

Creating Wealth Responsibly

The entire business is built on ethical principles and a responsible approach to increasing wealth and maintaining the trust of employees, customers, shareholders, society as a whole.

CUSTOMERS

Bank Saint Petersburg is the largest private bank in Northwest Russia. The financial services provided by the Bank support the local development of the region and its sustainable economic growth, as well as helping individual customers to reach their financial targets.

Services for customers still constitute the core of the Bank's business. The Bank has 2 077 000 individual customers and 50 000 corporate customers. Its proximity to customers, high processing speed, and flexibility of decisions remain the traditional advantages of Bank Saint Petersburg in the Northwest Region. Combined with the introduction of new quality standards for all operations, settlements and services, these factors determine the Bank's contribution to the social and economic growth of the Russian Northwest.

PROXIMITY TO CUSTOMERS

The Bank continues to develop its branch network in St. Petersburg, creating the most up-to-date and convenient outlets, lending centers and round-the-clock service locations. As of January 1, 2021, the Bank's customer service network comprises 63 outlets, six Mortgage Lending Centers and three Car Lending Centers. The numbers of ATMs and POS terminals amounted to 810 units.

Open space provides proper attention to each customer, while spatial zoning is fully aligned with the needs of various customer groups. At the office entrance, there is an extended 24-hour self-service zone. The main part of the office is divided into an operational service zone (for quick operations), a zone for more time-consuming operations, and the cash-desk zone. There is a comfortable waiting area between these zones.

At the same time, individual customer services are provided separately, in a designated area away from the main office zones. This Premium zone is for VIP customer services and there is a special room for confidential meetings.

At the same time, the Bank is actively developing its e-business model. In 2020, the Bank launched a number of important digital projects for its customers. Via our mobile app, you can now order a virtual card that can be tokenized (added to your phone's wallet). The Bank has introduced a simpler application form and submission procedures for consumer loans. The online and mobile banking services provide a more complete and visual information on debit cards, in particular with cards offering cash back. The Bank has speeded up the display of card operations in its mobile banking application — now it appears instantly. Users have an opportunity to pick a credit limit in just a couple of clicks. The Bank has provided an opportunity to recommend the Yarkaya and ICOUNT cards to your friends and get rewards. In addition, the Bank has made considerable investments in ensuring the security of its customers' money in the digital banking space.

The i2B Internet Bank is currently used by more than 99% corporate customers of Bank Saint Petersburg, with 99% of payments and FX transactions being handled remotely. In 2020, the Bank enhanced its BSPB Business mobile app for corporate customers with new functions. This was highly rated by both users and experts and in 2020, the Bank's mobile app for corporate customers ranked second in the rating maintained by brobank.ru, a service for choosing financial services from banks and loan companies. In terms of platforms, the BSPB Business topped the rating among Android apps.

HIGH SPEED AND FLEXIBILITY OF THE DECISION-MAKING PROCESS

Close proximity to customers, a high processing speed and the flexibility of the decision-making process remain the traditional advantages of Bank Saint Petersburg in the Northwest Region.

The Bank introduced its continuously functioning Loan Factory project by fine-tuning the lending process throughout the entire life cycle of a loan, from application review and disbursement of funds to a loan follow-up for both individuals and legal entities. In view of the fact that loan product automation is a crucial element of the Loan Factory, the Bank standardized the procedure for the automation of newly introduced loan products.

The technological leadership of the Bank guarantees a high-speed of digital services. All Internet Bank services — loans, deposits, and cards — are easily available to customers in a click. The service is based on the timely creation of personalized offers and pre-completed forms in the channel most convenient for the customer.

HIGH QUALITY SERVICE

In 2020, maintaining a high standard of customer service both in its online and offline channels regardless of the restrictions imposed due to the COVID-19 pandemic became one of the key priorities for the Bank.

Customer experience has come to the fore — it was important to help clients to pivot and adapt to the changed conditions, and master customary offline processes in remote service channels. In this period, the number inquiries from clients considerably increased in all channels. Cross-functional task forces have been created to quickly address the issues and identify system problems faced by the customer. This enabled us to sort out all the situations within short time frames and quickly find optimal solutions. The solutions adopted by task forces were then scaled across the Bank, thereby supporting our clients in getting a handle on the new realities and enabling us to anticipate possible questions and considerably reduce the flow of queries.

To continue the work to create a quality management system that started in 2019, the Bank enhanced the role of the Quality Committee in 2020. The Quality Committee is designed to advocate the interests of customers in the development of products and services, give its recommendations on how to improve customer experience when introducing improvements that significantly affect the customer experience, monitor the quality of service at outlets and remote channels.

58%
of private
customers are
Internet Bank
users

99%
of corporate
customers are
Internet Bank
users

COLLEAGUES

It uses customer feedback to identify and help tackle systemic problems faced by customers, assesses the effectiveness of measures implemented by the Bank's divisions to improve customer experience, organizes quality measurements (such as by NPS or Net Promoter Score (a consumer loyalty index), CSI or Customer Satisfaction Index, TxR or Temkin Experience Ratings).

Introduced in 2019, the TxR — a tool for the assessment of quality of the Bank's products and services — has proved to be successful. TxR measurement results were used as a basis for a number of enhancements to the mobile app for retail clients, to implement a set of measures aimed at raising awareness of the rules for accumulation and use of rewards among the YARKO loyalty program participants, and to connect new partners. The TxR behavior

shows positive customer response to the enhancements introduced to the mobile app, as well as a rise in satisfaction among clients participating in the YARKO program.

The experience gained throughout the pandemic period has allowed for building a work process with feedback from customers in such a way that the customer's interests are now the main driving force for all product and process changes in the Bank.

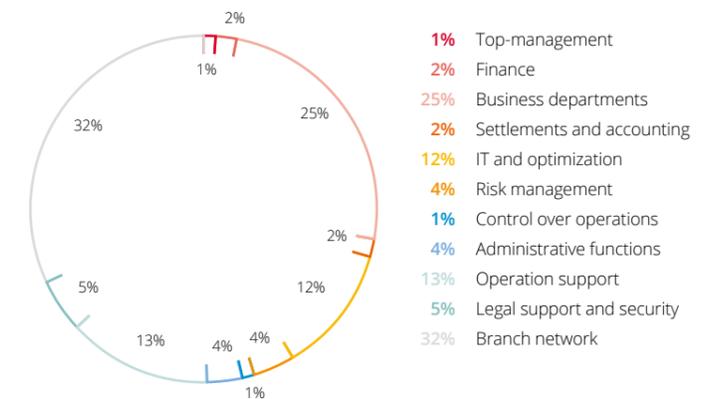
In 2020, well-coordinated work of all divisions has made our customers receptive to the Bank's efforts.

