

Corporate Social Responsibility Report 2012

Contents

Opening Statement	3
CSR and Business: Our Approach	5
Interview.....	6
The bank's Mission and CSR	8
How does the bank address stakeholder interests?.....	9
Contributing to Economic Growth and Business Development	15
Small Business Support.....	16
Ensuring availability of financial services.....	22
Other Initiatives	27
Contributing to creating legal environment.....	29
Social Dimension of Our Business	30
Improving quality and reducing queues	31
Financial literacy	36
Socially oriented products	38
Safety of banking products and transactions.....	42
Sponsorship and Charity	43
Own Environmental Impact	47
Investing in Human Capital	50
Personnel Training	51
Motivation and Compensation of Employees	55
Corporate Benefits	57
Work Places for The Disabled People	59
How We Manage Business	60
Shareholder and Investor Cooperation.....	61
Interview.....	64
Compliance	65
Development of procurement system	66

About the Report	68
Contents of the Report	69
Report Boundary	70
International Standards' Application.	71
Contact Details	71
 Supplements	 72
 GRI Content Index	 81
 Acronyms and Abbreviations	 92
 Glossary	 93
 Bank Awards in 2012	 96
 The bank's Primary Brands	 103

Opening Statement

Dear colleagues and friends,

Last year we made a few very important steps on the way to implementing the bank's development strategy. We continue moving, though a bit slower than anticipated, towards the achievement of our principal goals — become a client-focused company, build up industrial systems and processes, raise operations efficiency. We still have a long way to go — but the changes that take place at the bank have become visible. They are visible for our clients, our shareholders, and our employees. I'd like to outline a number of important achievements of 2012.



First of all, we have come close to solving the problem of queues. This is the problem that the bank was unable to solve over dozens of years and that was the greatest source of dissatisfaction of our clients. In 2012 we achieved an important result: 90% of our clients at 90% of our offices do not spend in queues more than 10 minutes. This is not the reason to stop, however: We need to ensure that this achievement becomes a norm at all our offices.

Herman Gref
CEO
and Chairman of the
Management Board

We have also made a considerable progress in streamlining our operations with small businesses. We have actively developed our cooperation with business associations and alliances in various sectors of economy. We launched a unique Business Environment project aimed at promoting cooperation with business people. Our flagship product — unsecured loan Trust — is in great demand today.

Last year witnessed successful implementation of the reformatting programme: Today, 35% of our customer service outlets (CSO) meet high standards of comfort and quality service. The reformatting process develops faster than anticipated. In the first place, we reformat our CSOs located in large cities where we derive most income from our business. At the same time, our goal is to provide comfortable service to every client wherever he or she resides. Therefore, in 2013 we plan to introduce new formats designed to develop effective solutions for specific business objectives.

It has already become evident that quality changes in our team is the most crucial transformation we are going through now. We realize that we will not be able to achieve our goals for 2013 and beyond without integrated and efficient teamwork.

A team is made up of its players. Therefore, realizing everyone's human potential becomes a critical task. Another critical goal for 2013 is a comprehensive development of HR initiatives. We plan to introduce a single professional resource management cycle at all divisions of the bank, which will ensure that our HR management system becomes really deep and sustainable.

Career planning is another important objective. It includes determining key professional competencies for every line of business, developing personal development plans including career growth. Ultimately, it will result in creating a succession pool for every position including Board members.

We continue developing our training system — now on the basis of our Corporate University. It's well known that it takes 5% talent and 95% insistency to become a master in your profession. In 2013 we'll invest considerable funds in our mass training system for all our key professions.

Health care is another important line of HR development. We'll focus primarily on preventive measures. We have expanded the number of offices included in the Corporate Doctor programme. In addition, based on comprehensive medical examination every employee will receive a Health Passport containing specific advice on future behavior.

We have determined key lines of the bank development for 2013. To ensure continuous effective operation, we need to change the fundamental principles of our activity. Our focus on products and services will need to be replaced with a comprehensive approach to every client segment. This is a complex and trooublesome transformation that will require further development of client relationships based on investigating their needs and preferences.

We still need to identify what we are for every segment in terms of client service, and to implement the findings. The following principles must become our 2013 motto:

- ▶ Quality;
- ▶ Reliability;
- ▶ Commitment to result;
- ▶ Efficiency in everything we do.

In fact, last year we completed creating the foundation for our future development. The next stage must be completed ahead of or abreast with today's leaders in an entire range of key technological developments. Those will be the target objectives of our new development strategy till 2019 that we are working on now.

Herman Gref



CSR and Business: Our Approach

Interview	6
The bank's Mission and CSR	8
How does the bank address stakeholder interests?	9

INTERVIEW

What does CSR mean for the bank?

CSR means that the company decides — and undertakes — to conduct business subject to social and ecological impact both on itself and on its stakeholders. In other words, a modern company doesn't think only of the profits it can make, it also thinks of how to do business in such a way that would ensure long-term sustainability of the company itself, of its clients, and of the entire society.

In practice, CSR means target and liability management in three areas — economy, social life, and environment. All three areas are interconnected. Lacking any of them, the company will not reach sustainability.

For us, CSR means first of all proper management of stakeholder relations. We seek to do business in such a way that would bring benefits to all our stakeholders: client must receive affordable and



Denis Bugrov,
Senior Vice-president,
Board Member

quality service, employees must have the company they were dreaming of, shareholders must obtain a long-term, sustainable and profitable business that would attract investors, and ultimately the entire society must derive new ways for development and prosperity.

Why CSR is so important for the bank's long-term sustainability?

There are a few reasons why the bank is continuously committed to corporate social responsibility. Firstly, Sberbank has been traditionally deeply involved in social life and has always been a truly "popular" institution. We have always been aware of our social responsibility and commitments. In this sense, CSR is not a novelty for us. Rather, our objective is to determine right priorities and turn this traditional Sberbank's feature into a powerful competitive advantage.

Secondly, CSR is becoming a focal point for investors — international investors above all. They are keen to evaluate management quality including the bank's ability to control environmental and social risks. They think that these factors have a considerable impact on business sustainability. In view of expanding our international presence, we feel the growing importance of recognizing international market issues and global risks in our policies. Unfortunately, environmental and social risks do not get enough public attention in Russian domestic policy yet. We can see though

that the situation is changing along with growing public welfare and social awareness. Recent experience of international banks which faced a serious problem of public confidence tells us that these are not the issues to ignore.

Thirdly, we see changes in the client confidence “formula”. In the past our client confidence was based on the assumption that “Sberbank won’t cheat or run away,” now it becomes more and more important for us to build personal client relationships, to advance confidence on the basis of mutual values. This mission would be impossible unless the bank has its own “social” face.

What risks and opportunities arise from the growing importance of sustainability?

Looking ahead, we see quite a few factors that will affect our activity in the long term. Lack of energy resources, water and food will support volatility of market prices, may result in national protectionism and bring stricter market regulation. Demographic problems, ageing population affect living standards, social security, and long-term financial planning. Climate changes, urbanization, industrial activity bring environmental impact and, consequently, raise a wide range of risks that affect successful implementation of various projects.

That said, we see a host of opportunities that arise in response to those factors. For example, there is a considerable potential in higher efficiency of resource utilization. This includes both own operations of the bank and the financing of client projects. Developing CSR projects meets positive response from our clients and employees, which, in turn, brings higher loyalty and willingness to cooperate with the bank. Active CSR position will attract investors’ attention and open new sources to raise funds.

Finally, we see a good potential in developing responsible investment vehicles in terms of both risk management and creating new sources for fund raising. This is the issue we plan to focus on in the nearest future.

What are the bank’s CSR objectives for the nearest future and its development strategy till 2019?

In the coming year, we plan to prepare CSR development strategy and include it in the bank’s general development strategy till 2019. At this stage, it is important to determine priorities, formulate targets, and develop tools to control their achievement.

THE BANK'S MISSION AND CSR

We are committed to instill confidence, we make people's lives better, helping them to fulfill their dreams and aspirations.

We are determined to build one of the best financial companies in the world, and our success will be based on professionalism, harmony and satisfaction of our employees.

In 2008, along with the development strategy, we defined the bank's mission. Our mission reflects our deep conviction that the heart of banking lies not in money but in people, their needs and expectations. Our mission has a few dimensions that to a great extent make up the content of the business development strategy.

Firstly, we realize that we cannot achieve growth and profitability of our own business without supporting the welfare and prosperity of our clients. This represents an "economic dimension" which found its way to the bank's development strategy in the form of a special focus on developing small business operations, housing finance, affordability of financial services as well as achieving certain targets that have a considerable social effect promoting further growth and economic sustainability in the long term.

Confidence is another dimension. In fact, all our business is based on the resources that people confided to us, which we use to provide loans to other people that we confide in. Confidence is based on quality service, responsibility, reliability, transparency, ethical norms, and corporate governance standards. The higher is the confidence, the firmer and the longer are the relations between the bank and its stakeholders. This is a "social dimension" of our business.

Finally, the third dimension is our human capital. We'll not be able to achieve our ambitious goals without a professional and well motivated team. This understanding is reflected in the bank's development strategy, and we are keen to implement it in practice.

Our analysis of financial market trends proves that client loyalty and employee involvement will continue to affect business success. Along with personalization of financial services, the relationships between the bank and its stakeholders will have to be based to a larger extent on common, mutually shared life values. On the one hand, this will require an active social position from the bank, involvement in finding solutions to critical social issues, and disclosing our principles, goals and achievements to all our stakeholders. On the other hand, we need to understand their needs, and hear their voice. In this respect, the bank makes every effort now to set up feedback channels with all our stakeholders — clients, shareholders, employees.

Sberbank is only waking up to seeing itself as a Group. Colleagues from other banks and business entities have joined us that represent various market segments and different nations. We still have to become a single team — not in form, but in spirit. And we still have a long way to go to create common values and integrate different corporate cultures. This is one of the challenges we have to take in the coming days.

HOW DOES THE BANK ADDRESS STAKEHOLDER INTERESTS?

Feedback makes up the basis for creating efficient relations between the bank and its stakeholders.

We have set up various feedback channels: polls, complaint and proposal analysis, mass media review, hot line with the bank's president, etc. (see the Table below). They allow us to better understand our stakeholders' needs and expectations to be able to make timely changes to the bank's development strategy. Evaluating the bank perception, analyzing problematic issues, reviewing improvement proposals received through feedback channels make up a part of the governance process, and are continuously used by the bank's management to make decisions.

PRINCIPAL FEEDBACK TOOLS

Tool	Description	Principal results	Bank's response	Comments
Client voice, Customer Satisfaction Index	<ul style="list-style-type: none"> a system of research designed to evaluate the quality of interaction between clients and the bank: client satisfaction and loyalty polls evaluating compliance with service quality standards (Mystery Calling research) evaluating the level of comfort of the bank's systems and processes from client perspective, etc. 	<ul style="list-style-type: none"> Regular and consistent identification of problems in interaction between clients and the bank; developing guidelines to raise interaction effectiveness 	<ul style="list-style-type: none"> Research results are taken into account in developing activity plans for the bank's divisions A number of parameters measured by the Client Voice system is included in the system of motivation 	p. 20, 35
Client complaint management	<ul style="list-style-type: none"> Uniform Complaint Management System (UCMS) Central Automated Client Complaint Management System (CACCMS) Customer Care Service 	<ul style="list-style-type: none"> Over 2.8 million complaints received in 2012 Average period of review reduced nearly twofold — to 6.8 days Complaint handling is structured by principal topics and channels of occurrence 	<ul style="list-style-type: none"> The bank develops system solutions to change processes and technologies including those based on client requests 	pp. 31–33
Internal Client Voice	<ul style="list-style-type: none"> Employee online poll 14,000 employees polled 80 services evaluated 	<ul style="list-style-type: none"> Indicative valuation of key services obtained; service ranking developed Rating of impact on service satisfaction developed 	<ul style="list-style-type: none"> Proposals to improve internal services prepared Satisfaction indicators included in the motivation system (since 2013) 	
Employee Polls	<ul style="list-style-type: none"> Employee poll 116,000 employees polled 	<ul style="list-style-type: none"> Quantitative valuation of employee satisfaction and involvement obtained Progress may be evaluated by 13 factors that include over 100 attributes 	<ul style="list-style-type: none"> All top managers set targets to raise employee involvement; special improvement programmes developed 	p. 53 pp. 55–56

Tool	Description	Principal results	Bank's response	Comments
Hot line with the President	<ul style="list-style-type: none"> Annual hot line (live video-conference) with Sberbank President & CEO 	<p>In 2012:</p> <ul style="list-style-type: none"> Broadcasted in all regions of the bank's operation in Russian and English Broadcast audience exceeded 28,000 people Over 50 questions answered Over 800 questions asked before and over 1000 during the conference 	<ul style="list-style-type: none"> Answers to all questions from employees published on the bank's portal: The President's page, section Hot Line with Sberbank President Herman Gref 	
Herman Gref's mail box	<ul style="list-style-type: none"> Preparing answers on behalf of the President to questions from employees and clients delivered to Herman Gref's electronic mail box 	<ul style="list-style-type: none"> In 2012 344 mails received, including 206 from former and current employees, 114 from clients 	<ul style="list-style-type: none"> 118 askers received personal response from the CEO and Chairman of the Management Board Herman Gref, 205 from corresponding departments 	
Mass Media Review	<ul style="list-style-type: none"> Daily/weekly monitoring of the Russian-language mass media (nearly 10,000 sources) and the world wide web (approx. 30,000 sources) Daily monitoring of unfavorable comments in mass media and complaints to supervisors from dissatisfied clients 	<ul style="list-style-type: none"> Daily and weekly analytical report for top managers regarding the bank coverage in Russian and foreign mass media Daily and weekly digest for top managers including effectiveness analysis of PR projects 	<ul style="list-style-type: none"> Weekly briefings Informational Wednesday by top managers Press releases Comments and interviews by top managers for Russian and foreign mass media Monitoring results were taken into account in selecting material issues to included in the Report boundary 	pp. 13–14
Perception study	<ul style="list-style-type: none"> Phone interviews performed by an independent consulting company 32 institutional investors and analytics interviewed 	<ul style="list-style-type: none"> An objective picture of the bank perception by key investors and analytics obtained Progress achieved may be evaluated against previous year 	<ul style="list-style-type: none"> Solutions developed to raise the bank perception 	p. 62

In 2012 the bank set up a new feedback channel based on crowdsourcing technology that allows to involve an unlimited number of participants (clients, employees, experts, etc) in developing critical solutions. The crowdsourcing technology was first tested in 2011 within the Sberbank-21 project.

In August 2012, Sberbank launched the first in Russia crowdsourcing platform <http://sberbank21.ru> that was used to develop such projects as No Queues!, Non-credit Corporate Products, Public Discussion of Corporate Social Responsibility Report 2011, Retail Office: Comfort and Quality Service. Over 20,000 people participated in developing first projects.

"Sberbank is the first Russian corporation that builds its operations on the basis of involving large numbers of people, all corporate employees in the process of creating daily values. Today, we create the environment where all employees generate ideas while key managers support the best of them, and turn them into standards of operation. In other words, we are building a corporation of the 21st century whose success depends on how deep people are involved in creating value and how fast the best innovations are implemented."

– Herman Gref

Public discussion of the CSR Report was rather important for us. It allowed to obtain feedback from our clients, employees, experts and simply socially minded people. Sberbank was the first among major corporations that managed to involve such a large public in discussing its corporate social responsibility. This unique project—even in terms of international practice—proved rather successful.

Now, bank managers and heads of divisions can use the project results in their work. The project was also presented to the Committee for Interaction with Individual Minority Shareholders and received a positive feedback. The outcome of the crowdsourcing project and recommendations of the Committee for Interaction with Individual Minority Shareholders are included in this Report and will be taken into account in developing the bank's CSR strategy.

Sberbank's experiment proved high efficiency of the new approach to handling creative ideas. Crowdsourcing was chosen as a principal management approach, and we plan to use it actively in preparing critical corporate decisions, developing new products/services, optimizing our processes.

Public discussion of the bank's corporate social responsibility report

The project was based on the crowdsourcing format and took place from August 24 to October 24, 2012. A total of 5,368 users registered for the project, 2,447 took part in the discussion. 1,792 proposals were submitted, 35,244 comments were made. The discussion involved our clients, employees, representatives of public organizations, educational institutions, etc.

The project's main objectives were:

- ▀ *to evaluate Sberbank's CSR Report 2011 including completeness and materiality of disclosures;*
- ▀ *to identify prospective lines for CSR development;*
- ▀ *to prepare guidelines for CSR Report 2012.*

Principal results:

- ▀ *key stakeholder groups massively involved in discussing the report;*
- ▀ *a social network for future discussions created;*
- ▀ *quantitative valuation of the report based on formalized criteria obtained;*
- ▀ *proposals to improve the CSR Report as a document prepared;*
- ▀ *clients and Employees groups' priorities in CSR trends and initiatives identified;*
- ▀ *a bank of initial proposals regarding CSR development and specific initiatives created;*
- ▀ *the project enjoyed great popularity in professional and public communities.*

KEY CSR ISSUES IDENTIFIED BY PROJECT PARTICIPANTS

CSR Area	Key Issues
Economy & business	<ul style="list-style-type: none"> ▀ Reducing queues ▀ Service quality control ▀ Innovation support ▀ Banking product safety ▀ Socially oriented products ▀ Small business support ▀ Provision of housing
Social support	<ul style="list-style-type: none"> ▀ Raising financial literacy ▀ Supporting sports ▀ Supporting motherhood ▀ Employee training and education ▀ Achieving balance between business and private life
Environment	<ul style="list-style-type: none"> ▀ Improving urban life environment ▀ Financing environmental and energy saving projects ▀ Bank's own efficiency and environmental impact

Development of the crowdsourcing technology is a logical product of the bank's effort to involve employees in developing and implementing innovative solutions. In 2012 our in-house technological platform known as Ideas Exchange was used to file over 43,000 proposals: nearly 7,000 of them were implemented, and total implementation effect in 2009–2012 reached nearly 11 bln RUB. Now we are confident that involving employees in the daily improvement process became an important factor in raising operations efficiency.

The bank's achievements in innovation activity and crowdsourcing development were marked by professional community. In 2012 Sberbank was awarded prestigious international prize The Best Innovator from ATKearney, and a special award from the CEO magazine For Successful Implementation of the Crowdsourcing Idea.

THE MAIN ISSUES DISCUSSED IN 2012 (BASED ON THE ANALYSIS OF MEDIA COVERAGE)

	Topic/Issue (in the order of priority)	Content	Comments
1	Sberbank's SPO	Various opinions on the bank's SPO (relevance and venue)	SPO was launched within the exit policy of the government as a major shareholder. Venues (London Stock Exchange and Moscow Exchange) were selected to achieve the highest demand and, hence, the best price for shares. In addition, foreign placement brought a valuable experience of implementing this kind of projects.
2	Acquisition of foreign assets (VBI, DenizBank)	Results of Sberbank's international expansion in 2012	Primary objectives: risk diversification, access to new prospective financial markets, support for international corporate and retail transactions. The bank intends to raise operations efficiency and use this opportunity to create additional value in medium and long-term through implementing best technological solutions developed by the Group member banks.
3	Closing the acquisition of 100% interest in Troika Dialog.	What were Sberbank's purposes and objectives in acquiring Troika Dialog?	Integration of the Troika Dialog business will bring Sberbank to a new level of client relationships and allow the bank to offer new high quality financial advice and selection of investment strategies with a full range of modern financial instruments.
4	IT-system failures at Sberbank	What are the reasons for IT failures?	Sberbank is in the process of active upgrading its IT platform with a purpose to create a modern efficient infrastructure. The scale of this objective knows no equals in the world practice. In a relatively short period of time, we managed to overcome technological lag and lay the groundwork for achieving leading IT positions. However, the testing phase failed to detect all technological and operational risks which resulted in technological failures affecting our clients. Every failure was thoroughly investigated to prevent similar occurrences in future. In 2013 reliable and failure-free operation of all IT systems will be the main focus of IT infrastructure development.
5	Network reformatting, shutdown of customer service outlets	What is the reason for shutting down customer service outlets? Doesn't it restrict households access to financial services?	The bank has launched a large-scale network reformatting programme. A part of customer service outlets will have to be closed. Every decision to close a customer service outlet is based on thorough analysis and consultations with local authorities. In certain cases, the bank offers an alternative of self-service machines (ATMs, terminals) or mobile customer service outlets. For details, see the Ensuring availability of financial services section.

	Topic/Issue (in the order of priority)	Content	Comments
6	Fraud (including skimming and phishing); employee illegal activities	Concerns about safety of banking transactions	Growing offense in this area is a direct result of growing banking transactions, on the one hand, and deep penetration of innovative technologies in our daily life, on the other hand. Ensuring transaction safety and protecting business interests of our clients is among Sberbank's top priorities. Today, owing to close cooperation with law enforcement agencies, the detection rate of crime connected with Sberbank is coming close to 100%. For details, see the Safety of banking products and transactions section.
7	NPLs handling	A balance between business interests and ethical behavior	Non-performing loans is an inevitable part of banking business. Sberbank always takes the client side and is always prepared to negotiate and find a solution. The most important thing is that the bank has a long positive track record when both sides found solutions to borrowers' problems. If we see that the borrower's business has certain prospects we are always prepared to offer loan restructuring. That said, the bank takes the strictest measures allowed by law to the borrowers suspected of fraud or deliberate problem-making.
8	Top management remuneration	What is the reason for high remuneration?	The bank's HR policy is aimed at recruiting for top manager positions the best professionals available on the market. Therefore, their remuneration, on the one hand, reflects market demand for their professional competencies while, on the other hand, is considerably dependent on the results achieved. Ultimately, top manager remuneration depends on achieving operation efficiency targets that are set on an individual basis within the bank's planning system.

Contributing to Economic Growth and Business Development

Small Business Support	16
Ensuring availability of financial services	22
Other Initiatives	27
Contributing to creating legal environment	29

SMALL BUSINESS SUPPORT

Small business support is the objective with the highest social effect. Public and social importance of developing this business rests on the fact that small businesses make up the foundation of sustainable economy and offer an effective tool to ensure self-employment of households and create the middle class population. This line of business is among our strategic priorities and a good example of close interlace between business interests and social objectives.

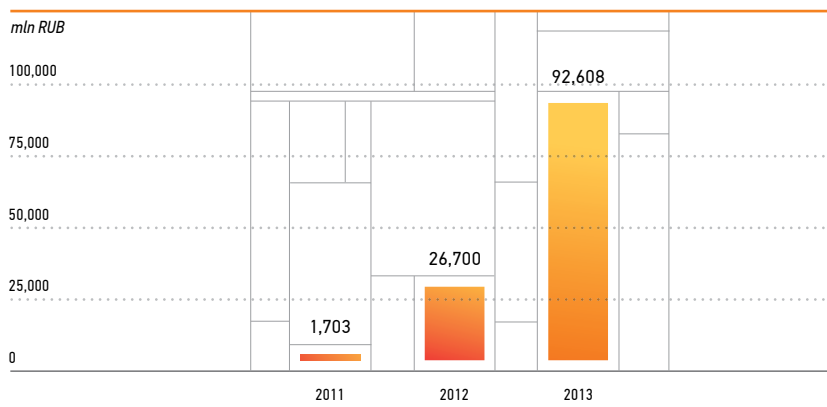
The bank's concept of small and micro business development includes the following tasks:

- ▶ to win leading positions on the small business market;
- ▶ to offer small businesses a wide range of financial and non-financial services;
- ▶ to expand the network of business development centres;
- ▶ to set up effective cooperation with public and social institutions responsible for supporting small and medium businesses, and with professional business associations

In 2012 the bank made considerable progress in developing the product range:

- ▶ the programme of small unsecured loans based on the scoring model (The Credit Factory) designed for mass micro segment (with an average financing of 900,000 rooubles and 3-year maturity) was brought to its full capacity. The Trust loan offered under this programme proved to be the most popular product among small businesses exercising an important social function of making financial resources available to Russian small businesses (see the diagram).

