



Long-term strategy for the development and transformation of the activities of JSC "National Bank for Foreign Economic Activity of the Republic of Uzbekistan" for 2021-25



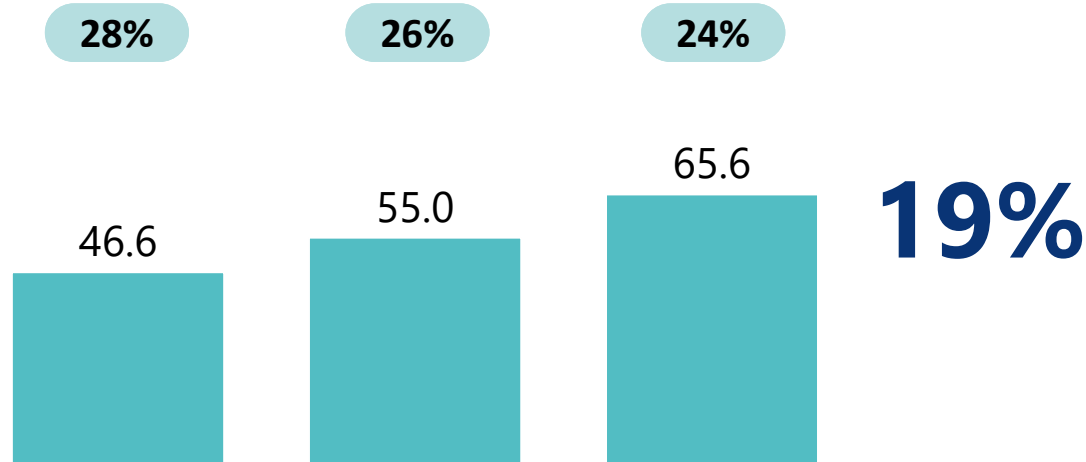
Despite declining market share, NBU remains the leader of the country's banking sector

% Country market share

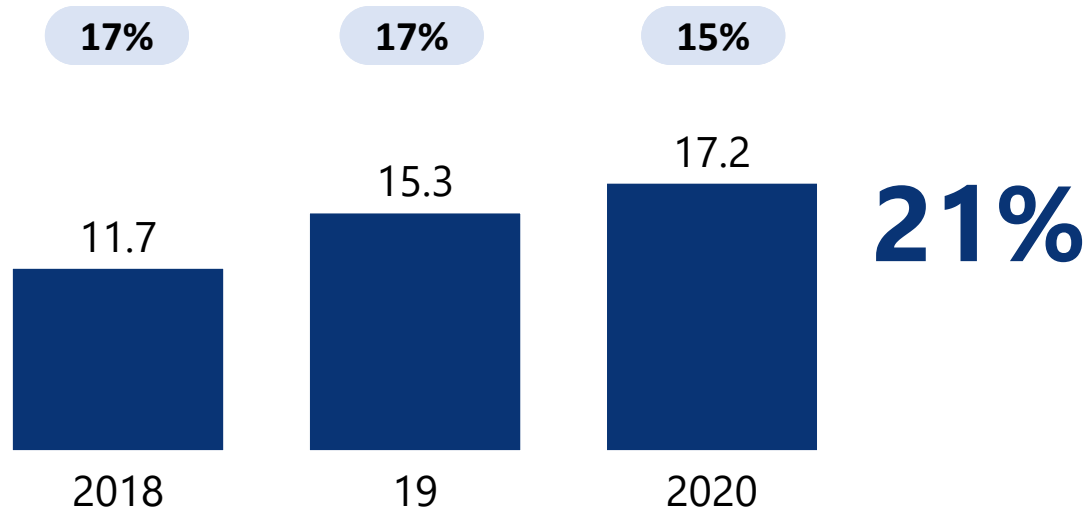


Positions of the NBU in the market of Uzbekistan — AAGR —

Loan portfolio, trillion soums



Deposit portfolio, trillion soums



#1 by net profit (0.9 trillion soums)

#1 by assets (80 trillion soums)

#1 by volume of loans

#1 by volume of deposits

The President of the country, the supervisory board and the chairman of the bank set ambitious tasks for the NBU

Prerequisites

According to the Decree of the President of the Republic of Uzbekistan dated May 12, 2020, the NBU **needs to implement business transformation**

According to the Decree of the President of the Republic of Uzbekistan dated April 13, 2021, the NBU **needs to conduct a successful IPO** in 2021-23.