The successful implementation of the Bank's strategic initiatives is driven by its main asset — a professional, customer-oriented team. Bank Saint Petersburg is one of the largest employers in the North West Region of Russia, employing 4 220 people (as of January 1, 2021). 1 341 people are employed at branches, and 2 879 employees work at the Head Office.

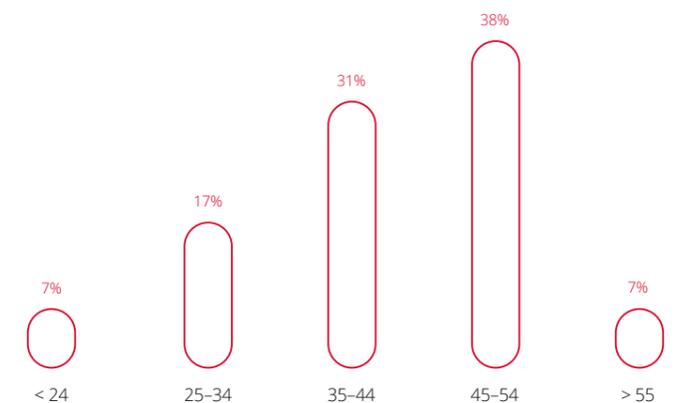
The relationships between the Bank and its employees are based on respectful and mutually beneficial cooperation. The Bank builds an open, creative team to meet the challenges of the new time, improving its staff development, motivation and recognition tools for years. Ambitious projects and challenges invite each team member to unlock their potential by enhancing their knowledge and expanding their competencies.

Respectful mutually beneficial relations between the Bank and the staff are implemented through development, motivation, and recognition tools for the results achieved. Digital transformation and the continuous search for efficiency gains provide the Bank's employees with new opportunities to realize their own potential. The implemented practices of kanban and agile, aimed at accelerating the entry into the market of banking products, are gradually becoming a characteristic feature of the Bank's corporate culture, where an important role is given to team management.

Staff Composition by Business Line, January 1, 2021



Staff Composition by Age, January 1, 2021



4 220
people
employed

NEW ONLINE CHALLENGES

The year 2020 speeded up the deployment of online tools. Our Recruiting and Onboarding team sharpen their skills in online recruiting practices and use digital solutions for interviews, candidate evaluation and onboarding in order to be able to stay in tune with current changes and developments.

In 2020, our HR team have offered an EVP (Employee Value Proposition) concept and signature style. The Bank's new, outstanding and informative page on the largest recruiting platform hh.ru represents its value proposition as an employer to attract the best candidates. An individual EVP for IT professionals enables the Bank to compete for talents with technology leaders.

The Bank's brand in the IT environment is additionally strengthened by our #braincamp, a proven internship project for IT graduates. 2020 saw the launch of the second wave of the program when 25 talented students from industry-specific universities were given an opportunity to work and directly contribute to the Bank's digital projects on Big Data, technical solution development, testing, and systemic analysis.

The Bank's Future Banker program designed to train graduates from St. Petersburg universities and young professionals for working with customers has been successfully running for the tenth year in a row. In 2020, the program trained 86 people and 76 of them received an employment offer from the Bank.

In total, the Bank hired 936 new employees in 2020, which is in line with the 2019 figure, regardless of the staff reduction trends observed during the pandemic in Russia and globally.

Thanks to the well-coordinated work by the Bank's HR team and divisions, at the beginning of the COVID-19 pandemic, a significant portion of our team was seamlessly moved to the remote work routines. The reliable technical and multi-channel information support of the staff and responsive restructuring of the forms of interactions have ensured safety, health and good performance during the pandemic. With respect to employees of subsidiary offices, all recommended precautions are taken and the staff are regularly tested for coronavirus infection.

BSPB CORPORATE UNIVERSITY

The Bank pays great attention to the professional development of the team, increasing its potential in different directions: managerial effectiveness, professional expertise, interaction with the client, digitalization of services and solutions.

The Bank has established a Corporate University to create an environment for the fulfillment of the potential of every member of our team. All employees are distributed between the faculties of business and management and the Digital Academy.

The Corporate University is a successful tool for involvement of management members in the development of the team, enhancement of the interaction and transformation of the corporate culture, knowledge and expertise management, use of new tools and forms of development, improvement of cross-functional team practices, and further development of the distance learning system in order to support the implementation of the Bank's Strategy and key projects.

For the first time in its history, the Bank has introduced a cross-functional team named the "Product Training System", which was initiated and is actively contributed to by the HR team with a view to set up an algorithm for managing product training and to introduce common online formats. Over the past year, 350 employees of our corporate business unit attended 196 online training activities; 40 distance learning courses were developed.

Being one of the faculties, in 2020 the Digital Academy focused on competencies that help fuel digital breakthroughs, such as digital marketing, project management, and system analysis. The training was attended by 75 members of cross-functional teams. Compulsory training courses in systemic analysis, business analysis, remote team management, trends of the Information Era, and unit economics were determined for each employee.

The Bank still pays special attention to the development of its management team. In 2020, 256 (44%) managers were trained. All managerial programs were moved online, with training formats including online training sessions, distance learning courses, interactive training chats, and self-guided

on-the-job development of skills. With respect to managerial skills, in 2020 the training focused on distributed team management, feedback, and staff motivation.

The Bank uses mentoring and coaching practices to develop its capabilities in the transfer of expertise. 536 employees of the Bank, including four Board members, worked to develop their colleagues in 2019–2020. Training of high-potential managers was contributed to by members of the Bank's Supervisory Board.

From 2020 onwards, new employees of branches receive induction training remotely. In 2020, employees of the Bank were assigned 173 distance learning courses and tests, which is a 25% increase from 2019 and twice as many as in 2018. The BSPB Corporate University has launched the Eduson, an additional distance learning platform with hundreds of training programs encompassing a wide range of competencies and skills. In 2020, employees of the Bank completed 26 thousand courses and training lectures and passed 55 thousand tests.

ORGANIZATIONAL CHANGE

In 2020, the Bank underwent a few significant organizational changes. In particular, industry-specific departments that serve large business accounts were combined into larger units last September. Employees of the departments were consolidated into a new site at the Bank's Head Office where they hold meetings with their clients, including online interactions. Dealings with large business accounts are led by Deputy Chairman of the Management Board Vyacheslav Yermolin.

256
managers
were trained

26k
courses
and training
lectures
employees
completed in 2020

COMMUNITY

An emphasis in the structural changes was made on personalized services, high levels of industry specialization, and the ability to adapt to the customer's needs based on the knowledge of ins and outs of their business. This approach enabled the Bank to achieve its target performance, as well as promoted the growth of its loan portfolio and foreign business portfolio. A survey among large business accounts has identified the Bank's NPS equal to 63.8. The Bank became the leader of the segment among all the banks included in this survey.

