

# IFRS Earnings presentation 2020 FY

March 4, 2021

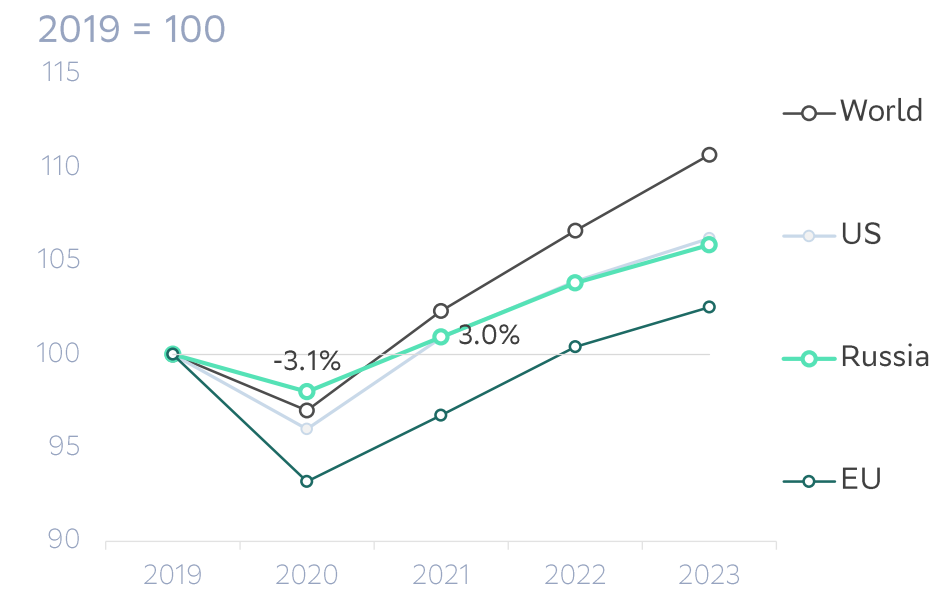


# 2020 guidance completed

		2019	2020 as of October 2020	2020
Efficiency	Cost to income Ratio (CIR)	35.8 %	Slight increase y/y	34.6 %
	OPEX growth	RUB 724.6 BN	<10 %	4.9 %
Profitability	NIM	5.38 %	Slightly >5.3 %	5.47 %
	Net Fees & Commissions Growth	RUB 497.9 BN	Around 10 %	+11.0 %
	Revenue from non-financial digital companies attributable to Sber	RUB 26.4 BN	RUB 70+ BN	RUB 71.4 BN
	Cost of Risk	74 BPS	230–250 BPS	206 BPS
	ROE	20.5 %	Low to mid teens	16.1 %
Capital	CET 1 CAR under Basel 3.5 for the Group	13.41 %	13.0–13.5 %	13.83 %

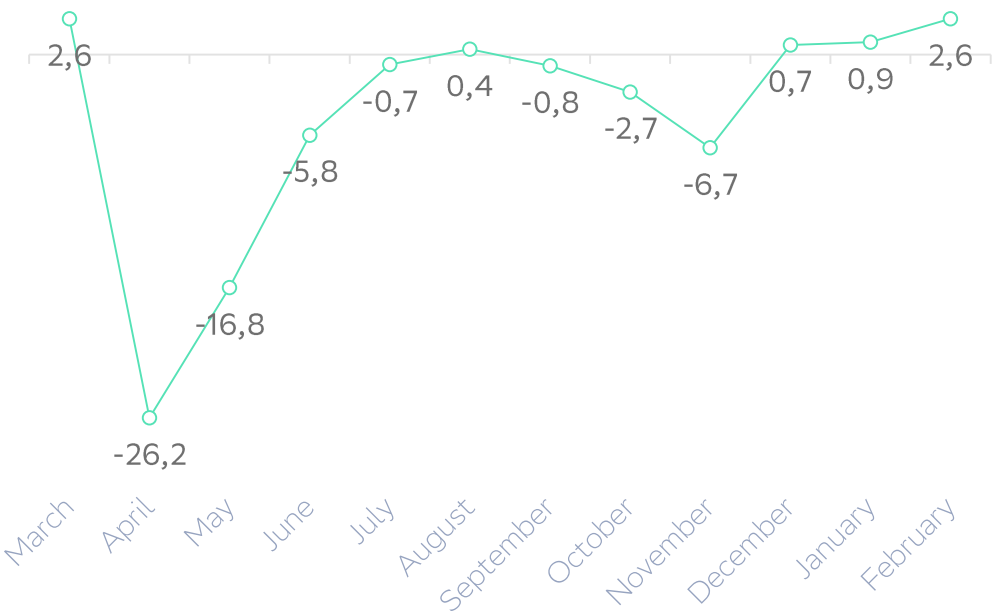
# Baseline Macro Forecast: back on track in one year

Moderate GDP decline in 2020 on the back of pandemic



Consumption growth is a clear signal for the recovery in demand

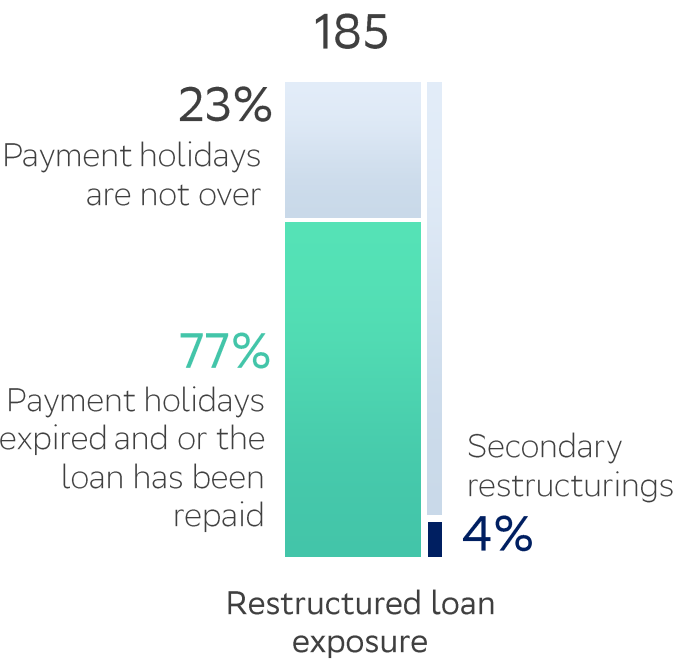
Consumer spending on products and services according to Sber data (SberIndex), Y/Y %