SBERBANK'S SCORING-BASED LOANS TO SMALL BUSINESSES (LOAN PORTFOLIO)



- ▶ In September 2012 the Express-auto product (a loan to finance vehicle acquisition for personal and business needs) was launched under the Credit Factory programme; since July 2012 the Express-asset product (a loan to finance equipment procurement) is offered in a test mode.

The Credit Factory

- ▶ In 2012 the number of borrowers under the Credit Factory programme rose from 42,500 to 114,000 (nearly 170% growth YTD).
 - ▶ The number of Trust loans exceeded 120,000.
 - ▶ The Credit Factory loan portfolio tripled year-to-date exceeding 90 bln RUB while maintaining high loan quality.
-
- ▶ In 2012 Sberbank launched the Business Start loan product designed for first-time entrepreneurs, based on franchising technology. The bank offers to finance up to 80% of the project value for a period of up to 42 months. A free multimedia training business course is available on the bank's web-site, the franchisors participating in the project also support the development of a new business. When offering this product to the market, we came across a number of restrictions connected, first of all, with the selection of franchisors for the project. It slowed the pace of implementation but allowed to preserve the quality of the offer.

The Business Start

- ▶ The Business Start package is continuously expanded: as of the year-end it included over 50 ready-made solutions.
- ▶ In December 2012, the bank issued 35 loans under the Business Start programme, and the project continues to expand. We can say that we launch a new business every day.
- ▶ The bank received more than 5,000 requests, over 800 loan applications out of which 100 applications were approved.
- ▶ The Business Start product is offered in 77 Russian cities.

Success story of a start-up

Over half a year ago, Oksana Kapralova of Togliatti used the Business Start programme to open a Subway fast food restaurant. Together with her husband, she decided to start her own business and approached Subway Russia with an offer to open a restaurant in her city. When she learned that the restaurant was a participant in Sberbank's Business Start programme, she took training in restaurant business and obtained a 2.41 mln RUB loan from Sberbank.

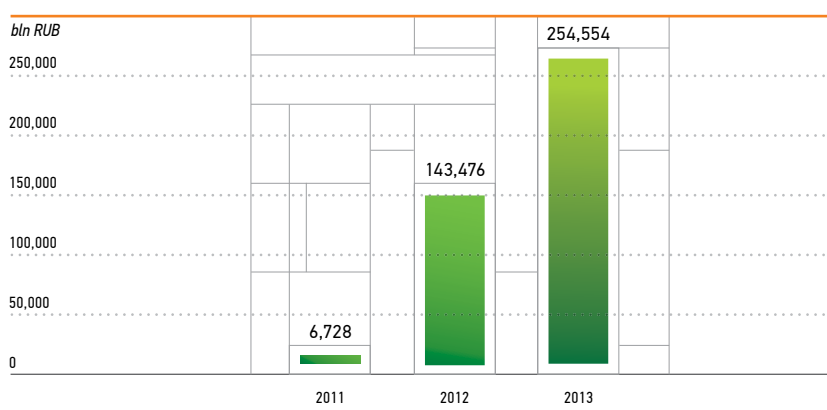
The family invested in their new business about a million of their own funds. The restaurant opened in summer 2012 — a month and a half after the loan was granted. The first month of operation brought about 400,000 rooubles. That was not net profits though. Nearly 70% of revenues fall on business costs: rent payments, employee salaries, food procurement, and loan repayment. Still, general business performance allowed the Kapralovs to plan the opening of the second restaurant, even despite a number of minor difficulties.

The reality made certain corrections to their plans: In October 2012, after four months of operation, Oksana decided to relocate her restaurant to another business centre with higher traffic to raise the visitor flow. The relocation required another investment of her

own funds. Still, in November her revenues rose, and in December reached 550,000 roubles. Today, Oksana is an advisor to other business people that plan to join the Business Start programme to open their own Subway restaurant. Franchisors are also interested in start-ups to expand their networks.

- As of the year-end, the bank's Business product line generated a total loan portfolio of more than 255 bln RUB, with a growth of over 70% (see the diagram). This programme is designed for the businesses that have a well-established sustainable operation.

SPECIALIZED LOAN PRODUCT LINE BUSINESS (LOAN PORTFOLIO)



- In 2012 the bank launched the Business Project, a pilot product designed to finance the expanding and upgrading of the client's operating business (i.e. investment lending) as well as business diversification and opening new lines of operation (project finance). In 2012 the bank financed over 80 projects worth nearly 2 bln RUB under this pilot programme. The project was approved and in 2013 will be used throughout the bank.

In 2012 the bank improved the conditions of a number of current loan products including Government Order, Business Confidence, Business Revenue.

Developing small business lending is among the most prospective lines of business development with a high growth potential.

The Business Environment — New Business Philosophy

To achieve the goal of providing small businesses with a range of financial and non-financial services, in 2012 the bank launched the Business Environment programme. The programme is operated by the bank's subsidiary ZAO Business Environment. The operator's main objective is to ensure fast development of the programme through continuous launching of new projects. Achieving this objective will require the creation of a business culture that would correspond to "business environment" of small businesses.

The Business Environment is a unique web-based platform (<http://dasreda.ru>) which provides business people with a wide range of services including networking, latest news, professional advice, special training, access to banking services and a lot more.

THE BUSINESS ENVIRONMENT PRIMARY SERVICES

Services	Description	Examples
School	Video courses and entrepreneurial skills tests offered in the format of distant business learning	<ul style="list-style-type: none"> Small business taxation Franchise business start-up How to open a food store How to select the right corporate form
Shop	Sale of business applications and business services in the Software as a Service (SaaS) format; online requests for the bank's products and services	<ul style="list-style-type: none"> Accounting Business management Sales accounting Documents required to register a business Marketing
Magazine	Latest news and feature stories published in online business magazine	<ul style="list-style-type: none"> 300 articles devoted to business development 55,000 viewings
Club	Search for reliable partners among Sberbank clients	<ul style="list-style-type: none"> All registered users become club members
Trading platform	Online trade with Business Environment participants, etc.	<ul style="list-style-type: none"> Web-based auction and electronic document circulation B2B & B2C formats

For information purposes: Business Environment performance in 2012:

- 65,000 registered users;
- 50,000 registered businesses;
- 1,700 products and services sold;
- 24 training courses at the Business School;
- 20 SaaS-applications in the Shop.

New quality in working with small businesses

We have identified several lines of raising the quality of small business services:

- Creating Business Development Centres (BDC) that will offer not only financial products and services but also comprehensive advice on a wide range of issues connected with business organization and development;
- Developing and improving the quality of remote services.

Our goal is to ensure that every small business client is offered an effective and comfortable cooperation through any of the service channels available. At the same time, in 2012 the bank paid special attention to improving operation of customer service outlets since over 70% of small business clients visit the bank's offices two or more times a month.

In 2012 we launched a comprehensive system of evaluating the quality of interaction with corporate clients through all key channels of cooperation at every stage of service that will allow to timely identify problematic issues and respond with corrective measures.

We have also adopted the Uniform Small Business Service Standards, included the service quality evaluation in the employee motivation system, launched a training programme for all employees and office managers.

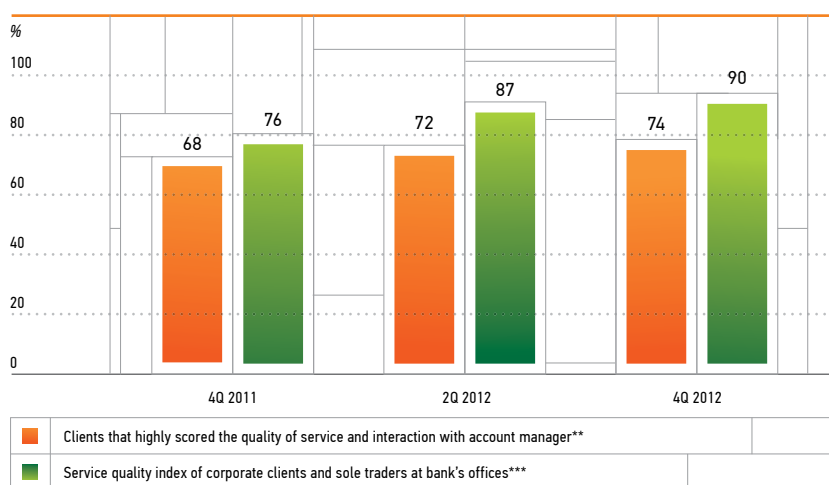
Key achievements in 2012:

- ▀ a dedicated support line for Sberbank Business OnLine users created,
- ▀ complaint handling period shortened more than 4 times — from 17 to 4 business days,
- ▀ average waiting time at the bank's call centre reduced from 2 minutes to 15 seconds.

While the quality of service at the bank's offices improved considerably in 2012, our regular research Client Voice shows that there is still a good potential for raising the quality of small business services:*

- ▀ share of clients satisfied with the work of account managers rose to 74%;
- ▀ service Quality Index of corporate customers and sole traders at the bank 's offices increased 14 ppt reaching 90%.

SMALL AND MICRO BUSINESS SERVICE QUALITY PERFORMANCE AT BANK'S OFFICES



In addition to measuring service quality, we pay special attention to studying real-life problems that prevent the development of small businesses. We are committed to developing our own business based on our understanding of those problems and possible solutions (see Table below). Of course, the bank is not in a position to solve all those problems but understanding the needs of our clients enables us to focus on their requirements.

* Sberbank-sponsored survey Evaluation of Corporate Client Satisfaction and Loyalty of OJSC Sberbank of Russia. Micro and small businesses, 2012

** Service Quality Index is a composite indicator of compliance with the bank's corporate service standards

*** Ranked 9 and 10 points on 10–00int scale based on telephone 0011 of MMB and KSB clients

Critical problems in developing small and medium-sized businesses*		Solutions offered by Sberbank	
Lack of business knowledge, low accessibility to qualified personnel		<ul style="list-style-type: none"> ▶ The Business School project as part of the programme Business Environment: testing, training in business skills ▶ Distant learning offered by Business Development Centres 	
High taxes		<ul style="list-style-type: none"> ▶ Tax advice and explanation of tax authorities approach, including by FTS officials (at Business Development Centres) ▶ Optimizing the costs of tax administration with the help of special software offered at the Shop of the Business Environment programme 	
Low accessibility to finance		<ul style="list-style-type: none"> ▶ A wide range of customized banking products for successful start-up and development of a business (unsecured no-purpose lending, innovative start-up financing, investment loans, short-term loans to finance working assets, etc.) 	
Low demand		<ul style="list-style-type: none"> ▶ The Trading Platform project as part of the Business Environment programme ▶ Electronic auctions on Sberbank's platform ▶ Developing the Government Order loan product 	
Underdeveloped infrastructure		<ul style="list-style-type: none"> ▶ Financing industrial park development ▶ A nation-wide network of Business Development Centres ▶ Cooperation with the guarantee fund system to provide warranties for small business loans 	

* Principal source: Survey by the All-Russia Public Organization of Small and Medium-sized Businesses OPORA Russia: Business Climate in Russia—Index OPORA-2012.

ENSURING AVAILABILITY OF FINANCIAL SERVICES

The bank's branch network is the largest and the most far-reaching among Russian banks. As of 31 December 2012, Sberbank's CSOs reached the total of 18,377 which includes supplementary and operational offices, cash desks outside cash office, and mobile cash offices throughout the entire country.

A wide CSO network is among major assets of the bank that provides for accessibility and competitive advantage of the bank's services. In the area of network development in 2012, we considered the following objectives:

- ▀ implementing a new paradigm for developing the bank's physical network (including self-service machines) with a view to provide comfortable and accessible service at client clusters achieving complete satisfaction of client needs (geomarketing);
- ▀ developing remote channels of banking service;
- ▀ creating special formats for the bank's sales network customized to various client segments.

New model of network management

In 2012 the bank continued implementing the new model of regional network management designed to reduce the number of management lines and optimize network management costs.

In 2010–2012 the bank reorganized 410 divisions responsible for management functions. In late 2012 eleven regional banks completed the creation of the management model that corresponds to the target level. The other six regional banks will implement it in 2013.

In 2012 Sberbank started implementing new techniques of network geomarketing based on advanced geoinformational technologies. This project allowed to (i) estimate the target number of employee workplaces and self-service machines required to achieve business targets, (ii) create a model of optimal CSO location on local markets, and (iii) identify CSO formats that would ensure effective service of various client segments.

BRANCH NETWORK STRUCTURE PERFORMANCE

Units		01.01.2011	01.01.2012	01.01.2013
Bank's divisions in the Russian Federation, including		19,420	19,249	18,588
Regional banks		17	17	17
Branches		521	505	194
Customer Service Outlets, including		18,882	18,727	18,377
▀ Supplementary offices (total), including		10,069	10,494	11,210
– special retail offices		7,429	7,997	8,626
– multipurpose offices		2,515	2,373	2,424
– special corporate offices		125	124	160
▀ Operational offices		236	588	672
▀ Cash desks outside cash office		8,492	7,547	6,381
▀ Mobile cash offices		85	98	114

In 2012 the bank used the geomarketing technology to manage customer service outlets in 50 largest Russian cities. A target CSO model was designed and approved for every city. In 2013 the bank will continue this effort in all Russian cities with the population above 50,000 people which will bring a target network model for more than 300 Russian cities.

***Ensuring smooth operation in the state of emergency in the Krasnodar Territory
(flood in Krymsk, Gelendzhik, Novorossiisk)***

In 2012 a number of Yugo-Zapadny bank's offices operated in the state of emergency when flood hit the Krasnodar Territory. At this difficult time, Yugo-Zapadny bank used its best effort to maintain availability of banking services for residents of emergency-hit regions. For these purposes, the bank set up








- ▲ *A hot line to handle requests from local residents*
- ▲ *Additional workplaces at all points of sale to provide services to households*
- ▲ *A special service to handle lists of emergency victims eligible for government aid and open accounts for beneficiaries*

Various regional banks (Srednerussky, Severo-Kavakzsky, Severny, Povolzhsky, Tsentralno-Chernozyomny, Uralsky) sent their employees to the Krymsk branch to assist in handling the emergency. The bank performed well in this force majeure situation: over 30,000 requests were processed to locate client accounts or open new ones for government aid to emergency victims.

In 2012 we closed 921 CSOs and opened 571 CSOs at new locations selected on the basis of geomarketing principles. In total, the bank's CSOs closed in 2012 make up around 5% of total CSOs which includes 353 CSOs closed in cities and 568 in rural areas.










The customer service outlets that were closed in urban areas in 2012 did not comply with the approved geomarketing criteria in terms of location (local region, local place) or did not meet the standards of premises condition required by the Branch Network Reformatting programme.

RESULTS OF THE BRANCH NETWORK REFORMATTING PROGRAMME

							
Indicator			2010		2011		2012
Reformatted customer service outlets			22		872		1,941
Including those located in small communities (cities with population below 100,000 people, townships, villages)			0		203		549

Developing the branch network is based on the bank's understanding of its social responsibility for ensuring accessibility of banking services in underdeveloped and low populated areas. Our social mission defines branch locations: Today, nearly 53.2% of the bank's branches operate in rural areas and in urban-type communities where the resource base and the demand for banking services is lower than in large cities.

ACCESSIBILITY OF THE BANK'S SERVICES IN UNDER DEVELOPED AND LOW POPULATED AREAS

														
		Supply of bank's services (thousand residents per CSO)					Share of banking CSOs in total CSO in the area, %				Supply of self-service machines (thousand residents per SSM)			
		2010	2011		2012		2010		2011	2012	2010	2011		2012
Country average	7.6	7.7		7.8	49		46	43	3.2	2.5		1.9		
Underdeveloped areas	6.9	7.0		7.2	56		53	49	3.3	2.6		2.2		
Low populated areas	7.8	8.0		8.2	49		45	41	2.8	2.2		1.6		

In rural areas the customer service outlets were closed mainly due to lack of physical conditions to operate, namely:

- critical/unsatisfactory condition of premises/buildings, termination of lease initiated by the lessor (a majority of closed CSOs);
- continuous unprofitable operation, lack of development prospects: The majority of rural CSOs closed in 2012 had one workplace and operated 1–2 days a week, 3–4 hours a day.

We realize that CSO shutdown may affect interests of local residents that got used to this format of banking service. Therefore, maintaining availability of banking services continues to be among most important factors of corporate social responsibility. We seek to find mutually acceptable solutions in consultation with local households:

- In remote areas with underdeveloped transport infrastructure we set up mobile offices, if a bank branch is closed;
- If technically feasible, instead of the closed CSOs we install self-service machines (ATMs, information & payment terminals) that allow to perform a wide range of banking operations.

Countryside Bus

In the Komi Republic, the Republic of Tatarstan, the Tomsk Region, the Urals Region, and other Russian territories Sberbank has introduced mobile customer service outlets to provide services to rural population.

Mobile Offices allow rural households to use the entire range of banking products and services that are available at traditional customer service outlets.

For example, Zapadno-Sibirsky bank has launched a pilot project Countryside Bus. The idea is simple: Instead of a few remote little CSOs the bank sets up one large customer service outlet and makes arrangements to bring people from remote communities, mainly pensioners, by comfortable buses.

Two times a week a specially rented bus goes around eight villages. Especially satisfied with this novelty are our clients from the villages that never had bank's offices.

Development of remote channels

In 2012 remote service channels were developed in line with the bank's development strategy reflecting the market trend of replacing traditional banking operations with self-service and online transactions. An insignificant reduction in the bank's customer service outlets was largely compensated by the growing number of self-service machines that allow to perform a wide range of transactions—from withdrawing or depositing cash to electronic payments for utilities, mobile telephony, transfers to a third party banking card, loan repayments, and other banking operations.

DEVELOPING REMOTE SERVICE CHANNELS

	01.01.2010	01.01.2011	01.01.2012	01.01.2013	Growth in 2012	Growth in 2010–2012
ATMs (thousand machines)	22.9	27.8	34.5	44.6	29%	95%
Payment terminals (thousand machines)	10.6	16.3	21.6	29.4	36%	177%
Mobile bank (thousand active users)	437	1,389	5,300	10,060	83%	23x growth
Sberbank OnLine (thousand active users)	300	719	2,433	5,831	140%	19x growth

In 2012 the bank's fleet of self-service machines rose by nearly one third and demonstrated similar growth rate not only across Russia but also in the underdeveloped and low populated areas.

The Mobile Bank, Sberbank OnLine, and Autopayment projects have opened brand-new opportunities in the area of banking service availability. Developing these products makes banking services accessible not only for the residents of low populated or underdeveloped areas where traditional customer service outlets are unprofitable but also for the disabled people allowing to integrate their routine transactions with banking operations and expand their opportunities in cash management.

Specialized formats

In line with the bank's development strategy, we are in the process of reorganizing the branch network and creating a number of standard formats for customer service outlets.

RESULTS OF NETWORK REORGANIZATION AND CREATING A NUMBER OF STANDARD BRANCH FORMATS

	Total	By formats*	E	F	MLC	VIP	BDC	SSO	MO
2012	1,941	744	628	11	7	35	91	375	50
2011	872	527	256	9	1	7	10	62	0

*B – basic, E – expanded, F – flagship, MLC – Mortgage Lending Centre, BDC – Business Development Centre, SSO – Self-service Office, MO – Mini Office, VIP – VIP client services

In 2012 the bank also made progress in organizing the provision of banking services to the disabled people:

- ▶ another 547 customer service outlets were equipped with the devices that ease access of the disabled people; the total customer service outlets equipped with such devices now reached 3,000 or 16.4% of all CSOs;
- ▶ volgo-Vyatsky bank launched a pilot branch specially designed to provide services to the disabled clients. The results of this project will be used to further develop the bank's Network Development Programme;
- ▶ a pilot project was launched designed to provide services to visually impaired clients with the use of facsimile signature.

Indicator		01.01.2010	01.01.2011	01.01.2012	01.01.2013
CSOs equipped with devices that ease access of the disabled		1,821	2,112	2,461	3,008
Share of CSOs specially equipped for access of the disabled in total CSOs		9.5%	11.2%	13.1%	16.4%

Pilot Project for the Disabled in Kazan

The novelties designed to serve the disabled clients were tested on the basis of the Volgo-Vyatsky bank's division in Kazan.

The new branch introduced the so-called "no-barrier environment" that ensures access to banking service for low-mobility clients. State-of-the-art banking equipment, comfortable spacious rooms are designed to ensure maximum comfort and convenience for all client categories.

Entrance is equipped with an access ramp for wheelchairs and a special button to call a receptionist. Self-service machine is adapted for the disabled, terminals are equipped with loudspeakers for clients with hearing disorders and Braille keyboard for visually impaired people. Floors have special flags, walls bear tactile symbols, pointers are installed on the premises to delineate the disabled movement zone. WC facilities and common areas are equipped for people with disabilities. The branch hired sign language interpreters.

OTHER INITIATIVES

In 2012 the bank focused on investing in infrastructure development required to ensure dynamic and sustainable social development in Russia.

In this area we see the following important lines of activity:

- ▀ developing electronic auction infrastructure;
- ▀ performing the functions of a carbon unit operator.

Developing electronic auction infrastructure

In 2012 the bank continued successful implementation of the nation-wide project designed to create and maintain Sberbank's electronic trading platform CJSC Sberbank-AST for organizing electronic auctions for federal, regional and municipal government customers with a view to raise competition, procurement transparency, and fight corruption.

Indicators				
		2010	2011	2012
Number of announced tenders		78,053	523,211	586,929
Total value of announced tenders (mln RUB)		410,434	2,068,004	1,977,371
Suppliers accredited to obtain access to electronic tenders		34,378	93,224	65,990
ZAO Sberbank-AST's share in total government procurement through electronic tenders (%)		56	61.4	55.8

Principal results of the project in 2012:

- ▀ a new uniform electronic trading platform launched in the business trading segment including the tenders held in accordance with applicable laws. Convenient user interface and flexible accounting system developed based on a universal trading platform;
- ▀ the company's leadership position maintained among the five electronic platform operators selected by the Russian government for placing federal and municipal orders: over 58% in terms of announced tenders, and more than 50% in terms of value of orders placed by federal and municipal agencies of the Russian Federation.

Ministry of Economic Development of the Russian Federation and CJSC Sberbank-AST signed a contract to provide services in supporting and maintaining the official web-site of the Russian Federation in part related to organization of government procurement orders. CJSC Sberbank-AST is the leader among electronic trading platforms accredited by the Ministry. Last year, government tenders held on CJSC Sberbank-AST's platform demonstrated a 1.5x growth.