Management and shareholder expectations

Achieve **leading-edge profitability**

- **Profit 3-5 trillion sum¹** (increasing **x3-4**)
- **ROE >20%¹** (increasing **x3-4**)

Expansion of the range and quality of banking services by attracting best practices and technologies

Development of banking competencies and reaching the level of the top 5 most attractive employers in the country

Development of the competitiveness of the **national economy** of the country

1. Profit after taxes 2020: UZS 0.9 trillion
ROE 2020: 6%

The NBU already has a solid foundation in the form of a client base and a strong market position to build a successful universal bank...



	Corporate segment	Retail business	MSB segment
Business segments 			
Number of active clients 	0.7 thousand	0.5 million	60 thousand
Share in the loan portfolio of the market and the position of the NBU 	 28% #1	 10% #4	 20% #1
Share in the deposit portfolio of the market and the position of the NBU 	 14% #1	 14% #2	 29% #1

... however, the NBU strategy should pursue different objectives in each business segment and supporting function

	Corporate segment	Retail business	MSB segment
<p>The role of the business segment in the NBU strategy</p>	<p>CITADEL</p> <p>The largest segment in the market The leading share of the NBU in the market</p>	<p>LONG TERM RATE</p> <p>Fastest growing segment with long-term potential to reach corporate segment volumes</p>	<p>A DARK HORSE</p> <p>Significant segment growth The complexity of working with the segment due to the dominant share of "gray" income</p>
<p>NOR of the market after risk, trillions soums</p>	<p>8 (2020) → 20-22 (2025) with ~20% AAGR</p>	<p>1 (2020) → 5-7 (2025) with ~40% AAGR</p>	<p>2 (2020) → 5-7 (2025) with ~30% AAGR</p>
<p>Goals in the business segment</p>	<p>Providing a full range of turnkey services with a personalized, high quality service</p>	<p>Creating the best value proposition and customer experience for payroll clients with a focus on mortgages and auto loans</p>	<p>Creating compelling packaged products and a seamless digital customer experience</p>

To achieve the potential of the NBU, it is necessary to implement a comprehensive strategy of 32 initiatives