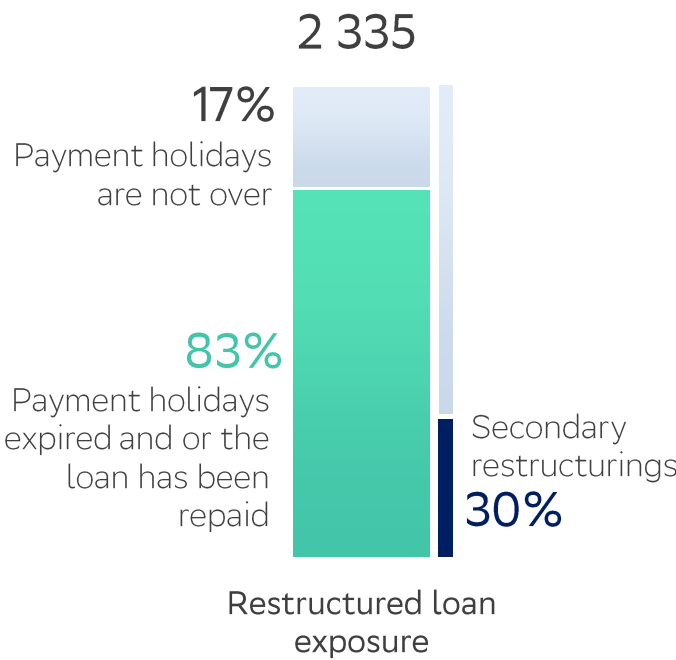
# Restructured loans

AS OF 21.02.2021  
RUB BN

## Retail loans



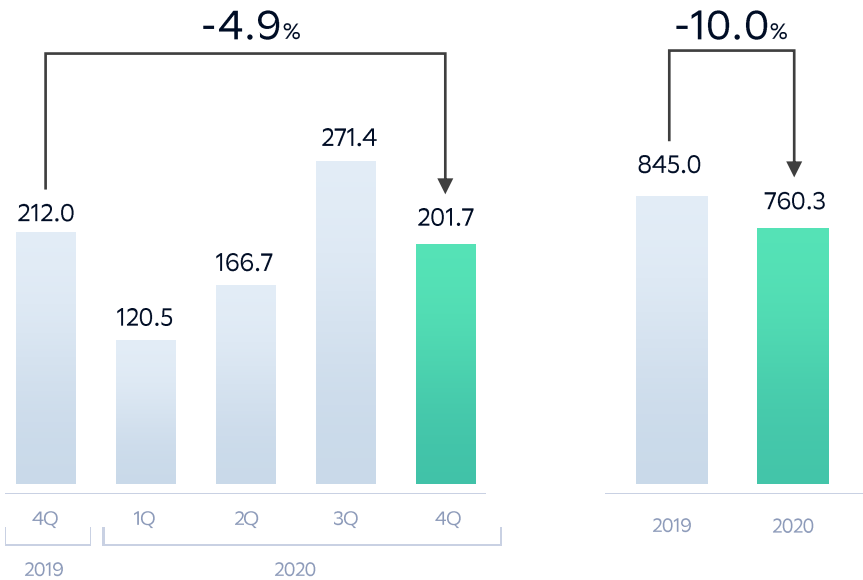
## Corporate loans



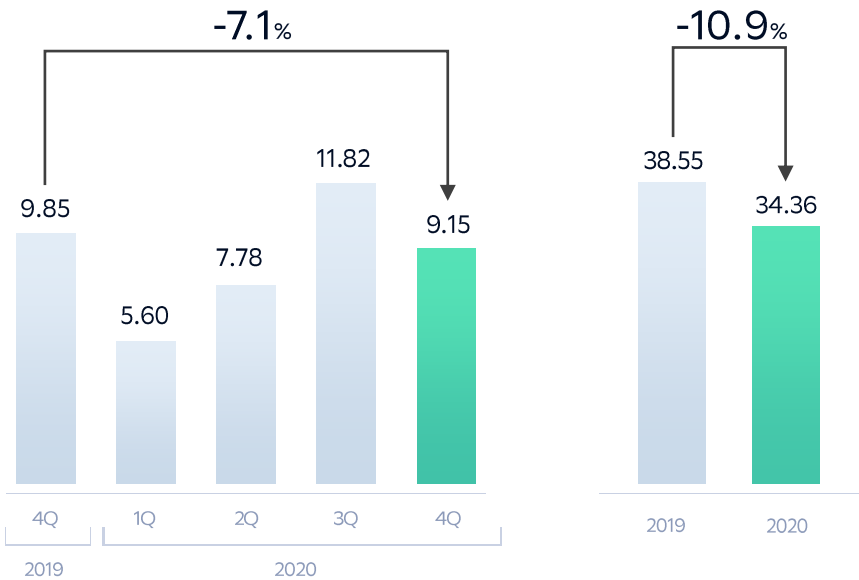
# Key financial indicators (1/2)

## Sber earned net profit of RUB 760.3 in 2020

Net Profit, RUB BN



Earnings per ordinary share (EPS), RUB BN



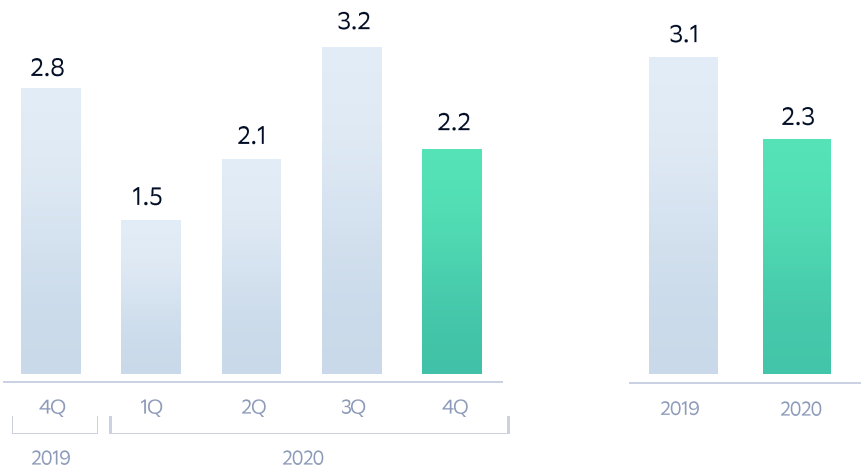
# Key financial indicators (2/2)

## ROE came at 16.1% for 2020

Return on Equity  
(ROE), %



Return on Assets  
(ROA), %



# Sber client base is expanding

MLN	31.12.2020	31.12.2019
Active retail clients	98.9	95.9
Active corporate clients	2.7	2.6
MAU SberBank Online	65.3	54.7
MAU SberBusiness	2.3	2.1
DAU/MAU App	50%	45%

# Sber ecosystem





# ESG developments



PRINCIPLES FOR  
**RESPONSIBLE  
BANKING**



# Segment analysis

RUB BN, CHANGE Y/Y

Share in adjusted\*  
Operating income  
before provisions

Operating  
income before  
provisions

Segment  
result

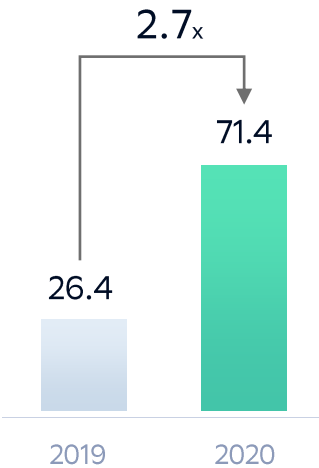


\*Non-financial business Gross Profit does not include Yandex Market data and financial information on disposal of Yandex Market. Information on associates or joint ventures are included into the metrics on a pro-rata basis to the Group's interest in respective companies during the reporting period

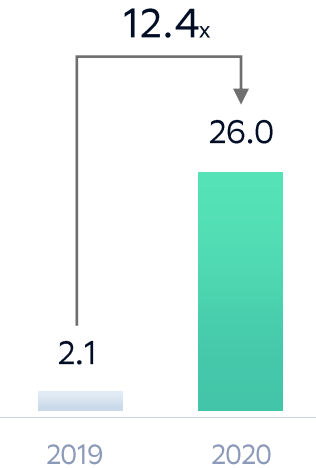
# Non-financial business

RUB BN, CHANGE Y/Y

Revenue of non-financial businesses  
RUB BN



E-commerce GMV *pro-forma*\*  
RUB BN



## E-Commerce

GMV  
**12.9** 43x ▲

EBITDA  
(6.4)

Number of orders, mln  
27.9 23x ▲

## FoodTech & Mobility

Revenue  
**4.8** 11x ▲

EBITDA  
(10.4)

Number of food orders, mln  
62.6 19x ▲

## Entertainment

Revenue  
**7.4** 3.9x ▲

EBITDA  
(3.0)

Number of paying users, Okko, mln  
2.6 2.2x ▲

## Health

Revenue  
**2.1** 1.3x ▲

EBITDA  
0.2

Number of telemedicine consultations, thds  
200 4.7x ▲

## B2B services

Revenue  
**33.6** 2x ▲

EBITDA  
5.3

including:

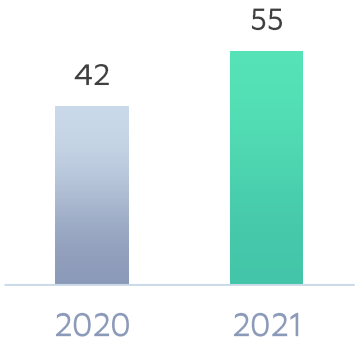
Cloud	Cybersec
<b>3.3</b> 14x ▲	<b>9.4</b> 3.4x ▲
0.1	1.9

\*GMV *pro-forma* included into the metrics on a 100% basis to the Group's interest in respective companies during the reporting period, joint ventures on a pro-rata basis to the Group's interest in respective companies  
Revenue, EBITDA and GMV of associates or joint ventures are included into the metrics on a pro-rata basis to the Group's interest in respective companies during the reporting period. For the Group companies the metrics above are included on a 100% basis from the control acquisition date.

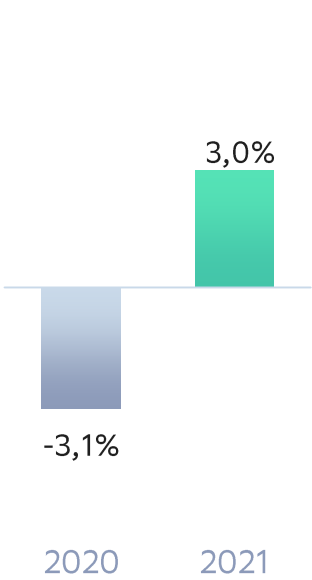
# Macro forecast

BASE-CASE

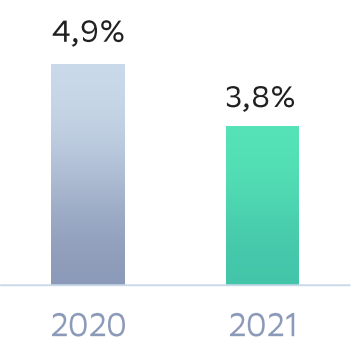
Oil price,  
URALS \$, AVERAGE FOR  
THE YEAR