The Micro, Small and Medium-sized Business segment is headed by Chairman of the Board Kirill Kuznetsov. The transformation of the business model in dealings with the segment and the restructuring of processes required the structure to be redesigned as follows: the Directorate for Support of Lending to Mass and Medium-Sized Corporate Businesses and the Directorate for Analysis and Support of Sales on the Mass and Medium-Sized Corporate Business were set up. First of all, the change is intended to help acquire new customers, ensure high quality dealings with the current customer base, and improve customer service in line with their business segment.

DIGITAL ERA

The events of 2020 have driven the development of online communications with the staff. The Bank has launched a Telegram channel where employees can receive the latest updates and unique corporate content on their smartphones. We keep our staff informed and maintain their involvement by carrying out regular thematic campaigns which were implemented in a remote format in 2020. During our Digitalization Week, more than 1 500 employees were able to watch presentations by outstanding speakers on the topics, such as the Economy 4.0, technologies of the future, phygital theater, and digital marketing, and also to take part in a charity online marathon, compete in an online quiz, and do "digital" morning exercises every day. The Information Security Week dedicated to the theme of Russian folk warrior heroes provided the Bank's team with another chance to consolidate their knowledge in an easy-to-remember format.

In 2020, our team celebrated the Bank's 30th anniversary. Although the event was carried out online, the Bank was able to organize a memorable special day for its employees, as the top management team marked the merits of more than 400 employees and awarded them for their commitment to the Bank's values of customer focus, partnership, effectiveness, and proactivity in a live stream session. The staff also received online congratulations from performing artists who are our clients, and also from our colleagues from the Bank's regions of presence.

Bank Saint Petersburg attaches great importance to the successful development of the regions of its presence, strictly adhering to social responsibility principles in its business operations.

The Bank pays particular attention to the following three groups of social responsibility initiatives: supporting underprivileged children, developing the urban environment, and encouraging financial awareness.

In 2020, the global society was faced with the COVID-19 pandemic and the resulting challenges significantly affected the social sphere. Bank Saint Petersburg did its best to help overcome the situation.

SUPPORT DURING THE COVID-19 PANDEMIC

New challenges call for new solutions. In this respect, in 2020, the Bank refocused its corporate social responsibility efforts in order to solve the urgent issues in the healthcare and social care sectors which were most hit by the pandemic.

During 2020, the Bank provided comprehensive support to more than 40 healthcare facilities in St. Petersburg and the Leningrad Region. Its funds were used to equip individual isolation wards for patients with coronavirus infection, as well as to procure medicines and personal protective equipment for doctors working in red zones. During the rise of SARS-CoV-2 cases (in April – May 2020), the Bank paid for the 24-hour provision of hot meals for doctors of the Mariinskaya Hospital in St. Petersburg.

The Bank paid for the installation of sanitizers and disinfectants in schools and kindergartens in several districts of the city. When schools were in distance learning, the Bank bought tablet PCs for students from low-income families in Petrodvorets District of St. Petersburg. The Bank paid for taxi services for health workers in Pushkin to visit their self-isolated patients. The Bank's funds were used to buy an ultramodern CT scanner for testing patients at the Municipal Hospital of St. John of Kronstadt.

Ensuring that the Bank's operations are running smoothly and both our clients and employees are feeling comfortable and secure has become a priority for the Bank's management. About 2 500 employees (or 60% of the staff) were moved to remote work in the quarantine period. A large part of sales activities and customer relations went through online channels. The Bank provided all support measures to its customers that were introduced by the government (the loan repayment holidays under Federal Law No. 106-FZ; the mortgage subsidy scheme; the government's concessional car loan program, in particular, the implementation of the "Car for Health Workers" sub-program which provides for a 10% discount off the cost of a car purchased by health workers employed by state medical facilities deducted from the first installment payment; interest-free payroll loans, etc.), as well as offered its own debt restructuring programs, and reduced or abolished fees for the most sought-after services. The Bank has quickly launched a number of new online products, such as online registration of transactions with developers, online mortgage approval for retail and corporate clients, online payroll card programs, a virtual bank card, etc.

> 40
healthcare facilities got comprehensive support from the Bank

49 RUB MLN lended for 13 ambulance vehicles purchase

Another important part of our support activities was financing key businesses and organizations that work at the frontline of the battle against the pandemic.

In the spring of 2020, the Bank and BIOTEK holding supported the provision of Russian hospitals with express tests to expedite the diagnosis of COVID-19. The Bank's Moscow Branch opened a line of credit worth RUB 400 mln for a major pharmaceutical company BIOTEK to procure innovative COVID-19 rapid tests. The BIOZEK Medical COVID-19 IGG/IGM Rapid Test Cassette produced in the Netherlands detects the virus in the human body within 10 minutes.

The Bank extended a RUB 49 mln loan to Alarm Motors to buy 13 ambulance vehicles. The purpose of the facility was not only to purchase vehicles, but also to provide them with special equipment for transporting and resuscitating patients. The Bank's loans will also be used to equip seven other medical vehicles that have been earlier provided to medical facilities in the Leningrad Region.

The Bank financed a contract to procure personal protective equipment against COVID-19. The Bank issued an advance bank guarantee for RUB 117 mln to IntelMed JSC and signed a RUB 370 mln credit facility agreement to finance the procurement of personal protective equipment against COVID-19 to be further supplied to medical facilities.

The Bank's Moscow Branch has entered into partnership with KAMPO JSC, who are currently one of the leading manufacturers of respiratory equipment for medical facilities. In April 2020, KAMPO received a medical device market authorization from the Federal Service for Supervision in Healthcare (Roszdravnadzor) for its GS-16 pneumatic ventilator. The ventilator is designed to provide first aid by artificial pulmonary ventilation and oxygen-air mixture inhalation. The device can be used by hospitals and other (including temporary) medical treatment facilities where it is necessary to ramp up the intensive care capacities due to a lack of lung ventilators, and in emergency care settings. In this partnership, the Bank provides end-to-end services to the business, including a RUB 100 mln financing facility, support of the company's international business operations and work under government contracts, as well as cash payment services.

As for the support for its SME customers, it was not just a set of measures but an entire ecosystem #ICAN_BUSINESS_ONLINE that the Bank launched during the coronavirus pandemic. It accommodates financial services that are particularly relevant when the Bank's dealings with clients are remote.

The Bank's #ICAN_ONLINE is another ecosystem launched to support its retail and corporate clients in the context of the COVID-19 expansion. It accommodates financial services that are particularly relevant when the Bank's dealings with clients are fully remote.

The #ICAN_ONLINE ecosystem not only helps our clients to solve their financial issues, but also enable them to order food at cost, buy services and goods at discounts, visit virtual tours in the most exclusive museums, and be trained by the Skillbox, one of the best digital schools.

