

WE
connect
small and
medium sized BU



Affordable lending: the interest rate of 8% per annum is one of the lowest on the market, allowing entrepreneurs to save on loan payments and implement their plans.

New digital solutions: the vast majority of settlement transactions at VTB are available to medium and small businesses *online*.

BUSINESSES TO available LOANS

RESPONSIBLE BANKING

VTB BELIEVES THAT RESPONSIBLE BANKING MEANS, FIRST AND FOREMOST, TAKING RESPONSIBLE CORPORATE DECISIONS THAT, IN THE LONG TERM, HAVE A POSITIVE IMPACT ON THE SOCIAL AND ECONOMIC DEVELOPMENT OF THE REGIONS OF OPERATION.



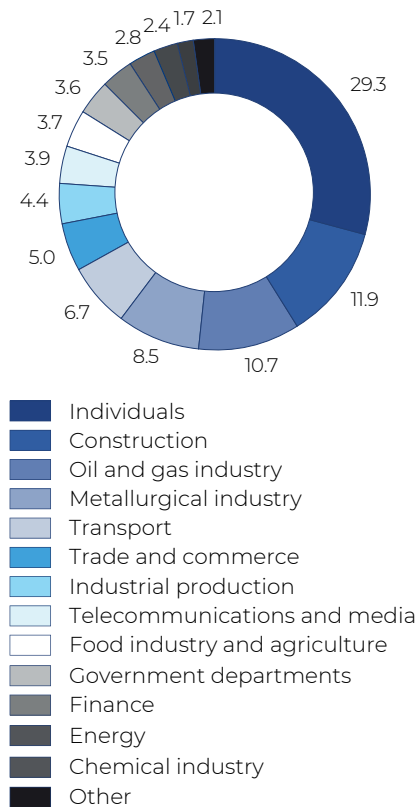
"In 2020, the Russian economy was hit by a "perfect storm", and VTB Group took an active part in the implementation of initiatives to support the economy. VTB's corporate and investment loan portfolio reached RUB 7.4 trillion during the year, and the total volume of restructuring organised by VTB for large businesses amounted to RUB 1.3 trillion, which helped our customers through the most difficult periods of the crisis".

Yuri Soloviev

First Deputy President and Chairman of the Management Board, VTB Bank

Approach to Management and Key Results

DISTRIBUTION OF VTB GROUP'S LOAN PORTFOLIO, 31 DECEMBER 2020, %

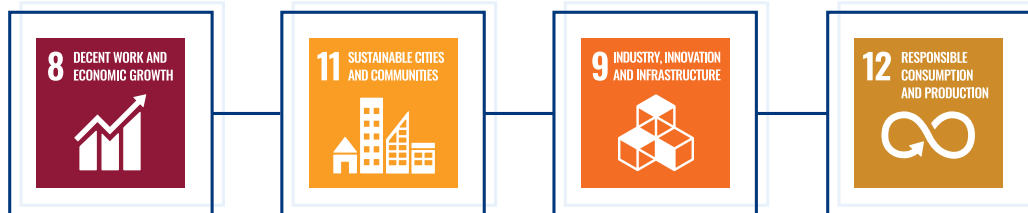


Following the principles of responsible banking, the Group provides financing to socially important industries, ensures the territorial and social accessibility of banking services, and increases the security of financial transactions.

In 2020, VTB Group achieved significant operating results:

- Total loan portfolio growth: VTB Group's total loan portfolio increased by 14.8% to RUB 13,162.6 billion. Excluding the effect of currency revaluation, the growth of the total loan portfolio at year-end was 9.2%;
- Increase in customer funds: growth of 16.9%. The volume of the customer funds reached RUB 12,831 billion. Excluding currency revaluation, the increase was 10.5%;
- Customer support during the COVID-19 pandemic:
 - Preferential financing for 75 groups of companies of large businesses, the total volume of restructured loans amounted to RUB 1.3 trillion;
 - The volume of restructured loans to small and medium businesses amounted to about RUB 230 billion;
 - Repayment holidays were provided to 400 thousand retail customers, debt restructuring totaled more than RUB 300 billion.

ANKING



VTB Group's retail loans portfolio grew rapidly during the reporting period, increasing by 14.6% to RUB 3.9 trillion. The share of retail loans in the structure of the aggregative loan portfolio remained practically unchanged and amounted to 29.3%.

The Group's corporate loan portfolio grew by 14.9% to RUR 9.3 trillion. In corporate lending, the Group continued to increase its loan portfolio across a number of industries, with growth demonstrated by such industries as construction, oil and gas, metallurgy and transportation.



Bank of the Year 2020

VTB received the *Bank of the Year 2020* award from the British magazine *The Banker* as the best Russian bank

Number of VTB Bank customers in 2020

CORPORATE AND INVESTMENT BUSINESS

1.9.9

thousand customers

of groups of companies

SMALL AND MEDIUM BUSINESS

636

thousand customers

active customers

RETAIL BUSINESS

14.3.3

million people

active customers

Responsible Financing

VTB pays significant attention to supporting projects aimed at developing the social and economic potential of the regions and countries of operation. Group companies provide services to support priority economic sectors, the development of small and medium-sized businesses, as well as projects in the field of housing and public utilities, healthcare and infrastructure construction.

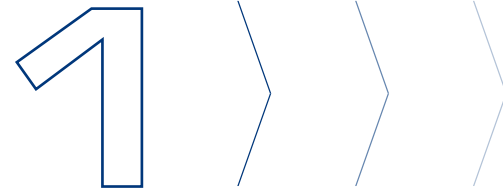
By financing socially significant projects and working closely with the government, VTB contributes to the economies of the regions and countries in which it operates by providing employment and generating labour income, as well as generating tax revenue for municipal, regional and national budgets. VTB also helps small and medium businesses meet their objectives in the most effective way possible by adjusting and developing its services. Particular attention is paid to the development of innovative digital technologies.

VTB and *Rostelecom* PJSC launched Russia's first universal geo-analytics platform

The company *Big Data Platform*, created in the spring of 2020 by VTB Bank and *Rostelecom* has developed the first universal geo-platform in Russia based on the analysis of impersonal data using automatic machine learning methods. The platform makes it possible to forecast demand, customer flows and other factors in specific locations in order to make decisions about the location of retail outlets, offices, advertising facilities, as well as to assess the investment appeal of buildings and land.

The geo-platform compares 170 layers of impersonal data from banking, telecom and digital services and suggests the best site for a new hair salon, billboard or residential development.

The data collected in a single geo-grid allows the use of automatic machine learning methods, which speeds up the process of bringing products to market. The technologies can be adapted to a company's specific needs within a week.



Support by VTB

LENDING

FINANCIAL CONSULTING

BANKING

LEASING

INSURANCE

FACTORING

2

3

4

Significance for business

IMPROVEMENT OF BUSINESS EFFICIENCY

FUNDING FOR OPERATING COSTS AND DEVELOPMENT

WARRANTY COVER

RISK MANAGEMENT

Socially important segments of business

State and municipal management

Manufacturing industry

Transport infrastructure

Housing and public utilities

Agriculture

Social Infrastructure

Public effect

- Promoting sustainable economic development;
- Ensuring employment and personal fulfilment;
- Social support for the population;
- Reducing the impact on the environment;
- Improving the quality of life of the population.