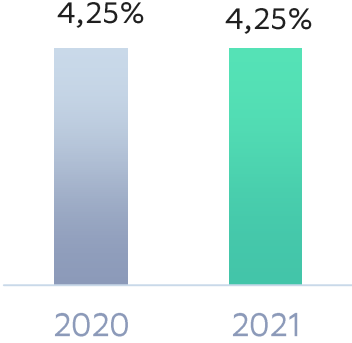
Economic growth,  
REAL, Y/Y



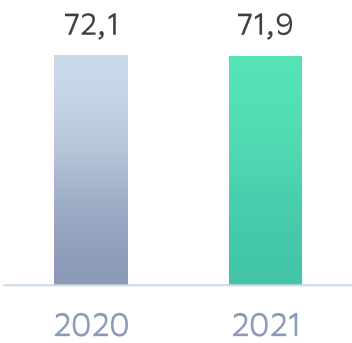
Inflation,  
END OF PERIOD



CBR key rate,  
END OF PERIOD



RUB / USD,  
AVERAGE FOR THE YEAR



# Sector forecasts 2021



Nominal  
Growth  
Dynamics  
2021

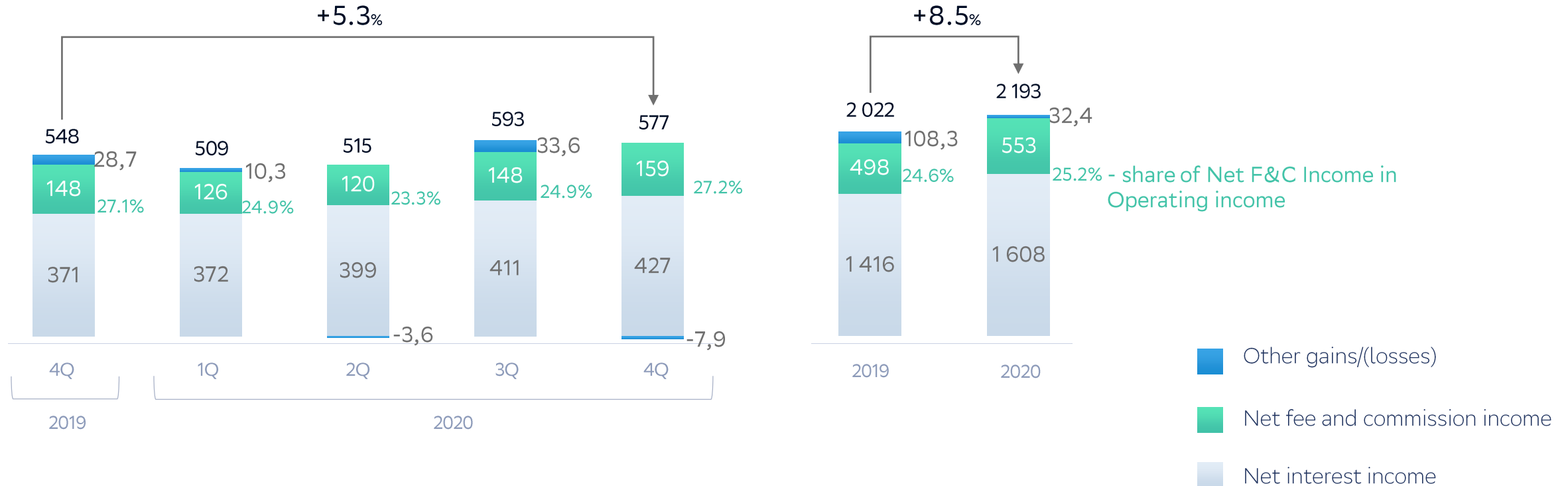
as of 30.11.2020	Corporate loans	Retail loans	Corporate deposits	Retail deposits
Sector Russia	7-9%	13-15%	9-11%	6-8%
SberBank	In line with the sector	In line with the sector	Better than the sector	In line with the sector
as of 04.03.2021	Corporate loans	Retail loans	Corporate deposits	Retail deposits
Sector Russia	7-9%	13-15%	10-12%	6-8%
SberBank	In line with the sector	In line with the sector	Better than the sector	In line with the sector

# Guidance 2021

		2021 as of 30.11.2020	2021 as of 04.03.2021
Efficiency	Financial business Cost to income Ratio (CIR)	Stable y/y	Stable y/y
	Group OPEX growth	~10%	~10%
Profitability	NIM (average)	~0.5 pp decrease vs. guidance 2020	~0.5 pp decrease
	Net Fees & Commissions Growth	~10%	~10%
	Revenue from non-financial digital companies attributable to Sber	X2 y/y	X2 y/y
	Cost of Risk	140-160 BPS	120-140 BPS
	ROE	>17%	>18%
Capital	CET 1 CAR under Basel 3.5 for the Group	13.5–14.0 %	13.5–14.0 %

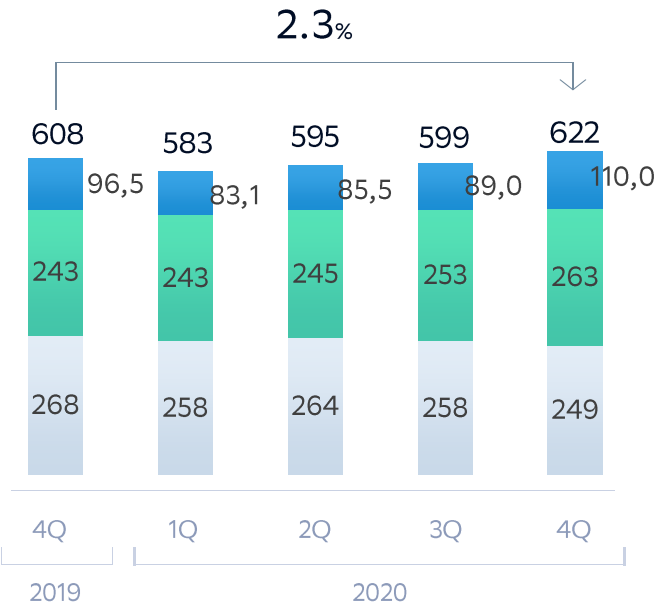
# Operating income increased mainly driven by Net interest income

Operating income before (1) credit loss allowance charge for debt financial assets, (2) revaluation of loans at fair value due to change in credit quality and (3) provisions for credit related commitments, RUB BN



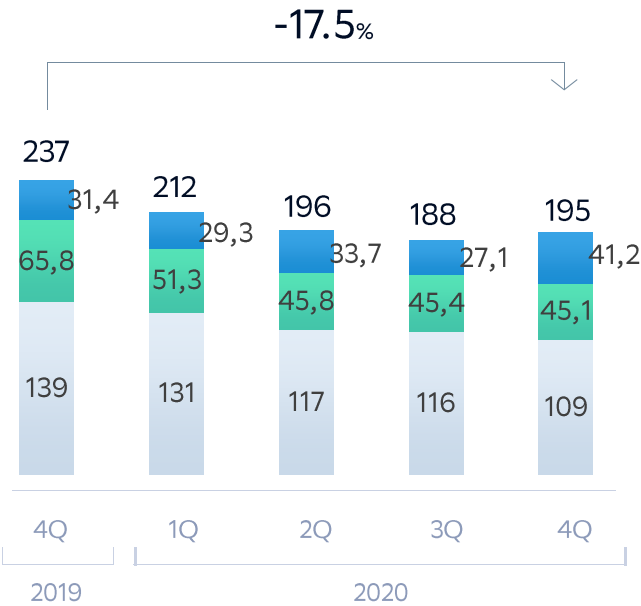
# Net interest income grew by 15.0%

Interest income, RUB BN



- Corporate loans
- Loans to individuals
- Other

Interest expense, RUB BN



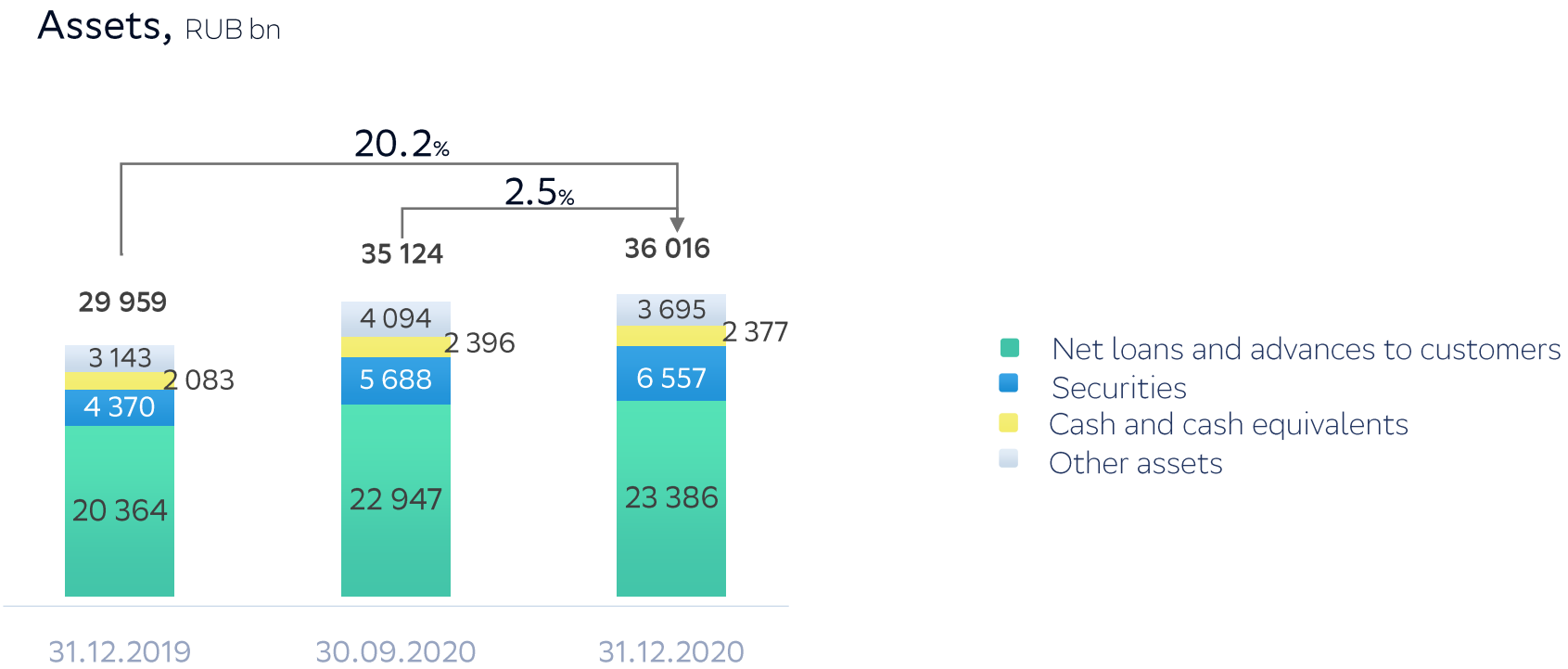
- Individual deposits
- Corporate accounts
- Other