The Bank provided a special banking support package for medical professionals during the COVID-19 pandemic, which includes special offers under payroll programs for medical workers and their families, such as reduced rates for the Bank's loan products (mortgage, consumer and car loans, and credit cards).

In addition, the Bank's special package offers a zero fee for SMS messages and reduced fees for payments and transfers. Besides, payroll cards that participate in the YARKO loyalty program will receive higher bonus rewards for ordering from popular online delivery services.

In accordance with the decision of the Central Bank of the Russian Federation on the implementation of measures to improve accessibility of online shopping, the Bank brought its fee under its Internet merchant acquiring contracts down to 1% until September 30, 2020 for businesses engaged in retail sales of food, pharmaceuticals, medical goods, household appliances, electronics, telecommunication equipment, clothing, and convenience goods.

To give more support to its clients, the Bank offered a package of Internet merchant acquiring services which is provided in cooperation with its technical partner, Paykeeper. The package includes the following: free connection to the service, six months of free technical support, the company's client

area, and rental holidays for one month for connecting an online cash register. In addition, the client could enjoy special terms for using InSales, an online store platform, including free use of the platform for 60 days and a 50% discount off the base price for the first payment.

CHARITY AND SPONSORSHIP

In 2020, we still had to solve those social issues that existed prior to the pandemic. The Bank continued to implement its own long-term social programs. In 2020, the Bank continued its long-term aid program for Kolpino Family Education Support Center No. 9 (formerly known as Foster Care Center No. 27). The project started in 2006 when the Bank joined the Board of Trustees of this institution. In addition to improving the Center's facilities and infrastructure, the Bank also offers the children additional vocational training, healthcare and leisure activities, vocational guidance. The Bank is sponsoring study and interest groups, the Graduates Club, a range of excursions and trips as well as educational materials and games, facilities and resources. The Bank regularly provides incentives for talented teachers at the Center. In 2020, as part of the BlagoDaryu (Thank You) program, the Bank used its funds intended for corporate New Year presents to finance the acquisition of modern gym equipment, an interactive sandpit for a lounge area, and metal detectors for the Kolpinsky Rubezh searching group at the Center for the Promotion of Family Education No. 9.

For 15 years, the Bank has been supporting the Helping Homeless Dogs Charity Foundation. Funds are allocated to shelter 500 stray dogs and 100 cats.

Regardless of the circumstances, Bank Saint Petersburg supports social and cultural initiatives in its regions of presence. In 2020, the Bank allocated funds to the Alexander Gorodnitsky Fund for the installation of a memorable sign To an Unknown Driver at the Kobona: The Road of Life Museum in the Leningrad Region. Moreover, in the year that was particularly difficult for the cultural industry, the Bank supported the St. Petersburg-based Masterskaya Theater by providing our clients with online access to the Balzaminov's Marriage performance during the celebrations of the Bank's anniversary.

EMPLOYEE VOLUNTEER INITIATIVES

In addition to its traditional charity events, since 2012, the Bank has supported its employees in their volunteer projects. During 2020, the Bank's employees volunteered for a number of important charity projects, including:

- the White Flower and Dreams Come True projects supporting a children's hospice in St. Petersburg;
- supervision of lessons and workshops as well as socialization, adaptation and career guidance classes at Family Education Support Center No. 9. This project has existed in the Bank since 2015. Within this project, the Bank's employees visit the center, hold workshops, supervise excursions and visits to culture and sport events, and communicate with its children. Career guidance is an important part of the project: the Bank's initiative to visit enterprises is actively supported by corporate customers. The project aims to assist socialization and prepare children for adult life. In 2020,

the activities were carried out in the formats allowed by the City Government, in particular on a remote basis and in smaller groups;

- the Christmas Tree of Good Deeds campaign initiated by the Bank as part of the city's Kind St. Petersburg charity festival was held online and expanded in 2020. In cooperation with the Detki store, the Bank organized an online gathering of presents for children in need and disadvantaged families. The campaign was contributed to by the Bank's employees and clients, as well as buyers of the Detki store. The YARKO bonus program participants had an opportunity to compensate 100% of the cost of their charity purchases from the Bank. The campaign has gathered New Year presents for children supported by eight St. Petersburg-based charity organizations;
- in September 2020, the Bank held the BlagoDaryu Online Charity Festival for all of its four regions of presence: St. Petersburg, Moscow, Kaliningrad and Novosibirsk. The Festival included three tracks: the Sports Challenge, the Helping Nature, and the Helping the Elders. The campaign resulted in the procurement of equipment for the employment of two physically impaired persons, recording online tours for the elders in nursing homes, and establishing new eco-habits. Our employees have found out many new things about charity projects in the Bank's regions of presence, and also learned to act as information volunteers and fund-raisers, and to involve their family members, friends and followers in various activities.

SOCIALLY-ORIENTED & ENVIRONMENTAL PROJECTS

As a 30-year-old player on the financial market of St. Petersburg, Bank Saint Petersburg is proactively involved in the implementation of essential economic and social projects, provides integrated services to systemically important municipal enterprises, and develops its mortgage lending business. The Bank's project pipeline includes initiatives aimed at taking care of both old-timers and younger generation, preserving the historical heritage, and creating a comfortable urban environment. Bank Saint Petersburg is always there ready to help when it comes to the crunch.

In a ceremonial signing, Chairman of the Management Board Alexander Savelyev and Governor of St. Petersburg Alexander Beglov made a Cooperation and Liaison Agreement between the City of St. Petersburg and PJSC "Bank "Saint-Petersburg" to lay down the basis for cooperation and liaisons between the parties in the field of economic development of St. Petersburg.

Under this Agreement, the Bank intends to develop and implement community-focused projects in the city, including in the fields of family policies, motherhood, fatherhood and childhood support, and improvement of people's lives. Other goals include the development and deployment of state-of-the-art banking technology for the benefit for the community, broad deployment of electronic payment mechanisms, development of the banking infrastructure, and roll-out of projects promoting the development of small and medium-sized businesses in the city.

The Bank plans to improve and develop the corporate lending system, including for legal entities engaged in the design and construction of social infrastructure in St. Petersburg, and transfer such facilities into public ownership to the city.

On January 21, 2020, the First Deputy Chairman of the Management Board Pavel Filimonenok and Chairman of the Committee for Economic Policy and Strategic Planning of St. Petersburg Valery Moskalenko signed a Cooperation and Liaison Agreement to Support Sustainable Social and Economic Development of St. Petersburg. The Agreement was part of the implementation of the Action Plan for the Development of Social Infrastructure in Education and Healthcare approved by Governor of St. Petersburg Alexander Beglov on December 18, 2019.