Performing the functions of a carbon unit operator

Pursuant to Resolution of the Government of the Russian Federation No 780 of 15 September 2011, Sberbank performed the functions of a carbon unit operator including expert evaluation of Russian investors' requests to assign their projects the status of a project implemented in accordance with Article 6 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change ("joint implementation project").

In 2012 Russian investors initiated trading in 187.8 mln carbon units. The bank has concluded and performed carbon unit trading agreements under joint implementation projects of 44 Russian investors.

[illegible]

CONTRIBUTING TO CREATING LEGAL ENVIRONMENT

In 2012 Sberbank actively participated in creating legal and regulatory environment. The bank's position on the suggested regulatory approach is based on the assessment of regulatory risks that arise from the proposed adoption or rejection of a respective law or regulation. In evaluating the proposed changes and preparing its own proposals for discussion with legislators the bank relied on the need to achieve a balance of public and private interests.

PRINCIPAL CHANGES IN REGULATORY ENVIRONMENT DISCUSSED BY THE BANK IN 2012

Legal areas		Bank's position and action	
Introducing amendments to Russian Civil Code		<ul style="list-style-type: none"> Over 40 proposals to the draft law prepared Participation in public discussions 	
Drafting the law Concerning Consumer Lending		<ul style="list-style-type: none"> Cooperation with the task team of the Russian government The bank's proposals are aimed at achieving an optimal balance between rights and obligations of participants of corresponding legal relations 	
Amending legislation on counteracting illegal financial transactions		<ul style="list-style-type: none"> The bank's proposals are designed to reduce the risk of unjustified impairment of rights of the bank and its clients Part of the bank's proposals was included in the draft law 	
Changes in tax laws		<ul style="list-style-type: none"> The bank disagreed with the proposed changes in taxation of securities transactions The bank's proposals were included in the draft law 	

Social Dimension of Our Business

Improving quality and reducing queues	31
Financial literacy	36
Socially oriented products	38
Safety of banking products and transactions	42
Sponsorship and Charity	43
Own Environmental Impact	47

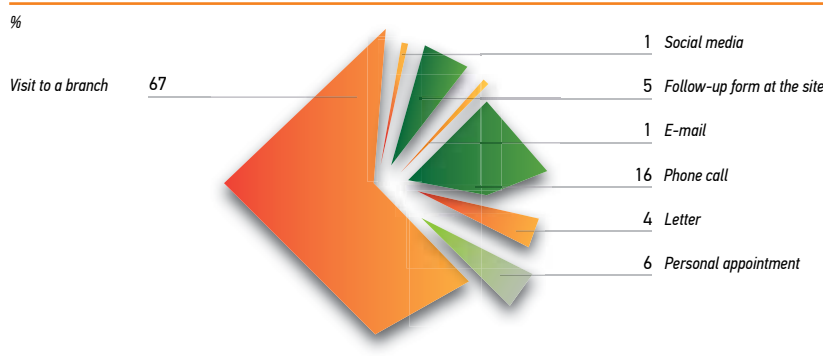
IMPROVING QUALITY AND REDUCING QUEUES

Improving the quality of client service is among the bank's top priorities in the business development strategy.

In raising the quality of retail service we seek to achieve the following objectives:

- ▀ developing and improving complaint management;
- ▀ reducing queues;
- ▀ implementing the new model of CSO development.

COMMUNICATION CHANNEL



In 2012 we also continued developing the system of evaluating the service quality at all stages of client relationships as well as client satisfaction with the bank's products and services.

Complaint Management

The key line of raising the quality of service in 2012 was a thorough study of the client feedback obtained through various channels of communication, and improving the bank's processes to meet client expectations.

The bank has introduced the Uniform Complaint Management System. The system's technological process involves a review of client complaints by corresponding experts. Complaint reasons and the channels of their communication are thoroughly analyzed. The results are regularly reported to the bank's management, technological processes are regularly upgraded.

Establishing the Customer Care Service became an important part of organizing the complaint management system. Its tasks include locating client complaints on the web, interacting with clients, and analyzing the issues that gave rise to complaints. Based on analytical data, Customer Care Service will identify faults in the bank's business processes and prepare proposals to correct them which will result in higher quality of client service.

For example, last year the Service's effort resulted in:

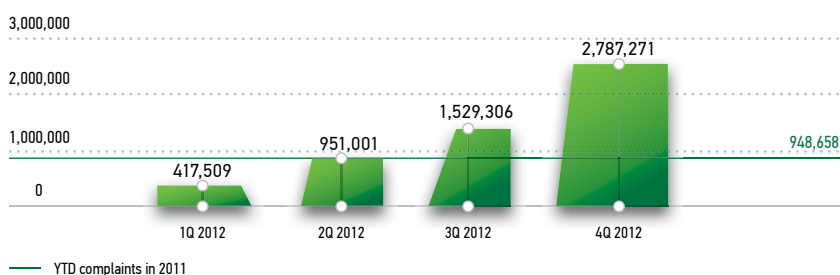
- ▀ cancelling a commission fee for cash withdrawals in Moscow and the Moscow Region;
- ▀ adding an option to select the English language to ATM functions;
- ▀ adding an option of unrestricted early repayment of loans.

Client complaints in 2012

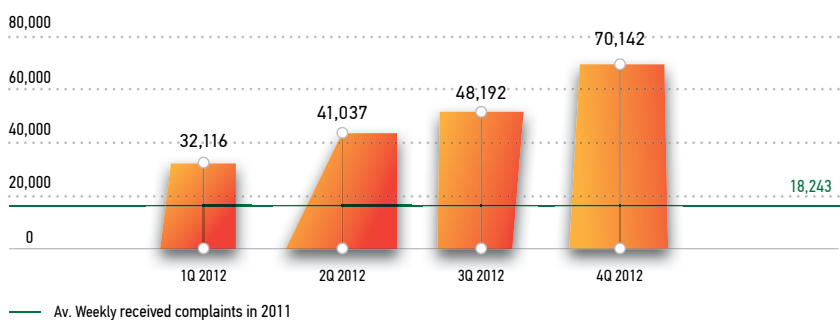
Performance and review periods

RECEIVED COMPLAINTS DYNAMICS*

Year to date received complaints quantity

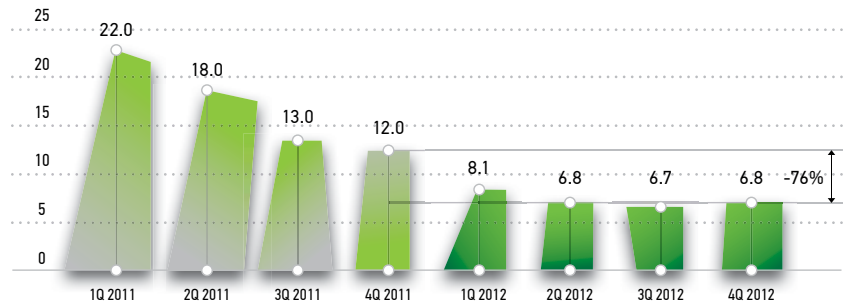


Average weekly received complaints quantity



AVERAGE DURATION OF COMPLAINT REVIEW**

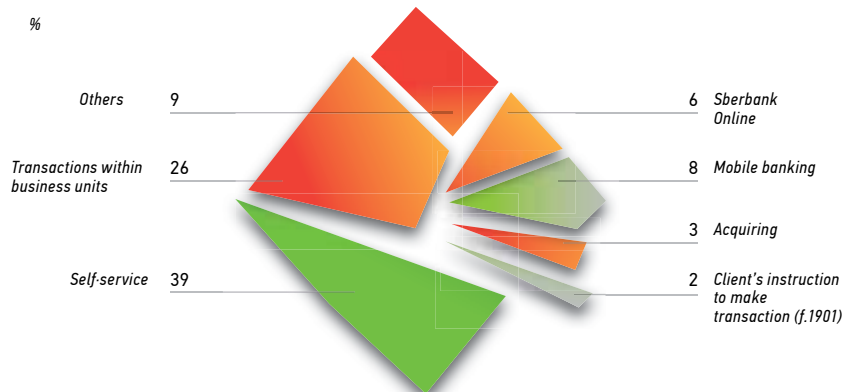
Working days



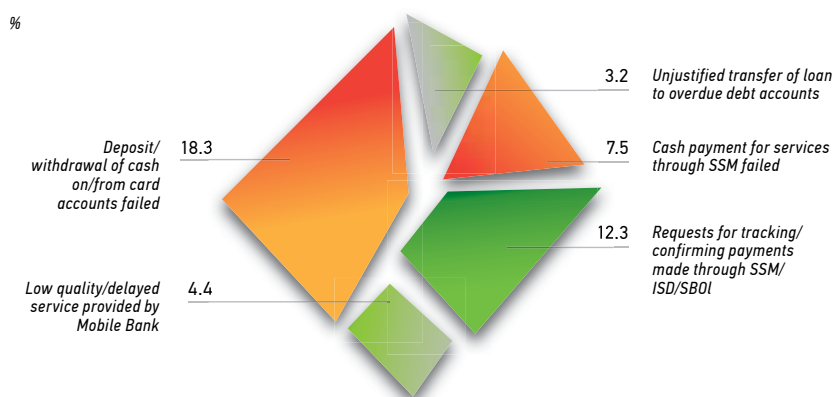
* Including requests for tracking/confirming payments

** Excluding complaints reviewed in accordance with IPS rules

WHERE ISSUES STEM FROM



TOP 5 PROBLEMS



No.Queues!

Reducing queues at customer service outlets was among our greatest priorities. In 2012 we set an ambitious target: 90% of clients must wait in queues less than 10 minutes at 90% of customer service outlets. We achieved this target in December 2012: 92% of clients wait in queues less than 10 minutes at 92% of the customer service outlets equipped with the Queue Management System (QMS).

This important achievement became possible due to implementing the No.Queues! programme. The programme success largely relies on implementing the crowdsourcing project No.Queues! on Sberbank's platform at <http://sberbank21.ru>.

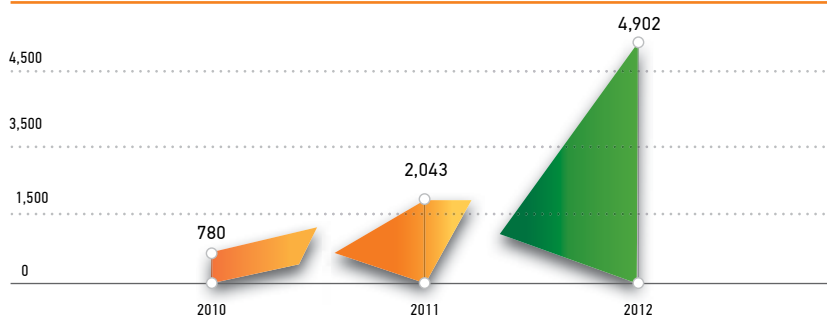
2012 achievements of the No.Queues! programme:

- by the end of the year, QMS-equipped customer service outlets nearly doubled reaching 4,902 points;
- over 85% of Queue Management Systems are connected to the QMS Monitoring System which allows to obtain real-time data of queues for Sberbank as a whole and by its customer service outlets;
- over 50% of pensioners serviced by the bank use social bank cards to receive pension payments which enables them to reduce the time they have to wait in queues.

Generally, the level we achieved allows to mitigate the queue problem. Nevertheless, we intend to continue our effort to provide fast and quality banking service to our clients.

The next stage in the process of raising the service quality involve optimization of internal processes at the customer service outlets, improving employee skills and system of motivation. For these purposes, in 2012 the bank launched a new project to implement a new operations model that covered 3,801 customer service outlets (69% of all CSOs with the staff above 6 employees). In 2013 the new model will be introduced at all large customer service outlets.

POINTS OF SERVICE EQUIPPED WITH QUEUE MANAGEMENT SYSTEM



The crowdsourcing project No.Queues!

The project was launched in August 2012.

Objective: find new solutions designed to remove/prevent causes of queues at the bank that will allow for fast reduction in queue time to 10 minutes and less without considerable financial investment.

5,947 participants participated in the project; 1,137 ideas proposed; 7 ideas recognized winners.

Key queue factors analyzed and main causes identified. Solutions how to fight queues proposed.

The best ideas selected:

- ▲ *jump over the queue: a green corridor for Sberbank clients;*
- ▲ *sberbank. Flow-monitoring through web-site;*
- ▲ *real-time map on Sberbank's web-site and on the screen at every customer service outlet;*
- ▲ *placing bar-code on savings book;*
- ▲ *mobile bank for deposits with corresponding information packages;*
- ▲ *an option to make payments through self-service machines in one installment;*
- ▲ *developing test programmes to train transaction officers.*

Client satisfaction research

In 2012 we continued our effort to develop the system of evaluating client satisfaction with our services rendered through various channels (Unified Distributed Contact Centre, customer service outlets, partners, agents, etc.)

Along with quarterly checks of service quality at mass segment, in 2012 we launched service quality monitoring at the mass high-income client segment, completed the audit of external and internal condition of customer service outlets and self-service, and made basic measurements of client satisfaction with agent and partner sales channels.

In 2012, for the first time our clients participated in studying convenience and accessibility of the information system of the Unified Distributed Contact Centre (UDCC) and helped introduce first quality changes. We have launched the Mystery Calling project to evaluate the performance quality of the UDCC employees. It helped us identify and correct problems in operators' performance, especially in tangled/non-standard situations.

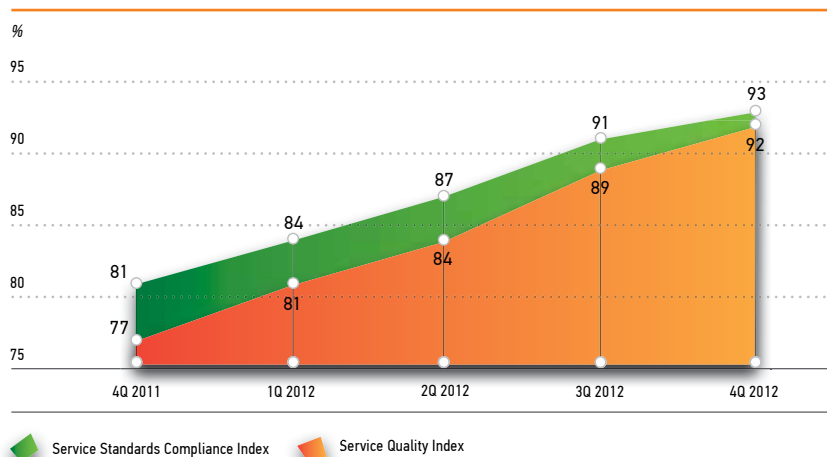
To detect and remove system-level problems in existing products and services, the bank established the Retail Service Quality Commission which identified problems in the quality of services provided through remote channels. The entire effort resulted in the first step on the way to creating a round-the-clock support service for remote channel clients: we have completed a pilot project that was used to develop a plan and determine resources for its further development in 2013.

Quality index performance, service standards compliance index

Our continued effort to improve the quality of retail services brought the following results:

- ▶ quality index at customer service outlets reached 92% though the evaluation criteria were tougher than in 2011, demonstrating a 15% growth vs. 2011 (similar evaluation criteria);
- ▶ by the end of 2012, the share of the customer service outlets that received excellent rating reached 73% demonstrating annual growth of 17%.

QUALITY INDEX PERFORMANCE, SERVICE STANDARDS COMPLIANCE INDEX



Service Quality Index includes employee performance criteria: customer care, attention to client needs, skills and knowledge.

Service Standards Compliance Index is used to evaluate performance of the bank's service standards.

FINANCIAL LITERACY

Raising financial literacy is just another area where the bank and the society have common interests. We place high emphasis on ensuring availability of financial services and expanding opportunities to use advanced banking products. In 2012 the bank implemented a wide range of initiatives aimed at raising public financial literacy. The projects focused on promoting knowledge of benefits and opportunities offered by banking products, ways how to use them, and supporting households in mastering new banking technologies.

The bank implemented the following projects:

1) Awareness campaigns at mass media

The bank used federal periodicals, radio shows, popular Internet resources, and social networks bringing information to the widest possible audience.

A total of 25 awareness campaigns were held that covered nearly 78 million people.

2) Special long-term web-based projects designed to raise financial literacy:

- ▶ personal Finance — RBC portal;
- ▶ confidence Circle — Mail.ru portal;
- ▶ sberbank Our Home — the bank's YouTube channel;
- ▶ financial Navigator — VKontakte network;

Their total coverage exceeded 8 million users.

3) Game and training applications in social media

The bank launched 18 game and training applications that attracted over 20 million users.

Online applications not only helped users understand banking products but trained them in using banking services.

4) Financial literacy classes for school and university students

Classes were held in a game-like live format.

Students learned about the opportunities offered by banking products including the benefits of bank cards, special Sberbank products and services designed for young people.

Classes were held in 16 largest Russian cities covering 20,000 senior school pupils and 1–2-year university students.

Russia-wide event Financial Literacy Day at Educational Institutions held as part of the official professional public holiday Financier Day 2012

On 7–8 September 2012 Tsentralno-Chernozymny bank participated in the Russia-wide event Financial Literacy Day at Educational Institutions that was held as part of the official professional public holiday Financier Day 2012. The bank employees gave lectures at 73 educational institutions including 27 universities, 22 colleges, and 24 schools.

Lecturers used multimedia devices and discussed principal retail products offered by Sberbank. All participants in the Financial Literacy Day at Educational Institutions received promotional materials about the bank's products and services. Special focus was made on remote channels of service.

The Financier Day was marked with events held at major educational institutions of the region: Voronezh State University of Engineering Technologies, Voronezh State Technical University, Belgorod National Research University, Voronezh State University of Architecture and Civil Engineering, and others. The events involving 35 experts and lecturers from the bank covered over 2,000 students from 27 cities of the Tsentralno-Chernozymny Region.

5) Children's training literature

The bank has prepared and issued a unique training book for children above 6 years of age *When I Grow Up I'll Become a Sberbanker*. In an entertaining format, through the story about two schoolboys who decided to learn more about banks, money and banking products, the book describes financial fundamentals for pre-schoolers and school children.

6) Raising financial literacy among pensioners

A special focus was made on financial literacy programmes for pensioners (see the Socially Oriented Products section).

Raising financial literacy of Russian households will remain a Sberbank's priority in 2013. This programme will include awareness campaigns in federal mass media and Internet, and other special events designed for various age groups. Special focus will be made on youth and pensioners.

SOCIALLY ORIENTED PRODUCTS

Service of pensioners

Today, over 30 million pensioners receive pension payments and other social benefits through Sberbank and hold deposits at Sberbank. Their number grows from year to year.

In recent years, in line with its development strategy the bank has introduced advanced technological products and service formats. They are not so easy to master, especially for elderly people. At the same time, we feel high responsibility for the confidence pensioners place on Sberbank. Therefore, we are particularly focused on raising financial literacy among this client category. New knowledge will make available to pensioners such banking products as a bank card, Sberbank OnLine, Mobile Bank, Autopayment, self-service machines.

Today, nearly 50% of our pensioner clients prefer convenient payments to Sberbank-Maestro Social card which provides freedom of choice of where and when to receive their pension. Free issue and service of this card enable pensioners to receive their pension round the clock at any Sberbank's ATM across the entire country without any commission. When Sberbank-Maestro Social card is used to pay for purchases, pensioners are offered discounts by more than 11,000 partner shops and obtain Thank You from Sberbank bonuses.

In 2012 the bank concluded cooperation agreements with regional divisions of the Russian Union of Pensioners and Council of Veterans nearly in all constituents of the Russian Federation. These agreements provide for:

- ▶ raising banking product awareness among pensioners;
- ▶ changing perception of banks and banking products by elderly people;
- ▶ obtaining skills in making informed financial decisions, involving pensioners in using financial products;
- ▶ raising financial security when using new banking technologies by preventing financial fraud and immunization referring to illegal methods and forms of raising such funds.

Programmes aimed to improve the financial literacy the bank implements in various forms. Seminars are the most popular form whereon pensioners get additional knowledge about financial products, tools to manage personal savings using modern electronic technologies. The best banking experts conduct classes for pensioners in the bank's servicing points using theoretical training and practice.

Especially for the seniors on the bank's website designed the section Service retirees (<http://sberbank.ru/moscow/ru/person/pensioner/>) that reflects all banking products offered to the elderly, and posted a video about benefits to get pensions via Sberbank Maestro card Social (<http://sberbank.ru/moscow/ru/person/pensioner/>)

In 2012, in all constituent territories of the Russian Federation were held federal actions Victory Day, Heartwarming Get-Together, Bring your friend aimed to improve the financial literacy of seniors as well as actions of regional significance including those related to conducting seminars on computer literacy for senior citizens. Besides, persons of retirement age are actively involved as the bank's consultants as pensioners trust them more and come into contacts easier. Seniors willingly address for consultations and highly appreciate their practical relevance.

Opening of The School of Modern Pensioner

All regional banks of Sberbank developed and implemented special training courses aimed to improve the financial literacy of seniors and disabled people.

For instance, since March 2012, subdivisions of Dalnevostochnyy bank held events with frequency not less than twice a month within the framework of the opened by the Bank School of Modern Pensioner. At School the bank's staff carried out mass training of seniors and disabled people in computer literacy and practical application skills in Sberbank Online®, Mobile bank self-services. Pensioners trained to use the bank services as well as computer and internet. School attendants were supplied with instruction booklets of the novice PC and Internet user, bank products' leaflets.

The training was organized at the bank sites, in Veterans' care facilities, Pensioners' Unions, Associations of elderly people, as well as at schools in the period of school vacation. Staff of the bank, upperclassmen of comprehensive schools and volunteers acted as tutors.

More than 39 thousand clients of retirement age were involved in this programme. School activities were held in Khabarovsk and Primorye territories, Amur and Sakhalin Regions and the Jewish Autonomous Region. The initiative was extensively covered by regional mass media and got positive response of elderly people.

Qualitative change in the level of financial literacy allows customers of retirement age actively use modern banking products. As a result of these activities in 2012, more than 3 million pensioners opened bank accounts in Sberbank for pensions.

In 2013, the implementation of programmes to improve the financial and computer literacy for senior citizens will be continued, including the participation of veterans' organizations under cooperation agreements.

Mortgage Lending

Housing improvement issue is more or less over most Russian households. Value of this area is extremely important both for national economy, and for the social sphere. For the retail business of the bank it is also one of the key directions. At the end of 2012 the share of mortgage loans in the total retail loan portfolio of the bank amounted to about 40%, and the balance for the first time exceeded 1 trln RUB, 20% of which are loans to young families (see the table). Thanks to Sberbank's loans nearly 360 thousand Russian households could improve their housing conditions in 2012.

Practically double increase of the outstanding debt in mortgage lending for the past three years became possible due to the application of the new technology for application approvals — The Credit Factory. In 2012, this technology gained the distribution in all regional subdivisions of the bank. As a result, in December 2012, already 82,1% of all residential loans were granted on this technology.

As of December 2012, the number of sale points of mortgage loans amounted to 3 479. Since the beginning of 2012 are gradually emerging centres specialized mortgage lending in the network of customer service points of the new format.