- Promoting sustainable economic development;
- Ensuring employment and personal fulfilment.

- Promoting sustainable economic development;
- Improving the quality of life of the population;
- Reducing environmental impact.

- Improving the quality of life of the population;
- Reducing environmental impact.

- Promoting sustainable economic development;
- Ensuring employment and personal fulfilment;
- Reducing environmental impact.

- Improving the quality of life of the population;
- Social support for the population.

Developing Russia's transport system

In supporting the development of the transport sector in the Russian Federation, VTB Group not only facilitates accessibility to the regions of operation and increases the mobility of the local population, but also sees its objective in the implementation of the principle of high-quality infrastructure investments. In addition to economic results, social and environmental impacts are taken into account in the implementation of projects.

IN 2020, VTB AND THE ST. PETERSBURG CITY GOVERNMENT AGREED ON THE IMPLEMENTATION OF MAJOR URBAN TRANSPORT PROJECTS:

- The parties reached an agreement on joint activities to ensure the uninterrupted and continuing construction of facilities for the St. Petersburg Metro. VTB registered the Metrostroy of the Northern Capital JSC company, 65% of shares of which were donated to the city. The main activity of Metrostroy of the Northern Capital JSC is the design, construction and reconstruction of subway facilities;
- The parties signed an agreement on the implementation of the project on the construction of the Vitebsk interchange of the Western High-Speed Diameter on the basis of public-private partnership. The construction cost of the interchange is estimated at RUB 27 billion.



Road construction in the Republic of Bashkortostan

The project for the construction of the eastern exit from Ufa to the M-5 "Ural" federal highway is being implemented under a concession agreement between the Bashkir Concession Company (part of VTB Infrastructure Holding) and the Government of the Republic of Bashkortostan. The construction of the Eastern Exit will not only increase the capacity of Ufa's road network, but will also increase tax revenues to the budget of Bashkiria and increase its investment attractiveness.

New jobs will be created thanks to the project's implementation: more than 1.3 thousand people will be employed at the peak of the construction, and more than half of the personnel will be residents of Bashkiria. The project contributes to the development of small and medium businesses in the construction zone, as well as the emergence of opportunities for the development of new areas of Ufa.

884.4
billion RUB

volume of lending to the transport industry in 2020

SAMPLE PROJECTS TO DEVELOP THE TRANSPORT SYSTEM IN RUSSIA IMPLEMENTED WITH VTB BANK PARTICIPATION

PROJECT	DESCRIPTION	AMOUNT, RUB MILLION	EFFECT OF PROJECT IMPLEMENTATION
"Eastern exit" in Ufa Construction of a toll road in the Republic of Bashkortostan	Credit limit	1 1,600	Improvement of transportation infrastructure, development of additional routes of communication, creation of over 1.5 thousand new jobs
Construction of the Vitebsk interchange of the Western High-Speed Diameter in St. Petersburg	Credit limit	10,000	Improved accessibility of the Western High-Speed Diameter (WHSD) for the residents of the adjacent city districts, reduced load on the existing WHSD interchange and the adjacent street and road network; more than 5.5 thousand new jobs created
"The Power of Siberia" Construction of the Kovykta - Chayanda section gas pipeline	Leasing equipment	370	Securing gas supplies to consumers in the Far East and Asia Pacific countries
Construction of a coal terminal of a closed type Nakhodka, Primorsky territory	Credit limit	150	Construction of a coal terminal in compliance with the latest environmental safety standards

Social and economic benefits from the implementation of VTB's infrastructure projects

Socio-economic effects are not directly reflected in the commercial performance of infrastructure facilities, but lead to an increase in indicators of socio-economic development of the subjects of the Russian Federation and municipalities, among which include:

- the creation of new jobs and increased wages;
- improvement of the quality of life, and increase of the mobility of the population;
- an influx of qualified personnel and an increase in labour productivity;
- introduction of modern production and service technologies;
- higher environmental and safety standards;
- growth of investments;
- growth of associated business and business for infrastructure servicing.

Support for healthcare projects

VTB recognises the need to support projects aimed at improving social infrastructure, so every year the Group provides financial services to companies whose operations have a direct or indirect impact on the healthcare system.

VTB Bank is a key financial partner of MD Medical Group. In 2020, the Bank helped launch hospitals in Samara, Tyumen, Ufa and Novosibirsk. In addition, in September 2020, thanks to the Bank's financing, the second stage of the Lapino Clinical Hospital (Lapino-2 surgical complex) was opened, which was one of the largest healthcare projects in the Russian Federation.

9
billion RUB

credit limit for FGUP Saint Petersburg Scientific and Research Institute of Vaccines and Serums and Enterprise for the Production of Bacterial Preparations

Examples of Funding for Healthcare Projects in 2020

- A credit limit of more than RUB 9 billion for the FGUP Saint Petersburg Scientific and Research Institute of Vaccines and Serums and Enterprise for the Production of Bacterial Preparations of the Federal Medical and Biological Agency, of which RUB 3 billion was allocated to finance the production of immunobiological preparations within the national calendar of preventive vaccinations and RUB 6 billion was for the modernisation and technological upgrade of the production site to meet international standards for the production of preparations;
- A RUB 1.7 billion credit and documentary limit for Elme Messer Rus LLC (ELME MESSER GAAS GC) for the construction of a plant for production of industrial, food and medical gases (liquefied oxygen, nitrogen, argon) in the Moglino Special Economic Zone in Pskov region;
- A line of credit for Meditsina JSC in the amount of RUB 5 billion for a period of nine years. Most of the funds (RUB 3.9 billion) will be used for the construction of the Nuclear Medicine Centre in Khimki. VTB Leasing and Meditsina JSC also signed a contract to supply equipment for magnetic resonance imaging and radiotherapy at the Nuclear Medicine Institute. The project includes funding the purchase of a positron emission tomograph and a complex for the production of radiopharmaceutical drugs. The transaction amounted to more than RUB 400 million. The equipment will be leased to the customer for a three-year term;
- VTB Bank (Azerbaijan) allocated funds for the construction of a new building of a dental clinic in Baku, as well as for the repair and equipment of the existing premises of the clinic.



Cooperation with companies in the housing construction sector

VTB Group actively supports the development of urban infrastructure in order to improve the affordability of housing and quality of life in the regions of operation.

The Group's residential loan portfolio increased by 18% over the year, exceeding RUB 2 trillion. According to the results of the reporting period, VTB occupies 19.3% of the market for housing loans in Russia.

trillion RUB

VTB Group residential loans portfolio

SAMPLE VTB BANK PROJECTS AIMED AT THE DEVELOPMENT OF HOUSING CONSTRUCTION

CUSTOMER	PROJECT DESCRIPTION	LINE OF CREDIT / CREDIT LIMIT, RUB BILLION
MR GROUP JSC	"Hide" Housing estate (Moscow)	12.9
Samolyet Group of Companies	"Ostafievo" Housing estate (Moscow)	10.4
PPF Real Estate Russia	"Homecity" Housing estate (Moscow)	9.7
Mangazeya Group of Companies	"You and I" Housing estate (Moscow)	7.0
Transgruz Group of Companies	"Akademichesky" Housing estate (Samara)	2.4
Region-invest Group of Companies	"French Quarters" Housing estate (Izhevsk)	1.6
KOMOSSTROY®	"City of Gunsmiths" Housing estate (Izhevsk)	1.5

Mortgage bonds of DOM.RF Mortgage Agent LLC

In December 2020, VTB Bank completed the largest transaction in the Russian market for the issue of mortgage bonds by DOM.RF Mortgage Agent LLC secured by a portfolio of mortgage loans issued by VTB Bank. The issue with the volume of RUB 191.5 billion is intended to become a benchmark in the Russian mortgage securitisation market due to its significant volume and is intended for a broad investor base.

