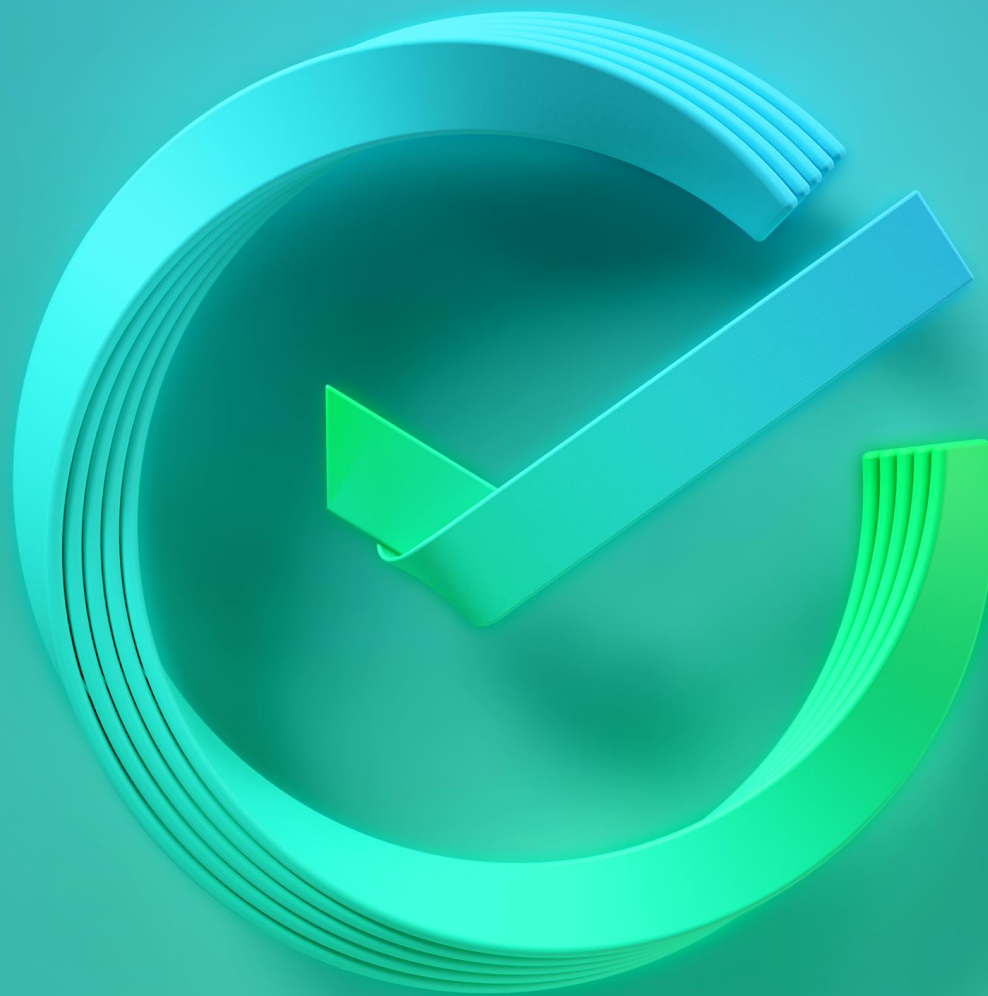




INVESTOR DAY PRESENTATION Strategy 2023

30.11 – 01.12.2020



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**Strategy
2020 results**

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and trends

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Strategy
2023



Strategy 2020 has been executed



Best client experience

In financial services

98+ mn retail clients

2.7 mn corporate clients

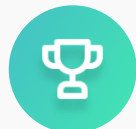
The leader in digital services and sales

Retention of market shares

In non-financial services

We satisfy **many client needs**

Strong growth



Technological leadership

New IT platform has been developed successfully, the **migration of business** has started

Reliability 99.99%

0 losses, **0** downtime

AI platform launched and gives significant additional revenues and cost savings



Efficient teams

84% employees proud to be part of Sber

Among **Top-5** IT employers

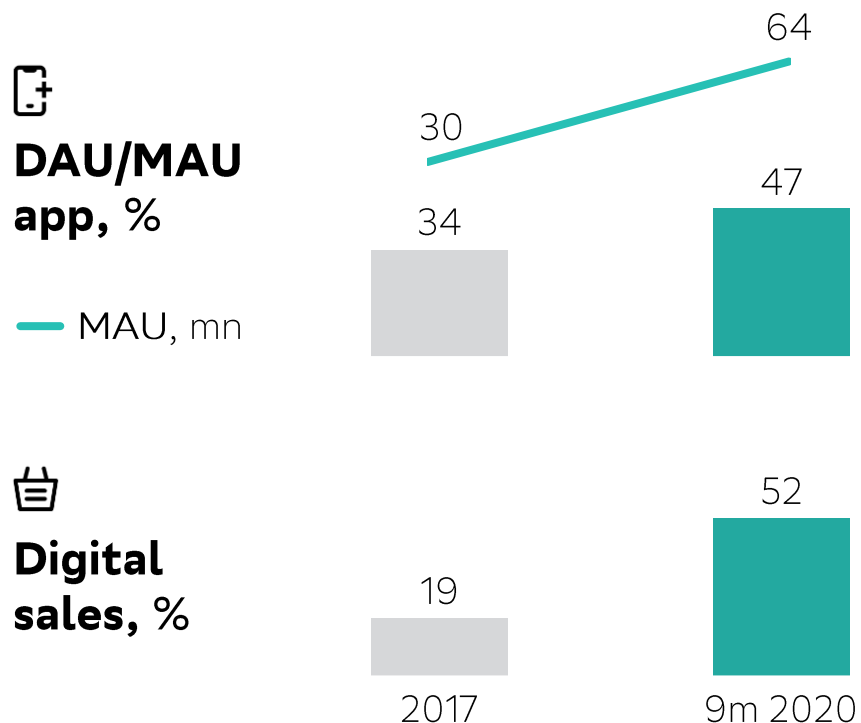
>80% services are mobile

100% HQ in Agile

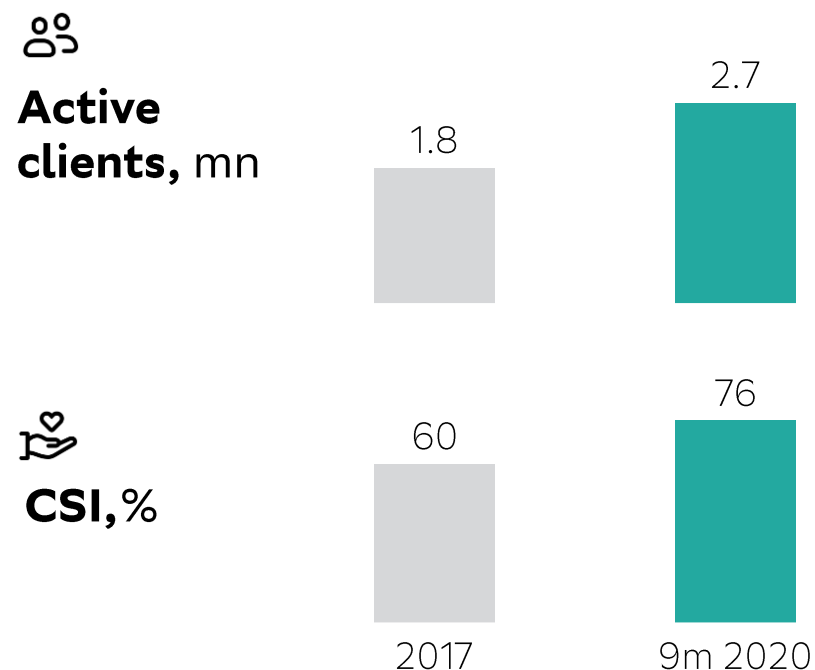
HR-platform launched

We show remarkable results in client experience for both retail clients and corporates