DYNAMICS OF LOAN GRANTING AND CHANGES IN HOUSING LOANS' BALANCE IN 2009–2012

Residential Loans	2009	2010	2011	2012
Granted, <i>mln RUB</i>	107,359	220,706	345,722	455,522
Closing balance, <i>mln RUB</i>	514,148	599,960	762,161	1,000,186
including The Young Family programme				
Granted, <i>mln RUB</i>	32,554	61,657	66,958	95,908
Closing balance, <i>mln RUB</i>	96,465	128,127	157,221	206,447
Granted (<i>loans</i>)	128,365	240,905	320,529	357,737
Closing balance (<i>loans</i>)	838,426	962,559	1,121,797	1,286,736
including The Young Family programme				
Granted (<i>loans</i>)	42,334	72,047	61,863	77,018
Closing balance (<i>loans</i>)	163,783	209,573	234,897	274,082

However, to date, the majority of Russian households do not have, unfortunately, the opportunity to acquire housing or to take a mortgage loan on standard conditions. High real estate value and low income are the main constraining reasons. In order to increase the availability of housing loans the bank for several years implementing a number of products with additional preferential terms for certain social groups.

MAIN SOCIALLY ORIENTED PRODUCTS IN THE MORTGAGE LENDING SEGMENT AND THE 2012 RESULTS

Product/programme	Preferential Terms	Results
Young Family	<ul style="list-style-type: none"> Reduced amount of the first payment (from 10%) for a young family with a child/children Deferral of the principal debt repayment Revenue recognition of up to six co-borrowers simultaneously (spouses and their parents) 	77,000 loans were granted to the amount of 96 billion roubles
Military Mortgage	<ul style="list-style-type: none"> Fixed preferential rate The first payment amount is 10% of the value of immovable property item 	674 loans were granted to the amount of 1,2 billion roubles
Mortgage + Maternity capital	<ul style="list-style-type: none"> Possibility to use the maternity capital as the first payment or to repay part of the debt The loan amount can reach 100% of the immovable property value 	2,797 loans were granted to the amount of 2,69 billion roubles 100,581 loans were repaid by maternity capital to the amount of 35,2 billion roubles
Regional programmes	<ul style="list-style-type: none"> Preferential interest rates Accounting housing and other certificates confirming the possibility of getting by the citizens of monetary funds for the improvement of housing conditions Funding from regional and local budgets 	14,013 loans were granted to the amount of 23,3 billion roubles
Mortgage with State support (in partnership with Vnesheconombank)	<ul style="list-style-type: none"> Reduced interest rate Compliance with the standards of mortgage securities' issuing 	29,316 loans were granted to the amount of 43,9 billion roubles
Building-and-Loan Associations (pilot)	<ul style="list-style-type: none"> Depending on the saving term the loan rate is from 6 to 8% Regional budget funds up to 30% of the participants' savings 	As of 01.01.2013, 3,997 accumulation deposits were opened to the amount of 61 mln roubles. The first loan was granted in January 2013
Mortgage for young teachers	<ul style="list-style-type: none"> Reduced interest rate Funding from regional and local budgets 	Applicable only in specific regions 154 loans were granted to the total amount of 166 mln roubles

SAFETY OF BANKING PRODUCTS AND TRANSACTIONS

Safety of bank transactions and products serves the basis for the customer confidence. We carry out goal-oriented and systematic work on customer advocacy and prevention of misappropriation of the customers' monetary funds. Unfortunately, as technologies are developed, methods of fraudulent transactions also become more and more sophisticated. Nevertheless, the bank manages to cope with this situation. We seek to maintain safety of our products and transactions at the level pertinent to modern challenges.

Principal results in 2012:

- ▶ 494 attempted thefts of corporate customers' funds and more than 5,500 attempted thefts of private customers' funds were stopped; the damage was prevented to the amount of 1,4 bln RUB;
- ▶ In cooperation with law-enforcement authorities there were arrested:
 - members of two criminal groups who carried out an unauthorized removal of monetary funds by infecting corporate customers' computers by malware;
 - members of 15 criminal groups who installed skimming equipment in Moscow and Moscow Region, Irkutsk, Barnaul, Kazan, Yaroslavl and other cities.
- ▶ the amount of the prevented damage for frauds with securities and pieces of money exceeds 290 mln RUB, with counterfeited warrants of execution and court orders — more than 3,5 mln RUB, with the use of stolen/lost saving books and documents — more than 8,1 mln RUB;
- ▶ it was revealed 170 loan applications submitted with use of counterfeit passports. As a result, the amount of the prevented damage exceeded 145 mln RUB;
- ▶ there were documented 1,850 cases of installing on the bank's ATM machines of non-standard equipment for fraudulent transactions with bank cards. 21 criminal cases were initiated over the installment of non-standard equipment/software for the purposes of discrediting these magnetic stripes and PIN-codes of cards.

Basic response measures:

- ▶ formation of internal normative and regulatory base and the bank employees' training. In particular, in 2012, recommendations were drafted for teller-officers on identification of tokens of document falsifications and a special training programme was prepared on customer identification;
- ▶ an information exchange system on identification of ID document falsifications, as well as documents confirming borrowers' employment and earnings implemented among security subdivisions of major Russian banks;
- ▶ the bank took the decision that by mid-2013 the card issuance without a chip will be completely stopped;
- ▶ in the Sberbank Online@ system is implemented a procedure of customers' SIM-card verification;
- ▶ in the Sberbank Business Online@ system are realized comprehensive mechanisms of information safety risk minimization;
- ▶ the Imperva SecureSphere system providing audit both of active and passive user transactions, that allowed to reveal a number of facts of employees' illegal access to customer accounts, to solve and suppress a number of crimes, is introduced in commercial operation;
- ▶ by results of the annual audit was achieved the Certificate of Compliance of the international payment system MasterCard which certifies compliance of the bank's card emission process with the MasterCard Physical Security Standards for Plastic Card Vendors and Logical Security Requirements for Card Personalization.

SPONSORSHIP AND CHARITY

Sberbank has always been and remains one of the largest benefactors and sponsors in Russia. In 2012, the bank concentrated on implementation of charitable and sponsor projects supporting:

- ▀ families and child care institutions;
- ▀ culture and arts;
- ▀ healthy lifestyle;
- ▀ XXII Winter Olympic games 2014 in Sochi;
- ▀ education and educational establishments.

Support of child care institutions

In 2012, the bank provided charity assistance to children from low-income and vulnerable families, orphanages and boarding schools by allocating monetary funds for orphanages' repairs and improving their infrastructure. In 2012, the bank rendered assistance to 229 orphanages. In 2012, the bank's top management and employees regularly visited children and organized concerts.

In 2012, the bank acted as the general partner of the jubilee tour of Moscow State Puppet Theatre named after Sergey Obraztsov during which actors of the famous theatre visited children from orphanages in various Russian cities. During the nine-month tour the theatre puppeteers visited and gave performances and master-classes in 23 orphanages.

The bank continued its cooperation with the Podari Zhizn' (Gift of Life) Charitable Foundation for childhood cancer support. In 2012, the bank transferred to the Foundation accounts more than 25 mln RUB, collected within realization of the joint co-branded international Visa card of Sberbank of Russia.

From May 31 to June 2, 2012 Sberbank supported organized by the Charity Podari Zhizn' the world children games The Winners' games — the largest competitions for children who suffered from oncology. More than 350 children from 12 countries participated in the games.

Sberbank Volunteers' Forum

In May 2012 the second forum of Sberbank volunteers movement took place. The association representatives from various parts of the country participated in it. In total 120 people took part in the forum. As the organizer acted Severo-Zapadny bank of Sberbank.

The main forum objective was the unification of Sberbank volunteers, volunteer movement development, exchange of experience, training, support and encouragement of volunteer initiatives. In the course of the forum held the presentation of best practices of activities in various regional banks: original ideas, creative approach to standard events.

Within the forum there was held a seminar together with the representatives of foundations and volunteer organizations such as the charity organization St.-Petersburg Parents, regional social movement Neva Angel, autonomous non-commercial organization for social-cultural services Upsala-Circus, Suvorov Military School.

The volunteers participated in the Day of Charitable Acts in Volosovsky district orphanage. They were able to communicate with children putting into practice the received knowledge. Together with children the movement participants planted trees, flowers and hang up birdhouses on the orphanage territory. After the completion of works a basket lunch was laid up for all the event participants. Writing of letters by children and volunteers addressed to themselves which they will read in 10 years became a high point of the meeting. The party ended up with the ballooning of flying lanterns and ceremonial opening of a modern sports-gymnastics centre.

Culture and Arts Support

In 2012 Sberbank conducted significant charitable campaigns in support of Russian culture and arts. The funds were allocated for the rehearsal and staging of new performances, the production of TV films and documentaries, holding musical festivals and concerts both in Russia and abroad.

Since 2002 the bank is the General Partner of the National Theatre Festival and the eponymous award Zolotaya Maska (Golden Mask), supports the International Film Festival Zerkalo (Mirror) named after Andrey Tarkovskiy and traditionally supports leading Russian theatres.

Support of Healthy Lifestyle

Healthy lifestyle is one of Sberbank values, and sport is an integral part of its corporate culture. And it is not by chance that the motto of the several thousand strong team of the bank employees is Movement towards Achievements.

In order to support mass sports development in the country, to promote Olympic values and healthy lifestyle, on May 19, 2012 in 42 Russian cities Sberbank organized a unique sport event — the Green Marathon. On that day about 30,000 Russian citizens participated in the race at the symbolic distance of 4,2 km, and after its end they contributed to the greening of their cities, having planted Sberbank Parkways.

Sberbank initiative was highly praised by international organizations. The Green Marathon project is included into the Billion Trees campaign implemented worldwide by UNEP (United Nations Environment Programme) since 2007.

Support of XXII Winter Olympic games 2014 in Sochi

Since 2009 Sberbank is the General Partner of XXII Winter Olympic games 2014 in Sochi. In 2012, the bank implemented various projects within the limits of Olympic sponsorship.

The Olympic Games are not just sports competitions. This is a wonderful tradition thanks to which a country, hosting the Olympics, can familiarize the whole world with its rich history and cultural variety.

This is precisely why the bank is actively supporting the Cultural Olympic games Sochi 2014 — a project destined to preserve and multiply the unique cultural riches of

Russia — and is the General Partner of the Red Rocks musical movement. In 2012, at Krasnaya Polyana a regular musical festival took place which was continued by the tour across 20 Russian cities with the participation of the best country's musicians. During the project the main musical composition of Olympic Games in Sochi — the Anthem of fans will be created.

In 2012, Sberbank continued development of special products with the Olympic symbols. As such, several new Sberbank Visa cards with the Olympic design were simultaneously issued. The customer may choose a card with the individual design for making every day purchases or even a virtual card — for safe purchases in the Internet. Sberbank gift Visa card depicting Sochi-2014 talismans became an attractive offer for the customers.

In anticipation of the Olympic games in Sochi, Sberbank offered to those who are attracted to sports the Na vysote (Up to the Mark) deposit. The bank also continued its participation in the implementation of the Sochi-2014 monetary programme (the bank is the owner of an exclusive right on realization of commemorative and investment coins from precious metals stricken by the Bank of Russia under this programme on the Russian Federation territory). In total more than 250,000 Olympic coins from precious metals were sold last year. Besides, at the bank customer service points one can buy state lottery tickets in support of the Sochi Olympic Games.

As of December 2012, in Sochi are functioning 34 Sberbank customer service points, 22 of which are customer service points of the new format with clear zoning, user-friendly navigation and the access for visits by the disabled people. In 2012, a customer service point of a new format opened specializing in foreign customers' servicing. There the bank employees can offer consultations in seven foreign languages.

Prominent results are achieved in the bank transfer sphere: more than 200 ATMs are installed in the city and at important facilities, as well as more than 1000 payment terminals at the city sales and service network.

The Sochi staff of the bank is also getting ready for Olympic Games: the employees study English, peculiarities of the Olympic hospitality and support the volunteer movement.

Support of Education and Educational Establishments

As in previous years the bank allocated considerable funds to support scientific and educational establishments, international educational projects, students' scholarships.

Within the framework of the youth potential development in order to prepare new professional personnel, Sberbank traditionally supports youth and educational events. In the autumn of 2012 together with the Academy of National Economy under the Government of the Russian Federation (ANE) Sberbank started to implement another, already traditional international student competition on bank management — Banks Battle. In September 2012 took place elimination rounds of the tournament participants. The semi-final and the final competition will take place in April, 2013. The winners will participate in corporate programmes on the bank personnel selection and development. Since 2010 the bank supports carrying out the All-Russian competition in financial market for upperclassmen.

Every year the bank assists programme implementation in the sphere of education, supporting educational institutions of all levels and continues implementation of the Virtual School project which is successfully introduced in 16 schools in Russia and abroad. The Virtual School project is a global educational project aimed at the creation of mobile computer classes at vocational education institutions. In 2012, for the first time the bank started implementation of this project for the distance-learning of disabled children tutored at home.

Opening Virtual School in Voronezh

In September 2012 in Voronezh the first Virtual School in the city was opened which was established with Sberbank support on a local school basis. At the school opening attended the Governor of Voronezh Region Alexey Gordeev, Sberbank Deputy CEO Andrey Donskikh and Chairman of Tsentralno-Chernozemnyy bank of Sberbank Aleksander Soloviyev.

Within the framework of the project a multi-service infomedia was introduced: a powerful server was installed to control the local school network, as well as special software; interactive classrooms were equipped with full-size electronic whiteboards, a multimedia projector and a control computer with a set of digital instruments and resources to conduct lessons in various subjects.

The Virtual School is an example of a successful social partnership between business and state for the system-level improvement of quality in school education. The project is realized within the limits of one of the priority directions of Sberbank social activities — support and development of the young generation's intellectual potential. Opening of the Virtual School is the bank tangible input into the quality improvement in education of 909 school pupils and in working conditions of its 80 employees. In 2009–2011 similar projects were implemented by the bank in Tula, Barnaul, Astrakhan, Zheleznovodsk, Volgograd, Irkutsk, Izhevsk and other cities.

As in previous years the charity was rendered to various organizations and institutions to support the disabled and elderly, to implement social rehabilitation and adaptation programmes. To the 70th anniversary of the Victory in Stalingrad battle the Aleksander Shilov's exhibition They Fought for the Country was organized in Volgograd.

To develop spiritual life of Russia and preserve the historical legacy the bank allocated target contributions for the restoration and repair of churches and temples.

OWN ENVIRONMENTAL IMPACT

The bank possesses modern infrastructure on which correct operation depends not only availability and quality of all complex of the bank services, quality of personnel training and development, health and safety of our employees and customers, but also an environmental state.

For this reason, in our own environmental impact we set ourselves in 2012 the following main tasks:

- ▀ managing our environmental impact;
- ▀ improving energy efficiency;
- ▀ implementation of the electronic document management system.

Managing our Environmental Impact

As all large organizations in the course of its business the bank forms litter. Regardless of the fact that the own adverse environmental impact of the bank is low as compared, for example, to industrial companies, we devote much attention to this issue.

DATA ON LITTER PRODUCTION IN THE BANK

in tons	2012
Luminescent lamps	26.1
Energy storage devices	12.3
Spent oils	55.7
Waste tires	35.9
Litter from amenity and office space	74,454.4
Paper and cardboard waste	4,392.9
Waste office equipment	75.43
Other	10,721.1
TOTAL	89,773.8

Control over the environmental impact was carried out in 2012 by the bank subdivisions under the Industrial Environmental Monitoring Regulations; plans for organizational-technical measures on environment protection and rational use of natural resources were implemented. In 2012, was continued the automated data base development allowing to collect and consolidate the indicators of the bank environmental impact.

Ecological promotional event Yenisei River Day

At the end of September 2012 more than 800 volunteers-employees of the Vostochno-Sibirskiy bank went to Yenisei banks to participate in their cleaning from accumulated garbage within the environmental action Yenisei River Day.

On an equal basis with their concerned parents the employees' children also participated in the wide-scale voluntary Saturday work. There were some interesting findings too: from clothes and footwear to rusty flasks, and even to ... banknotes that judging by their appearance waited its new owner not one day.

This event one can call a festivity, only without gala dinner and toasts. By their participation the employees of the Vostochno-Sibirskiy bank sought to attract public attention to the importance of preserving the Yenisei River for descendants. Yenisei is one of the largest rivers in the world, heading the list of the most full-flowing rivers in Russia, has the deepest firth and feeds Sayano-Shusenskaya HPP — the largest one in Russia. Yenisei River is almost 3,500 kilometers long and crosses practically all Siberian climatic zones. The river flows across Krasnoyarsk Territory, Tuva, Khakassia and is crucial for life of the whole region.

The event scope was also impressive: from the southernmost point — Kyzyl, where, in fact, originated Yenisei to Turukhansk, as well as on the banks of small rivers that flow into the Yenisei. For example, the staff of Emelyanovskoye branch went around the Kacha, Buzima and Podkamennaya Tunguska banks; Kansk branch employees cleaned the Kan bank, their colleagues from Lesosibirsk tidied up the Angara embankment. In Khakassia the bank employees walked several hundreds meters along the bank of the Abakan river in the area of the Severnaya (Northern) Dam.

According to the Head of the Vostochno-Sibirskiy bank Alexey Loginov participating in the action, this event — is not just environmental, but also a deep-moral action. Sberbank participation in such events does not require specific explanation. It's in tune with our corporate mission, values.

He emphasized: Cleaning Yenisei from litter we also help ourselves to clean our souls.

Improving Energy Efficiency

Improving Energy Efficiency is an important direction of the bank environmental impact reduction activities. The bank uses the Corporate Energy Saving methodology based on green technologies, estimating facilities' energy and water efficiency, quality of the internal environment, the used materials, the adjacent territory. At the same time the peculiarities of facilities' location are taken into account.

ENERGY CONSUMPTION BY THE BANK

	2010	2011	2012
Electric power, kWh	720,678,945	829,754,538	936,235,476
Thermal power, Gcal	886,406	1,191,541	996,446
Diesel fuel oil, l	7,236,423	9,833,126	11,248,716
Petrol, l	23,376,530	34,375,819	26,631,829
Gas, cub.m	17,367,878	18,619,647	19,420,180
Coal, t	1,238	1,161	1,990
Firewood, cub.m	700	1,082	1,260

Implementation of the electronic document management system

In 2012, the bank completed the implementation of the Electronic Document Circulation System (EDCS). In 2012, another 11 banks joined 6 regional banks where the system was implemented as commercial operation in 2011. As a result the paper work of the Central administrative office and administrative offices of 17 regional banks was transferred to a single electronic document management system with total number of users exceeded 65,000 people.

In 2012, under the project the bank management and the majority of managers of stand-alone structural subdivisions were provided with the remote access to EDCS via use of specialized automated work stations. Currently we are working on the increase of the number of the system mobile users.

In 2012, official correspondence between Sberbank top management and their regional banks was transferred to EDCS on the basis of the inter-branch exchange sub-system, which resulted in taking the mobility and efficiency of managerial decisions to a new qualitative level. Thanks to the resolution (instruction) replication function the document processing became completely transparent for the sender.

In 2012, the majority of internal bank documents (office memos, regulatory and administrative and internal documents) were transferred into electronic format. The paperwork transfer into electronic format resulted in significant cutting of paper consumption, the raw material for which is timber, a very precious resource for maintaining natural environment.

The benefits from the electronic document management system implementation in the Central administrative office in relation to paper save, noted in the 2011 report, in 2013 will grow in proportion to the number of regional banks' offices connected to EDCS. Taking into account the fact that only the Central administrative office annually saves 10 tons of paper with the exclusion of physical document flow between distant customer service outlets, the EDCS project on the reduction of raw-material and transport load on environment has the direct positive ecological impact.

Besides, the bank implements the project Expansion of electronic document flow with government bodies for submitting information about clients and accounts. Following this direction in 2012 the cooperation with the Federal Notary Chamber, Federal Tax Service in relation to a number of transactions was transferred to electronic document flow, and the document flow transfer was initiated for the Federal Bailiff Service. In 2013, the bank plans to expand the electronic cooperation with government bodies.

Investing in Human Capital

Personnel Training	51
Motivation and Compensation of Employees	55
Corporate Benefits	57
Work Places for the Disabled People	59

PERSONNEL TRAINING

The bank was and remains one of the largest employers of Russia: as of 31 December 2012 the actual number of Sberbank staff exceeded 245,000 employees.

Employees are one of the capital assets securing the bank's high efficiency and competitive ability.

In 2012, we set ourselves the objective to switch over the system of personnel training and development to industrial path, to make this process continuous and efficient. Among the main objectives in this area in 2012 we considered the following:

- ▀ completion of the performance appraisal system implementation;
- ▀ supporting the system of continuous training of each bank employee;
- ▀ creation of training and development infrastructure for the bank's top-management and specialists.

Following the results of 2012 the bank achieved the following objectives:

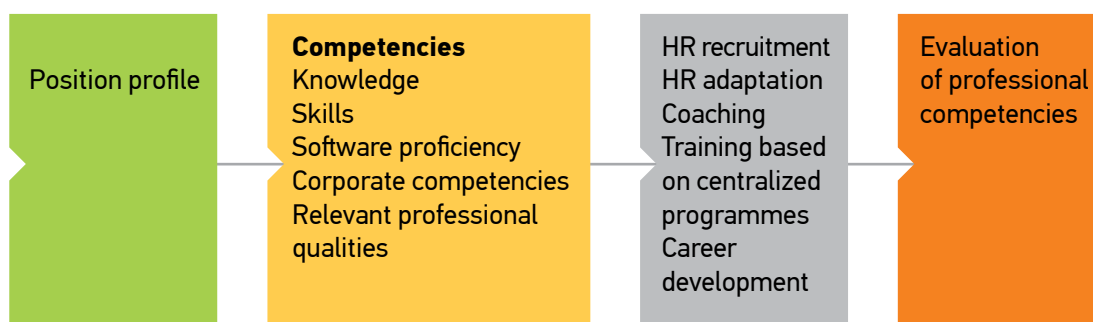
Mass training

In 2012, the bank established and running at full capacity the Training Centre of the Personnel Policy Department for common service staff. The Centre was created in accordance with the Mass Training Concept approved by Sberbank Board in 2011. It includes 17 training centres located in all regional banks, in which almost 400 people are involved. Each Regional Bank Training Centre undergoes the assessment procedure based on the system of key performance indicators. All training managers also regularly undergo the qualification assessment.

Today about 62%, or more than 152,000 of the bank staff are common service staff (CSS), linear management and specialists involved in customer interaction. For each group of specialists their competence profile is defined and the training matrix is formed, on this basis are developed the plan and contents of training programmes.

Along with specialized skills and competences in the training process the bank's staff get knowledge in the sphere of general skills and competences which they can use in any occupation, including outside bank. For example, the courses Business Correspondence, Telephone Negotiating Skills, Efficient Presentation, Conflict Management and others form part of the training of common service staff.

Training on Competences (general scheme)



In 2012, thanks to this approach the bank managed to regulate and make transparent the processes of assessment, planning and organization of training process for common service staff. Created in the bank the training system for CSS allowed to resolve one of the main 2012 objectives: to start implementation of the monitoring system of training programmes quality.

