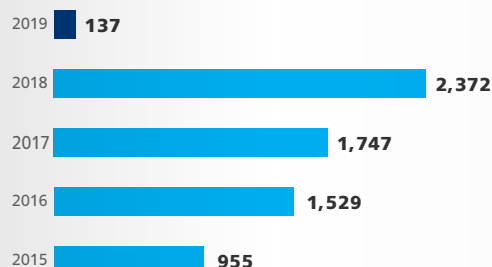


REMUNERATION PAID TO MEMBERS OF THE SUPERVISORY COUNCIL, RUB thousand



COMPENSATION OF EXPENSES FOR MEMBERS OF THE SUPERVISORY COUNCIL, RUB thousand



The decision on the payment of remuneration to members of the Supervisory Council based on 2018 results was taken at VTB Bank’s Annual General Meeting of Shareholders on 5 June 2019.

The decision on the payment of remuneration to the members of the Supervisory Council based on 2019 results will be made at VTB Bank’s Annual General Meeting of Shareholders in 2020.

In accordance with applicable Russian legislation, members of the Supervisory Council who are state employees do not receive any remuneration.

Remuneration is paid by the Bank through bank transfers; no other forms of remuneration are stipulated.

Supervisory Council members who are not state employees are compensated for expenses they incur while carrying out their duties, including accommodation, food, travel expenses (including VIP lounge services), other duties and fees for air and rail transport.

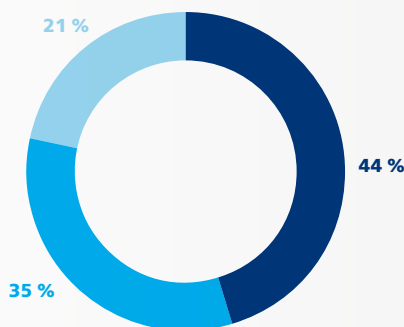
COMMITTEES OF THE SUPERVISORY COUNCIL

The Supervisory Council has standing committees that support the effective implementation of the Council’s managerial and supervisory functions and that provide preliminary detailed analysis and recommendations regarding the issues that the Council deems most important.

At the end of 2019, the Supervisory Council had the following committees:

- Strategy and Corporate Governance Committee;
- Audit Committee;
- Staff and Remuneration Committee.

ISSUES CONSIDERED BY THE SUPERVISORY COUNCIL COMMITTEES



- Strategy and Corporate Governance Committee
- Audit Committee
- Staff and Remuneration Committee

[Regulation on Remuneration and Compensation Paid to the Members of the Supervisory Council](#) (available in Russian language only).

80 issues were considered by the Supervisory Council committees in 2019

STRATEGY AND CORPORATE GOVERNANCE COMMITTEE



Andrey Kostin
Committee Chairman

"In 2019, the Strategy and Corporate Governance Committee submitted recommendations to the Supervisory Council on key issues of strategic and business planning, including the Committee's recommendation that the Bank's Development Strategy for 2019–2022 to be approved. The Committee paid special attention to digital technologies introduced into the Bank's operations."

STRATEGY AND CORPORATE GOVERNANCE COMMITTEE MEMBERS



Matthias Warnig



Alexander Sokolov



Sergey Dubinin



Oksana Tarasenko



Igor Repin
(independent director)



Vladimir Chistyukhin

MAIN TASKS:

- Determining the Bank's strategic goals and development priorities for the short, medium and long term, and monitoring of the achievement thereof;
- Supporting and improving the Bank's corporate governance system;
- Improving the strategic management of the Bank's capital.

KEY AREAS OF WORK IN 2019

Strategic objectives and priorities:

- New versions of VTB's business and financial plans (budget) for 2019;
- VTB Bank's business and financial plans (budget) for 2020;
- VTB Bank's Development Strategy for 2019–2022;
- VTB's Bank Long-Term Development Programme for 2019–2023;
- Report on the implementation of VTB Bank's Long-Term Development Programme for 2014–2019 based on the results of 2018;
- Report on the implementation of the IT strategy for 2017–2019;
- VTB Bank's Operational Efficiency and Cost Reduction Programme for 2019;
- VTB Bank's Investment Programme for 2019;
- Establishment of VTB UK Holding;
- VTB Bank's financial stability recovery plan;
- Termination of the Bank's participation in Banco VTB África, S.A.;
- Termination of VTB Bank's participation in *Ryabinovaya*.