B2C Digitalization focus



B2B Client base growth focus



**We have delivered our financial targets,
there are adjustments due to pandemic**



**Strategy
2020 goal**

20%

1 000
in 3 years

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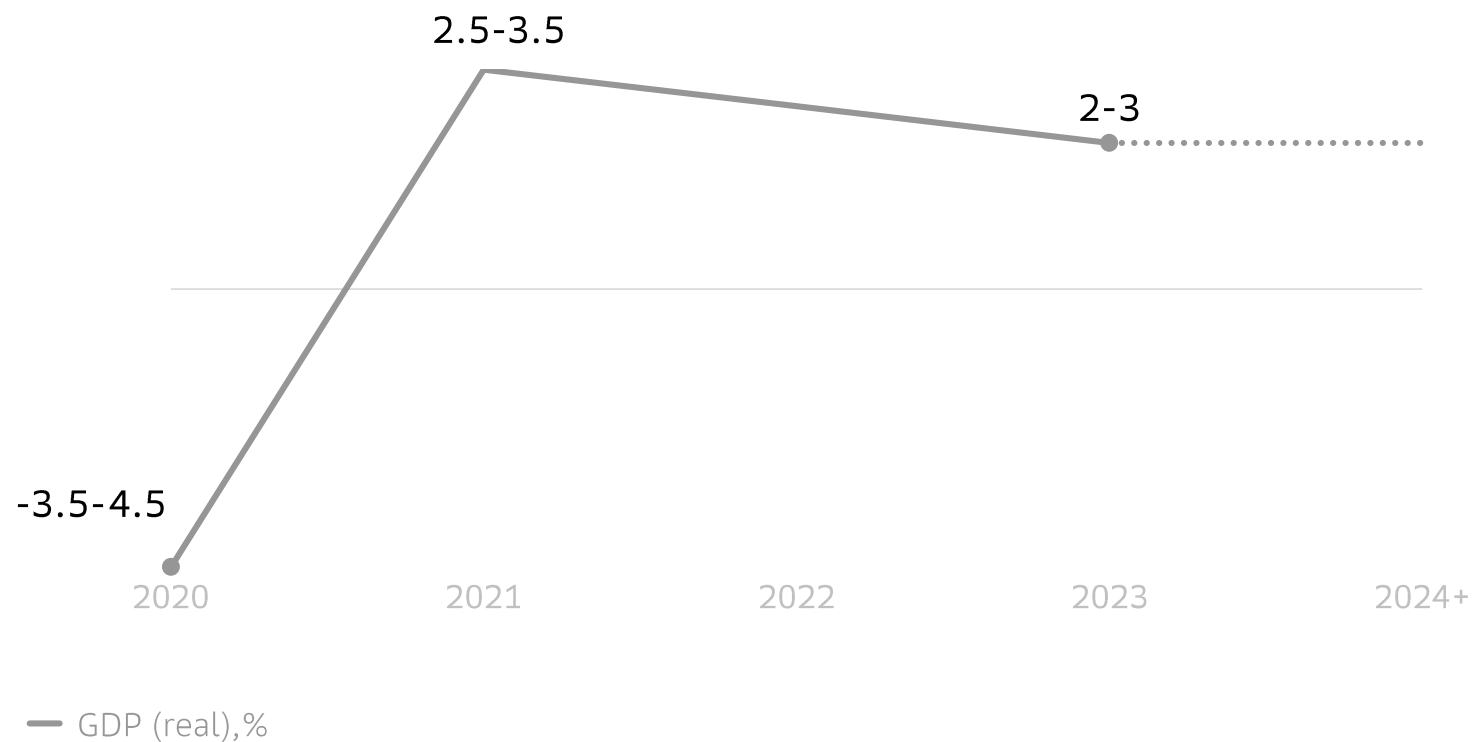
Strategy
2023



Stable economic growth rate (2-3%) expected after recovery in 2021



Macro
forecast, %





Russian banking markets are still attractive and we aim to preserve our market shares

CAGR 2023/20

 **Loans**

 **Deposits**

 **Retail**

10-12%

5-7%

 **Corporate**

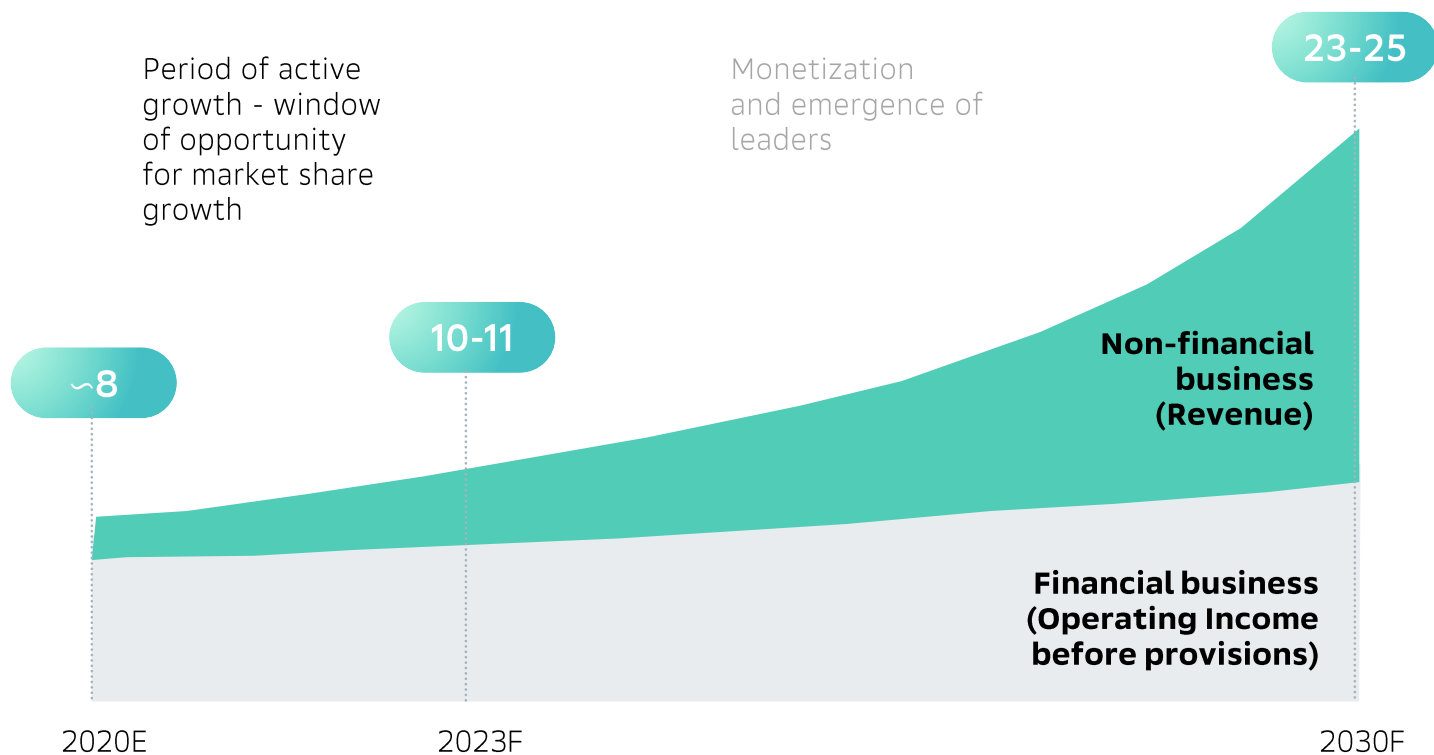
5-7%

8-10%

On the 2030 horizon, non-financial digital markets provide unique growth opportunities



Volume of total addressable market for Sber, RUB trn



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**Strategy
2023**



Main goal for 2023

**Sber is a reliable
assistant and guide
in a rapidly changing world:**

we help people, businesses
and the country to develop
sustainably



Vision: integrating the needs of retail clients, businesses and the country by Sber solutions



We help our clients and the country to develop sustainably

People

Assistant and guide in a rapidly changing world

Optimizing:

- Money
- Time
- Energy

Country

A partner for the economic growth – connecting the needs of people, businesses and the state

- We promote the welfare of our population
- We support SMEs
- We boost digitization and transform entire industries
- We support education and science

