



**Presentation for investors**  
**ESG Banking:made in Russia**

3Q2019

## Bank overview

### Number of offices



**124**

### Client base



**1.5**  
mln

### Staff



**1637**

### Credit ratings



**Moody's - Ba3**  
**ACRA - A(ru)**

### ESG-rating



**vigeo**  
**eiris**  
**17/76**  
(Europe)



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



**2013**  
Sustainable banking leader  
in Eastern Europe FT/IFC

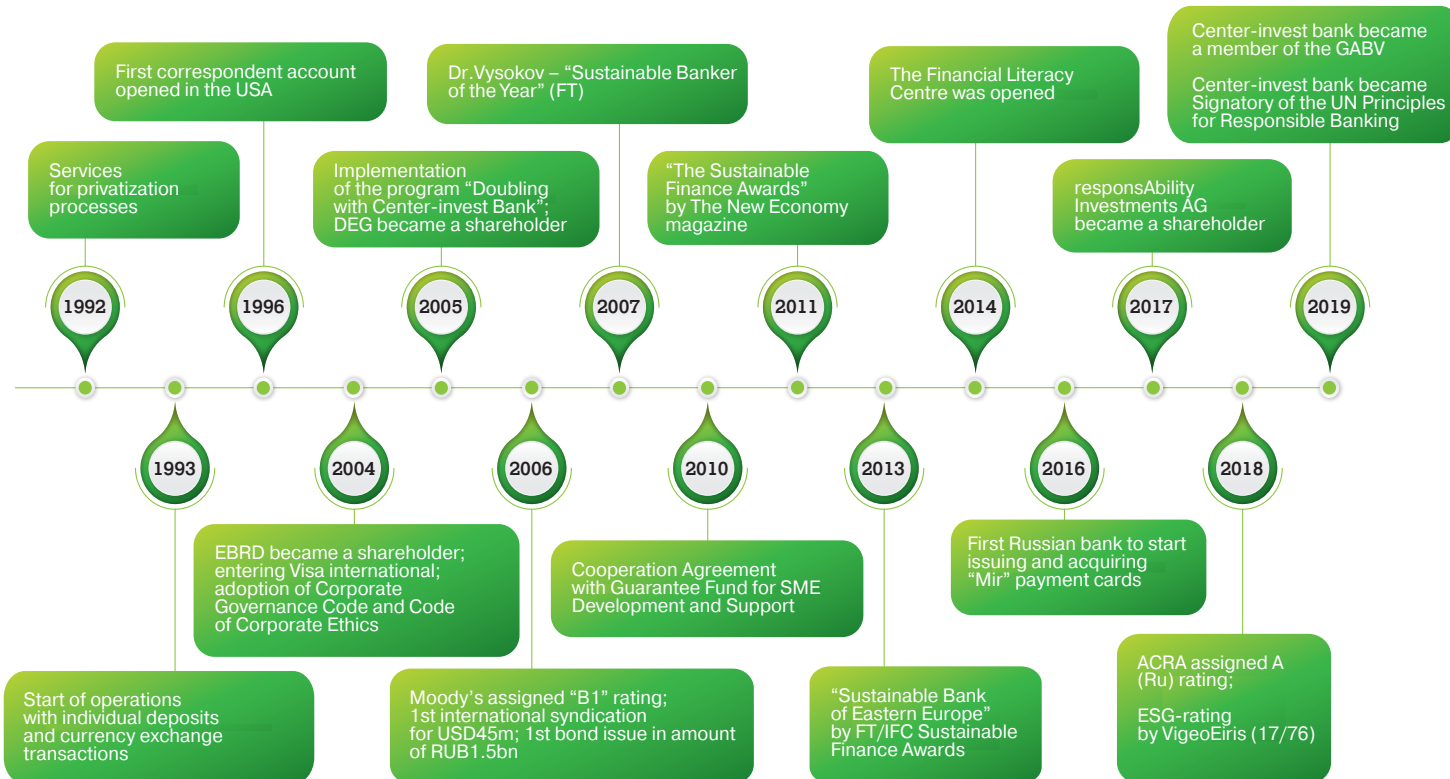


**2018**  
TOP 50 "The most reliable  
banks in Russia"



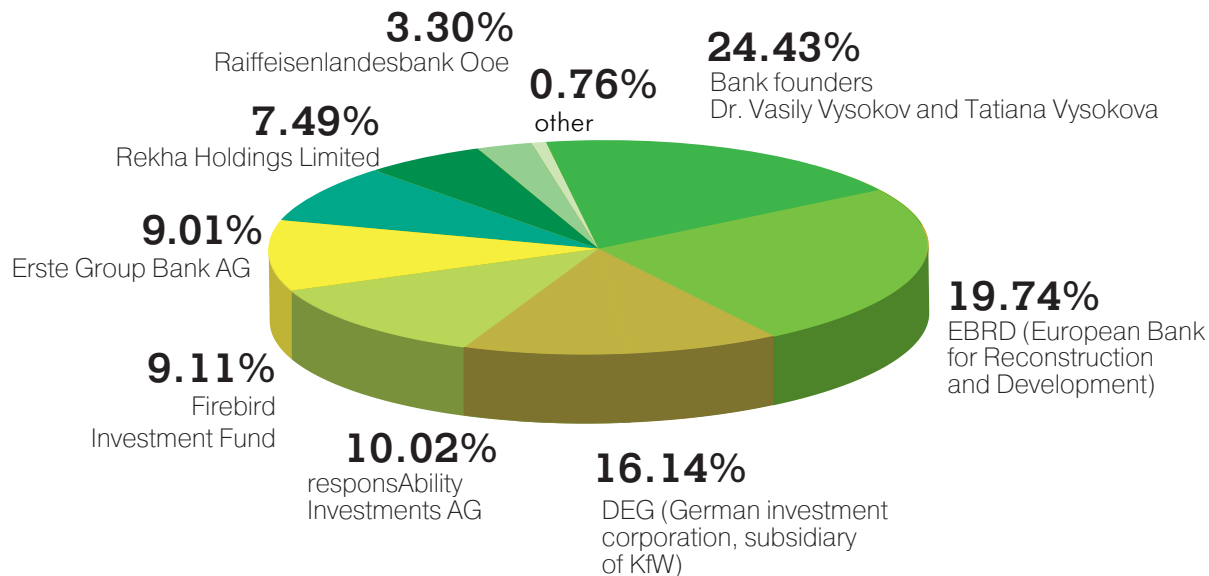
**2019**  
Member of GABV

# History



## Shareholders

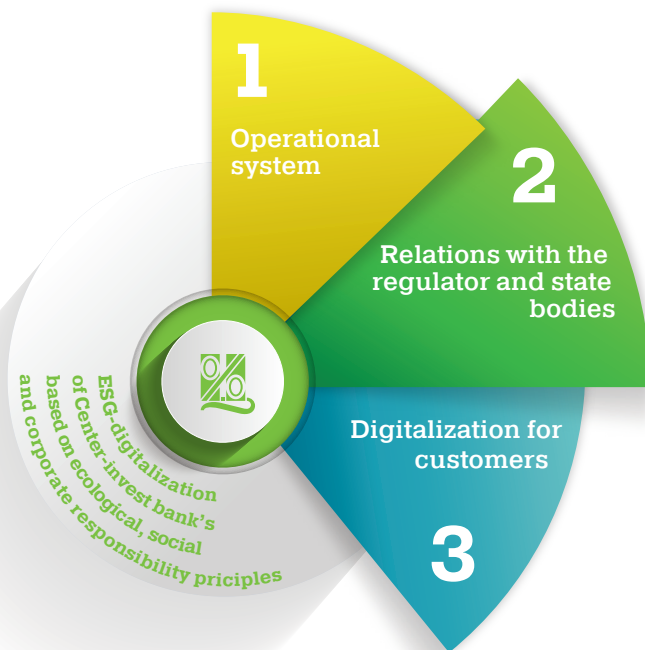
### Shareholders structure\*



\*%, Voting right shares



# ESG-digitalization of Center-invest bank's ecosystem



## Development of the Bank's operational system:

- Data and Payment Security
- Leadership in integration
- Big Data



## Interfaces with the regulator and government bodies:

- Leadership in pilot projects (Bank of Russia, Russian Pension Fund, NSPC and others)
- Integration with state services
- Automated Reporting
- Direct document exchange with government bodies



## Interaction with retail customers:

- Mobile banking, Bank of Russia's Marketplace, Customer identification via state systems

## Interaction with business customers:

- Analysis of cashier's checks, Internet and mobile banking with multi-level anti-fraud (SafeTouch)