Net interest income, RUB BN



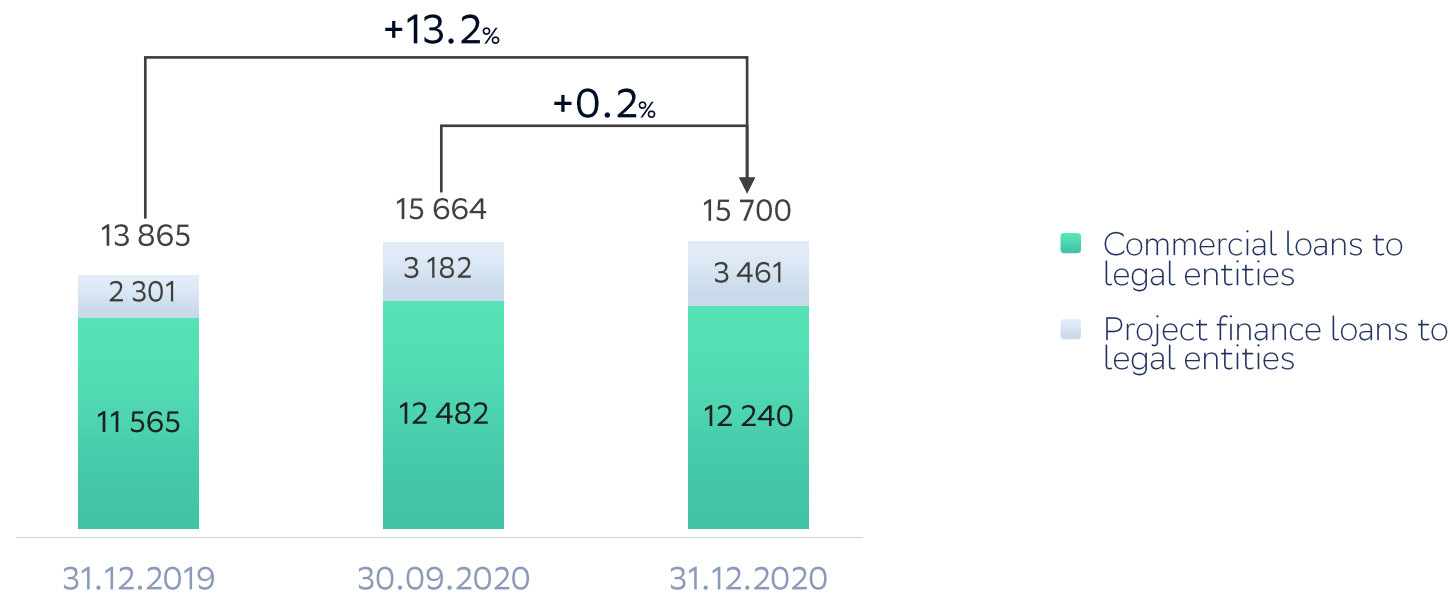


# Assets increased by 20% driven by loan portfolio and securities growth



# Corporate loan portfolio grew by 13.2%

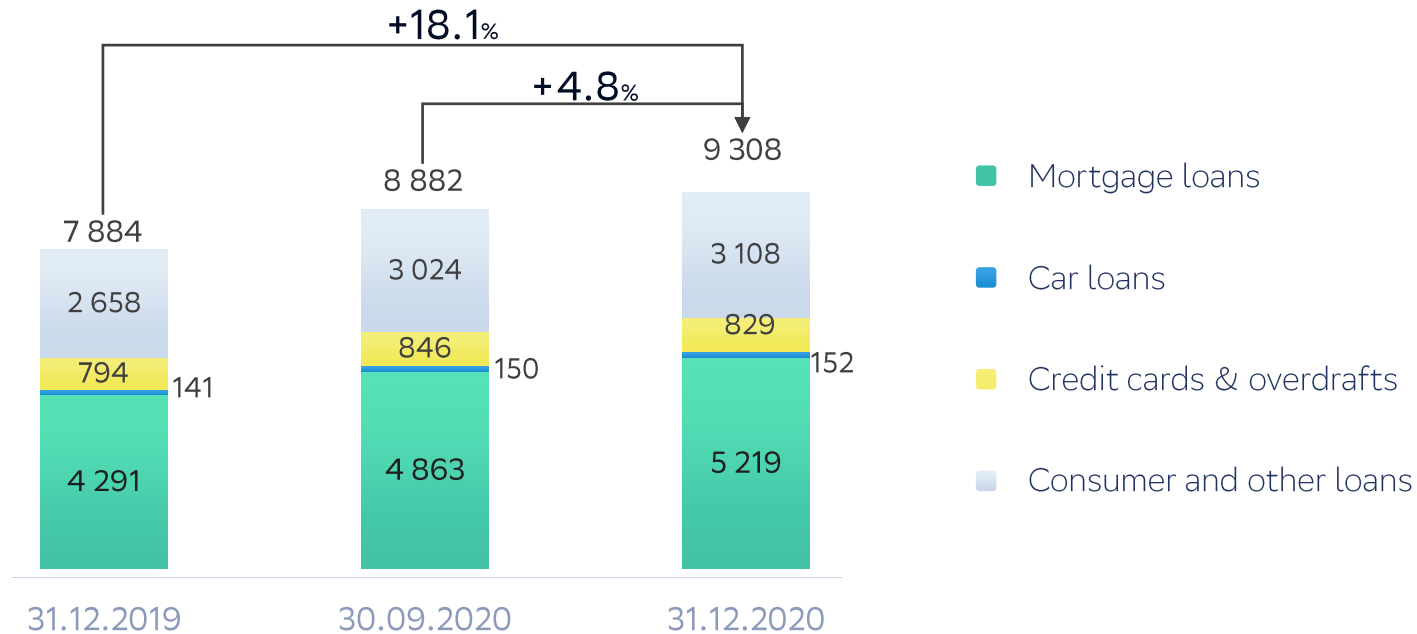
Corporate loan portfolio,  
RUB BN



**Corporate portfolio** grew by 3.5% in 4Q 2020 excluding FX revaluation and by 9.3% for the full year

# Retail portfolio increased by 18% to account for the record high 37.2% of total loans

Retail loan portfolio,  
RUB BN

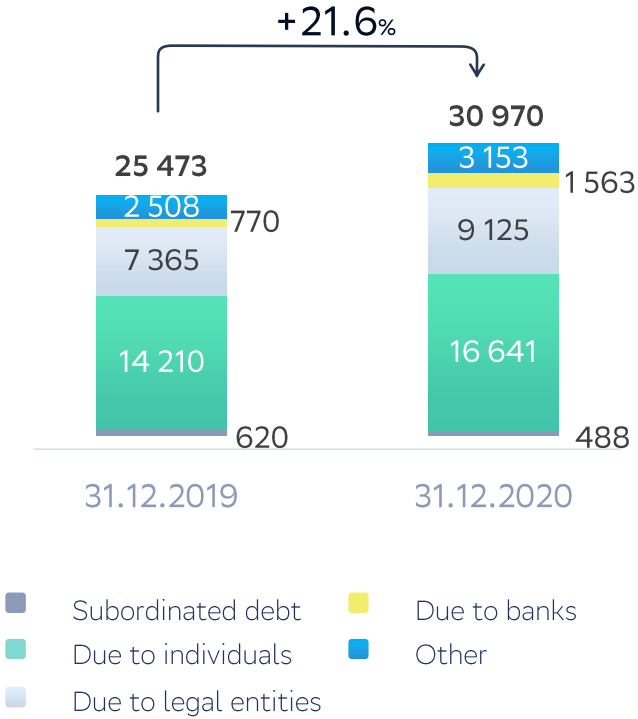


**Mortgages** remained the key driver of the retail loan portfolio (+21.6% in 2020)

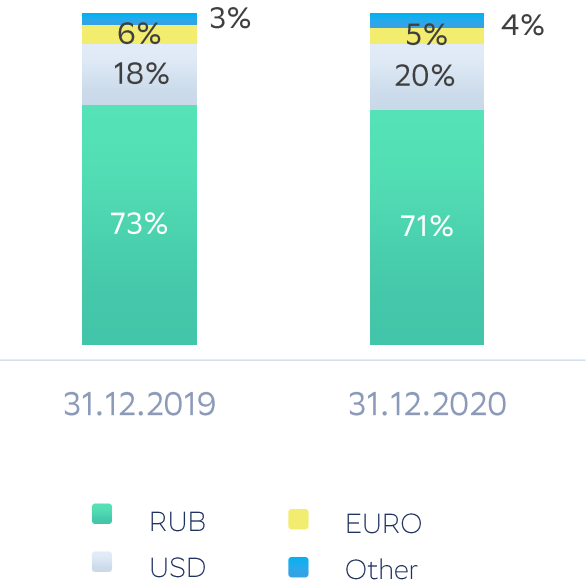
**Consumer loans** were up by 2.8% in 4Q 2020 (+17% for 2020)

