
SBER
Annual
Report/2023

About this Report

GRI 2-1, 2-3

REPORT OVERVIEW

This Annual Report prepared by Sberbank of Russia[1] for 2023 (hereinafter, the Report) contains information on Sber performance[2] for the reporting period from 1 January 2023 to 31 December 2023[3]. The Report consists of two parts, the Management Report and the ESG Report. The Report is prepared annually; the previous one concerned 2022 performance and was published in 2023. Digital versions of the Reports are available on the corporate website www.sberbank.ru.

The Report has been prepared in accordance with the laws of the Russian Federation, in particular:

- Federal Law No. 208-FZ (208-ФЗ), dated 26/12/1995, On Joint-Stock Companies;
- Federal Law No. 39-FZ (39-ФЗ), dated 22/04/1996, On the Securities Market;
- Bank of Russia Regulation No. 714-P (714-П), dated 27/03/2020, On Disclosing Information by Securities Issuers;
- Bank of Russia Information Letter No. IN(ИН)-06-28/49, dated 12/07/2021, On Recommendations for a Public Joint-stock Company to Disclose Non-Financial Information Related to Its Operations;
- Bank of Russia Information Letter No. IN(ИН)-02-28/44, dated 13/07/2023, On Recommendations for the Disclosure of Information in the Field of Sustainable Development by Financial Institutions;
- Bank of Russia Information Letter No. IN(ИН)-06-28/102, dated 27/12/2021, On Disclosing the Report on Compliance with the Principles and Recommendations of the Corporate Governance Code in the Annual Report of a Public Joint-Stock Company;
- The Moscow Exchange requirements to annual reporting by joint-stock companies.

To minimize the impact of restrictions, which may additionally be imposed by foreign states against the Bank, this Report has been made compliant with the restricted disclosure procedure, based on the following regulatory pronouncements:

- Resolution of the Government of the Russian Federation No. 1102, dated 04/07/2023, On Specific Features of Disclosure and (or) Provision of Information to be Disclosed and (or) Provided as Required by the Federal Law On Joint-Stock Companies and the Federal Law On the Securities Market;
- Resolution of the Bank of Russia Board of Directors, dated 26/12/2023, On Requirements to Disclosure of Statements and Information by Credit Institutions (Parent Credit Institutions of Banking Groups) in 2024.

To ensure the quality and comparability of disclosures contained herein, the Report has been prepared in accordance with the Consolidated Set of the GRI Standards issued by the Global Reporting Initiative (GRI) in February 2024, and the 2023 Standard for Commercial Banks of the Sustainability Accounting Standards Board (SASB).

In addition, the content of this Report conforms to the provisions of the following initiatives:

- UN Global Compact principles;
- Sustainable Development Goals adopted by the UN General Assembly in 2015;
- UNEP FI Principles for Responsible Banking;
- Methodological recommendations of the Russian Ministry of Economic Development on sustainability reporting (Order of the Russian Ministry of Economic Development No. 764, dated 01/11/2023);
- IFRS S1 and S2 Requirements for Sustainability-Related Disclosures of the International Sustainability Standards Board (ISSB);
- Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

[1] Sberbank of Russia (Sberbank), hereinafter also referred to as Sberbank or the Bank.
[2] Sberbank and its subsidiary banks and other subsidiaries, hereinafter collectively referred to as the Group or Sber.
[3] This Report covers events that took place in calendar year 2023, except as otherwise expressly stated.

To ensure accurate disclosure of non-financial information presented in this Report and compliance with the UNEP FI Principles for Responsible Banking, independent verification has been undertaken in accordance with the International Standard on Assurance Engagements (ISAE 3000) “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (for more details, see the “Opinion of an Independent Practitioner” Appendix).

REPORT SCOPE

Financial data in this Report are presented in accordance with consolidated IFRS financial statements, unless otherwise expressly stated.

Operational data presented in this Report refer to Sberbank, unless otherwise expressly stated.

The ESG Report data are consolidated for subsidiaries and affiliates that produce a significant impact on the environment, society, and economy, and refer to Sberbank and (or) the Group. The consolidation perimeter of quantitative ESG data lacks uniformity due to differences in data recording systems used by subsidiaries and affiliates.

REPORT APPROVAL

This Report has received preliminary approval of the Sberbank Supervisory Board (Minutes No. 9 dated 23/04/2024).



Management Report

• Go ⟶



ESG- Report

• Go ⟶



Management Report

Letter from the Chairman of the Supervisory Board

Dear clients and shareholders!

2023 was rather successful for the Russian economy thanks to effective structural adjustment and adaptation of business to the new landscape. Key sectors of the economy were livening up, with investment and household consumption on the rise. The result was a 3.6% bump in GDP.

The financial system remained stable, while innovation and technological progress accelerated the creation of competitive services and products. Net profit is the most telling indicator of the banking industry health. Sber's 2023 result was a record RUB 1.5 trillion, with 25% return on equity.

Last year, Sber actively supported all the main sectors of Russia's economy. The Bank has lent RUB 23.3 trillion to leading corporations as well as medium and small businesses.
The volume of loan product disbursements increased significantly. The bank's total retail portfolio exceeded RUB 16 trillion. Sber's mortgage loan portfolio grew 34.9% to RUB 10.2 trillion and its share expanded to 55.9%.

The annual CIR, which illustrates the ratio of operating income to expenses, fell below 30% for the first time in Sber's history.

Sber continued to vigorously develop its AI capabilities. In 2023, it introduced GigaChat, a multimodal neural network, and the Kandinsky 3.0 updated version. Texts on financial literacy generated by GigaChat and images created for them by Kandinsky 3.0 were presented at the Ministry of Finance stand at the RUSSIA EXPO at the VDNH venue.

I believe that continued innovation and empowerment through AI will secure long-term development and sustainability of business.

I would like to thank the entire Sber team on behalf of the Supervisory Board.
Your professional integrity, creativity, and dedication translate into the Group's achievements and underpin its strong performance.

Anton Siluanov
Chairman of the Supervisory Board of Sberbank



Letter from the CEO, Chairman of the Executive Board

Dear shareholders, clients, partners, and colleagues!

The Russian banking industry demonstrated record-high growth in 2023; banks withstood the negative impact of external factors and maintained resilience as well as sufficient capital. Their profit stood at RUB 3.4 trillion.

In the summer of 2023, the Bank of Russia more than doubled the key rate in the face of considerable inflation risks — from 7.5% to 16% per annum. At the same time, the rate increase was also prompted by rapid growth of the economy, whose structural transformation was exceeding the most optimistic expectations: GDP growth went over 3.6% by the end of 2023. This factor affected the dynamics in the banking markets and required banks to adapt appropriately.

Sber was a major contributor to the banking industry performance in 2023. One of our main achievements was the strengthened trust of our clients, seeing how Sber's audience has been growing year after year. Our services are already used by 108.5 million retail and 3.2 million corporate clients. The monthly audience of SberBank Online has reached 82 million users, and that of SberBusiness (the online banking service for corporate clients), 2.8 million users. As many as 10 million people have benefited from SberPrime subscription, and 75 million people log in to the websites and apps of Sber and its partners quickly and securely using Sber ID.

Sber was fast to adjust to the new environment; we maintained resilience, stability and reliability of all our services amid high demand for credit products, and further strengthened our foothold in the main segments of the Russian banking market.

Support for our clients remains our top priority: last year we issued RUB 28.7 trillion worth of loans, and our total loan portfolio grew 27% to RUB 39.4 trillion without dropping in quality, which allowed us to increase the market share of corporate and retail loans to 32.3% and 47.7% respectively. Funds raised from retail clients gained RUB 4.4 trillion and totaled RUB 22.9 trillion. Sber's market share in corporate deposits reached 18.7%, and our market share in retail deposits amounted to 43.9%.



Transactional activity also showed significant growth: the acquiring, payment and money transfer transaction volumes increased in aggregate by almost 30% YoY; 20% of transactions in 2023 were cardless, made with Sber's new payment tools instead: biometrics, QR Pay, and SberPay.

Sber closed 2023 with an all-time high net profit of RUB 1,508.6 billion, ensuring a 25.3% return on equity.

Our comprehensive technological transformation enabled us to build up the efficiency and reliability of our IT systems, while replacing foreign software with our own solutions and innovations, which we make available to all market players.

Over the year, we implemented 2.3 million changes, which is 40% more than in 2022, and halved the number of incidents affecting the client. This became possible partly because 87% of Sber's IT landscape was in the target state. Sber is keenly focused on protecting our clients in the best way possible — with 99.6% effectiveness of our fraud monitoring system, we are leading the world by this metric. Based on our proprietary innovations, we create solutions that benefit our clients: Pulse HR platform, the SberJazz video conferencing platform, a CRM system, the Navigator BI platform, and many more.

2023 will be remembered as the year of applied AI adoption: more than 2,500 applications based on generative AI were launched globally, with a cumulative audience exceeding 0.6 billion people. Today, global technology companies are competing for leadership in this area, and Sber is actively involved in the race.

We were the first in Russia to launch GigaChat, a multimodal neural network, available on all our smart devices. After extensive additional training, the neural network is now able to communicate with the user, generate images, and write code at an even more advanced level. The number of GigaChat users has already reached 2.6 million. Our model for creative work, Kandinsky 3.0, can now generate more photo-realistic images and proper paintings. With over 65 million requests, it is among the most popular models in the world.

The economic effect from AI implementation at Sber amounted to RUB 350 billion in 2023 and totaled RUB 800 billion over the span of three years. Today, artificial intelligence makes 100% of all retail lending decisions at Sber. As for large businesses, by 2026 we plan to disburse 95% of all working capital loans within 7 minutes, and 60% of all investment loans within one day.

The rapid development of AI opens up tremendous opportunities for building a new level of trust between people and businesses. We call it human-centricity. This is where we see the basis for Sber's long-term sustainability and our new Strategy 2026 aimed at transforming Sber into a human-centric company. People with their goals and values are front-and-center for us. We will help them unlock their potential, using the new generation of AI as an empowerment tool.

This extent of business model changes will take time and enormous effort. Luckily, Sber is well versed in large-scale transformations and has approached this new stage in great shape. We have built an ecosystem of financial and non-financial services revolving around the client's needs, created our own technological platform, and developed robust competencies and expertise in artificial intelligence and other technologies. Above all, we have a talented team ready to make the transformation come true. We are inspired by the ambition to become one of the first human-centric companies in the world. It is these priorities that help us ensure the long-term sustainability of Sber's business and create value for our shareholders.

I am infinitely grateful to every member of our team for the ideas and efforts they contribute towards our common goals. And I am especially grateful to our clients for their support and constructive feedback — they help us be better and inspire us to create new services and products. Finally, I want to sincerely thank all of our investors and shareholders for their support and faith in Sber!



Herman Gref

CEO, Chairman of the Executive Board of Sberbank

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Sber Today

Retail clients

108.5 mn
retail clients

81.9 mn
MAU of Sberbank Online

10.0 mn
SberPrime subscribers

Corporate clients

3.2 mn
active corporate clients

2.8 mn
MAU of SberBusiness Online

210.8 K
Sberbank employees

~12.0 K
branches

Fact sheet

Europe's strongest financial brand
according to the Brand Finance rating

No. 1 by market capitalization in Russia
~ 75 bn US dollars

The largest issuer in Europe
according to The Nilson Report

No. 1 bank
by net profit in Eastern Europe in 2023

Sber's Transformation Journey

A reliable bank
- The leader in retail deposits
- The largest branch network among Russian banks
- The country's largest transaction bank

The leader in digital banking
- Best banking app[1]
- Best risk management practices
- Best client experience
- DAU/MAU reached 53% at the end of 2023

An integrated technology ecosystem
- Building a client-centric ecosystem of financial and non-financial services

On the path to becoming a human-centric bank
Sber assists people in managing their present and future, including with the help of a new-generation artificial intelligence

[1] 'Best mobile app' according to Runet Rating 2023, the National Websites and Mobile Apps Awards.

Our culture of accomplishing strategic goals

Strategy 2023 Goals

B2C

Market leader in retail banking services

>100 mn
Retail clients

B2B

Market leader in corporate banking services

>3 mn
Corporate clients

TECHNOLOGY

80%
of IT landscape in target state

>88% in 2023

x4
reduction in data storage costs

TOP 2
in IaaS and PaaS markets

Zero
losses from cyberattacks

FINANCIAL GOALS

>17%
ROE

ROE reached 25.3% based on FY2023 results

50%
Dividend payout ratio

>12.5%
CET1 adequacy ratio

The CET1 adequacy ratio was 13.2% based on FY2023 results

Target achieved

Further achievements

- The largest IT infrastructure in Russia
- Our Platform V is the best import substitution platform
- CNews

~ RUB 800 bn
the effect from AI in 2021–2023

Generative AI models



Kandinsky GigaChat

Our mission and values

Core of Sber's culture

HUMAN-CENTRICITY

We assist in human potential unlocking and enablement for the accomplishment of human endeavors.

Our mission

We give people confidence and reliability and we make their lives better by helping them make their aspirations and dreams come true.

Our values transpire every day in everything we do.

In addition to performance, compliance with our values is assessed on a regular basis using the 5+ system and is rewarded and taken into account in making personnel decisions (promotions/raises, etc.).



Leader

- I take responsibility for myself and I am concerned with everything that is happening around me
- I am honest with myself and my co-workers and clients
- I make myself, Sber and my environment better by doing my best

Team

- We are willing to help each other, working to accomplish a common result
- We help our colleagues grow and develop
- We are open, we respect our colleagues and trust one another

Client

- Everything we do is centered around clients and serves their interests
- We want to surprise and excite our client with the quality of our srevices and our attitudes
- We exceed our clients' expectations

Our B2C ecosystem in 2023

Clients

108.5 mn
active retail clients
+2.1 mn YoY

10.0 mn
active SberPrime subscribe
+4.2 mn YoY

53% NPS
a disposition to recommend Sber to friends

Digital clients

81.9 mn
MAU of Sberbank Online (app + web)
+3.3 mn YoY

43.7 mn
DAU of Sberbank Online (app + web)
+2.8 mn YoY

66.9%
share of sales through digital channels
+6 pp YoY

Financial services

Lending
RUB 16.1 trillion
Retail loan portfolio
+29.3% YoY

Bank cards
135 mn
active debit cards

20 mn
active credit cards

Funds of individuals
RUB 22.9 trillion
balance of funds due to individuals
+23.8% YoY

Clients' investments
RUB 4.3 trillion
of clients' investment assets

4.3 mn
clients holding investments

Market shares
55.9% Mortgage lending

50.2% Credit cards

39.4% Consumer lending

17.8% Brokerage services

Awards

The Nilson Report
- ★ No. 3 acquirer in the world
- ★ No. 1 acquirer in Europe

Frank RG
- ★ Credit SberCard is the best credit card

CX World Awards 2023
- ★ SberPay NFC Best customer experience innovations

Frank Mortgage Award 2023
- ★ Best digital mortgage service

FinAward
- ★ Our "Protection for Any Occasion" product won the Best Client-Centric Product award

Our B2C ecosystem in 2023

Clients

3.2 mn (+0.2 mn YoY)
active corporate clients

81.2% (+1.2 pp)
CSI – Customer Satisfaction Index

2.8 mn (+4.5% YoY)
MAU of SberBusiness (web + app)

Financial services

32.3% (+0.1 pp YoY)
share of Russia's corporate lending market

- Sber helps implement the most complex projects across all industries
- Sber remains the key bank for SMEs with a share of **45%**

RUB 3.9 trillion (x1.3 YoY)
residential real property developer loan portfolio

- **>55 mn square meters** of housing is under construction
- **~1 mn** families will get apartments

Sber is rebuilding exports/imports

x3 YoY
increase in the volume of international letters of credit issued in rubles and foreign currencies

Sber helps clients raise and multiply funds

No. 1
In the ECM, DCM, M&A markets (Sber helped >200 large clients)

RUB 100 bn
Volume of issued investment products, of which 30% are products with maximum capital protection

Russia's first
DFA loan secured by a real asset and the first DFA-secured loan

Channels

- **10 new sites** for corporate clients in Crimea
- **SberBusinessAPI**
  1,000 clients
  x2 transaction activity of clients connected to SberBusinessAPI



of our mobile app users are mobile-only audience

Business growth tools

>1 K (x2 YoY)
largest, large and medium-sized clients are undergoing digital transformation together with Sber

98 K
MAU of industry solutions for small and micro businesses

We work with the government

55 regions
are undergoing digital transformation together with Sber

Awards

- ★ **Best bank** in small business lending: a win in the Best Client Journey category by Frank Small Business Loans Award 2023
- ★ **Best project** SberPro Digital Development is the Russian Creative Awards national award digital project of the year
- ★ **Innovative bank** The Golden Mercury (Best SME Banking Program 2023, a contest sponsored by the Russian Chamber of Commerce)
- ★ **The "Credit potential" project** won the Innovation Market Leader award

Our sales network in 2023

12 K
Sber branches

15.5 mn +4.0% YoY
branch MAU, December

21 mn
non-financial service transactions

62.5 mn
ATM MAU, December

95.8%
customer satisfaction with network service quality

1 mn instances of financial service delivery

100%
of our ATMs use proprietary processing

The QR-based cash-in service has been rolled out on a mass scale

Sber has opended the first branches and ATMs in Crimea

1 mn instances
of financial service delivery

Sber is developing new non-financial services

- parcel delivery: 14.1 mn
- copying and printing: 422K documents
- coffee at Sber: 1.4 mn cups

Branch business hours are set using AI tools

1,294 branches
have adjusted their visitor opening hours

The Refuge Island Project

Together with LizaAlert rescue team, Sber helps bring home those who are lost and disoriented. Anyone can go into a Sber branch and ask for help.

