



Presentation for investors

ESG Banking: made in Russia

2020

The best region - South of Russia

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Southern Russia includes the Southern Federal District and North-Caucasian federal district

The development of the region's economy is based on the impact of such factors as the favorable economic and geographical location (a connector of the center of Russia with the North Caucasus and Transcaucasia), availability of natural resources, historically favorable development conditions, high labor supply, and well-developed transport infrastructure. According to the rates of economic reforms in recent years and the volume of output of goods and services, the region occupies one of the leading positions in Russia.



Bank overview

ESG – Banking:made in Russia

Number
of offices



122

Client base



1.5
million

Staff



1631

Credit ratings



MOODY'S - **Ba3**
(stable)

ACRA - **A(ru)**
(stable)

ESG-ranking



vigeo
eiris
17/76
(Europe)



2010, 2012, 2013,
2016, 2018
STP Excellence Award



International Finance Corporation

2013

Sustainable banking leader
in Eastern Europe FT/IFC



2018

TOP 50 "The most reliable
banks in Russia"



Global Alliance for
Banking on Values

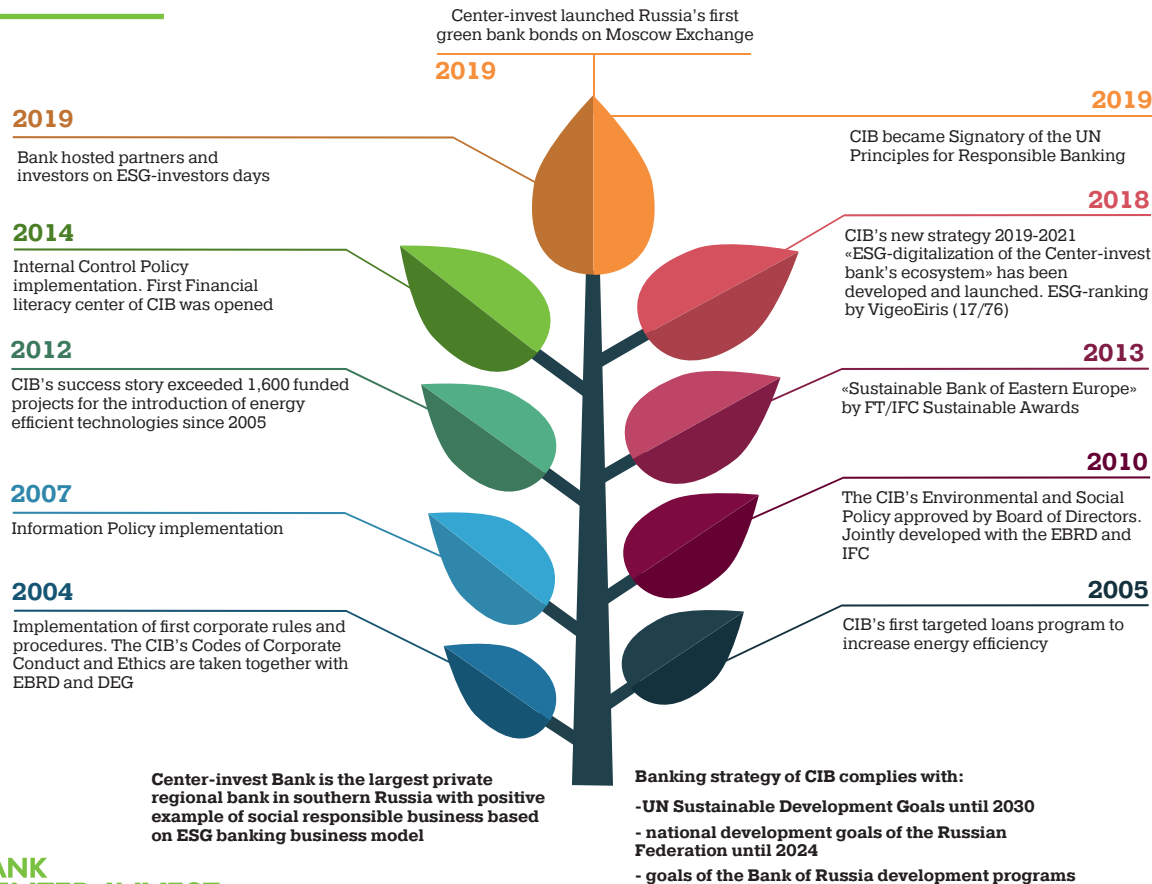
2019

Member of GABV



ESG-timeline tree

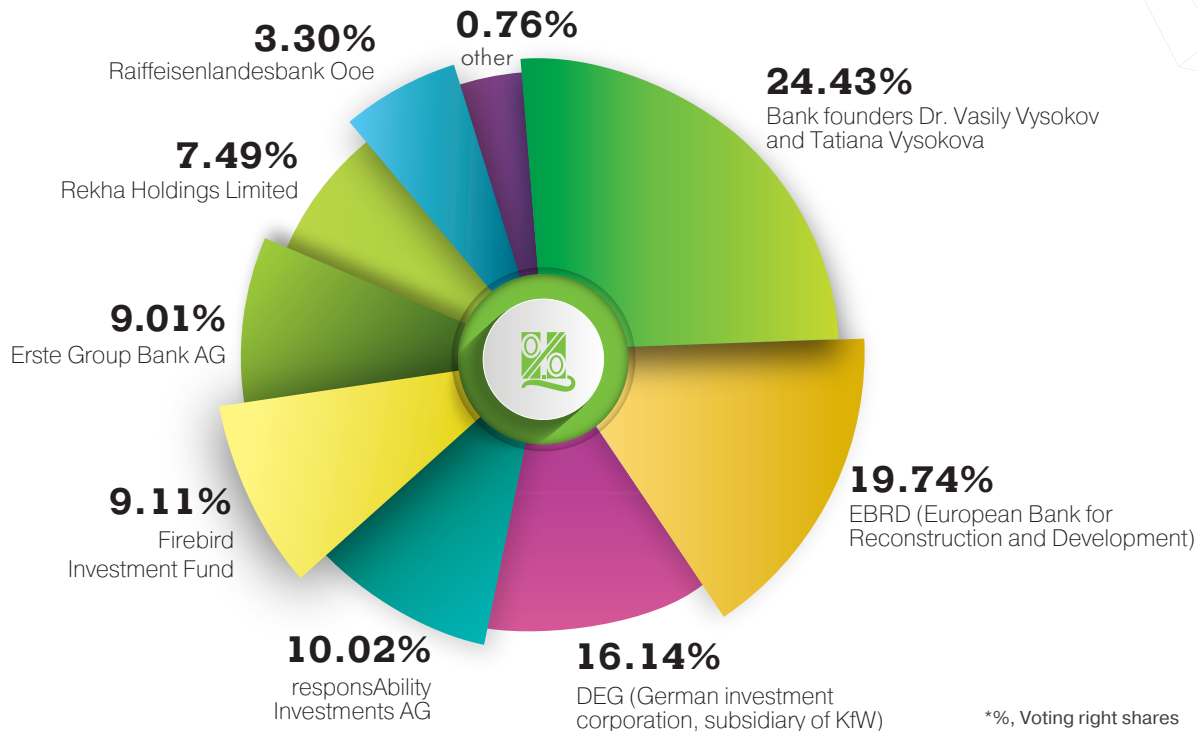
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Shareholders