Considering scale of the objective, in 2012 the bank paid special attention to training of specialists involved in servicing of retail customers, small and micro business as well as in work with problem assets.

To organize trainings for EPG in 2012 the bank used such delivery modes as training, E-learning, skill development on-the-job, supervision, as well as post-training support on-the-job. Training plans are placed on the internal information resource — corporate Intranet-portal, accessible to the majority of Sberbank employees and available upon request.

Head cashier of the Transaction department Naumov Vitaly Alekseevich:

– I joined the bank in October 2012. After resolving all formal issues and document processing for employment as head cashier I was immediately sent to the two-week adaptation programme for newcomers — the Basic Course. The study time was paid as working time, and indeed it was strenuous work since during these two weeks I had to complete many courses required for the successful individual start with the bank.

[Our] Training took place in Sberbank Training centre at Perovo Pole. Within the framework of the Comprehensive training programme we studied the basics of banking business, cash-desk work, teller rules, we were told about how the bank is organized, how to behave with colleagues and customers, how to identify them, we were informed about financial responsibility as well as we were familiarized with other topics relevant during independent work. I really liked the two-day training on sales. I consider that this subject should deserve more attention since it was the most useful for my job profile.

After successful completion of the Comprehensive training programme I was sent to the Transaction department for the head cashier position. However, I started independent work not at once: I was assigned to skilled instructors and worked side by side at the teller window under experienced employee nearly a month. I observed their work and asked questions, making relevant notes for myself. Besides, all this time I studied instructions and practical techniques of carrying out specific banking transactions until I felt that I was ready for independent work with customers.

Currently, having access to the Corporate portal, I know what opportunities I have for further training and career development. It became interesting to work with customers and in the near future it would be desirable to apply the received skills not only in communication with mass-market customers, but also in contacts with high-yield segment representatives as well as with VIP-customers.

I do like my job. Now I am a fourth year student of the Institute of communicative technologies in Enterprise Management and upon graduation I plan to commit myself to work with Sberbank.

In 2012, the bank developed 177 centralized training programmes, 110 of which were implemented remotely. Due to that the share of distance learning in the total scope of training for EPG amounted to 62%, while 38% continue full-time training. In 2013, we intend to develop further

systems of distance learning through LMS (Learning Management System) development and plan to transfer another 8% of full time training to a remote format. It allows to increase training accessibility and to reduce costs on course preparation.

GROWTH OF AWARENESS ON TRAINING PROGRAMMES (RESULTS OF THE INTERNAL EMPLOYEES' POLL)

In % from the total number of poll participants	For the last year I participated in trainings, seminars, training conferences more than once			I regularly undergo distant-learning courses in Sberbank Automated System of Personnel Training (ASPT)			I have got an access to the Sberbank Automated System of Personnel Training (ASPT)		
	2010	2011	2012	2010	2011	2012	2010	2011	2012
Senior Manager	59.9	71.5	81.4	75.1	79.9	80.8	45.3	52.5	56.8
Mid-level Manager	46.3	54.9	72.2	78.3	82.6	87.2	46.9	48.7	58.0
Junior Manager	54.6	60.6	71.4	76.3	81.7	87.3	58.5	61.6	68.1
Specialist	26.6	33.2	50.7	49.0	54.3	69.5	32.6	36.6	51.4
Common service staff	55.7	59.3	60.0	45.8	53.3	65.7	47.7	50.7	60.1

Corporate University

In the past year was established Sberbank Corporate University. Its main objective is to provide the bank's subdivision managers and key specialists with the most up-to-date business education. The bank created a corporate model of managers' competence evaluation and the their qualification level used as a basis for training planning, business-skills and professional knowledge development. In 2012, managers and key specialists in subdivisions of corporate, retail and transaction blocks both in the Central administrative office and in regions were assessed in this way. We plan to continue this effort in 2013.

In 2012, we continued implementation of long-term programmes with leading business-schools on personnel training and development. The main emphasis in programmes was made on involvement of regional banks' managers which account for over 90% of the audience.

In 2012, training was completed by:

- ▶ 427 participants of the joint educational programme with INSEAD-NES business schools the Sberbank 500 — Programme for Leaders;
- ▶ 50 participants of the LBS-Sberbank Programme in Management and Finance for Bankers prepared jointly with London Business School (LBS).

In July 2012 as part of the new course of the Sberbank 500 — Programme for Leaders programme 496 people started their training.

The second course (56 people) started training on a joint educational programme with London Business School, which peculiarity is conducting four modules in London at LBS site.

Programmes of development for the bank's Board members and Heads of the bank's regional subdivisions are developed and realized.

So far, it's relatively small scale taking into account that in Sberbank there are some 20,000 top managers. The bank has plans for development of such programmes and extension of the list of partners competent in teaching of informational technologies and risk management.

In 2012, the following meetings and programmes were organized and conducted for the bank specialists:

-
- ▲ a meeting with Henry Kissinger on the topic Modern world politics — 25 participants;
 - ▲ a lecture by Paul Krugman on the topic Russia in the context of global changes in the world economy — 550 participants;
 - ▲ a lecture by Satyajit Das on the topic Secret tricks of the hedge: economists know nothing about them, they are not described in textbooks — 150 participants;
 - ▲ a lecture by Tony Blair on the topic Modern political world view. New Challenges (China, America, Central Asia) — 550 participants;
 - ▲ a lecture and business workshop by Janelle Barlow Brand-Oriented Service — 14,160 participants;
 - ▲ beth Noveck, Andrey Shleifer, Tim Kelsy: Breaking the management deadlock: wisdom of crowd or authoritarian genius — 40 participants;
 - ▲ michael McGannon's programme Business-Leader Health — 99 people;
 - ▲ erik Weihenmayer: Success Philosophy: Overcoming Impossible — 14,250 participants;
 - ▲ master-class with participation of Manfred Kets de Vries Leadership challenge: Emotional Potential Development — 18 people.

At the end of 2012 the Virtual School project had a successful start under which the registered employees were provided with the opportunity to read electronic books from Sberbank Library series.

Within the framework of the Virtual School distant learning portal development, in the Internet an application for iPad was developed to download and read books, and also electronic and audio books were loaded. By the end of 2012 on the Virtual School portal 24 electronic books were loaded. The Virtual School project is implemented stage by stage, gradually increasing the number of employees for whom this resource is available. By the end of 2013 we plan that about 20,000 employees will be able to use this resource.

MOTIVATION AND COMPENSATION OF EMPLOYEES

In 2012, we set ourselves the objective of further development of the financial and non-financial motivation system which should support the implementation of the large-scale transformation programme in Sberbank. Further improvement of the performance management system (PMS) and increase of the employees' engagement and satisfaction were also among our main 2012 objectives.

Performance Management System

In 2012, Sberbank continued the performance management system (PMS) development which embraces all bank employees. Approaches to goal setting and goal fulfillment assessment differ depending on the category of staff. For top management objectives are set on the basis of the bank business-plan. Under PMS are assessed both the performance of formalized objectives and level of proficiency in professional and personal competences, which are the priority for this or that personnel category. For that the 5+ system operates which is comprehensive for all bank employees.

In 2012, a project was launched on automation of PMS for top managers on the basis of SAP HR Performance Management module. Today in SAP HR objectives' planning and the assessment of their fulfillment is carried out for more than 400 senior and mid-level managers at the bank subdivisions. The data on the goal fulfillment assessment automatically goes to the remuneration management module for bonus calculation. At the same time the performance management module is integrated with the business planning system.

Personnel satisfaction in 2012

In 2012, was conducted the third annual survey of Sberbank employees' engagement and satisfaction. About 116,000 employees participated in it.

For the second consecutive year Sberbank employees' engagement and general satisfaction indicator grows testifying that changes that the bank undergoes are positively perceived by the employees. Satisfaction with the bank top management, organization of the workflow, harmonization of personal and corporate objectives and the motivation and remuneration system still remain the most important factors that influence the employees' engagement.

The majority of these factors showed positive dynamics. For example, the Motivation and remuneration system factor displayed better understanding of interrelation between the remuneration amount and the job performance, the transparency of the assessment system and bonus awards, competitiveness of Sberbank salaries at the external labor market. Considerable progress is noted in satisfaction with the career development, self-training opportunities, in confidence of one's value for the company (harmony of personal and corporate objectives).

Following the survey results for all top managers of the bank for 2013 were set objectives to increase employees engagement and were developed special improvement programmes, in particular on the processes causing the greatest complaints of employees.

THE BANK EMPLOYEES' ENGAGEMENT INDICATOR

	max 100%		
	2010	2011	2012
Senior Manager	78.2	76.8	77.6
Mid-level Manager	72.1	71.4	72.5
Junior Manager	64.5	64.2	64.3
Specialist	58.8	59.3	59.3
Common service staff	58.5	58.5	59.0

GENERAL JOB SATISFACTION IN THE BANK

	max 100%		
	2010	2011	2012
Senior Manager	73.9	71.8	74.9
Mid-level Manager	70.8	70.6	72.5
Junior Manager	65.1	65.3	66.0
Specialist	60.7	62.0	62.2
Common service staff	60.1	61.2	62.1

CORPORATE BENEFITS

The bank implements a whole range of initiatives which form part of the corporate benefit package for personnel.

Voluntary Medical Insurance

In 2012, in accordance with the new (improved) programmes there continued implementation of the projects on the employees' health and life insurance coverage. For this purpose in 2011 the second round of opened tenders for the selection of insurance companies for VMI (voluntary medical insurance) and AI (accident insurance) contracts for 2012–2013 was conducted. At the preparation stage the polls on the employees' satisfaction over the quality of rendered services were carried out.

In the new insurance period improvements were undertaken in accordance with the employees' wishes: a list of clinics was extended, medical and preventive treatment institutions that provide higher quality services were selected. Information sharing about the insurance terms is carried out through the complete openness and availability of the materials about programmes for all employees (at the portal and other sources), as well as by rendering consultative support for employees. The service of claim submission to the e-mail address medstrahovka@sberbank.ru is launched. The number of employees insured under VMI contracts reached 69,000 people.

Accident and serious illness insurance

Under the new AI contract, the cases of insurance reimbursement were expanded (reimbursement because of death by illness; and disability by any reason was included), terms and conditions were specified, controversial interpretations of clauses on serious illness (oncology) were eliminated that led to the increase of the paid reimbursements and decrease in employees complaints for rejection. The contract envisages the activity of the Commission on controversial cases; a number of new services were offered, for example, transmittance of documents on the insured event in an electronic format through the insurance company portal which reduces the period of their review. The number of insured people under the accident and serious illness insurance contract for 2012 amounted to 238,000 people.

Comprehensive Medical check-ups

After 2012 mid-year the implementation of the improved programme on comprehensive medical check-ups (CMC) began. For this purpose a single standard and protocols were drafted. Following the check-up results, each employee is given a Health certificate with the evaluation of the illness risk and recommendations on healthy lifestyle. In 2012, the number of the employees who underwent CMC exceeded 108,000 people.

The Company Doctor and Health programmes implementation in 2012

In 2012, there was an increase in the number of the bank customer service points covered by the Company Doctor programme, and in doctors' work the emphasis was made on disease prevention. The standard on equipping medical stations with facilities and first aid pharmaceutical products was developed. All company doctors were additionally trained in the basics of main chronic non-contagious disease prevention among the bank employees.

The company doctors actively participate in the implementation of the Health programme under which disease prevention and promotion of a healthy lifestyle among the bank employees became their main functions.

The section Health was set up at Sberbank internal site as the main programme informational resource. In the subsections On Health Programme, Health is in Your Hands, Assess Your Risks, Movement is Life, Overcoming are posted articles about healthy lifestyle, on-line scales, photo reports about held events, image galleries of fitness trainings and other information. Within the framework of the reality-show on weight loss I will be the first to do it! in the Health section the project participants' monthly reports are posted.

In support of cultivation of non-acceptance of smoking a campaign on smoking cessation Let's Give Up Smoking Together! was conducted in 17 Russian cities. More than 500 bank employees participated in the campaign. Under this campaign a special seminar was also conducted involving specialists from Allen Carr Centre, a corporate video clip on smoking hazards was created with the participation of bank employees, motivational posters on giving up smoking were developed and distributed among the bank subdivisions.

Information about the Health programme is integrated into the course for new employees Welcome to Sberbank and into Sberbank virtual school.

Corporate Pension Plan

In 2012, the bank continued to implement its Corporate Pension Plan (CPP), attended by more than 175,000 employees. Sberbank CPP determines principles, common for all employees, on accumulation of pension assets and conditions for granting of an occupational pension.

In 2012, the CPP participants received pension contributions to their individual retirement accounts (IRA) in Sberbank Pension Savings Fund (PSF) which contributed to establishing long-term labor relations with employees and granting to them in future of additional retirement benefits. After retirement the programme participants will be granted an occupational pension, which will be paid from the funds accumulated in their individual retirement accounts in Sberbank PSF. In order to check the amount of funds accumulated in the opened IRA, a special resource (a personal account) was set up at the Sberbank PSF site, where each CPP participant can get information about his/her retirement savings

WORK PLACES FOR THE DISABLED PEOPLE

Due to the specific nature of its activities (work with customers, their monetary funds and material valuables) the bank has certain restrictions in recruiting the disabled people (DP). Nevertheless lately we started to pay more attention to enabling this social category with the opportunity to realize of their labor potential. In particular, in 2012 the bank continued implementation of the DP recruitment programme in subdivisions of its Unified Distributed Contact Centre (see the case). This experiment was declared successful and the bank plans to continue the practice of hiring the disabled people.

Recruitment of The Disabled People to Sberbank

In 2011, at the bank Unified Distributed Contact Centre (UDCC) a programme Equal Opportunities was launched. The objective of this programme is to organize work places for the disabled people in order to exercise their right to decent employment and self-fulfillment.

In 2011, departments of the regional contact centre (DRCC) in Voronezh (Tsentrarno-Chernozemny bank), Volgograd (Povolzhsky bank) and Yekaterinburg (Uralsky bank) were involved into the programme implementation, and in March 2012 they were joined by Omsk (Zapadno-Sibirsky bank) DRCC.

The programme is implemented in close cooperation with All-Russian, regional and municipal societies of the disabled, Social Protection Administrations, employment bureaus, technical schools-asylums, non-governmental organizations of young disabled people and centres for the rehabilitation of disabled persons.

At the end of 2012 34 employees with various disability statuses and 15 mothers of disabled children worked at UDCC.

All potential employees from among HP had a standard interview for job applicants on a non-preferential basis. Prior to the interview the disabled people participated in the excursion to the contact centre and observed the operators' work, assessing their abilities and possibilities for successful work at this position.

The DRCC provided these specialists with decent work conditions. New contact centres in Omsk and Volgograd are equipped with 30 purpose-designed work stations for wheelchair users, specially adjusted amenity rooms (toilets, lifts, passages, car parking etc).

Median age of the HP employees is currently about 26,5 years (the specialists' age ranges from 19 to 43 years).

The programme presented itself very well. Employees are extremely motivated on achievement of success, well adapt for working conditions. Well-knit staff plays a significant part as it enables the disabled employees to fully join the bank team ranks.

How We Manage Business

Shareholder and Investor Cooperation	61
Interview	64
Compliance	65
Development of procurement system	66

SHAREHOLDER AND INVESTOR COOPERATION

Quality improvement of corporate management and activity transparency is a prerequisite for enhancing the bank investment attractiveness and the guarantee of respecting the minority interest. We assume it is very important to implement the best international practice into corporate management, but the rate of change depends largely on the conditions of the regulatory environment and good business practices formed in target markets.

Corporate management development in the bank takes place in five key directions: information disclosure, audit and risk management, Supervisory board, shareholder rights and remuneration. Below find presented the main results on these directions in 2012.

MAIN RESULTS IN CORPORATE MANAGEMENT IMPROVEMENT IN 2012

Information disclosure	<ul style="list-style-type: none"> ▶ Regular meetings with investors in Moscow, participation in financial conferences, holding various presentations and meetings (road show) ▶ Conference-calls on financial statements disclosure and other important events for the bank activities with participation of the bank top management. ▶ Holding of Investor Day and Analyst Day ▶ Synchronization and back-to-back information disclosure in the English and Russian versions of the site in accordance with the disclosure requirements of international stock markets ▶ Annual General shareholder meeting (AGSM) online translation in English and Russian languages Live webcast of the annual General meeting of shareholders (AGMS) in the English and Russian languages. ▶ Sberbank is one of the few companies with the proven and well-defined system of monthly financial statements' disclosure in accordance with RAS (Russian accounting standards). ▶ Disclosure of the agenda and decisions of the Supervisory board in the form of a corporate action notice at the bank site. ▶ More than 260 meetings were held with the participation of more than 1000 investment funds' representatives, including about 200 conference-calls with investors and analysts
Audit and Risk Management	<ul style="list-style-type: none"> ▶ Creation of the Group Risk Committee ▶ The decision is taken on going of the subdivision manager responsible for risk management into the bank Board ▶ Creation of the Policy on group risk management and the legal framework for various risk types (For detailed information on approaches to risk management see Management Report)
Supervisory Board	<ul style="list-style-type: none"> ▶ Increase of the number of independent directors from six to nine ▶ In 2012, the decision was taken on public disclosure of the information on attendance by directors of Supervisory Board meetings ▶ In 2012, the decision was taken to assess the Supervisory Board activity by an independent consultant. Sberbank is the first company with public ownership to carry out such assessment ▶ Participation of independent members in the Committee meetings on cooperation with minority shareholders

Shareholders' Rights	<ul style="list-style-type: none"> ▶ The Committee on cooperation with minority shareholders continues its energetic activities (see below) ▶ The Call centre for Sberbank shareholders continues its work: in 2012 it received about 1800 calls. ▶ The annual perception study was undertaken by Sberbank (see the results in separate insertion) ▶ As a result of selling new Sberbank shares the CB share in the bank authorized capital was reduced to 50% plus one voting share; the free-float share fraction increased to 50% minus one voting share. ▶ Corporate secretary service is established
Remuneration	<ul style="list-style-type: none"> ▶ Regular information disclosure on remuneration of the bank key-managers, including members of the Board, in the quarterly report in accordance with the regulators' requirements ▶ The decision was taken to level remuneration of all Supervisory board members and pay extra for the membership and chairmanship in committees. In 2013, the Regulation on SB members' remuneration will be submitted for approval by the shareholder meeting

RESULTS OF INSTITUTIONAL INVESTORS' SURVEY CONDUCTED IN 2012

List of key topics of investors' concern	Key results of the perception study
<ul style="list-style-type: none"> ▶ Basic financial indicators: return on equity and on assets, net profit, net interest margin, overdue payments and reserve funds, the loan portfolio size and growth, capital adequacy, performance indicators, the bank elements of expense (in particular, control and regulation of operating costs' increase) ▶ Forecast for 2013, principles of achieving the declared financial indicators ▶ Sberbank international strategy, plans for subsidiary banks' integration, efficiency of these acquisitions and possible synergy ▶ Developing investment business ▶ Sberbank's SPO ▶ Dividend policy (the amount and possible further increase of dividend payouts) ▶ New development strategy ▶ CSO-lending development, Cetelem purchase ▶ Macroeconomic Indicators ▶ Funding Plans ▶ Business Risk Management 	<ul style="list-style-type: none"> ▶ Level of the bank financial communications is assessed as Upper intermediate and The best in the sector (in the context of emerging markets) ▶ Sberbank carries out qualitative financial information disclosure, provides access of analytical society to top management. ▶ Both management team and mid-level management participating in meetings with investors and analysts possess high competence level. ▶ Sberbank equity story is considered to be one of the most attractive stories in the world: undervalued shares, high profit, high growth potential in the Russian retail market and successful transformations inside the bank ▶ Sberbank flagship role in the development of the bank retails market in Russia is noted as the bank key strategic objective. ▶ Transparency growth in corporate management: dividend policy, availability of top-management and financial information disclosure

In 2012, the Committee on cooperation with minority shareholders continued its work The Committee held five offsite meetings: in Volgo-Vyatsky bank (Nizhny Novgorod), Baykalsky bank (Irkutsk), Severo-Zapadny bank (St.-Petersburg) and in Sibirsky bank (Novosibirsk).

At the organization of meetings in regions was used the video conferencing that allowed to provide participation of more than 550 minority shareholders and provided them with the possibility of direct communication with the bank top-management representatives. Besides, Internet translation of the committee meetings on web pages of regional banks was provided in real time for shareholders who couldn't attend the meeting personally.

FREQUENTLY ASKED QUESTIONS OF SHAREHOLDERS IN REGIONS

Questions	Comments
Dividend Policy	The bank seeks to remain in the gradual uptrend in relation to dividend payouts.
Credit/deposit rates	Interest-rate policy is determined by the current market environment. At the same time the bank seeks to reinforce its market positions while preserving the interest margin
Expansion of the Internet-services list, broker services, tariffs, investment funds	The bank consistently broadens offered services. Integration with Troika Dialog should reach synergies for the development in this direction.
Stock Options Plan	The issue is under discussion with the regulator and the primary shareholder
Depository receipts, sales of 7,58% of shares	Sale is recognized to be successful
Conversion of preferred shares into ordinary	Alterations in the bank capital stock are not currently discussed.
Sberbank international expansion, purchase of Troika Dialog	It was necessary for the diversification of business and establishing the bank as a global player
Sberbank New Development Strategy	Development is in process, it will be adopted in 2013

In 2012, in Moscow were held six in-person committee meetings with participation of the bank top managers on which the following issues were discussed:

- ▶ IT-block results;
- ▶ Sberbank of Russia international expansion;
- ▶ Visit to the Corporate university, 2011 CSR report presentation;
- ▶ CSO-lending, purchase of Cetelem;
- ▶ using the crowdsourcing technology in Sberbank, the first results of crowdsourcing platform functioning;
- ▶ 2012 results, discussion of 2013 plans.

INTERVIEW

In 2012, the Committee on cooperation with Sberbank of Russia minority shareholders conducted the survey of the Supervisory Board independent members on a number of criteria characterizing the quality of their own activity and the Supervisory Board activity in general. The results were presented to shareholders at the Annual meeting. Further the committee hopes that the obtained

results will be taken as a basis for carrying out an assessment of the Supervisory board with involvement of the independent consultant. Perhaps, it is the most important task resolved by the committee in 2012.

As a whole it would be desirable to state the developed good level of the relations of committee with representatives of management and Supervisoryboard members, efficiency of receiving from them of answers to inquiries, openness of the dialogue, adequate level of self-criticism and readiness to bring improvements in the work.



A.V. Danilov-Danilian,

Chairman
of the Committee
on cooperation with
the bank minority
shareholders

Among the committee short-term plans is the consideration of issues that are most important for Sberbank shareholders. Let's mention the core ones: about the activities of the bank retail, corporate and investment blocks, about the Credit Factory performance results, about new strategy of development, about the issues of the bank business-model sustainability under the conditions of persisting uncertainty at the world financial markets and weakness of the non-oil-and-gas sector of the Russian economy.