Modern Sber branches

Sber carries on with the development of a new branch format, modern and convenient for visitors.

The majority of services are available at any convenient location. Branches now feature game zones for children and coffee points. Here one can sign up not only for classical financial products and services but also for non-financial services and products offered by Sber's partners. Smart devices and Sber smart home devices are offered in the SberDevices zones. Branches feature parcel delivery points where one can pick up or send a parcel.

Technology leadership in 2023

IT FOR BUSINESS

Vendor substitution and migration

>88%
of our IT landscape is in target state

Reliability and production process

2.3 mn
changes per year

44% growth YoY

x2
decrease in incidents affecting clients during the year

by 25%
GigaCode speeds up the coding process

Data

116.5 PB
of data optimized using advanced data storage technologies

820+
data sources uploaded into the Data Factory

7.5 K
users of the internal data supermarket

Infrastructure

>87%
share of infrastructure in the Bank's cloud

IT AS A BUSINESS

Platform V

60
tools and components recorded in the Russian Software Registry

Commercial contracts signed

The Salute assistant and smart devices

The Salute Assistant
- Russia's first to switch to LLM
- 23 mn MAU

1.7 mn
devices sold in 2023

New devices
- a line of SberBoom **smart speakers**
- a proprietary line of **smart TV** sets
- eight **smart home** devices

LLM GigaChat is available on Sber smart devices, via VK social network, as a Telegram bot and in a web-based version

Side-by-side quality parity with ChatGPT-3.5 Turbo

Public announcement at Smart DEV
- GigaChat API
- GigaChain
- GigaCode

First contracts signed

GovTech

Two government contracts for maintenance and support of the GovTech Unified Digital Platform signed and are being implemented

R&D

126
patents

136
papers published by employees of Sber, AIRI and AI Centers working with Sber

IT Bootcamp has trained:

~19.2 K
Sber engineers

~3.1 K
external clients

Artificial intelligence in 2023

AI TRANSFORMATION OUTCOMES

Financial effect from AI implementation in 2023

RUB 350+ bn

AI effect CAGR in 2020–2023

53%

Data researchers, data analysts, data engineers and ML engineers working at Sber

2.7 K employees

AI models implemented in the Bank's business processes

2 K models

SUPER ADVANCED AI MODELS

GigaChat

a service that can maintain a dialogue with users

Number of GigaChat users

2.6 mn+

a multimodal model for image description (jointly with AIRI)

OmniFusion

Kandinsky

a model that can generate high-quality images in different styles based on a text prompt

Number of image generations

200+ mn

Russia's first model for creating videos based on text prompts

Kandinsky Video

COMPETENCY CENTER

Sber is a Competency Center for implementation of the Artificial Intelligence federal project and a party to an agreement with the Government of the Russian Federation on development of the Artificial Intelligence high-tech domain.

AI JOURNEY

The AI Journey International Conference is one of the world's most important AI events. In 2023, it focused on cutting-edge AI developments and their role in new scientific discoveries as well as business and society development, and was aimed at promoting the AI technology among the youth.

The conference was broadcast online all over the world

150 mn views

200+ speakers spoke at the conference

RESEARCH

To develop new artificial intelligence tools that would solve real-world problems, Sber cooperates with AI centers of universities (HSE, Skoltech, MIPT, etc.), promotes a proprietary artificial intelligence lab and collaborates with the Artificial Intelligence Research Institute (AIRI).

Papers were published in the Q1 journal and presentations made at A/A* conferences

93 scientific papers published in 2023

AI R&D researchers

300+ employees

AI PERSONNEL TRAINING

Sber works closely with universities to develop Russia's talent pool and propagate competencies among AI specialists.

Learn from content developed by Sber experts

>200 K students

Take part in 13 joint Sber-sponsored AI training programs

711 students

Took part in the "Artificial Intelligence in Industries" Digital Lesson

2.8 mn schoolchildren

Risk management in 2023

Sber continued to adapt rapidly to a new external and internal environment in 2023. Sber's flexible and efficient risk management system helped us successfully cope with new challenges while maintaining an acceptable level of risks.

Despite the key rate hikes and the toughening of retail lending regulations, Sber maintained a high level of capital adequacy, with N20.0 at 13.7% at the end of 2023. The Bank maintained an optimal structure of its asset and liability term matching and effectively managed the interest rate risk, thus reducing the sensitivity of income to key rate hikes.

PORTFOLIO QUALITY

–1.1 pp

0.8%

The cost of risk in 2023

–0.5 pp

3.4%

The share of stage three loans, including originally impaired loans



in 2023, the Bank launched a digital lending process for corporate clients, a breakthrough proprietary solution based on the composite event architecture. It makes loan offerings available 24/7 for all corporate clients in Russia

RETAIL LENDING PROCESS AT SBER

Based on the results of processing of a single mortgage application, the Bank offers the client

up to 30

different mortgage programs, each with a custom set of parameters



94%

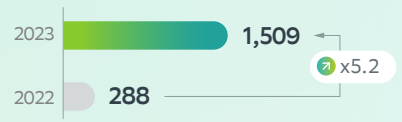
of all consumer loans are issued via Sberbank Online

ESG risk management

- The lending process uses an integrated tool to assess corporate clients' ESG risks
- Models for assessing the probability of physical climate risks for the territory of the Russian Federation were developed and implemented
- A model for assessing economic losses stemming from with physical climate risks has been developed and is being implemented

Key financial results

Net profit,
RUB bn



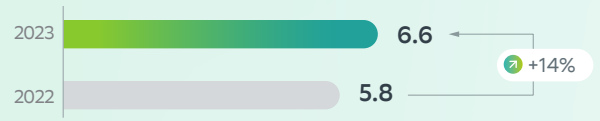
Return on equity (ROE), %



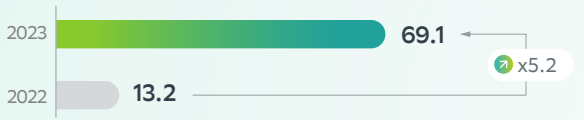
Group capital adequacy N20.0, %



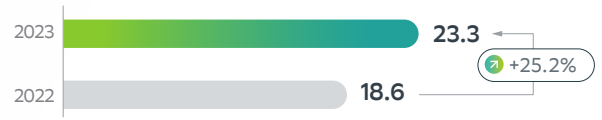
Equity,
RUB trillion



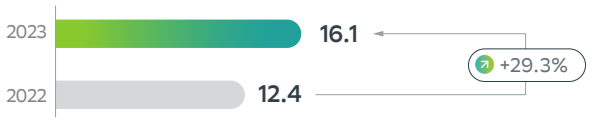
Earnings per share (EPS),
RUB



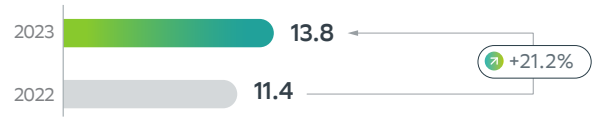
Corporate loans
RUB trillion



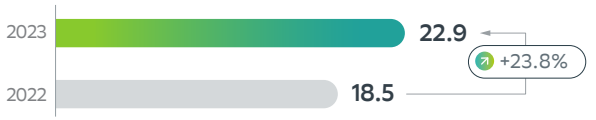
Retail loans
RUB trillion



Due to corporate clients
RUB trillion



Due to retail clients
RUB trillion



Net interest income
RUB 2,565 bn +36.8%

Net fee and commission income
RUB 764 bn +9.4%

Operating expenses
RUB 924 bn +27.2%

Provisioning expenses
RUB 265 bn −52.3%

Net interest margin
5.98%

Net fee and commission income to operating income before provisions
24.1%

Cost to income ratio (CIR)
29.2%

Cost of risk (COR)
0.8 p.p.

Long-term Vision and Strategy 2026

Financial model 2024–2026

>22%	>13.3%	50%
Return on equity (ROE)	Capital adequancy N20.0	share of net profit distributed as dividends



TECHNOLOGY

- develop a next-generation artificial intelligence

BUSINESS MODEL

- become an helpmate to people in all areas of our activities

CULTURE

- each of us should become an helpmate for our clients and for each other

STRATEGY 2026 | B2C

Helping people manage their present and future

Managing the present

Automating routines and freeing up time for what's really important

Managing the future

Supporting people in important areas of life, including wealth, education and healthcare

BRANCH NETWORK

A place for solving complex problems and consulting with a trusted helpmate

STRATEGY 2026 | B2B

Creating value for entrepreneurs

A trusted helpmate in business development

Assisting entrepreneurs in achieving their strategic and tactical goals

Toolkit

- Digital and AI transformation
- Digital analytics
- Recommendation systems
- Digital credit process
- Digital financial assets

Results at a glance



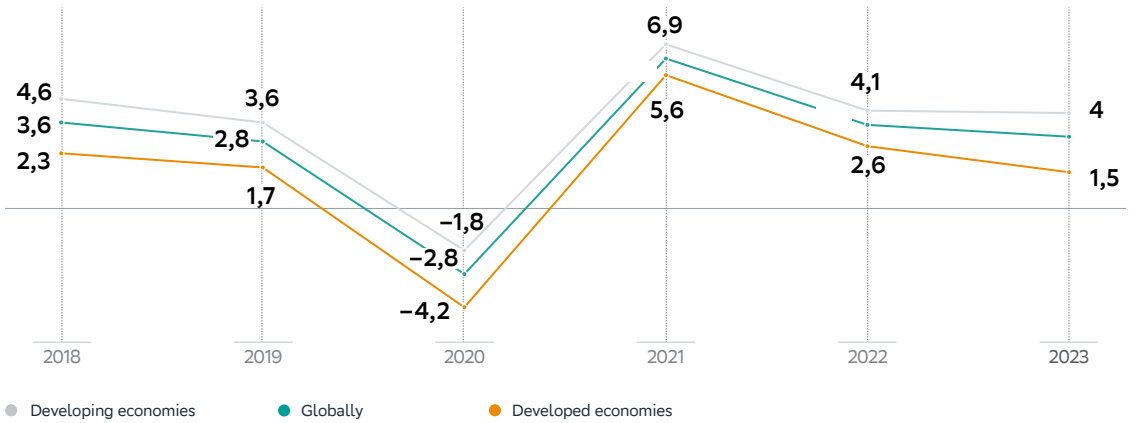
Image generated with Kandinsky 3.0

23 Market Overview
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76 Sales Network
82 Technology Leadership

Market Overview

Global Economy

GDP growth rate (IMF data, % year-on-year)



According to IMF estimates, global economic growth slowed down to 3.0% in 2023. In 2022, the global economy grew by 3.5%, which is higher than just before the recession caused by the Covid-19 pandemic (in 2019, global GDP increased by 2.8%). In 2023, emerging economies demonstrated growth comparable to that of 2022: 4% vs 4.1%. At the same time, developed countries showed slower GDP growth, 1.5% in 2023 vs. 2.6% in 2022.

The global GDP growth slowdown in 2023 was partly due to the significant pressure on economic activity brought by the restrictive monetary policy. Previously, the need for almost universal increase in interest rates was dictated by high inflation (including in large developed economies). Inflationary pressure remains high globally despite lowering inflation in most countries. According to IMF, global inflation slowed down to 6.9% in 2023 compared to 8.7% in 2022. At the same time, core inflation remains more stable.

In 2023, global services sector was actively recovering after the epidemiological crisis, which is reflected, among other things, in the global Purchasing Managers' Index for services industry (which exceeded the 50-point threshold throughout 2023). The index values were especially high in the first half of 2023.

By contrast, in 2023, the global industry was slowing down, with global industrial output declining in the second half of the year. The restrictive monetary policies pursued by central banks were not the only reason behind that. In many regions, activity in the industrial sector has been affected by the consequences of the largest energy crisis since the 1970s (which the global economy faced in 2022).

Commodity prices were influenced by extremely tense geopolitical situation, which contributed to increased volatility. Commodity flows between countries grew fragmented.

Global oil demand growth slowed down during 2023, partly because the gradual ending of the travel recovery period in China (which began after the pandemic). In 2023, OPEC+ countries agreed to jointly limit oil production, including the world's largest oil producers (Saudi Arabia and Russia) who voluntarily restricted supplies to the global market. The average oil price in 2023 was $82 per barrel vs. $99 per barrel in 2022 (Brent). The upper price limit established by a number of countries for Urals oil has mostly been ignored since the second half of 2023, with Urals discount decreasing. The role of liquefied natural gas in the global energy market has increased. The USA became the world's leader in LNG exports, overtaking Australia and Qatar. Liquefied natural gas from the U.S. accounted for almost 50% of the European imports in 2023.

According to IMF's preliminary estimates, global economic growth in 2024 will be comparable to that in 2023. At the same time, continuing high geopolitical tensions could significantly alter the global economy landscape.

Russian Economy

The Russian economy was recovering strongly in 2023 after a decline in 2022.

The successful refocusing of foreign trade flows and production chains rearrangement, together with a stimulatory budget policy supported the economy which surpassed the pre-crisis level, with GDP increasing by 3.6% in 2023 after a 1.2% decline in 2022. The main growth contributors were consumer demand, thanks to the growing real wages and expanded consumer lending, and investment demand boosted by investments in economic restructuring and inventory piling-up.

