

Corporate business unit

We continue to cooperate with large and medium-sized corporate business customers and streamline our activities in this segment. On the whole, these operations are being transformed in several different ways, including an increase in the use of digital processes, a decrease in the operational function of employees, and shifts toward the use of consultations.

Employees are becoming not so much service managers as assistants and partners who can advise customers in a professional manner on the correct solution for their business issues. Such a service model emphasises the importance of face-to-face contact. That is why the activities of contact centres are changing, and remote customer managers and product specialists are starting to appear.

A unified system of sales management was implemented for all verticals. The system unifies a variety of processes on all levels and provides for a unified business rhythm of planning and goal setting throughout the sales network.

The service model for new corporate customers was created on the basis of customer requests and wishes and makes the first 100 days of cooperation with the Bank maximally transparent and convenient for customers. Mandatory acquaintance with a Bank branch manager and teaching customers about online services are brand-new stages. The new model was fully in line with customer wishes and thus minimised new customer outflow.

The creation of customer and product teams for work with large and medium businesses allows both new and current customers to receive comprehensive banking services with the assignment of a specialist. The consolidation of employees on the basis of common goals helps replace competitive interaction between bank specialists with a coordinated move toward the maximum satisfaction of customer requirements. Forming a team for a regular group of customers and not for each separate transaction provides customers with the highest level of service.

We are creating a product line to provide customers with easy access to the type of borrowings and financial instruments that suit them best. We are in the process of launching an online lending service where clients can request and receive a loan without ever visiting a bank. We have also implemented e-guarantees and e-factoring services.

We are currently working on how to improve the performance of our customers' businesses. In particular, the Sberbank Analytics service was developed so clients could essentially do without a financial director. Using this convenient interface, customers will be able to have more control over their activities, including income and expenses, counterparties, cash deficiencies, and much more.

We offer a cash management tool for medium-sized, large, and even major businesses that is essentially a treasurer workstation. With the help of this tool, customers will be able to manage their cash flows, monitor subsidiary companies and branches, and ensure the current liquidity of holding-type companies.

We won a special prize "For Customer Focus" for our project for supporting corporate customers in the Contact Centre

Cooperation with Government Agencies

In 2015, Sberbank entered into 1,434 loan agreements in the amount of RUB 397 billion with customers in the "regional state sector" segment. The overall amount of loan resources provided totals RUB 882 billion. The balance of customer loan debt in this segment was RUB 877 billion as of 1 January, 2016. According to Bank of Russia, as of 1 January, 2016, Sberbank's share in the lending market for government agencies of constituents of the Russian Federation and local government agencies was 74.9%.

Sberbank provides services to 53% of all small- and microbusinesses—that is a total of 1.18 million customers. In 2015, the Bank supplemented its line of customer services with a new and unique product for the market, an integrated package of services called My Team, which includes the services of a business assistant, a lawyer, and an accountant along with unlimited settlement and cash services, such as account management, payments, and the acceptance of cash on the account. The Bank is also preparing to launch new nonfinancial services for its customers.

more than **2.5** thou. loans

and guarantees in an amount of more than RUB 21 billion were issued against SME Development Corporation guarantees

1.3 million customers

are connected to the Sberbank Business Online service in 2015

The Bank is currently working on how to improve the performance of customers' businesses. In particular, the Sberbank Analytics service was developed so clients could essentially do without a financial director. Using this convenient interface, customers will be able to have more control over their activities, including income and expenses, counterparties, cash deficiencies, and much more.

We provided corporate customers with the ability to choose the most convenient channel for receiving consultation services, which is of particular importance during peak traffic times on phone lines. We are also actively using new communication channels with customers, including feedback services on the Bank's website, callback services, and an online chat service on Internet banking. At the annual FocusForum conference organised by the newspaper Vedomosti, Sberbank won a special prize "For Customer Focus" for our project for supporting corporate customers in the Contact Centre. Sberbank also won the nomination for "Project of the Year for the Organisation of Technical Support for Corporate Customers" at the CNews Awards ceremony.