Mortgage bonds are a key tool used to achieve the goals set by the national Housing and Urban Environment project and Presidential Decree No. 204 dated 7 May 2018 ("Concerning National Goals and Strategic Development Objectives of the Russian Federation for 2024"), which it sets out the goal of improving living conditions for at least five million families every year.

Agricultural development

VTB Group strives to make a significant contribution to the development of the agricultural sector by supporting producers of agricultural products. This creates new jobs in the sector and allows companies to increase their business volumes and produce high-quality, affordable and environmentally friendly products.

The volume of loans provided to food and agricultural companies increased by 3.7% YoY, reaching RUB 491.9 billion.

In 2020, VTB Group, in accordance with the Decree of the Government of the Russian Federation No. 512 dated 26 April 2019, began accepting applications and granting loans to agricultural producers under the new state subsidy programme of the Ministry of Agriculture of the Russian Federation. The interest rate is up to 5% per annum. A wide range of enterprises can participate in the programme, including organisations and individual entrepreneurs engaged in the further processing or sale of agricultural products. The new mechanism enhances the competitiveness of products of the Russian agricultural sector. The volume of the loan portfolio under this programme exceeded RUB 190 billion by the end of the year.

190

billion RUB

volume of the loan portfolio under the state aid programme of the Ministry of Agriculture of the Russian Federation

Share acquisition in Grain Terminal Complex Taman LLC

In 2020, Demetra Holding LLC (part of the VTB Group) acquired a 50% share in Taman Grain Terminal Holdings Limited, which owns 100% of Taman Grain Terminal Complex LLC. Grain Terminal Complex Taman LLC is the only specialised deepwater terminal handling grain for export at the port of Taman.

The further strategy of the shareholders of the grain complex envisages investments in the development and expansion of the terminal's throughput capacity, in particular by construction of a railway branch line allowing for the reception of grain cargo from rail transport.

SAMPLE VTB BANK PROJECTS AIMED AT AGRICULTURAL DEVELOPMENT

CUSTOMER	PROJECT DESCRIPTION	LINE OF CREDIT / CREDIT LIMIT, RUB BILLION
Ruspole Brands GC	Construction of Russia's largest canning plant for "Dyadya Vanya" brand products in Volzhsky	2.5
Construction of the Novy Cherepovets Greenhouse Complex LLC	Construction of a greenhouse complex for growing lettuce, cucumbers and tomatoes in the Volgoda region, acquisition of production equipment and raw materials	1.5
Agrosemcentr GC	Expansion of the modern "Rostok" greenhouse complex production area in Volgograd with a total area of 5.9 hectares and a capacity up to 180 million seedlings per year	0.4

Supporting small and medium businesses (SMB)

In 2020, VTB Group companies made significant efforts to provide loan support to small and medium businesses. We continued to improve the quality of service: VTB Bank accelerated the introduction of new digital solutions for our customers. An absolute majority of settlement transactions at VTB became available to small and medium businesses remotely.

The overall number of active customers¹ in the medium and small business segment increased by over 25% over 2020 to 636 thousand.

The loan portfolio of VTB Bank's SMB customers grew by 12% in 2020 year-on-year to RUB 1.42 trillion.

In the total volume of the loan portfolio, the leading companies are companies in the field of trade, (12%), housing and commercial construction, real estate and building materials (10.5%), food processing and agriculture (9.4%), transport and infrastructure construction (5%).

In 2020, VTB Bank continued to actively participate in the implementation of government programmes, the number of active agreements under which on 1 January 2021 has exceeded 32 thousand. The loan portfolio of the medium and small business segment under concessional instruments increased 2.3 times compared to the same indicator in 2019 and exceeded RUB 476 billion. A significant volume of the portfolio is formed by Programme 1764², aimed at concessional lending to small and medium businesses, and Programme 1528³, designed to support the agricultural sector.

The aggregate loan value of these programmes in the VTB Bank portfolio amounted to RUB 327.3 billion. The total value of VTB's loans under state employment support programmes during the COVID-19 pandemic exceeded RUB 111.6 billion.

Loans for resuming entrepreneurial activity

In 2020, VTB Bank executed 21 thousand loan agreements with 2% per annum worth over RUB 92 billion under the state programme for lending for resumption of activities (Decree of the Government of the Russian Federation No. 696 dated 16 May 2020), supporting over a million jobs.

The state programme for lending for resuming activities was made effective on 1 June 2020 and is aimed at supporting the industries affected by the COVID-19 pandemic. If the number of employees remained over 90%, the loan debt under the programme would be subject to a full write-off. If the number of employees remained over 80%, the Bank reimbursed 50% of the borrower's debt.

The programme is implemented using the Federal Tax Service's digital platform based on blockchain technology, which provides programme participants with access to the necessary information services.

Among the customers supported by VTB Bank: Imperial Porcelain Factory JSC, State Academic Mariinsky Theater, Russian New University ANO VO, Mosigra Empire LLC, Yakitoria and Restostar restaurants, Bashavtotrans GUP, Baucentre Rus LLC, Electrotransport LLC, Ionessi shoe factory and others.

21
21
thousand

loan agreements at 2% per annum were issued under the state lending programme for the resumption of activities in 2020

¹ Active SME customers are existing customers that have either non-zero net operating income over 12 months before the reporting date or have active salary project cards as of the reporting date.

² Decree of the Government of the Russian Federation No. 1764 dated 30 December 2018.

³ Decree of the Government of the Russian Federation No. 1528 dated 29 December 2016.

Projects simplifying SMEs' operations

Internet Bank

In six months of 2020, a completely new online bank was created from scratch for medium and small business customers on an omni-channel platform with a unique design, a basis for embedding products (some already available to existing customers), a universal marketplace, navigation system, and intelligent assistant, including communication with the customer.

VTB Business Lite

VTB has launched *VTB Business Lite*, a new mobile bank for remote banking services for entrepreneurs. The bank was named by *Markswest* as one of the top 10 banks in 2020, with a customer score of 8 out of 10. *VTB Business Lite* is available on the *App Store*, *Google Play* and *AppGallery*. The application simplifies day-to-day operations while maintaining extensive functionality. *VTB Business Lite* provides the ability to issue invoices and make payments in a simplified form to legal entities and individuals or between accounts. For the convenience of customers, the one-off payment limits were increased to RUB 300,000.

VTB Cash Desk

VTB expanded its line of settlement services for medium and small businesses and launched a pilot *VTB Cash Desk* product. The product combines the functions of an online cash desk and acquiring terminal. The compact wireless smart terminal with an integrated barcode scanner accepts bank cards, prints sales receipts and sends data to the Federal Tax Service in real time. The equipment is provided to customers at no extra charge. The cost of connection within the product depends on the selected service plan. By the end of 2020, the service would be available in six Russian cities.