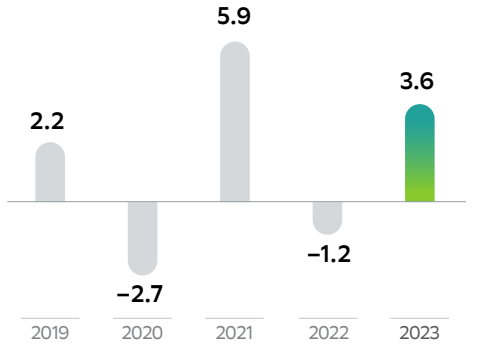
In most industries, economic restructuring in 2023 was accompanied by growth. Industrial production increased by 3.5% due to a strong growth in the processing sector. Construction industry grew by 7.9%, including due to strong housing construction rates. Retail trade demonstrated a 6.4% growth backed by high consumer demand. In 2023, turnover in the foodservice industry grey by 12.3%.

Economic recovery coupled with the emergence of new import supply channels stimulated the increased demand for foreign currency.

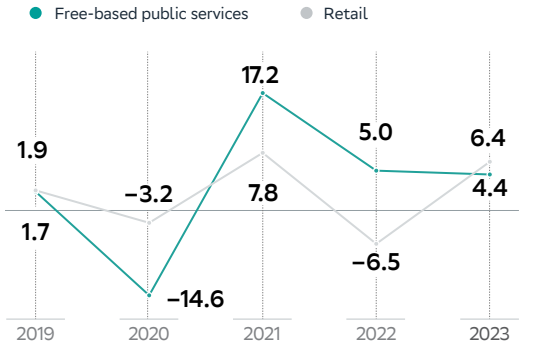
On the other hand, the decline in commodity prices limited the commodities supply. Trade balance contraction caused the weakening of the exchange rate - from the average rate of RUB 68.5 per 1 USD in 2022 to the average of RUB 85.2 per 1 USD in 2023.

The weakening of the national currency and strong domestic demand for goods and services caused substantial acceleration of consumer price growth. Inflation increased - from 2.3% in April 2023 to 7.4% by the end of the year. In the second half of 2023, in response to rising inflation and inflationary expectations, the Bank of Russia increased the key rate from 7.5% to 16% per annum. Temporary tightening of monetary policy will help cool the demand and thus tangibly slow down inflation rates.

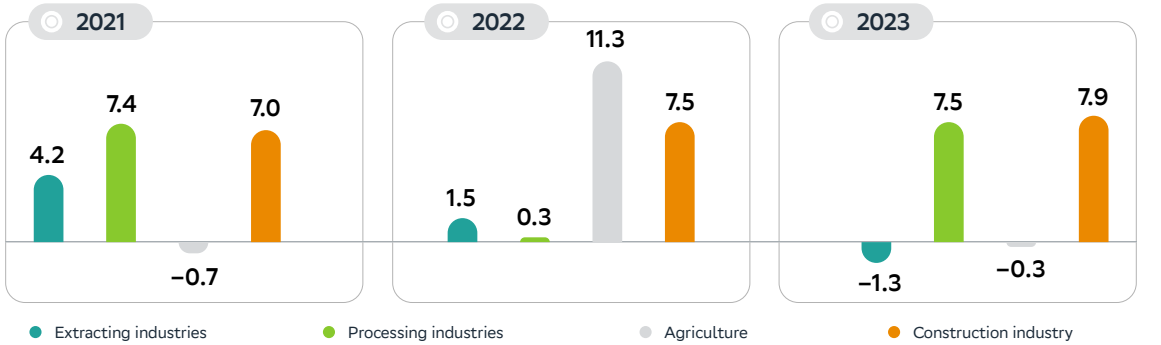
GDP growth rate
(according to Rosstat, % year-on-year)



Consumer activity,
% growth rate



Core industries of the economy, % growth rate



Banking System and Sber's Market Position

Despite the continuing negative impact of external factors, 2023 was a record year for the banking industry profits. The key contributors were the stimulatory budget policy, government support for key sectors of the economy, and subsidized mortgage lending, all of which helped boost the banking sector while preserving a moderate risk level. An incidental factor of currency revaluation also played a positive role in 2022. When comparing these results with the crisis year of 2022, one notes that the average profit in 2022-2023 is still lower than the 2021 results.

It is worth mentioning that at the end of 2023, the Bank of Russia tightened its monetary policy and macroprudential regulation causing a slowdown in the lending growth rates during the last months of 2023. However, the real impact of these factors will be felt in 2024.

In 2023, the number of credit institutions operating in the Russian Federation and holding banking licenses did not change for the first time in many years, remaining at the 361.

Banking assets increased by 25.3% in 2023 (in 2022, by 12.0%).

In 2023, the growth rate of the banks' loan portfolio more than doubled reaching 24.3% against 11.2% a year earlier. Retail lending grew strongly – at 23.4% vs. 9.7% in 2022. Corporate lending market outperformed the retail lending with growth rates reaching 24.7% vs 12.0% in 2022.

Banks' investments in securities grew by 14.1% over the year compared to 12.7% a year earlier.

In 2023, corporate funds (balances on settlement accounts and deposits of legal entities) grew mostly on par with the previous year: 17.8% against 17.0% in 2022[1]. Growth of account balances of government bodies is slowing down: in 2023, public finances on bank accounts grew by 24.4% (vs. +36.7% in 2022), while loans from the Bank of Russia only increased by 17.3% (vs. +49.9% in 2022).

Retail deposits (including escrow accounts) grew by 24.2% (vs 7.7% a year before). At the same time, without escrow accounts, the growth is 22,7% and 5.5% respectively.

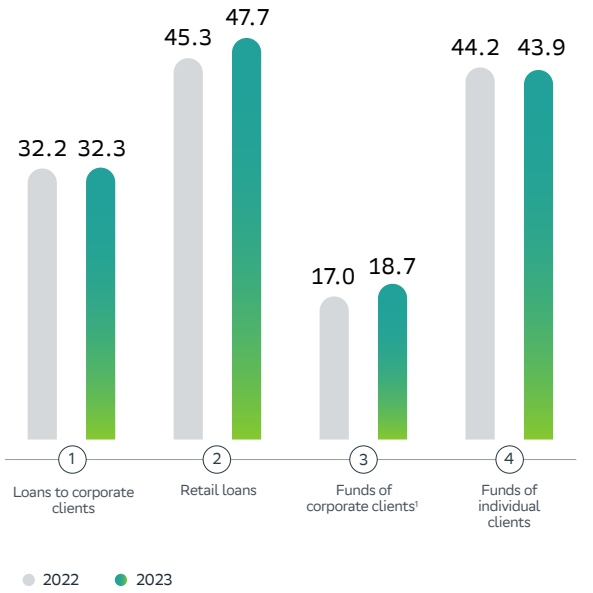
RUB 3.4 trillion

is the net profit of the banking sector

Sberbank in the Russian market

Sberbank reinforced its positions in the main segments of the Russian banking market.

Sberbank's share in the main segments of the Russian banking market[2], %



[1] Due to changes in the Chart of Accounts (according to Bank of Russia's Regulation No. 809-P), since 01 February 2023, part of the corporate funds portfolio was recognized as Subordinated Debt; therefore, the comparison with the previous periods is not entirely correct.

[2] Sber's shares are calculated using internal methodologies based on the Bank of Russia data. The share of the retail loans market includes loans granted by DriveClick bank.

Forecast for 2024[1]

MACROECONOMIC FORECAST

GDP growth rate

~2.8%

in real terms

Inflation

4–5%

BANKING SECTOR

Individuals

Loans

9–11%

SberBank outperforming the industry

Deposits

24–26%

SberBank on par with the industry

Corporate clients

Loans

12–15%

SberBank on par with the industry

Deposits

2–4%

SberBank outperforming the industry

SBERBANK'S FINANCIAL FORECAST

Income

>5.7%

Net average interest margin

~10%

Fee and commission income growth

Costs

~30–32%

Operating costs to income ratio **CIR**

~100–110 b.p.

Cost of risk **COR**

Equity

>13.3%

Capital adequacy ratio **N20.0**

Returns

>22%

Return on equity **ROE**

[1] As of 26 April 2024.

B2C Ecosystem
Retail Business

GRI 3-3

Lending

RUB 16.1 trillion
+29.3% YoY
retail loan portfolio balance

47.7%
+2.4% p.p. YoY
retail lending market share

Based on Bank of Russia data including DriveClick bank

MORTGAGE LENDING



55.9%
+2.1 p.p. YoY
mortgage market share according to the Bank of Russia

RUB 10.2 trillion
+34.9% YoY
mortgage loan portfolio balance

48.5%
share of mortgage sales through digital channels

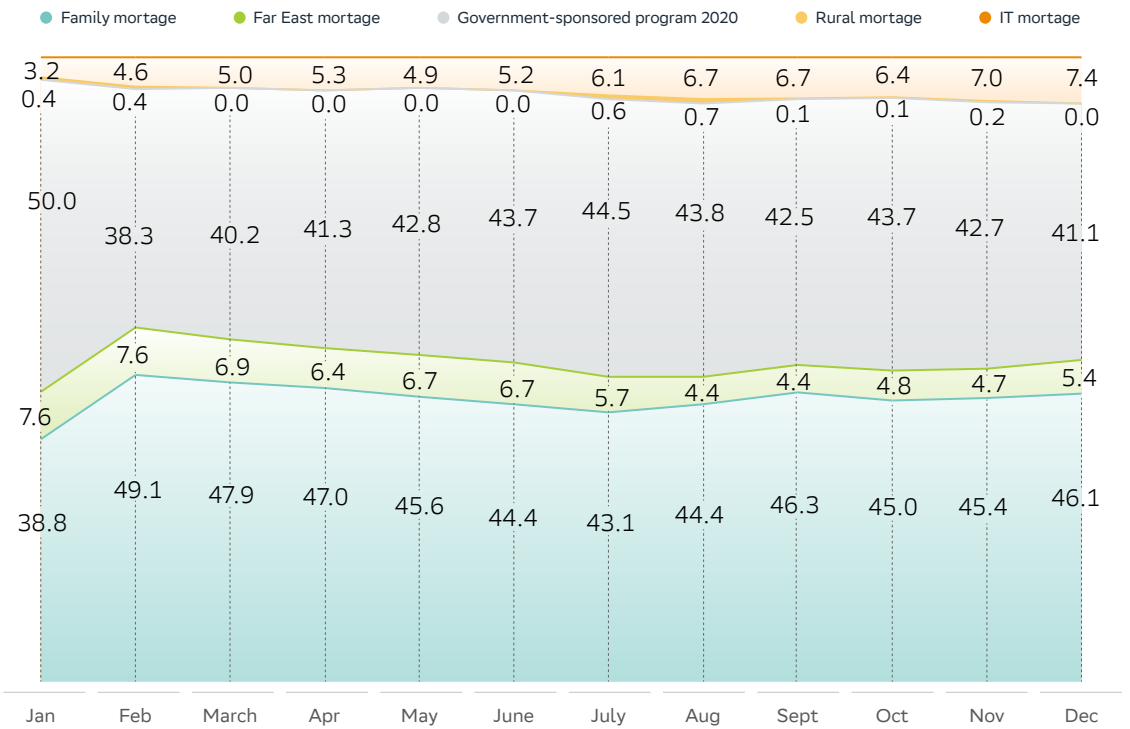
Sber is the market leader in single-family home financing transactions. 106,000 families received RUB 477 billion from Sber for these purposes in 2023, a x4.5 increase from the year before.

Single-family home loans

	2020	2021	2022	2023
Disbursed amount, RUB bn	7.0	24.3	102.0	476.9
Number of transactions, ‘000	3.1	8.0	24.6	106.3

Since 2023, Sber clients have had the opportunity to file a single loan application and get it approved for all programs at once, indicating the interest rate, maximum loan amount and monthly payment for each. Once approved, a client can choose the program that best fits their needs.

Breakdown of mortgages issued by Sber under government-sponsored programs in 2023, %



DomClick real estate platform

DomClick helps clients search, buy, sell or rent real properties and make secure transactions with them.

The platform continued growing in popularity during the reporting year, with user traffic reaching 18 mn during peak months. Some 2.2 mn ads were posted there in 2023.

The platform has implemented a comprehensive single-family home construction product under the name Build a Home with DomClick: more than 3,000 contractors have been accredited, and a showcase of home projects with Sber client feedback has been launched.

DomClick offered a new service called My Real Estate. The service is a one-stop shop for all things real estate: monitor the market value of a property, settle any mortgage loan servicing-related matters remotely, find out the contacts of a management company, order a design project and renovation of an apartment, organize a move, rent a place to live, or place a sale or rental ad. The service continues to evolve, with more than 2 mn people already familiar with it.

Over 300,000 clients have used our Registration and Settlement service, which helps securely register the transfer of title and carry out settlements between parties.

DomClick continues providing a high level of service to its clients:

- average time for making a decision per client: 1 minute;
- average waiting time for a manager's response in chat: 1 minute;
- average time for making a decision on a real property: 1 business day.

DomClick has won the following awards

Frank Mortgage Award 2023

★ Best digital mortgage service

★ Most loyal mortgage clients

CONSUMER LENGTH



x1.5 YoY

RUB 3.2 trillion

volume of consumer loans issued



+10.9% YoY

RUB 3.9 trillion

consumer loan portfolio balance

94%

share of consumer loans issued via Sberbank Online

+1.7 p.p.

39.4%

Sber's share of the consumer lending market, according to the Bank of Russia

Sber remains the leader in the consumer lending market by a wide margin, increasing our market share due to a high level of services, competitive terms and conditions, and a wide range of popular products and options.

95 mn Sber clients can now learn about their credit score using our **Credit Potential** service, as part of which 85% of Sber's salary clients have pre-approved credit offers. Our virtual assistant will tell you everything about loans and credit load, and how to reduce it. Our loan offers are automatically updated in line with changes in the client's credit history.

Demand for government-sponsored student loans increased x1.5 in 2023, as 73K clients applied for them. Sberbank Online supports important stages in student loan servicing, such as changing the term of a loan due to an academic leave, changing the loan amount, specialty, transfer to another educational institution.

Since 2023, Sber has been offering the popular Payday Loan service not only to our salary clients, but also to clients receiving pensions. Sberbank Premier clients can now benefit from a cashback loan, where a client will get 1.5% of their interest rate back monthly in SberSpasibo bonus points. The process under which young people can get a loan has been adapted to the needs of this particular demographic.

2023 consumer product awards

The Financial Elite of Russia

- ★ Award in the Consumer Bank of the Year category

Effective Education 2023

- ★ The government-sponsored Educational Credit product won the Product of the Year Award in the Educational Projects category

FINAWARD

- ★ The Credit Potential product was awarded a prize in the Service and Commission Solution category, 2nd place

CREDIT CARDS



50.2% +4.2 p.p. YoY

Sber's share of Russia's credit card market



20 mn + 2.2 mn YoY

number of active credit cards



RUB 1.6 trillion x1.4 YoY

credit card balance portfolio

2023 was a record year for Sber in terms of our credit card market share, which exceeded 50%.

Sber launched refinancing of credit cards issued by other banks on preferential terms with a promo rate of 9.8%, offering clients a custom set of purchases that can be made at a reduced rate. SberCard perks can be viewed in the new Card Privileges section within the Sberbank Online app.

In 2023, Sber was actively targeting SberCard holders with offers of new payment methods, such as balance repayment in equal instalments with the Spare Cash service or payment using a QR code through the Fast Payment System (FPS). Clients can now withdraw cash from their credit cards at ATMs using a QR code and the Sberbank Online mobile app.

A large-scale project to replace credit cards with a 50-day grace period with credit cards with 120 no-interest days was started. Not only that, but all other terms and conditions of the cards remain unchanged, including the interest rate, credit limit, rates and accrual of bonus points. There is no need to repay the balance on the old card in order to get a new one.