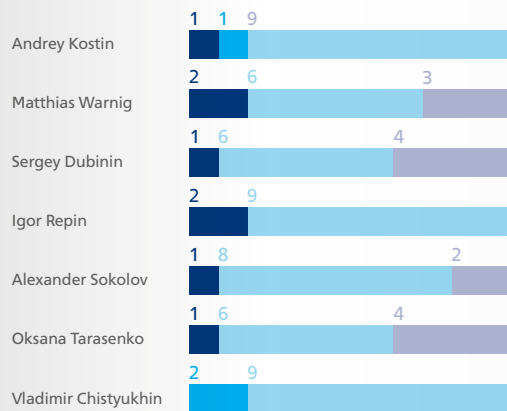
Capital management:

- Distribution of profits for 2018 and determination of the amount of dividends to be paid out;
- VTB Bank’s risk and capital management strategy;
- Increasing/decreasing the capital of subsidiaries.

Corporate governance:

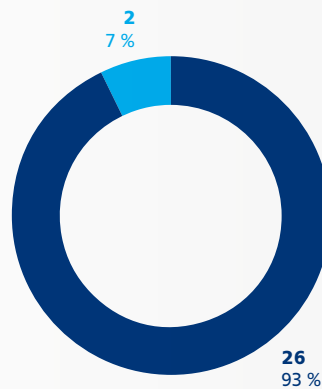
- Results of the assessment of VTB Bank’s corporate governance system;
- The Bank’s accession to the *Association of Big Data Market Participants*;
- Procedures for managing VTB Bank’s most significant risks.

STATISTICS ON THE PARTICIPATION IN MEETINGS/ABSENTEE VOTING OF THE MEMBERS OF THE STRATEGY AND CORPORATE GOVERNANCE COMMITTEE



- Attendance at in-person meetings
- Presented written opinion at an in-person meeting
- Participation in absentee voting
- Did not attend meetings: was not a member of the committee / there was a conflict of interest

ISSUES CONSIDERED BY THE STRATEGY AND CORPORATE GOVERNANCE COMMITTEE



- Recommendations submitted to the Supervisory Council
- Issues within the exclusive remit of the committee

28
issues
were considered
by the Strategy
and Corporate
Governance
Committee
in 2019

AUDIT COMMITTEE



Yves-Thibault de Silguy
(Senior independent director)
Committee Chairman

"The work of the Audit Committee throughout 2019 helped the Supervisory Council conduct regular in-depth reviews of VTB Bank's financial statements and its performance. Thanks to the transparent actions of the Bank and its compliance with the strictest international reporting standards, shareholders and regulators were presented with a very reliable and objective picture of the Bank's financial situation."

AUDIT COMMITTEE MEMBERS



Shahmar Movsumov
(Independent director)



Igor Repin
(Independent director)

MAIN TASKS:

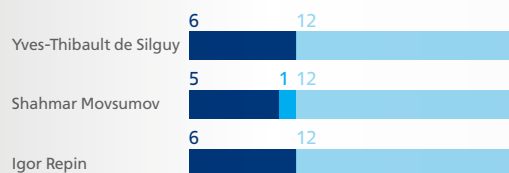
- Ensuring the completeness, accuracy and reliability of the Bank's financial statements;
- Ensuring the reliability and performance of the risk management and internal control system;
- Ensuring the independence and objectivity of the internal and external audit functions.

KEY AREAS OF WORK IN 2019:

- Discussion of strategic issues related to the Bank and the Group's development and risk management, including qualitative changes in the corporate and retail loan portfolios and the results of compliance risk management;
- Dialogue with the Bank's management concerning corporate and social responsibility within VTB Group;
- Discussion of plans on the integration of the banking business of new members of VTB Group;
- Analysis of VTB's share price;
- Analysis of initiatives implemented by VTB aimed at maintaining the effectiveness of the internal control system in combating money laundering and the financing of terrorism;
- Oversight of the annual open tender for the selection of an external auditor, including the recommendation of candidates to the Supervisory Council;
- Coordinating with the external auditor, assessment of the external auditor's report and recommendations provided as part of the audit process and of the review of the Bank and Group's interim and annual RAS and IFRS financial statements;