Cifra

VTB has launched *Cifra*, a digital accounting service for small and medium businesses. The service helps individual entrepreneurs fully automate accounting and tax records. The service includes the tools necessary for an individual entrepreneur to organize a full-fledged document flow. *Cifra* supports multi-bank, the user can manage multiple accounts opened in different banks.

The service automatically uploads information about transactions, calculates and sends tax and other mandatory payments, forms declarations and other documents. In the live chat customers can get an accountant's advice on any issues related to the financial support of their business. VTB has also recently introduced the possibility for entrepreneurs to receive prompt assistance with legal issues.

VTB Business QR

VTB has developed *VTB Business QR*, a mobile app for all medium and small business customers, which allows entrepreneurs to accept QR-code payments through the *Faster Payments System* with a low fee, without the need for cards or terminals.

In order to receive QR-code payments, entrepreneurs should have a current account with VTB Bank and install the *VTB Business QR* app on their smartphones; no additional equipment is required. Payments can be made instantly, as after registering with the app, users can conduct transactions online.

For self-employed individual entrepreneurs, the functionality of the service also allows them to create and send a receipt to the customer, keep records of income from non-cash and cash transactions and create receipts for tax payments.

Digital Onboarding for VTB Factoring Customers

VTB Factoring has implemented an onboarding system that allows any customer system to be integrated with the GetFinance electronic document flow (EDF) system. The service is designed for representatives of medium and small businesses.

The digital onboarding process involves identifying the customer and remotely entering into an online factoring agreement with them, as well as the launch of financing for paperless signing of notifications by debtors using the EDF systems. Thanks to the digitalisation of the remote onboarding process, any customer in the medium or small business segment, regardless of the size of the business or geography, can become a customer of VTB Factoring with only an authenticated electronic signature. This gives the Customer access to financing on competitive terms from VTB Group, as well as allowing them to use effective factoring solutions and technologies.

Special accounts

In 2020, in order to develop the *Special Accounts* business line, VTB implemented a service that allows the exchange of electronic documents between the customer and the Bank via the remote banking system as part of the procurement of goods/works/services in the format of electronic tenders.

Onboarding

In 2020, the Bank built a target customer pathway for onboarding (reserving and opening of the first and subsequent accounts of new customers) which, thanks to the unification of the Bank's IT landscape, became available to all customers. As part of onboarding, remote reservation of a current account on the Bank's website using minimal customer data was implemented, as well as an opportunity to open a current account for individual entrepreneurs in 20 minutes in the presence of the customer.



"Our strategic objectives are to support the economy of the country's regions, customer focus and development of digital products and services. Moving toward our goal of becoming the bank of first choice for our customers, we are improving our processes to make the full range of services available to entrepreneurs as much as possible and to meet all of their business development needs. VTB uses the best international and our own practices to develop and implement cutting-edge technological solutions, thus contributing to the growth of our customers' businesses".

Denis Bortnikov

Deputy President and Chairman of the Management Board, VTB Bank

VTB Bank actively promotes the development of regional small and medium-sized businesses. For example, in 2020 the Bank provided:

- Three lines of credit in the total amount of RUB 5.8 billion to Susumanzoloto JSC. The funds were used to implement gold mining plans and to build a mining and processing facility at the Verkhne-Alinskoye gold ore deposit in Zabaykalsky territory;
- Medium-term financing for the construction of a hotel and business compound in Petropavlovsk-Kamchatsky: two lines of credit worth RUB 2 billion were extended to Novy Dom LLC under the preferential lending programme (Programme 1764). The project value is RUB 5.5 billion;
- Financing for the purchase of a fishing vessel by Kamchattraflot LLC in the amount of RUB 460 million, the funds were granted for a period of five years;
- A line of credit for the Mir Remonta (World of Repair) company in the amount of RUB 580 million for a period of four years. Part of the funds will be used for the implementation of the investment project to preserve a cultural heritage site – the building of the *Molot* publishing house in the centre of Rostov-on-Don.

The VTB Group's subsidiary banks also provide support to companies in the countries and regions of operation:

- VTB Bank (Kazakhstan) and the leading operator on the telecommunications market of the Republic of Kazakhstan Ksell JSC signed an agreement on granting a credit limit of KZT 6 billion for a period of 36 months to the company;
- VTB Bank (Armenia) restructured 1.3 thousand corporate loans for AMD 400 million of deferred payments within the announced repayment holiday;
- VTB Bank (Georgia) granted a loan in the amount of GEL 670,000 to Georgian Fruits cooperative for the construction of a refrigerating facility in the village of Sakobo, Signaghi district.

***Closer to Business* information and educational portal**

Closer to Business an Internet portal created by VTB, is aimed at providing information support to entrepreneurs. In 2020, the number of users on the portal increased 20 times, the number of new users amounted to 50 thousand people. The portal offers free online training from market professionals, a wide range of courses, business cases, webinars, expert articles, and e-library resources. Such activity of entrepreneurs confirms that the *Closer to Business* platform can act as an assistant and business mentor for both beginners and more experienced entrepreneurs.

VTB ACCELERATOR

VTB Accelerator is a platform for cooperation between technology start-ups and the Bank's business units, which select solutions that interest them and allow them to launch pilot projects. VTB specialists test innovative technologies and assess their maturity, potential business impact and opportunities for integration into the banking infrastructure.

In 2020, the second cycle of the VTB Accelerator was completed. At the request of the Bank's business units, 16 innovative solutions of technology start-ups were piloted. Twelve of them have begun testing their solutions at the Bank and another four are in the preparation stage. The selected pilots include facial recognition payment technologies, mobile electronic document signing technologies, HR services etc.

Results of the two sets of the VTB Accelerator

900+

startups have passed the examination

42

pilots launched

10

solutions launched or ready to be launched

27

pilots completed

40

VTB departments are interested in piloting the technology

VTB Bank launched biometrics and thermometry pilot project for campuses

In 2020, VTB launched a pilot project with the Moscow State University of Medicine and Dentistry named after A.Evdokimov. The pilot project includes the launch of a biometric and thermometric facial recognition system for students and teachers at the entrance to the university.

The pilot project is implemented jointly with *O.Vision*, a start-up, a participant of the VTB Accelerator, a Russian developer of contactless biometric devices and a facial recognition system based on computer vision and machine learning technologies.

The new technology is integrated into the building's access control system and solves several problems at

once: employee identification through a database and contactless temperature measurement, which has a positive impact on the epidemiological situation in the university.

Based on the results of the project's piloting, it is planned to launch the technology on a broad market. It will enable the development of a convenient and modern ecosystem for participants in campus projects. The service can be integrated not only into the pass system, but also into other systems, such as contactless payment for meals, parking, etc.

Accessibility of Financial Services

In 2020, VTB continued to implement projects to improve the accessibility of banking services to its customers of various categories.

In the reporting period, Group companies worked to develop networks of service offices, including in remote and sparsely populated areas, and to improve accessibility for people with disabilities. Financial literacy programmes are also designed to improve the accessibility of financial services to various segments of the people.