Business

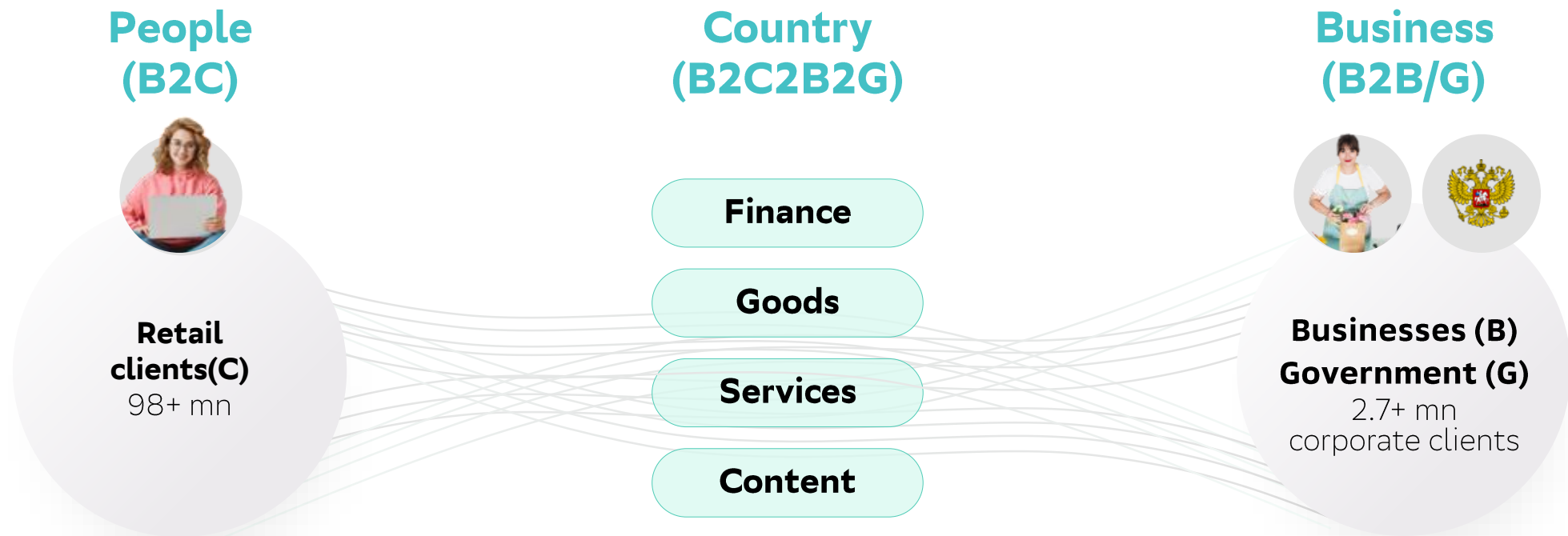
We are a partner to sustain and drive businesses through:

- increasing profits
- cutting costs
- protecting from risks
- digitalization

Implementing ESG principles for all stakeholders

Based on our Team, Platform, AI and Cybersecurity

Integrated business model B2C2B2G



ESG principles implementation for all stakeholders

Based on our Team, Platform, AI and Cybersecurity

B2C: Becoming an assistant in a changing world

Examples of products

Optimizing the client wallet

“Mass” investments
(incl. personal investment plans)

PFM - personal financial manager (assistant)

Credit potential - expanding the client wallet

Insurance (health, car, etc.)

Fast and convenient payments

SberPay, QR, biometrics
payment without card via digital wallet

Industrial solutions
(transport and utilities)

Seamless transfers to all age groups - from student to retirement

Including non-financial services into financial ones

DomClick - marketplace, online mortgage loans, trade-in

Entertainment, food delivery, mobility, etc.

Unifying elements

/SberPrime /SberProfile /SberID /SberNBA/Ads /Sber 247

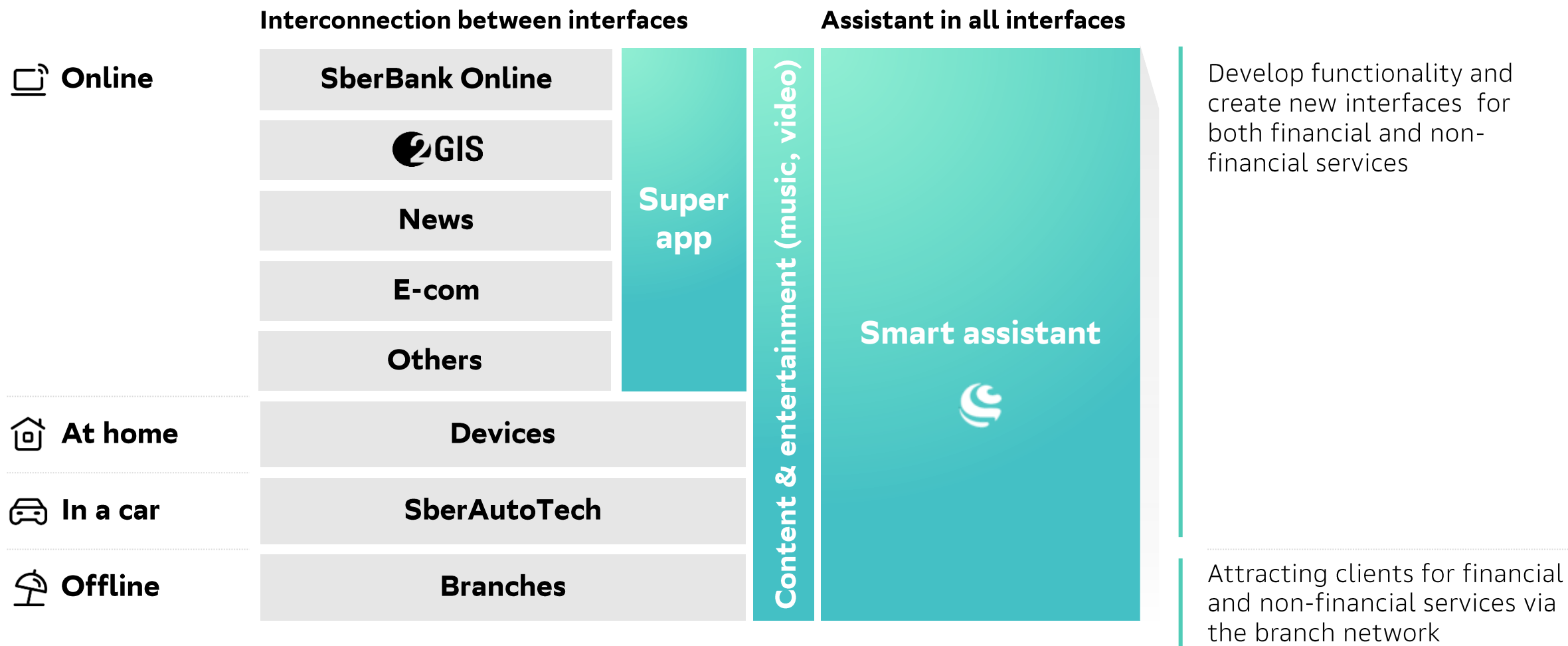
Goals 2023

Keep current financial services market share

>10 mn – SberPrime subscribers



B2C: We create cross-industrial interfaces to maximize cross-sell

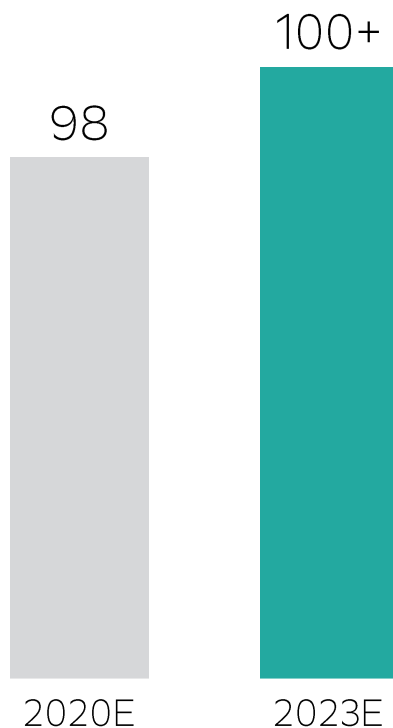


B2C: We target several key growth areas



Number of retail clients,

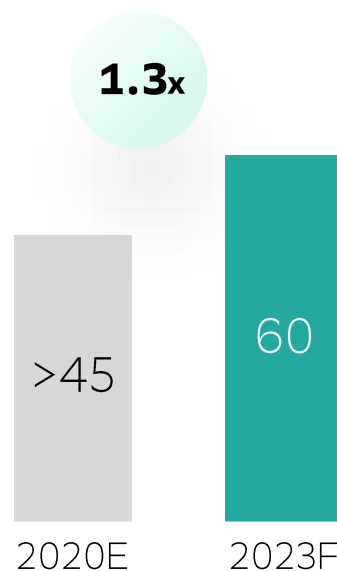
mn



Growth areas

Retail clients' cashless turnover

including acquiring, card turnover in other banks' POS terminals, payments, P2P transfers / RUB trn