Bank Mission

Business line initiatives

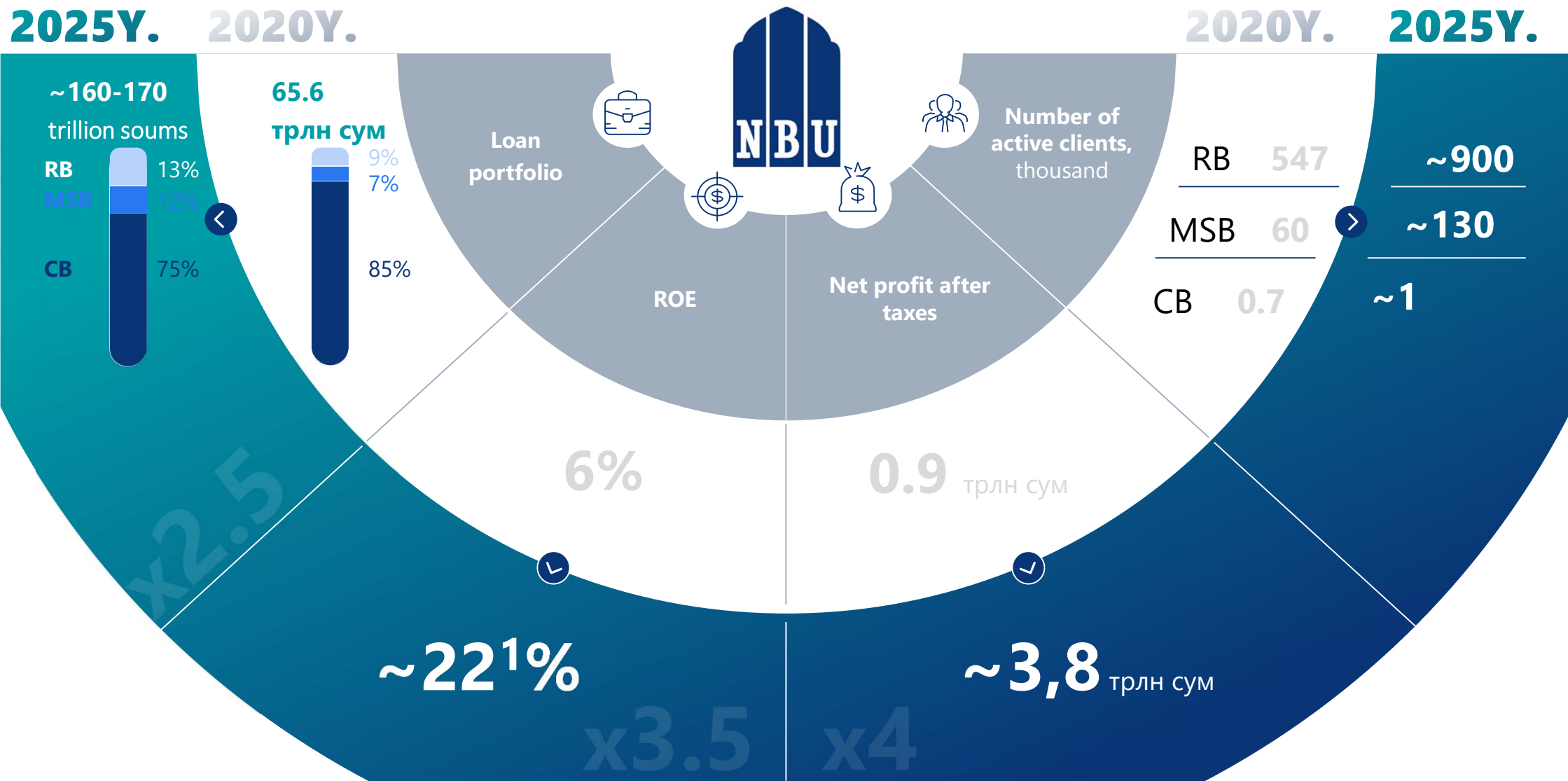
17
initiatives

Supporting Feature Initiatives

15
initiatives



The implementation of the strategy will allow the NBU to significantly improve all key business indicators



1. With own capital at the level of minimum regulatory requirements;
 In the absence of dividends, and the subsequent increase in equity, the expected ROE is at the level of 18-20%

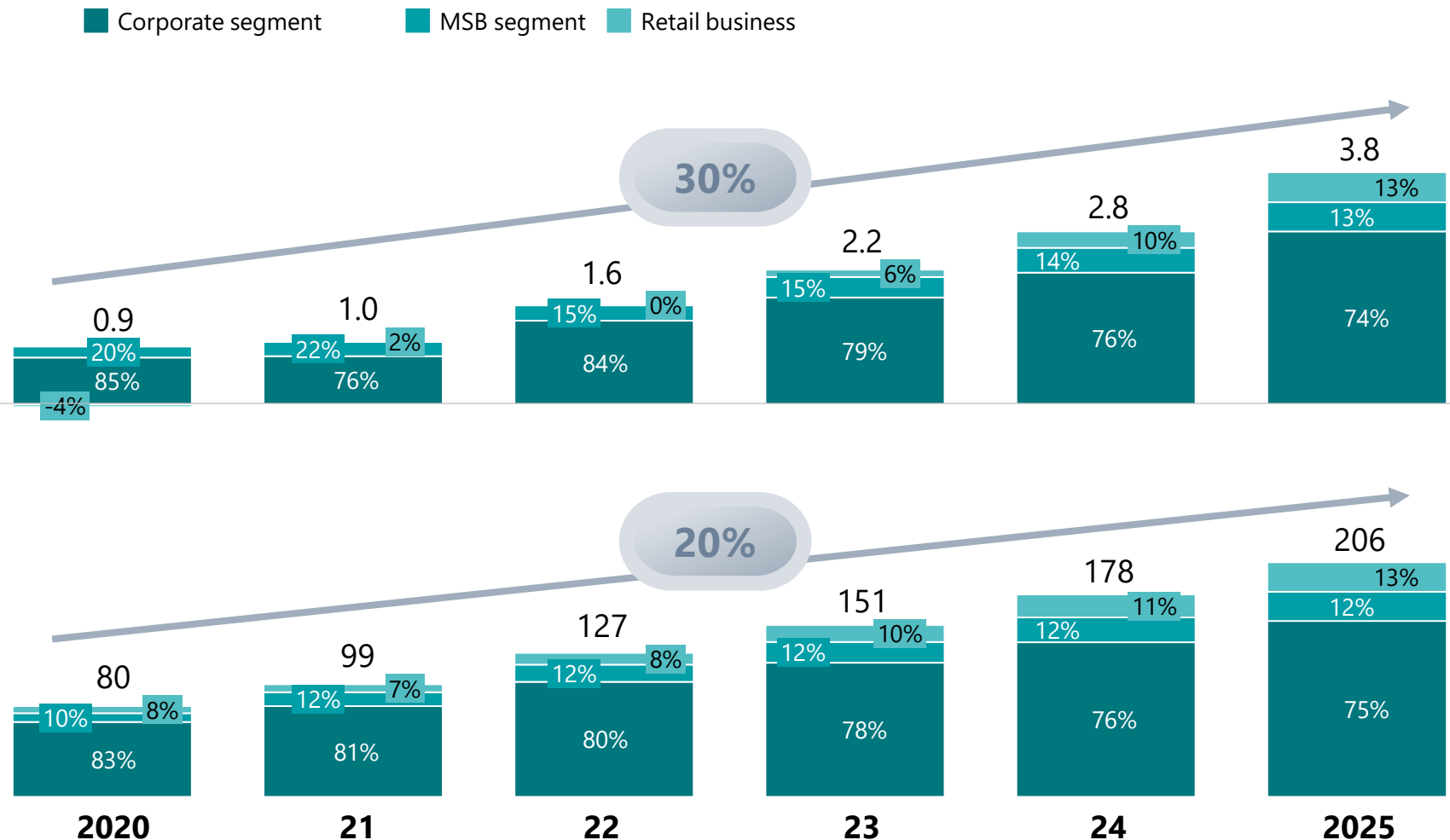
Implementation of the strategy will increase net profit after taxes from 0.9 to ~3.8 trillion soums