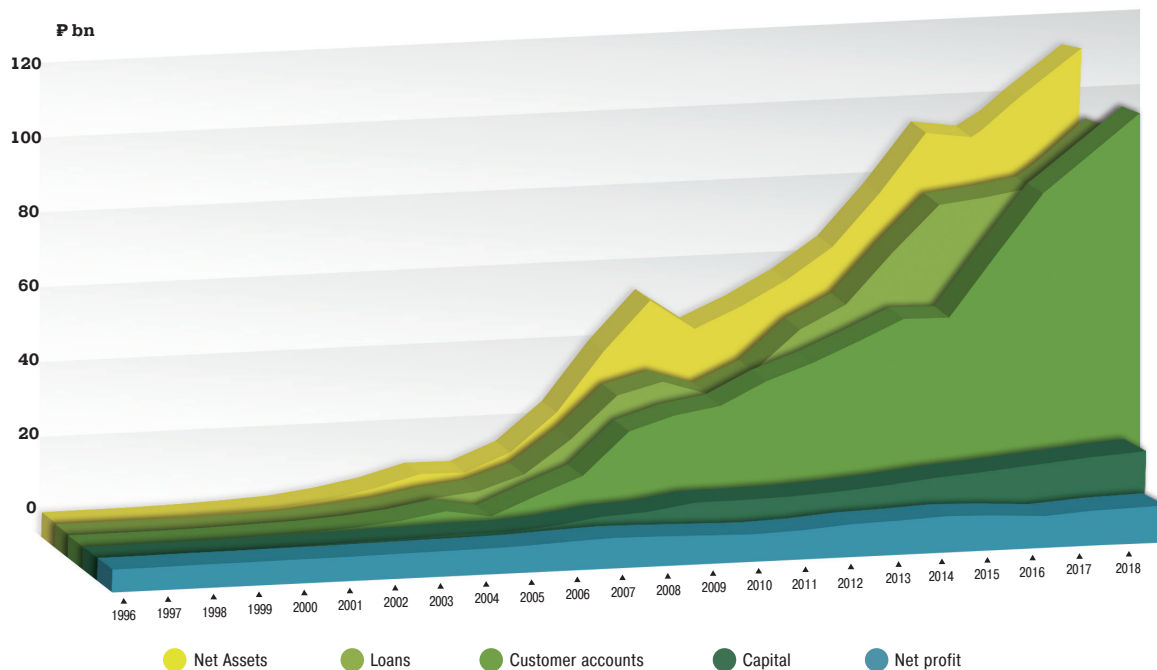
## Financial highlights

RUB, bn	2014	2015	2016	2017	3Q18	2018	3Q19	
							RUB, bn	EURO, m
<b>Assets</b>	91.3	89.6	96.6	102.6	109.9	112.2	118.5	1 685.7
<b>Capital</b>	9.6	10.6	11.5	12.6	12.9	13.1	13.7	195.2
<b>Net Loans and Lease</b>	72.0	72.7	73.6	80.1	85.6	88.0	85.7	1 218.4
<b>Customer accounts</b>	49.2	65.0	80.4	87.2	93.3	95.2	96.6	1 374.4
<b>Net profit</b>	1.1	0.5	1.0	1.4	1.3	1.5	1.3	18.1
<b>ROE, %</b>	12.1	5.3	9.1	11.8	13.2	11.9		12.7
<b>ROA, %</b>	1.3	0.6	1.1	1.4	1.6	1.4		1.5
<b>NIM, %</b>	6.3	4.4	5.3	6.2	5.5	6.0		5.3
<b>Cost/Income, %</b>	43.4	51.1	44.9	48.7	44.4	47.6		48.9
<b>Loans/Deposits, %</b>	146.2	111.7	91.6	91.9	91.7	92.4		88.6
<b>CAR, %</b>	14.5	17.1	17.0	16.8	16.7	16.7		17.7
<b>Number of children born to bank employees</b>	86	78	103	89	52	72		53

As at 30.09.2019:  
1USD =64.4156 RUB  
1EUR =70.3161 RUB

## Key financials

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"



## Center-invest Bank: market share

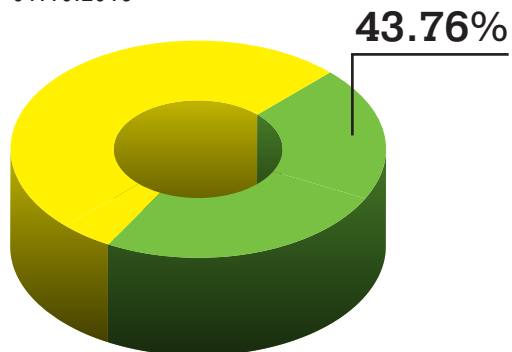


### Share of Center-invest Bank in southern Russia

among local banks in CIB's operational area

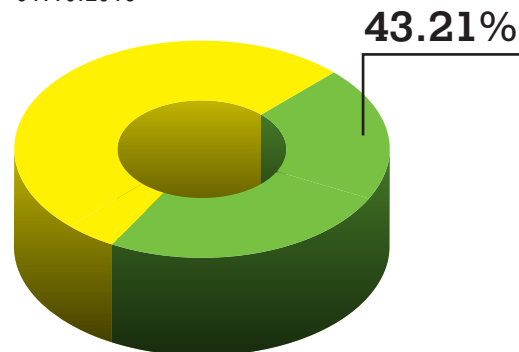
#### Loans\*

01.10.2019



#### Deposits

01.10.2019



\*retail corporate loans, leasing, factoring

Due to the lack of data on regional Sberbank branches of Russia, information about a share among all banks isn't available.