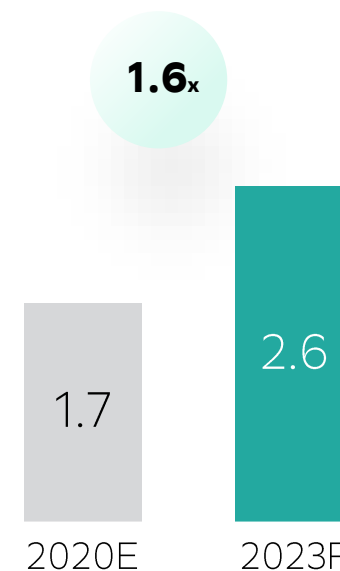


Mortgage portfolio



Assets under management

RUB trn



B2B: Supporting and driving businesses by developing financial and complementary non-financial services of the ecosystem

Key areas

Growth partner No.1

Partner in business
(workspaces)

Partner in
transactions and
finance

Examples of products

Increasing client sales

SberConnect – connecting to marketplaces

SberTarget, SberMarketing - analytics

CRM+

SmartMarket

Cutting client costs

100+ solutions of partner companies
SberSolutions, Bizzone, “Business environment”, etc.

SberCloud

Integrator

Industrial apps

Dream-lending

Investments

Payments (integration to ERP, FinLine, etc.)

Unifying elements

/SberBusinessProfile /SberBusinessID /Sber 247B2B

Goals 2023

Keep current
financial services
market share

Increase market
share in
corporate
current accounts

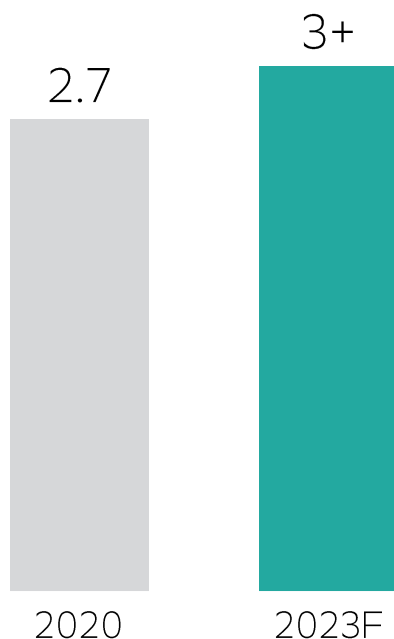
90% AI-based
loans



B2B: Growth of clients and transactions due to ecosystem development



Number of corporate clients, mn



150+ thousand

new clients attracted by ecosystem

x2 potential income

from non-financial-service client via cross-sell of financial products

Growth areas

Corporate client transaction turnover 2023,
RUB trn

>150

B2C2B2G: Integration of retail clients and businesses via marketplaces and best offers aggregation



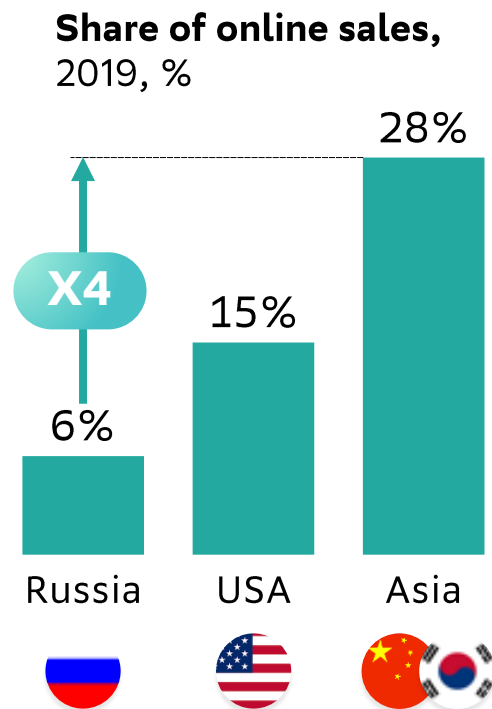
B2C2B2G: The e-commerce market in Russia is not yet mature – this is a key opportunity in the next 3 years

The e-commerce market in Russia is not yet mature

 **RUB 4,000 billion**


Market size in Russia in 2023¹


 **~20-30 %**
Expected growth rates by 2023



Development of e-commerce is crucial for the country's growth

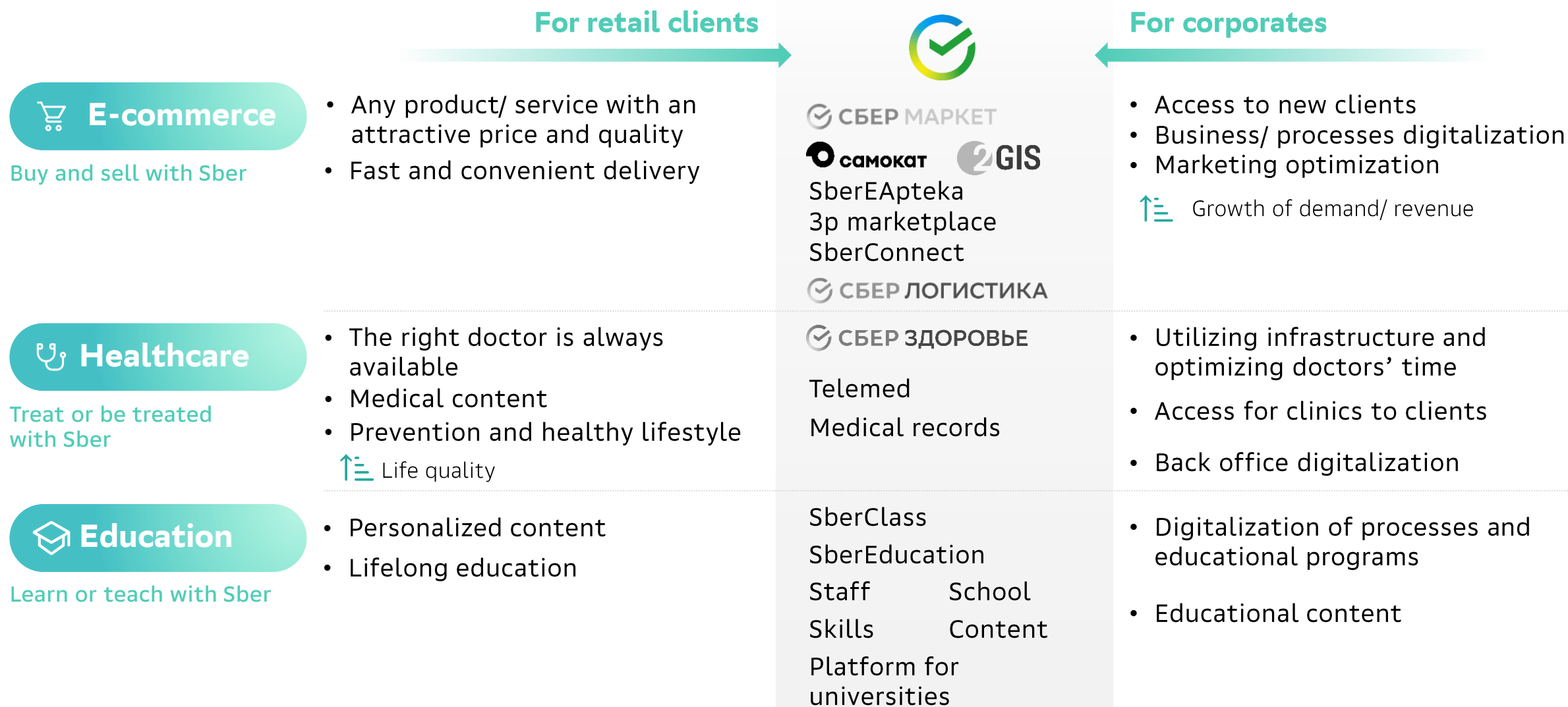
 **Cut costs** for the clients and producers and **reduce the number of intermediaries**

