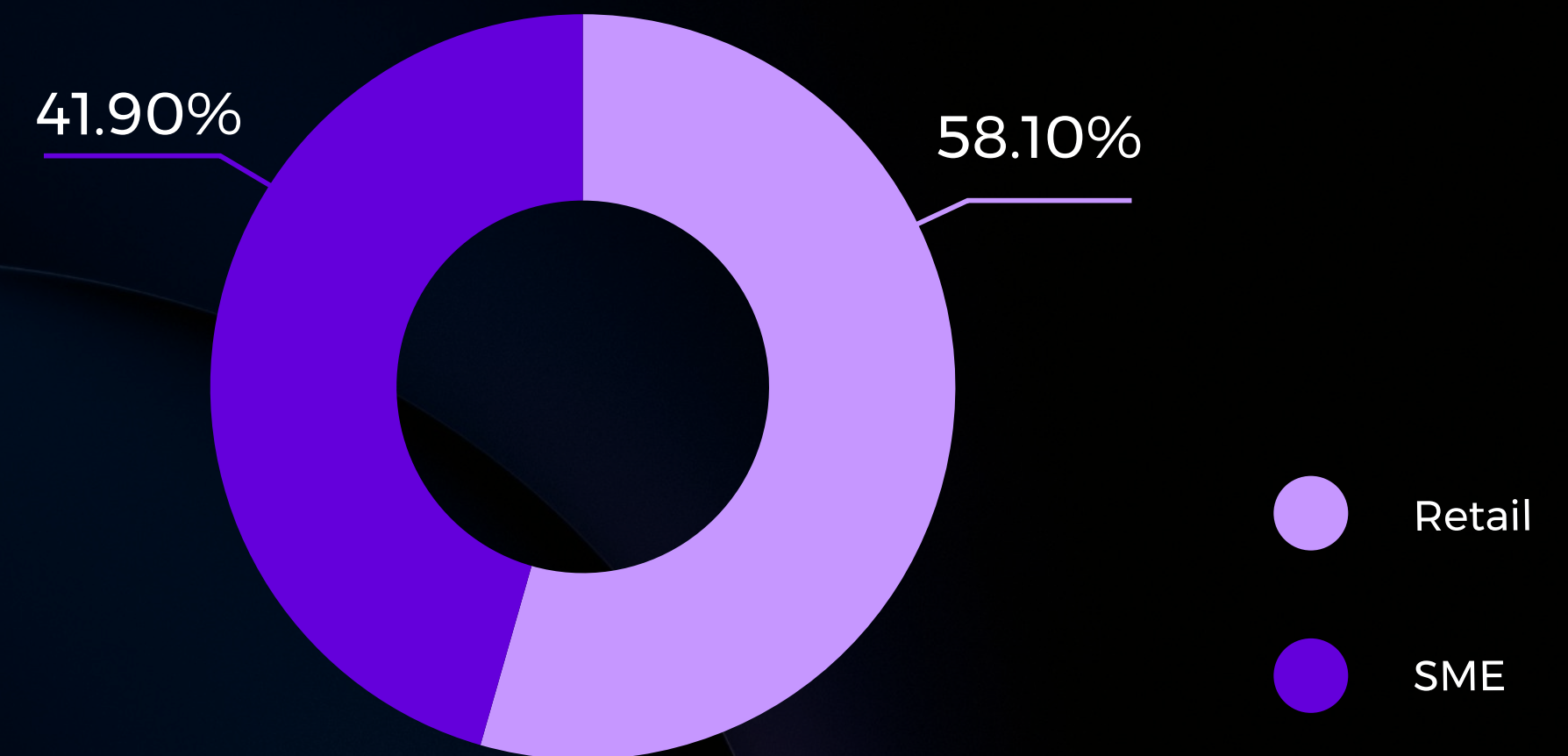
### CORPORATE DEPOSIT PORTFOLIO (MUSD)