Awards

Best for Life International Design Award

- ★ A prize in the Design Concept of the Year category for displaying a credit SberCard balance

Retail Finance Awards

- ★ The credit SberCard won an award in the Service Quality category
- ★ 2nd place in the Best Retail Financial Product category

National Banking Award 2023

- ★ The credit SberCard won in the Banking Product category

POS LENDING

Sber is actively developing **POS lending**: over the past year, partners from the Healthcare segment joined the service, and the number of partners in the Education segment significantly expanding.

54 K+ (+13.5K over the year)
total number of partners

RUB 33.9 bn (+60% YoY)
POS loan portfolio

12.8% (+4 p.p. YoY)
share of total POS loans issued in Russia

Our **Buy Now, Pay Later (BNPL)** service helps pay for purchases in equal instalments over a short period of time. The service was first offered by Sber in 2022 and continues to grow successfully, with more than 100 partners that have already joined. Today, Sber invites clients to pay for goods in installments both over the classic two months - free of charge, or over four or six months - for an additional fee.

RUB 3.3 bn
BNPL disbursements in 2023



CAR LOANS

The new passenger car sales market recovered to 1.1 mn in 2023 compared to 620,000 the previous year. The pre-owned car market also showed positive dynamics, growing by 18%.

No. 1
Sber Group in 2023 by the amount of car loans issued and by the car loan portfolio volume

RUB 329 bn (x1.7 YoY)
car loan portfolio (DriveClick Bank + Sber)

16.1% (+1.8 p.p. YoY)
car lending market share (DriveClick Bank + Sber)



Transaction Business

ACQUIRING AND A CASH-FREE WORLD

Pay with a Smile

Sber launched biometric payments in 2023. Sber is the only bank in the world that has launched biometric-based payments for the largest client audience. A unique technology was created from scratch for this purpose, which uses 2D camera-equipped POS terminals while keeping the required security level. Not only that, but Sber's solution is 75% cheaper than existing market rivals. During the year, Sber installed 230,000 new POS terminals that support all existing types of payment, including using biometrics, QR codes, bank cards or stickers.

SberTips

Our new SberTips service helps leave a review or a non-cash tip using a QR code. The service is gaining momentum and at the end of 2023 ranked second in terms of market share among non-cash tip services.

SberPay is a family of Sber payment methods that help pay for purchases without a card.



+11.7 mn for the year

38 mn

number of SberPay users

SberPay NFC

Sber continued developing the SberPay NFC (pay with a smartphone) service. The bank added a feature to add store loyalty cards and present them at the cash register. The ability to pay with a locked smartphone home screen was added. During the year, the service's MAU increased from 3.2 mn to 9.1 mn.

SberPay online

Sber continues developing the SberPay online service as part of our web acquiring services. Today, the service is available to Sber clients on 100,000 payment pages of partner banks. In 2023, the Bank increased the service MAU from 24.4 mn to 33 mn

SberPay QR

Since 2023, Sber has been offering the new MultiQR product. This product enables clients of any bank to pay for purchases at 1.2 mn Sber self-service terminals using a QR code of the Fast Payment System or of Sber.

Nilson Report

№ 3 acquiror globally

№ 1 acquiror in Europe

Awards

CX WORLD AWARDS 2023

★ Our SberPay.NFC contactless payment service won in the Best Innovations in Client Experience category

Digital Leaders Award 2023

★ A single QR code for all payment services won the Product of the Year in the Import Substitution (Acquiring) category

[1] According to Sber analysts.

Sber is expanding the penetration of its non-cash public transit fare payment services.

RUB 100 billion +41% YoY

In 2023 we set a record for annual non-cash public transit fare payment volume

2.7 billion +26% YoY

trips paid for during the year with the help of Sber's transport acquiring

40 mn

passengers in 28 regions of Russia now have access to the innovative SberTroika ticket system

346 mn

trips paid for using SberTroika in 2023

A large-scale modernization started in the Yekaterinburg subway, where it is planned to replace all turnstiles with modern ones accepting non-cash payments

Sber developed the Regional Resident's Card information system and concluded government contracts to implement the solution

in 12 Russian regions.

2 mn MIR card holders use the Regional Resident's Card features on a regular basis: to ride in public transit, get school meals or dairy products for babies, and for other social support benefits.

PAYMENTS

The Sberbank Online app allows individual clients to pay for mobile phone plans and telecom services in 11 countries around the world, including mobile plans in the UAE and Turkey.

10 mn car owners are now able to use their car owner profiles. They can use them to pay traffic fines, view detailed information on any unpaid fines or view their payment history. A fine notification arrives automatically the moment the fine appears in the State Information System.

Sber sends 60 mn push notifications of newly issued bills to clients paying for utilities every month. The number of utility payments using Sberbank Online exceeded 1 bn for the first time in 2023.

Clients in the Republic of Crimea and the new territories (the Donetsk and Lugansk People's Republics, Kherson Region and Zaporozhye) can top up the balance of their Sber personal accounts at mobile phone operators. Together with the Sevastopol MFC, Sber implemented a possibility for residents of Crimea to pay for utilities, fines or duties at an MFC branch with a card issued by any bank.

Clients no longer need to carry a card to make a payment at a Bank branch – as they can now confirm the payment from a mobile phone. The technology is similar to payment via Sberbank Online: a bank employee performs a transaction on a tablet on whose screen the client will see their card and can confirm the payment using an SMS, biometrics or a push notification in Sberbank Online on their own phone. At some branches a similar technology is used in fixed operational and cash desks too. Every month, more than 100,000 payments are accepted using this technology.

MONEY TRANSFERS

Sber's online transfers have become even more convenient due to the raising of limits, removal of consents to transfers using the FPS, and the ability to set Sber as the default bank for incoming transfers. 117,000 clients have set Sber as their default bank.

In the reporting year, Sber updated our flagship line of SberPrime subscriptions. Now, the SberPrime and SberPrime+ subscriptions include increased limits for commission-free payments and transfers.

73 mn

clients made transfers in Sberbank Online in 2023

Debit cards

Sber is the leader in the debit card market:

For the second year in a row, Sber is the

№ 1 bank in Europe

in terms of card turnover, according to Nilson Report

135 mn

active debit cards

New debit and credit SberCards are issued for a 10-year term. Clients can order a new card or have their card reissued instantly, without the need to visit a branch.

For SberCards issued within the Sberbank Online mobile app, a client can benefit from all Prime subscription features.

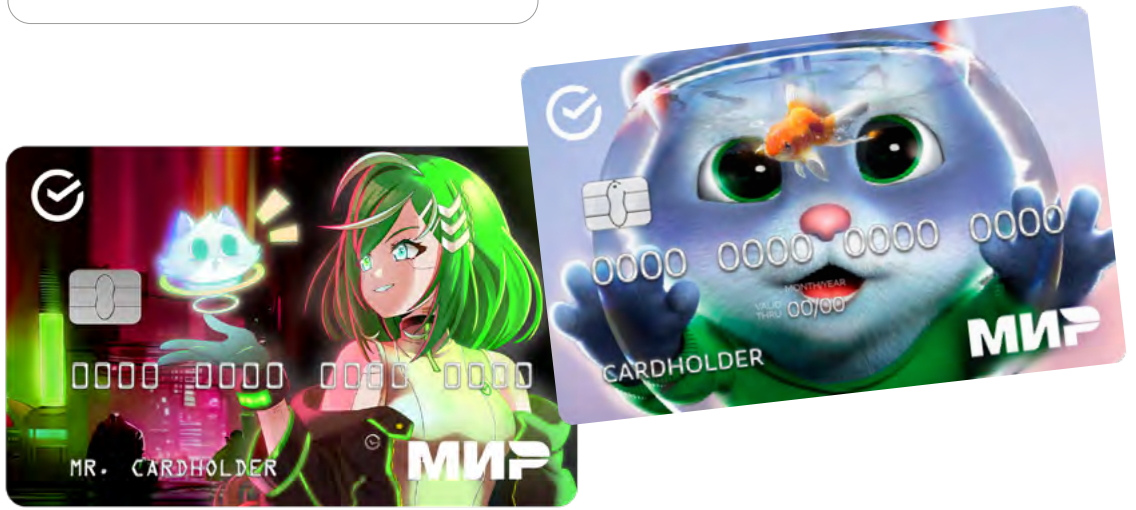
Starting with 2023, courier delivery of SberCards to the Bank's new clients in St. Petersburg, Kazan and Ufa takes one or two hours. Delivery of cards to Sber's clients in Moscow, Kazan and Ufa takes 15 minutes.

7 minutes

the fastest delivery of a new card to a Sber client in Ufa

Sber pays attention to the emotional factor when ordering cards. Starting with 2023, clients can choose a digital or physical design of their card and payment sticker for contactless payments. SberFirst clients can order a metal SberCard.

Combined payments using SberCard with a linked payment account were introduced in 2023 for clients with Android smartphones. If funds on the primary account are insufficient, a debit can be made from other accounts, including a credit card. No transfer fee will be charged in that case.



Awards

FRANK RG

★ The SberCard Prime+ was named the best card for the mass client segment according to Frank RG (Frank Debit Cards Award 2023)



Sberbank Online

Sberbank Online app (web and mobile):

81.9 mn MAU +4.2% YoY

43.7 mn DAU +6.9% YoY

The Sberbank Online app is

12 years old!

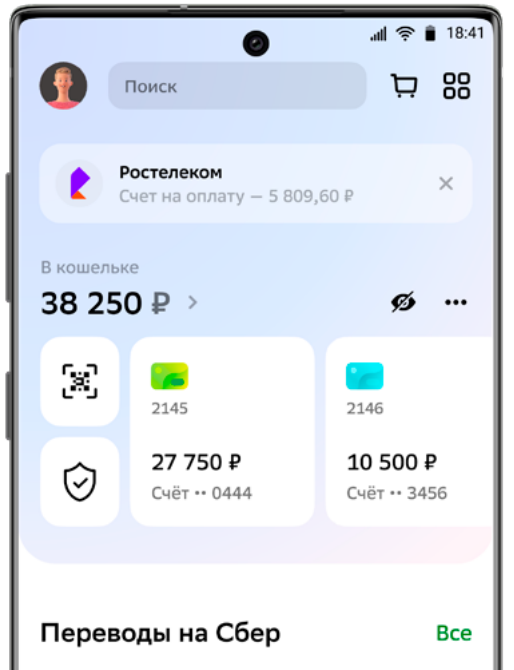
The Sberbank Online app remains popular among millions of clients who use it to make 26 transactions per month on average. The Bank records 113 mn sign-ins to the app every day.

Currently, Android smartphone owners can install the latest version of Sberbank Online from popular app stores or from RuStore, or download the app from Sber's official website. Owners of iOS devices can use an adapted web version of the mobile app or contact a Sber branch to install the Sberbank Online mobile app on their devices.

The most exciting innovations in the mobile app introduced in 2023 include:

- a third of clients started tracking their spending on the home screen using the key Wallet, Transfers and Expenses services;
- account balances can be hidden if necessary;
- the new privilege space displays all available benefits;
- security settings were made more prominent and placed next to the client's finance information, while protection from fraud is now attractively communicated;
- clients can now make purchases in a marketplace without leaving the app;
- clients can design a custom splash screen for the app using the Kandinsky neural network.

276 K
clients took the opportunity to generate their own splash screens.



Awards

Runet Rating All-Russian contest of websites and mobile apps

★ A win in the Finance, Investments, Banks nomination in the Apps category

SberSpasibo

SberSpasibo is Russia's largest bank loyalty program. The program's bonus point fund is financed by Sberbank and our partners, with the collaboration format offering benefits for all involved.

77.2 mn
SberSpasibo program participants
+11.0 mn YoY

37.6 mn MAU
of SberSpasibo on the ecosystem surfaces, of these:

33.6 mn MAU
of the SberSpasibo section in the Sberbank Online mobile app

3.2 mn MAU
of the SberSpasibo website

0.8 mn MAU
of queries on the subject of SberSpasibo in the Virtual Assistant

SberSpasibo loyalty program 2023 results

>164 bn
SberSpasibo bonus points accrued to clients in 2023

418
active partners of the SberSpasibo program
+158 new partners for the year

67 bn
total bonus point fund accrued by the partners of our loyalty program

Loyalty program partners marked by mapping services:

68 mn MAU
on 2GIS maps

8.2 mn MAU
on Sberbank Online home page maps

During the year, Sber conducted 480 campaigns offering increased bonus points, including nationwide projects dedicated to 23 February, 8 March, Sber's Green Day and the New Year's Day. More than 13 mn people took part in the promotion campaigns, with more than 2 billion bonus points accrued by our partners.

Since 2023, strategically important Sber payment services, including biometric, SberPay QR and SberPay Online, have been offering an opportunity to spend SberSpasibo bonus points. Clients can spend SberSpasibo bonus points at program partners without using a bank card, including by paying with a smile.

In 2023, a video streaming service, a music service and a marketplace that had abandoned its own loyalty program in favor of Sber's were added to the Unified Loyalty Program.

SberSpasibo loyalty program awards

Workspace digital awards
- ★ 3rd best in the Finance category (SberSpasibo app)

Loyalty Awards Russia
- ★ Efficient use of media (the SberSpasibo Telegram channel);
- ★ Best cashback program for banking products;
- ★ Gamification of the year (the Take You up on That game);
- ★ Jury Grand Prix for best loyalty program

Proba Awards
- ★ Short list for the Marketing Communications nomination (SPASIBOMARKET)

Prometheus
- ★ A win in the Economy and Business category (the SberSpasibo website)

SberPrime

SberPrime is a subscription to services offered by SberBank and our partners.

+4.2 mn YoY

10 mn
active SberPrime subscribers

9.1 mn MAU
i. e. 90% of subscribers actively benefit from the subscription's services

RUB 58.8 bn
subscribers' savings in 2023

The growth in the number of subscribers was due to updates to the contents of the SberPrime and SberPrime+ subscriptions.

The **SberPrime** subscription now includes commission-free transfers to Sber clients and no-fee payments for services for up to RUB 200,000. What's more, subscribers are no longer charged for SberCard service fees or SMS alerts of card transactions.

An increased cashback with SberSpasibo bonus points at 5% of the check amount at cafes and restaurants was added. The subscription now includes the Optimum video streaming plan that contains over 90,000 movies, series and cartoons, in addition to live sports broadcasts and TV channels. Sber's partner mobile operator also offered special privileges.

The **SberPrime+** subscription now includes commission-free transfers to Sber clients and no-fee payments for services for up to RUB 400,000.

In addition, for a monthly fee of RUB 99, clients are now offered the **SberPrime Start** subscription to financial services, which includes a free mobile bank and no-fee card service, as well as a 5% cashback with SberSpasibo bonus points at restaurants or cafes.

Since 2023, it has been possible to sign up for a SberPrime subscription within the services of certain Sber partners: the online cinema, the marketplaces, the mobile operator. All clients with video streaming subscriptions had their conditions improved, and their subscriptions were converted into SberPrime. Clients have thus received even more offers and services included in SberPrime for the price of their former video streaming subscription.

In 2023, Sber modified its line of subscriptions and conducted active communication campaigns promoting personal benefits of subscriptions, which had a positive effect on growth of the subscription base: 68% of reached clients renewed their subscriptions.

The self-employed

For clients' convenience, we implemented the ability to sign up for the My Business service from a tablet of a bank employee. The self-employed now have an opportunity to work under a franchise. Clients can create a website for their business using AI offered by one of Sber companies. Self-employed sellers were granted access to a marketplace.

A reduced rate on consumer loans was set for the self-employed who signed up for Sber's My Business service.