 Drive GDP growth by **increasing the SME's share** in the economy

 **Reduce the shadow economy's share** due to a transparent payment and reporting system



B2C2B2G: Combining needs of retail clients and corporates based on Sber's financial business



Technologies support development of new products in the Strategy

IT as a Service

Platform V

- Migration of core business to platform
- Product experiment tools
- Low-code – acceleration of development speed
- Reliability, including autonomous operations
- **Scaling ecosystem enablers**

Data

- Real-time processing of big data volumes
- Reducing cost of data storage
- Best-in-class recommendation systems

Infrastructure

- Move to Software-Defined Everything
- Increasing utilization up to world-class levels

IT as a Business

Cloud

- Building a market leader in Cloud business
- AI Cloud: environment to launch AI models from creation and testing to implementation

Virtual assistant & Smart devices

- Virtual assistants – unique client interactions (voice, text, touch, gestures)
- Smart devices with integrated assistant
- SmartMarket – new entry point to Sber ecosystem for any developer and business

Cybersecurity

Goals 2023

80% of IT-landscape in target state

↓ **4x** cost of data storage

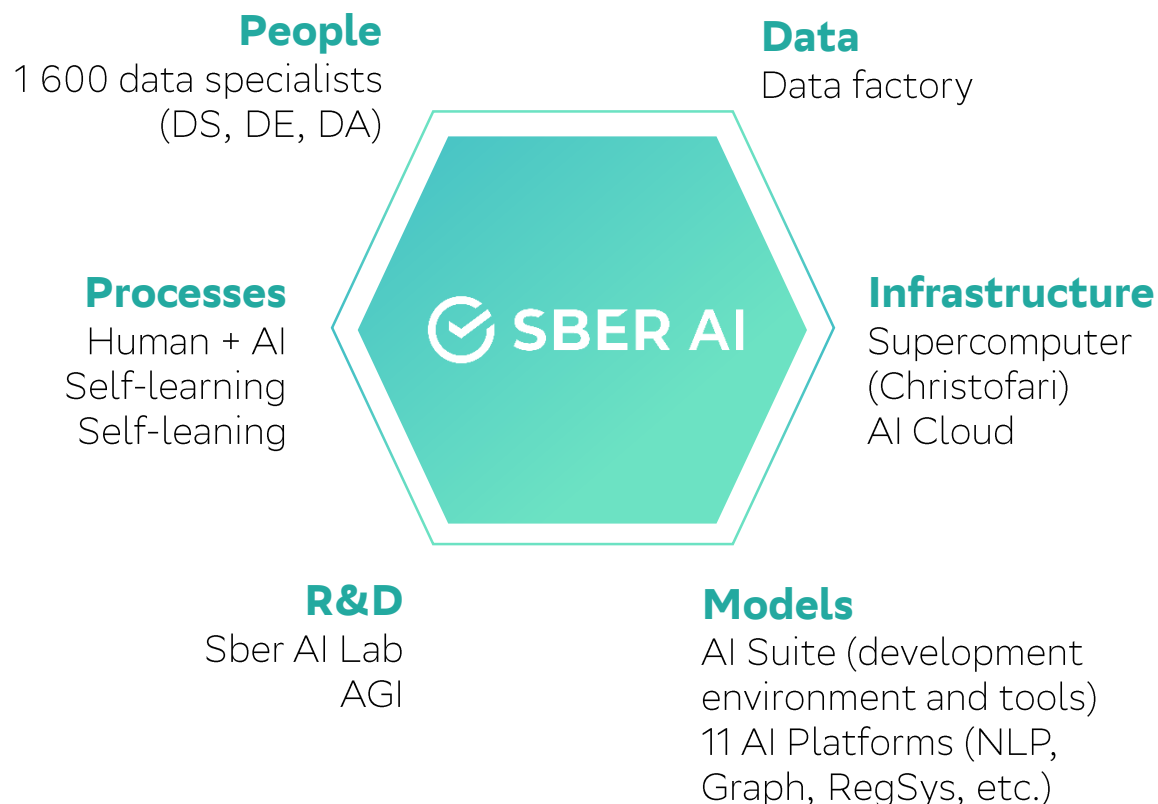
TOP-2 on IaaS & PaaS market

50 mln MAU of assistant

0 rubles – amount of losses from cyber attacks

To be AI-native is a crucial condition for Sber's efficiency growth

Sber becomes AI-native



AI will have a significant impact by 2023

Efficiency increase

~100%

Of routine processes AI-based

Financial impact

**RUB
~360
bn**

AI-driven effect

AI for good

100%

Socially responsible AI

We will continue to develop and strengthen our team

Developing the best teams that build the best ecosystem for the country

Efficient teams

- Hiring the best
- Long-term motivation
- Cooperation with universities and schools

Training and development

- Personalized learning
- Educational content factory

Agility and culture

- Culture of responsibility and performance
- Effectiveness based compensation
- Expert tracks
- Flexible work formats

HR Tech

- HR Platform
- AI tools

Goals 2023

Significant decrease in time to hire IT and data specialists

40% of vacancies in scarce specialties filled by internal candidates

75% MAU of HR-platform

85% CSI of HR-platform

We will drive the ESG agenda at a nation level

E

Ecology

Our own impact on the environment reduction

- **“Green”** office concept
- **Paper documents reduction** by **30%** annually
- **40%** – share of waste for recycling
- **30%** – share of green energy in total consumption
- **100% ESG-compliant** corporate purchases

Calculation and reduction of CO₂ footprint

S

Social

For employees

- **Equal opportunities** environment, inclusivity
- **Flexible work** formats
- **Employee engagement** retained at the high level
- **Volunteering**

For clients and the country

- **Small and micro** business support
- **Nation well-being development** by Sber’s financial and investments services
- **Healthcare and educational** technology accessibility increase

G

Governance

- **ESG-based** principles and structure of **management**
- **ESG-score** for 100% corporate borrowers
- **Global ESG initiatives participation**
 - Principles of responsible banking
 - UN Global Compact on Sustainable Development

Sber – center of competence on ESG and leader of ESG transformation in Russia



We have a good basis to succeed



Successful experience digitizing our business and behavior

Trust of retail and corporate clients to the company that have digitized their payments and banking nationwide



Largest retail and corporate client base

Over 98+ mn retail clients and 2.7 mn entities are our clients already, and they can be brought onto platform



Nationwide offline infrastructure

~14K contact points in most towns and SberLogistics for 'last mile' delivery



Ability to invest

Investment resources of the bank to create a federal infrastructure (logistics and fulfillment)