Target effect of strategy implementation

Net profit after taxes, trillion soums

Assets, trillion soums



Segment targets

% Country market share



Corporate business

Retail business

Micro and small business

Vision of the NBU positions

#1 choice for corporate clients providing a full range of turnkey services with personalized service

Market **leader in payroll customer service** with the best credit processes

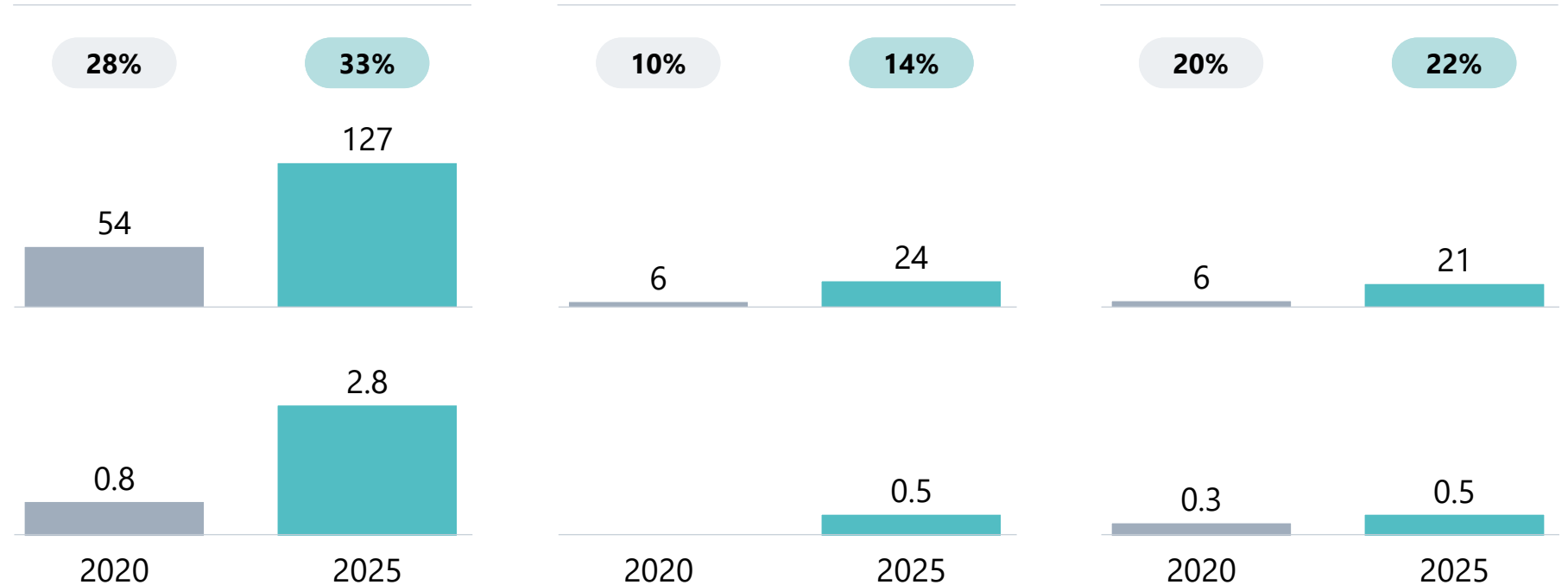
Reliable daily bank and **financial partner** throughout the business development cycle