1.7 mn
self-employed have registered on the My Business platform

Sber's My Business service awards

The Russia's Best ESG Projects 2023 award
- ★ In the Fulfilling Work and Economic Growth. Economic Growth Programs category

Regional Development 2023 award
- ★ A win in the Digital Project of the Year nomination in the Business and Service category

The Time for Innovation award
- ★ In the Service Solution of the Year category

The Silver Mercury marketing award
- ★ Silver for a project with superhero comics about the self-employed

Funds of Individuals

+23.8% YoY

RUB 22.9 trillion

balance of funds due to individuals

43.9%

share of Russia's deposit market

2023 saw a significant increase in Russians' savings. Sber's retail deposit portfolio also increased several times faster than in 2022, as a record increase in ruble term deposits was recorded in December of last year.

At the end of 2023, the currency breakdown of Sber deposits was dominated by ruble accounts, which accounted for more than 92% of all balances. The share of US dollar and euro deposits continued declining in favor of friendly currencies.

The strong results were achieved thanks to a number of pricing and product decisions, a custom approach and a high level of service.

During the year, Sber gradually raised interest rates on deposits and accounts in line with increases of the key rate by the Bank of Russia, with the top interest rate on deposits rising from 9.50% to 16.5%.

Sber's range of deposits now takes into account the interests of various depositor groups: salary clients or those who get their salary deposited to another bank, low- or high-income clients, individual entrepreneurs, real estate sellers, pensioners, and many others. The campaigns to attract funds into deposits were supported by Sber's media campaigns.

Among our most striking promotions of 2023:

- Provision of an add-on to interest rates on deposits for clients with a SberPrime+ or SberPrime+ Salary subscription, or those with a New SberPremier, SberFirst or Sber Private Banking service plans, or for having a salary deposited to Sber
- Transfer of the Best % range of deposits to new interest rate calculation mechanics depending on the current and maximum balance of funds on a client's deposits opened at Sber
- An opportunity for clients to transfer a portion of their income from certain deposits to charity, with a choice of a charity foundation and the amount of donations
- To attract and retain clients, we offered new for us savings accounts earning interest on a daily balance
- Expansion of the geographic area where an Islam finance-compliant Amana account can be opened
- A special focus was on attracting funds in the currencies of friendly countries. The interest rate on the RMB Deposit was raised from 2.38% to 3.52%. The Dirham Deposit was launched, earning a maximum interest rate of 3.04%. A possibility to open a Savings Account in Kazakhstan tenge, UAE dirhams, Belarusian rubles or Indian rupees was implemented; the Aman account can now be opened in Chinese yuan or UAE dirhams

Precious metals

Precious metal coin sales amounted to 325K pieces in 2023, an equivalent of RUB 13.8 bn. Gold investment coins accounted for the majority of this volume.

271 tons
Unallocated bullion accounts, including gold, silver, platinum and palladium

In 2023, the Kandinsky 2.1 neural network was used to design a silver coin with the image of a dragon, the symbol of 2024. Strong demand for the coin has confirmed the outlook for using AI to develop commemorative coin designs.

Since 2023, an AI model has been used to buy back coins. The model uses a photo to determine the authenticity, that is, the matching of the actual and reference images, of the most mass-produced gold investment coin, the St. George, weighing 7.78 grams. It is planned to improve the model in the future to make it work with any coin from the Sber catalog based on an image, which will not only allow us to determine the authenticity of the coin at the time of buyback more accurately, but will also reduce employee errors and speed up the transaction.

An exhibition and a sale of coins were organized at the International RUSSIA EXPO held at the VFNH EXPO venue in 2023. A coin corner has been set up in the innovation and retro areas of Sber's pavilion where one can pay for coins using biometrics, a QR code or a card of any bank. Within two weeks of purchasing a coin at VNDKh, the client will be awarded SberSpasibo bonus points at 10% of the coin value, up to 10 thousand bonus points.

Currency exchange

In 2023, Sber expanded the list of currencies available for cash or non-cash exchange. Since last February, the Bank has offered to buy and sell cash dirhams, the UAE currency. Non-cash exchange of the Indian rupee is now possible.

Sber was consistently increasing the number of branches that exchange foreign currency cash of 16 countries, including currencies of friendly countries. The service is available at 34 Sber branches in 23 Russian cities.

Amid the existing restrictions imposed by the Bank of Russia since 09.03.2022 on disbursement of foreign currency cash from deposits/accounts/cards of the public and due to the limited opportunities for importing foreign currency banknotes into the territory of Russia, the Bank was using flexible and dynamic pricing during the year to meet clients' needs for the US dollar, euro and other types of currency cash on a reliable basis.

During 2023, as part of a social support program, the Bank continued exchanging Ukrainian hryvnia cash for Russian rubles throughout Russia for permanent residents in Ukraine who were forced to leave Ukraine and arrive in the Russian Federation, in accordance with the procedure established by the Bank of Russia. In 2023, the Bank bought UAH 30 mn, 10% of the 2022 amount (the program was launched in April 2022).

Safe deposit boxes

The Bank offers safe deposit boxes for rent to individuals and legal entities at almost 900 branches across Russia. Over the year, the occupancy rate of client vaults increased to 60%. The service is in strongest demand in Moscow and the Moscow Region, where occupancy stands at 74%. Two new client safe deposit box vaults were opened in the Republic of Crimea in 2023.

Under regular lease agreements, the Bank enables clients to renew safe deposit box rentals remotely via Sberbank Online. 71% of clients renew their leases without a visit to the branch, mostly using the service in the Bank's mobile app.

Starting with 2023, the rollout of a process whereby a bank manager will serve clients on the Bank's new platform using a tablet to visit a box began. This is a modern and unrivaled process that further improves security for the client and reduces the time spent at the branch.

Awards

The Time of Innovations 2023 contest

★ The seamless client service process in the valuables vault was awarded with a diploma in the Innovation of the Year category

Service quality

Taking care of our clients and providing them with high-quality services have always been at the core of Sber's priorities.

To improve the quality of our services, Sber took 880 steps in 2023 to eliminate the root causes of client complaints. In addition, migration to a target platform for review and processing of complaints has been completed, which will significantly reduce the response time.

New technology continues playing an important role in improving the quality of our services.

Our voice assistant at phone number 900 helps resolve 64% of general client queries faster without involving a representative. This, in turn, increases client satisfaction, with the CSI index reaching 90.79%

Improvements in the quality and speed of service have also been achieved regarding matters that require a representative to be involved. This is a result of an increase in the number of scenarios for the contact center operators' AI assistant and introduction of a new Knowledge Base.

The transition from a text-based chatbot to a virtual assistant in the Sberbank Online mobile app has enabled users to both text the assistant and communicate with it by voice. The assistant has been trained to answer non-banking questions asked by clients.

by 7.7% over the year
The number of client complaints decreased

>55%
of complaints resolved within 24 hours

>65% within 48 hours

Clients can feel these improvements: in 2023, they said "Thank you" to Sber 50 mn times and left 390K longer thank-you reviews.

Improving financial literacy

The Bank continues implementing a project on custom training of clients in balanced savings attitudes and responsible finance. A financial literacy index has been calculated for all Sber clients based on an international methodology of the Organization for Economic Cooperation and Development, which includes 21 parameters on knowledge about finance, financial behavior and financial attitude. An AI model selects a custom training program for each client based on the analysis of 15,000 parameters, taking into account their financial instrument preferences and the current level of their financial literacy.

Digests generated as part of the project are unique for each client and contain sections on finance and cybersecurity and lifestyle articles selected according to the client's interests. Ten savings and investment products were added to the digest in 2023, including brokerage and individual investment accounts, savings accounts, credit and non-credit insurance programs, etc.

In November, Sber supported the All-Russian Online Financial Literacy Test co-sponsored by the Bank of Russia and the Agency for Strategic Initiatives. The project aims to increase the financial literacy level of the public by explaining each question to participants with references to additional materials. Building knowledge and skills helps people make informed financial decisions that increase their financial well-being and mitigate financial risks. Invitations to take part complete with a link were sent to 45 mn clients in the Youth, Active Age and Pensioners segments. 2.5 mn clients clicked on the links to access the test page.

+0.5 points YoY

14.6 points
average financial literacy index for Sber clients out of the maximum 21

The training enabled clients to earn 10% more income from placement of their funds and to become 21% more successful in their investments

>25 mn
clients receive monthly digests of 29 banking products

50 K
clients passed the Financial Literacy Test and were awarded Bank of Russia certificates

Services for Various Client Segments

CHILDREN

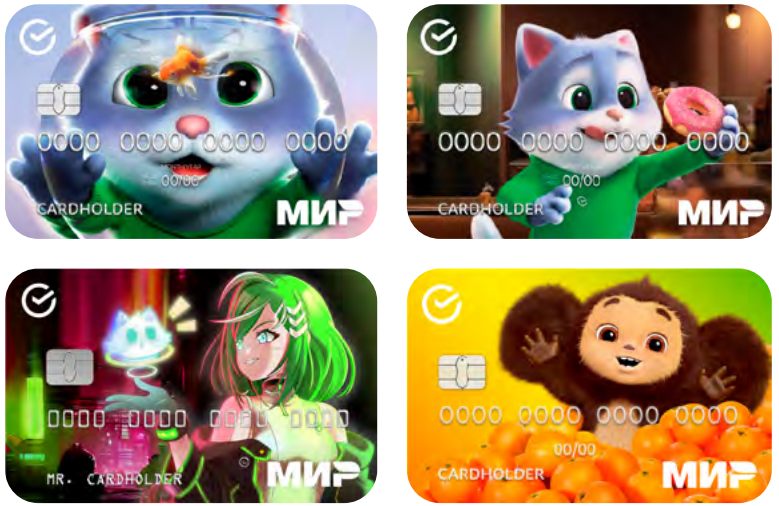
The SberCard for Kids and the SberKids mobile app are key Sber products for children.

>3 mn +75% YoY
active children clients

SberCard for Kids: a full-fledged personal bank card for a child

SberCard for Kids is a fully functional personal no-fee plastic debit card for children aged 6 to 13 inclusive. Sber made the mobile bank feature free of charge on this card in 2023. The Bank introduced a free trial period for the Joint Notifications service, where parents receive alerts of transactions made with their children's cards.

Parents can order a SberCard for Kids in three design variants of their choice, each selected taking into account the interests and preferences of children of different age groups. In addition, in 2023 Sber released four limited designs of SberCards for Kids.



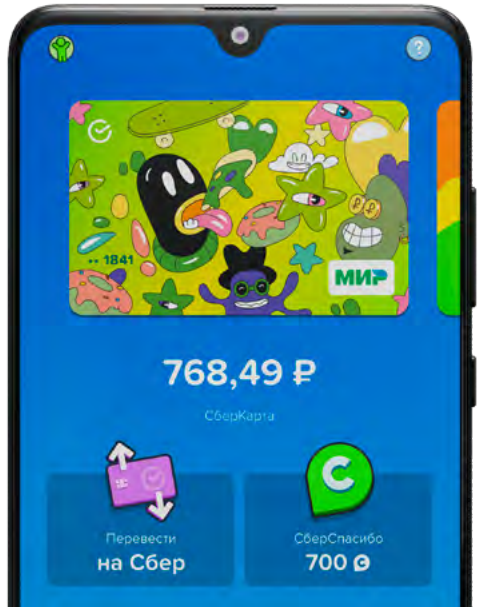
The SberKids mobile app is a financial assistant for our youngest clients

The SberKids mobile app is an easy way to teach a child how to use money on their children's SberCard. Starting with 2023, children can make instant no-fee transfers of up to RUB 50,000 per month to Sber cards of friends or parents in the SberKids app. Every day, children make some 65,000 transfers for an average of RUB 576 each.

A child can open a Moneybox in SberKids, which will help them save cash for a purchase of their dreams. Almost 2 mn children have opened such Moneyboxes with an average balance of RUB 1,157. The most popular goals of children's savings are a mobile phone, a tablet or headphones. Sber raised the interest rate on the Moneybox to 4.8% in 2023.

1.51 mn MAU x2.6 YoY

0.46 mn DAU x3.7 YoY



YOUTH

Teenagers

4.4 mn
clients



69%
market share in the Teenagers segment

2.1 products
per client

Youth

9.4 mn
clients

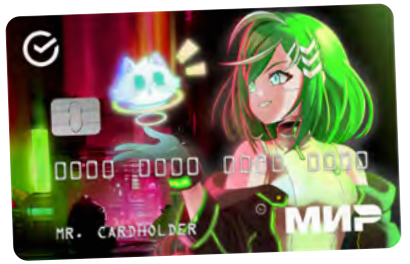


86%
market share in the Youth segment

5.5 products
per client

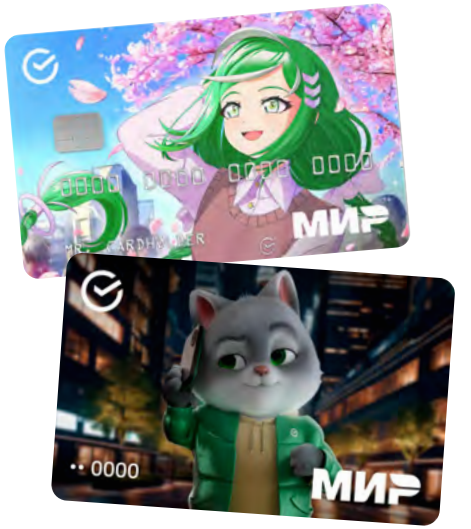
The SberCard for Youth is our key product for teenagers and young people aged 14 or older. In 2023, Sber conducted an advertising campaign offering increased cashback with SberSpasibo bonus points for scooter rentals for the whole summer.

Starting from September 1, a limited card design series was issued, featuring a virtual assistant, an anime girl character named Sber-Chan. Clients aged between 14 and 21 could apply for such a card free of charge.



To achieve increased mass promotion, the SberCard for Youth was integrated into bloggers' content as bloggers touted the SberCard for Youth in Minecraft on the YouTube platform. Sber was awarded the golden prize in the Best Campaign for a Financial/Insurance Institution nomination and two bronze prizes in the Best Cyber Sports Campaign and Best Special Project with Bloggers nominations for that integration.

In addition, limited paid designs of cards featuring SberChan and SberCat were updated in Sberbank Online.



At the end of 2023, a project was launched where employees of the Bank's Lean Labs[1] give a limited-issue Digital Welcome Pack (2,000 pieces) to new teenager and youth clients together with a debit card. The package includes SberCat stickers and a showcase featuring special offers for new clients from Sber and our ecosystem companies. Sber is planning to expand the project further based on feedback from clients and to fill it with even more interesting offers and giveaways for new clients.

In 2023, youth loans from Sber for any purposes became available to clients aged 18 or older and for smaller amounts than before. In addition, the Bank simplified the loan application client journey. As a result, Sber's portfolio grew by 1.5 mn loan agreements during the year.

We relaunched our line of SberPrime subscriptions for teenagers and youth, which had a very positive response from that demographic. The youth subscription still costs RUB 149 and it now includes financial services such as a free mobile bank, increased cash transfer limits, increased cashback with SberSpasibo bonus points at cafes and restaurants, etc.

For the first time in 2023 Sber supported the youth cybersport, as gaming is one of the top areas of interest for this age group. Sber's first Dota2 cybersport tournament was held, as part of which the SberCard for Youth was promoted; 5.8K participants played over 3,000 matches, with broadcast views exceeding 500K.

[1] Our Lean Lab ("Process Factory") is an advanced learning center that offers hands-on training in lean production principles and performance improvement tools.

SberCat is Sber's Ambassador Character

13.3 mn
subscribers to the SberCat chatbot

4.2 mn
subscribers to the SberCat community

In 2023, Sber introduced SberCat, our digital ambassador. This character now stars in ads, does live streams and chats with subscribers, leads tours and lectures schoolchildren. SberCat is present in our new banking products, including digital design of cards and payment stickers. Sber's partner e-commerce companies offer SberCat-branded collections.