Perceived as a stable and dependable player

Perception as a stable and dependable company to attract all client segments



Unique clients data and security record

Access and protection of transaction data and other valuable client data

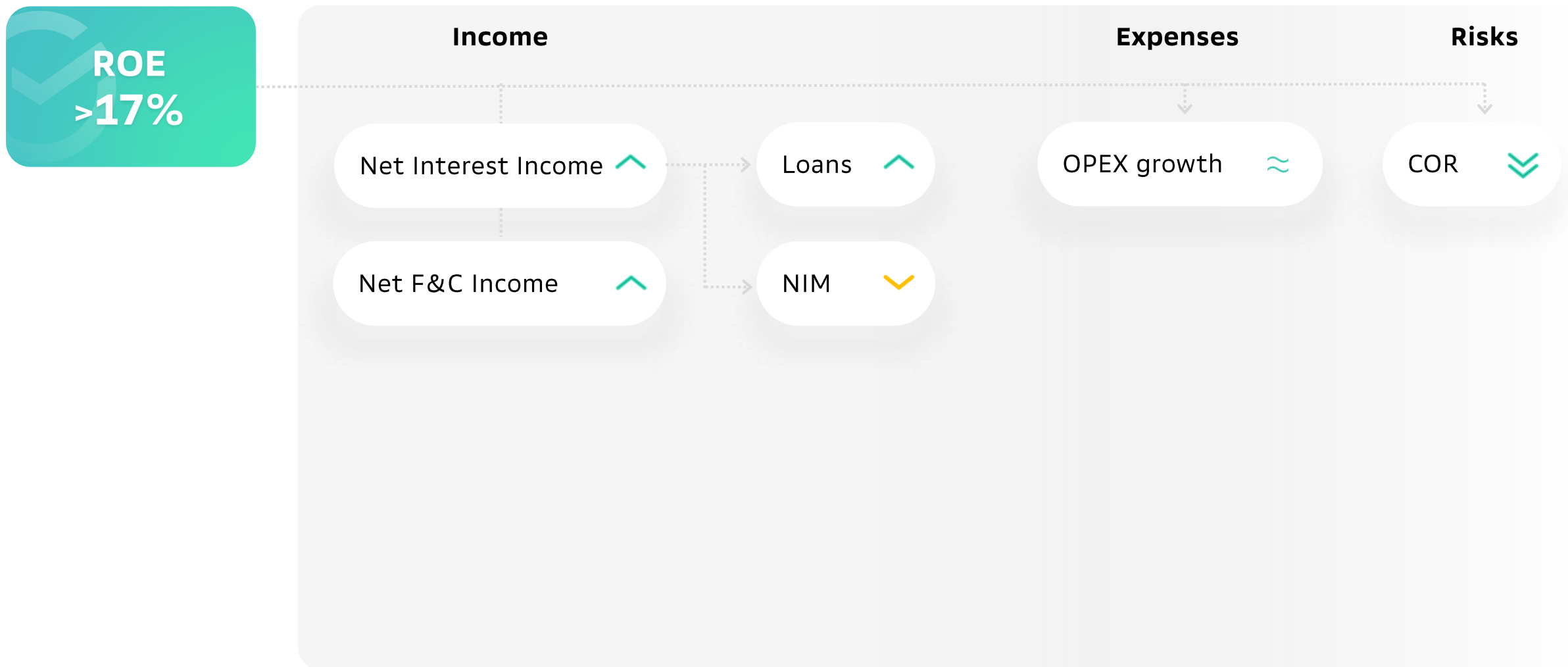
Key goals of Strategy 2023: financial metrics of the Group

2023

✓	ROE, %	>17%
✓	Non-financial service revenue CAGR, %	>100%
✓	Dividend payout ratio, %	50% ¹
✓	Tier 1 Capital adequacy (CET1)	>12.5%
✓	Financial service market share	Keep current levels

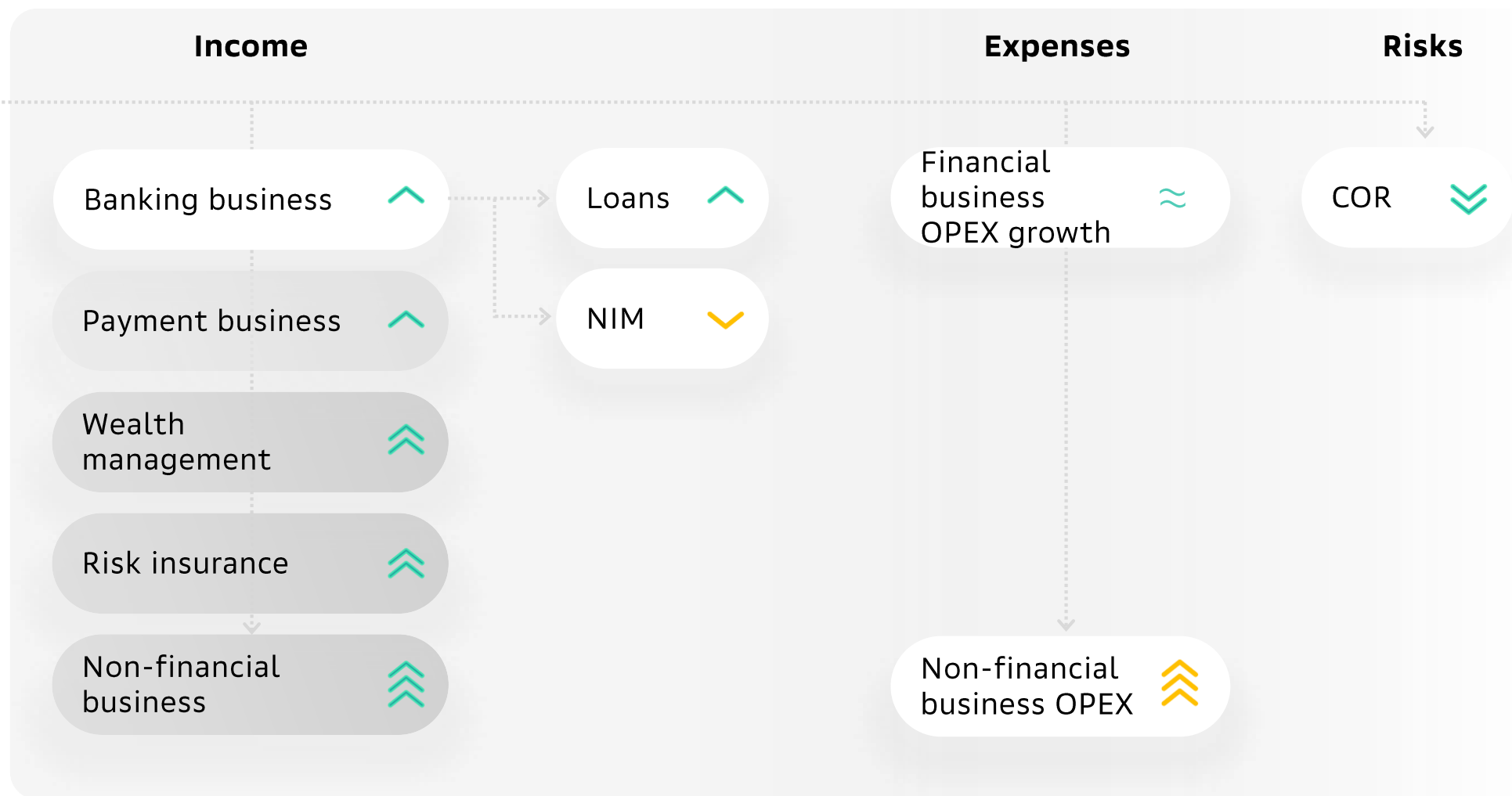
High
discipline in
cost and risk
management

How we would have shown the Group before...



... How we look at it now

ROE
>17%



Banking business: NIM declines...



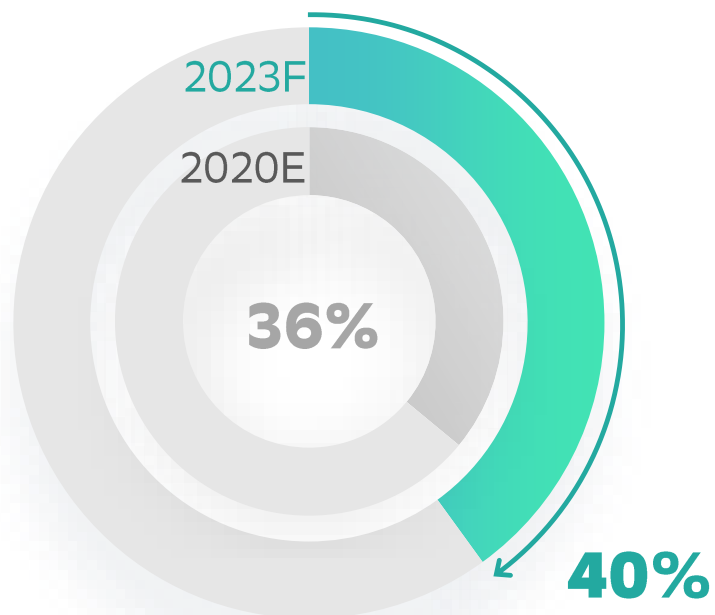
Net interest
margin, %



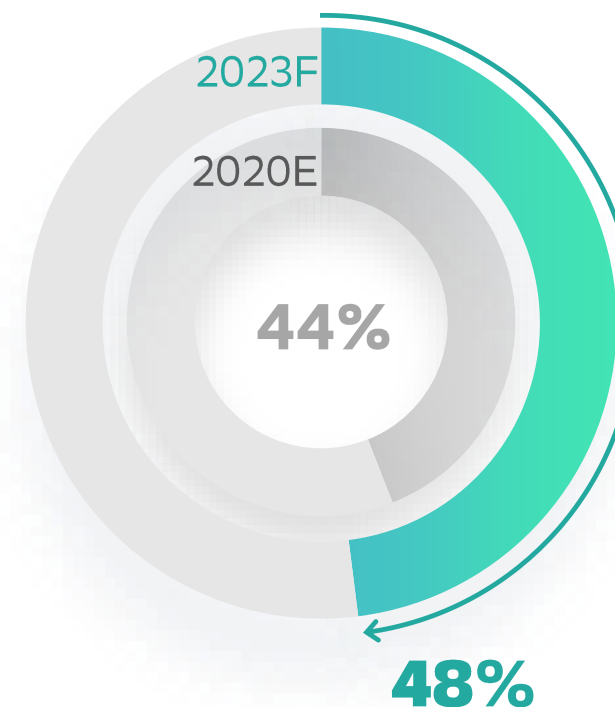
... to be mitigated by balance sheet structure optimization