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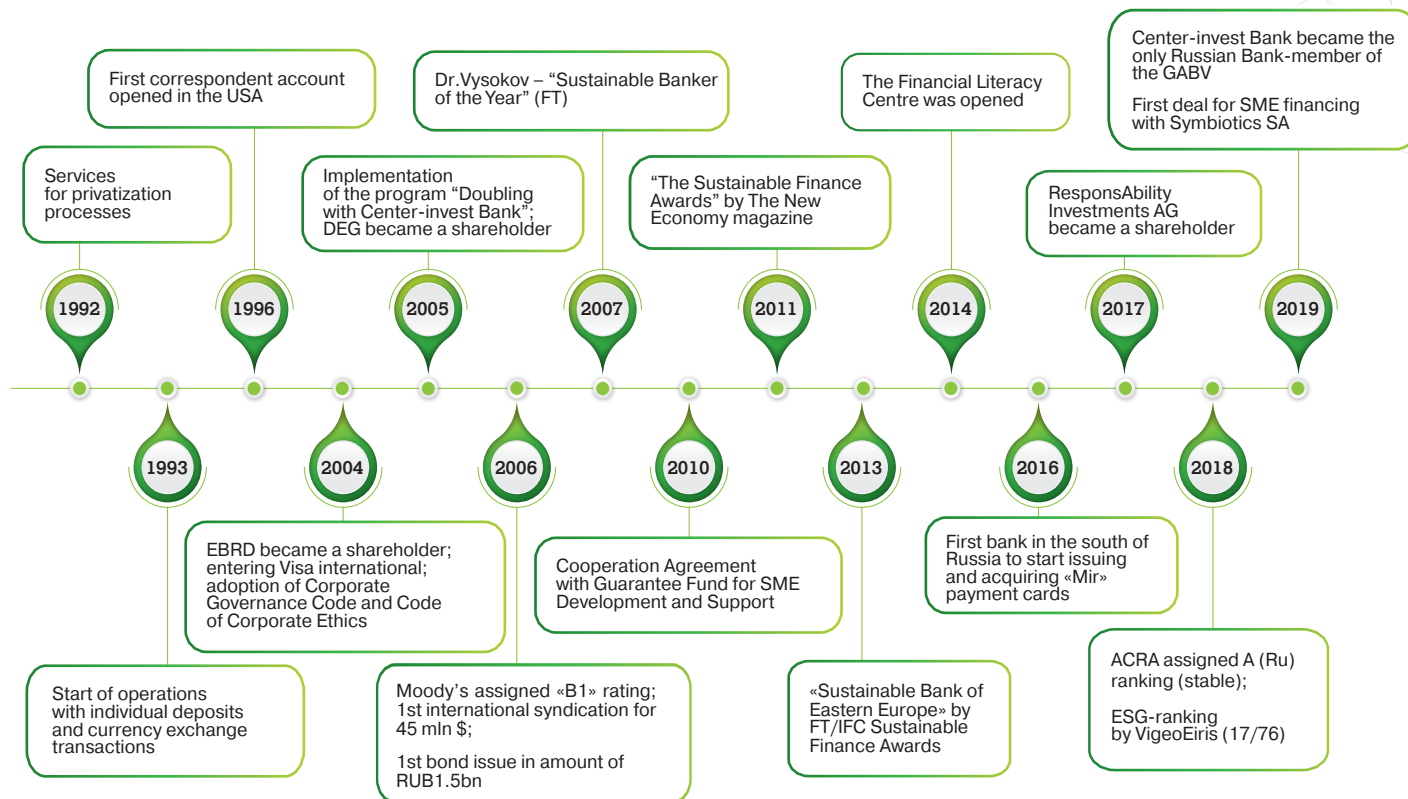
Shareholders structure*



*, Voting right shares

History

ESG – Banking:made in Russia



Financial highlights

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RUB, bn	2014	2015	2016	2017	2018	2019	
						RUB, bn	EURO, m
Assets	91.3	89.6	96.6	102.6	112.2	119.5	1 723.7
Capital	9.6	10.6	11.5	12.6	13.1	14.2	205.1
Net Loans and Lease	72.0	72.7	73.6	80.1	88.0	85.1	1 226.6
Customer accounts	49.2	65.0	80.4	87.2	95.2	99.4	1 434.1
Net profit	1.1	0.5	1.0	1.4	1.5	1.8	25.9
ROE, %	12.1	5.3	9.1	11.8	11.9	13.1	
ROA, %	1.3	0.6	1.1	1.4	1.4	1.6	
NIM, %	6.3	4.4	5.3	6.2	6.0	5.2	
Cost/Income, %	43.4	51.1	44.9	48.7	47.6	53.6	
Loans/Deposits, %	146.2	111.7	91.6	91.9	92.4	85.5	
CAR, %	14.5	17.1	17.0	16.8	16.7	18.4	
Number of children born to bank employees	86	78	103	89	72	72	

As at 31.12.2019:

1EUR =69.3406 RUB

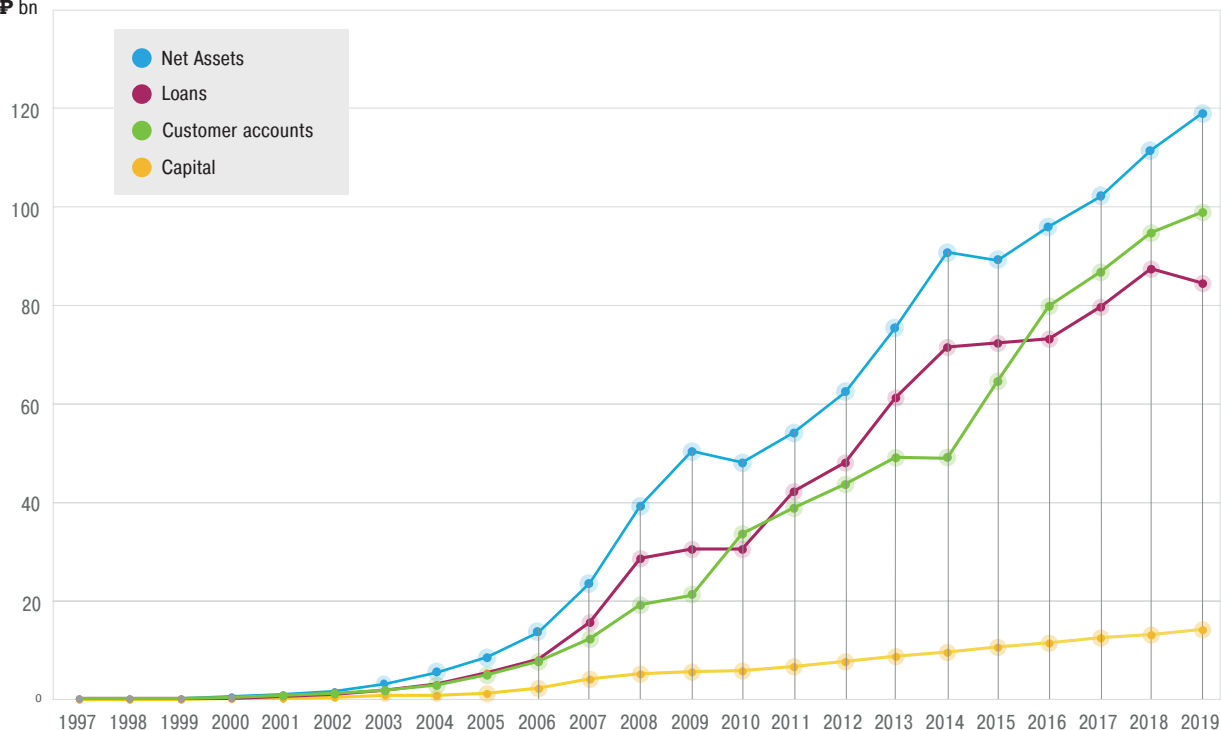
Hereinafter: source 2019 IFRS Statement

Key financials

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The dynamics of key financial performance indicators demonstrates the ability of the Bank to operate in difficult financial environment and adapt efficiently in rapidly changing environment, "to be at the forefront of trends and constantly ready to meet new challenges"

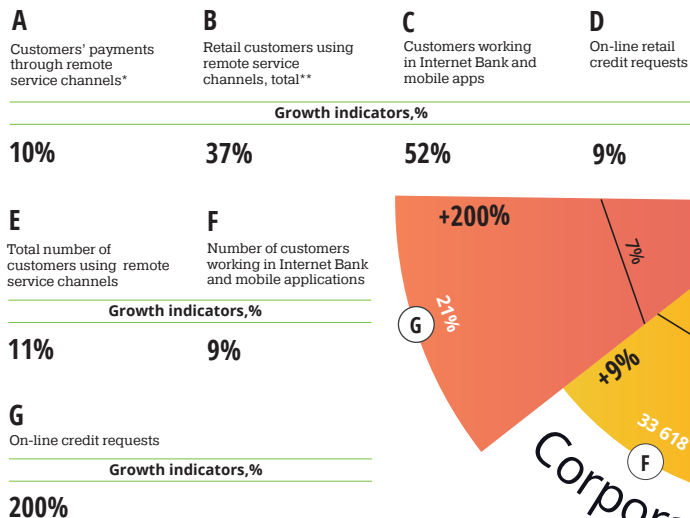
₽ bn



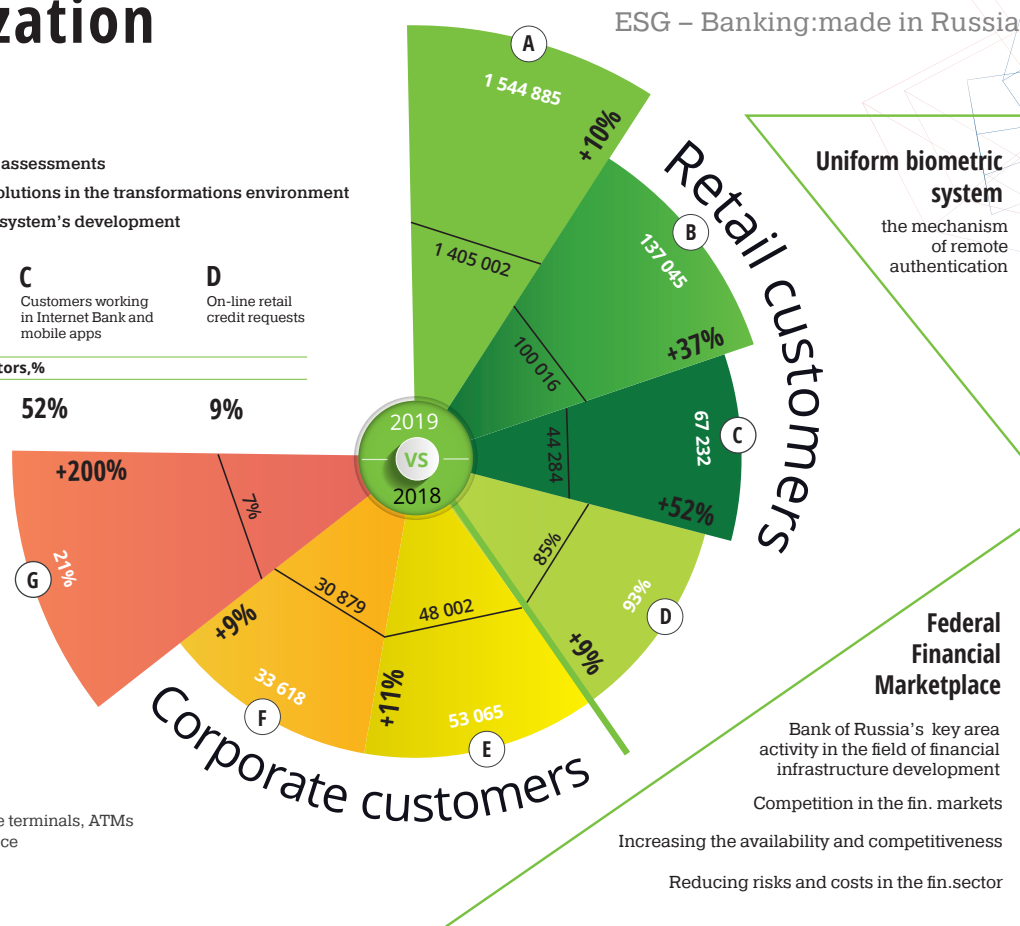
ESG – Digitalization

ESG-principles

- moral choice
- long-term development
- continuous innovations
- quantitative assessments
- innovative solutions in the transformations environment
- driver of ecosystem's development