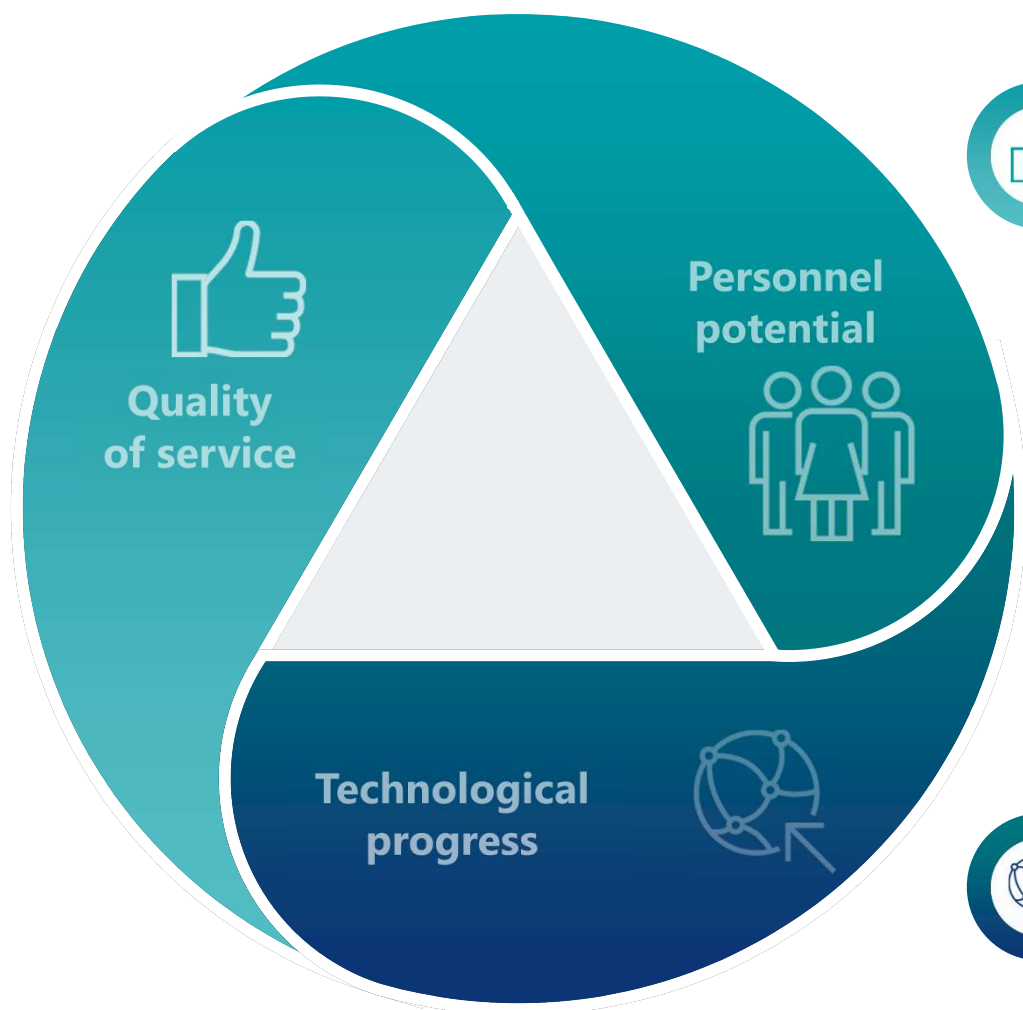
Loan portfolio, trillion soums



Profit after taxes, trillion soums



The implementation of the strategy will contribute to the development of the banking sector, human resources and technological progress of the country



Widespread improvement of banking service quality standards in the market:

- Attached to legal persons of **the client manager**
- Digital, seamless customer experience in **NBU ecosystems** and modern mobile applications
- **Prompt provision of services** (including credit conveyors)

Significant professional development of specialists:

- **Corporate academy** with access to the most advanced knowledge of the banking sector
- **Continuous learning process** involving leading experts
- Additional investments in human resources of **~ 500 billion soums per year**

Technological advancement and increased use of advanced analytics:

- **Advanced** mobile and web **applications (Milliy 3.0)**
- **Advanced** risk **models**
- Modern IT architecture (**incl. SAP HANA, CRM, BPM**)