The cooperation is designed to ensure mutually productive interactions between the parties in order to provide comprehensive support to building social infrastructure facilities, such as kindergartens, schools and out-patient clinics, in St. Petersburg. The Committee intends to submit potential projects for the implementation using project financing to Bank Saint Petersburg for consideration after a relevant expert review. The Bank, in turn, will prepare and submit to the Committee its proposals regarding available tools, mechanisms and terms of project financing, and send requests for information about commitments for the construction of social infrastructure facilities or whether such facilities are needed in St. Petersburg.

The Bank has entered into a RUB 360 mln credit facility agreement with IntelMed JSC. The loan proceeds will be used to pay to vendors in order to meet commitments on supplying medical equipment to a new building of Municipal Hospital No. 33.

A new treatment and diagnosis building of Municipal Hospital No. 33 in Kolpinsky District of St. Petersburg is scheduled to be put into operation until the end of this year. It will have 276 treatment beds and 30 intensive care beds and will house a cardiovascular surgery department and a neurosurgery department. If necessary, the hospital can be quickly converted into a facility for treating coronavirus patients.

IntelMed is one of the leading suppliers of medical equipment in the Russian market. They have been supplying high-quality medical equipment, appliances and consumables for medical facilities and health care centers for more than 20 years.

The Bank issued bank guarantees worth a total of RUB 1.1 bn to SPb Renovatsiya LLC to secure their obligations under contracts with the Committee of Property Relations of St. Petersburg. This is the first time that the developer participates in this type of auctions held by the city.

The subject matter of the contracts is the purchase by the city of St. Petersburg of 300 apartments with a total area of 13 thousand square meters in four buildings that are currently being built as Phase II of the New Kolpino residential facility for the purposes of the implementation of the government-sponsored program "Provision of Affordable Dwelling Units and Housing and Public Utility Services to Residents of St. Petersburg" and the "Provision of Accommodation to Orphans, Children Without Parental Support, and Individuals From Among Them Under Contracts of Rent of Special-Purpose Dwellings" in accordance with the Targeted Investment Program.

Projects designed to develop the city's infrastructure will always be a priority for us. The Bank extended a loan to SV-Transport leasing company to buy 100 buses for Passazhiravtotrans municipal transport company. An auction to supply extra-large buses under financial lease was held by Passazhiravtotrans in December 2019. The auction winner SV-Transport has to date completed the delivery of 100 new articulated buses for the transport services of St. Petersburg, which are already running around the city. All the vehicles were built in Minsk. The buses are outfitted with Euro 5 compliant engines and disabled access facilities.

The Bank offers a special-purpose loan for education in Russian universities. Our educational loan is available to individuals of 21 years of age and older for higher education purposes. An eligible borrower under the program is a student or his/her parent. The loan should not exceed the cost of educational services as stated in the contract and should be at least equal to the program minimum amount, being RUB 50 000. The interest rate is 9.5% per annum. The loan term ranges from 13 months to seven years.

The Bank's online banking service has been recognized as the most accessible for people with impaired vision. The Arts, Science and Sports Charity Foundation in cooperation with the Everland inclusiveness project studied the accessibility of mobile and online services offered by different organizations as part of the Special Look program intended to support people with visual impairments. Among other things, the expert evaluation covered banking services. The online banking service offered by Bank Saint Petersburg was recognized as the most accessible for people with visual problems, scoring 5 out of 5 possible points.

Bank Saint Petersburg is fully aware of the importance of building a healthy social environment and will continue to be actively involved in the social life by implementing its traditional charity projects and encouraging employees' volunteer initiatives.

CORPORATE GOVERNANCE

Upgrading corporate governance in line with the best practice is one of the Bank's key tasks. Strictly observing the rights of shareholders, internal control and auditing procedures, a high level of transparency and information disclosure, as well as the maintenance of efficient management bodies, ensure customer confidence and the maximum efficiency of shareholders' investments.

The following internal Bank documents regulate corporate governance:

- the Charter, as approved by a resolution of the General Shareholders Meeting held on May 27, 2020;
- the Policy on the Supervisory Board, as approved by a resolution of the General Shareholders Meeting held on May 29, 2019;
- the Policy on the Management Board, as approved by a resolution of the General Shareholders Meeting on May 27, 2020;
- the Policy on the Strategy Committee of the Supervisory Board, as approved by a resolution of the Supervisory Board on July 23, 2015;

- the Policy on the Appointments and Remuneration Committee of the Supervisory Board, as approved by a resolution of the Supervisory Board on August 12, 2016;
- the Policy on the Audit Committee of the Supervisory Board, as approved by a resolution of the Supervisory Board on August 12, 2016;
- the Policy on the Risk Management Committee of the Supervisory Board, as approved by a resolution of the Supervisory Board on July 31, 2014;
- the Policy on the Digitalization Committee of the Supervisory Board, as approved by a resolution of the Supervisory Board on July 28, 2020;
- the Policy on the Corporate Secretary, as approved by a resolution of the Supervisory Board on August 28, 2020;
- the Policy on the Revision Committee, as approved by a resolution of the General Shareholders Meeting held on May 27, 2020;
- typical form of Non-Disclosure Agreement (confidentiality agreement), as approved by the order of the First Deputy Chairman of the Board — CEO on November 19, 2020.

THE GENERAL SHAREHOLDERS MEETING

The General Shareholders Meeting is the Bank's supreme governing body that decides on key issues related to the Bank's activities, as established by the Federal Law on Joint-Stock Companies and the Bank's Charter.

The shareholders have the option of remote participation in the Annual General Shareholders Meeting by filling out voting ballots in the electronic form and voting via Shareholder's Online Account available at the web-site of JS Company «R.O.S.T Registrar» — rrost.ru. The shareholder's personal account also contains a message about the Meeting and documents necessary for making a decision on voting, as well as information about all corporate actions of the Bank.

According to the results of 2019, about 300 shareholders of the Bank connected to the personal account of the shareholder.

The Bank is obligated to hold an Annual General Shareholders Meeting not earlier than two months and not later than six months following the end of the fiscal year.

According to the Russian legislation, the Bank may also convene additional General Shareholders Meetings.

