

| THE NUMBER OF PENSIONERS RECEIVING PENSIONS THROUGH SBERBANK

Indicators	As of 1 January, 2015	As of 1 January, 2016
Number of social pensioners getting their pension through Sberbank, persons	23,291,132	24,789,919
Share of pensioners receiving their pension through Sberbank in the total number of pensioners in the Russian Federation, % (not including pensioners in the Crimea)	56.2	59.0

Sberbank pays special attention to its operations in the Social segment. The Bank has increased the level of protection for pensioner interests as regards the safety of their deposits against the infringement of third parties. A special memo has been drawn up for branch employees on protecting the savings of pensioners and disabled persons against the fraudulent actions of third parties. Now branch employees can stop wrongdoers by taking simple actions to prevent them from taking advantage of customers' trust and tricking them into making debit transactions on their accounts.

The paperwork for receiving a pension on Sberbank accounts has been simplified: an application for pension delivery is automatically printed out when an account is opened, which saves 15 minutes of customer time and does away with the labour-intensive manual filling out of account details.

The Bank is working to enable pensioners to remotely file pension delivery documents through their personal account on the Unified Portal of Public Services.

NONINTEREST INCOME SOURCES

The main drivers for increasing noninterest income in retail business in recent years have been operations with bank cards, acquiring, payments, and transfers.

BANK CARDS

| NUMBER OF ACTIVE CARDS ISSUED BY SBERBANK

Indicators	As of 1 January, 2015, million cards	As of 1 January, 2016, million cards
Debit cards	87.3	102.3
Credit cards	14.6	15.6
Total active issuance Sberbank cards	101.9	117.9

The increasing issue of bank cards continues to accelerate growth in the number of operations on card accounts.

ACQUIRING

Sberbank's share in the merchant acquiring market grew significantly over the year, by 7.2 pp to 54.7%. Such a notable breakthrough became possible thanks to a restructuring of the business line: independent merchant acquiring units have been established at the level of regional banks.

During the year, we engaged 27 new federal key partners from various segments for acquiring services, including those in the clothes, motor goods, pharmacy, electric goods, and service segments. The number of active points of sale and service connected to acquiring services increased by 1.2 times to reach 552,000 by the end of the year.

54.7%

**SBERBANK'S SHARE IN THE MERCHANT
ACQUIRING MARKET**

In August, the Bank started a project with special acquiring conditions for car dealers—for the first time ever in Russia, customers were offered the service of making car payments with a bank card. The programme is currently running in 546 dealerships across the country. Thanks to this development, we have attracted 8 of the largest Russian dealerships for acquiring services.

We are actively developing web acquiring, and we have recruited 1,590 new partners over the year, thus showing growth of over five times compared to last year. The turnover on bank cards on the web totalled RUB 85 billion, 1.8 times more than last year. The Bank enabled payments for airline tickets and the replenishment of "Palms" school meals cards with bank cards using a cell phone. The total number of companies using Sberbank's web acquiring service exceeds 2,200.

The growth of the acquiring services business is accompanied by a similar growth in new technologies for this area. Sberbank introduced a unified technical support standard for its sales and service network in all regions and started receiving communications through the 8-800 centralised support service available 24/7. Light Cabinet is operating, and the fulfilment speed for partner requests has increased many times over. Issues are resolved within the system without using e-mail or phones. The standardisation of this service will strengthen our competitive positions in the acquiring market and optimise its technical support costs.

DEBIT CARDS

In 2015, we extended the range of possibilities for customers with debit cards. The Bank has started issuing international bank cards with an integrated Troika travel ticket. Apart from the usual functionality of a Sberbank debit card, this new card can be used to pay for rides on the transport systems of Moscow.

The Bank has launched a new service where the holders of Sberbank debit cards of can make transfers from their cards to any Visa cards from other Russian banks via Sberbank Online, ATMs, and mobile applications.

Starting in July, the Sberbank website offers the option of ordering a card with one's own photos from Instagram. In the future, the Bank is planning to further enhance its integration with social networks.

In 2015, over 90 projects were completed for the issue of Individual Design Cards for payroll clients, including 44 projects with higher educational institutions. Over 370,000 customers will receive these salary cards with individual designs, which makes our payroll projects even more attractive.

90 projects

WERE COMPLETED FOR THE ISSUE OF INDIVIDUAL
DESIGN CARDS FOR PAYROLL CLIENTS

All throughout Russia salaries are paid to the employees of companies according to a procedure which is convenient for the end recipients: the companies submit a register of payouts to its employees via Sberbank Business Online, the Bank pays salaries to employee cards online, and the payment information becomes immediately available to the company. This process has been automated, and the probability of operational errors has been eliminated.

The Bank has successfully implemented a new technology for salary payments to employees of federal companies with branches in different cities and regions of the country. Based on a unified register with a list of company employees who have accounts in different branches of Sberbank and the amount of salary due to them, the Bank will transfer money from the company's settlement account to the salary accounts of its employees on its own.

We are optimising card processes. According to a new technology for individual conversion transactions, conversion between Sberbank cards and from bank cards to an account is completed instantly at the exchange rate posted at the moment of transaction. This eliminates the occurrence of currency risks and customer complaints.

Services for the processing of MasterCard and VISA operations have been fully transferred over to the National System of Payment Cards.

In April, we started the Moneybox (Kopilka) service as part of Sberbank Online. This is a service for the automatic transfer of customer funds from their debit card to their deposit account on the conditions set forth by the customer. This service is very popular: 150,000 clients signed up this year.

PAYMENTS AND TRANSFERS

39.0%

SBERBANK'S SHARE IN THE MARKET OF PAYMENTS FOR UTILITY SERVICES

44.0%

SBERBANK'S SHARE IN THE MARKET OF CELLULAR COMMUNICATION PAYMENTS

31.4 mln

THE NUMBER OF SUBSCRIPTIONS TO THE DIRECT DEBIT SERVICE

2015 showed growth in payments made by individuals to legal entities. The average number of payments increased by 17% and reached 13 million a day. This growth was observed in all kinds of payments. The number of payments for utility services totalled 2.8 million transactions per day (+20%), and for cellular communications it came to 8.2 million per day (+18%). Stable growth in payments has allowed Sberbank to strengthen its leadership in the market of payments for utility services, with a share of 39%. We are also the leader in the market of cellular communication payments, with a share exceeding 44%. This result was achieved thanks to the active development of noncash payments through such channels as direct debit, Mobile Banking, and Sberbank Online.

The number of subscriptions to the direct debit service totals 31.4 million. Direct debit for utility services is available in more than 100 Russian cities. In 2015, the active promotion of noncash payments at the cash desk was started, and the share of payments received in the cash desk using cards reached 7%. The share of payments received using bar codes made up 81% of all receipts.

The total amount of transfers throughout 2015 totalled RUB 9.2 trillion, which was 48% more than in the previous year. The most growth was observed in MoneyGram transfers (+85%).