## Competitive positions: rankings



### In ranking of the largest Russian banks as at 01.10.2019:

<b>33</b>	Value of retail loan portfolio
<b>34</b>	Value of retail deposits
<b>42</b>	Value of corporate loan portfolio
<b>45</b>	Value of total loan portfolio
<b>53</b>	Value of total assets

<https://raexpert.ru/rankings/bank/monthly/oct2019/>



### In ranking of largest mortgage banks as at 01.01.2019:

<b>16</b>	Value of issued mortgage loans
<b>18</b>	Value of mortgage loan portfolio

[https://raexpert.ru/rankings/bank/ipoteka\\_2018/](https://raexpert.ru/rankings/bank/ipoteka_2018/)



### In ranking of TOP-15 Russian banks for SMEs as at 01.01.2019:

<b>3</b>	Value of loan portfolio to individual entrepreneurs
<b>7</b>	Value of loan portfolio to small business
<b>13</b>	Value of loan portfolio to medium enterprises
<b>15</b>	Value of total SME loan portfolio

[https://raexpert.ru/rankings/bank/msb\\_2018](https://raexpert.ru/rankings/bank/msb_2018)



### TOP-50 Russian Banks by "The Banker"

<b>4</b>	Loans to Assets ratio
<b>15</b>	Positive trend in profit
<b>18</b>	ROE
<b>20</b>	Positive trend in capital
<b>24</b>	ROA
<b>25</b>	Cost/Income
<b>28</b>	CAR
<b>33</b>	Profit
<b>41</b>	Assets
<b>45</b>	Tier 1 Capital