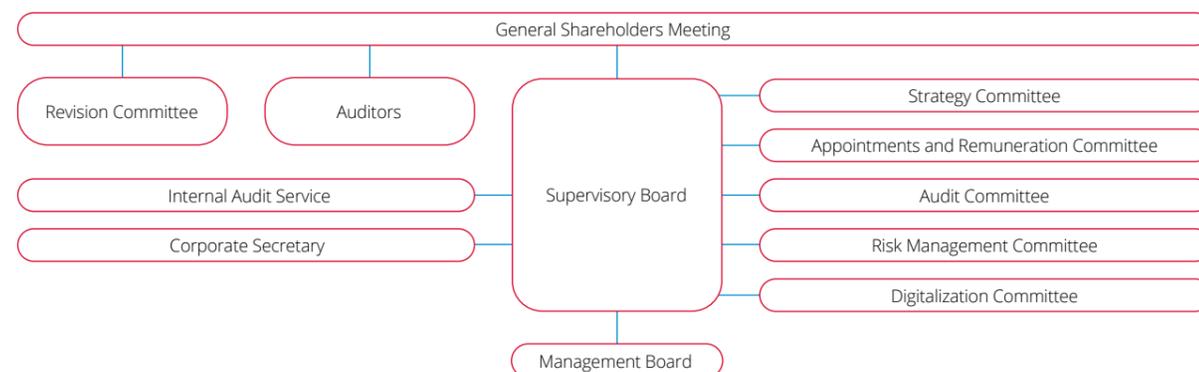
The Annual General Shareholders Meeting, held on May 27, 2020, passed the following resolutions:

- allocation of profit of PJSC "Bank "Saint-Petersburg" for 2019;
- payout (declaration) of dividends for 2019;
- approval of the auditor of PJSC "Bank "Saint-Petersburg" for 2020;
- remuneration payment to the members of the Supervisory Board;
- compensation to the members of the Supervisory Board;
- determination of the number of members of the Supervisory Board;
- election of the Supervisory Board members;
- election of the Revision Committee members;
- reduction of the authorized capital of PJSC "Bank "Saint-Petersburg" though redeeming purchased shares;
- approval of the Charter of PJSC "Bank "Saint-Petersburg" as amended and restated;
- approval of the Regulations on the Management Board of PJSC "Bank "Saint-Petersburg" as amended and restated;
- approval of the revised version of the Regulations on the Revision Committee of PJSC "Bank "Saint-Petersburg";
- approval of the authorized signatory of the petition requesting state registration of the revised Charter of PJSC "Bank "Saint-Petersburg".

During the Extraordinary Shareholders meeting on November 30, 2020, the following decision was taken:

- payout (declaration) of dividend for nine months of the year 2020.

Corporate Governance Structure, January 1, 2021



THE SUPERVISORY BOARD

The Supervisory Board is responsible for the general management of the Bank's activities, except for issues that fall under the competency of the General Shareholders Meeting. The Supervisory Board determines strategic priorities for the Bank's activity and controls the functioning of executive management bodies. According to the resolution from the 2019 General Shareholders Meeting, the Supervisory Board is made up of nine members.

Elena V. Ivannikova

has been the Chairperson of the Supervisory Board since July 2016 and has worked for the Bank since 2001. Previously, she worked as the Chief Accountant at Petrovsky Commercial Bank and Baltoneximbank. Ms. Ivannikova was born in 1965. She is a graduate of Kiev Institute of the People's Economy.

Ms. Ivannikova owns 0.59% of the Bank's ordinary shares. Her holding in the Bank's charter capital is 0.57%.

Vladislav S. Guz

has been the Deputy Chairman of the Supervisory Board since July 2016. Previously, Mr. Guz has acted as Chairman of the Management Board since August 2014 until July 2016, the First Deputy Chairman of the Management Board since 2009 and the Deputy Chairman of the Management Board since 2004. His previous experience includes working at the St. Petersburg Branch of Alfa-Bank as the First Deputy Director of the branch and its Executive Director (from 1996 until 2003). Mr. Guz was born in 1967. He is a graduate of Leningrad State University. Mr. Guz holds a PhD in Economics.

Mr. Guz owns no shares in the Bank.

Andrey P. Bychkov

has been a member of the Supervisory Board since April 2010. At present, Mr. Bychkov is the Managing Director of the Financial Block at VEB. Mr. Bychkov was born in 1961. He is a graduate of Moscow State University and the Russian Academy of Economics.

Mr. Bychkov owns no shares in the Bank.

Alexey A. Germanovich

has been a member of the Supervisory Board since June 2014. He currently acts as a member of the Board of Directors of PJSC Unipro, and PJSC Centrinvest Bank, Komercijalna Banka ad Beograd (the largest bank of Serbia). Mr. Germanovich was born in 1977. He is a graduate of Moscow State University and Cranfield University (UK).

Mr. Germanovich owns no shares in the Bank.

Pavel A. Kiryukhantsev

has been a member of the Supervisory Board since May 2018. From 2007 to 2017, he was the Director of the Department of CJSC Ward Howell International. He has been the CEO of CJSC Zest Leaders since 2010 and Zest Team Development LLC since 2012. From 2017 to June 2019, he acted as a member of the Board of Directors and the Chairman of the Appointments and Remuneration Committee of JSC StroyTransNefteGaz. Since 2018 he acts as a member of the Board of Directors of JSC First Freight Company. Mr. Kiryukhantsev was born in 1964. He is a graduate of Leningrad State University, Michel Institute (Germany) and INSEAD (France).

Mr. Kiryukhantsev owns no shares in the Bank.

Alexander V. Savelyev

is the Chairman of the Management Board (from January 2001 to August 2014, and has held this position again since July 2016). Mr. Savelyev has been a member of the Supervisory Board since January 2001; he also acted as the Chairman of the Bank's Supervisory Board from August 2014 to July 2016. His previous experience includes Deputy Chairman of the Management Boards of Petrovsky Commercial Bank and Baltoneximbank. Mr. Savelyev was born in 1954. He is a graduate of Kazan Aviation Institute.

Mr. Savelyev owns 25.56% of the Bank's ordinary shares. His holding in the Bank's charter capital is 24.71%.

Andrey M. Zvyozdochkin

has been a member of the Supervisory Board since May 2017. Mr. Zvyozdochkin is a partner, member of the Board of Directors and the CEO of ATON LLC. His background spans 20 years in investment banking and general banking operations. He headed the Exchange Council of PJSC Moscow Stock Exchange in 2018. He currently acts as a member of the Board of Directors of NAUFOR. Mr. Zvyozdochkin was born in 1973. He is a graduate of Moscow State Aviation Technology University, Financial University under the Government of the Russian Federation and IMD Business School (Switzerland).

Mr. Zvyozdochkin owns no shares in the Bank.

In accordance with corporate governance best practices, the Supervisory Board includes four independent directors: Andrey P. Bychkov, Alexey A. Germanovich, Andrey M. Zvyozdochkin and Pavel A. Kiryukhantsev. These directors positively contribute to the Board's functioning with their experience and professionalism.

Yuri G. Levin

has been a member of the Supervisory Board since May 2020. He is the founder and director of the company "Kingston Analytica". Docent, professor, and thereafter esteemed analytics professor in Smith School of Business, Queen's University. Stephen J. R. Smith Chair Professor in Analytics and "Analytics and Artificial Intelligence" Ecosystem Director. Director of center for customer analytics in Scotiabank. The Moscow School of Management SKOLKOVO president. Born in 1976. Graduated from Belarus State University, majored in mathematical electronics, and from Rutgers University, New Jersey, USA, 2001; Ph.D. in Operations Research.