Providing support to specific community groups

The development of VTB's retail business is one of the Group's top priorities. Individual customers form the largest share of the Group's customer base; financial services for this customer segment are particularly important because of their social orientation.

The VTB Group actively creates and implements projects that take account of the needs of specific community groups: students, the retired, beneficiaries of maternity capital, families with many children, civil servants, and military servicemen.

Campus Projects for Students

Under a strategic partnership agreement between VTB Bank and Moscow State Institute of International Relations (MGIMO) of the Russian Ministry of Foreign Affairs, undergraduate, graduate and postgraduate students have the opportunity to use the Student Social Card, developed jointly with the State Unitary Enterprise Moscow Social Register. This campus card has all the features of the usual bank card. In addition, it provides the holder with identification and access to the services of Moscow, as well as to the infrastructure and services of MGIMO.

VTB's Approach to Accessible Banking Services

- Accessibility of banking services to different segments of the people;
- Developing financial literacy;
- Territorial accessibility;
- Accessibility of services for people with disabilities;
- Improving the quality of banking services.

For many students this card could become the first banking instrument, thanks to which it will be possible not only to pay for purchases safely, quickly and comfortably, but also to learn to manage money wisely and plan their expenses. A similar campus project was launched for employees and students of Yaroslavl State University named after P. Demidov. In total, VTB attracted 175 thousand customers to its campus projects in 2020.

Comprehensive banking services for military personnel

In 2020, VTB Bank signed a cooperation agreement with the Federal Penitentiary Service of Russia (FPS of Russia). The main objectives of the agreement are to provide comprehensive banking services to the internal service's military personnel and the civilian staff of the FPS of Russia, including payroll projects. In addition, the document provides for joint work to improve the financial literacy of employees of the FPS of Russia, assistance in implementing social programmes, as well as support for family members of military personnel of the internal service who find themselves in difficult life situations.

VTB Bank is implementing a joint project with the Federal Bailiff Service (FBS of Russia) to automate the payment of military pensions. There are plans to scale this digital solution for use by other law enforcement agencies.

Car Loans

In 2020, VTB Bank was actively involved in the programmes of state subsidies for the purchase of new cars (the *First Car* and *Family Car* programmes). The total volume of loans issued under these programmes amounted to RUB 18.6 billion, which is more than two times higher than last year.

VTB Bank launched a number of services and products to help maximise the digitalisation of its car loan granting process. In particular, it is possible to apply for a car loan online on the Bank's website and on *VTB Online* with approval in a few minutes, an online display of partner cars on the Bank's website with the possibility of booking them; a pilot of digital transactions

for car loans was launched on the Bank's mobile app.

Specialised products for pensioners

In 2020, the number of pension cards issued by VTB Bank more than doubled compared to 2019 and amounted to 190 thousand cards. Customers who have their pension accruals with the Bank receive a 4% annual interest rate on the balance of their rouble account.

VTB Bank introduced an information portal on its website detailing the process of transferring pensions, product preferences and services for pensioners. We also developed a simplified interactive voice response menu (IVR), which made information support more effective for this category of customers.

In March 2020, more than 2.2 thousand pensioners, customers of VTB Pension Fund, received early payments under mandatory pension insurance. The decision to make early payments was made by the fund to support customers during the COVID-19 pandemic.

In order to increase the availability of remote services for pensioners in 2020, the VTB Pension Fund introduced an updated mobile application. This *VTB Non-State Pension Fund* (NPF) app allows users to sign non-state pension agreements, replenish their pension accounts without commission from any bank card, activate auto-payment, take part in the Non-State Pension Fund loyalty programme, compile account statements and order documents required for obtaining a social tax deduction.

Number of pension cards issued

688
thousand

pension cards in 2019

1900
thousand

pension cards in 2020

Providing socially important retail services

VTB considers improving the quality of life of its customers a priority in its operations. Socially significant projects implemented by the Group's companies are improved every year. VTB develops convenient and modern payment services, implements support measures for customers in difficult situations, offers innovative service formats and expands its mortgage product offerings.

RETAIL CUSTOMER SUPPORT DURING THE COVID-19 PANDEMIC

In 2020, due to the COVID-19 pandemic, many of the Bank's customers were faced with declining incomes. VTB developed a range of support measures to help such customers.

As part of VTB's *Skip Two Payments* campaign, more than 1.8 million VTB Bank credit card holders received a deferral of two minimum payments - in April and May 2020. To connect the programme the customer did not need to contact the Bank, the service was activated automatically.

In addition to the support measures provided to borrowers by the state under the law on a grace period¹, VTB launched its own repayment holiday programme. The Bank expanded the number of potential participants by increasing the maximum loan amount available to affected borrowers. VTB's programme was effective for customers whose average monthly income decreased by more than 30% compared to 2019. After the end of the repayment holiday period, the monthly payment on the mortgage, cash loan and car loan did not increase, only the term of the loan changed. The holidays were for three months. About 400 thousand customers took advantage of this programme during the COVID-19 pandemic.

¹ Federal Law No. 106-FZ dated 3 April 2020 "On Amendments to the Federal Law "On the Central Bank of the Russian Federation (Bank of Russia)" and certain legislative acts of the Russian Federation in terms of the specifics of changing the terms of a loan agreement, borrow agreement".

We also launched a programme of refinancing with deferred payments - the opportunity to skip up to the first three payments when transferring loans to VTB in the case when the customer's own bank did not provide repayment holiday.

In 2020, VTB Bank updated the *My Smart City* application. With the updated application, owners

of phones with the Android operating system can independently buy a travel ticket and put it on their *Troika* public transport cards. The technology developed by VTB Bank is completely contactless and easy to use, eliminating the need to stand in line at cash registers and increasing the safety of using public transportation. VTB also updated its content for users of smartphones powered by the iOS operating system with a new section called *City Navigator*, which allows Moscow residents to view information on nearby stops of public transport, build a convenient route, order a taxi and access information on urban infrastructure.



New format VTB branches

In 2020, VTB Bank announced the launch of a new branch format. Customers of these branches can make an appointment at a time that suits them and be served at any convenient office location. They can also identify themselves using their smartphones, receive video consultations and perform transactions using self-service machines. This reduces waiting times by a third and increases office efficiency by 40%.

The new offices are designed to provide personalised attention to the customer and the most comfortable experience at all stages of service.

Before visiting the branch, the customer can make an appointment for a convenient time via *WhatsApp* chat-bot – in this case the employees will prepare all the necessary documents for the customer's visit in advance. At the entrance to the office the customer is automatically identified by the phone's MAC-address (a unique identifier of each device with access to the network), receives a personal greeting and directions to the desired desk or meeting room directly on *WhatsApp* on their smartphone.

A VTB specialist conducts less routine operations and acts as an expert, helping to find the best solution for the customer's task and advising them on how to use online services.

A total of six branches of the new format were opened in 2020. Next year it is planned to open a number of other branches in different regions of the Russian Federation.

Bank cards with the ability to receive socially important services



VTB debit Multicard

In 2020, VTB relaunched its flagship product, the debit *Multicard*. Its issue and maintenance are now completely free. Customers receive up to 3% reward based on their chosen loyalty option. When ordering the *Multicard*, the customer can choose a physical carrier – an ordinary plastic or eco-card made from an ecological substitute to plastic.