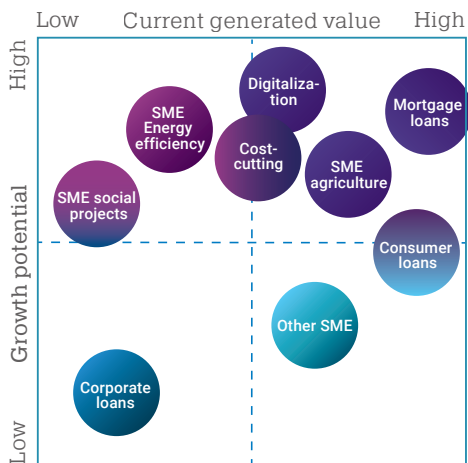


* Internet Bank, mobile applications, self-service terminals, ATMs
 ** The customers who have an access to the service



Strategy overview

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Target KPIs to 2021

Loan portfolio	+7.6% CAGR
Headcount	-6%
Internet payments	+37%
Dividend payout ratio	50%
CO2 emissions	-17%
Online loan applications	+6%
CAR (N1.0) from 11.2%	to 13.1%

Efficiency driving strategic initiatives

Business growth strategic initiatives



Mortgage loans

Core product, high growth potential through deep expertise and competitive terms due to participation in state and regional programs on subsidized mortgage



SME loans

Deep expertise in agricultural sector, high growth potential while maintaining current level of risk
Focus on social and energy efficiency projects could boost awareness and credibility



Consumer loans

Currently the most profitable product. Requires determining of growth potential while maintaining the current level of risk



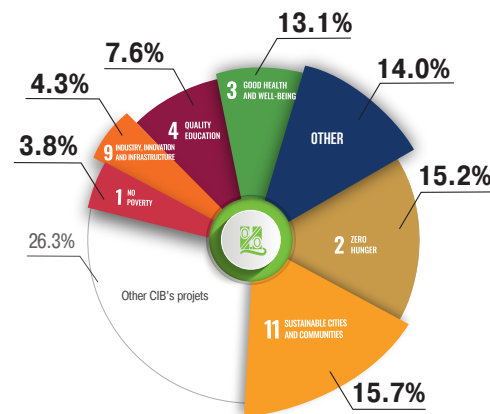
Sustainable development goals

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Total investments
in SDG 86,7 bn ₺



For every ₺ 100
of deposits:



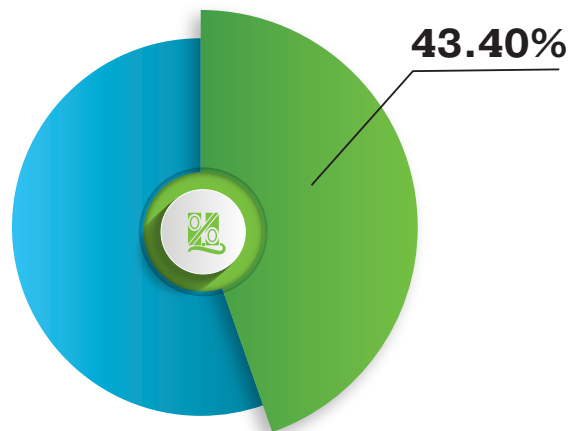
Market share

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Share of Center-invest Bank in southern Russia among local banks in CIB's operational area

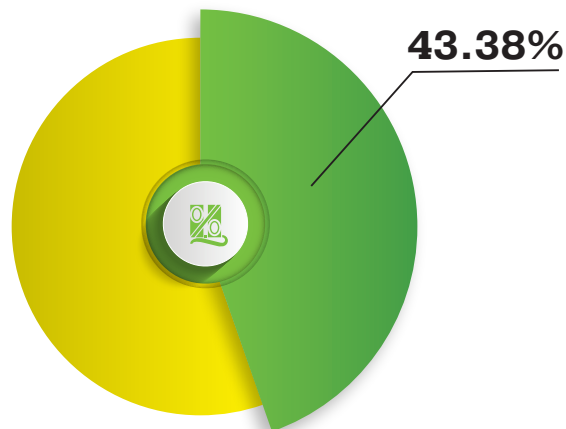
Loans*

01.12.2019



Deposits

01.12.2019



* Retail corporate loans, leasing, factoring

Competitive positions: rankings

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Expert РЕЙТИНГОВОЕ
АГЕНТСТВО

In ranking of the largest Russian banks as at 01.01.2020:

34 Value of retail loan portfolio

36 Value of retail deposits

43 Value of corporate loan portfolio

45 Value of total loan portfolio

52 Value of total assets

<https://www.raexpert.ru/rankings/bank/monthly/jan2020>

Expert РЕЙТИНГОВОЕ
АГЕНТСТВО

In ranking of largest mortgage banks as at 01.01.2020:

17 Value of mortgage loan portfolio

19 Value of issued mortgage loans

https://raexpert.ru/rankings/bank/ipoteka_2019

Expert РЕЙТИНГОВОЕ
АГЕНТСТВО

In ranking of TOP-15 Russian banks for SMEs as at 01.01.2020:

4 Value of loan portfolio to individual entrepreneurs

11 Value of loan portfolio to small business

14 Value of total SME loan portfolio

15 Value of loan portfolio to medium enterprises

https://www.raexpert.ru/researches/banks/msb_2019

The Banker
GLOBAL FINANCIAL INTELLIGENCE SINCE 1986

TOP-50 Russian Banks by «The Banker»

