

In light of the merger of the Bank's retail and corporate networks, work with the network's staff reserve entered a new stage of development. A large-scale project was launched to develop a staff reserve for managers for the integrated network.

TRAINING AND DEVELOPMENT

The priorities for the development of professional and behavioural competencies among the Bank's employees in 2019 were determined by the objectives established in the VTB Group Strategy: building a culture of leadership and performance with a balance of team and individual success and meeting the highest standards in terms of service quality for external and internal clients. Training programmes for managers were aimed at improving managerial skills, developing client-centricity and managing service quality. Work continued with international business schools and foreign professors. More than 200 managers took part in training programmes run by the *INSEAD* and *IMD* business schools.

A variety of formats were used to develop the functional skills of employees, from classical modular training programmes to functional coaching (for teams working on the flexible development of IT solutions), international internships to study best practices (corporate accelerator), the development of expert communities and short-duration development formats such as technology breakfasts, in which more than 5,000 employees and invited experts from other high-tech companies took part.

Within the framework of the special-purpose model for the development of Agile teams, the range of training courses and other training formats was considerably expanded.

The training of employees from popular specialties was carried out both in person and through digital content delivery channels, which made it possible for employees in all regions to develop behavioural competencies and to maintain and improve their professional skills. On average, more than 10 development events in various formats were carried out for each Bank's employee in 2019.

WORK WITH YOUNG SPECIALISTS

In 2019, the second season of the *I Am a Professional* competition for Russian students took place within the framework of Russia – *Land of Opportunity platform*. VTB Bank once again acted as the main organising partner for the competition. As part of the project, winter schools were held in two

fields: finance and credit and business informatics. The schools involved presentations by speakers that included top managers from the Bank and leading instructors from the *Higher School of Economics*, as well as practical workshops, business games and business simulations. The winners of the competition were offered an opportunity to undertake an internship at the Bank.

Work with young specialists continued in the framework of the Bank's *Junior and Growth* programmes. The Junior programme was scaled up last year to include the Bank's integrated regional network. All training and development programmes for young professionals include a variety of formats: face-to-face and distance courses, as well as training sessions.

In addition, internships for young IT specialists were offered for the first time in 2019: *IT Junior* and *Java* and *JavaScript* development schools.

RESPONSIBLE RESOURCE MANAGEMENT



One of VTB Group's main priorities is taking a responsible approach to the consumption of natural resources, with considerable attention paid to improving systems for managing the Group's own resource and power consumption.

In 2019, the Group continued to implement its *Energy Conservation and Energy-Efficiency Programme*. VTB Group companies adhere to a policy of renovating existing properties, which is aimed at, among other things, increasing the resource and energy efficiency of the facilities, complying with high environmental standards and minimising the negative impact on the environment.

As part of efforts to improve the resource and energy efficiency of VTB Group properties, resource- and energy-saving technologies are being introduced everywhere, and utility systems are being replaced or upgraded, which is having an impact on resource consumption and energy efficiency. The resource- and energy-saving technologies used by VTB Group companies have a twofold impact by reducing harmful effects on the environment and the generation of hazardous waste.



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In addition to the use of resource- and energy-saving technologies aimed at reducing environmental impact, VTB Group companies are constantly reducing their own fleet and freight traffic and are optimising routes for automobile traffic. In 2019, the number of vehicles operated by VTB Group's parent company was reduced by 43 %, while the number used in the regional network was reduced by 45 %. In addition, a portion of VTB's Euro 4-rated vehicles were replaced by Euro 5-rated vehicles.

The process of reducing office printing and the transition to paperless document management is still ongoing. Used batteries are constantly being collected, and waste paper is recycled. VTB Group employees also take part in voluntary environmental activities.