Mr. Levin owns no shares in the Bank.

Sergey P. Nazarov

has been a member of the Supervisory Board since May 2020. He possesses over 20 years of experience in raising investments and banking. From 2013 to 2016 he held a position of managing director, head of branch of a private entity "Standard & Poors Credit Market Services Europe Limited" LLC. From 2016 to 2017 — a Supervisory Board member of ACB "RosEvroBank" JSC. From 2018 to 2019 was a Supervisory Board member of "Petersburg Social Commercial Bank" JSC. Since 2019 has been a member of the Supervisory Board of rating agency "Expert RA", as well as a Management Board member. Since 2013 has been a Supervisory Board member in "Safmar financial investments" PJSC. Born in 1973. Graduated from Khabarovsk State Academy for economics and law, international economic relations department. CFA and ACCA certified.

Mr. Nazarov owns no shares in the Bank.

THE SUPERVISORY BOARD'S SHARE TRANSACTIONS

Pavel A. Kiryukhantsev sold shares of the Bank as a result of secondary market operations in February and April of 2020. Other members of the Supervisory Board did not make any transactions with the Bank's shares.

DETERMINATION CRITERIA AND LEVEL OF REMUNERATION FOR MEMBERS OF THE SUPERVISORY BOARD

Based on a decision of the General Shareholders Meeting, the members of the Bank's Supervisory Board may be entitled to remuneration and compensation for costs related to performing their functions as members of the Supervisory Board. The amount of remuneration and compensation is set by the General Shareholders Meeting. A resolution of the General Shareholders Meeting in 2015 approved the Regulations on Remunerations and Compensations Paid to the Members of the Supervisory Board, establishing the terms and procedures for such payments.

According to a resolution of the General Shareholders Meeting held on May 27, 2020, remuneration paid to the members of the Supervisory Board for the years 2019–2020 stood in the amount over RUB 60.0 mln. Participation in respective committee meetings was also factored in when calculating remuneration amounts for the members of the Supervisory Board.

THE STRATEGY COMMITTEE

The Strategy Committee is not a management body of the Bank. Members of the Committee are appointed by the Supervisory Board. The Committee's current members are: Andrey M. Zvyozdochkin, Alexey A. Germanovich, Vladislav S. Guz (Chairman of the Committee), Elena V. Ivannikova, Alexander V. Savelyev and Yury G. Levin.

The main task of the Strategy Committee is to assist the Supervisory Board in determining the long- and mid-term strategy of the Bank and its business priorities, as well as to review the Bank's major innovation and investment projects.

THE APPOINTMENTS AND REMUNERATION COMMITTEE

The Appointments and Remuneration Committee is not a management body of the Bank. Members of the Committee are Vladislav S. Guz, Andrey M. Zvyozdochkin and Pavel A. Kiryukhantsev (Chairman of the Committee), Yury G. Levin.

The main task of the Appointments and Remuneration Committee is to provide recommendations to the Supervisory Board with regard to candidates for key management positions, as well as to establish the principles and criteria for determining the amounts of remuneration for the Bank's key management and staff.

THE AUDIT COMMITTEE

The Audit Committee is not a management body of the Bank. Members of the Committee are appointed by the Supervisory Board. The Committee's current members are: Andrey P. Bychkov (Chairman of the Committee), Alexey A. Germanovich and Pavel A. Kiryukhantsev.

The main task of the Audit Committee is to assist the Supervisory Board in controlling the Bank's operations. The Committee verifies the integrity and accuracy of financial reporting, and preparation and presentation of the financial statements, examines the functioning of the internal control and audit systems, and issues recommendations to the Supervisory Board.

THE RISK MANAGEMENT COMMITTEE

The Risk Management Committee is not a management body of the Bank. Members of the Committee are appointed by the Supervisory Board. The Committee's current members are: Sergey P. Nazarov (Chairman of the Committee), Andrey P. Bychkov, Andrey M. Zvyozdochkin and Elena V. Ivannikova.

The principal task of the Risk Management Committee is to assist the Bank's Supervisory Board in defining the Bank's priorities related to its exposures and creating the conditions required for proper risk management.

THE DIGITALIZATION COMMITTEE

The Digitalization Committee is an advisory and consultative body ensuring efficient performance of the Supervisory Board's functions related to the digitalization of the Bank's products, services and internal processes. Along with competitive strategy development in digital processes, the Committee will evaluate digitalization projects expenses structure, formulate recommendations for key digital and innovational technologies and products, as well as for prioritized projects aimed at digital and innovational technologies development.

Committee members are appointed by the Bank's Supervisory Board.

Current members of the Committee are: Yury G. Levin (Chairman), Vladislav S. Guz, Alexey A. Germanovich (senior independent director)

The Committee was set up to provide efficient performance of the Supervisory Board through preliminary review and recommendations on the following key matters:

- local and global digital competitive landscape monitoring in financial sector;
- enhancing the Bank's competitiveness in the Russian digital financial services market;
- achievement of unique competitive advantages through implementation of benchmark practices and innovative digitalization projects.

THE MANAGEMENT BOARD

The Bank's ongoing operations are managed by the Chairman of the Management Board as its sole executive body, and by the Management Board as its collegial executive body. As of January 1, 2021, the Bank's Management Board is made up of eight members.

Alexander V. Savelyev

is the Chairman of the Management Board (from January 2001 to August 2014, and has again held this position since July 2016). Mr. Savelyev has been a member of the Supervisory Board since 2001; from August 2014 to July 2016, he also acted as the Chairman of the Bank's Supervisory Board. His previous experience includes Deputy Chairman of the Management Boards of Petrovsky Commercial Bank and Baltoneximbank. Mr. Savelyev was born in 1954. He is a graduate of Kazan Aviation Institute.

Mr. Savelyev owns 25.56% of the Bank's ordinary shares. His holding in the Bank's charter capital is 24.71%.

Konstantin Y. Balandin

has been the Deputy Chairman of the Management Board since January 2008. Mr. Balandin has worked for the Bank since 2000. From 1996 to 2000, he worked in the Treasury Department of the Industry and Construction Bank. Mr. Balandin was born in 1976. He is a graduate of the Economics Department of St. Petersburg State University. Mr. Balandin holds a PhD in Economics and a Qualification Certificate issued by the Federal Commission for the Securities Market.

Mr. Balandin owns 0.04% of the Bank's ordinary shares. His holding in the Bank's charter capital is 0.04%.

Vyacheslav Y. Ermolin

has been a member of the Management Board since December 2017; at the same time, he is the Vice-President, supervising the Bank's corporate business. Mr. Ermolin joined the Bank in August 2017. From 1999 to 2017, he worked for Sberbank as the Head of the Largest Corporates, Deputy Head of the Credit Department and Head of Sales Department for the Large and Middle Corporates of the Head Office in St. Petersburg. Mr. Ermolin was born in 1981. He is a graduate of Arkhangelsk State Technical University.