For more details on Sber's educational projects for children and youth, please refer to the Social Responsibility and Regional Population Support section of the ESG report.

The SberCat relaunch has reached

>80 mn
people through the media



Awards

E+ Awards prize

- ★ Silver and bronze in the Youth Marketing and Business Challenge categories for a gaming simulator of how to start a business and open an accumulation account in the format of a mini app in the VKontakte social network

PARENTS

Sber continues developing banking products for parents. We offer the Parents promotional deposit with an interest rate increased by 0.2 pp. Parents have opened almost RUB 2 bn worth of such deposits.

22.3 mn parents +5.7% YoY



A free training course entitled "How to Raise a Financially Literate Child" was created on the SberSova portal. The course addresses how to communicate with children of different ages:

- 3 to 6 years old – how to explain where money comes from
- 7 to 10 years old – how to teach kids to manage pocket money
- 11 to 14 years old – how to cultivate financial awareness in children
- 15 to 18 years old – how to prepare kids for an independent financial life.

Course trainers share their personal and professional experiences.

Awards

Effective Education 2023

- ★ Nomination: Project of the Year. Category: Digital Education. Project: "How to Raise a Financially Literate Child" training program

SENIORS

Sber continues developing pension services for seniors.

Pension delivery, certificates of pensioner and pre-pensioner status and future pension entitlement calculations are all available both in Sberbank Online and at Sber branches. The Bank has completely abandoned the use of paper applications for in-branch pension transfers and now processes them electronically only, in line with our environmental values.

Starting with 2023, clients can apply for both transfer and assignment of pensions through Sber channels, something that was previously only possible at Russian Social Fund branches.

Sber helps clients navigate the complicated retirement process both on our Active Age website and in the Sberbank Online app:

- five years before clients reach retirement age, Sber tells them about the pre-pensioner status, the federal and regional benefits, the amount of their accumulated pension and how to receive it at their SberCard, and about applying for a pre-pensioner certificate. 630K people used these services during the year.
- one year before retirement, Sber introduces the client to pension-related services and provides a step-by-step instruction on how to prepare for retirement; this instruction was used by more than 410,000 people

Sber has improved its product offerings for pensioners.
The minimum loan amount was reduced to RUB 10,000.
The PayDay Loan service was extended to pension recipients at Sber – it now enables pensioners to take out small short-term loans until their pension arrives.

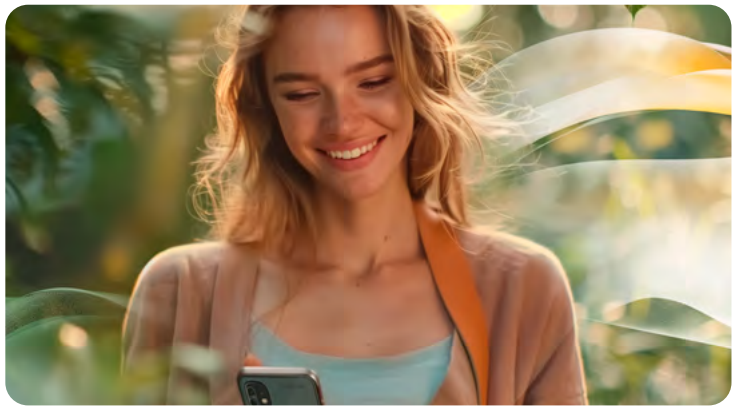
Agreements were concluded with the Social Fund of Russia in the new territories and in the Republic of Crimea, which enabled us to start crediting pensions and social benefits in those regions to accounts. Sberbank has removed a fee for withdrawal of funds at third-party ATMs for pensioners and social benefit recipients in those regions.

Sberbank has removed a fee for withdrawal of funds at third-party ATMs for pensioners and social benefit recipients in Crimea and the new Russian territories.

During 2023 compensation measures were provided to support citizens with the “refugee” status, for whom debit card fees were reduced. Throughout 2023 Sber was promptly taking social measures to support those affected by emergency situations and natural disasters.



PAYROLL SOLUTIONS



“Just Like a Salary Account” is a personal payroll project that enables a person to transfer a portion of their salary to a Sber card and get salary client privileges regardless of their employer’s bank of choice. Such clients now have access to a special scenario of seamless activation of a “Just Like a Salary Account” personal account and two scenarios of enabling the service without first confirming their income through the Government Services website.

Sberbank made it possible to send details for salary transfers from the mobile Sberbank Online app to SberBusiness Online using a QR code. This option has allowed clients to become salary recipients faster and easier due to instant transfer of their details to employers.

Individual clients can apply for a salary card on the premises of an employer from a tablet of a Sber employee using a QR code received from the employer. It has also become possible to issue offline or online cards onsite, with company employees becoming capable of using a card immediately after they receive it.

SBER'S HIGH-INCOME AND PREMIUM SERVICE CHANNELS

SberPremier

SberPremier is a category of high-income SberBank clients whose monthly receipts and account balances are higher than average, but still not enough to move to a higher premium level.

2.4 mn
SberPremier channel clients

2023 SberPremier awards

Frank research group

- ★ SberPremier received the Frank Research Group award in the Best Bank for Premium Light Clients category for the first time

Sber offers SberPremier clients services at regular branches or in dedicated Premier areas within branches by a Bank's client manager, or remote services by a remote manager.

In 2023, Sber updated the content of its SberPremier flagship product to include the most popular options: the ability to use business lounges was restored, no-fee money transfers and payments to legal entities up to RUB 400,000 per month were introduced, a new line of accumulation products with better terms, cashback on loans and accrual of SberSpasibo bonus points for credit card spending were offered, and options from SberLaw, such as legal advice and traffic fine appeals, were included. The SberPremier product is available to clients free of charge as long as certain criteria are met, or for a fee.

SberFirst

SberFirst is a service channel for Sber's premium clients.

SberFirst:

>145 K +19% YoY
members

+36%
portfolio under management

>98.8%
CSI

A concierge service was added to the SberFirst service package and a credit SberCard was included in 2023. A seamless transition between the SberPremier and SberFirst service packages was implemented.

The number of subscribers to the SberFirst Telegram channel rose from 25,000 to 64,000.

The Bank calculates a "client care index" for relationship managers, which reflects clients' knowledge and use of privileges available to them. The index grew by 40% in the nine months after it was introduced. The segment's clients earned RUB 67 bn in additional benefits during the year.

SberFirst awards:

Frank RG

- ★ For a third year in a row, SberFirst was named the best bank for Top-Affluent clients
- ★ SberFirst card named the best debit card for Top-Affluent clients

Tagline Awards

- ★ The SberFirst for the First Telegram channel won silver in the Best Social Media of a Financial Company category

Sber Private Banking

Private Banking is Sber's highest level of premium services.

90%
NPS consumer loyalty index

Sber Private Banking has approved a new three-year development strategy. Its top priorities include active development of family office services, substantial growth of Sber Private Banking branches in the regions, and use of artificial intelligence benefits to analyze and generate relevant offers and services for Private Banking clients.

In 2023, the total amount of Sber Private Banking assets under management reached a record high and exceeded a symbolic threshold, topping the pre-crisis level of 2021. After an initial market slump and the subsequent outflow of funds, investor activity began to grow. Last year's results testify that this is not a temporary phenomenon, but a steady trend. In 2023 Sber's efforts were focused on finding alternatives to instruments that had become unavailable and on offering new forms of investment to clients according to their risk profiles.

New services:

- exclusive foreign currency-linked investment products;
- family office services: inheritance, healthcare, education;
- Portal DA (Private), an exclusive showcase where one can find the rarest and most exciting assets: from classic cars to designer travel to premium real properties;
- a special line of credit products secured by unconventional collateral with custom interest rate calculations;
- a consolidated client report on asset structure and portfolio yield.



Sber Private Banking awards

CX AWARDS, an annual client experience industry award

★ Winner of the annual CX AWARDS client experience industry prize in the Best Client Service Team and Best Staff Training and Development Program categories

Frank Private Banking Award

★ Winner in the Best Multi-Family Office Services for Private Banking category for developing tax, legal advisory and operational Family Office services as part of the Frank Private Banking Award

Wealth Management

In 2023, Sber increased its share of the key markets[1].

	2022	2023	Change
Individual property insurance market	22.8%	34.7%	+11.9 p.p.
CASCO (comprehensive vehicle insurance) market	1.3%	1.4%	+0.1 p.p.
OSAGO (vehicle owner's liability insurance) market	1.5%	1.5%	+0.01 p.p.
Life insurance market	32.7%	37.1%	+4.4 p.p.
Investment and endowment life insurance market	33.3%	35.9%	+2.6 p.p
Mandatory pension insurance market	22.6%	23.0%	+0.4 p.p.
Private pensions market	5.3%	5.5%	+0.2 p.p.
Brokerage service	19.1%	17.8%	–1.3 p.p.
Corporate insurance market	3.2%	4.1%	+0.8 p.p.

The **individual property insurance market** grew by 41% over the 9 months of 2023 compared to the same period of 2022, driven mainly by the strong performance in the mortgage lending sector. The drivers underlying growth of Sber's share of this insurance business line are Sber's growing share of the mortgage lending market, as well as sales of the "Protection for Any Occasion" modular product.

The Russian CASCO market gained 20% on the back of growing new car sales with a broader offering of Russian and Chinese brands, and against the bancdrop of an increase in the average insurance policy cost caused by rising car and parts prices. The OSAGO market grew by 23%, supported by the widening of the tariff range since September 2022. Sber's share of the **auto insurance** market remained at the previous year level, with the focus being on customer satisfaction levels.

Growth in SberNPF (Non-state Pension Fund) share of the **mandatory pension insurance** segment was driven by the Fund's above-market investment performance and lower than market average lump sum payment rate.

Growth in SberNPF's share of the private pensions segment was underpinned by the Fund's above-market investment performance and an upward trend in private pension contribution revenues: over the 9 months of 2023, SberNPF contribution revenues increased by 17% year-on-year, while the market as a whole lost 1%.

The **investment and endowment life insurance** market displayed a 1% growth in premium revenues, the market slowdown was associated with the key rate growth. Sber's share of this market grew on the back of the "Managed Capital" product.

Sber failed to keep its share of the growing **brokerage market** as market growth was brought about by non-US sanctioned companies through "substitute" bonds and growing prices of foreign securities.

[1] Sources: Bank of Russia, the Russian Insurers Union. Indicators of the non-life insurance market (CASCO (comprehensive cover), OSAGO, individual property insurance, etc.) are not fully comparable year-on-year, as the reporting methodology of insurance companies has changed.

Risk Insurance

PROTECTION FOR ANY OCCASION

Sber increased its share of the individual property insurance market largely due to the development of the “Protection for Any Occasion” bundled product. The product concept implies that a client defined range of diverse insurance risks may be bundled into a single policy. As a policy may cover different types of risks, this enables savings of up to 25% of its price. The client will get a benefit of 10% on choosing two risk types, and 15% on choosing three. The SberPrime subscription will bring a further 10% discount. Clients can buy a policy in any Sber branch, via Sberbank Online mobile app or via the SberInsurance website.

Sber added a fourth module, Protection against Serious Diseases, to the three modules of the bundled product; the module may include provision of and payment for medical services in case of first-diagnosed oncology, as well as cardiac and neuro surgery, bone marrow transplantation. The Save Your Finance module coverage was expanded onto money transfers to fraudsters via an ATM or terminal immediately after money withdrawal from an ATM, robbery after cash withdrawal at a branch. New options were added to the Home Protection module: compensation for damage to neighbors during renovation, breakdown of large appliances and the ability to insure two objects in one policy, e.g. an apartment and a house. it is possible to buy additional modules.

For the filing of claims in respect of an event insured under the Save Your Finance product, a machine learning model (ML model) for uploaded documents recognition was embedded into Sberbank Online. The time for payment of compensation for insured events was significantly reduced, too. For instance, with regard to the Save Your Finance product, payments on a half of all claims received via the Sberbank Online mobile app are made to a card within 30 minutes instead of one to three business days.

SberInsurance continued to support clients in difficult times. Losses suffered by clients whose property was damaged by a hurricane in the Krasnodar Territory and Crimea were settled following a simplified procedure. The same practice was applied to those who suffered from natural disasters in the Primorsky Territory and fires in the Kurgan Region. Losses of clients who suffered health, housing and property damage because of the collapse of an apartment building in Astrakhan were settled on a priority basis.

Awards won by the Protection for Any Occasion product in 2023

Quality of Service and Consumer Rights Award

★ Award in the “Program of the Year. Comprehensive Service” category

FinAward

★ Most Customer-centric Product

Time for Innovations Award

★ SberInsurance’s quick payment solution for the Save Your Finance product won the Service Solution of the Year award

Banki.Ru award

★ SberInsurance was named the Insurance Company of the Year

The Future of Insurance Market Forum arranged by Expert RA

★ Dynamic Development Award

SPORTS PROTECTION

The list of athletic disciplines for the **Sports Protection** product was expanded to 302. A simplified loss settlement process was introduced, halving the time for payments to clients in respect of an insured event to two days.

SERVICES FOR MIGRANTS

An electronic policy for the Migrant product was developed, including integration with the Unified Portal of State and Municipal Services and connection to the Unified System of Interagency Electronic Exchange.

TRAVELERS' INSURANCE

According to a research by Frank RG, in 2023, the **Travelers' Insurance** product is a leader of non-banking privileges in premium service packages. For SberPremier, SberFirst and Sber Private Banking clients, the process of instant payments upon flight delays under the Travelers' Insurance product was changed; it now allows claiming compensation for an already completed flight.

Modifications were made to the stand-alone Travelers' Insurance product in the Sberbank Online mobile app that have become the product's distinctive features: it is now possible to activate the Housing Protection option, activate insurance on the day of departure, and use business lounges based on a special offer from a partner.

An even greater degree of protection is afforded as the Special Occasion option is extended with protection against the risk of missing a return flight as a result of a traffic accident, and the Roadside Assistance option, with protection against the risk of having to go back home in case of the driver's injury, illness, or loss of documents.

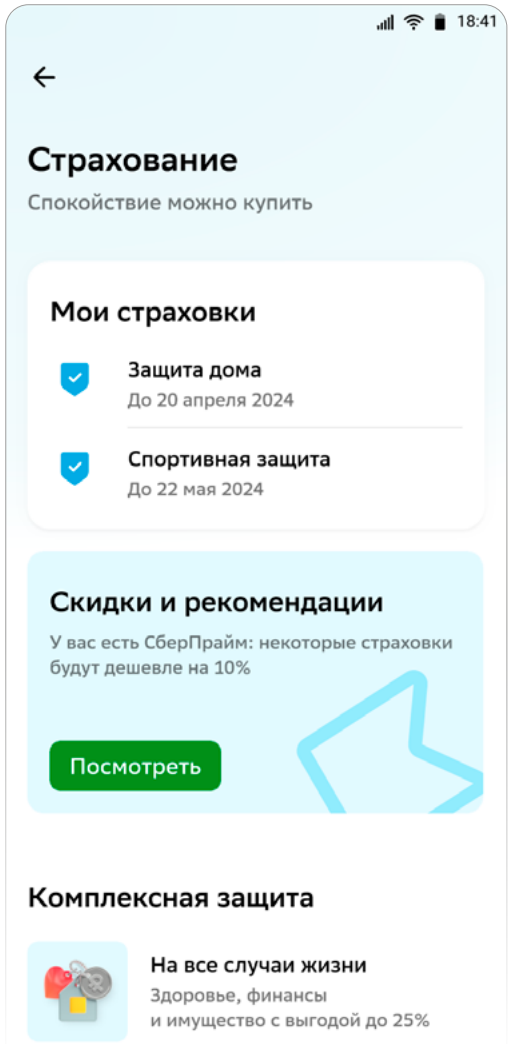
INSURANCE SHOWCASE AND VIRTUAL ASSISTANT

Sber redesigned the insurance showcase in the Sberbank Online app to take into account specific features of individual client segments. The AI model helps clients select the right insurance product for their needs. The showcase displays both products available for buying and those bought earlier.