Share of retail loans in total loan portfolio %



Share of current accounts in total deposits %

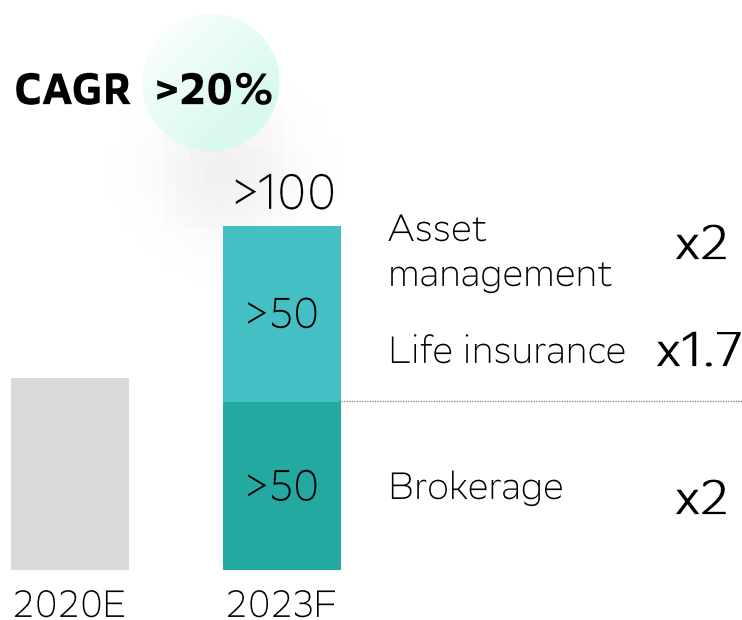


Other financial businesses growth

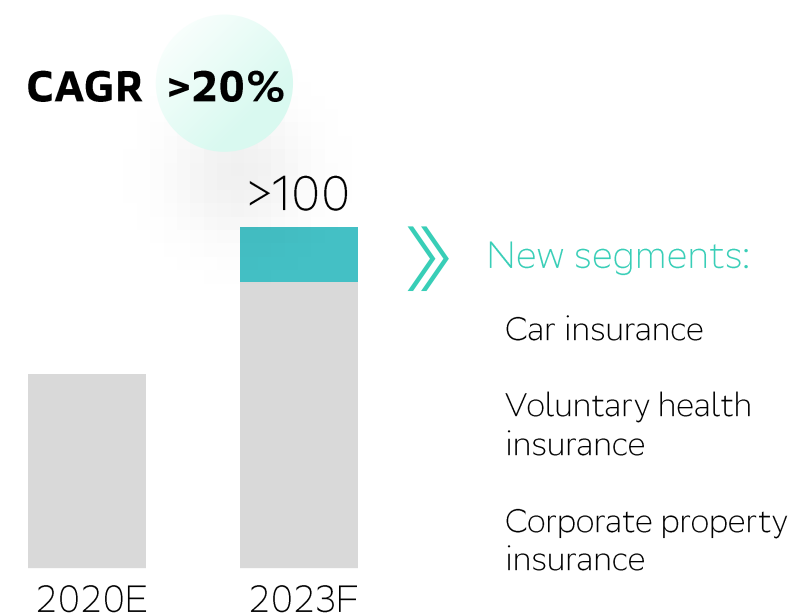
Operating income from payment business, RUB bn