Mr. Ermolin owns no shares in the Bank.

Pavel V. Filimonenok

has been the Deputy Chairman of the Management Board since 2003; the First Deputy Chairman of the Management Board — Chief Executive Officer since June 2020. Mr. Filimonenok joined the Bank in 2001 and worked as the Director of the Retail Business Department from August 2003 until June 2007. In May 2009, he was appointed the Chairman of the Board of Directors of JSC Kompyuterniye Sistemy Dlya Biznesa. His previous positions include the Deputy Director of the Plastic Cards Department at Petrovsky Commercial Bank. Mr. Filimonenok was born in 1971. He is a graduate of St. Petersburg Institute of Precision Mechanics and Optics.

Mr. Filimonenok owns 0.02% of the Bank's ordinary shares. His holding in the Bank's charter capital is 0.02%. Mr. Filimonenok also holds a 100% interest in Lazoria Limited, which in turn owns 100% of Zerilod Holdings Limited. Zerilod Holdings Limited owns 26.576% of the charter capital of Verniye Druzya Management Company LLC. Verniye Druzya Management Company LLC owns 25.53% of the Bank's ordinary shares and holds a 24.72% interest in the Bank's share capital.

Kirill S. Kuznetsov

has been a member of the Management Board since December 2019, the Deputy Chairman of the Management Board since October 2020; at the same time, he is the Vice President, Head of Moscow Branch. Mr. Kuznetsov joined the Bank in December 2018. From 2011 to 2018, he worked in Alfa-Bank (Russia) as the Head of Medium Corporate Business. Mr. Kuznetsov was born in 1980. He is a graduate of Altai State University.

Mr. Kuznetsov owns no shares in the Bank.

Kristina B. Mironova

has been the Deputy Chairperson of the Management Board since September 2013; the First Deputy Chairman of the Management Board since June 2020, having joined Bank Saint Petersburg in 2002. Her previous positions include: the Deputy Director of the Moscow Branch, Director of Investor Relations, and the Director of the Customer Monitoring Department. Ms. Mironova was born in 1980 and graduated from St. Petersburg University for Economics and Finance.

Ms. Mironova owns 0.02% of the Bank's ordinary shares. Her holding in the Bank's charter capital is 0.02%. Ms. Mironova also holds a 100% interest in Zugradia Enterprises Limited, which in turn owns 100% of Noroyia Assets Limited. Noroyia Assets Limited owns 26.578% of the charter capital of Verniye Druzya Management Company LLC. Verniye Druzya Management Company LLC owns 25.53% of the Bank's ordinary shares and holds a 24.72% interest in the Bank's share capital.

Alexey A. Teploukhov

holds the position of the Deputy Chairman of the Management Board. A Management Board member since September 2020. Mr. Teploukhov is employed at the Bank since 2007. Since 2011 he has been a Board of Directors member in credit organization Petersburg Raschetnyi Center JSC. Since April 2020 Mr. Teploukhov has been a Board of Directors member at the self-regulating organization "National financial association". Graduated from St. Petersburg State University, majored in Law.

Mr. Teploukhov owns no shares in the Bank.

Vladimir P. Skatin

is the Deputy Chairman of the Management Board, has been a member of the Management Board since 2008. His career at JSC Industry and Construction Bank (which later became VTB North-West) was launched in 1995 as the Deputy Chairman of the Management Board. In 2001, he was appointed the First Deputy Chairman of the Management Board, and during 2006–2007 he served as the Chairman of the Management Board. Mr. Skatin was born in 1956. He is a graduate of Leningrad Polytechnic Institute and St. Petersburg State University for Economics and Finance. Mr. Skatin holds a PhD in Economics.

Mr. Skatin owns no shares in the Bank.

The members of the Management Board did not make transactions with the Bank's shares.

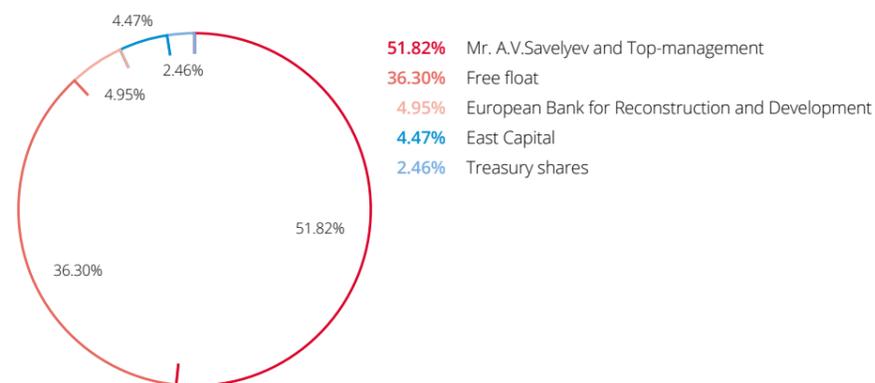
SHAREHOLDERS EQUITY STRUCTURE

As of January 1, 2021, the Bank's charter capital was RUB 507 654 167 and consisted of 487 554 167 ordinary shares with a nominal value of RUB 1 per share and 20 100 000 preferred shares with a nominal value of RUB 1 per share. All issued shares have been paid in full.

In October 2018, the Bank completed all buy-back procedures in accordance with 72-FZ on Joint-Stock Companies and acquired 11 999 833 ordinary shares at a price of RUB 55 per share.

Due to bought-back treasury shares were not realized during one year since the buyback date, the Bank has to decrease its share capital by redemption of the shares. In May 2020 the AGM approved the resolution to decrease its share capital in the amount of 11 999 833 ordinary shares with a nominal value of RUB 1. The cancellation was performed on June 8, 2020.

Shareholders Equity Structure (Ordinary Shares), January 1, 2021



REGISTRAR

The Bank's registrar is Joint Stock Company «R.O.S.T. Registrar» (JS Company «R.O.S.T. Registrar»).

Location and mailing address of JS Company «R.O.S.T. Registrar»:
 18 Stromynka Street, Building 5B, Moscow, Russia, 107076

Telephone: +7 /495/ 780 7363

St. Petersburg Branch:
 6 Belovodsky Lane, St. Petersburg, Russia, 194044

Telephone: +7 /812/ 424 2122

AeroAvkar Branch:
 212A Moskovsky Prospect, St. Petersburg, Russia, 196066

Telephone: +7 /812/ 371 9868

www.rrost.ru

License data:

- number: 045-13976-000001;
- issue date: December 3, 2002;
- issuing authority: FCSM Russia;
- term: indefinite.