Multicard with *Citycard* transport application

In late 2020, VTB launched a pilot *Multicard* with a *Citycard* transport application in Nizhny Novgorod Region. The new card combines the benefits of a debit card and a travel card. The transport application on *VTB Citycard Multicards* allows customers to pay for public transport using a travel pass that has been integrated into the bank card and transfer from one type of urban transport to another within 60 minutes, free of charge. Cardholders have access to 16 different types of travel passes, including ones with preferential terms. Holders of the *VTB Citycard Multicard* also have access to all the benefits of the Bank's debit card, such as the choice of loyalty programme: cashback, bonuses, miles or higher interest rates on savings. Card maintenance is totally free of charge for all customers.



The Primorets Card

In 2020, VTB joined the social project of the Government of the Primorsky Territory to issue the *Primorets* card, designed for eligible customers. In addition to the full range of benefits offered by the social card, the *Primorets* card offers additional benefits. For example, when paying for purchases, holders of the *Primorets* social card receive up to a 30% discount in networks of trade outlets, pharmacies and clinics that are partners in the programme. VTB Bank offers cashback on purchases and accrues bonuses that the cardholder can spend on goods, services, airline tickets or choose increased interest on deposits or a reduced rate on a loan.



Mir bank cards on the Moscow Metro

On the basis of its own payment solutions, VTB Bank ensured a campaign of the *Mir* payment system aimed at providing discounts to passengers of the Moscow Metro and the Moscow Central Ring who pay fares at the turnstiles with contactless *Mir* cards or the *Mir Pay* payment application. Holders of contactless cards *Mir* were able to pay fares with a discount of 10 roubles per trip.

Support for home buyers



"The final issuance of mortgage loans in 2020 was even higher than we expected, amounting to a record RUB 4.2 trillion for the Russian market. VTB also demonstrated the largest result in its history, issuing mortgages worth nearly RUB 1 trillion. This growth was facilitated by business digitalisation in the COVID-19 pandemic and lower rates, and a preferential state programme. We are proud that VTB is helping more and more families improve their housing conditions".

Anatoly Pechatnikov

Deputy President and Chairman of the Management Board, VTB Bank

In order to improve the affordability of housing and improve living standards, VTB Group actively develops mortgage lending, and is one of the leaders with a market share of over 23% in the Russian Federation. VTB is a strategic partner for a number of major real estate developers in Russia.

In 2020, VTB Group provided 354 thousand mortgage loans worth a total of RUB 935 billion. This is the largest result in the history of VTB, which is almost 38% higher than in 2019. The Group's mortgage loan portfolio increased by 18% over the year, reaching RUB 2 trillion.

In 2020, VTB Bank was the first bank in Russia to launch a government programme to subsidize mortgage lending, which aimed to support the industry and citizens in the crisis associated with the COVID-19

pandemic. The mortgage interest rate under this programme was 6.1% (in September 2020). In total, more than 63 thousand loans worth about RUB 198 billion were issued under these conditions in 2020.

VTB Bank also reduced the rate on mortgage loans under the government subsidy programme for customers purchasing real estate in the Far East (Far Eastern Mortgage) from 2% to 1%. After the rate reduction, the demand for concessional loans under this programme increased 2.5 times. The leading regions in terms of the volume of contracts signed are Primorsky territory (RUB 5.6 billion), Khabarovsk territory (RUB 2.29 billion) and the Republic of Sakha (Yakutia) (RUB 2.26 billion).

In 2020, VTB Bank continued to increase the availability of mortgages to certain community groups, in particular:

- About 1 thousand members of the military used the service of concessional lending, the total amount of issued loans amounted to RUB 1.9 billion;
- More than 10 thousand recipients of maternity capital were able to use it to improve their housing conditions. In 2020, VTB introduced an option for this group of borrowers to receive a mortgage loan without a down payment, provided that the amount of maternity capital is at least 15% of the housing price.

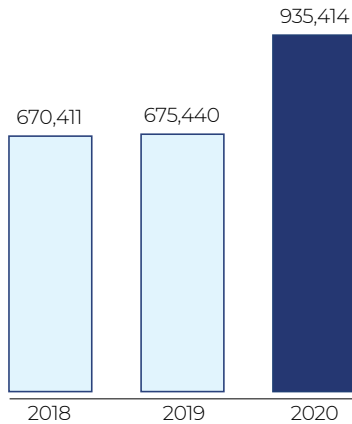
In 2020, VTB Bank launched its own mortgage programme to support families with children. Under this programme, customers who have a second or subsequent child born after 1 January 2020, when buying an apartment, can receive a discount of 1% of the base rate of the Bank. Preferential terms of the programme are available to customers with children when buying apartments in both the secondary and primary markets. This programme was launched for those customers who could not take advantage of the state programme "Mortgage with state support for families with children". As part of the programme, VTB issued almost 2 thousand loans worth a total of RUB 5 billion.

1.99
billion RUB

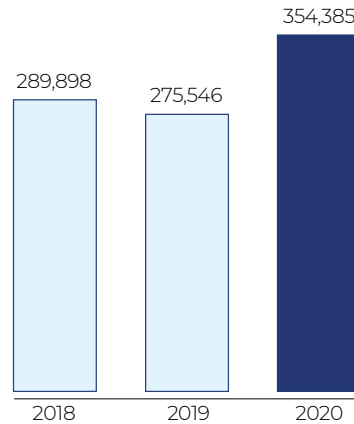
volume of issued mortgage loans to military personnel

DYNAMICS OF MORTGAGE LENDING AT VTB BANK, 2018–2020

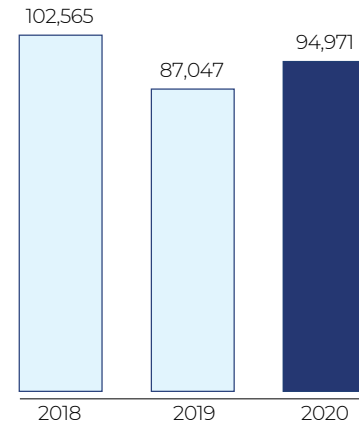
MORTGAGE LOANS ISSUED, RUB MILLION



NUMBER OF MORTGAGE LOANS ISSUED



NUMBER OF MORTGAGE LOANS ISSUED TO PURCHASE HOMES IN NEW DEVELOPMENTS



In 2020, VTB Bank actively continued to digitalise its mortgage products. Customers from all over Russia were able to apply for a mortgage loan remotely. The share of remote applications grew from 5% in 2019 to 20% in 2020.

VTB together with the real estate ecosystem *Square Metre* has developed a service of electronic registration of mortgage transactions. This service allows you to conduct a transaction without visiting multifunctional centres providing state services and the Federal Service for State Registration, Cadastre and Cartography (hereinafter – Rosreestr). All documents are drawn up remotely, signed using an enhanced qualified electronic signature, and transmitted to Rosreestr. The piloting of the new technology was successfully carried out in 31 regions of Russia that account for about 70% of all mortgage transactions with completed properties.

In addition, a Secure Settlement Service was developed for the Bank's customers and partners, which does not require signing a contract on paper and a visit to the Bank.