5 Loans to Assets ratio

20 ROE

23 ROA

28 Profit

29 Cost/Income

33 CAR

38 Assets

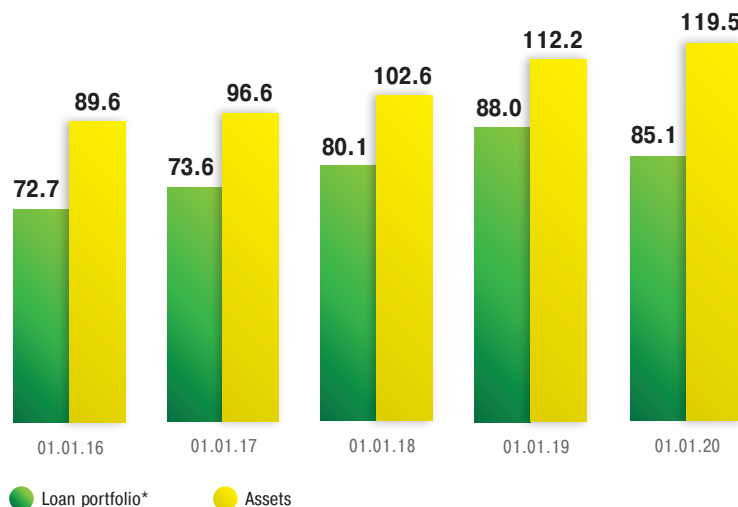
40 Tier 1 Capital

<http://www.thebanker.com>

Assets: dynamics and structure

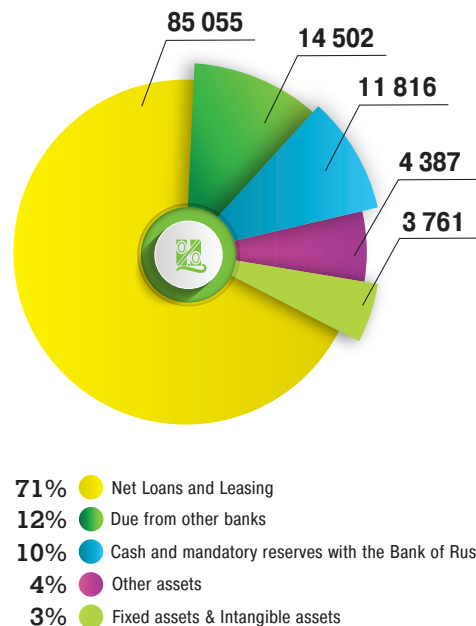
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Loan Portfolio&Assets, ₪ bn



* After provisions

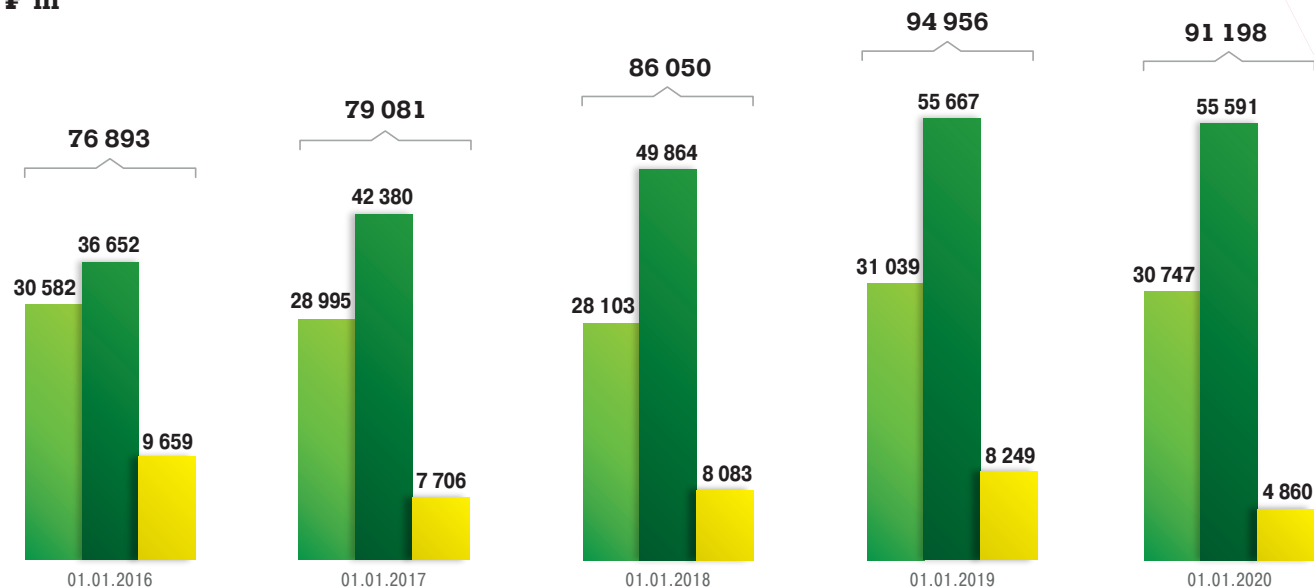
Assets structure, ₪ m



Loan portfolio development

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₽ m



SME loan portfolio and leasing



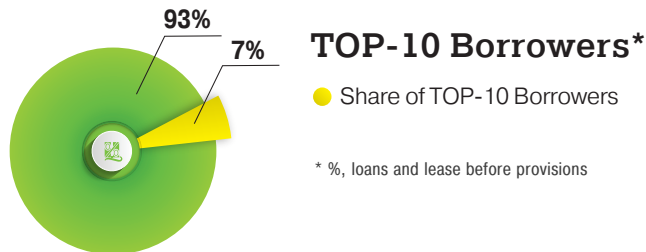
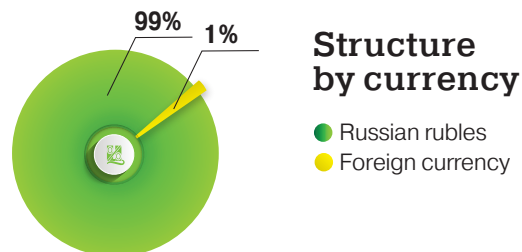
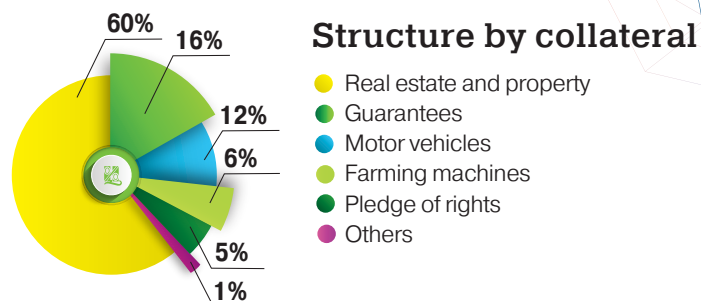
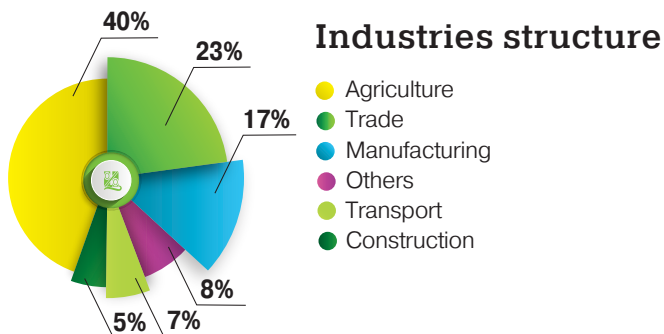
Retail loan portfolio