COMPLIANCE

Compliance understood as conformity of the bank activities with the legislation, standards of self-regulatory organizations and ethical business practices is currently an important factor of confidence building towards financial institutions and the indicator of their legal maturity. Sberbank builds the compliance-risk management system in such directions, as:

- ▶ prevention of mismanagement and corruptive delinquencies;
- ▶ prevention and resolution of conflicts of interest, arising in the process of the bank activities;
- ▶ combating money laundering and terrorist financing;
- ▶ observance of license and other regulatory requirements in the sphere of financial markets;
- ▶ ensuring market behavior and the fair competition at commission of transactions in financial markets, prevention of abusive practices in financial markets (use of insider information, a manipulation the prices and others);
- ▶ observance of economic sanctions and restrictions imposed by the Russian Federation, as well as international organizations and the certain states;
- ▶ assurance of customer rights, including investment activities.

The bank seeks to develop compliance-culture as part of the corporate culture and sets itself the objective to achieve observance of compliance requirements by all employees.

Sberbank actively applies the best practices on prevention of the insider information use and market manipulation, among others the bank approved and posted to its web-site the list of the insider information, imposes restrictions on securities transactions by the bank and its subsidiaries and associated companies. The bank created the relevant legal framework for managing conflicts of interest issues, including at transactions with interest; regulated mechanisms of decision-making and behavior standards of the bank's employees.

Unfortunately, in 2012 we faced again the corruption facts among the staff of the bank — 4 people were arrested on commercial bribery charge. It is collaboration of law-enforcement authorities and the bank security service. Further we plan to toughen the measures aimed at counteracting corruption. In 2013, we plan to develop and adopt the bank internal policy in the sphere of counteracting corruption.

The bank also pays special attention to counteracting the legitimization of the proceeds of crime (money laundering) and the financing of terrorism (AML/FT).

The measures taken in 2012 and allowing to make this work more effective, included:

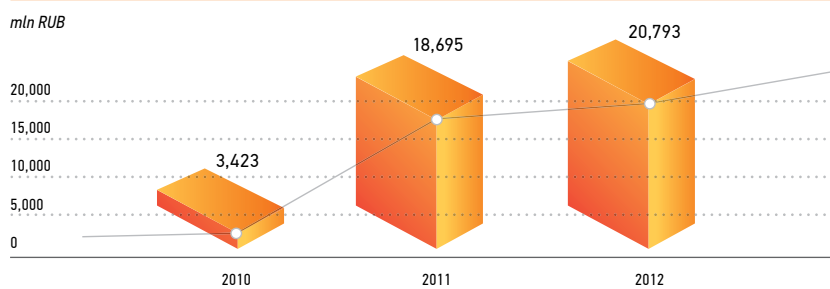
- ▶ special training seminar with participation of representatives of profile federal departments and the Bank of Russia which was attended by about 300 managers and employees of financial monitoring subdivisions;
- ▶ development of a specialized multimedia training course on CML/FT to enable distant learning of the bank staff;
- ▶ automation of a number of core processes allowing to fulfill requirements of the federal legislation effectively;
- ▶ updating of internal methodological recommendations for all subdivisions of the bank submitted on identification of transactions which are subject to mandatory monitoring, and transactions concerning which there are suspicions that they are carried out for legalization (laundering) of income gained by a criminal way, or terrorism financing.

DEVELOPMENT OF PROCUREMENT SYSTEM

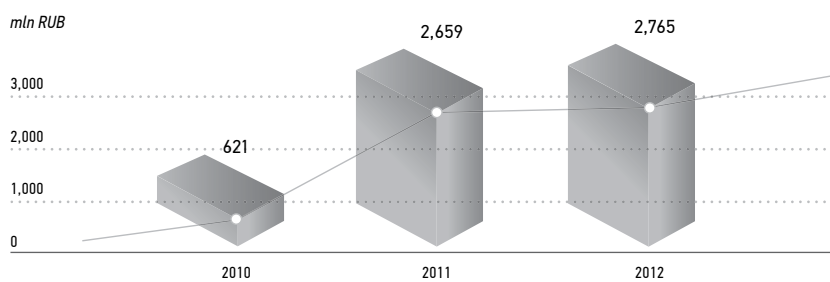
We consider the organization of the own procurement system not only from the point of view of enhancement of operational activities' efficiency, but also as an important factor of counteraction of corruption activity by means of ensuring transparency and regulation of the whole process.

INDICATORS OF E-AUCTIONS USING BY SBERBANK FOR ACQUISITION OF GOODS AND SERVICES IN 2010-2012

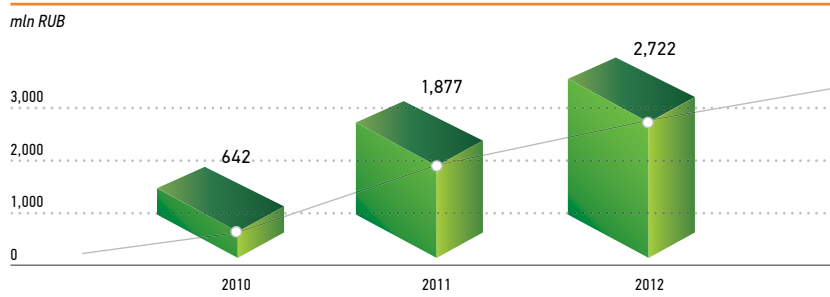
SALES THROUGH E-AUCTIONS



SAVINGS THROUGH E-AUCTIONS



NO. OF E-AUCTIONS



Since 2012 the bank procurement activity is carried out on the basis of OJSC Sberbank of Russia Provisions on procurement, developed in accordance with the Federal Law №223-FZ dated 18.07.2011 On Procurement of goods, works and services by certain types of legal entities. In order to ensure procurement transparency the bank established a special information portal to collect information about purchases of the bank subdivisions. For the bank subsidiaries was developed and approved the Standard Provision on procurement, it will be applied to subsidiaries with the bank's share over 50% since 01.01.2013.

Since 2012 in the bank function unified Bidding Commissions, and standard pro-forma documents (tender and auction documentation, contracts) are actively used in procurement activities.

The bank also actively uses in its procurement activity the opportunities provided by the electronic platform Sberbank-AST. In 2012, 2,722 electronic auctions were carried out to the amount of 20,8 billion roubles. Electronic procurement in the bank objectives resulted in creation of a real competitive environment and saving of 2,8 billion roubles on price reduction.

In 2013, the bank plans to create the Service Support Centre for the purpose of procurement central planning and service quality improvement of purchasing subdivisions of the bank (in relation to reduction of time limits for contract approvals, cost reduction etc).

About the Report

Contents of the Report	69
Report Boundary	70
International Standards' Application	71
Contact Details	71

CONTENTS OF THE REPORT

OJSC Sberbank of Russia report on corporate social responsibility for 2012 (hereinafter — the Report) forms part of the bank Annual report which also includes the Management Report and Financial statements. The previous report on corporate social responsibility as part of the bank Annual report for 2011 was disclosed at the Annual general meeting of the bank shareholders on June 1, 2012.

The Report discloses the bank performance results following the priority growth areas, determined by its Policy in the sphere of corporate social responsibility, including:

- ▶ contribution to economic growth and business development: small business support, ensuring availability of financial services, participation in creation of the legal environment;
- ▶ social aspect of business: customer service quality improvement, enhancement of the population financial literacy, ensuring availability of financial services, offering socially responsible products and services, safety of banking products and transactions;
- ▶ local communities' support, charity and sponsorship;
- ▶ responsible corporate behavior;
- ▶ own environmental impact, minimization of negative environmental impact
- ▶ investing in human capital: personnel training, development of motivation systems and personnel remuneration, corporate benefits, employment for persons with disabilities.

Special attention in the report is paid to the issues of stakeholders' engagement.

For definition of the Report contents were carried out the following procedures:

- ▶ interviewing of the bank managers;
- ▶ analysis of the sectoral nonfinancial reporting contents;
- ▶ analysis of the Russian business press;
- ▶ the results of the employees and customers' surveys;
- ▶ the results of institutional investors' survey;
- ▶ the results of the public discussion of the previous Report with the use of the crowdsourcing platform.

The Report takes into account essential subjects that are of interest for the bank key stakeholders, including:

- ▶ corporate and retail customers;
- ▶ employees;
- ▶ society and local communities;
- ▶ majority and minority shareholders, investors;
- ▶ the state represented by federal, regional and municipal government authorities.

The list of main stakeholders was developed in the course of preparation of the Bank Corporate Social Responsibility Policy (available at: (http://www.sbrf.ru/common/img/uploaded/files/pdf/POLICY_for_Corporate_Social_Responsibility.pdf).

REPORT BOUNDARY

Information and indicators contained in the Report, including those about the personnel structure and number relate to the bank activity on the territory of the Russian Federation. The data on subsidiaries and associated companies are outside the Report boundary.

The Report discloses information for 2012, as of 31.12.2012. Nevertheless in order to depict the dynamics of certain key processes, in a number of sections data for previous periods is provided. Information and expert opinions set forth in the Report, are relevant solely on the Report submission date and may change without prior notice.

The Management Report contains consolidated financial results for the Sberbank Group, prepared in accordance with the International Financial Reporting Standards. Charity expenses are disclosed in the RAS Profit and Loss Statement 2012.

For calculation of direct and indirect emissions of greenhouse gases from the consumption of heat and electricity as well as greenhouse gas emissions from using fuel when transporting, were used IPCC Guidelines for National Greenhouse Gas Inventories and the RF National Report on cadastre of man-made emission from sources and absorption by greenhouse gas sinks outside the scope of Montreal Protocol for 1990–2010.

Neither the Report nor any part therein contains and should not be interpreted as an offer or incentive to make a purchase or issuance or as an attempt to make a bid, a tender, underwriting or other acquisition, or as a recommendation to such acquisition of any shares or equity securities issued by the bank or any bank subdivision; also neither the Report nor any part therein, as well as the fact of its submission or distribution should be interpreted as the basis, direct or indirect, for concluding any contractual relations, undertaking any obligations or taking investment decisions.

The Information from the Report may contain forward-looking statements. Forward-looking statements include all statements that are not historic facts, statements concerning bank intentions, opinions or current expectation relating among other things to the bank operational indicators, its financial status, liquidity, perspectives, growth, strategies and the sphere of the bank functioning. By their nature, forward-looking statements involve risk and uncertainty as treat events which may not take place in the future and depend on circumstances that may not occur in the future.

Hereby the bank warns that forward-looking statements are not the guarantees of achievement of the specified indicators in the future; the actual operational indicators, indicators of the financial status, liquidity and development of the sector where the bank operates may vary considerably from those specified and offered in forward-looking statements contained in the Report. Besides, even if the bank operational indicators, its financial status, liquidity position and development indicators for the sector where the bank operates do correspond to the forward-looking statements contained either in this presentation or in oral statements, such indicators may not serve as a guideline for indicators or events of future periods.

Information and expert opinions set forth in the Report, are relevant solely on the Report submission date and may change without prior notice.

INTERNATIONAL STANDARDS' APPLICATION

The Report is prepared in accordance with the Global Reporting Initiative Sustainability Reporting Guidelines (hereinafter — GRI Sustainability Reporting Guidelines) and sectoral supplement for financial service sector. The Report corresponds to the application level B of GRI Sustainability Reporting Guidelines (see GRI Content Index at pp. 81–91). Besides, at the Report preparation the approaches were used determined by ISO 26000 and AA 1000 standards.

CONTACT DETAILS

Information on the issues of Sberbank corporate social responsibility as well as comments and suggestions about the Report structure and contents can be sent to the Strategy and Development Department at the address: 19 Vavilova Street, Moscow, Russia, 117997 or by e-mail: csr@sberbank.ru

Supplements

ACTUAL HEADCOUNT OF THE BANK

Regional bank	31.12.2010	31.12.2011	31.12.2012
Baikalsky bank	6,616	6,569	7,028
Volgo-Vyatsky bank	22,912	22,586	22,682
Vostochno-Sibirsky bank	6,014	5,849	6,178
Dalnevostochny bank	8,089	7,877	8,211
Zapadno-Sibirsky bank	8,385	8,633	10,487
Zapadno-Uralsky bank	10,302	10,327	11,064
Moscow bank	17,655	17,307	16,183
Povolzhsky bank	24,905	24,658	23,919
Severny bank	8,859	8 836	9,103
Severo-Vostochny bank	3,558	3,567	3,461
Severo-Zapadny bank	19,122	19,338	18,724
Severo-Kavkazsky bank	8,162	8,290	8,647
Sibirsky bank	15,154	15,140	15,529
Srednerussky bank	20,209	20,057	21,228
Uralsky bank	21,701	21,689	21,166
Tsentralno-Chernozemny bank	16,055	16,077	16,555
Yugo-Zapadny bank	14,516	14,616	15,106
Central Head Office	9,113	9,621	10,045
TOTAL	241,327	241,037	245,316

BANK STAFF BY GENDER

Regional bank	31.12.2010		31.12.2011		31.12.2012	
	Females	Males	Females	Males	Females	Males
Baikalsky bank	5,250	1,366	5,212	1,357	5,478	1,550
Volgo-Vyatsky bank	18,330	4,582	17,813	4,773	17,575	5,107
Vostochno-Sibirsky bank	4,713	1,301	4,533	1,316	4,726	1,452
Dalnevostochny bank	6,519	1,570	6,201	1,676	6,604	1,607
Zapadno-Sibirsky bank	6,348	2,037	6,265	2,368	6,782	3,705
Zapadno-Uralsky bank	7,638	2,664	7,705	2,622	8,275	2,789
Moscow bank	14,697	2,958	14,095	3,212	12,492	3,691
Povolzhsky bank	19,573	5,332	19,311	5,347	17,878	6,041
Severny bank	6,996	1,863	6,898	1,938	6,974	2,129
Severo-Vostochny bank	2,876	682	2,870	697	2,744	717
Severo-Zapadny bank	14,973	4,149	15,020	4,318	14,118	4,606
Severo-Kavkazsky bank	5,640	2,522	5,664	2,626	5,664	3,001
Sibirsky bank	11,952	3,202	11,929	3,211	11,968	3,561
Srednerussky bank	15,891	4,318	15,548	4,509	15,971	5,257
Uralsky bank	16,892	4,809	16,765	4,924	15,839	5,327
Tsentrarno-Chernozemny bank	12,022	4,033	11,925	4,152	12,061	4,494
Yugo-Zapadny bank	10,939	3,577	10,943	3,673	11,155	3 951
Central Head Office	4,905	4,208	5,154	4,467	4,991	5,054
TOTAL	186,154	55,173	183,851	57,186	181,277	64,039

BANK STAFF BY AGE

Regional bank	31.12.2010			31.12.2011			31.12.2012		
	Under 30	30–50 years	Over 50	Under 30	30–50 years	Over 50	Under 30	30–50 years	Over 50
Baikalsky bank	2,384	3,604	628	2,230	3,723	616	3,082	3,323	623
Volgo-Vyatsky bank	6,702	13,728	2,482	7,383	12,844	2,359	8,421	12,135	2,126
Vostochno-Sibirsky bank	2,053	3,356	605	2,158	3,200	491	2,408	3,277	493
Dalnevostochny bank	2,775	4,412	902	2,594	4,338	945	2,909	4,793	509
Zapadno-Sibirsky bank	3,090	4,634	661	3,547	4,472	614	4,378	5,470	639
Zapadno-Uralsky bank	2,796	6,297	1,209	3,001	6,187	1,139	3,911	6,097	1,056
Moscow bank	7,081	7,794	2,780	7,476	7,397	2,434	7,477	6,451	2,255
Povolzhsky bank	7,705	14,267	2,933	8,364	13,578	2,716	9,412	12,059	2,448
Severny bank	2,191	5,680	988	2,336	5,546	954	2,945	5,176	982
Severo-Vostochny bank	1,095	1,988	475	1,161	1,978	428	1,244	1,859	358
Severo-Zapadny bank	5,355	10,738	3,029	6,093	10,414	2,831	5,447	10,033	3,244
Severo-Kavkazsky bank	2,499	4,693	970	2,742	4,584	964	3,347	4,271	1,029
Sibirsky bank	4,044	9,344	1,766	4,308	9,186	1,646	5,673	8,289	1,567
Srednerussky bank	5,819	11,600	2,790	6,208	11,218	2,631	7,697	10,840	2,691
Uralsky bank	6,951	12,298	2,452	7,553	11,748	2,388	8,029	10,824	2,313
Tsentrarno-Chernozemny bank	5,378	8,482	2,195	5,611	8,304	2,162	6,563	7,836	2,156
Yugo-Zapadny bank	4,406	8,300	1,810	5,190	7,783	1,643	6,067	7,439	1,600
Central Head Office	2,545	4,948	1,620	3,136	4,855	1,630	5,866	2,418	1,761
TOTAL	74,869	136,163	30,295	81,091	131,355	28,591	94,876	122,590	27,850

BANK STAFF BY EDUCATION

Regional bank	31.12.2010		31.12.2011		31.12.2012	
	Higher education	Secondary vocational education	Higher education	Secondary vocational education	Higher education	Secondary vocational education
Baikalsky bank	4,693	1,260	4,830	1,170	5,850	936
Volgo-Vyatsky bank	16,763	3,973	17,138	3,511	17,517	3,265
Vostochno-Sibirsky bank	4,260	1,296	4,239	1,268	4,558	1,221
Dalnevostochny bank	5,570	1,796	5,843	1,563	6,305	1,484
Zapadno-Sibirsky bank	6,425	1,421	6,804	1,140	7,631	1,552
Zapadno-Uralsky bank	7,257	1,942	7,493	1,967	7,890	2,186
Moscow bank	10,625	4,409	10,878	3,901	9,827	3,523
Povolzhsky bank	18,834	4,605	19,441	4,019	17,780	3,652
Severny bank	6,060	1,834	6,268	1,741	6,696	1,680
Severo-Vostochny bank	2,254	694	2,327	647	2,237	511
Severo-Zapadny bank	13,251	4,032	13,473	4,934	12,980	4,285
Severo-Kavkazsky bank	6,958	762	7,122	745	7,109	812
Sibirsky bank	11,693	2,609	12,221	2,282	12,598	2,147
Srednerussky bank	14,122	4,218	14,781	3,515	15,448	3,631
Uralsky bank	15,422	4,120	15,543	3,885	15,044	3,797
Tsentrarno-Chernozemny bank	11,685	3,072	12,042	2,830	12,320	2,849
Yugo-Zapadny bank	10,331	3,079	10,406	2,656	11,062	2,522
Central Head Office	6,912	881	7,701	822	8,254	752
TOTAL	173,115	46,003	178,550	42,596	181,106	40,805

BANK STAFF BY TYPE OF EMPLOYMENT

Regional bank	31.12.2010		31.12.2011		31.12.2012	
	Common service staff	Other employee categories	Common service staff	Other employee categories	Common service staff	Other employee categories
Baikalsky bank	3,436	3,180	4,629	1,940	4,148	2,880
Volgo-Vyatsky bank	10,584	12,328	12,319	10,267	12,110	10,572
Vostochno-Sibirsky bank	3,042	2,972	3,956	1,893	3,131	3,047
Dalnevostochny bank	4,496	3,593	5,766	2,111	4,931	3,280
Zapadno-Sibirsky bank	3,938	4,447	4,497	4,136	6,492	3,995
Zapadno-Uralsky bank	5,344	4,958	5,599	4,728	6,263	4,801
Moscow bank	11,417	6,238	11,553	5,754	10,795	5,388
Povolzhsky bank	11,552	13,353	11,529	13,129	14,570	9,349
Severny bank	4,612	4,247	4,551	4,285	4,547	4,556
Severo-Vostochny bank	1,356	2,202	1,322	2,245	1,218	2,243
Severo-Zapadny bank	9,225	9,897	11,013	8,325	10,830	7,894
Severo-Kavkazsky bank	3,587	4,575	3,855	4,435	4,689	3,958
Sibirsky bank	7,029	8,125	7,722	7,418	9,723	5,806
Srednerussky bank	9,586	10,623	9,671	10,386	11,498	9,730
Uralsky bank	10,896	10,805	11,082	10,607	12,032	9,134
Tsentrarno-Chernozemny bank	7,105	8,950	7,790	8,287	9,695	6,860
Yugo-Zapadny bank	7,288	7,228	7,622	6,994	8,473	6,633
Central Head Office	3,424	5,689	4,360	5,261	2,947	7,098
TOTAL	117,917	123,410	128,836	112,201	138,092	107,224

AVERAGE STAFFING NUMBER

Regional bank	2010	2011	2012
OJSC Sberbank of Russia	237,253	231,304	233,396
including:			
Head Office	8,341	9,378	9,706
Regional banks, including	228,912	221,926	223,690
Baikalsky bank	6,882	6,718	6,638
Volgo-Vyatsky bank	22,749	21,595	21,526
Vostochno-Sibirsky bank	6,068	5,769	5,746
Dalnevostochny bank	8,232	8,040	7,815
Zapadno-Sibirsky bank	8,465	7,933	8,991
Zapadno-Uralsky bank	10,297	9,921	10,068
Moscow bank	17,283	16,710	16,263
Povolzhsky bank	24,771	23,441	23,895
Severny bank	8,911	8,680	8,732
Severo-Vostochny bank	3,714	3,594	3,618
Severo-Zapadny bank	18,808	18,247	18,534
Severo-Kavkazsky bank	7,932	7,835	7,828
Sibirsky bank	14,981	14,460	14,541
Srednerussky bank	20,290	19,733	19,854
Uralsky bank	19,822	19,966	20,070
Tsentralno-Chernozemny bank	15,246	15,397	15,484
Yugo-Zapadny bank	14,461	13,887	14,087

GOVERNING BODIES

Regional bank	Head count											
	Total		By age						By gender			
			Under 30		30–50 years		Over 50		Females		Males	
	31.12.2011	31.12.2012	31.12.2011	31.12.2012	31.12.2011	31.12.2012	31.12.2011	31.12.2012	31.12.2011	31.12.2012	31.12.2011	31.12.2012
Supervisory Board OJSC Sberbank of Russia	17	17	0	0	6	4	11	13	3	2	14	15
Management Board of OJSC Sberbank of Russia	13	14	0	0	12	11	1	3	2	2	11	12
Baikalsky bank	10	11	0	0	7	8	3	3	3	3	7	8
Volgo-Vyatsky bank	11	13	0	0	9	12	2	1	2	2	9	11
Vostochno-Sibirsky bank	11	10	0	0	9	6	2	4	4	4	7	6
Dalnevostochny bank	12	7	0	0	6	4	6	3	5	3	7	4
Zapadno-Sibirsky bank	12	11	0	0	11	10	1	1	3	3	9	8
Zapadno-Uralsky bank	9	10	0	0	8	9	1	1	2	2	7	8
Moscow bank	7	7	0	0	6	6	1	1	0	0	7	7
Povolzhsky bank	9	10	0	0	7	8	2	2	0	0	9	10
Severny bank	11	14	0	0	7	10	4	4	4	5	7	9
Severo-Vostochny bank	8	12	0	0	5	11	3	1	5	7	3	5
Severo-Zapadny bank	12	9	0	0	8	4	4	5	2	2	10	7
Severo-Kavkazsky bank	12	14	0	0	11	12	1	2	1	3	11	11
Sibirsky bank	13	12	0	0	11	10	2	2	6	5	7	7
Srednerussky bank	10	11	0	0	6	7	4	4	1	1	9	10
Uralsky bank	13	13	0	0	7	7	6	6	5	5	8	8
Tsentralno-Chernozemny bank	16	15	0	0	10	7	6	8	8	7	8	8
Yugo-Zapadny bank	10	11	0	0	8	9	2	2	5	5	5	6