# Liabilities dynamics and structure

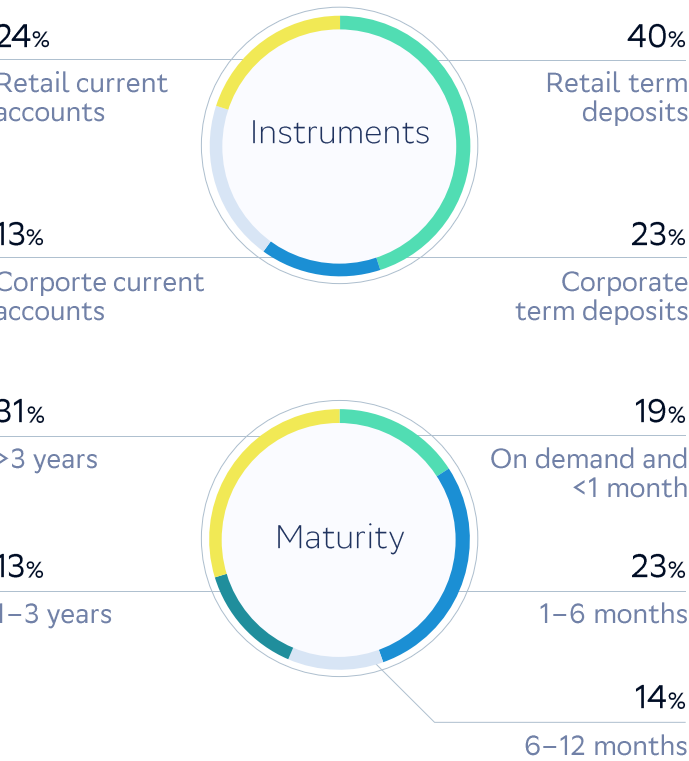
Liabilities, RUB BN



Customer deposits by currency, %

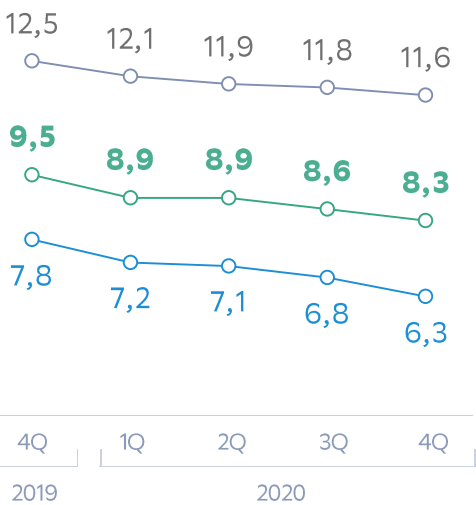


Deposits Structure



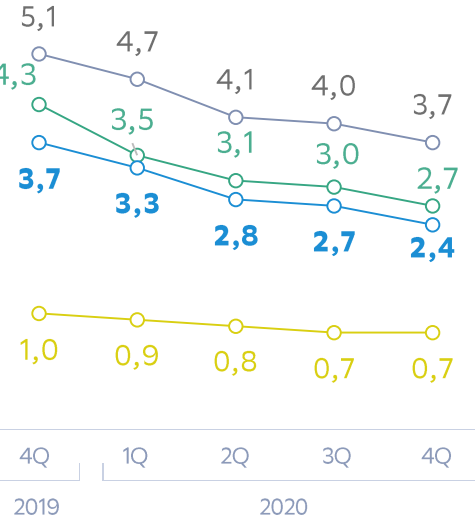
# Decrease in funding costs supports NIM

Average loan yields, %



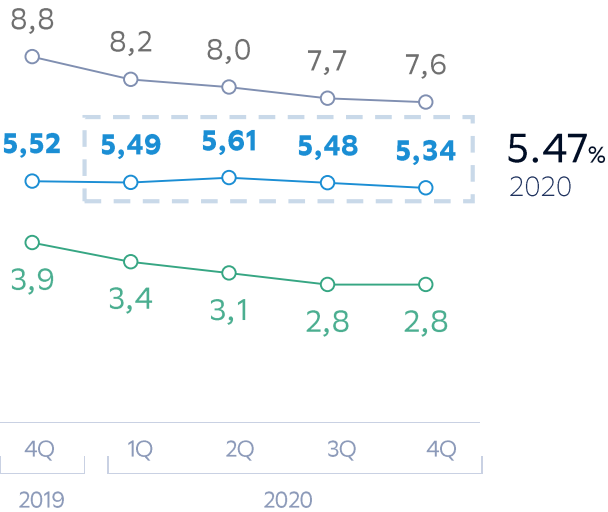
- Loans to individuals
- Total loans
- Corporate loans

Average deposit costs, %



- Individual term deposits
- Corporate term deposits
- Total customer costs
- Current / settlement accounts

Net interest margin, %



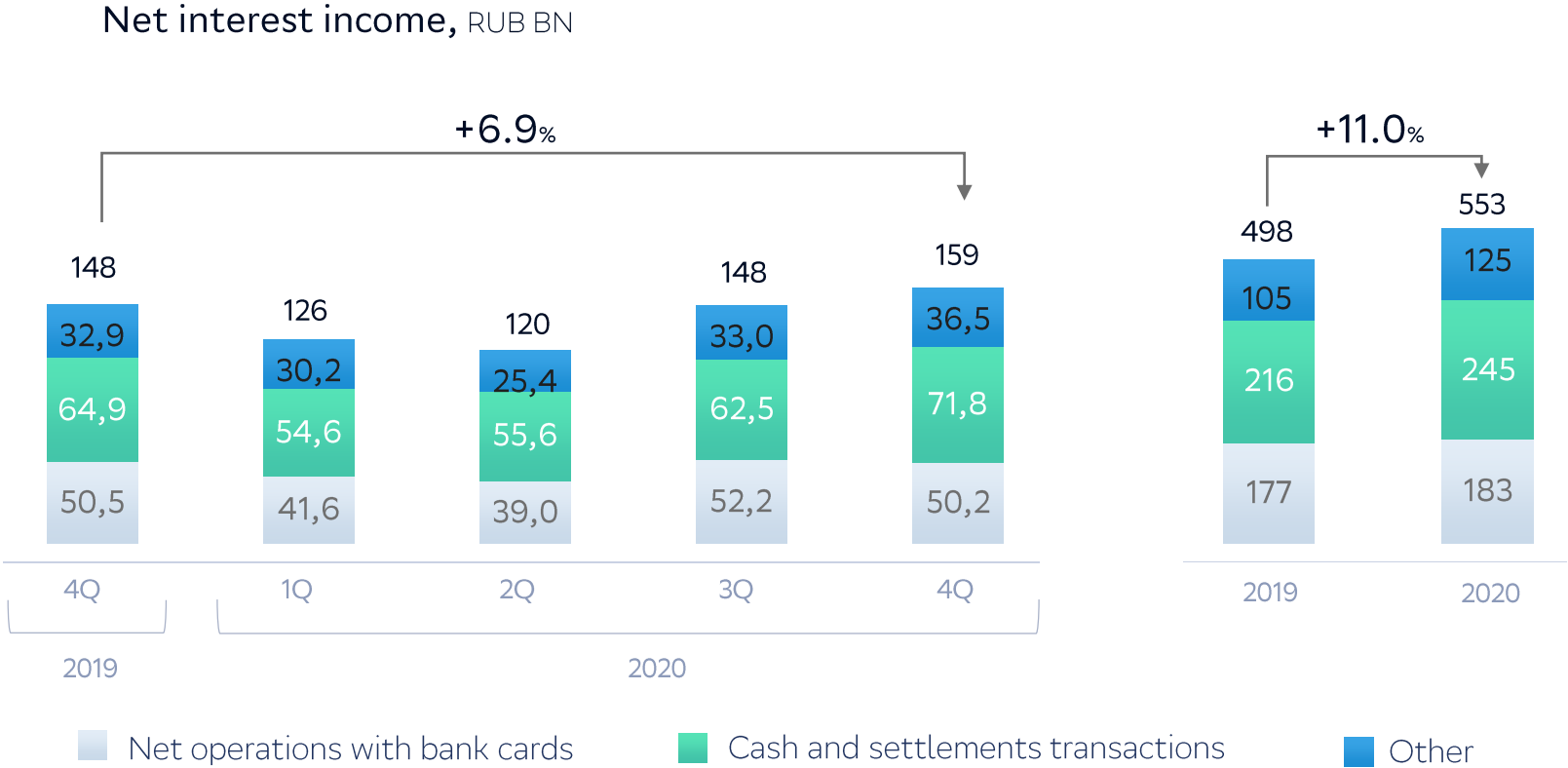
- Yield on interest earning assets
- Net interest margin
- Cost of funds



Guidance  
2021

NIM (average)  
~0.5 pp decrease

# Net fee and commission income increased by 11%



Guidance  
2021

Net F&C income growth  
**Around 10%**

# Moderate OPEX growth on the back of the pandemic

The pandemic-related efficiency enhancement program facilitated the slowdown of the costs growth

Operating expenses, RUB BN

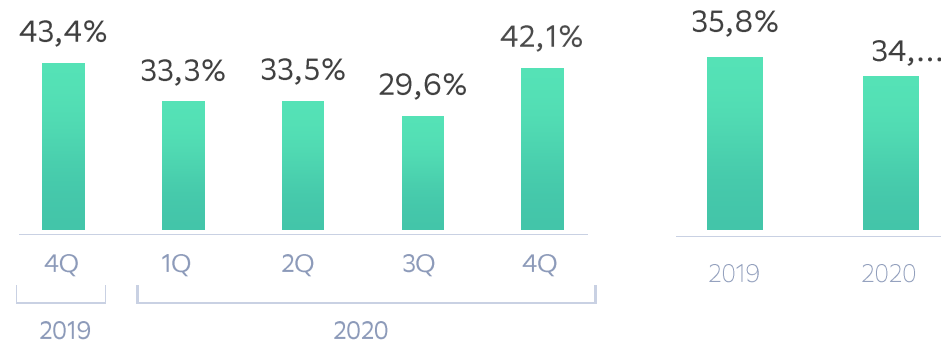


Guidance  
2021

OPEX Growth  
**Around 10%**

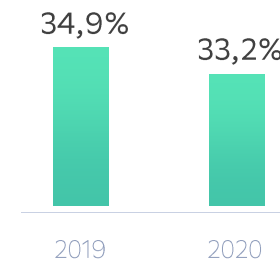
# Financial business CIR improved by 1.7 pp in 2020