### AMOUNT DUE TO CUSTOMER STRUCTURE

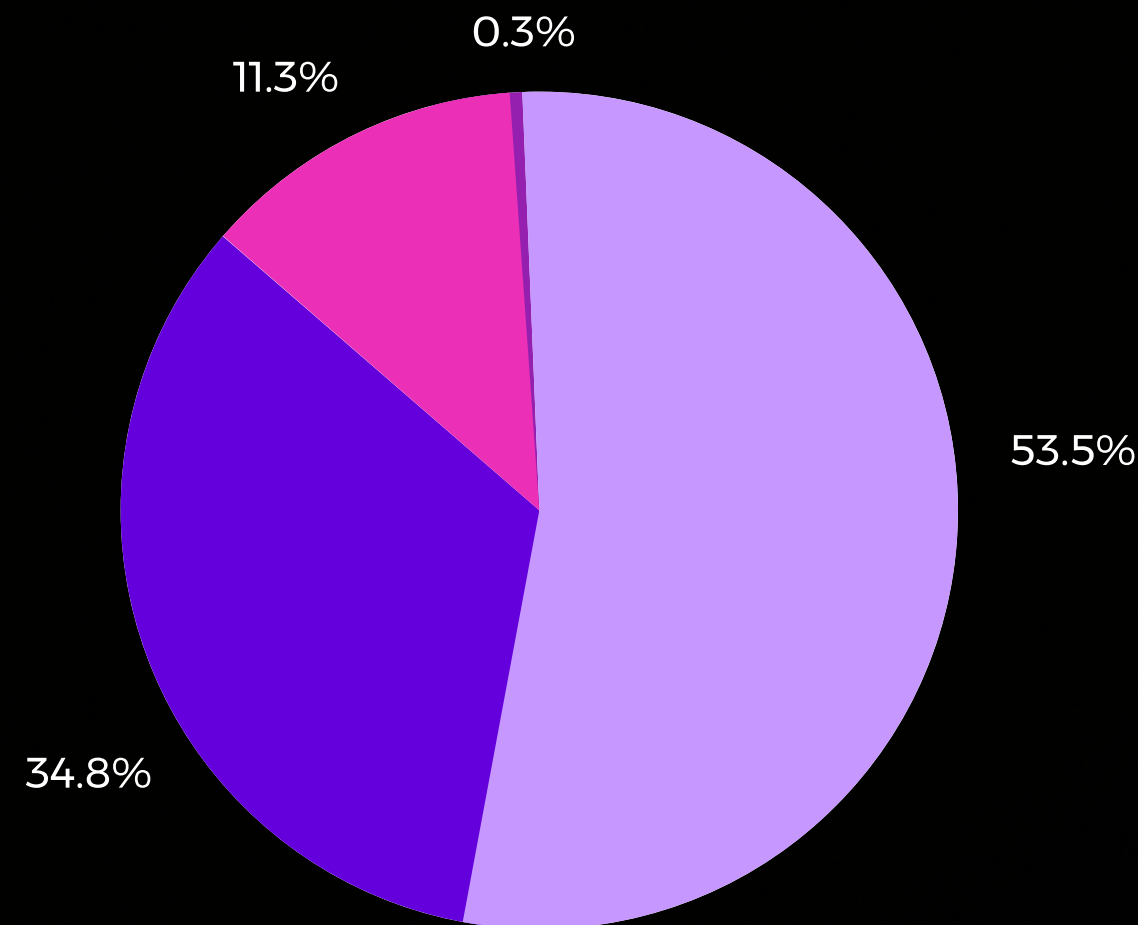


### SHARE IN TOTAL DEPOSIT PORTFOLIO

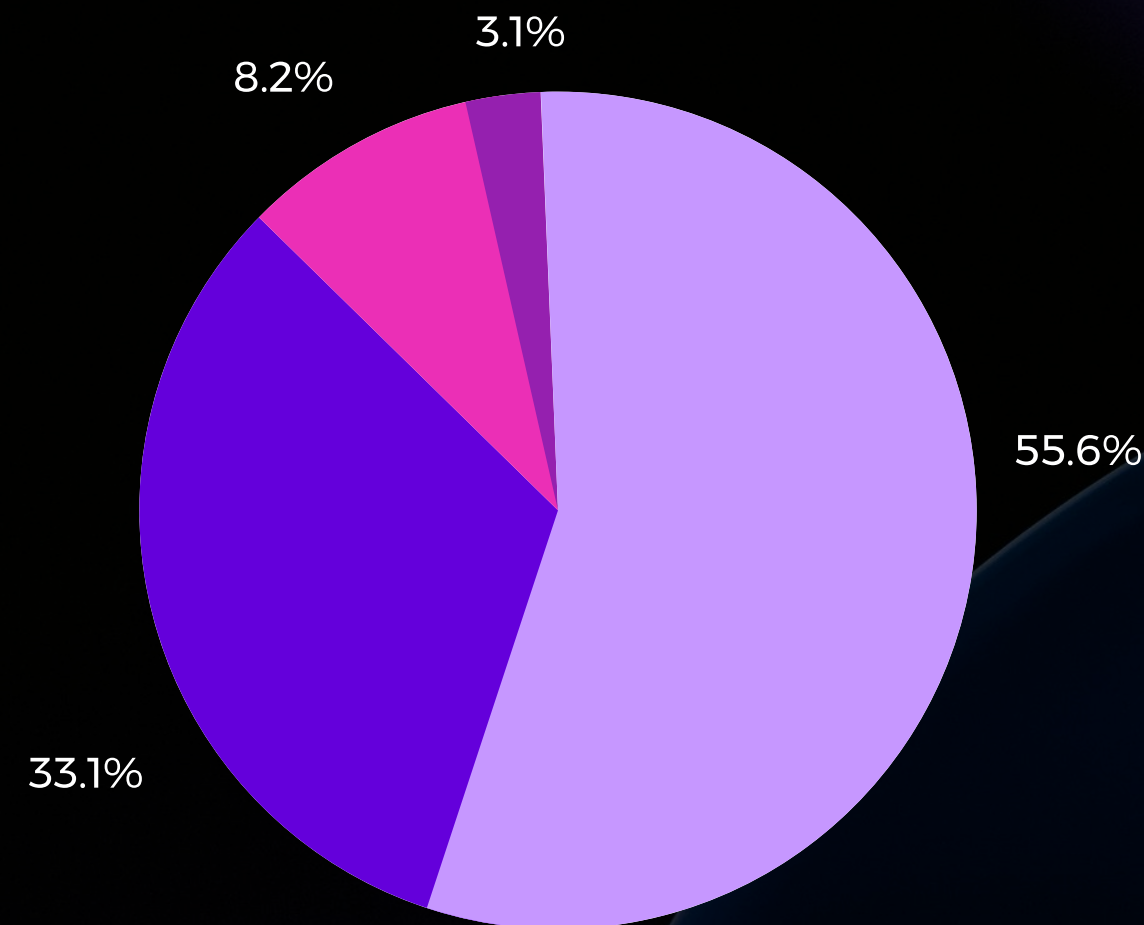