Corporate loan portfolio

Loan portfolio to legal entities

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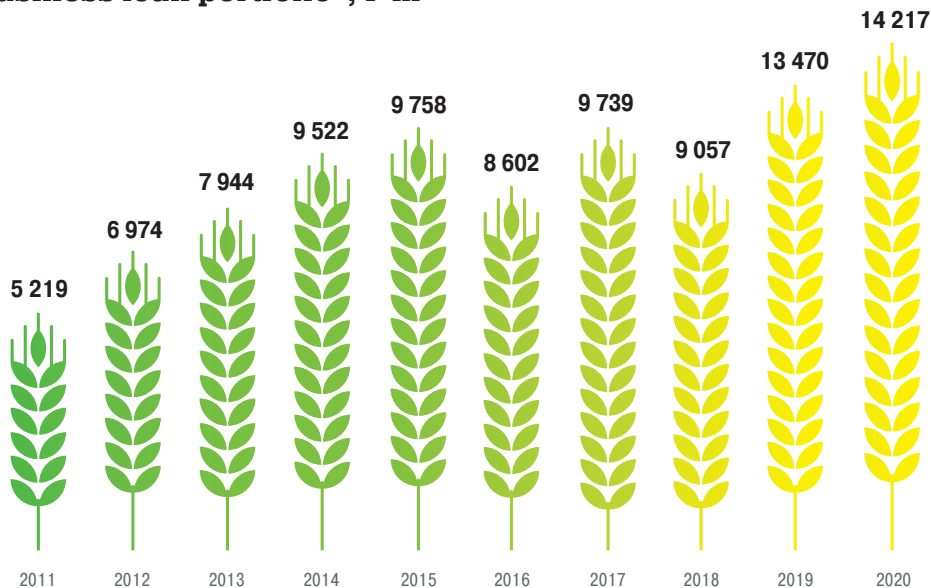


* %, loans and lease before provisions

Agribusiness lending

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Value of Agribusiness loan portfolio*, ₪ m



Bank was included in the list of credit institutions approved by the Ministry of Agriculture and authorized to participate in the government's preferential agricultural lending programme.

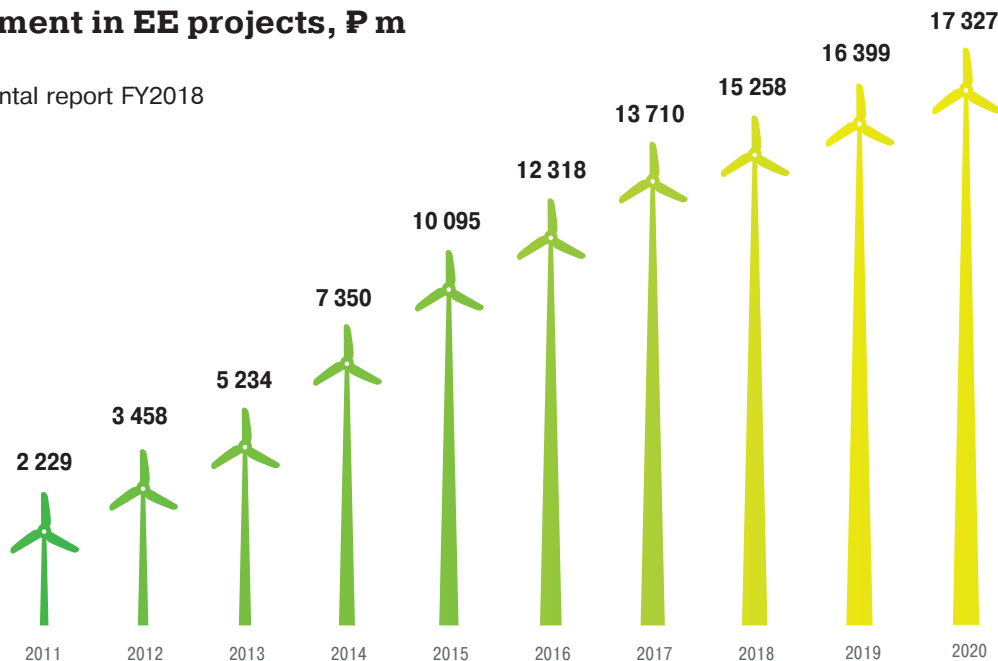
* The data is shown as of 01.01 of each year

Energy Efficiency lending

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Total investment in EE projects, ₪ m

Annual Environmental report FY2018



Center-invest Bank's success in financing EE projects is attributable to the fundamentally new approach: sustainable lending. It combines technical, financial and social engineering.

Retail lending

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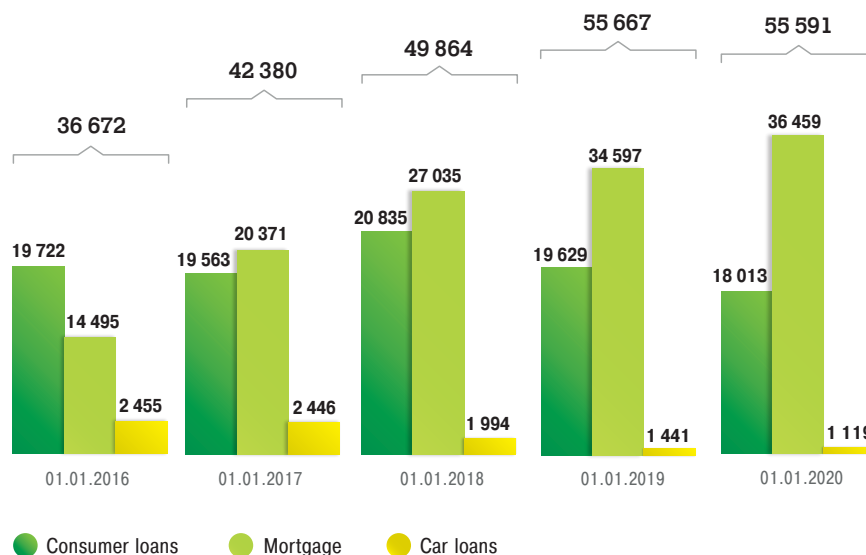
Breakdown by loan volumes as at 01.01.20



- Mortgage
- Consumer loans
- Car loans

NPL 90+ is 5.02%

Dynamics and structure of retail lending portfolio, ₺ m



Accelerator

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This is an innovative space for opening and development of all types of businesses. More than 5500 entrepreneurs have already become the participants of Accelerator.