Group Cost to income ratio (C/I), %



Operating income before (1) credit loss allowance charge for debt financial assets, (2) revaluation of loans at fair value due to change in credit quality and (3) provisions for credit related commitments

Financial business Cost to income ratio (C/I), %



Financial business C/I is based on the following segments: Banking business, Payment business, Wealth management and brokerage, Risk insurance



Guidance  
2021

Financial business C/I  
**Stable y/y**

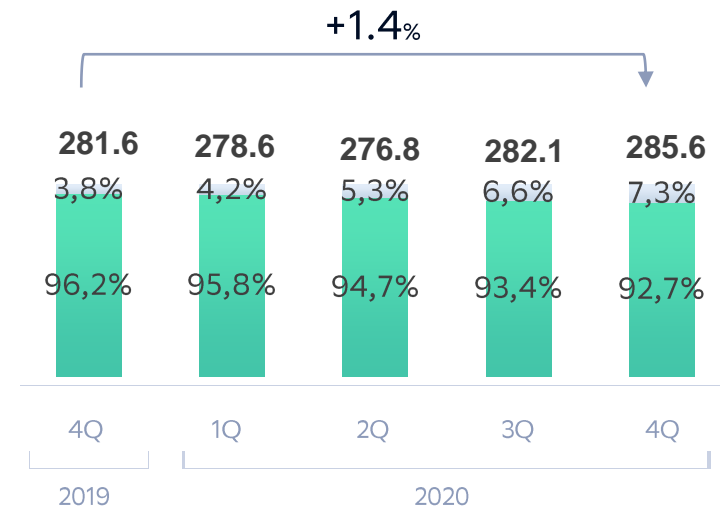


# OPEX structure & actual headcount

## Operating expenses split, RUB BN

	4Q' 19	1Q' 20	2Q' 20	3Q' 20	4Q' 20
Staff costs, Sberbank	130.2	93.0	97.2	89.1	127.9
Staff costs, subsidiaries	13.0	14.0	13.2	14.1	17.3
Other operating expenses, Sberbank	82.8	52.3	55.0	64.8	84.7
Other operating expenses, subsidiaries	12.0	9.9	7.0	7.5	12.8

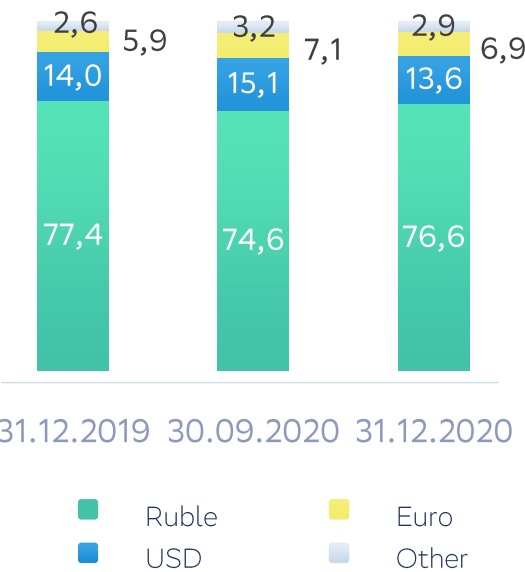
## Headcount, Actual number of full-time employees



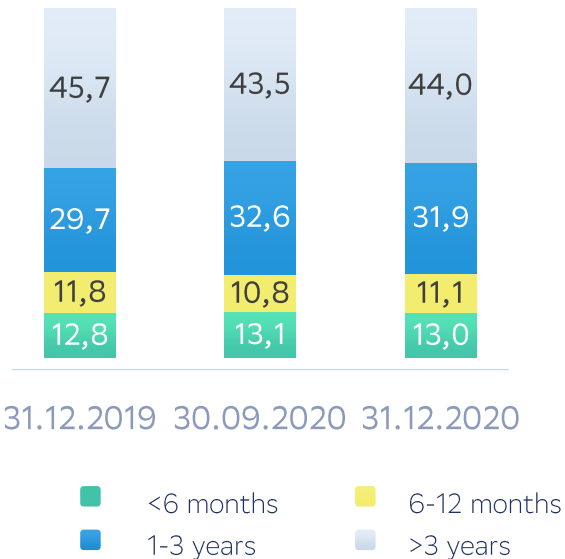
- Non-financial businesses
- Financial business and other

# Loan portfolio structure

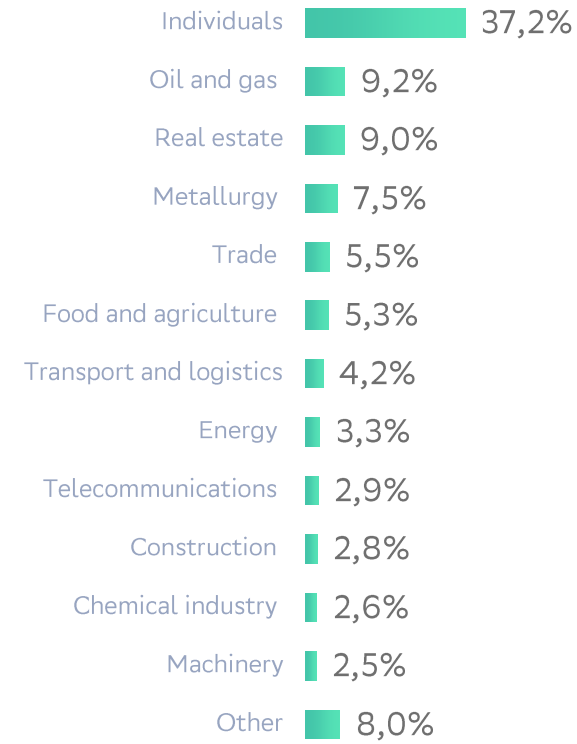
Currency breakdown, %



Maturity breakdown, %



Loan portfolio by segment, %



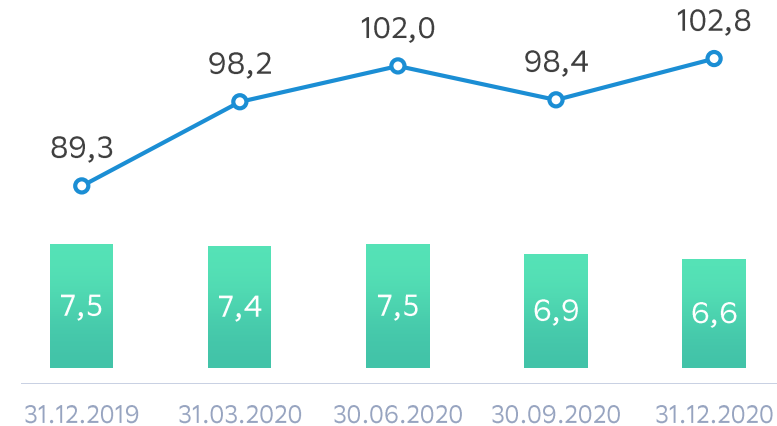
# Asset quality improved by the end of 2020

The credit quality of the loan portfolio improved in 4Q 2020 and returned to the pre-crisis level

Non-performing loans (90+) in total loan portfolio, AT AMORTIZED COST AND AT FAIR VALUE, %



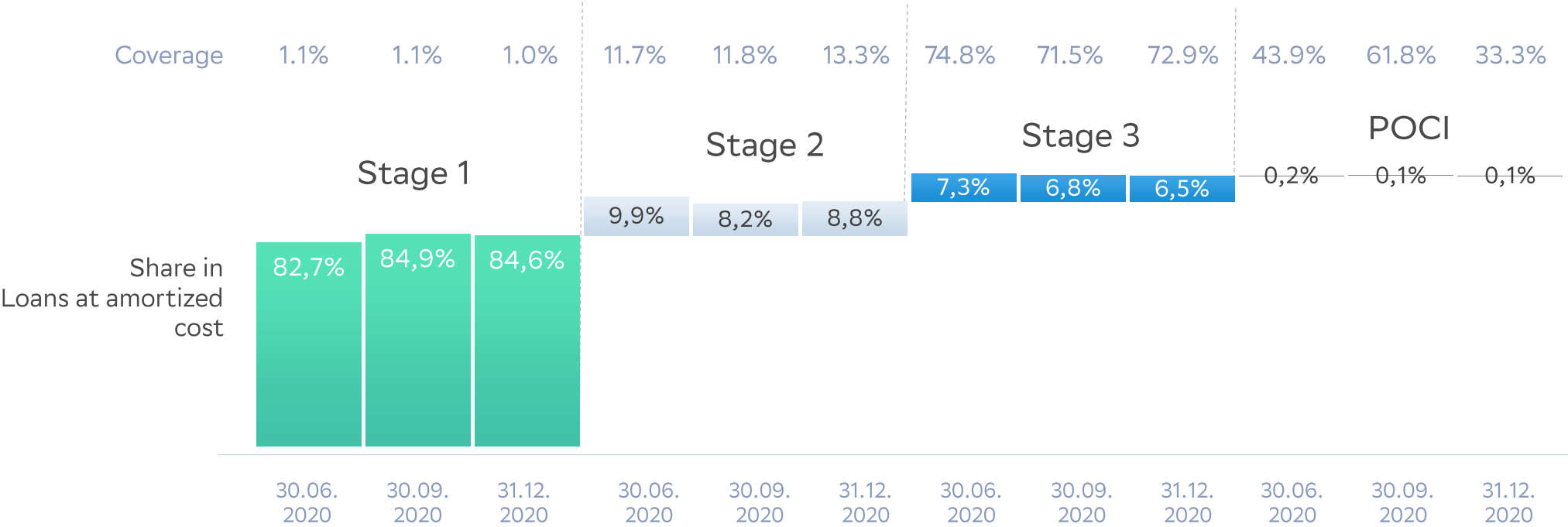
Total provision coverage of Stage 3 and POCI loans, AT AMORTIZED COST, %