INJURY RATE

Regional bank	Total injuries in 2012	Fatal injuries	Total injuries in 2011 (for information purposes)
Baikalsky bank	7	0	13
Volgo-Vyatsky bank	9	0	19
Vostochno-Sibirsky bank	3	0	2
Dalnevostochny bank	11	1	14
Zapadno-Sibirsky bank	6	0	7
Zapadno-Uralsky bank	11	0	9
Moscow bank	19	0	12
Povolzhsky bank	23	0	28
Severny bank	12	1	10
Severo-Vostochny bank	2	0	3
Severo-Zapadny bank	27	0	24
Severo-Kavkazsky bank	7	0	4
Sibirsky bank	12	0	16
Srednerussky bank	34	0	10
Uralsky bank	22	1	23
Tsentralno-Chernozemny bank	19	0	21
Yugo-Zapadny bank	13	1	16
Head Office	3	0	7
TOTAL	240	4	238

EMPLOYEE TURNOVER

%	2010		2011		2012	
	Retirement	Turnover	Retirement	Turnover	Retirement	Turnover
Regional bank						
Baikalsky bank	16.7	7.4	15.4	8.6	20.2	16.1
Volgo-Vyatsky bank	14.2	7.3	17.2	13.3	24.0	16.9
Vostochno-Sibirsky bank	17.2	12.9	21.3	15.7	16.7	15.3
Dalnevostochny bank	14.8	8.8	18.4	13.9	23.2	12.7
Zapadno-Sibirsky bank	12.9	6.5	18.6	17.0	17.6	14.8
Zapadno-Uralsky bank	12.0	6.1	14.0	11.0	21.0	18.2
Moscow bank	20.5	11.1	22.8	21.2	30.0	27.9
Povolzhsky bank	14.1	6.3	19.2	15.0	29.7	22.5
Severny bank	13.2	5.6	12.1	9.4	18.5	15.9
Severo-Vostochny bank	16.9	9.1	16.2	13.5	26.9	22.4
Severo-Zapadny bank	11.9	6.0	17.3	13.7	21.6	18.3
Severo-Kavkazsky bank	16.7	7.1	12.1	8.4	23.0	14.5
Sibirsky bank	12.8	6.2	13.0	10.6	22.1	15.9
Srednerussky bank	16.4	9.7	20.6	17.6	22.5	21.5
Uralsky bank	14.1	6.7	16.6	11.6	24.6	20.4
Tsentralno-Chernozemny bank	13.6	5.4	16.6	14.5	22.0	18.7
Yugo-Zapadny bank	17.2	9.4	22.0	18.0	23.0	19.8
Head Office	8.7	6.3	15.5	15.1	14.8	14.4
TOTAL	14.7	7.5	17.6	14.2	23.2	18.9

GRI Content Index

GRI disclosure/indicator (as defined by GRI Guidelines)	Report Section
1.1. Statement from the most senior decision-maker of the reporting organization about the relevance of sustainability to the organization and its strategy	Opening Statement by Herman Gref, Sberbank CEO & Chairman of Management Board
1.2. Description of key impacts, risks, and opportunities	Opening Statement by Herman Gref, Sberbank CEO & Chairman of Management Board Interview with Denis Bugrov, Sberbank Senior Vice President, Board member About the Report Management Report* Financial Statements** See also Sberbank's Corporate Social Responsibility Policy http://www.sbrf.ru/common/img/uploaded/files/pdf/POLICY_for_Corporate_Social_Responsibility.pdf See also The Development Strategy of Sberbank of Russia up to 2014 http://www.sbrf.ru/moscow/ru/about/today/strategy/
2.1. Name of the organization	About the Report
2.2. Primary brands, products, and/or services	Small Business Support Development of remote channels Service of pensioners Housing loans Management Report Financial Statements Insertion p. 103
2.3. Operational structure of the organization, including main divisions, operational companies, subsidiaries and joint ventures	Management Report
2.4. Location of organization's headquarters	Management Report
2.5. Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	About the Report Financial Statements
2.6. Nature of ownership and legal form	Management Report
2.7. Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	Small Business Support Ensuring availability of financial services Housing loans Service of pensioners Financial Statements
2.8. Scale of the reporting organization	The bank's Mission and CSR How does the bank address stakeholder interests? Ensuring availability of financial services Investing in Human Capital Management Report

* Included in the bank's Annual Report (see section About the Report, sub-section Report Content)

** Included in the bank's Annual Report (see section About the Report, sub-section Report Content)

GRI disclosure/indicator (as defined by GRI Guidelines)	Report Section
2.9. Significant changes during the reporting period regarding size, structure, or ownership	New model of network management Shareholder and investor relations Management Report Financial Statements
2.10. Awards received in the reporting period	Bank Awards
3.1. Reporting period (e.g., fiscal/calendar year) for information provided	About the Report
3.2. Date of most recent previous report (if any)	About the Report
3.3. Reporting cycle	About the Report
3.4. Contact point for questions regarding the report or its contents	About the Report
3.5. Process for defining report content	About the Report
3.6. Boundary of the report	About the Report
3.7. Limitations on the scope or boundary of the report	About the Report
3.8. Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	About the Report
3.9. Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	About the Report
3.10. Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	About the Report No re-statements
3.11. Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	About the Report No significant changes from previous reporting periods
3.12. Table identifying the location of the Standard Disclosures in the report	pp. 81–91
3.13. Policy and current practice with regard to seeking external assurance for the report	General Information about the Report The Report corresponds to GRI Application Level B and was not subjected to external assurance procedures. However, nearly 2,500 people participated in the web-based public discussion of the Report. See section How does the bank address stakeholder interests?
4.1 Governance structure of the organization	Management Report
4.2 Indication of whether the Chair of the highest governance body is also an executive officer	Management Report Distinction of functions of the Head of the Supervisory Board and the Chairman of Management Board is established by the bank's Charter.
4.3 For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members	Shareholder and investor relations Management Report

GRI disclosure/indicator (as defined by GRI Guidelines)	Report Section
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	How does the bank address stakeholder interests? Shareholder and investor relations
4.5. Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Sberbank Supervisory Board established the limits for fixed official salaries of Board members and imposed restrictions on bonus payments during the year depending on the bank's net profits, implementation of projects and achievement of key performance indicators. Some KPIs reflect, among other things, various social and environmental aspects of the bank's activities. See also sections The main issues discussed in 2012 (based on the analysis of media coverage), Motivation and Compensation of Employees, and Remuneration of Board members in the Management Report
4.6. Processes in place for the highest governance body to ensure conflicts of interest are avoided	Provisions of the bank's Charter Compliance
4.7. Process for determining qualifications and expertise of members of the highest governance body for developing the organization's economic, environmental, and social strategies	The highest competence and qualifications of Board members, including economic, environmental and social issues, are confirmed by academic degrees and relevant professional experience.
4.8. Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	The bank's Mission and CSR
4.9. Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance.	Shareholder and investor relations The main issues discussed in 2012 (based on the analysis of media coverage) Management Report
4.10. Processes for evaluating the highest governance body's own performance	Management Report Shareholder and investor relations
4.11. Explanation of whether and how the precautionary approach or principle is addressed by the organization	The bank does not directly use the precautionary principle in relation to its activities
4.12. Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	
4.13. Memberships in associations and/or national/ international advocacy organizations	
4.14. List of stakeholder groups engaged by the organization	How does the bank address stakeholder interests? About the Report See also Sberbank's Corporate Social Responsibility Policy http://www.sbrf.ru/common/img/uploaded/files/pdf/POLICY_for_Corporate_Social_Responsibility.pdf
4.15. Basis for identification and selection of stakeholders with whom to engage	See also Sberbank's Corporate Social Responsibility Policy http://www.sbrf.ru/common/img/uploaded/files/pdf/POLICY_for_Corporate_Social_Responsibility.pdf

GRI disclosure/indicator (as defined by GRI Guidelines)	Report Section
4.16. Approaches to stakeholder engagement	How does the bank address stakeholder interests? Improving quality and reducing queues Employee satisfaction in 2012 Shareholder and investor relations
4.17. Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	How does the bank address stakeholder interests? Improving quality and reducing queues Employee satisfaction in 2012 Shareholder and investor relations
Economic Performance Indicators	
Management approach	Management Report
1. EC1 (core) Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	Financial Statements, Sberbank Group's 5-Year Key Performance Indicators over in Accordance with IFRS (partially) Management Report
2. EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change	Performing the functions of a carbon unit operator regarding expert evaluation of projects applied for approval under Article 6 of the Kyoto Protocol
3. EC3 (core) Coverage of the organization's defined benefit plan obligations	Corporate pension program Financial Statements The Group applies IAS 19 Employee Benefits for pension liabilities accounting. The corporate pension plan is implemented in cooperation with Sberbank Non-state Pension Fund. Actuarial Report 2011: http://old.npfsberbanka.ru/netcat_files/File/actuarial2011.pdf)
4. EC4 Significant financial assistance received from government	Financial Statements
EC5 (add) Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	
5. EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	To reduce corruption risks and increase transparency, the bank is committed to organize a centralized electronic procurement system. Since main business is geographically distributed, decentralized procurement (other things being equal) is made from local suppliers. See also Development of Procurement System
6. EC7 (core) Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	Business of the company is geographically distributed, therefore common service staff is normally employed from local communities. This principle does not always apply to senior management due to the bank's system of creating succession pool and continuous management rotation.
7. EC8 (core) Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Sponsorship and Charity Charity expenses are disclosed in the RAS Profit and Loss Statement available on the bank's web-site at http://www.sberbank.ru/moscow/ru/investor_relations/accountability/fin_rep_ras/form_102/

GRI disclosure/indicator (as defined by GRI Guidelines)		Report Section
8.	EC9 (add) Understanding and describing significant indirect economic impacts, including the extent of impacts	Opening Statement by Herman Gref, Sberbank President and Chairman of Management Board Interview with Denis Bugrov, Sberbank Senior Vice President, Board member Small Business Support Financial literacy Mortgage lending Developing electronic auction infrastructure
Environmental Performance Indicators		
9.	Management approach	Managing Environmental Impact
	EN1 Materials used by weight or volume	
	EN2 Percentage of materials used that are recycled input materials	
10.	EN3 Direct energy consumption by primary energy source	Improving Energy Efficiency
11.	EN4 Indirect energy consumption by primary source	Improving Energy Efficiency
	EN5 Energy saved due to conservation and efficiency improvements	
	EN6 Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives	
12.	EN7 (add) Initiatives to reduce indirect energy consumption and reductions achieved	Improving Energy Efficiency Electronic document circulation system introduction (in part)
13.	EN8 (core) Total water withdrawal by source	Water is withdrawn exclusively from municipal water supply systems. In 2012 total drinking water consumed reached 5,039,236.46 m ³
14.	EN9 Water sources significantly affected by withdrawal of water	Water withdrawal does not have any significant impact on water sources since water use is not included in production cycle.
15.	EN10 Percentage and total volume of water recycled and reused	Since water is consumed for household needs only, no recycling technologies are used.
16.	EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A
17.	EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	N/A
	EN13 Habitats protected or restored	
	EN14 Strategies, current actions, and future plans for managing impacts on biodiversity	
	EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	

GRI disclosure/indicator (as defined by GRI Guidelines)		Report Section
18.	EN16 Total direct and indirect greenhouse gas emissions by weight	Managing Environmental Impact Direct greenhouse gas emissions reached 46,354.7 tonnes of CO ₂ -equivalent. Indirect greenhouse gas emissions from electric energy consumption reached 628,214.0 tonnes of CO ₂ -equivalent, heat energy consumption brought 249,111.5 tonnes of CO ₂ -equivalent.
19.	EN17 Other relevant indirect greenhouse gas emissions by weight	Other greenhouse gas emissions are negligible.
	EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved	
	EN19 Emissions of ozone-depleting substances by weight	
	EN20 (core) NO _x , SO _x , and other significant air emissions by type and weight	
20.	EN21 Total water discharge by quality and destination	Water use is not a part of the production cycle, water discharge is equal to consumption
21.	EN22 (core) Total weight of waste by type and disposal method	Managing Environmental Impact
22.	EN23 Total number and volume of significant spills	N/A
23.	EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and percentage of transported waste shipped internationally	N/A
24.	EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	N/A
25.	EN26 (core) Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	Managing Environmental Impact Used paper is collected for further recycling
26.	EN27 Percentage of products sold and their packaging materials that are reclaimed by category	N/A
	EN28 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations	
27.	EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	Managing Environmental Impact Greenhouse gas emissions from transport fuel in 2011 reached 91,805.7 tonnes of CO ₂ -equivalent.
	EN30 (add) Total environmental protection expenditures and investments by type	

GRI disclosure/indicator (as defined by GRI Guidelines)		Report Section
Human Rights Performance Indicators		
Management approach		Investing in Human Capital
	HR1 Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening	
	HR2 Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken	
	HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	
28.	HR4 Total number of incidents of discrimination and corrective actions taken	No incidents of discrimination registered in 2012
29.	HR5 Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	The bank provides every opportunity to exercise freedom of association, signs collective bargaining agreement, and cooperates with the trade union. The bank is not involved in any business that may require any restriction of the freedom of association or collective bargaining.
30.	HR6 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	The bank is not involved in any operations that may have significant risk of child labor.
31.	HR7 Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	The bank is not involved in any operations that may have significant risk of forced or compulsory labor. Exercising employee labor rights is controlled by the trade union.
	HR8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	
32.	HR9 Total number of incidents of violations involving rights of indigenous people and actions taken	No incidents of violations involving rights of indigenous people detected in 2012.
Labor Practices & Decent Work Performance Indicators		
Management approach		Investing in Human Capital
33.	LA1 (core) Total workforce by employment type, employment contract, and region	Personnel Training Supplements: Actual bank staffing number Average staffing number Bank staff by type of employment
34.	LA2 (core) Total number of employees and employee turnover by age group, gender, and region	Supplements: Actual bank staffing number Average staffing number Employee turnover
35.	LA3 Benefits provided to full-time employees that are not provided to temporary or part time employees, by significant locations of operation	Corporate benefits All bank employees are staff members.

GRI disclosure/indicator (as defined by GRI Guidelines)		Report Section
36.	LA4 (core) Percentage of employees covered by collective bargaining agreements	Collective bargaining agreements cover all employees of the bank.
37.	LA5 (core) Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	Current collective bargaining agreement does not provide for any notice to employees of significant operational changes. Employees are notified of significant changes in bank's operations in accordance with the Russian Labor Code.
38.	LA6 (add) Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	Current collective bargaining agreement provides for employer's obligation to control occupational health and safety in close cooperation with the trade union. The bank and its branches have established joint health safety commissions from employer and trade union representatives which operate on a parity basis.
39.	LA7 (core) Rates of injury	Supplements. Injury rate
40.	LA8 (core) Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	Available on Sberbank's intranet portal
41.	LA9 (core) Health and safety topics covered in formal agreements with trade unions	The collective bargaining agreement effective in 2010–2013 includes the section Occupational Health and Safety
	LA10 (core) Average hours of training per employee	
42.	LA11 (add) Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Mass Teaching Corporate University
43.	LA 12 Percentage of employees receiving regular performance and career development reviews	Performance Management System The bank operates the 5+system that covers all employee categories.
44.	LA13 Composition of governance bodies and breakdown of employees according to gender, age group, minority group membership, and other indicators of diversity	Supplements. Governing bodies
45.	LA14 Ratio of basic salary and remuneration of women to men by employee category	The bank does not keep records of remuneration by gender.
Product Responsibility Performance Indicators		
46.	Management approach	Improving quality and reducing queues
	PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	
47.	PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services, by type of outcomes	No incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services registered in 2012.

GRI disclosure/indicator (as defined by GRI Guidelines)	Report Section
PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	
PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	
48. PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Small Business Support Improving quality and reducing queues
49. PR6 Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	Improving quality and reducing queues
PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	
50. PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Safety of banking products and transactions To provide for customer privacy, OJSC Sberbank of Russia has adopted the Personal Data Processing and Protection Policy available at http://www.sbrf.ru/moscow/ru/about/today/data/
PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	
Society Performance Indicators	
Management approach	Improving quality and reducing queues How we engage stakeholders Sponsorship and Charity See also Sberbank's Corporate Social Responsibility Policy http://www.sbrf.ru/common/img/uploaded/files/pdf/POLICY_for_Corporate_Social_Responsibility.pdf
51. S01 Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting	New model of network management
S02 Percentage and total number of business units analyzed for risks related to corruption	Development of procurement system
52. S03 Percentage of employees trained in organization's anti-corruption policies and procedures	Compliance
53. S04 Actions taken in response to incidents of corruption	Compliance
54. S05 (core) Public policy positions and participation in public policy development and lobbying	Contributing to creating legal environment
55. S06 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	The bank doesn't support any political parties

GRI disclosure/indicator (as defined by GRI Guidelines)	Report Section
S07 (add) Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes	
S07 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations	
Financial Services Sector Supplement to GRI Sustainability Reporting Guidelines	
Management approach	Management Report
FS1 Policies with specific environmental and social components applied to business lines	
FS2 Procedures for assessing and screening environmental and social risks in business lines	
FS3 Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	
FS4 Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	
56. FS5 Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	How does the bank address stakeholder interests?
57. FS6 Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sectors	Financial Statements
58. FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	Developing Product Range Main socially oriented products in housing financing and 2012 results
FS8 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	
FS9 Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	
FS10 Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	
FS11 Percentage of assets subject to positive and negative environmental or social screening	
FS12 Voting policy(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	
59. FS13 Access points in low-populated or economically disadvantaged areas by type	New model of network management

GRI disclosure/indicator (as defined by GRI Guidelines)		Report Section
60.	FS14 Initiatives to improve access to financial services for disadvantaged people	Development of remote channels Specialized Formats
	FS15 Policies for the fair design and sale of financial products and services	
61.	FS16 Initiatives to enhance financial literacy by type of beneficiary	Developing Product Range Financial literacy Service of pensioners Support of education and educational establishments

Acronyms and Abbreviations

AI	Accident Insurance
B2B	Business to Business
B2C	Business to Customers
BDC	Business Development Centre
CEO	Chief Executive Officer
CIO	Chief Information Officer
CIS	Commonwealth of Independent States
CSR	Corporate Social Responsibility
CSO	Customer Service Outlet
DP	The Disabled People
DRCC	Department of the Regional Contact Centre
EDCS	Electronic Document Circulation System
EMEA	Europe, Middle East and Africa
FT	Financial Times
FTS	Federal Tax Service
GRI	Global Reporting Initiative
HR	Human Resources
IR	Investor Relationship
IT	Information Technologies
LBS	London Business School
LMS	Learning Management System
OJSC	Open Joint-Stock Company
PMS	Performance Management System
PR	Public Relations
PwC	PricewaterhouseCoopers
QMS	Queue Management System
RAS	Russian Accounting Standards
SaaS	Software as a Service
SLA	Service Level Agreement
SPO	Secondary Public Offering
UDCC	Unified Distributed Contact Centre
UCMS	Uniform Complaint Management System
UNEP	United National Environment Programme
VIP	Very Important Person
VMI	Voluntary Medical Insurance
ZAO	Closed Joint-Stock Company

Glossary

BANK'S OWN IMPACT — positive or negative social, economic or environmental changes that result, in full or in part, from the bank's operations.

BRIEFING — a brief meeting of top managers with mass media to describe the bank's position on a certain issue.

CARBON UNIT — a measure of greenhouse gas emissions, emission reductions, and emission absorption established by the Kyoto Protocol to the UN Framework Convention on Climate Change and other international requirements.

CLIENT VOICE — a marketing research system that allows to identify client attitude to the quality of the bank's service and determine client satisfaction.

CO-BRANDED CARD (Programme) — a bank card issued in cooperation with one or more partner companies (airlines, mobile operators, trade networks, etc) that provides for discounts or bonuses on the goods or services offered by partner companies or target allocations to finance social or charitable programmes.

COMMON SERVICE STAFF (CSS) — front-line employees involved in servicing retail clients, small and micro businesses, UDCC employees, employees of client transaction support centres, collection officers, cash office employees, NPL handling officers, underwriting specialists, etc.

CONTACT CENTRE — a specialized internal operation unit (UDCC) that supports interaction with clients through communication channels (telephone, Internet) on various service-related issues.

CORPORATE SOCIAL RESPONSIBILITY (CSR) — a set of principles and obligations that the bank follows in the fields of

- ▲ stakeholder relationship management
- ▲ assessment and management of own economic, social, and environmental impact

CREDIT FACTORY — a loan process for retail clients and small businesses based on centralized and auto-mated processing of loan applications followed by loan approval or disapproval.

CROWDSOURCING — finding critical solutions involving intellectual resources of unlimited number of volunteers, normally through IT channels.

CUSTOMER SERVICE OUTLETS — supplementary and operational offices, cash desks outside cash office, and mobile cash offices.

ELECTRONIC PROCUREMENT (AUCTION/REQUEST FOR PROPOSALS) — a competitive procedure for procuring goods, works, services with potential suppliers (participants) making

bids on an electronic trading platform. The participant that offered the lowest bid wins the auction.

ENVIRONMENT — a natural environment in which organization operates including air, water, land, natural resources, flora, fauna, humans, outer space, and their interrelation.

GEOMARKETING — marketing survey technology that relies on geographic analysis of various geographically distributed items and events used to identify target audience in the relevant regional unit, determine the best location for a new unit, develop a concept for existing or proposed unit, etc.

INTERNAL CLIENT — a formalized internal structural unit of the bank that consumes services of other internal units.

INTERNAL CLIENT VOICE — a regular employee poll designed to identify satisfaction with internal services.

MINORITY SHAREHOLDER — a holder of shares that has no right to block critical resolutions of a meeting of shareholders.

MISSION — a socially oriented objective of the organization that reflects the sense of its existence, and generally recognized purpose.

OPORA RUSSIA — All-Russia Public Organization of Small and Medium-sized Businesses OPORA RUSSIA.

PHISHING — embezzlement of personal data (credit card numbers, PIN codes, account details, etc.) via Internet through the use of electronic mail and/or fraudulent web-sites with criminal intent against human personality or client assets.

REGIONAL PROGRAMMES — loan programmes stipulated by relevant agreements between OJSC Sberbank of Russia and Russian constituents that provide for loan benefits to improve housing conditions of local community members.

REMOTE SERVICE CHANNELS — ATMs, payment terminals, Mobile Bank, Sberbank OnLine

SCORING MODEL — a quantitative assessment of the probability of default, debt repayment or other target event that may be obtained based on statistical methods or from experts.

SKIMMING — card fraud that involves fraudulent scanning devices (skimmers) used to read card data, for example magnetic strip or PIN code.

STAKEHOLDER — physical persons or business entities, or groups thereof, that affect or are affected by the bank's operations (clients, employees, shareholders, government authorities, public organizations, etc.)

STOCK OPTIONS PLAN — a formal fixed-term obligation of the company included in employment contracts with top managers to sell a fixed number of shares in a fixed period of time at a fixed price or to pay a positive difference between current value of a fixed number of shares and their future value.