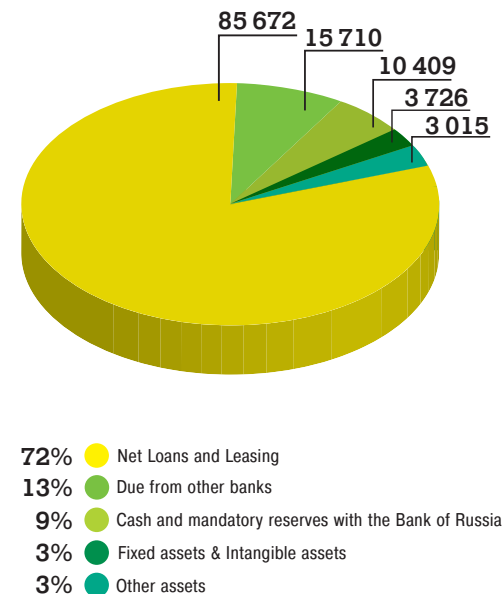
<http://www.thebanker.com>

## Assets: dynamics and structure

**Loan Portfolio & Assets, P bn**

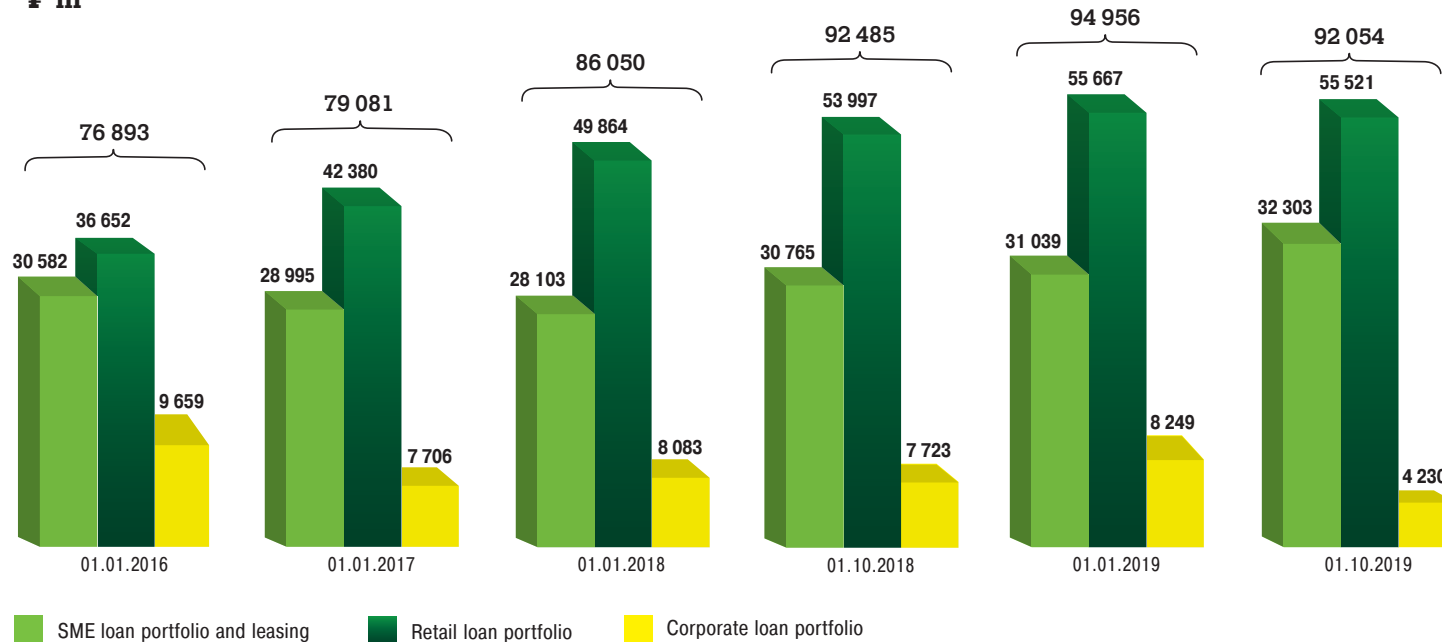


**Assets structure, P m**

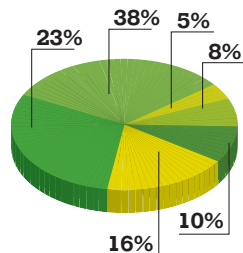


## Loan portfolio development

₽ m

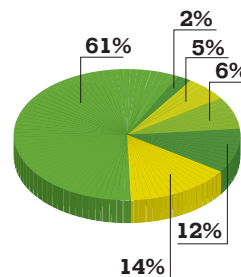


## Structure of the loan portfolio



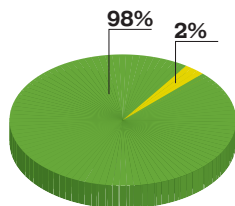
### Industries structure

- 38 %** – Agriculture
- 23 %** – Trade
- 16 %** – Manufacturing
- 10 %** – Transport
- 8 %** – Others
- 5 %** – Construction



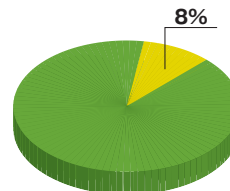
### Structure by collateral

- 61 %** – Real estate and property
- 14 %** – Guarantees
- 12 %** – Motor vehicles
- 6 %** – Farming machines
- 5 %** – Pledge of rights
- 2 %** – Others



### Structure by currency

- 98 %** – Russian rubles
- 2 %** – Foreign currency



### TOP-10 Borrowers\*

- 8 %** – Share of TOP-10 Borrowers in gross loan portfolio and leasing

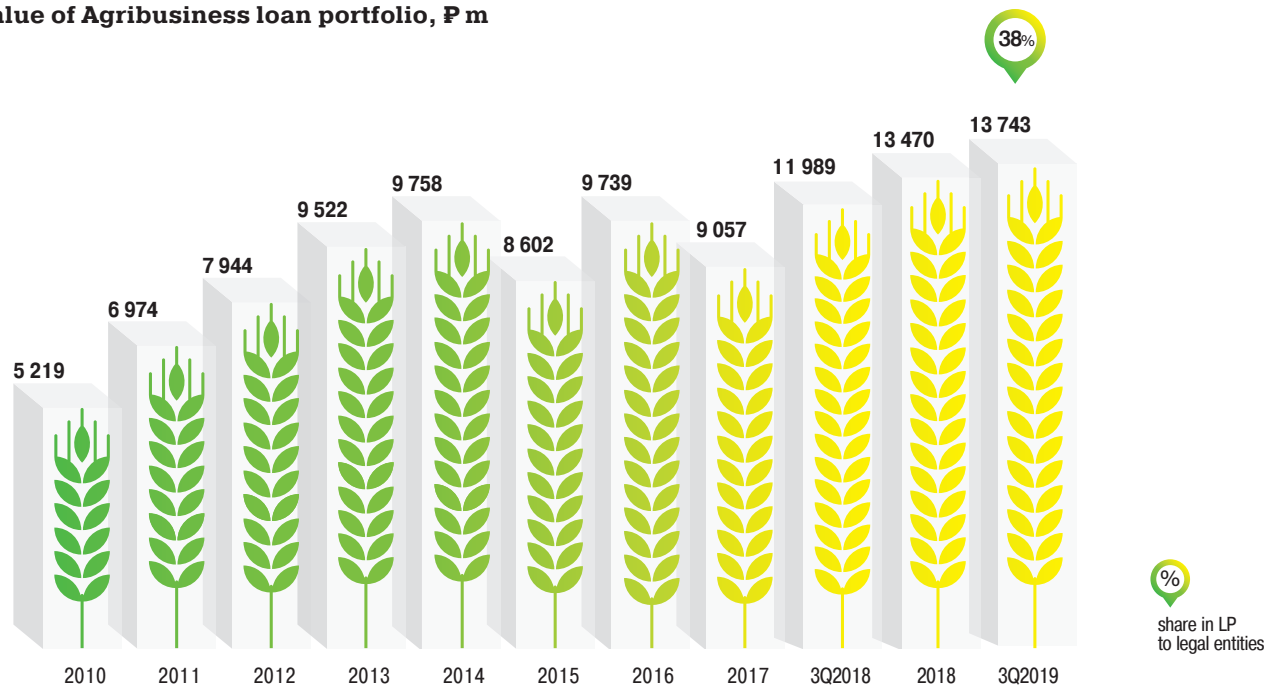
Gross loan portfolio and leasing (RUB 92.054 bn)