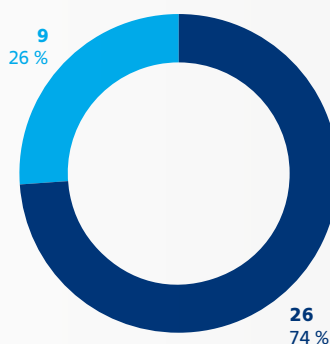
- Regular review of the consolidated financial statements of VTB Bank in compliance with IFRS and quarterly monitoring of the financial results of VTB Group;
- Preliminary review of matters related to the Bank's Internal Audit Department: analysis of the schedule for internal auditing, discussion of reports of the Internal Audit Department on significant violations and shortcomings discovered at VTB Bank and its subsidiaries, recommendations by internal audit and external supervisory bodies to further improve the procedures involved in internal and external auditing;
- Discussion of issues related to the development of internal auditing, including consideration of the results of an external assessment of the activities of the Internal Audit Department by *PwC*, which confirmed that VTB's internal auditing was in compliance with all auditing standards; the assessment also confirmed that the function had reached a high level of maturity;
- Review of other matters related to the Bank's activities, including pursuant to particular assignments from the Supervisory Council.

STATISTICS ON THE PARTICIPATION IN MEETINGS/ABSENTEE VOTING OF THE MEMBERS OF THE AUDIT COMMITTEE



- Attendance at in-person meetings
- Presented written opinion at an in-person meeting
- Participation in absentee voting

ISSUES CONSIDERED BY THE AUDIT COMMITTEE



- Recommendations submitted to the Supervisory Council
- Issues within the exclusive remit of the committee

35
issues
were considered
by the Audit
Committee
in 2019

STAFF AND REMUNERATION COMMITTEE



Sergey Dubinin
Committee Chairman

“With the direct participation of the Staff and Remuneration Committee, the Bank approved new versions of its Regulations on Remuneration and Compensation of Executive Bodies that guarantee that executive bonuses are directly tied to the performance of executive duties. In addition, a decision was made to have an independent consultant conduct an assessment of the performance of the Supervisory Council, and the corresponding criteria were approved.”

STAFF AND REMUNERATION COMMITTEE MEMBERS



Shahmar Movsumov
(Independent director)



Igor Repin
(Independent director)

MAIN TASKS:

- Ensuring continuity in the activities of the Bank’s executive bodies and the Statutory Audit Commission;
- Arranging a performance assessment of the Bank’s executive bodies and the Statutory Audit Commission;
- Review of the Bank’s HR policy, including in terms of remuneration and oversight of its implementation;
- Assistance in ensuring compliance with the legal requirements governing the activities of members of the Bank’s executive bodies and the Statutory Audit Commission.

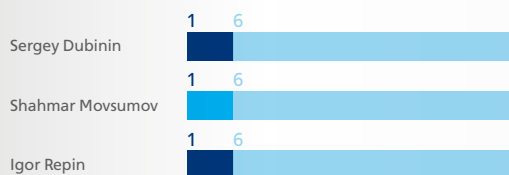
KEY AREAS OF WORK IN 2019:

- Formation of the Supervisory Council and the Statutory Audit Commission;
- Consideration of the status of independent members of the Supervisory Council;
- Determination of the amount of remuneration for work on the Supervisory Council and the Statutory Audit Commission;
- Determination of the members of VTB Bank’s Management Board and remuneration for their work;
- Approval of new version of the Regulation on Remuneration and Compensation of the Executive Bodies of VTB Bank and key performance indicators for their work;

- Conducting an external assessment of the work of the Bank's Supervisory Council;
- Assessment of the compliance of the members of VTB Bank's Supervisory Council with the independence criteria for members

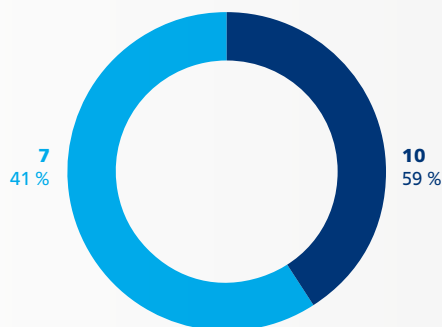
- of an issuer's Board of Directors (Supervisory Council) as provided for by the *Moscow Exchange* Listing Rules;
- Other issues within the remit of the committee.

STATISTICS ON THE PARTICIPATION IN MEETINGS/ABSENTEE VOTING OF THE MEMBERS OF THE STAFF AND REMUNERATION COMMITTEE



- Attendance at in-person meetings
- Presented written opinion at an in-person meeting
- Participation in absentee voting

ISSUES CONSIDERED BY THE STAFF AND REMUNERATION COMMITTEE



- Recommendations submitted to the Supervisory Council
- Issues within the exclusive remit of the committee

17
issues
were considered
by the Staff
and Remuneration
Committee
in 2019