- Share of Stage 3 and POCI loans in Total loans at amortized cost
- Total coverage

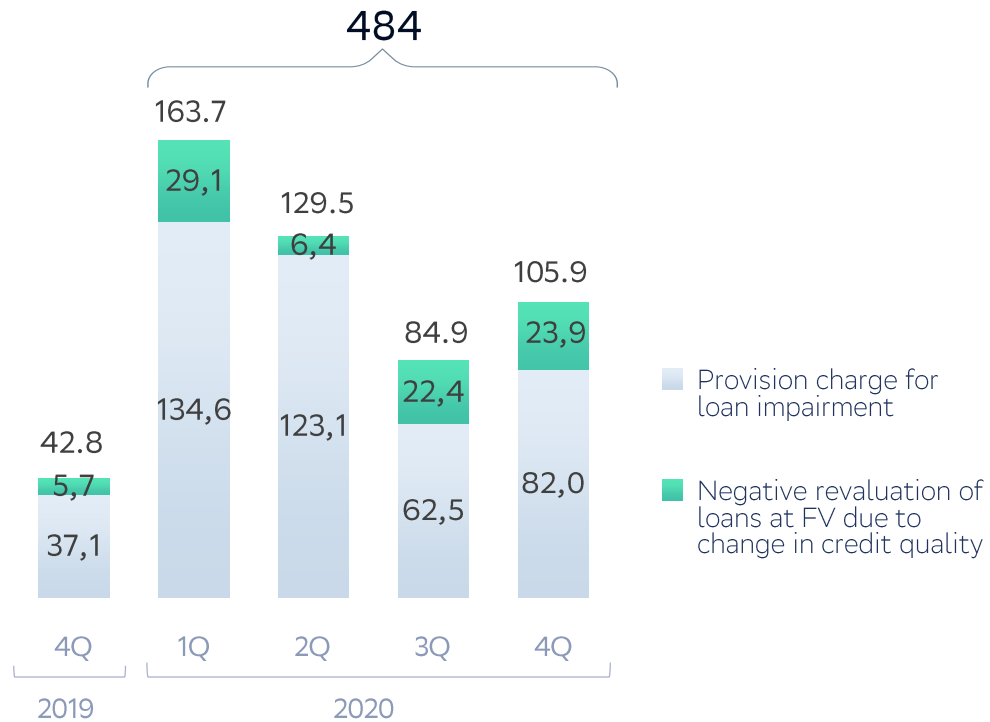
# Loan portfolio by credit quality by stages

Loans at amortized cost

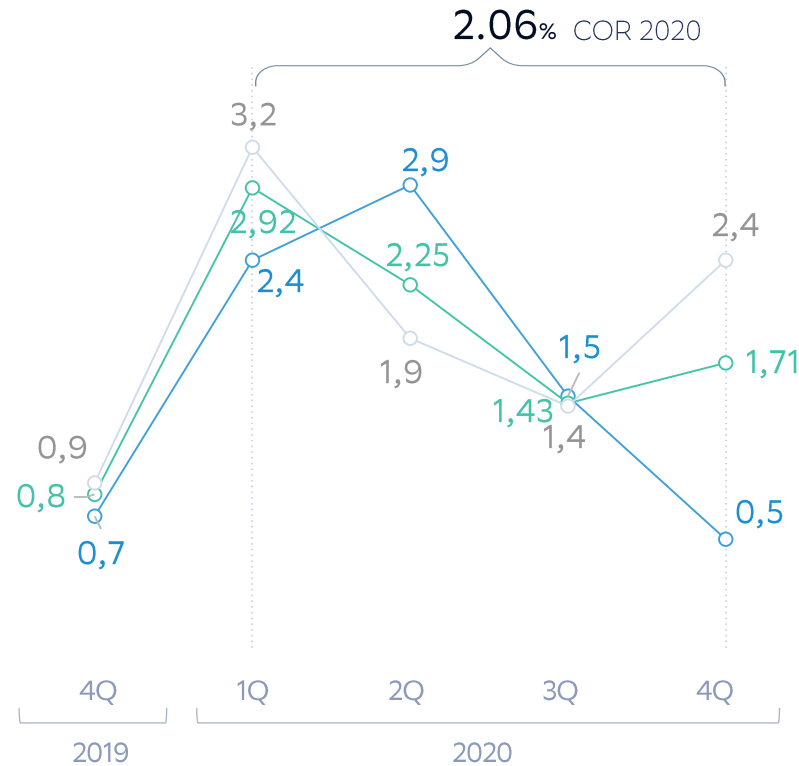


# Cost of risk came at 206 bps in 2020

Net charge related to change in credit quality, RUB BN



Cost of risk, %



**Guidance  
2021**

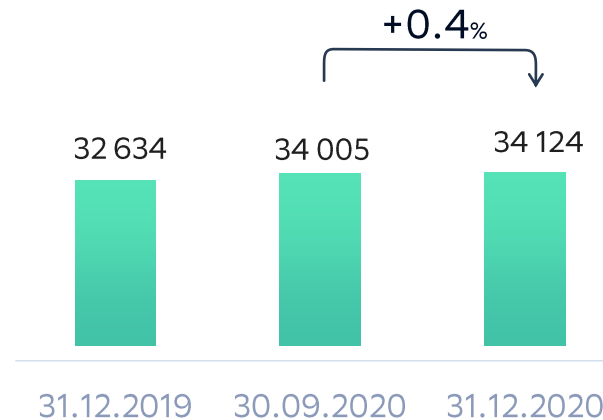
**COR  
120-140 BPS**

- Combined Cost of risk at amortized cost + at fair value
- Corporate Cost of risk at amortized cost + at fair value
- Retail Cost of risk at amortized cost

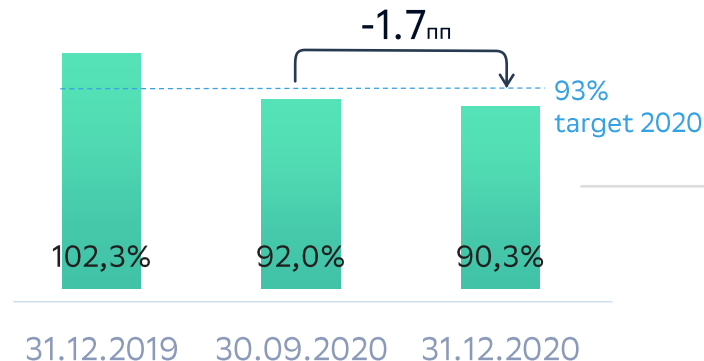
The decrease of RWA density in 2020 was attributed to the implementation of new IRB models, transition to Basel 3.5 and partial release of macro add-ons for retail loans

RWA density decreased in 4Q due to the growth of the OFZ portfolio that has zero risk-weight

Total risk weighted assets (RWA), RUB BN



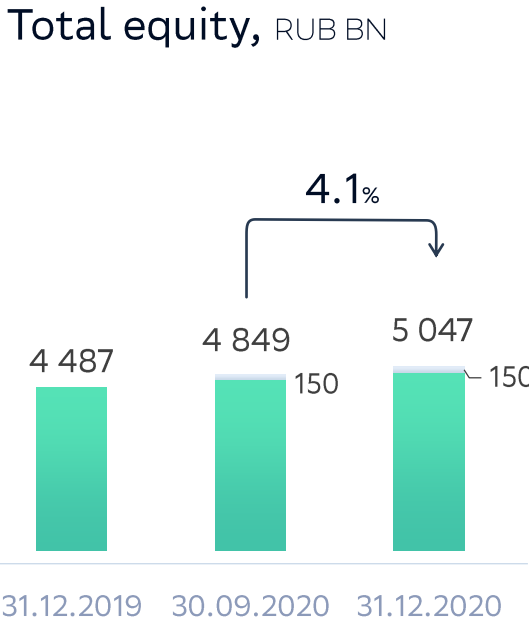
RWA density, %



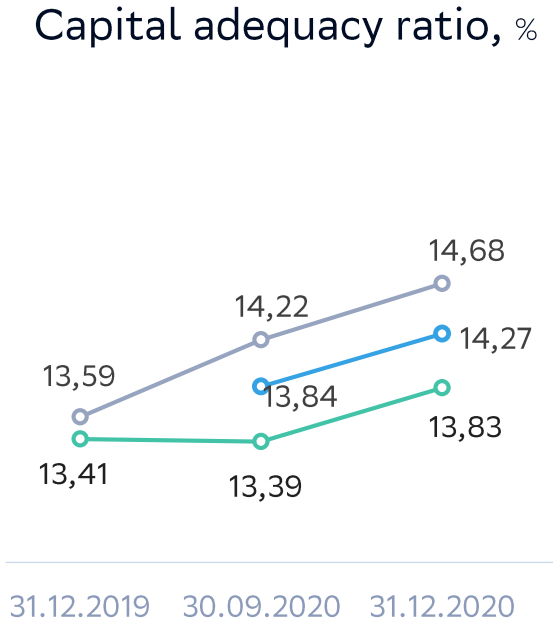
New standardized approach (SA) for operational risk expected in 2021