# CURRENCY EXPOSURE

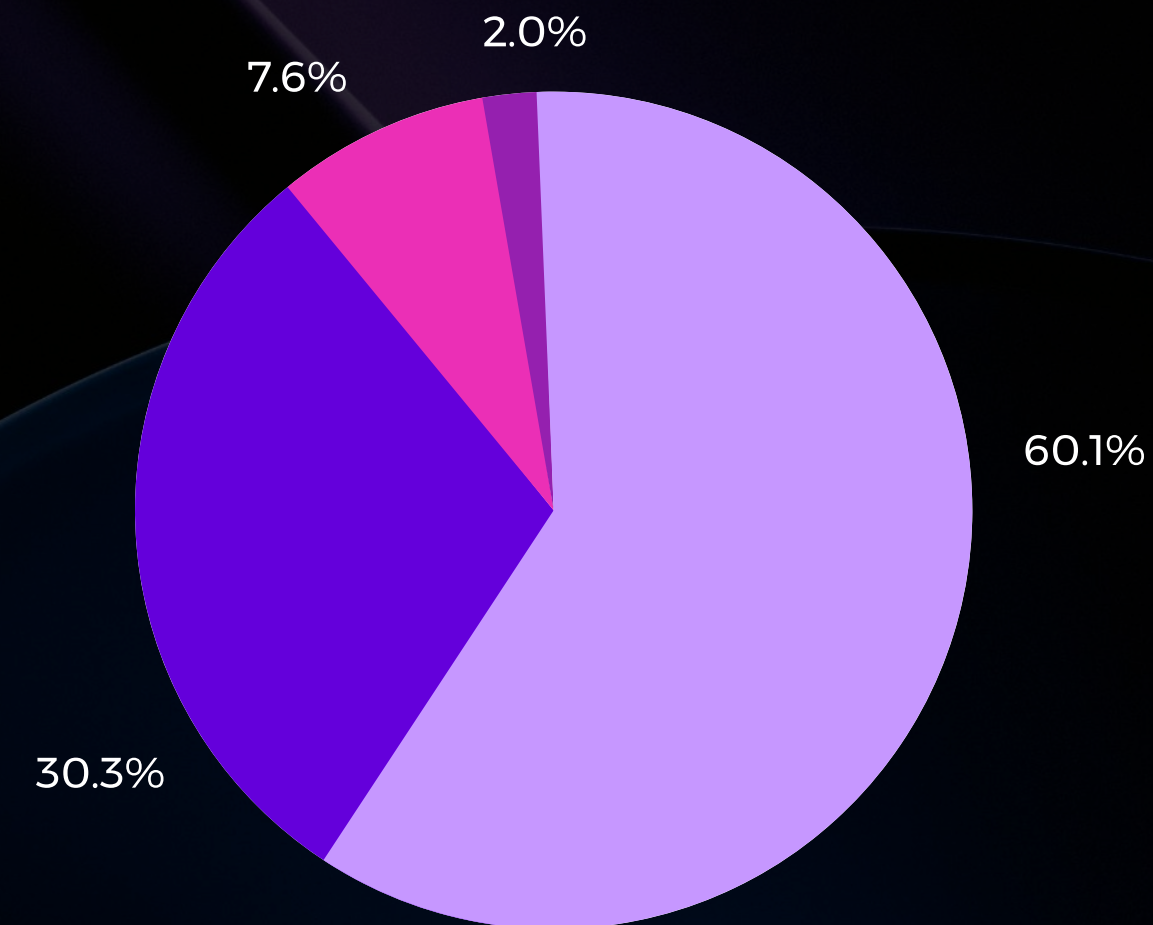
LOAN PORTFOLIO



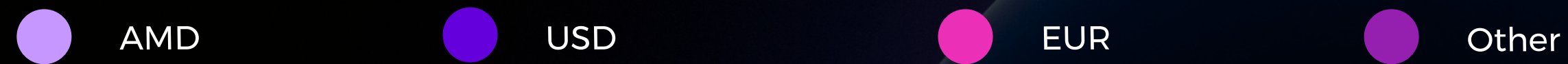
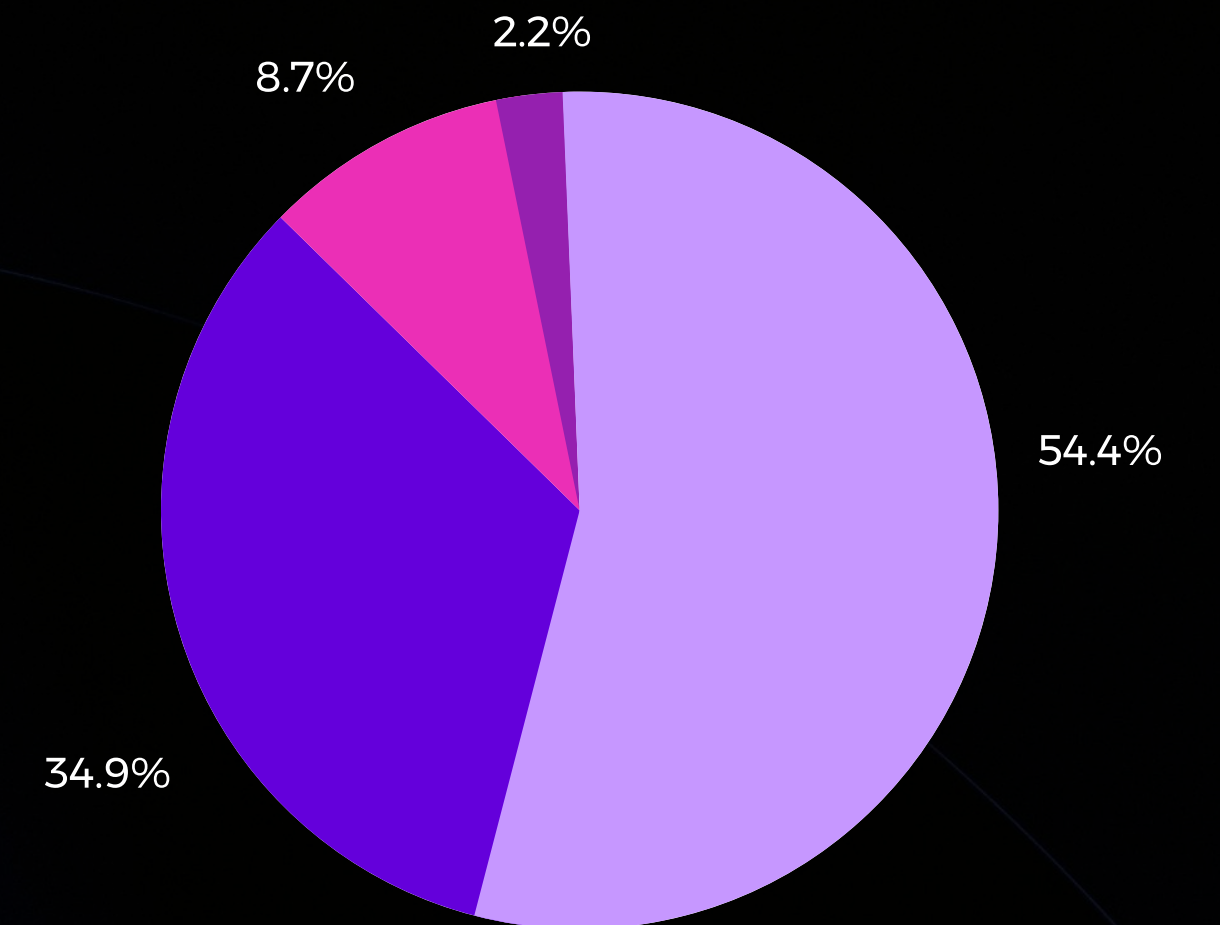
DEPOSIT PORTFOLIO