\*%, loans and lease before provisions



## Agribusiness Lending

Value of Agribusiness loan portfolio, P m

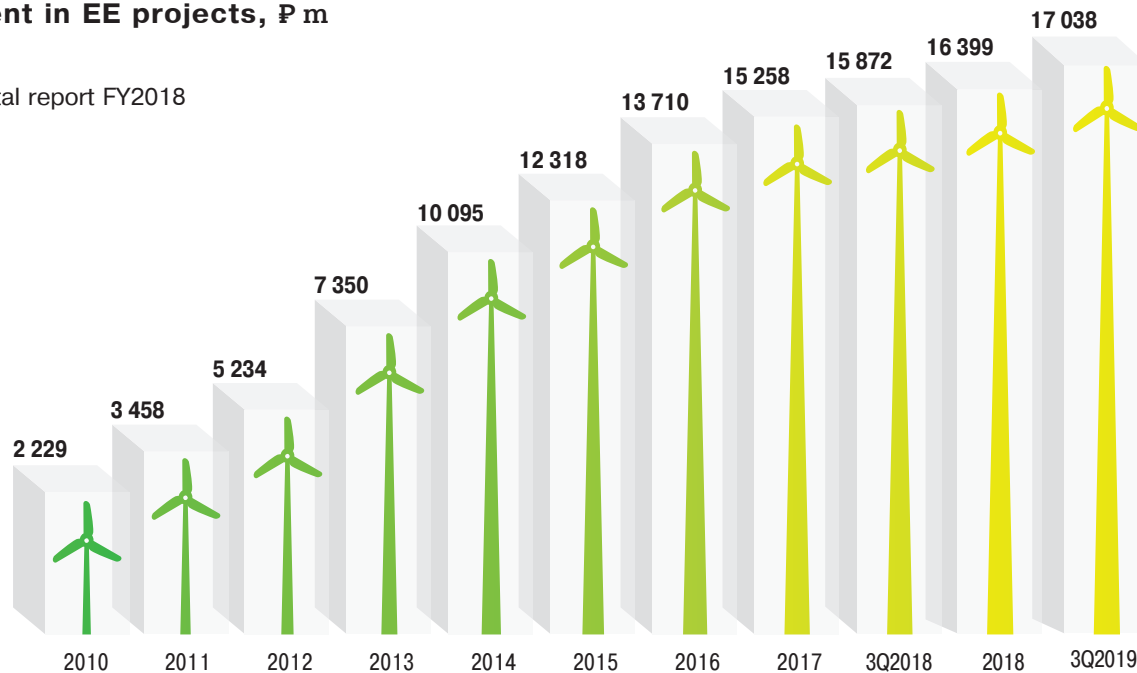


Bank was included in the list of credit institutions approved by the Ministry of Agriculture and authorized to participate in the government's preferential agricultural lending programme.

## Energy Efficiency Lending

### Total investment in EE projects, ₪ m

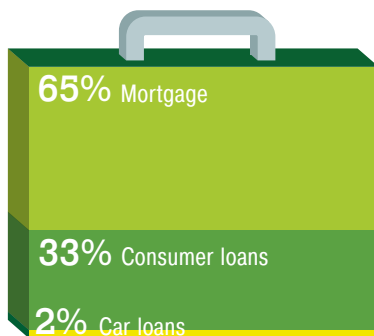
Annual Environmental report FY2018



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.

