

SUSTAINABILITY MANAGEMENT

VTB GROUP HAS BEEN CONSISTENTLY INTEGRATING THE PRINCIPLES OF SUSTAINABLE DEVELOPMENT INTO ITS STRATEGY AND OPERATIONS, STRIVING TO TAKE INTO ACCOUNT THE INTERESTS OF ALL STAKEHOLDERS. AT THE SAME TIME, THE GROUP CONSIDERS IT AN IMPORTANT TASK TO BUILD AN INTEGRATED AND EFFECTIVE MODEL FOR MANAGING ITS IMPACT ON THE REGIONS OF OPERATION.



"In addition to its financial efficiency goals, the VTB Group aims to ensure that sustainability principles are applied broadly and evenly across all areas of its business. We have already made significant progress in implementing individual sustainability initiatives and are now moving towards a phase of integrated management of all aspects of sustainability and systematic monitoring of the results".

Vladimir Levykin

Head of Strategy and Corporate Development, Senior Vice President, VTB Bank

Approach to the Sustainability Management

Functional divisions and governing bodies at both the Group and Bank levels are involved in the process of managing the sustainability aspects of VTB's activities.

Key aspects of sustainability are handled by the Bank's senior management - the Supervisory Council and its committees. In terms of operational management of these aspects, the committees under the Management Board, key specialised departments and services of the Bank are involved in the process.

Management of sustainability aspects in the Group is regulated by the Policy on Corporate Social Responsibility, which defines the principles and areas of activity in the field of sustainable

development. The policy applies to all divisions of VTB Bank and covers issues related to managing the bank's corporate behaviour and the bank's influence on the corporate, market, social, and natural environment.

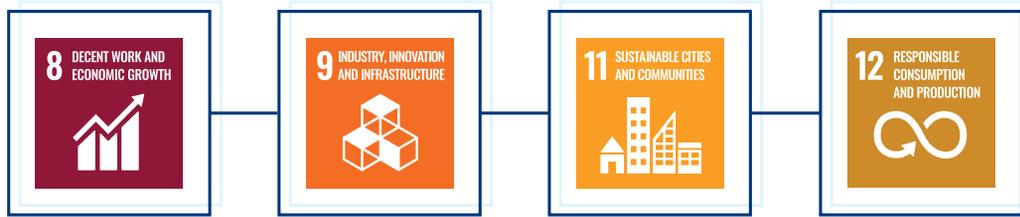
**VTB
Sustainability
Strategy
Structure**



RESPONSIBLE FINANCING



**ENGAGING CUSTOMERS
IN AN ESG-ORIENTED
PRODUCT LINE**



VTB's strategic vision for sustainable development

In addition to continuing to integrate sustainability principles into the Group's overall business strategy, VTB also began work on developing the VTB Sustainability Strategy, which will set out the main areas for responsible banking at VTB and outline our sustainability targets.

The current VTB Group Strategy, developed for the period up to 2022 partly reflects the principles of responsible business practices, incorporation of environmental, social and governance factors (ESG-factors) into decision-making processes. For a more complete implementation of ESG factors in the Bank's activities, it was decided to develop a separate profile document.

The new ESG strategy will be adopted in mid-2021 and will provide for the following priority areas: responsible financing, including advising customers on improving the ESG characteristics of their business, customer involvement in ESG projects and initiatives, investment in socially important projects, sponsorship and charity, organisational development, as well as the creation of an ESG management model, including management of relevant risks.

Significant attention will be paid to green financing and responsible investing - lending for environmental projects, energy service factoring, green bonds issue, as well as creation of new green instruments.

In addition, the issues of reducing our own ecological footprint, reducing and improving the structure of energy consumption, the transition to a paperless document flow will be considered.

A separate area of the new Strategy will be the implementation of projects in the field of social infrastructure, including the implementation of concessional mortgage lending programmes, housing construction and transport infrastructure, the development of social services.

A provision is also made to include clear benchmarks in the Strategy, by which it will be possible to judge the success of implementation of the Strategy.



**INVESTMENTS IN SOCIALLY
SIGNIFICANT PROJECTS**



SPONSORSHIP AND CHARITY



**A ROBUST
MANAGEMENT SYSTEM
FOR THE RESPONSIBLE
BANK**