TOTAL ASSETS



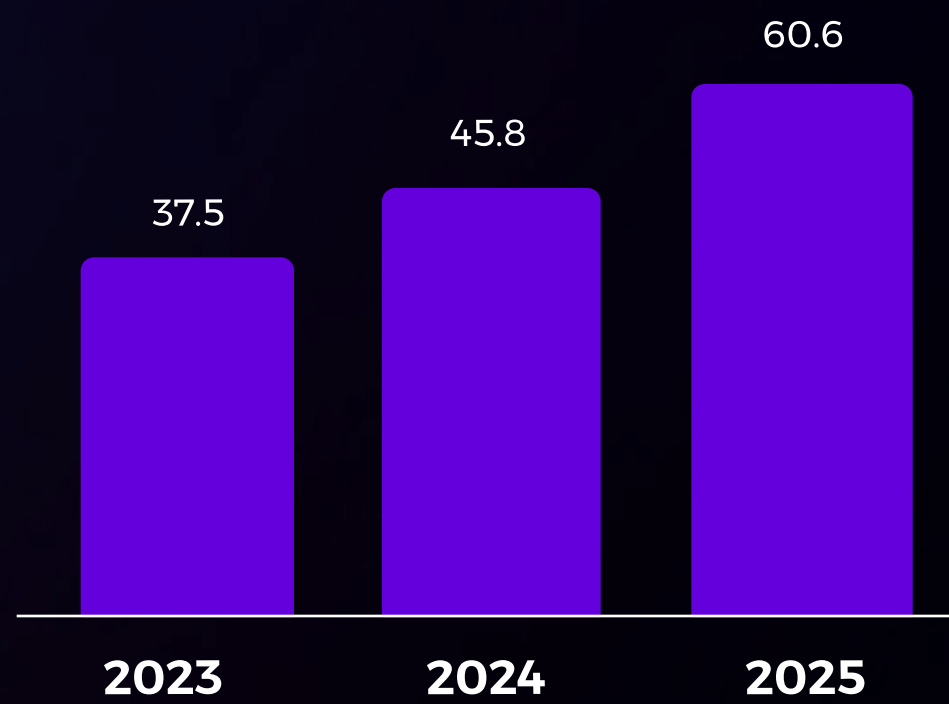
TOTAL LIABILITIES



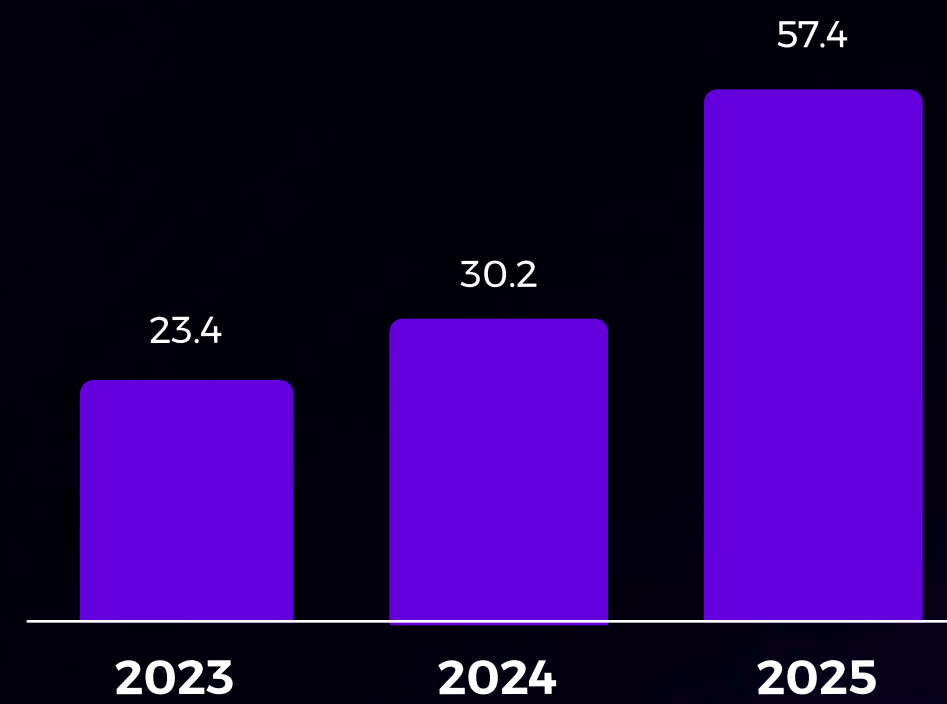
# INCOME STATEMENT INDICATORS

In 2025, the Bank delivered strong financial results, with net interest income increasing