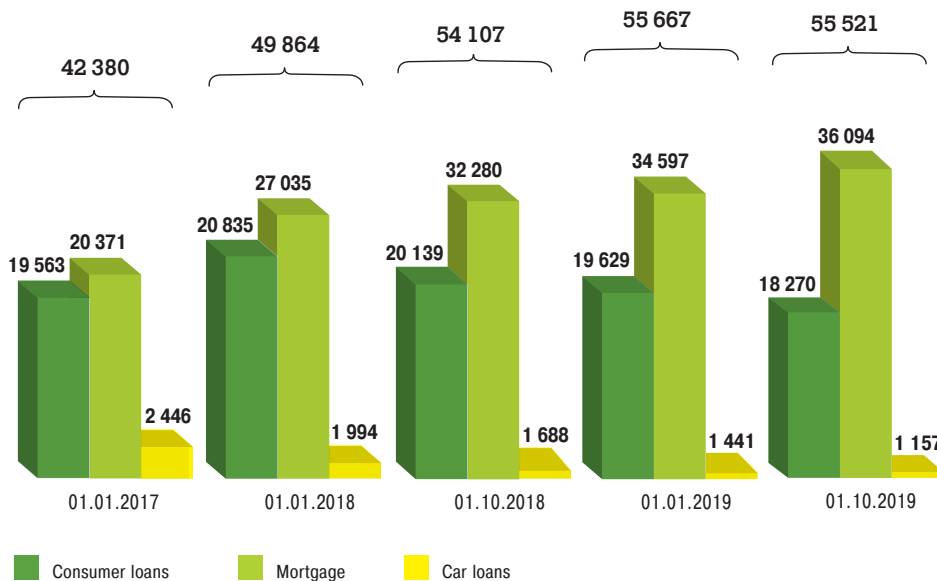
## Retail lending

**Breakdown  
by loan volumes  
as at 01.10.19**



NPL 90+ is 5.05%

**Dynamics and structure  
of retail lending portfolio, ₴ m**



## Accelerator of Center-invest Bank



This is an innovative space for opening and development of all types of businesses. More than 5008 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

**741**  
projects

total of  
**891** P m



#### Business loans for women

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

**667**  
projects

total of  
**1038** P m



#### Social responsibility

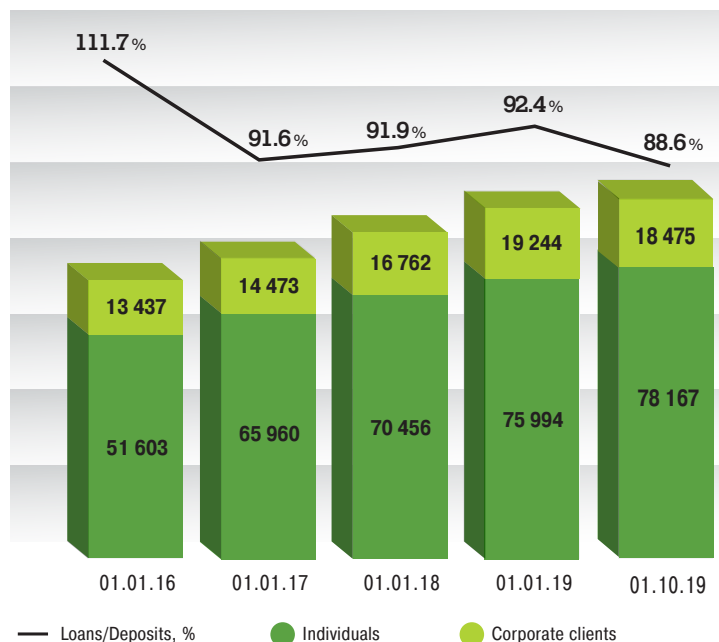
- ✓ educational services, health
- ✓ the revival of cultural traditions
- ✓ 2017 - start of programme