# Capital adequacy is at the comfortable level

Basel 3.5



■ Perpetual subordinated loan



- Total capital adequacy ratio
- Tier 1 capital adequacy ratio
- CET 1 capital adequacy ratio



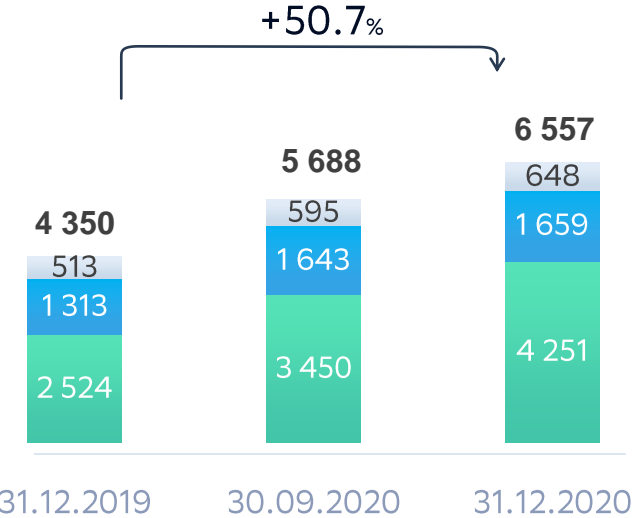
Guidance  
2021

**CET 1 CAR**  
under Basel 3.5 for the Group  
**13.5-14.0%**

# Securities portfolio grew by 50% in 2020 mainly due to OFZ purchases

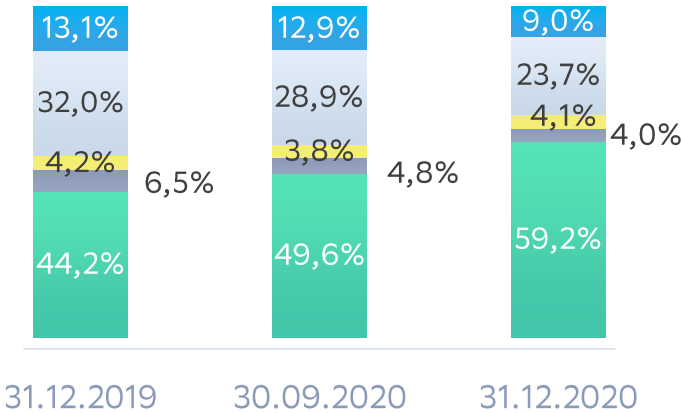
Securities portfolio increased driven by purchases of OFZ with a floating coupon aimed at forming a liquidity buffer without any impact on capital adequacy and negligible effect on interest rate risk

Securities by portfolio, RUB bn



- Securities measured at FVTOCI
- Securities measured at amortized cost
- Securities measured at FVTPL

Securities by type, %



- OFZ bonds
- Russian Federation Eurobonds
- Municipal bonds
- Corporate bonds
- Other securities





# Appendix

# Banking business

RUB BN	2020	2019	
<b>Interest income</b>	<b>2 321,4</b>	<b>2 314,3</b>	<b>0%</b>
Due from banks	66,5	108,6	-39%
Loans and advances to corporate customers	1 009,2	1 074,6	-6%
Loans and advances to individuals	1 003,4	901,9	11%
Debt securities	237,1	218,9	8%
Other	5,2	10,3	-50%
<b>Interest expense</b>	<b>(794,0)</b>	<b>(991,8)</b>	<b>-20%</b>
Due to banks	(67,0)	(78,3)	-14%
Due to corporate customers	(200,4)	(288,5)	-31%
Due to individuals	(390,4)	(482,7)	-19%
Debt securities in issue	(65,8)	(53,6)	23%
Deposit insurance expense	(62,6)	(85,5)	-27%
Other	(7,8)	(3,2)	144%
<b>Fee and commission income</b>	<b>340,1</b>	<b>327,1</b>	<b>4%</b>
Corporate customers	110,4	103,4	7%
Individuals	218,3	216,0	1%
Other	11,4	7,7	48%
<b>Fee and commission expense</b>	<b>(139,5)</b>	<b>(126,1)</b>	<b>11%</b>
Corporate customers	(10,4)	(4,8)	117%
Individuals	(122,9)	(113,2)	9%
Other	(6,2)	(8,1)	-23%
Net income from trading activities	69,0	65,2	6%
Other net operating (expense) / income	(52,2)	25,0	-309%
<b>Operating income before credit loss allowance and other provisions</b>	<b>1 744,8</b>	<b>1 613,7</b>	<b>8%</b>
Net charge for credit loss allowance and other provisions	(534,8)	(183,7)	191%
Staff and administrative expenses	(574,2)	(552,1)	4%
<b>Profit before tax (segment result)</b>	<b>635,8</b>	<b>877,9</b>	<b>-28%</b>

# Payment business

RUB BN	2020	2019	
Payment products for individuals	103,9	79,8	30%
Payment products for corporate customers	225,1	197,9	14%
<b>Operating income before credit loss allowance and other provisions</b>	<b>329,0</b>	<b>277,7</b>	<b>18%</b>
Staff and administrative expenses	(124,1)	(122,7)	1%
<b>Profit before tax (segment result)</b>	<b>204,9</b>	<b>155,0</b>	<b>32%</b>

# Wealth Management and Brokerage

RUB BN	2020	2019	
Gross premium written and pension contributions	88,1	118,5	-26%
Net interest income	84,2	78,4	7%
Net income from trading activities	51,4	48,5	6%
Net commission income	9,6	6,2	55%
Change in insurance provisions / pension liabilities	(115,6)	(143,6)	-19%
Payments on insurance and pension contracts	(48,6)	(44,0)	10%
Acquisition costs	(1,5)	(2,2)	-32%
Investment expenses	(1,3)	(1,6)	-19%
Other net operating (losses) / income	(0,5)	0,5	
<b>Operating income before credit loss allowance and other provisions</b>	<b>65,8</b>	<b>60,7</b>	<b>8%</b>
Net charge for credit loss allowance and other provisions	(1,1)	–	
Staff and administrative expenses	(21,1)	(18,6)	13%
<b>Profit before tax (segment result)</b>	<b>43,6</b>	<b>42,1</b>	<b>4%</b>

# Risk insurance

RUB BN	2020	2019	
Gross premium written and pension contributions	92,2	99,1	-7%
Change in insurance provisions	(1,4)	(7,5)	-81%
Payments on insurance contracts	(13,0)	(10,4)	25%
Acquisition costs	(4,2)	(7,2)	-42%
Net commission income	1,4	1,4	0%
Net investment income	4,0	3,6	11%
Other net operating (losses) / income	(0,1)	2,2	-105%
<b>Operating income before credit loss allowance and other provisions</b>	<b>78,9</b>	<b>81,2</b>	<b>-3%</b>
Net charge for credit loss allowance and other provisions	(0,2)	–	
Staff and administrative expenses	(17,0)	(15,9)	7%
<b>Profit before tax (segment result)</b>	<b>61,7</b>	<b>65,3</b>	<b>-6%</b>

# Segment Analysis

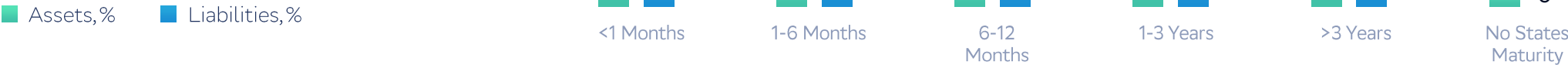
In billions of Russian Roubles	Banking business		Payment business		Wealth management and brokerage		Risk insurance		Non-financial business	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Total revenue	2 699,3	2 680,6	420,0	353,8	99,5	133,9	98,8	104,5	71,4	26,4
Operating income before credit losses allowance and other provisions	1 744,8	1 613,7	329,0	277,7	65,8	60,7	78,9	81,2	36,2	10,0
Net (charge) / recovery of credit loss allowance and other provisions	(534,8)	(183,7)	–	–	(1,1)	–	(0,2)	–	(0,4)	(0,1)
Staff and administrative expenses	(574,2)	(552,1)	(124,1)	(122,7)	(21,1)	(18,6)	(17,0)	(15,9)	(27,2)	(11,4)
<b>Profit / (loss) before tax (segment result)</b>	<b>635,8</b>	<b>877,9</b>	<b>204,9</b>	<b>155,0</b>	<b>43,6</b>	<b>42,1</b>	<b>61,7</b>	<b>65,3</b>	<b>8,6</b>	<b>(1,5)</b>
Segment assets	34 518,3	28 393,0	71,1	58,7	1 136,9	944,1	92,8	80,7	136,6	39,3
Segment liabilities	30 305,8	24 655,8	18,9	9,2	652,7	683,4	79,9	69,2	64,9	15,5

# Liquidity and FX management

## Foreign Currency Risk Exposure



## Liquidity Risk



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# Sber FY2020 results under IFRS



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