

# Statement of the Chairman of the Supervisory Council



**Anton Siluanov**  
Chairman of the Supervisory Council

## Dear shareholders, clients, and partners,

In 2019, VTB Group strengthened its position as Russian leading financial institution: profitability targets were met, and significant progress was achieved across all aspects of the Bank's Development Strategy.

The Group's results are undoubtedly positive. IFRS net profit exceeded RUB 200 billion. The number and quality of remote services available to individuals increased, the range of services for businesses was expanded, and the investment services platform was improved. We saw better-than-market mortgage sales and increased market share in retail deposits by 110 b.p. to 15.1 %. While maintaining excellent positions in terms of corporate lending, the Group focused on small and medium-sized enterprises, a segment that is extremely important for the national economy.

Important steps were taken to further the Bank's digitalisation and technological transformation. The Group launched a number of important projects in its *Retail Business* in 2019 in an effort to further improve customer service. VTB Bank was one of the first banks to start using the *Bank of Russia's Faster Payments System*. In addition, a biometric platform was launched that can identify Bank's customers through facial and voice recognition. A digital mortgage project was also implemented, which enables customers to carry out a number of operations remotely through the VTB's mobile application.

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VTB's practice of maintaining a constructive dialogue with shareholders and representatives of the investment community is recognised as one of the best in Russia, and the Supervisory Council pays special attention to relations with shareholders. For example, the Bank's Development Strategy includes major proposals on the part of minority shareholders. These steps have enabled the Bank to maintain a consistently high *National Corporate Governance Rating*.

Today, the rapidly changing landscape in the banking business poses new challenges for VTB. The Group's Development Strategy for 2019–2022, which was approved by VTB's Supervisory Council last year, was one of the main drivers behind the Group's positive results in 2019, while also providing guidelines for operating in the new business environment.

The priority areas covered in the new Strategy include healthy growth in the banking business, a strengthened focus on customer interests, as well as the accelerated introduction of advanced technologies. The achievement of these objectives will enable the Group to meet its target of RUB 300 billion in net profit in 2022.

In 2019, an external assessment of the work of the Supervisory Council was conducted for the first time. The assessment concluded that the Supervisory Council was highly engaged in decision-making on key issues concerning the Bank's operations. At the same time, the assessment highlighted

areas where the activities of both the Supervisory Council itself and its committees could be improved. The necessary changes will be implemented starting this year.

I am certain that the Group's Development Strategy, approved by the Supervisory Council, will take not only our business to a new level but also the Russian financial services sector as a whole, making it more technology-driven and customer-oriented.

I would like to express my gratitude to VTB's shareholders, clients and partners for their support and high degree of trust. In the future, the Bank will do everything necessary not just to meet your expectations but to exceed them and to achieve success together, while working for the good of society and the prosperity of our country.



Sincerely,  
**Anton Siluanov**

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