**39**  
projects

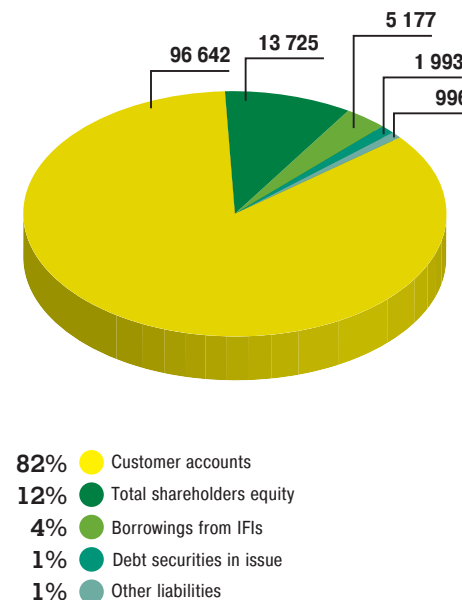
total of  
**104** P m

## Liabilities: dynamics and structure

**Dynamics and structure of customer accounts, ₪ m**



**Liabilities structure, ₪ m**



## Center-invest Bank on financial markets



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

### Our partners



responsAbility



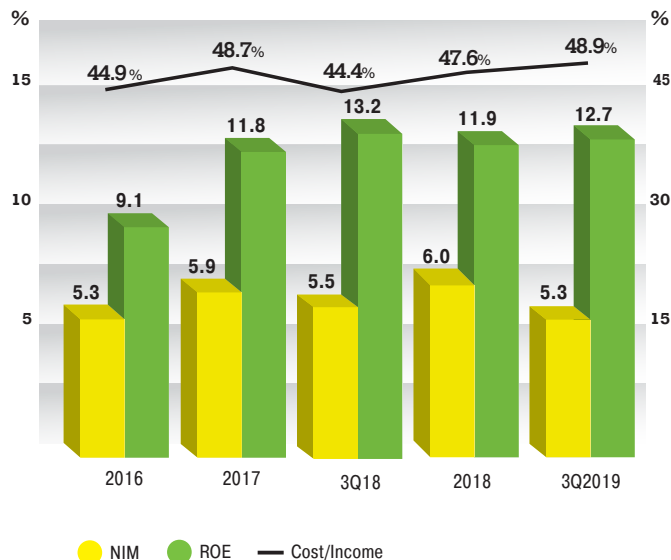
### Bonds in circulation

Series	Total par value, RUB m	In circulation, RUB m	Maturity date	Put option date	Coupon rate, % per annum
<b>Exchange bonds, BO-001P-04 series*</b>	713.9	713.9	10.2021	04.2020	8.00
<b>Exchange bonds, BO-001P-05 series*</b>	412.1	412.1	03.2022	09.2020	8.25

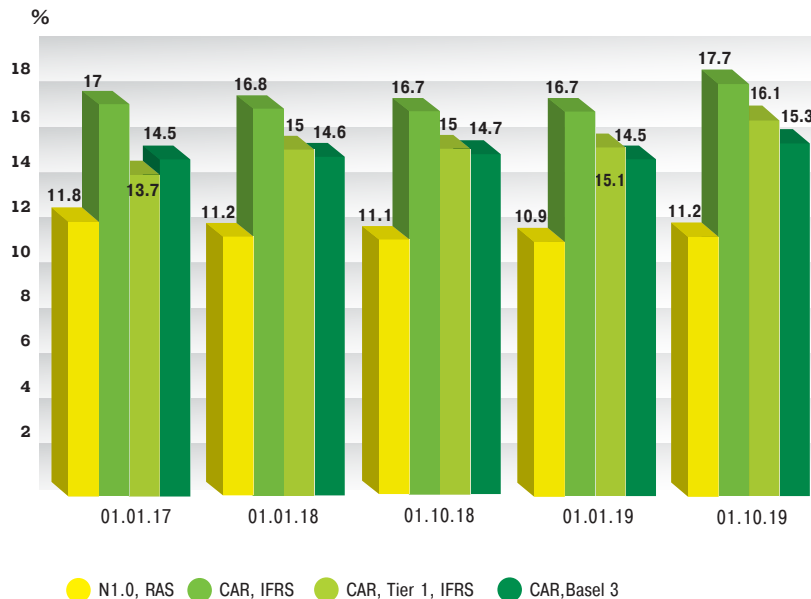
\* Bonds for population

## Operational efficiency

### Profitability



### Capital adequacy



## Focus on future generations

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 19.000 students have entered the competition since it began, and 4.800 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](http://school.centrinvest.ru)) combines training modules in the basics of entrepreneurship and tests in 6 languages. Over 43 367 people have registered on the portal so far. 20 954 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.

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.



## Center-invest Bank in 2019



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 Analytical Credit Rating Agency (ACRA) confirmed rating for Center-invest Bank at a national scale rating of A (RU), stable outlook.

The Center-invest Bank is one of the top-10 most profitable and efficient banks in Russia based on 1H2019 results. According to ratings published, Center-invest Bank ranks 7th among Russian banks for return on equity and 10th for efficiency (return on assets) development.

The rating Agency Expert RA has published a ranking based on the research of Russian banks with small businesses for 2018. The Center-invest Bank ranked 3rd in terms of individual entrepreneurs loan portfolio, 7th in terms of small business loan portfolio, 11th in terms of SME loans and 13th in terms of medium business loans.



Center-Invest Bank took part in the Business Forum "Supporting the Growth of Regional Cooperation in Russia" of the Black Sea Trade and Development Bank. The organizers praised the role of Center-Invest Bank in promoting the real sector of the economy in the country and working with international financial institutions.

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



**Dr. Vasily Vysokov**

Chairman  
of the Board of Directors



**Tatiana Vysokova**

Member  
of the Board of Directors



**Olga Vysokova**

Advisor  
to the Supervisory Board



**Sergey Smirnov**

Chairman  
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**Yuriy Bogdanov**

Director  
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**Lidia Simonova**

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Condensed Consolidated Interim Financial  
Statements in accordance with IFRS



**ESG – Banking:made in Russia**