



SUMMARY OF ABB OJSC DEVELOPMENT STRATEGY FOR 2026-2028

I. GENERAL OVERVIEW

"ABB" OJSC (International Bank of Azerbaijan) successfully implemented its development strategy for 2023–2025, covering the accelerated growth phase. Within the framework of the 2023–2025 strategy, the main objective was to ensure more agile and sustainable growth while preserving achieved results, strengthen the Bank's leadership position in priority business segments, create a modern customer experience through innovative approaches, enhance customer satisfaction, and promote new approaches and standards in the banking sector. At the same time, ABB focused on initiatives that create value in line with the country's socio-economic development priorities.

The 2026–2028 strategy represents the next stage in ABB's development path and is aimed at expanding the Bank's value proposition by leveraging its core businesses capabilities & further expansion plans. This strategic period is built around strengthening market leadership position with targeted growth, elevating customer experience via integrated beyond banking & lifestyle solutions, expanding into new regions & markets, and extensively applying AI, Data, and next-generation technologies across the Bank's products & processes. The strategy also targets to position ABB as a future fit organization with efficiency & talent leadership focus enabled by AI-first approach & organizational resilience.

II. MISSION AND STRATEGIC VISION

Our Mission

As a modern universal financial group, we are committed to serve the financial needs of our customers by:

- Making financial services accessible and affordable;
- Bringing advanced experience and innovation;
- Strengthening our communities by supporting businesses and human capital;
- Contributing to the development and integration of the Azerbaijani economy to the world.

Our strategic vision

We aspire to be a leading universal financial group in the South Caucasus by:

- Delivering unmatched service experience to our customers;
- Being the most desired employer for talented and professional leaders;
- Achieving the highest returns to our shareholders;
- Pursuing the highest standards of corporate governance;
- Building the strongest ecosystem of partnerships for a digital future.

III. STRATEGIC GOALS

Within the strategic development framework for 2026–2028, ABB has defined the following objectives:

Market Leadership via Targeted Growth

- Strengthen the ABB's leadership position through core businesses and leveraging market share across priority products & segments;
- Enhance retail & business customer base with focus on customer satisfaction and lifetime value with digital enablement & tailored products;
- Leverage brand awareness and perception to position the ABB as the Financial Partner of Choice.

Expansion to New Frontiers

- Drive ABB Group expansion to the new markets to enable future growth strategy & diversification of group level business activities
- Accelerate subsidiaries' growth and realize group level synergy opportunities through strong enterprise integration across different businesses

Integrated Customer Centricity

- Enrich customer journeys via tailored beyond banking & lifestyle solution to attain high level of customer stickiness by bringing additional values
- Advance customer experience through AI-first approach adopted at product & process level with focus on customer convenience

Talent Leadership in Azerbaijan

- Attain a strong staff engagement score by delivering an advanced & differentiated Employee Value Proposition (EVP) emphasizing development of Critical Talents
- Strengthen the Employer Brand Awareness Index through clear positioning of ABB as the place of talent leadership in Azerbaijan

IV. RETROSPECTIVE

ABB established strong fundamental foundations for sustainable and long-term growth through the implementation of the 2019–2022 strategy. During the 2023–2025 strategic period, accelerating the Bank's development pace and deepening growth were identified as key priorities. As a result of implemented strategic initiatives, ABB positioned its market leadership across segments and elevated superior customer centricity via enhanced data & digital capabilities.

The 2023–2025 development strategy framework includes:

- Leverage Agile governance across the organization;
- Enhanced application of AI, GenAI & RPA solutions;
- Build-up of new businesses (Investment, Digital Insurance, ABB Biz, ABB Home, ABB Innovation)
- Development of tailored products for new customer segments.

As a result of successful implementation of strategic plans during 2019–2025, ABB has continued to demonstrate its continuous growth since 2019:

- Loan portfolio expanded 3.6x, increasing from AZN 1.9 bn to AZN 6.9 bn
- Market share grew 1.5x from 15.2% to 23%
- The customer base more than doubled, rising 2.5x from 1.3 million to 3.2 million clients, reflecting both deeper penetration and broader outreach.
- Internal engagement also advanced, as employee satisfaction increased from 68 to 84.2, representing a 1.2x uplift
- Net Promoter Score significantly improved by rising from 48 to 70+ level

V. DIRECTIONS TOWARDS NEW GOALS

Following the stabilization phase (2016–2018), the period of building institutional, financial, and operational foundations for sustainable development (2019–2022), and the phase of accelerated growth (2023–2025), ABB enters a new stage of its development path with the 2026–2028 strategy. The strategic period will support the realization of ABB's long-term growth potential, strengthening of competitive advantages, and consolidation of its international positions.

The Bank will focus on deepening growth in its core businesses by increasing customer lifetime value, accelerating innovation-led retail and business banking solutions, and expanding share in target segments. This will be supported by advanced segmentation, AI-enabled frontline transformation, scalable product propositions, and a strong focus on operational excellence to reinforce the Bank's position as the Financial Partner of Choice.

Growth beyond the core market will be driven through stronger synergies across Group subsidiaries and selective expansion into new geographies and high-impact business verticals. The Bank will activate new growth engines by leveraging shared capabilities, scalable platforms, and disciplined market entry approaches to ensure sustainable, diversified, and resilient growth.

The Bank will embed beyond-banking and lifestyle solutions into everyday retail and business banking journeys, enabling customers to access a broader range of services through a single integrated experience. This will be enabled by strengthened IT and data capabilities, next-generation technologies, and enhanced platforms that improve personalization, convenience, and overall customer satisfaction.

The Bank will strengthen its talent agenda by enhancing development programs, advancing a purpose-driven employee value proposition, and leveraging analytics and automation in workforce management. These initiatives will build a highly skilled, engaged, and future-ready workforce, reinforcing the Bank's position as a leading employer in Azerbaijan and supporting long-term strategic execution.

Within the framework of strategy execution, ABB plans to implement 70 strategic initiatives, with approximately 500 milestones across ABB's business lines & subsidiaries to be carried out within the 3 years duration. To ensure result-oriented execution and effective oversight, ~120 performance metrics have been established.