With the help of the Small- and Microbusinesses Development Model, which is based on mathematical models and helps significantly increase the quality of targeted offers for customers, the Bank calculated the potential of each point of sale, which was used during the business planning process for 2016.

Interactions with state bodies are one of the key processes for Russian entrepreneurs. Sberbank has created products that facilitate this process and help entrepreneurs build the right interaction mechanisms under Russian legislation. Sberbank customers have the ability to file reports with the Federal Tax Service and other regulatory bodies online and to pay taxes on time and in a way that is convenient for them. We are working toward integration of Sberbank's Internet banking with taxpayer accounts on the FTA website. In addition, customers can obtain information on various state programmes for business support through this application.

The Bank continues its cooperation with the Federal Corporation for the Development of Small and Medium Enterprises JSC. The cooperation agreement with the SME Development Corporation enables the Bank to raise quality category 1 guarantees for a wide range of loan products and bank guarantees for small- and medium-sized enterprises. The guarantees may cover up to 70% of loan debt and can be raised by SMEs in every constituent of the Russian Federation. Over the course of 2015, the Bank issued nearly 2,500 loans and guarantees in an amount of more than RUB 21 billion against SME Development Corporation guarantees. As of the end of 2015, Sberbank's share in the total portfolio of the Corporation's guarantees was about 44%.

In 2015, the Bank issued loans to SMEs against the surety of regional guarantee organisations for an overall total of RUB 11.2 billion in 73 constituents of the Russian Federation.

Sberbank supports clients who have lost their partner banks: there are special offers for clients of credit institutions whose banking licences were revoked by Bank of Russia, such as free account opening, free service management using Sberbank Business Online, and three months of services from the "Basis" package at the price of RUB 1.00 per month.

Aimed at the formation of Bank customer acquisition channels through affiliate agents, the Business Environment Affiliate Programme project has reached full capacity. As of the end of 2015, over 42,000 transactions had been performed, the partner network consisted of 200 partners, and conversion to transactions was 42%. One of the key focuses for 2016 is the creation of financial and insurance services aggregator platforms on the market and the involvement of banks and insurance companies.

Under the "Business School" project, we provide 26,000 entrepreneurs with access to business education programmes in the form of 170 video courses. More than 35,000 entrepreneurs from various regions, including the most remote corners of the country, have taken part in these nationwide educational workshops. The speakers at these workshops were business trainers, representatives from government authorities, and successful businesspeople. Eighty thousand entrepreneurs regularly receive information on new educational events and advice from leading market experts as a part of special information digests. One of the key focuses for 2016 is the organisation of Russia's largest platform for the remote education of small companies on the basis of the Business School and partnerships with other leading business schools, incubators, and expert platforms.

Corporate Banking Services

We are working systemically on the development of remote customer services, having set the objective of making all core services mobile and remote. About 1.3 million customers are connected to the Sberbank Business Online (SBBOL) service, and the mobile version of this service has been downloaded by more than 427,00 users. 98% of payments were being made through SBBOL or its mobile version by the end of 2015.

In 2015, the Bank started implementation of 24/7 settlement services for customers. By the end of the year, customers making electronic settlements had the option of settling accounts with counterparties on a 17/7 basis within the Bank (i.e., same day from 6:00 a.m. to 11:00 p.m., including weekends and holidays). Our plans include wide-scale connection of customers to this service and an extension of its operating hours to 20/7.

We strive to make interaction with customers convenient and easy from the moment the business is founded. As a first step, the Group lets businesses register without visiting the Federal Tax Service and open an account in just three minutes and offers the customer all the necessary services.