by 26.0%, operating income rising by 48.6%, and net profit growing by 46.4% year over year.

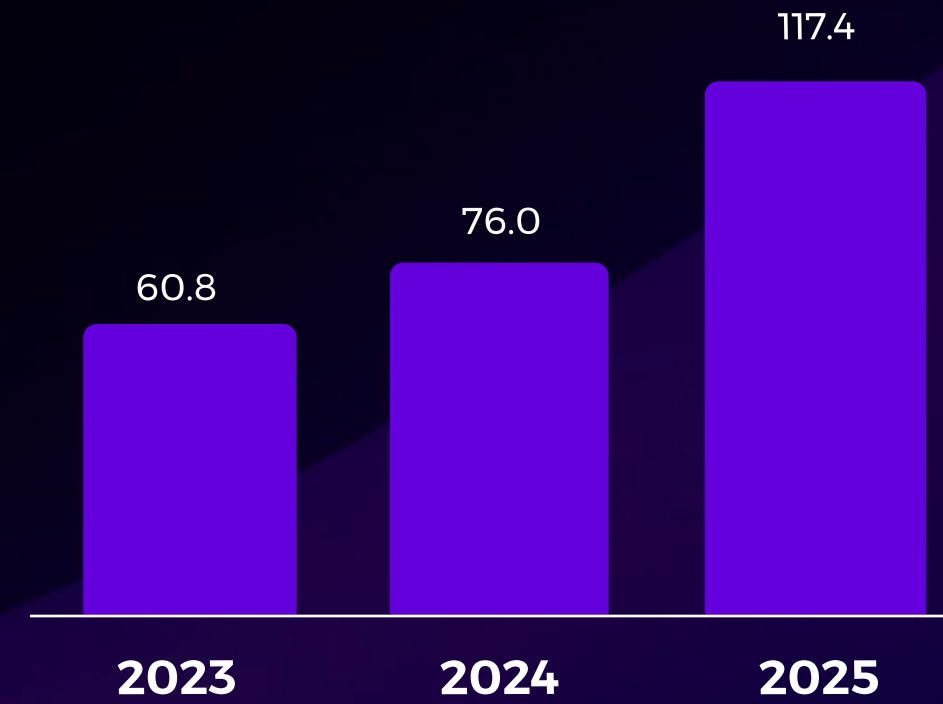
NET INTEREST INCOME (MUSD)



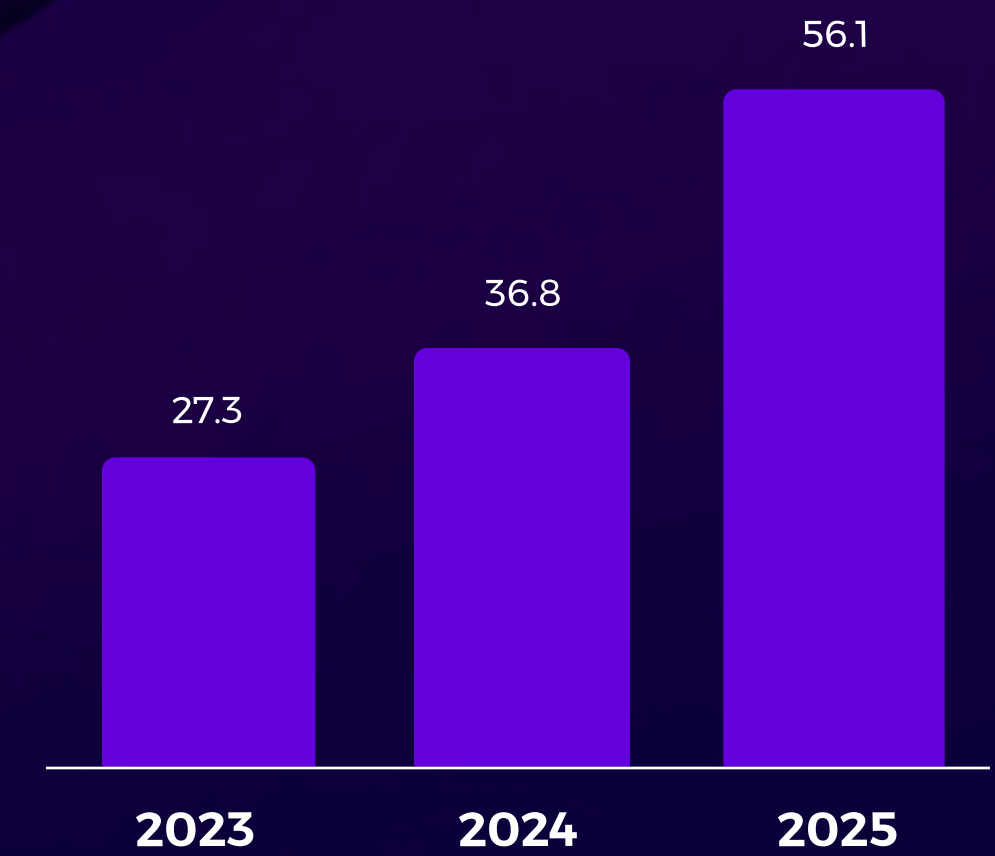
NET NON-INTEREST INCOME (MUSD)