The virtual assistant advises the client before buying any insurance product, quickly renews a mortgage insurance policy, prompts how to make changes, obtain a duplicate of the insurance policy or migrate a third-party insurance policy to the Bank. The assistant also prompts how to notify of an insured event and can advise on the current status of a claim. Available in Sberbank Online mobile and web versions and the SberInsurance app.

The number of insurance service-related inquiries with the Virtual Assistant increased

4 times



Auto Insurance

The Russian auto insurance sector continued to evolve in 2023 amidst growing vehicle prices and parts shortages. On a preliminary basis, market average prices for spare parts grew by 30% over 2023.

In 2023, Sber's marketplace for the sale of OSAGO policies was hosted on osago.sberbank.ru, and has been integrated into the web version of Sberbank Online commencing from 2024. 17 insurance partners are connected to the marketplace, while top 8 insurers operate as Sber's directly integrated partners. Premium revenues via the marketplace grew by 35% over the year.

A number of innovations on the marketplace made OSAGO policy issuance a significantly simpler process for clients. Policy prolongation now happens faster if the client has a s history of policy purchases on the marketplace. Driver's license data are retrieved from the Gosuslugi public services portal. As clients apply for a policy, they can edit the list of persons permitted to drive the vehicle and see the policy pricing formula.

Since 2023, Sber has been offering the Auto Protection comprehensive cover (CASCO) product through its physical branch network. This product can be purchased right in the OSAGO policy issuance process. In addition, starting from 2023, retail clients are offered the Collision Protection bundled product.

Sber successfully reduced the time for issuing a repair appointment under a comprehensive cover policy in respect of some loss types to 1 minute. Upon the occurrence of an insured event, the client notifies the contact center and then fills out a form in the SberInsurance mobile app. Thanks to digital data analysis technologies, the repair appointment will arrive into the client's email within a minute. This functionality is used in Moscow and the Moscow Region in respect of losses related to vehicle windshield damage.

Awards

Time for Innovations Award

- ★ SberInsurance won in the Consumers' Choice category. The leader is determined on the basis of an open survey during which the participants assess the nominees according to such criteria as innovation, usability, end user benefits, reliability and price

Sravni.ru Awards

- ★ SberInsurance won the Insurance Industry Breakthrough of the Year award

Credit Insurance

In 2023, Sber set new records with its credit cardholders insurance product: the number of clients exceeded 5 million, and the amount of premiums collected, 10 billion rubles.

>RUB 10 bn

the amount of insurance premium payments collected from credit card holders

37.7 thousand

loss instances were settled over the year in the voluntary life insurance segment

Sber improved its **Voluntary Life Insurance program** (consumer loan-related insurance) with a view to reduce the insurance claim consideration period: to this end, integration with the Social Insurance Fund was implemented, enabling the insurance company to independently obtain the disability certificate, and an ML model was introduced in the decision-making process. Over the current year, 37.7 thousand insured events have been settled, with a 70% payment decision rate.

The **mortgage life insurance** programs were expanded by adding the risk of grave disease diagnosis with coverage being free for clients. The proposal to add such additional protection to an existing real estate mortgage insurance policy upon prolongation was implemented in Sberbank Online.

Investment and Endowment Insurance Products

In 2023, the Sber and SberLife Insurance teams made modifications to the endowment life insurance (ELI) product line. The key changes were increased returns for clients, resolution of the liquidity issue and increased surrender values.

Awards

Investment Leaders Award

In November 2023, SberLife Insurance won the Investment Leaders Award:

- ★ Best Investment Insurance Product, with its Managed Capital insurance program with an investment income component;
- ★ Protection Strategy of the Year, with its GarantCapital life insurance program with a day-by-day saving mechanism;
- ★ Best Endowment Life Insurance Program, for ELI products transformation

By way of care for elderly clients, sales of ELI products to persons over 65 were limited and a new package of insurance risks, the **Longevity protection**, was added. It is available to those below 65 years of age at the time of entering into the agreement.

As far as investment products are concerned, SberLife Insurance launched the **GarantCapital** life insurance program with 100% capital protection and day-by-day returns calculated based on the RUSFAR ON RUB money market indicator.

The range of strategies for the **Managed Capital** program was significantly expanded:

- two investment portfolios with regular payouts: ESG Low Risk with Regular Payouts and ESG Moderate Risk with Regular Payouts;
- the Income Formula portfolio that makes it possible to invest in diverse assets by buying exchange-traded mutual funds, exchange-traded gold and money market instruments;
- the Yuan Investments strategy that enables investments in yuan-denominated bonds of Russian issuers;
- the Currency Outlook strategy that allows investing in “substitute” bonds of corporate issuers.

In 2023, SberLife Insurance continued to digitize and streamline client services. The loss settlement period was reduced from 30 to 5 days with the introduction of AI in the insurance decision-making process. The payout period under investment and endowment life insurance policies was reduced from 7 to 3 days; payments are made automatically under all new products.

Not only clients but their close relatives now can submit applications on the SberLife Insurance website, which makes the process more convenient and human-centric.

The Social Insurance Fund service was integrated into the claim review process. Clients only need to provide their social insurance (SNILS) number to receive payment, and the insurance company will obtain the disability certificate on the client’s behalf. This significantly reduces the decision-making and payout time lag.

Sber was the first among life insurance companies to gain access to the digital services offered by the Gosuslugi public services portal. This integration will make the application process even simpler for the client.

SberLife Insurance became a leader of the Russian financial companies’ ESG index. The National Rating Agency (NRA) assigned to SberLife Insurance an ESG rating

AA.esg

SberLife Insurance awards

The Eureka Award

- ★ In the High Level of Client Service Digitalization category

Time for Innovations Award

- ★ In the Technology Innovation of the Year category

Reliability Award

- ★ In the Introduction of Artificial Intelligence and Machine Learning into Regulatory Processes category

Personal Financial Management (PFM)

94.0% +14.0 p.p. YoY

share of Sberbank Online clients using the personal financial management service

21.6 mn +78% YoY

DAU of personal financial management services

73.8 mn +21.4% YoY

MAU of personal financial management services

A new **Financial Health** service was launched in the Sberbank Online mobile app. It is now available to clients of premium service channels, SberFirst and SberPremier. The service helps users assess in a comprehensive manner how efficiently their finances are managed and prompts which aspects are OK and which ones warrant more attention. The service instills good habits through gamification, encouraging people to regularly control their expenses, build financial buffers, protect relevant risk areas and keep balanced their investment portfolios.

The Financial Adviser based on the Salute financial assistant learned to analyze client spending on a more granular level. It helps customers quickly obtain information on their spending at an individual store or individual transaction level. Other new features included contextual prompts on how to receive a tax deduction and prompts regarding available refunds in Spasibo bonuses on utility, mobile and loan expenses.

A new section displaying client's expenses was added to the main screen of the Sberbank Online mobile app. This solution makes financial flow management a simpler and more convenient process. The service prompts how much money has been spent in the current month and in which categories, as well as how much more money can be spent out of the planned budget. This helps to follow the plan on a regular basis and not spend more than necessary.

A section displaying the nearest payments forthcoming in the current month was added to the **Finance Analysis** service. It prompts the user on when and how much to pay on account of loans, the credit card, auto payments and other mandatory expenditures.

Private Pension Products

59 thousand
the number of private pension contracts

RUB 16.5 bn
the amount of private pension contributions

75 thousand +12.8% YoY
the number of retirees who regularly receive private and government pensions

The number of contracts entered into via Sber's digital platforms and the NPF website grew to 30 thousand over 2023. Pension payments under contracts entered into via digital channels exceeded the 2022 level by one third, reaching RUB 2.2 bn. These contracts accounted to 13,3% of all contributions.

The Fund increased the volume of pension payments. The total volume of pension payments under mandatory and private pension schemes amounted to RUB 10.2 bn, having exceeded the 2022 result by more than 20%.

In 2023, SberNPF offered its clients a unique product with the Real Estate investment strategy component, the Pension in Meters individual pension plan.

In 2023, SberNPF laid the groundwork for a new line of business, accumulation of long-term retail savings.

- ★ SberNPF became the leader among all non-state pension funds (NPFs) in terms of return on pension savings invested (1st out of 27) and return on pension reserves invested (3rd out of 35), according to the Bank of Russia data in respect of 9 months of 2023.
- ★ For the second year in a row, SberNPF remains the only NPF in the ESG index developed by RBC and the National Credit Ratings (NCR) rating agency. Experts placed SberNPF among financial companies with higher-than-average ESG indicators.

SberNPF CLIENT SERVICES

In 2023, some of the services offered to SberNPF clients in Sberbank Online were significantly improved:

- purchased pension products are now available on the Savings tab;
- the process of non-state pension products registration was made easier: a product can be registered in just a couple of minutes, in a few clicks;
- service operations were added to the purchased product page: most after-sales service issues do not require a personal visit to an NPF office or a Sber branch;
- it is now possible to track the dynamics of savings and returns on individual private pension contracts; regular saving tips and analytics are available.

In 2023, SberNPF made great progress towards improvement of the after-sales customer experience and in particular:

- presented a digital service for legal successors under mandatory pension insurance contracts;
- provided the opportunity to file the application and all documents required for receiving payments via the personal account section on the Fund website;
- implemented functionality allowing to automatically update personal data via the Gosuslugi (public services portal) digital profile.

Brokerage Business

KEY 2023 TRENDS IN THE BROKERAGE SERVICE SEGMENT

Over the year, Bank clients increased their brokerage account assets by more than 40%, bringing the percentage of stocks to a half of the portfolio and increasing ETF investments five times.

Sber analyzed the preferences of a typical investor client of the brokerage business that evolved over the year. The main conclusion of the study was that the Russian public's interest toward the stock market increased significantly in 2023.

RUB 1.64 trillion (x1.4 YoY)

total assets in Sber clients' brokerage accounts

Growth of stock percentages in client portfolios

In the Russian stock market, 2023 was dominated by stocks that were recovering quickly after the sharp decline in 2022. Investors took advantage of this trend to considerably increase the percentage of stocks in their portfolios.

48.7% (+8.9 p.p. YoY)

percentage of stocks in the portfolios of Sber's clients

RUB 796 bn (x2 YoY)

the volume of clients' investments in stocks

Growth of clients' investments in debt securities

While customers were somewhat calmer about investing in debt securities, these investments, too, grew by a quarter over the year.

RUB 588 bn (+25% YoY)

volume of clients' investments in debt securities

36%

percentage of bonds in Sber clients' portfolios

Clients' ETF investments grew exponentially

Another important trend was the growing interest towards exchange-traded mutual funds (ETFs). In 2023, the amount of Sber clients' funds invested in ETFs increased from RUB 12 bn to RUB 60 bn. Money market funds were the most popular instrument in the growing key rate environment. These funds carry minimal risk, yet their returns are close to the key rate level.



Awards

Russian Investment Leaders Award 2023 in the following categories:

- ★ Best Brokerage Service Model in the Brokers for Investment category
- ★ Educational Project of the Year award in the Financial Literacy category, for the textbook from SberInvestments
- ★ Online Assistant of the Year, for Salute virtual assistant, jointly with the Investments and Savings tribe

National Banking Award

- ★ In the Investment Product category, for the Salute Virtual Assistant as Investment Helper project

In 2023, Sber continued to expand its brokerage services functionality. A number of innovations made these services more convenient for clients:

- a brokerage account can now be opened instantly in Sberbank Online and topped up in less than a minute;
- on Android devices, clients can buy bonds in the Sberbank Online mobile app by paying directly with their bank card
- Sber was the first in the market to implement coupon payments without personal income tax deduction: the tax will be charged at year end or upon exit from the investment.

Sber offered its clients a number of new products:

- trading in foreign securities of quasi-Russian issuers listed on the Moscow Exchange and operating in Russia, was resumed;
- in the SberInvestments mobile app on Android, investors now have access to initial offerings of ruble- and yuan-denominated bonds, the app also allows margin trading;
- Sber provided clients with access to trading in friendly currencies, such as yuans, Turkish liras and Belarusian rubles.

At the end of 2023, Sber led the market:

No.1
in terms of client assets with RUB 1.6 trn

Top 3
in terms of actively trading clients – 346 thousand individuals

70.95 x2 YoY
Customer Satisfaction Index (CSI)

Depository

Sberbank Depository is a leader of the Russian depositary services market in terms of client securities accounts serviced and assets in custody.

SBERBANK DEPOSITORY'S KEY PERFORMANCE HIGHLIGHTS IN 2023

In 2023, the Sberbank Depository served as the conduit for regulatory initiatives aimed at stabilizing and developing the financial market in the external restrictions environment. Depository operations included transfers of payments on MinFin eurobonds, unblocking, transfers, and payments of income on securities in accordance with the Decrees of the President of the Russian Federation, exchange of blocked securities of residents for blocked funds of non-residents, forced transfers of records of rights to securities of Russian issuers.

The Depository functionality in Sberbank Online was improved making it possible to submit orders for accelerated acceptance of securities into securities accounts, simplified transfer of securities by clients to SberbankLife Insurance, and to submit applications for securities registration with the Depository. Transfer of securities by way of inheritance was automated. A history record of orders for securities-related corporate actions was implemented. It is now possible to give orders for transfers of fractional securities.

New Depository client functionality was implemented in the SberInvestments mobile app where clients can now vote at meetings of securities holders, order depository reports and statements of securities accounts, access share buyback functionality and securities acceptance into securities accounts functionality.

The client service was improved in terms of corporate actions in respect of securities: clients receive tailored text and push notifications of bond redemption. Such notifications contain the payment amount and the account to which the money was paid.

The Depository functionality was expanded in terms of processing new formats of electronic mortgage deeds, namely, electronic mortgage deeds containing information on assignment of claims under an equity participation agreement, those containing information on minor/underage mortgagors.

SberInvestments App

SberInvestments is a handy and reliable fully functional mobile application for day-to-day investment activity.

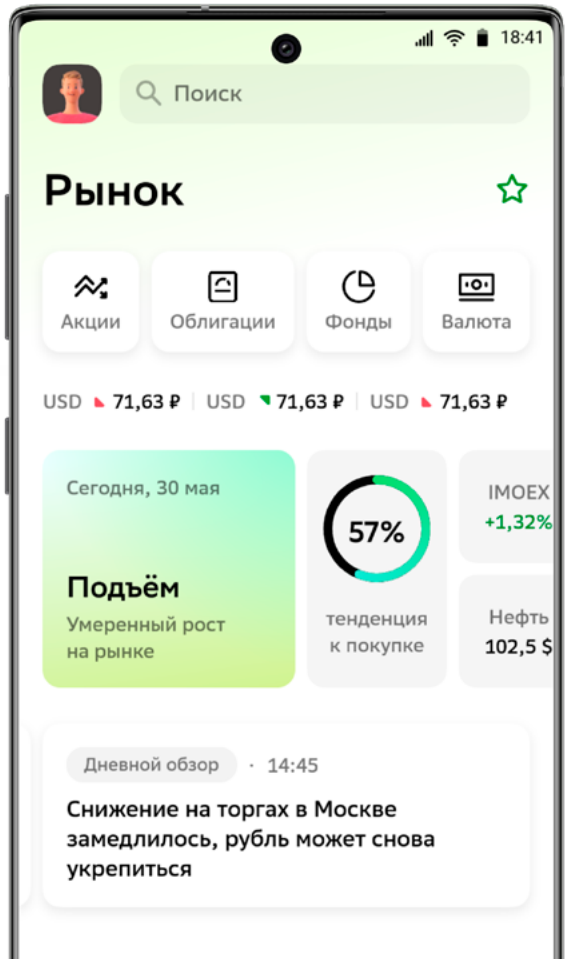
In 2023, the Bank's investment app changed its name to SberInvestments and became an even more readily comprehensible tool for retail clients to invest and achieve their financial goals.

