

SUMMARY OF ABB OJSC DEVELOPMENT STRATEGY FOR 2023-2025



I. GENERAL OVERVIEW

"ABB" OJSC (International Bank of Azerbaijan) has successfully completed the post-restructuring phase imposed by its 2019-2022 development strategy, achieving significant accomplishments in the bank's profitability, ensuring a strong financial position and improving operational efficiency. The bank has also established a corporate governance system in line with best practices. ABB's 2023-2025 strategy consists of maintaining these achievements to continue rapid development, strengthening the bank's market position in relevant segments, shaping new customer experiences with innovative solutions that meet modern challenges, creating high customer satisfaction, establishing new standards in the banking industry, and providing significant contribution to the main national development guidelines.

II. MISSION AND STRATEGIC VISION

Our mission

As a modern universal financial group, we are committed to serve the financial needs of our customers by:

Making financial services accessible and affordable;

Bringing advanced experience and innovation;

Strengthening our communities by supporting businesses and human capital;

Contributing to the development and integration of the Azerbaijani economy to the world.

Our strategic vision

We aspire to be a leading universal financial group in the South Caucasus by:

Delivering unmatched service experience to our customers;

Being the most desired employer for talented and professional leaders;

Achieving the highest returns to our shareholders;

Pursuing the highest standards of corporate governance;

Building the strongest ecosystem of partnerships for a digital future.

III. STRATEGIC GOALS

ABB 2023-2025 strategy goals

Market leadership across segments

Achieve and maintain a leading position in the business loans market.

Secure the bank's leading position by developing consumer products for retail customers and strengthening the market share in mortgage loans

Significantly increase ABB's market share in non-cash operations by implementing innovative technologies and new products.

Data-driven digital experience

Attain larger number of mobile bank users by expanding mobile application functionality.

Increase digital channels transactions number for the corporate segment.

Improve customer centricity by developing new decision-making tools based on the bank's expertise and data.

Superior customer centricity

Attain high level of customer service by introducing new technologies and providing rapid solutions for corporate customers.

Strengthen customer loyalty and improve customer experience by meeting customer requirements and providing flexible response for their needs.

Employer of choice in the financial sector

To be recognised as the best employer of the banking sector by strengthening corporate culture, paying high attention to the development of employees, increasing employee satisfaction rate and prioritizing internal promotion.

○ IV. RETROSPECTIVE

After the 2016-2018 period characterized by financial, management and institutional development, ABB's strategy for the following three years laid the foundations for the bank's sustainable development and for future perspectives. This was achieved by successfully implemented projects detailed below.

The 2019-2022 development strategy framework includes:

Improving customer experience by transformation of the service network

Implementation of new business models

Innovation of the bank's core systems and technologies

Expansion of digital processes and the launch of ABB Digital lab

As a result of the implemented measures, the bank's market share in business loans reached 15%, 17% in consumer loans, and 31% in mortgage loans. 91% of the bank's corporate and SME customer transactions were held through digital channels.

The bank's market share in non-cash payments of retail customers reached 15%. The number of ABB mobile application users has reached 1.4 million, and the number of active users of the application has exceeded 500,000.

○ V. DIRECTIONS TOWARDS NEW GOALS

After the stabilization phase (2016-2018) and the building of foundations for sustainable development (2019-2022), ABB enters the third stage of its development path with a new development strategy to be implemented from 2023 to 2025. This stage is aimed at accelerating ABB's sustainable development.

During this stage, the Bank will further expand its digital processes and continuously improve its service systems to meet customer needs more quickly.

Human capital and corporate culture will be developed in a sequential manner. Agile transformation will be implemented, and the team will achieve full formalization of Agile thinking.

Developing data analytics tools and infrastructure will ensure the improvement of customer-oriented sales and increase customer satisfaction.

Continuing to apply proven models and approaches, ABB will establish new and cross-cutting businesses. By applying innovative technologies that have been successful in global markets and in the field of finance, ABB will enter modern market segments.

To achieve the new strategic goals, 58 initiatives have been identified and more than 60 performance indicators were established to measure the results of the implemented initiatives. More than 200 projects covering all areas of the bank's activities will be carried out to implement these strategic initiatives.