Online-education



1 month
of education
7 hours per week



Mentor
programs



Free
consulting
support

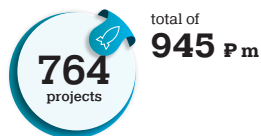


Inclusive financial services



Startup

- ✓ for start-up entrepreneurs
- ✓ up to 3 years maturity
- ✓ up to 3 million RUB
- ✓ consulting support
- ✓ mentor programme



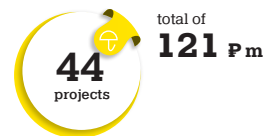
Business loans for women

- ✓ for business-women
- ✓ soft loan
- ✓ NPL=0%



Social responsibility

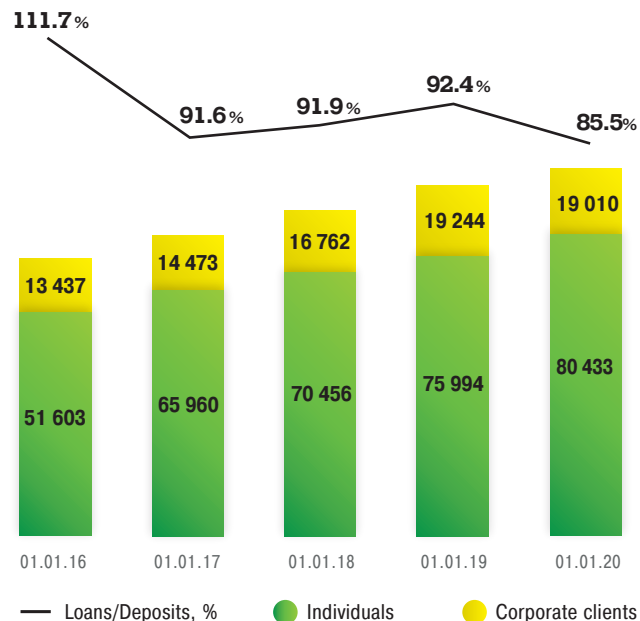
- ✓ educational services, health
- ✓ the revival of cultural traditions
- ✓ 2017 - start of programme



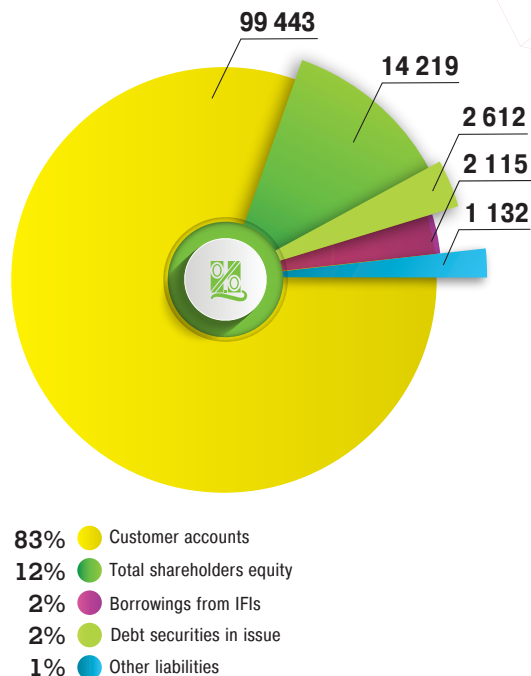
Liabilities: dynamics and structure

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Dynamics and structure of customer accounts, ₱ m



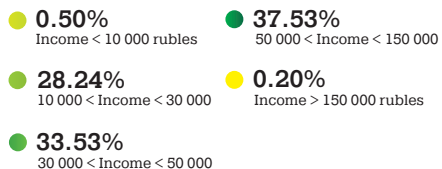
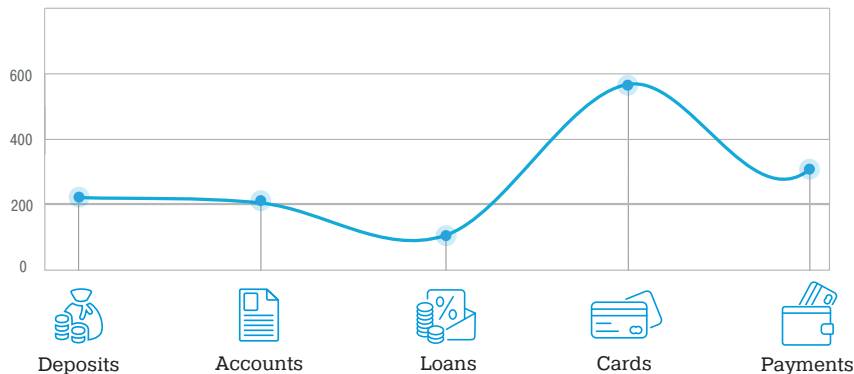
Liabilities structure, ₱ m



Customer base

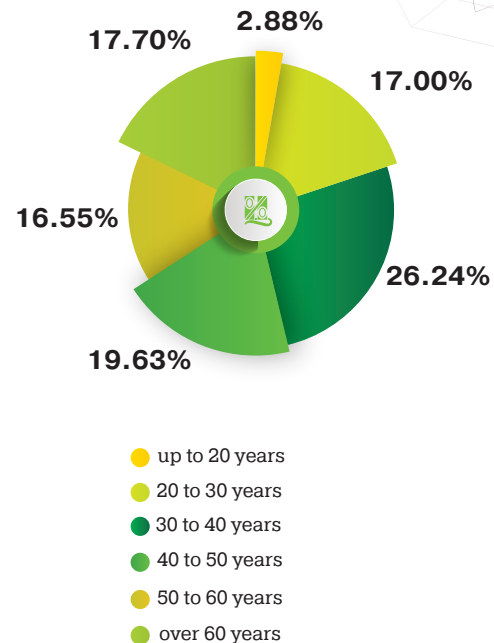
Product segmentation

Clients, ths



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Customers age



CIB on financial markets

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Starting from 2002 Bank has been attracting funds from both the Russian and the international financial markets.

Our partners



responsAbility



Date	Financial institution	Amount	Period years
May 2017	The Black Sea Trade and Development Bank (BSTDB)	RUB 1 billion	3
April 2018	Eurasian Development Bank, EDB	RUB 600 million	5
November 2018	The Black Sea Trade and Development Bank (BSTDB)	RUB 1 billion	3
February 2019	Symbiotics Sicav (Lux.)	RUB 330 million	2-3
March 2019	Micro, Small & Medium Enterprises Bonds S.A.	RUB 281 million	3
September 2019	ResponsAbility AG	RUB 965 million	1

CIB on Debt Capital Markets

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First green bank bond issue in Russia



FIRST GREEN BOND in Russia was placed on Moscow Exchange on November 2019. The issue was oversubscribed by nearly 2 times.

«First green bank bond issue in Russia was placed on the Moscow Exchange in the amount of 250 million rubles. But not the amount is so important, but the trend. In our country green investment has enormous potential and it is important for us to encourage businesses to invest in environmental projects».

Maxim Oreshkin, Minister of economic development of the Russian Federation (2016-2020).