OPERATING INCOME (MUSD)



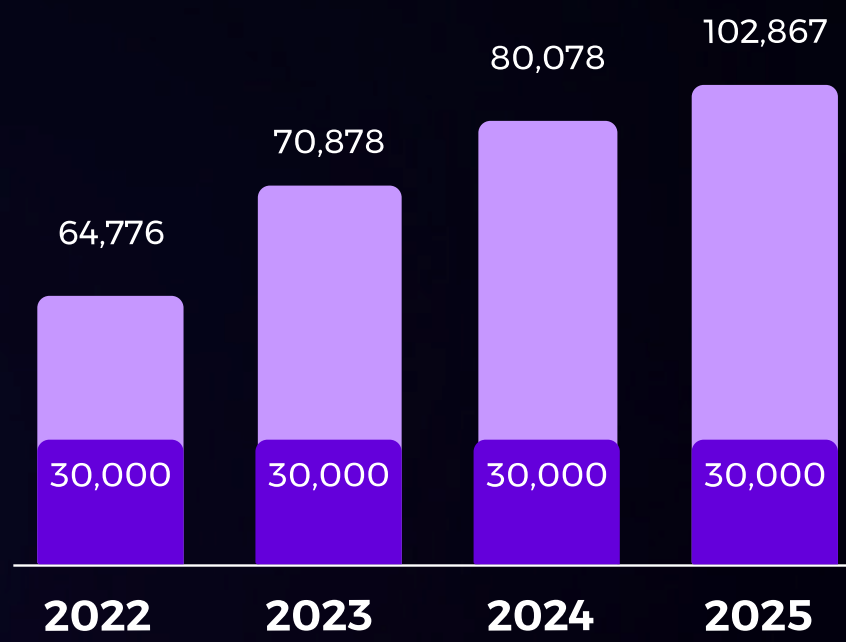
NET INCOME (MUSD)



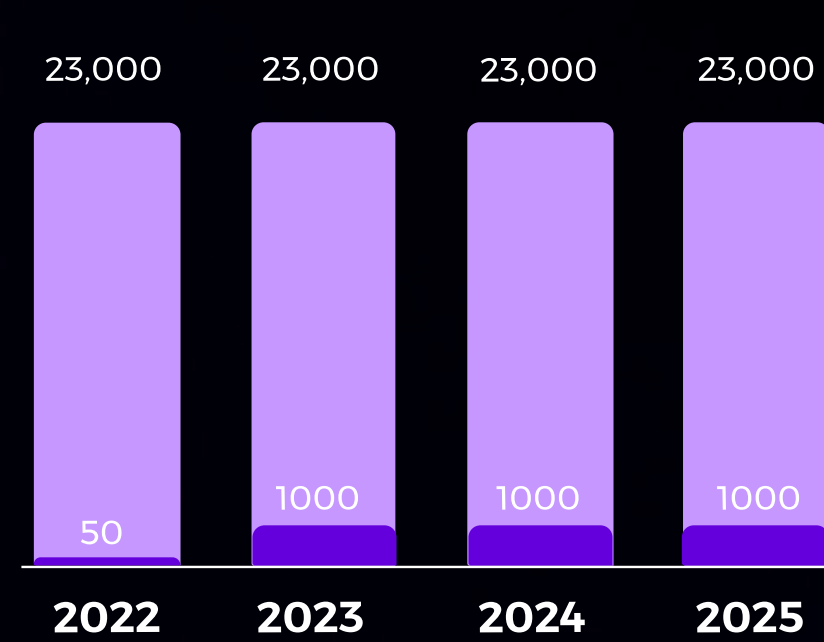
# OBLIGATORY STANDARDS OF THE CENTRAL BANK

Evocabank's prudential standards remain stable, mostly maintaining their position compared to the previous periods.

