

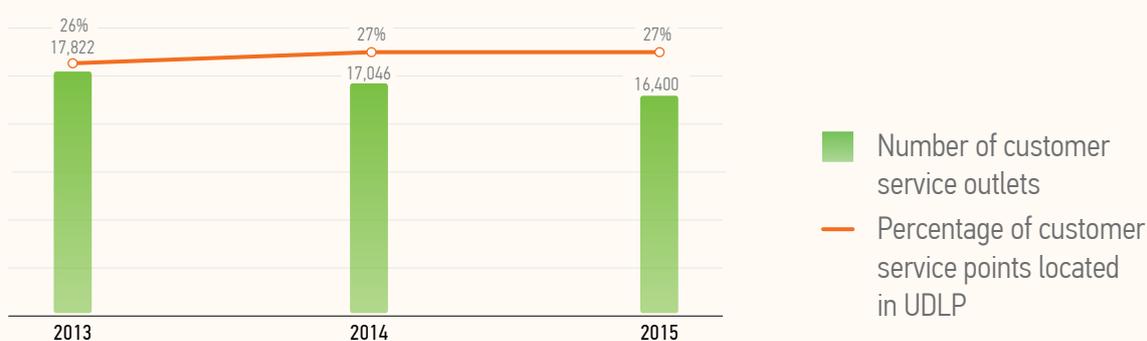
ENSURING THE AVAILABILITY OF FINANCIAL SERVICES

BRANCH NETWORKS

Sberbank has a branch network optimisation model in place that is used to evaluate the potential of new locations and determine the best office site. The optimisation criteria are having a convenient location for the greatest number of customers and for achieving the best financial results.

Sberbank's branch network in Russia consisted of 16,400 customer service outlets at the end of 2015. We opened about 581 new customer service outlets during the year. We closed 1,227 outlets due to non-conformance to the established geomarketing criteria and unsatisfactory condition of the premises. The share of branches in underdeveloped and low-populated areas did not suffer, with the figure slightly increasing year-on-year to 27%. Banking services are made more accessible to people in such regions with mobile bank subdivisions and remote service channels, including self-service machines, Mobile Banking, as well as mobile applications and Sberbank Online¹.

SBERBANK'S CUSTOMER SERVICE OUTLETS IN RUSSIA, INCLUDING THOSE IN UNDERDEVELOPED AND LOW-POPULATED AREAS (UDLP)



We are planning the long-term development of an optimal network suitable for large cities, small towns, and rural areas. In particular, we are currently developing an alternative format for presence in rural settlements.

¹ More details on remote servicing channels are available in the Remote Bank Services section.

REFORMATTING CUSTOMER SERVICE OUTLETS

We continued to implement our Branch Network Reformatting programme in 2015, involving the creation of convenient, state-of-the-art and multifunctional service outlets for our customers. A total of 607 subdivisions were renovated and 57 new ones were opened in 2015. Reformatted subdivisions include a user-friendly navigation system with customer consultation and waiting areas. Additionally, new subdivisions provide highly accessible banking services by offering self-service facilities 24 hours a day, seven days a week.

A total of 6,600 customer service points have been opened since the programme launch, offering high comfort and service standards. Since most of our businesses are concentrated in big cities, we have focused on reformatting our branches in settlements with a population of over 100,000 people (69% of the total number of reformatted subdivisions).

| REFORMATTING BRANCH NETWORK OFFICES PROGRAMME IMPLEMENTATION RESULTS IN RUSSIA

Indicator	2013	2014	2015	Share of the total
Number of reformatted customer service outlets, including:	4,612	5,997	6,604	
in big cities (population more than 100,000 people)	3,339	4,189	4,565	69%
in small cities (population less than 100,000 people, villages)	1,273	1,808	2,039	31%

The implementation of the reformatting programme was a significant factor in securing us a FinBranch award as the Best Bank Subdivision and the Most Caring Bank Subdivision in 2015.

We will continue to improve our branch network in the next reporting period under Sberbank Development Strategy to ensure more comfortable services to our customers and better performance. We are planning to reformat 640 subdivisions within our branch network in 2016.

EQUIPPING CUSTOMER SERVICE OUTLETS FOR DISABLED PEOPLE

While upgrading our subdivisions, we strive to make them suitable for people with disabilities by adding ramps, hoists, or moving steps, installing lower desks in the lobby and counters, and placing assistance buttons near the entrances to our offices. The number of customer service outlets equipped with necessary infrastructure increased by five percentage points year-on-year in 2015 to 7,100 subdivisions (43% of all Sberbank subdivisions in Russia).

We have long-term programmes to equip our offices with other elements, including equipment for people with impaired hearing, tactile panels, tactile floor guides, contrast marking of steps, and glass doors.

REMOTE BANKING SERVICES

The number of transactions via remote banking channels is growing at a high rate. The number of active online banking users of the Group increased by 50% and the number of mobile bank users increased by 28% in 2015. The number of ATMs decreased insignificantly due to better online services and the resulting growth in online payments.

| DEVELOPMENT OF REMOTE BANKING SERVICE CHANNELS WITHIN THE GROUP

Service	2013	2014	2015	Changes during the reporting period
Mobile bank, thousand of active users, including:				
Sberbank	14,760	21,240	27,283	28%
Subsidiary banks	102	322	474	47%
Online banking, thousand of active users, including:				
Sberbank	10,120	20,359	30,438	50%
Subsidiary banks	9,441	19,386	29,236	51%
Subsidiary banks	679	973	1,202	24%
Number of ATMs, including:				
Sberbank	93,067	94,289	90,444	-4%
Subsidiary banks	89,016	90,059	85,914	-5%
Subsidiary banks	4,051	4,230	4,530	7%

Our efforts in this area are based on ensuring the security of banking transactions, faster use of applications, and a convenient user interface. We updated the Sberbank Online application in 2015 by making it more functional. We simplified the registration process in the application, made it possible to conduct transfers to Visa and MasterCard accounts issued by other banks, and introduced templates, auto-payments and editing options.

Furthermore, a new version of the mobile application for the Android platform has a built-in anti-virus option to secure banking transactions and a new functional design based on material design principles. Surfaces are now 3D, the menu is animated, and the colour grade was adjusted and expanded. Google Play and App Store have noted Sberbank Online in their ratings of the best applications.

The Group's subsidiaries have also improved their remote banking services. For example, the Online-Consultant remote access channel has been in use at the BPS-Sberbank Contact Centre since 2013. This channel provides customers the opportunity to conduct a real-time media chat with consultants without visiting the bank. The service was reformatted in 2015 as part of the overall website rebranding. Now, the online-consultant form is published on all website pages as an active window in the left part of the page so that customers can speak to a consultant at any time.

Cetelem launched its End-to-End Authorisation in IVR (Interactive Voice Response). Now customers registered in the bank's database have access to IVR. Customers may automatically find out information about their contracts, payment dates and amounts, and deposit amounts. The convenience of this service has been confirmed by increased user figures: the number of calls almost doubled in the reporting period (from 40,000 to 97,000 calls).