STRATEGY — a formal document approved by the bank's Supervisory Board that identifies the bank's mission and describes its purposes and objectives, and principal ways to achieve them for a certain period of time.

SUSTAINABILITY — the development that meets current needs without threatening the ability of future generations to satisfy their needs.

TRANSPARENCY — openness in decisions and operations that may have social, economic, or environmental impact, and preparedness to exchange relevant information in a clear, exact, timely, fair, and complete manner.

TOP MANAGERS — President, Chairman of Management Board, Vice Chairpersons of Management Board, Senior Vice Presidents, Vice Presidents, Heads of Department.

UNDERWRITING — assessment of credit risk (including integrity check) of a participant in a transaction/counterparty/real estate facility performed by an authorized officer of the bank.

Bank Awards in 2012

ACHIEVEMENTS: MONTH UPON MONTH

Date	Award/Prize/Rating	Awarding organization	Country	Achievements (Comments)
February	Brand Finance Banking 500	Brand Finance	The United Kingdom	Sberbank won the 17 th place in the rating of the world most valuable brands and the 1 st place in Russia. Sberbank's brand value is estimated at USD 10.8 billion. U.S.
February	2 nd place in the Decade Rating among the companies whose stock yielded the highest returns	The Economist	U.S.	According to the magazine, \$100 invested in Sberbank shares 10 years ago today would yield \$3,722. Only Apple has a higher yield (\$3,919).
March	Award for Excellence 2011 in Recognition for Outstanding STP Rate	The Bank of New York Mellon	U.S.	The Award recognizes Sberbank's excellent quality of formatting payments routed via its Nostro correspondent account in USD with The Bank of New York Mellon in 2011.
March	Sberbank (Kazakhstan) named the best transnational employer in Kazakhstan at the Cenim 2011 competition.	Cenim 2011 is organized by the Kazakhstan Association of HR Managers. The competition is supported by the Ministry of Labor and Social Protection of the Republic of Kazakhstan and the Kazakhstan National Economic Chamber Atameken Union	Kazakhstan	Companies were rated on the basis of three components: employee involvement index (50%), independent expert evaluation (40%), and social surveys that covered over 3,000 Kazakh residents (10%).
March	Moscow Bank of Sberbank of Russia in the Discovery of the Year category	Banki.ru portal	Russia	For fast changes in appearance, customer care, and business attitude.
March	Breakthrough of the Year	Banki.ru portal	Russia	For Customer Care Service representation in social networks.
April	Sberbank OnLine is named the best Internet bank in Russia	Markswebb Rank & Report	Russia	Sberbank OnLine was the sole Internet banking system that was ranked A which means that the system is a complete replacement of a traditional bank: it provides the options that normally require a visit to the bank (payments, transfers, loan repayments, opening deposits, loan applications, card blocking, etc.)

Date	Award/Prize/Rating	Awarding organization	Country	Achievements (Comments)
April	Sberbank's web-site named the most effective among Russian corporate sites	Bowen Craggs & Co	The United Kingdom	Sberbank came first of all Russian companies in the FT Bowen Craggs Index of Corporate Website Effectiveness with the 37 th place, ahead of the two Russian corporations included in the Index Gazprom (46) and Rosneft (70). Sberbank has considerably improved its web-site since 2009 when it was ranked 60 th by the Index.
May	Sberbank's Mega Data Center came 2 nd in the category Implementing Innovative Energy Saving Technologies in Corporate Infrastructure of the Green Enterprise IT Awards 2012 (GEIT).	Uptime Institute	U.S.	GEIT is the recognition of implementing energy saving technologies in corporate IT infrastructure.
May	Sberbank named the most valuable Russian brand.	Millward Brown Optimor (MBO)	U.S.	According to MBO, Sberbank's brand is estimated at \$10.65 billion which makes it the most valuable Russian brand with annual growth rate of 25%. 74 th place in the world brand rating.
June	Cash liquidity management system installed on Sberbank's ATMs is recognized by the Innovation in Banking Technology Awards 2012 in the category Innovation in Cash & Treasury Technology.	The Banker	The United Kingdom	For introducing the system that allows to collect and process information about cash available in ATMs and branches to produce daily projections of cash availability in branches and ATMs that allow to optimize collection schedule.
June	Award For Contribution to Developing Commemorative Coin Market in Russia	6 th International Contest of Commemorative Coins The Coin Constellation	Russia	Sberbank is the leader in sales of commemorative and investment coins in Russia. As a General Partner of the 22 nd Olympic and 11 th Paralympic Winter Games Sochi 2014 Sberbank enjoys an exclusive right of sale of precious metal coins devoted to 2014 Games on the Russian territory.
June	Winner in the category The Company of the Year	National Association of Securities Market Participants	Russia	
June	Winner in the category Service Company for Retail Investors	National Association of Securities Market Participants	Russia	
June	Winner in the category Company of the Bond Market	National Association of Securities Market Participants	Russia	

Date	Award/Prize/Rating	Awarding organization	Country	Achievements (Comments)
July	Winner of public vote Consumer Choice in the nomination Retail Service of the Banks category	Consumer Rights Award	Russia	For upgrading the product line, improving service quality and comfort
July	Award For Best Achievements in the category The Best Russian Bank	Euromoney	The United Kingdom	Consolidated evaluation based on multiple criteria: market position, market share, new products, management system, employee skills, performance indicators, shareholders equity, innovative operations, etc.
July	1 st place in terms of ROE at The Banker's Top 1000 World Banks 2011	The Banker	The United Kingdom	The Banker's Top 1000 World Banks 2011 is based on Basel international payments technology. The main criteria is the first tier capital (authorized capital plus retained earnings).
July	1 st place in terms of ROA at The Banker's Top 1000 World Banks 2011	The Banker	The United Kingdom	
July	1 st place in terms of loan-to-asset ratio at The Banker's Top 1000 World Banks 2011	The Banker	The United Kingdom	
August	Quality Recognition Award	JPMorgan	U.S.	For excellent quality of formatting USD payments routed via Nostro correspondent account in USD with JPMorgan.
August	Sberbank's Data Center Yuzhny Port awarded Tier III Certificate from Uptime Institute	Uptime Institute Professional Services	U.S.	Sberbank's Data Centre solutions are based on the best high-performance energy saving technologies that comply with the world best practices. Yuzhny Port Data Centre allows to standardize the support of nearly all banking process which facilitates the introduction of new banking products.
September	Herman Gref joined Russian business leaders named by the TOP 1000 Russian Manager rating	Association of Russian Managers	Russia	Rating offers an objective evaluation of professional reputation of Russian top managers based on annual performance, and identifies most professional Russian managers by industries and lines of business.
September	Commerzbank AG International Award	Commerzbank AG	Germany	STP Award 2011 for high quality of payments routed via Sberbank's correspondent account in Euro opened with Commerzbank AG in 2011

Date	Award/Prize/Rating	Awarding organization	Country	Achievements (Comments)
October	The Mortgage Lending Leader Award	Expert-RA	Russia	For 9 months 2012, Sberbank granted 252,000 housing loans worth RUB 319.1 billion, a 37% growth y-o-y
October	Sberbank's SPO named The Deal of the Year	Expert-RA	Russia	Sberbank's SPO proved to be the largest privatization deal in Russia, the largest secondary offering on EMEA markets in 2011–2012, and one of the largest public offerings in the world in 2012.
October	Winner of the corporate web-site and online annual report competition in the following categories: <ul style="list-style-type: none"> ▶ The Best Corporate Web-site 2012 ▶ The Best IR Section of Corporate Web-site 2012 ▶ The Best PR Section of Corporate Web-site 2012 ▶ The Best Online Annual Report 2012 	6 th St. Petersburg Competition of Corporate Web-sites and Online Annual Reports (Artzenturios intellectual company and St. Petersburg Chamber of Commerce and Industry)	Russia	
October	Sberbank Senior Vice President Victor Orlovsky named the CIO of the Year	Oracle Awards 2012	U.S.	For excellence and innovations in the CIO function
October	Winner of Enterprise Architecture Awards 2012	Forrester Research and InfoWorld	U.S.	For achievements in corporate IT architecture
October	Sberbank's Vice Chairwoman of Management Board, Chairwoman of Supervisory Board of the National Settlement Depository Bella Zlatkis joined the TOP 25 Chairpersons of Boards of Directors ranked by the National Award CEO 2012	Association of Independent Directors and Russian Union of Industrialists and Entrepreneurs (supported by PwC)	Russia	For personal contribution to developing corporate governance, introducing and distributing high standards and best practices of corporate governance and board of directors operation in Russia
October	Deutsche Bank International Award	Deutsche Bank	Germany	For high quality formatting of payments in USD and Euro
October	1 st place in the ranking of listed Russian companies of the banking sector in terms of investor relations	Thomson Reuters Extel and IR Magazine Russia & CIS	U.S.	For high quality of investor relations

Date	Award/Prize/Rating	Awarding organization	Country	Achievements (Comments)
October	Sberbank's project The Basic Product won the international project management competition IPMA Project Excellence Awards			
November	Winner of East Capital Awards 2012 for the best securities offering	East Capital	Sweden	Sberbank's SPO held in September 2012 proved to be the largest privatization deal in Russia, the largest secondary offering on EMEA markets in 2012–2012, and one of the largest public offerings in the world in 2011.
November	Winner of The Big Money award in the category The Deal of the Year	Itogi	Russia	For successful SPO
November	Best Annual Report	The Securities Market magazine and Investor.ru portal (supported by FSFM)	Russia	
November	Best Annual Report	Expert-RA	Russia	
November	A winner of the Ideal Russian Employer ranking	Universum	Sweden	Sberbank was among winners of the Universum TOP 100 Ideal Employers based on survey of over 8,000 students of leading universities
November	Sberbank's Annual Report named the best in the financial sector at the annual competition of annual reports	Moscow Exchange	Russia	
November	Sberbank's project Start Your Own Business named a special project by the A Year with Kommersant award	Kommersant Publishing House	Russia	Business Start — Sberbank's programme to finance first-time entrepreneurs. Along with finance, the client obtains a ready-made business scheme: standard business plan prepared by the bank, or a business model offered by franchisor
November	Sberbank won the national business award The Company of the Year in the category The Bank of the Year	RBC	Russia	Sberbank was named The Bank of the Year due to the important role it plays in Russian economy and financial system, and due to achieving strategic international objectives and maintaining relative stability in generally unstable global environment

Date	Award/Prize/Rating	Awarding organization	Country	Achievements (Comments)
November	Sberbank won The Banker's award in the category The Bank of the Year	The Banker	The United Kingdom	This award recognizes the bank's achievements in the current year. Among the greatest efforts are the SPO which raised \$5.2 bln and successful international expansion to Eastern Europe and Turkey.
December	1 st place in terms of active users in the Moscow Exchange's rating in the Primary Market sector	Moscow Exchange	Russia	
December	Sberbank won the award of the Global Trade Review	Global Trade Review	The United Kingdom	Awarded for 2012 results in the category The best bank in trade finance in Russia & CIS based on the survey of more than 6,000 professional market participants in the fields of foreign trade operations and trade finance. Sberbank is the sole Russian bank that won this prestigious award, along with HSBC, Citibank, Deutsche Bank, ING, Standard Chartered Bank, and others.
December	1 st place in the Russian banks popularity ranking	The Birzhevoy Leader magazine	Russia	"Sberbank has remained an undisputed leader in popularity for quite a long time," the publication notes.
December	Sberbank won international award The Best Innovator 2012/2013 in the category Organizational Model and Corporate Culture	A.T. Kearney	Germany	Winners are the companies that proved their ability to ensure effective innovation management and achieve sustainable effect from their implementation.
December	Sberbank's project of implementing cash liquidity management system based on OptiCash/OptiNet software reached the final round of the Financial World Innovation Awards 2012	Financial World Innovation Awards	The United Kingdom	
December	Sberbank won the PROBA – IPRA Golden World Awards 2012 award in the category PR Project of the Year	PROBA – IPRA Golden World Awards	Russia	Creating the new Sberbank image of the most open and transparent Russian company was named PR Project 2012

Date	Award/Prize/Rating	Awarding organization	Country	Achievements (Comments)
December	Sberbank's Mega Data Center won The Datacenter Dynamics Awards in the category Innovation in The Mega Data Center	The Datacenter Dynamics Awards	The United Kingdom	Sberbank's Data Centre advanced solutions are based on the best high-performance energy saving technologies that comply with the world best practices. The innovation level and energy efficiency of the Mega Data Centre received high scores from the Data Centre Dynamics experts.
December	First place in customer service rating 202 among retail banks	Retail Finance	Russia	
December	The bonus program Thank You from Sberbank won the category The Best Retail Financial Product	Retail Finance	Russia	
December	Sberbank named the best retail Russian bank in 2012	Global Banking & Finance	The United Kingdom	
December	Sberbank won the National Banking Award in the category For Marketing Creativity	National Banking Award (founders: Association of Russian Banks, National Banking Magazine)	Russia	
December	Sberbank named the most effective and safe bank 2011 by the international payment system Visa	Visa	U.S.	Sberbank recognized a leader in three criteria: the lowest fraud incidence rate in the acquiring network (awarded for the third year running); the most effective handling of disputed transactions; high approval rate of international transactions through debit Visa cards
December	Sberbank won the award The Best Private Investor 2012 in the category The Best Broker 2012	Moscow Exchange	Russia	The bank won The Best Broker 2012 award as the bank's managers attracted the highest number of active participants (1,453 users)

The bank's Primary Brands

JSC “SBERBANK LEASING” (SBERBANK LEASING)

Joint-Stock Company Sberbank Leasing has operated on the leasing market since 1993 and has become one of the leaders of the Russian leasing market. The company is included in TOP 20 Leasing Companies by the European Federation of National Associations of Leasing Companies, and in TOP 3 by Expert-RA. The company's business reputation is supported by the international rating agency Fitch Ratings: BBB rating, stable outlook, and national rating AAA. The company has won twice the leading national financial award Financial Elite of Russia and in 2011 was named The Leasing Company of the Year.

The company's mission is to facilitate industrial growth and modernization in all Russian industries and regions. The company ensures that the bank has an effective access to prospective market segments.

Raising availability of leasing services, creating optimal retail solutions for small businesses and industry-wide solutions of large and medium-sized businesses are among Sberbank Leasing's priorities. Since 2012 the Company is focused on developing risk management and retaining product leadership in transport vehicle sector.

The company's regional network includes 64 branches in Russia and subsidiary companies in Belarus, Ukraine, Ireland, and Cyprus.

OJSC Sberbank of Russia is the sole shareholder in the company.

NON-STATE PENSION FUND OF SBERBANK (NPF OF SBERBANK)

NPF of Sberbank is a non-profit organization established on 17 March 1995 in accordance with the Russian President's Decree No 1077 of 16 September 1992 Concerning Non-state Pension Fund of Sberbank. The Fund operates in the fields of mandatory social insurance and non-government retirement benefits, and is licensed for this type of operations (an unlimited License No 41/2).

NPF of Sberbank is an open-end pension fund which concludes retirement agreements with any physical persons or business entities. In 2012 the Fund's client portfolio reached 950,000 customers, a 1.5x growth yoy. For 9 months 2012, the Fund was the third on the Russian market in terms of pension savings. The number of the points of sale within Sberbank's network where Russian residents can conclude a mandatory social insurance agreement rose from 4,300 in 2011 to 7,300 in 2012.

The Fund is the bank's partner in implementing corporate pension programme.

NPF of Sberbank is a member of the National Association of Non-government Pension Funds. On 22 August 2012 NPF of Sberbank was attributed the AAA rating (highest reliability) by the national rating agency. On 4 October 2012, Expert-RA confirmed the Fund's rating at A++ (exclusively high (the highest of the highest) reliability).

SBERBANK CAPITAL LLC (SBERBANK CAPITAL LLC)

Sberbank Capital LLC was established on 17 July 2008. The company is a 100% subsidiary of OJSC Sberbank of Russia structured in the form of a sub-holding that includes 15 branches and 71 subsidiaries.

The main activity of the company is managing non-performing assets of the bank. The company participates in NPL restructuring which involves participation in the borrower's capital or acceptance of non-core assets. The company also develops the investment business (investing in projects that provide synergy effect for existing programmes, or in industries where the company has relevant competencies and experience, or in the projects supported by the government and sponsored by federal agencies or state-owned companies).

Sberbank Capital's team has a highly diversified skills and experience including such sectors as development, housing and commercial real estate management, fuel and energy, transport vehicles, which allows the company to be an efficient partner for the bank in restructuring major non-performing assets.

JSC "SBERBANK — AUTOMATED SYSTEM FOR TRADING" (COMPANY "SBERBANK-AST")

Company "Sberbank-AST" is the largest in Russia operator of electronic trade.

The company's operation is based on advanced technological solutions, highly developed telecommunication infrastructure, and a team of leading professionals in electronic trade. In addition, Sberbank-AST is among the largest operators of e-trade pertaining to bankruptcy proceedings. The company has successfully launched the platform designed specifically for the business entities that are governed by federal law 223-FZ, and is implementing a pilot project of selling assets in the course of privatization.

In 2010 and 2011, Sberbank-AST won The Company of the Year awards in the category Information Technologies (Electronic Trade).

OJSC Sberbank of Russia is the sole shareholder in the company.

CJSC “SBERBANK-TECHNOLOGY” (CJSC “SBERTECH”)

CJSC “Sberbank-Technology”, a 100% subsidiary of Sberbank, was set up in July 2011 to develop banking and financial software for the Sberbank Group. Today, CJSC “Sberbank-Technology” centres operate in Moscow, Minsk, St. Petersburg, Ekaterinburg, Ryazan, and Novosibirsk.

The company’s primary objective is to centralize the entire development effort on the basis of the Group’s single IT platform, uniform service quality and risk control standards by creating the best IT competence in Russian and European financial industries, and ensure subsequent leadership in the industry creating the environment for quality growth and distribution of best practices.

CENTRE OF LOYALTY PROGRAMMES (CENTRE OF LOYALTY PROGRAMMES)

Centre of Loyalty Programmes was established by OJSC Sberbank of Russia in 2011 to launch and support the loyalty programme Thank You from Sberbank for Sberbank card holders. The company’s services include developing partnerships with merchants and service businesses under the loyalty programme, promoting the programme among the bank’s clients, accounting of transactions, bonus crediting/debiting, supporting payments between the bank and merchant partners under the programme.

OJSC Sberbank of Russia is the sole shareholder in the company.

ANO SBERBANK CORPORATE UNIVERSITY (ANO “SBERBANK UNIVERSITY”)

ANO “Sberbank University” was established by OJSC Sberbank of Russia in 2012.

The university is focused on providing additional professional training, promoting skills and knowledge, raising professional competence of OJSC Sberbank of Russia’s managers. The bank has outsourced part of its HR functions to the company, and the university is responsible for implementing the bank’s corporate programme of career growth and development.

OJSC Sberbank of Russia is the sole founder of ANO “Sberbank University”.

CJSC “BUSINESS ENVIRONMENT” (CJSC “BUSINESS ENVIRONMENT”)

CJSC “Business Environment”, a 100% subsidiary of OJSC Sberbank of Russia, was established in 2012.

The company’s primary objective is to create a modern information environment for developing small businesses including the implementation of the SberbankStore project designed to select and sell the most effective business solutions in the fields of business creation, development and support

throughout the country. The company's business is oriented at raising client loyalty in the small business segment and developing innovative sale channels for banking products.

OJSC Sberbank of Russia is the sole shareholder in the company.

LLC INSURANCE COMPANY "SBERBANK INSURANCE" ("SBERBANK INSURANCE" LTD)

Insurance Company "Sberbank insurance" Ltd merged with the OJSC Sberbank of Russia group of companies in 2012.

The company's services include life insurance including investment protection. In 2012 the company launched successful sales through the bank's network in all 18 Regional Banks and joined the TOP 10 in the industry. The company's affiliation with the Sberbank Group enables it to develop and offer complex innovative products in a fast and timely manner, and provide comprehensive services to various client segments.

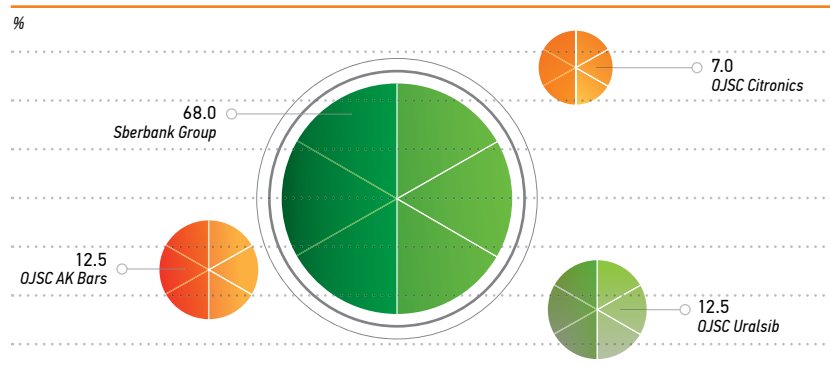
OJSC Sberbank of Russia is the sole member in the company.

JSC UNIVERSAL ELECTRONIC CARD (JSC UEC)

JSC UEC was established in 2010, and by Resolution of the Government of the Russian Federation No. 1344/p of 12.08.2010 was awarded the status of an authorized federal organization to implement Federal Law No 210-FZ Concerning the Organization of the Provision of State and Municipal Services.

The company's primary line of business is to ensure the issue of UEC cards in all Russian regions through creating a Uniform Payment Service System and ensuring informational and technological interaction among its participants.

JSC UNIVERSAL ELECTRONIC CARD CAPITAL STRUCTURE



Operation of the Uniform Payment Service System is intended to ensure the provision of a wide range of federal, municipal and commercial services to the nation.

“SBERBANK FUND ADMINISTRATION” LLC (SBERBANK F.A.)

“SBERBANK Fund Administration” LLC was established by OJSC Sberbank of Russia in 2010.

The main line of business is the provision of specialized depository services for investment funds, mutual funds, and non-government pension funds. The company offers professional services to participants of the mutual investment market on the basis of the relevant license issued by the Russian FSFM.

Sberbank F.A. is now at the start-up stage developing in line with Sberbank’s general strategy aimed at achieving leadership in every segment of the financial service market (the company’s top management is represented by highly qualified professionals that have wide experience in managing leaders of the industry).

Acquisition of Troika Dialog gave a new impulse to company development which will enable the company to move over to the business growth stage and develop new partnerships with major market players.

OJSC Sberbank of Russia is the sole member in the company.

Implementing the bank’s development strategy is facilitated by the bank’s participation in the following subsidiaries and affiliated companies:

- ▶ “Perspective Investments” LLC (100%)
- ▶ “Sberbank Investments” LLC (100%)
- ▶ “KORUS Consulting CIS” Limited (90%)
- ▶ LLC “Sberbank Financial Company” (100%)
- ▶ “AUKCION” LLC (100%)
- ▶ OJSC “The Auction house of the Russian Federation” (33%)
- ▶ OOO Modern Technologies (100%)
- ▶ OOO Grand Baikal (50%)
- ▶ OOO Regional Cash Settlement Centre (50%+1)