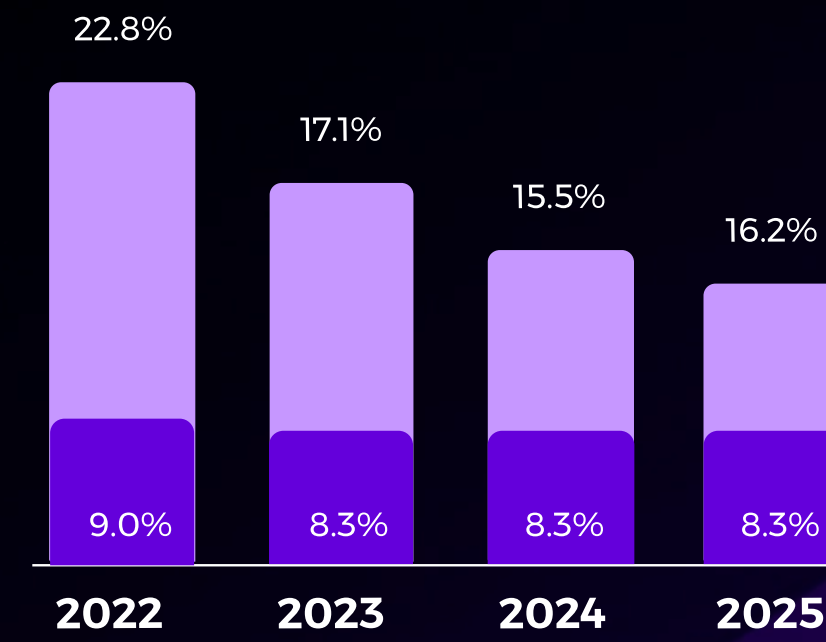
TOTAL CAPITAL (MAMD)



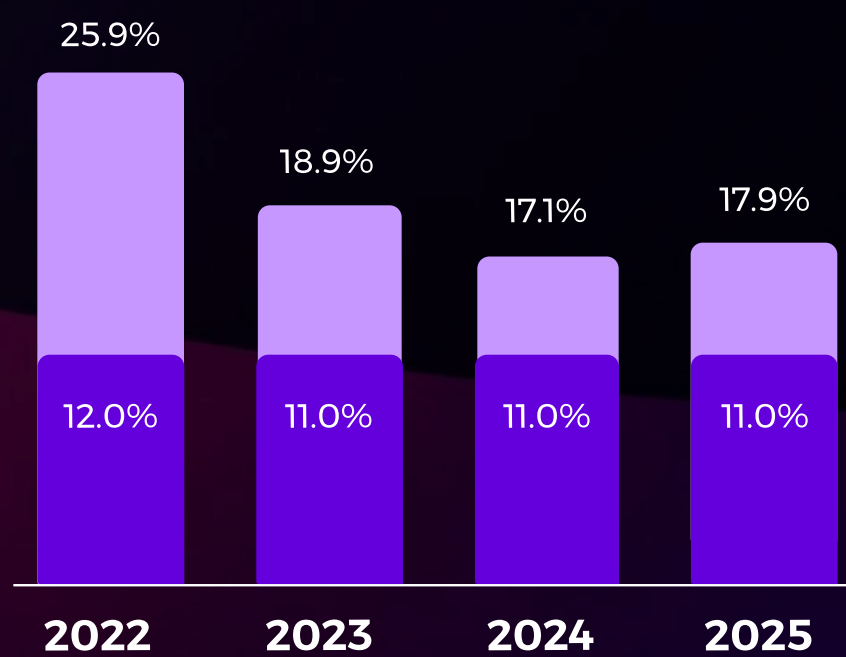
CHARTER CAPITAL (MAMD)



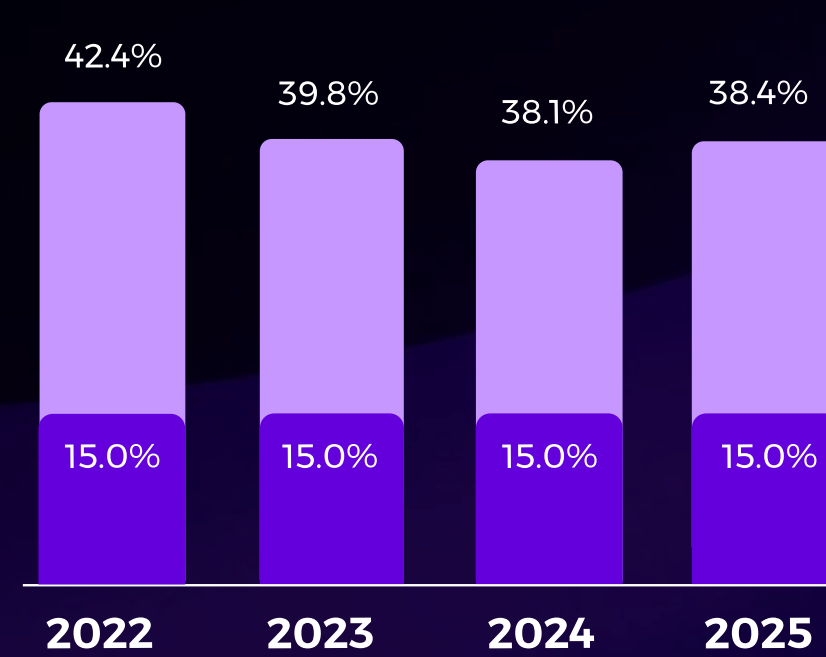
TIER 1 RATIO (S1.2)