Online mortgage lending transactions

VTB Bank together with the PIK Group of companies performed the first online mortgage loan granting in Russia. The pilot transaction took place in Moscow in April 2020: the customer remotely purchased real estate in the Sheremetevsky complex of the PIK Group of companies.

The process of obtaining a mortgage loan launched by VTB Bank is fully digital and does not require a visit to the Bank's office. You can apply for a mortgage on the developer's website. After it is approved by the Bank, the customer signs all documents remotely using the reinforced qualified electronic signature issued by the certification centre. The transaction is settled online through the Secure Settlement Service.

In 2020, the number of developers from whom it is possible to get an online mortgage is increased to 20. At the end of the year, 1.5 thousand loans were completed online.

Financial literacy

VTB Group considers it essential to improve financial literacy among the population. Ensuring that people have the knowledge and skills necessary to make informed and effective decisions on various aspects of personal financial management, such as savings, investment, property, insurance, tax and pension planning, has a significant impact on their quality of life.

In 2020, the Bank launched a number of initiatives aimed at improving financial literacy among various community groups.

VTB is also involved in partnership projects. In particular, VTB is a member of the Association for Development of Financial Literacy (ADFL). The ADFL is responsible for the scaling up of successful financial literacy initiatives, as well as supporting, coordinating and training volunteers in this area. In 2020, VTB Bank participated in events organised by the ADFL, including the *Digital Week of Financial Literacy* in the regions of Russia, the Moscow International Salon of Education, the final stage of the 6th All-Russian Congress of Financial Education Volunteers, etc.



Projects to Improve Financial Literacy

- ✓ Joint events with the Moscow City Department of Education and Science (the *I am an Entrepreneur* master game, lectures on financial literacy for students in grades 9-11 on the topics "Skills for the Future" and "Scammers in the Digital World", participation in the *Financial Cyberliteracy* educational project);
- ✓ Webinars on financial literacy for students of Moscow Agricultural Academy named after K. Timiryazev and MGIMO;
- ✓ A series of webinars for employees of the Moscow healthcare system;
- ✓ Pilot release of the *Monetary Statute* training material together with the Ministry of Defense of the Russian Federation to improve financial literacy of military personnel;
- ✓ A VTB representative participated in five broadcasts of the economic block of the *Rules of Life* TV programme on the "Russia-K" TV channel dedicated to financial literacy;
- ✓ A textbook for students in grades 10-11 entitled *Financial Literacy. The Digital World* (more than 8 thousand copies sold).

Expanding the geographic footprint

The VTB Group is increasing the number of sales offices in the countries and regions where it operates, expanding the network of ATMs and striving to improve the quality of its products and services for all customers, regardless of the remoteness of the region or the capabilities of the customer. During the COVID-19 pandemic, the role of remote banking services increased significantly. In 2020, VTB paid particular attention to the digitalisation of its products.

In 2020, VTB continued to provide services to retail customers in Russia, Azerbaijan, Armenia, Belarus, Georgia, Kazakhstan, Germany, and Austria. The Group operates a total of 1,711 sales offices ^o, 91% of which are located in Russia.

One of the key goals of customer service is to increase the accessibility of financial services to people living in small or distant locations.

In 2020, the VTB Group operated 17 thousand ATMs across Russia.

Increased accessibility of banking services for people with disabilities

The VTB Group strives to provide equal access to its services for all customers. To this end, VTB introduces technology for people with disabilities into its digital products, and also equips its branches with the necessary infrastructure.

ADAPTING PRODUCTS AND SERVICES FOR THE BLIND AND VISUALLY IMPAIRED CUSTOMERS

VTB strives to take into account the special needs of blind and visually impaired customers. In 2020, VTB Bank adapted *VTB Online* mobile bank for this category of customers. To make it really convenient for such customers to use *VTB Online*, blind specialists were invited to the development team. Registration and login, the main page, as well as most of the operations in the *Transfers* and *Payments* sections have become fully available to users of the service. This is only the first stage of *VTB Online*'s adaptation for this customer category. In the future, there are plans to expand the range of available operations. By the end of 2022, VTB intends to make the majority of its digital channels available to customers with motor disorders, visual impairments and dyslexia.

In 2020, VTB Bank also developed a special interface for ATMs designed to service people with visual impairments. Not only VTB customers can use it, but also customers of other banks. The implemented interface contains all the necessary menu items and the text is written in large white letters on a black background. This functionality is available at over 7 thousand VTB ATMs across Russia. The Bank plans to continue developing functionality for the visually impaired across its network of ATMs in line with customer needs and recommendations.

Number of Group sales offices in 2018–2020 ^o

SALES OFFICES	2018	2019	2020
In Russia	1,791	1,815	1,711
· including underpopulated and economically underdeveloped regions	290	289	271
Outside Russia	183	177	160

DEVELOPING INFRASTRUCTURE TO IMPROVE ACCESSIBILITY OF THE BANK'S OFFICES FOR PEOPLE WITH DISABILITIES

VTB Bank strives to equip its branches with ramps and other equipment to make it easier for people with disabilities and elderly customers to access its services. At present 55% of the Bank's branch network (749 branches) have the necessary infrastructure. By 2023, VTB Bank plans to provide 100% of its branches with the necessary equipment.

Subsidiary banks within the VTB Group also take initiatives to make it easier for people with disabilities to interact with the Bank. For example, in 2020 VTB Bank (Armenia) installed 12 additional ATMs with Braille capabilities; VTB Bank (Kazakhstan) opened four additional offices with specialised equipment.



with interfaces for the visually impaired



users per minute - load of VTB Online application

Improving the quality of banking services

In 2020, restrictions imposed by the COVID-19 pandemic made remote banking services even more popular. VTB Bank actively implemented new digital services for retail and business customers. In the first half of 2020, VTB ranked second among the three leaders in the top 50 Russian banks in terms of digitalisation, as compiled by the Skolkovo Foundation and *VR_Bank* company.

In particular, in 2020 the Bank implemented new digital tools for working with customers:

- The procedure for accepting new customers for servicing was simplified through the use of remote service delivery channels and integration of banking systems with government sources of information. The new technology made it possible to reduce the time for opening accounts without requesting documents from customers;
- Verification of new (potential) customers has become faster – decisions are made literally in seconds without the involvement of the Bank's employees. The Bank also eliminated the need for corporate customers to visit the Bank's offices for an interview, which also accelerated acceptance for service;
- Updating identification information has also become possible without customers visiting the Bank's offices: information and documents can be submitted electronically using remote banking software.

VTB Group subsidiaries are also working on digitalisation and the development of remote services.

VTB Bank (Belarus) launched an updated version of its VTB mBank mobile application for individuals. Now you can become a customer of the Bank without visiting the office by registering on the website. The new version of the service VTB mBank implemented the possibility of registration using the interbank system of identification. Thanks to this new customers are able to access most banking services online.

VTB Bank (Kazakhstan) updated the VTB Business Online internet banking system for legal entities: its functionality was expanded and a number of services were improved. In addition, the Bank was one of the first on the market of the Republic of Kazakhstan to offer Kazakhstani entrepreneurs the opportunity to open a current account with the Bank remotely in one day, without visits to the office and meetings with Bank representatives. The service is available in 17 major cities of the Republic of Kazakhstan.