Operating income from wealth management, RUB bn



Operating income from risk insurance, RUB bn



Moderate financial business OPEX growth

Group OPEX
CAGR 2023/20

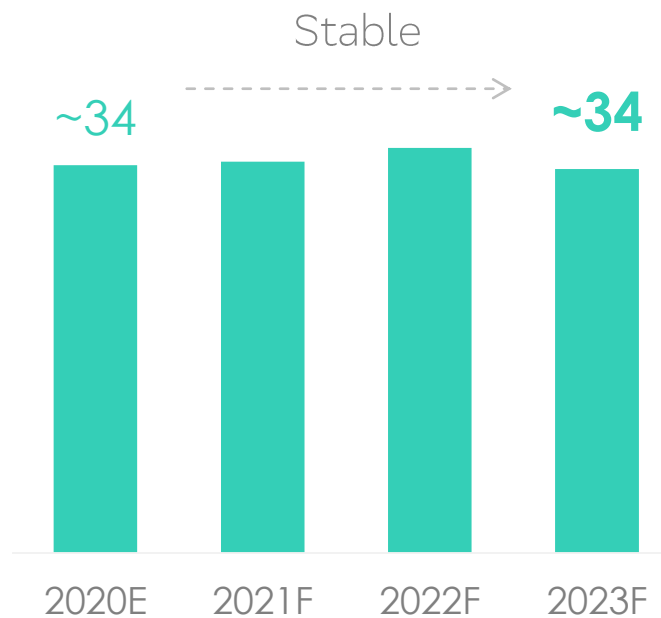
9%

Financial business
OPEX CAGR 2023/20

5%

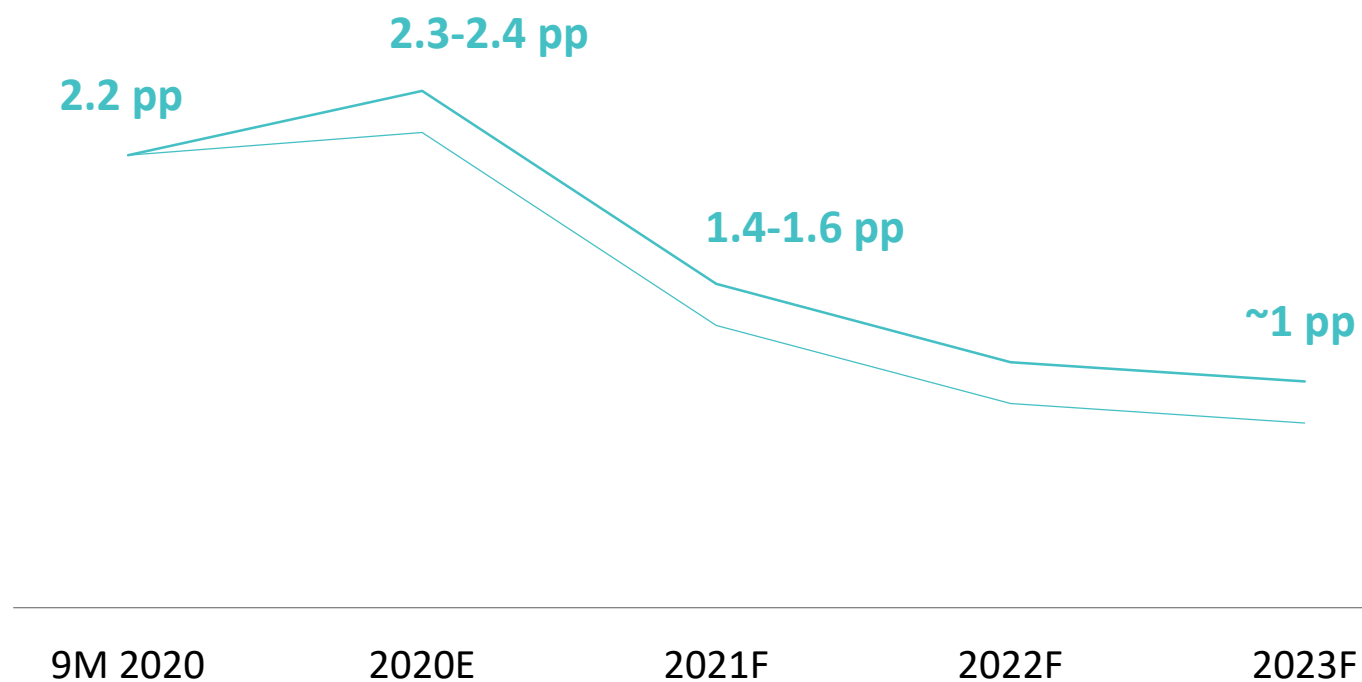


Financial business CIR
%



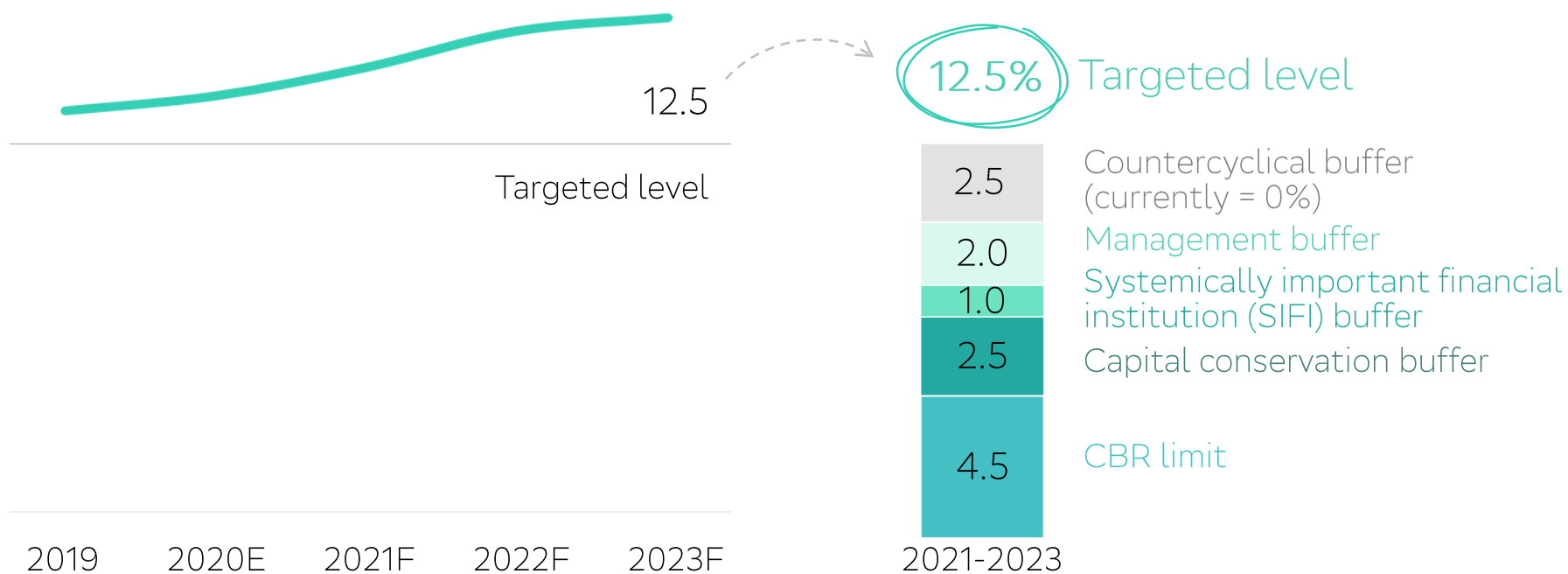
Gradual decrease in CoR

Cost of Risk forecast for the Group



CET 1 CAR at comfortable level

CET 1 capital adequacy ratio



CET1

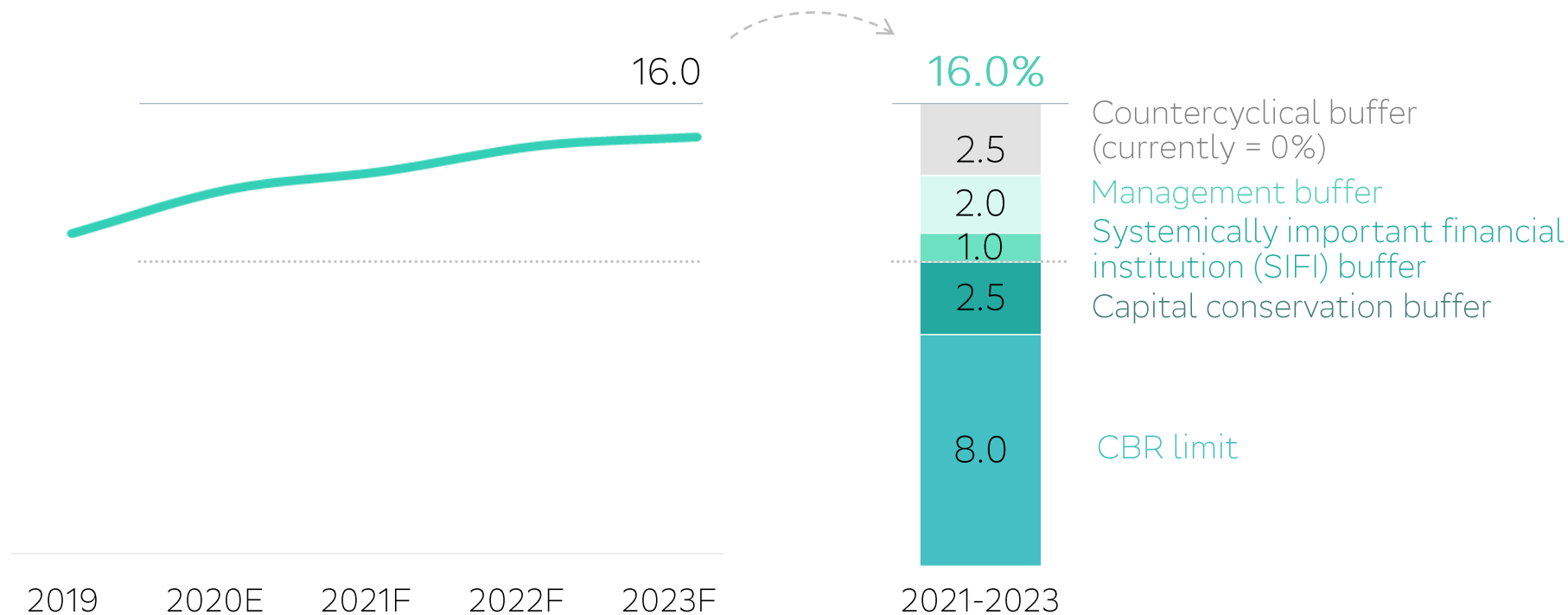
>12.5%

Payout

50%

Capital adequacy requirements are met with a sufficient margin

Total capital adequacy ratio



Key goals of Strategy-2023: non-financial metrics of the Group

2023



Market position in e-commerce

Top-3
(GMV ~500 bn RUB)



SberPrime subscribers

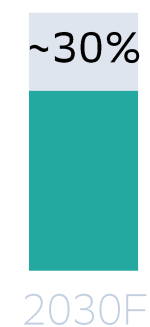
At least 10 mn

Increasing share of non-financial business

Structure of operating income before provisions

★ Non-financial business

🏢 Financial business



Revenue growth in key non-financial segments

Growth in 3 years (2023/2020)

🛒 E-commerce



🎮 Entertainment



🏥 Healthcare



🎓 E-education



☁️ Cloud



🛡️ Cybersecurity









**Sber is a universe of useful
services for everyday life
and business operations**

Always by your side



2021 Guidance

Sector forecast 2021

				
2021/ 2020	Retail loans	Corporate loans	Retail deposits	Corporate deposits
Sector growth	13-15%	7-9%	6-8%	9-11%
Sber	In line with the sector	In line with the sector	In line with the sector	Better than the sector

Guidance 2021

2021



Efficiency

Financial business Cost to Income Ratio (CIR)

Group OPEX growth

Stable y/y

~10%



Profitability

NIM

Net Fees & Commissions Growth

Revenue from non-financial digital companies attributable to Sber

Cost of Risk

ROE

~0.5 pp decrease
vs. current guidance 2020

~10%

X2 y/y

140-160 bp

>17%



Capital

CET 1 CAR for the Group

13.5-14%