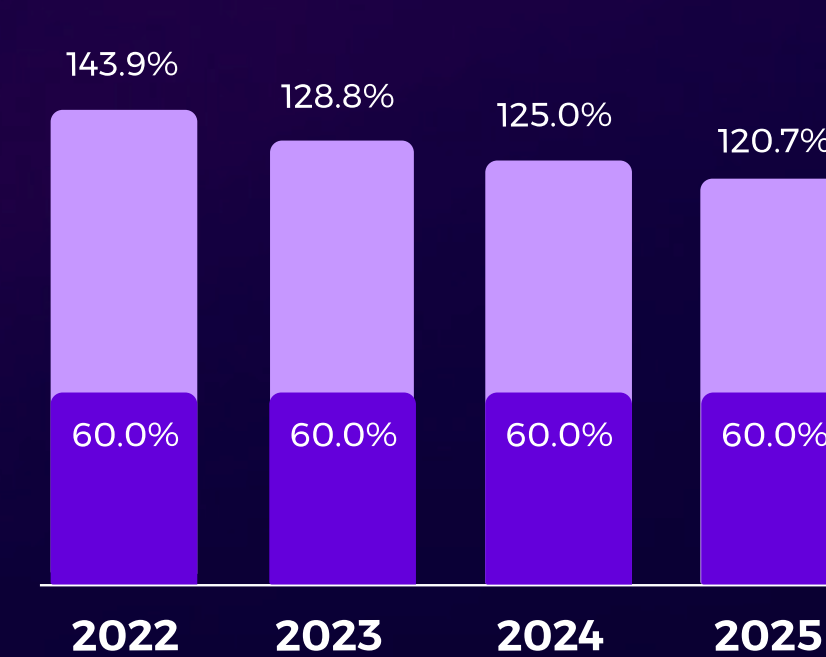
CAPITAL ADEQUACY RATIO (S1)



HIGHLY LIQUID ASSETS TO TOTAL ASSETS (S2.1)



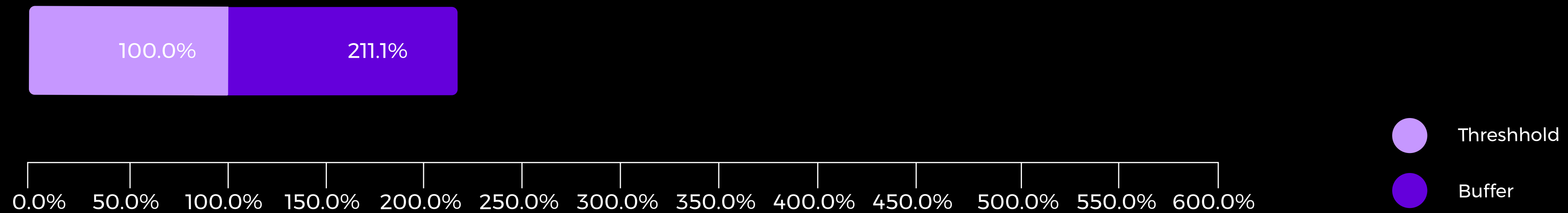
HIGHLY LIQUID ASSETS TO DEMAND LIABILITIES (S2.2)



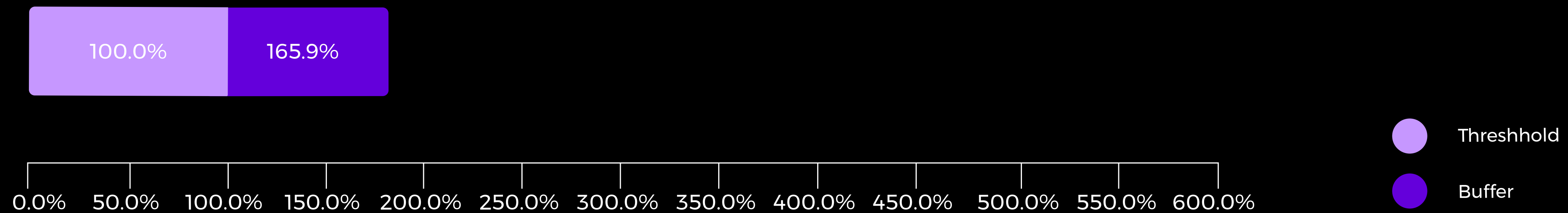
# LCR & NSFR

Based on the CBA criteria, the Evocabank's net stable funding (NSFR) and liquidity coverage (LCR) ratios exceeded the regulatory minimum of 100% by a substantial margin, reaching 165.9% and 211.1%, respectively.

## LCR



## NSFR



# FINANCIAL STATEMENTS

 **MORE**

# INDEPENDENT AUDITOR'S REPORT

 **MORE**

# STATEMENT OF RESPONSIBLE PERSONS

We hereby certify that, to the best of our knowledge:

1. The financial statements present fairly and completely the true and fair view of Evocabank's assets and liabilities, financial position, income and expenses, and the annual report of the governing bodies presents fairly and comprehensively the Bank's overall condition, business performance and development, and includes a description of the principal risks to which the Bank has been or is exposed.
2. The audited financial statements for 2025 have been prepared in accordance with the International Financial Reporting Standards and, in all material respects, present fairly and completely the true and fair view of the Bank's assets and liabilities, financial position, income and expenses as of 31 December 2025.

# RESPONSIBLE PERSONS

**VAROUJAN AVEDIKIAN**  
**LL.M., MPA**

Chairman of  
Supervisory Board

**KAREN YEGHIAZARYAN**  
**MBA, PHD**

Chairman of  
Management Board

**ARMEN HAKOBYAN**  
**PHD**

First Deputy Chairman of  
Management Board

**TATEVIK KHACHATRYAN**  
**MBA, PMP**

Deputy Chairman of  
Management Board

**HAYK PETROSYAN**

Deputy Chairman of  
Management Board

**LILIT GABOYAN**  
**MBA**

Deputy Chairman of  
Management Board, CFO

**EMMA JANINYAN**  
**MBA, PHD, FCCA**

Management board  
member, Chief Accountant

**MHER SAHAKYAN**

Management Board member,  
Head of Programming and  
Operational Systems Department

**SMBAT MARTIROSYAN**

Management Board member,  
Head of Legal Department



**THANK YOU**

**evoca**BANK