VTB Bank (Belarus) introduced an innovative service for legal entities, which allows them to accept payments for goods and services using QR codes. The Bank annually upgrades Internet and mobile banking, in 2020 online deposit services were added, the possibility of filing online applications for documentary services appeared. The Bank also implemented non-banking services *Register Your Business Now*, *Personal Lawyer for Business*, *Online Accounting*, which provides access to the most demanded services for businesses in one place.

Digital solutions for VTB's retail customers

New VTB Online

In 2020, VTB launched a completely new mobile Internet bank for its customers. The new *VTB Online* is now twice as fast, with a login speed of only 2-3 seconds and a 10-fold reduction in interface response time. The speed of payment and transfer operations has also doubled. Switching between sections is now instant, within one second.

The load limit for using *VTB Online* has tripled. Now the application can handle up to 130 thousand users per minute, and in the future, up to 400 thousand simultaneous sessions.

The application has become even more secure for customers. Additional protection against social engineering was implemented, monitoring over remote management of customer devices was expanded. Phishing is detected and blocked within a record-short time frame of just 24 hours.

More than 50 new functions have been added to *VTB Online*. Customers can withdraw money from VTB ATMs without a card using a QR code, sort all their spending by category, create savings targets, transfer currencies to other VTB customers, apply for digital credit cards and much more.

The number of active *VTB Online* users exceeded 10.1 million in 2020. The annual growth in users amounted to 25%. In 2020, 59% of deposits, 56% of savings accounts and 25% of consumer loans were issued through *VTB Online*.

Improvements to VTB Mobile

In 2020, the *VTB Mobile* operator became available to all retail branches of VTB Bank in Moscow and St. Petersburg (including the *Vozrozhdenie Bank* network). In 2020, remote signing of contracts with SIM card delivery became available for *VTB Mobile* users, as well as remote eSIM connection and extended customer support through *VTB Online Chat*. Over the year, *VTB Mobile* subscriber base increased from 4 thousand to 289 thousand people.

VTB My Investments application update

VTB Capital Investment released an updated version of *VTB My Investments* mobile application. The new version has an improved design and expanded functionality for analysing investment portfolios. The portfolio structure was visualised by asset groups, sectors, countries and currencies. The full composition of the portfolio can also be viewed broken down by agreement with an indication of the share of a particular asset in the portfolio. Dividend histories and planned payouts are now available for all foreign stocks.

Over 260 thousand people are active users of *VTB My Investments* daily. In 2020, *VTB My Investments* saw five-fold growth in its user base.

Customer satisfaction assessment

VTB strives to constantly improve the quality of its work and customer service for all customer groups. For this reason the Group's banks carry out annual research to assess customer satisfaction with the service provided across branches. An independent assessment of retail customer loyalty, which included over 11 thousand interviews, ranked VTB Bank among the top five Russian retail banking institutions.

VTB Bank continues to actively improve its system for regularly assessing the quality of customer experience. Monitoring is carried out at 35 different touchpoints. Over 10 thousand VTB customers have the opportunity to provide detailed feedback on the quality of VTB customer service and offer suggestions for its improvement.

In 2020, VTB Bank introduced a system of Key Performance Indicators (KPIs) for the quality of all customer service channels in the Retail business. The target

KPI system applies to all levels of employees in the Retail Business segment, from business line management to individual contributors at sales offices and the contact centre.

The network's branches hold regular events that include sharing best practices in customer service, as well as *Service Weeks* to work through the most problematic areas.

In 2020, the frequency of interaction with customers in order to receive feedback on the Bank's work increased. 19 service satisfaction surveys were conducted, 16 of which were for retail customers, two for SMBs and one for large corporate customers. The surveys were designed to measure customer loyalty and satisfaction both when interacting with the Bank across different channels and when using its product services.

VTB Group banks also conduct customer satisfaction surveys, which aim to maximise customer satisfaction. For example, at VTB Bank (Armenia) customer satisfaction stood at 9.42 out of possible 10 points by the end of 2020.



thousand interviews

on measuring retail customer loyalty

The VTB Contact Centre was recognised as one of the best in Europe

On 16 March 2021, a grand ceremony announcing and awarding the winners of the European Contact Centre & Customer Service Awards (ECCCSA) international nomination programme was held in London. The VTB Contact Centre surpassed all of its Russian competitors and won in two nominations. Second place was awarded in the most prestigious category *Contact Centre of the Year (large)*. The VTB Bank privileged customer service team came third in Europe in the category *Best Large Customer Service Team*.

The VTB team received eight awards at the *Crystal Headset Contact Centre Industry Contest*

The VTB Contact Centre was highly praised by the jury in the *Best Contact Centre* category (over 500 people). In a challenging 2020, the Bank received a record number of inquires – over 58 million, improved the quality and efficiency of customer service, expanded the interactive voice menu, and implemented speech analytics.

The team of the Quality Control Unit of the Customer Service Department won in the *Best Quality Control and Assessment Team* category. The team developed customer service rules called *Cosmos* and taught operators to do more than they are formally required to do when dealing with customer issues. With the implementation of these rules, the speed of resolving issues has increased (the average dialogue time with a customer is 35 seconds less than market best practices); 87% of customer issues are resolved in one call, 2% higher than market best practices; and 85% of customer evaluations are 4-5 on a five-point scale.



Increasing the Security of Financial Services

Measures to improve the security of financial services

Creation of the Security Testing Service

In the course of reorganisation of the Bank's Security Department, a new functional area was created within its structure, which performs such special tasks as penetration testing of the Bank's infrastructure, analysis of vulnerabilities in the Bank's infrastructure objects, analysis of vulnerabilities in the applied software, organisation of vulnerability management, security testing and control of security of third-party components used in the production of the Bank's technological products within the scope of its competence.

Conducting inspections

Ten VTB Group companies were inspected to examine how they deal with current threats associated with the risks of targeted attacks using viral software.

Software update

Continuous software updates and maintenance of self-service devices are organised and carried out.

Blocking phishing websites

Measures are taken on a daily basis to timely identify and block phishing sites and counter calls to customers from spoofed phone numbers.

Interaction with law-enforcement authorities

Interaction with law-enforcement authorities was arranged in order to resolve issues requiring prompt response to unlawful actions committed by malefactors. Based on statements by employees of the Bank's Security Department, more than 200 criminal cases were initiated to investigate unlawful acts of thefts of the Bank and its customers' funds, disclosure of banking secrets, etc.

Informing Customers

The Bank continuously informs its customers about security measures when carrying out financial transactions, including when using bank cards and the *VTB Online* remote banking system.

Information about the most common types and methods of fraud is communicated to customers in various ways, including posting it on information stands at the Bank's branches, on the Bank's official website, on information screens of self-service machines, as well as by sending relevant information via SMS and email. In particular, the Memo to customers on financial security, information about the most commonly used fraud schemes is posted on the Bank's official website in the *Security* section at <https://www.vtb.ru/bezopasnost/>.

>99%

of ATMs in the network

are equipped with fraudulent device inhibitors

100%

of the Bank's premises

are equipped with video surveillance equipment and are regularly upgraded

210

phishing websites

blocked in 2020

38

million

information messages on safety rules for financial transactions were sent out to customers in 2020