Today, half of all accounts opened when establishing a new legal entity are opened through Sberbank's online settlement account reservation service. When reserving the account, the entrepreneur receives a number that can be used to conclude agreements, and then within five days the customer must visit the bank to submit its documents. In 2015, almost 100% accounts were opened through the online reservation service. To strengthen its competitive positions, the bank expanded the service's functionality: accounts can now be reserved when complying with Federal Law No. 275-FZ dated December 29, 2012, On the State Defence Order.

Sberbank lets businesses register without visiting the Federal Tax Service and open an account in just three minutes and offers the customer all the necessary services

We launched a pilot project—called the Digital Hypermarket—to connect 1.3 million companies and 20 million individual active users of Sberbank online services (SBBOL and SBOL) on the same platform. This will help customers find new buyers and counterparties. The Digital Hypermarket pilot project was launched in Nizhny Novgorod and Krasnodar, and it already has more than 70,000 products on it. There are plans for all Sberbank's corporate clients to one day be able to place their goods and services on this platform. There is no need to see the other party in person or use the mail to enter into an agreement or order goods. The customer will be able to do this without ever leaving the office with the help of E-invoicing, a service for legal document management. All documents (agreements, orders, bills and invoices) can be sent electronically with secure electronic signatures.

In early 2015, the E-invoicing e-document management process was launched between the Bank and its customers to provide invoices for bank services. By the end of the year, the share of invoices for bank services sent to customers electronically through this service reached 85% of the total number of invoices issued by the Bank. A project for conducting paperless operations for corporate customers in Sberbank branches has been started.

In 2015, we integrated a Currency Control Module into the Bank's settlement system. This allowed the Bank to do away with software from external organisations, optimise currency control processes, and cut the handling time of currency control documents by 25%.

To improve the efficiency of budgetary funds management, we reached an agreement with the Federal Treasury Department for the use of Cash Management services. 52 regional Departments of the Federal Treasury and more than 31,00 accounts for serving budget recipients were connected to this service.

Banking support services for investment contracts were introduced in regional banks. The Bank provides its customers with expenditure controls to help better comply with the guidelines of investment projects.

We also provide our clients with the Sberbank Corporation mobile app. With this app, the heads of groups of companies always have online access to information on all of their group's accounts in the Bank. As part of the Control and Acceptance service, a service for the control of electronic registers of pay slips relating to agreements on crediting funds to the accounts of individuals was launched in this system.

We also introduced the Payment Calendar service that allows customers to plan future expenses and anticipated cash inflows, including under agreements with counterparties. This service can create payment calendars for future periods.

In 2015, amid the need to replace expensive public financing with private funds, operations for raising funds from corporate customers was one of the Bank's most important lines of business.

Over the year, the total balance of corporate deposits increased by 25.1% to reach RUB 7.4 trillion. Sberbank's share in the total amount of corporate funds raised by the Russian banking system increased over the year from 21.9% to 25.0%. The share of settlement accounts increased over the year in the total breakdown of products, from 29% to 34% of all corporate deposits.

| Structure of corporate deposits

Indicators	As of 1 January, 2015 RUB, million	As of 1 January, 2016 RUB, million
Current accounts/demand accounts	1,737,317	2,497,162
Term deposits	4,153,400	4,875,671
Obligations to return borrowed securities to a (nonbank) creditor	3,126	55
Deposits in precious metals and other deposits	4,974	7,398
Total corporate deposits	5,898,817	7,380,286

In 2015, we introduced a new service: the placement of funds on public conditions available for the users of remote service channels or online products. Customers can place their funds in a deposit or use them as the minimum balance on settlement accounts on public conditions. These transactions may be performed without the customer ever visiting one of the bank's offices. There is a loyalty system for these products, according to which customers who repeatedly deposit funds or use them as a minimum balance will earn additional interest that is 5–10 p.p. greater than online rates. The functionality of this service is being expanded. Today, customers have the option to remotely withdraw their deposit before the due date, generate an order to add funds to a deposit transaction, prolong agreements, and receive text or e-mail notifications on actions associated with the agreement.