The following were VTB Bank's main achievements in terms of resource management in 2019:

- Implementation of the energy-saving programme, including the following energy-saving steps taken during the year:
 - Conversion to LED lights, replacing 530 fluorescent lights, 1,310 incandescent lights and 60 halogen lights, resulting in savings of 152 thousand kWh, or RUB 815 thousand, for the year;

- Shutting down the ventilation systems in the Bank's office buildings during off-hours, holidays and weekends, resulting in savings of 181 thousand kWh, or RUB 970 thousand, for the year;
- Partial repair of thermal insulation of the pipelines used in the heating system and hot water supply;
- Introduction of resource-saving technologies, including reduction of the Bank's own fleet (passenger vehicles):
 - A 15 % reduction in gasoline consumption and a 7 % reduction in diesel consumption;
- Reduction of waste collection costs by selling a portion of the waste generated;
- Collection and transfer of hazardous waste for processing/disposal;
- Recycling of wastepaper:
 - The volume of paper recycled increased by 78 % year-on-year.

Goals for the period till 2022 in terms of resource consumption and waste management:

- Conversion to LED lights;
- Introduction of an automated electricity metering system;
- Dispatching for engineering systems;
- Maximisation of the volume of waste recycled.



In 2019, the number of vehicles operated by VTB Group's parent company was reduced

by **43 %**,

while the number used in the regional network was reduced

by **5 %**.

VTB GROUP'S RESOURCE CONSUMPTION¹

Resource type	2018		2019	
	Natural equivalent	Monetary equivalent, RUB million	Natural equivalent	Monetary equivalent, RUB million
Heating energy, Gcal	115,986	183.4	121,022	190.6
Electricity, thousand kWh	73,595	397.7	78,828	435.8
Gas, thousand m ³	399	5.3	445	5.1
Paper, tonnes	1,747	117.3	1,620	116.3
Fuel, thousand litres	2,468	105.9	2,189	96.2
Water, thousand litres	8,434	337.5	9,018	376.1
Drinking water, thousand litres	1,486	12.0	1,641	14.1

¹ Data on the resource consumption of the following VTB Group's companies: VTB Bank, Holding VTB Capital, Vozrozhdenie Bank, Sarovbusinessbank, VB-Service, VTB Factoring, VTB Leasing, VTB Specialised Depository, VTB Pension Fund, VTB Registrar, VTB Bank (Armenia), VTB Bank (Belarus), VTB Bank (Azerbaijan), VTB Bank (Georgia), VTB Bank (Kazakhstan), VTB Bank (Europe).

GENERATION AND PROCESSING OF HAZARDOUS WASTE

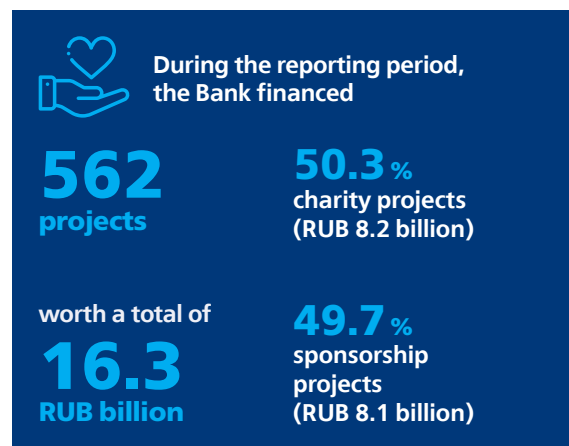
Resource type (tonnes)	2018		2019	
	Generated	% sent for processing/disposal	Generated	% sent for processing/disposal
Fluorescent lights	5	100	11	100
Batteries	1	52	11	93
Car tyres	3,141	100	2,807	100

GENERATION AND RECYCLING OF LOW-HAZARD WASTE

Resource type (tonnes)	2018		2019	
	Generated	% sent for processing/disposal	Generated	% sent for processing/disposal
Trash from office and residential buildings	4,430	100	7,182	100
Food waste	65	100	70	100

SOCIAL PROJECTS

In 2019, VTB Bank actively continued to support public-interest projects in the form of sponsorship and charitable assistance.



VTB BANK EXPENSES FOR SPONSORSHIP AND CHARITY PROGRAMMES FOR 2017–2019, RUB billion



■ Sponsorship
■ Charity