Series	Total par value, RUB m	In circulation, RUB m	Maturity date	Put option date	Coupon rate, % per annum
Exchange bonds, BO-001P-04 series*	713.9	713.9	10.2021	04.2020	8.00
Exchange bonds, BO-001P-05 series*	412.1	412.1	03.2022	09.2020	7.50
Exchange bonds, BO-001P-06 series* 	250	250	11.2020		8.00

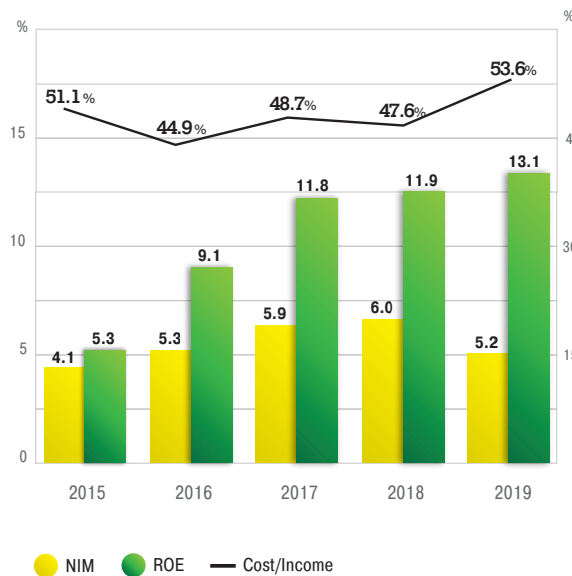
*Bonds for population

The funds from this specific bond issuance CIB is planning to finance (refinance) the projects that can help to mitigate environmental risks, which are critical for the main territory of CIB's core operations (South of the European part of Russia), namely: climate change related processes, desertification, biodiversity decline, and etc.

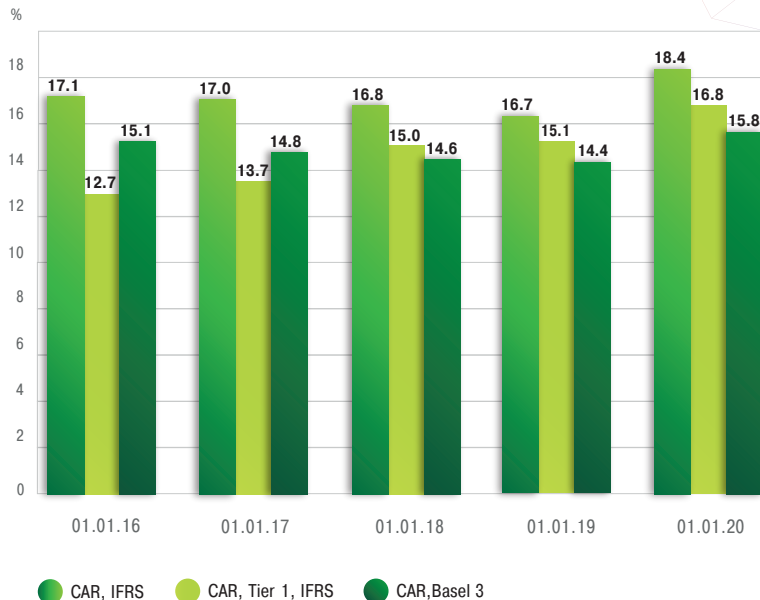
Operational efficiency

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Profitability



Capital adequacy

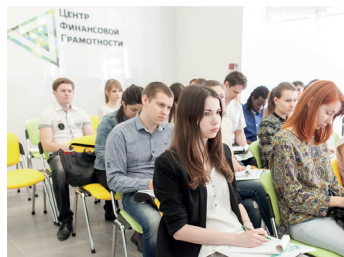


Focus on next generation

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Since 2003 the Endowment Fund for Education and Science in the SFD and Center-invest Bank have been running an open scholarship competition for undergraduate and postgraduate the best students in Southern Russia. More than 21.500 students have entered the competition since it began, and 5.000 scholarships have been awarded.

The Bank's work to raise financial literacy continues all year round. Online training platform "Enterprise for All" (school.centrinvest.ru) combines training modules in the basics of entrepreneurship and tests in 6 languages. Over 46 617 people have registered on the portal so far. 21 073 people have received a certificate "Enterprise for All".



Center-Invest bank set up Financial Literacy Centers in Rostov-on-Don, Krasnodar and Taganrog. Center regularly provides trainings for older people, young entrepreneurs and workshops for those who want to develop its existing business. All consultations and workshops are held by volunteers of the Center free of charge.

The Center-invest Bank annually acts as an official partner and participant of the forum of innovative financial technologies FINOPOLIS in Sochi. In 2019, Center-invest presented the concept of a smart ATM, digital - accelerator with mentoring function, as well as facial recognition technology, by which guests and participants of the forum could find their photos in the General photo archive for all days of the event and receive them by email. The Bank's stand was visited by a delegation of representatives of the Bank of Russia headed by Elvira Nabiullina. She noted the innovation of the Bank "Center-invest" in working with small businesses and start-UPS, as well as the importance of using ESG-principles and Sustainable Development Goals in banking.

At a glance

ESG – Banking:made in Russia

The Center-invest Bank hosted an ESG foresight session, attended by representatives of investment funds, audit and consulting firms, development institutions, the Russian Central Bank, the Moscow Exchange and banking associations, as well as shareholders, employees and customers of the bank. The bank shared its experience of applying ESG principles and represented the investment potential of southern Russia's economy.

The Moscow Exchange included RUB250m of Center-invest Bank bonds in the green bonds segment of its Sustainable Development Sector. This is the first issue of green bank bonds in Russia.

The Center-invest Bank is one of the Top-15 most profitable and efficient banks in Russia based on 2019 results. According to rating of Kommersant Publishing House.

In November 2019 a series of business events was held in Frankfurt as part of the 22nd Euro Finance Week: The Future of Finance and Banking. Center-invest Bank participated in the FAROS institutional investors forum on green finance and in the 29th European Banking Congress.



In March CIB was an official partner for Russia's Earth Hour 2019 organized by the World Wildlife Fund (WWF) with the support of the Environment Ministry and the Moscow government.



The CIB's delegates took part in SIBOS forum held in London and hold more than 40 meetings with banks-partners from Spain, Germany, France, USA, Great Britain, Turkey, Russia, Georgia and China. In the framework of forum Center-invest was awarded by Citibank NY by STP Excellence Award for USD payments.



On 18 February the Board of Directors of The Global Alliance for Banking on Values (GABV) ratified Center-invest Bank's membership of the organization. The Alliance is a network of more than 50 banks from around the world, whose aim is to use finance to deliver sustainable economic, social and environmental development.



Center-invest Bank has become an official Signatory of the UN Principles for Responsible Banking — a single framework for a sustainable banking industry developed through an innovative partnership between banks worldwide and United Nations Environment's Finance Initiative.



Contacts

ESG – Banking:made in Russia



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Chairman of the Board
of Directors



Tatiana Vysokova

Member of the Board
of Directors



Olga Vysokova

Advisor
to the Supervisory Board



Lidia Simonova

Chairman
of the Executive Board



Yuriy Bogdanov

Director of innovations



Sergey Smirnov

Deputy Chairman
of the Executive Board
for Reporting, Analytics
and Finance