SberInvestments mobile app:

728 x2.5 YoY **thousand MAU**

200 x4 YoY **thousand DAU**

4.5
rating in app stores



On Android devices, the app allows to sign in either with the Sber ID or with a Sber card number. The focus is on reliability issues; all vendor substitution targets were achieved in 2023, and the Bank maintains a triple app load safety margin.

The news block was completely overhauled. Focus was shifted from news to analytics, social mechanics and client-tailored newsreels were added, complemented by embedded SberCIB video content.

The functionality of the client portfolio section was redesigned. Assets in all accounts are displayed on one screen and are classified by industry, percentage and value. Margin calls and navigation to portfolio margin indicators were added. The Notifications Center was launched.

The trading functionality was enriched with conditional order types, navigation in the order submission form was completely redesigned, and steps leading to transaction close were streamlined.

The tool screen changed: quotes are updated instantly, diagrams have become more visually compelling; clients can now see their trades or view the candle chart at single-minute intervals. Consensus forecasts will help make a decision on the investment attractiveness of an instrument.

The Market showcase went "live", with new widgets now allowing to understand what goes on online. Diverse selections are now available, providing clients with a wide range of investment tools.

A separate Investments section with extended functionality was created in the web version of Sberbank Online app. Users can now deal in exchange-traded instruments and use other services to manage their investments. The improvements to Sberbank Online make investment management services available to more users, including those investors who lost access to mobile applications due to international restrictions.

SberInvestments mobile app award

Annual Investment Leaders Award 2023

★ 1st place in the Digital Transformation of the Year nomination, Investment in Digitization category

B2B Ecosystem
Strategy 2023

GRI 3-3

As Sber implemented its Strategy 2023, it was influenced by unprecedentedly complex factors:

- COVID-19;
- pressures created by sanctions and blocked payments;
- asset freezes;
- disrupted supply chains and search for new partners.

That said, Sber not only retained financial stability but also helped its clients to survive and develop successfully. The number of Sber's corporate clients reached 3.2 mn (+19% vs. 2020). Sber continued helping its clients to implement projects of formidable complexity in all industries.

3.2 mn +0.5 mn vs. 2020

number of Sber's active corporate clients

The residential real estate sector remains one of the most important growth drivers; right now, about 55 million square meters of residential space are being built with Sber's assistance, in other words, we help about 1 million families to move into a new apartment. The residential financing portfolio reached almost RUB 4 trn. Another industry highlight is that Sber pioneered an automatically originated transaction (AI-powered) which will eventually allow to significantly expedite the loan origination process.

Throughout the previous strategy implementation period, Sber stayed focused on making the loan origination process fast and simple for the client. At year end, over 80% of small and micro business loans as well as short-term loan and bank guarantee solutions for large and medium businesses were sold online.

Sber helps its clients digitize their businesses. Today, more than one thousand clients are undergoing digital transformation together with Sber.

In addition, industry-specific solutions are available to small and micro business clients. These are convenient and customizable business management and business development services, such as industry analytics, peer benchmarking, understanding the buyer profile, and much more.

Through the times of turbulence, we remained a reliable partner for our clients. Since 2020, by way of administering the state support program in concert with the Government and the Central Bank, Sber has granted over 500,000 preferential loans worth about RUB 10 trn to companies in almost all industries.

In addition, Sber launched an ambitious AI-based regional transformation project. Design sessions were held throughout the country from Kamchatka to Stavropol, many regional executives received training on artificial intelligence at SberUniversity. As a result, 50+ regions have built AI adoption roadmaps, and more than one half of all Russian regions already use AI-powered solutions.

Sber has developed the new Strategy 2026. It will become an all-new development milestone: Sber is transforming its view of the client, looking at him/her as a personality with all social roles, incentives and life situations, because every company has people behind it. Sver will help people achieve personal success as much as make their business successful.

Our main objective is to become one's assistant in successful business development by relieving from the routine load, pointing out at strategic directions and growth points, fostering technological maturity, and improving efficiency.

In so doing, the relationship manager becomes a trusted advisor and a partner for the business client. To effectively implement the new strategy, Sber will introduce AI-based tools in the trusted adviser role to help build an individual success strategy, invest in long-term relationships and promote trust. The employee's long-term motivation will depend, among other things, on how successful the client will become in the long run.

In 2023, the number of Sber's active corporate clients increased

by 0.2 million

For 3.2 mn of them, Sber remains a reliable technology partner in their business activity. In 2023, Sber carried on with developing fast and convenient lending practices, helping to digitize clients' business and introduce new products. Sber expanded its footprint with the launch of Crimea's largest office for business clients in November. Over 10 thousand busines owners have become Sber's clients in Crimea, with ten service locations being available to them.

The corporate loan portfolio gained 25% over the year, exceeding RUB 23.3 trn (a 21% growth net of foreign currency translation effects). The portfolio growth was mostly underpinned by active lending to companies in the residential construction sector as well as in metallurgy, oil & gas, transport, and logistics. In 2023, Sber became the No. 1 lender to auto manufacturers, having increased its market share to over 40% as it financed new manufacturing facility projects and provided more comfortable lending terms for ongoing development programs.

RUB 23.3 trn (+25.2% YoY)

corporate loan portfolio

32.3% (+0.1 p.p. YoY)

share of the Russian corporate lending market

81.2% (+1.2 p.p. YoY, based on a methodology comparable to 2022)

index of customer satisfaction with products and services in B2B channels

In 2023, the contact center handled over 18 million inquiries via telephone calls, chats, and other channels. For better convenience, the Bank migrated all text messages for corporate clients from its 900 call line to 0321, making the voice channel customer journey seamless for companies calling the Bank with all sorts of questions. Sber made it possible to sign documents in the chat and sign up for bundled services via the assistant feature of the SberBusiness mobile app that handled 364 thousand diverse inquiries.

Sber endeavors to improve its level of service, monitoring quality and compensating clients for any instances of poor service. The Bank implements this program both through contact center client support lines and through relationship managers in all segments, from small and micro to major businesses.

For more details about Sber's Strategy, see the "ESG Transformation Management Strategy and System" section of the ESG Report.

Awards

CX World Awards

- Won the Best Application of Technologies award with the "Speech Analytics in CC for Customer Experience Improvement" project

Government Support Programs with Sber's Involvement

In 2023, a number of new government support programs were launched, including some for large businesses.

THE MOST PROMINENT OF THESE PROGRAMS INCLUDE:

The Russian Industry and Trade Ministry's program of investment in high priority manufacturing projects (Government Resolution No. 295): contracts worth RUB 133 bn were entered into in 2023

The Russian Transport Ministry's program (Government Resolution No. 1628): support of commercial vessel purchases for cross-border trade development purposes. In 2023, contracts worth RUB 0.5 bn were entered into

The Industrial Mortgage Program (Government Resolution No. 526): supports acquisition, construction, renovation, upgrade of properties for industrial production purposes. 385 loan agreements were entered into, worth RUB 33.7 bn.

The Russian Construction Ministry's program (Government Resolution No. 2221): support of investment projects for the residents of the Crimea and Sevastopol free trade zone (FTZ); contracts worth RUB 10.5 bn were entered into

The SME Corporation, umbrella suretyships. In 2023, contracts worth more than RUB 98 bn were entered into against guarantees issued by the SME Corporation

About 60 thousand small and medium-sized business clients make use of government support vehicles, and their portfolio of government-supported loans amounts to RUB 0.9 trn.

Sber continues to develop its Government Program Builder, a convenient tool for the assessment of whether a company is eligible for existing government support programs. Clients may use the Builder to directly apply for participation in government programs. As of the end of 2023, clients used the service to access 7 federal and 23 regional government support programs. In 2023, over 3.3 thousand transactions worth in excess of RUB 45 bn were implemented via the service.

Small and Micro Businesses

SMALL AND MICRO BUSINESSES REMAIN A PRIORITY SEGMENT

2.9 mn +6% YoY

active small and micro business clients

The number of active small and micro business clients grew by more than 170 thousand due to the development of convenient loan products, client acquisition activities, and business development tool offerings.

LENDING

SASB FN-CB-240a.1

RUB 5.6 trn +RUB 1.1 trn YoY

the SME loan portfolio



45%

share of SME lending in the Russian market



+16 p.p. YoY

81%

of small and micro business loans are originated online

Sber endeavors to make the lending process simple and fast for clients by actively developing online lending, expanding the loan product line and upscaling AI-powered technologies.

Small and mid-sized enterprises (SMEs) and large businesses are becoming synergetic: a business owner can make purchases even with zero account balance using the Installments for Businesses service. The service allows smaller companies to access bank funds for the procurement of goods on large marketplaces. Open credit limits available for this service amount in aggregate to RUB 180 bn, and the partner network links more than 600 partner companies and large business representatives that have the opportunity to grow sales through synergy.

The Credit Potential for Business service is gaining popularity; this service allows non-client business owners to calculate their credit potential in Sberbank Online without opening a settlement account or documents. In 2023, 330,000 settlements were made, twice as many as last year.

The terms of the business property loan have been improved. Business owners now have the opportunity to take out such loans for up to 25 years (previously, up to 10 years), even in respect of unfinished property construction projects. Depending on the transaction parameters, loans without a down payment are now available. In 2023, business owners took out 3.2 times more business property loans than a year before, and the total amount of such loans increased 4.8 times to RUB 24 bn. Most often, clients use these loans to buy retail, warehousing, and office space.

CONVENIENT BUSINESS GROWTH TOOLS

Sber offers

8 industry-specific solutions

to corporate clients on its SberBusiness platform

- sales management
- service sector
- retail
- transport
- utilities
- real estate

Starting from 2023

- restaurants
- e-commerce

98 thousand

MAU of Sber's industry-specific solutions on the SberBusiness platform

SberBusiness. Cafes and restaurants – for managing a catering business

This solution is new to the Bank and was launched in 2023 in a test mode. Clients connected to Sber's acquiring service receive the opportunity to run business location and industry analysis on a monthly basis, analyze their visitors' profile and needs. The solution will be fully launched in 2024.

SberBusiness. Marketplaces and online stores – for managing an e-commerce business

In the e-commerce solution, customers will have access to advanced analytics: the system automatically calculates sales performance, highlights loss-making merchandise items, shows paused promotion campaigns and allows automatic processing of customer feedback on the largest marketplaces. In addition, clients will be able to process orders, update prices and stock balances on a one-stop shop basis. Also, every client can create their own online store free of charge using a convenient builder feature, with the ability to connect online payments and use the in-built CRM system. In addition, clients get access to the courier services aggregator. This industry solution is being tested with full launch expected in 2024, together with the courier services aggregator.

Key awards

Tech Awards 2023:

- ★ Industry solutions: a Sber's project won the Grand Prix in the Innovative Company of the Year category
- ★ The Credit Potential for Business project won the Grand Prix in the Breakthrough Technology of the Year category

Digital Leaders Award 2023:

- ★ The Industry Solutions won the Smart Solution of the Year award in the Solutions for Digital Business Transformation category

Time for Innovations:

- ★ The Credit Potential for Business product won the Product of the Year award in the Small Business Support and Development category

Regional development. Best for Russia 2023:

- ★ Industry-Specific Solutions, won the Industry-Specific Product of the Year award in the Finance and Consulting category

SBER DEVELOPS CONVENIENT CHANNELS AND TRANSACTIONAL SERVICES FOR CLIENTS

950 K +41 K YoY

active cards for businesses

52% +2 p.p. YoY

share of cashless transaction volumes in the total business card transaction volumes

Four years ago, Sber launched the Business Cashback program for corporate clients who use the Bank's business cards. Over the four years, program participants converted the bonus points to rubles at the rate of 1 point = RUB 1; such conversions exceeded RUB 2 bn. At the same time, in 2023 alone, accruals amounted to RUB 1.6 bn, and conversions, to RUB 0.75 bn. Since May 2023, premium business card holders receive extra cashback of 5% in popular spending categories, such as cafes, restaurants and fast food, transport, car rental, office software and maintenance. The premium business card is free of charge if actively used and offers increased transaction limits.

Since 2023, Sber has been issuing business cards in Crimea with a delivery option.

40+ thousand clients open an account with a free service package every month. Sber is one of the few banks that provide such a package free of charge, without time limits or conditions precedent. Every month, 5 thousand clients open an account with a paid service package, but new Bank clients use the package free of charge during the first month. More than 1,000 clients switch to a service package every month based on a recommendation given by the AI model that selects the right service package or option for the client, allowing them to save money or pay as before but get more services at less cost.

As a trusted provider of the Russian Federal Tax Service's Certifications Center of the Russian Federal Tax Service (FTS), Sber issues qualified electronic signatures for corporate executives and individual entrepreneurs. In 2023, Sber issued 400,000 ES on behalf of FTS, of which 137,000 were received by non-clients, and more than half of these eventually signed up for cash management services. Business owners can have an ES issued to them on behalf of FTS at 1,240 Bank offices. An electronic signature issued by Sber allows to satisfy all relevant needs of business owners: reporting, procurement, electronic document exchange, etc. The Bank has reduced the signature issuance time to 12-15 minutes.

Services for corporate clients in Sber's physical network

Sber serves corporate clients

in 2,709 branches

In 2023, the traffic of corporate clients visiting the bank offices to sign up for banking and non-banking services increased by 7.5%. The increase in the client traffic was mainly driven by the settlement account opening service (traffic growth by 59%) and the business registration service (by 48%). Client activity increased as services were made more easily accessible to corporate clients in all Sber's business branches (i.e. those selling products to both retail and corporate clients) in 2022, and on the back of marketing activities.

Evolving technologies allow us to improve the accessibility of services for corporate clients and increase the client traffic conversion rate.

Since 2023, Sber branches offer almost all types of settlement and bank accounts available for corporate clients. For example, in 2023, extended functionality was implemented on the SBOL.pro platform that enables account opening on the basis of a power of attorney and provisional account opening.

These and other changes led to a 1.8x growth in the number of settlement accounts opened over the year and a 2.3x increase in the number of business registrations at Sber branches.

In 2023, a technology for passing the Call-Me-Back applications from Bank offices to the Corporate Solutions Center was introduced across the Sber network in respect of such products as loans, credit cards, salary projects and acquiring products. After such transfer, the Bank will sign up corporate clients for desired products and give further advice at the client's convenience.

SberBusiness

Sber has grown the active user audience of the SberBusiness online bank.

2.8 mn MAU +4% YoY

(web and mobile version) of SberBusiness

In 2023, the SberBusiness client base grew to a record level of 2.8 million monthly active users.

In 2023, the Bank successfully restored its mobile app user base and even exceeded the pre-crisis level: 1.29 mn users vs. 1.24 mn in 2021. For the first time, the share of mobile-only business clients who do not log in to the web version reached 49%. The evolving functionality and convenience allows customers to successfully accomplish all their business objectives with the help of the mobile app.

49%

of the mobile app users are mobile-only audience

In 2023, the focus was on solving technological issues and this underpinned uncompromising stability and availability of digital services for corporate clients. To this end, starting from May 2023, the web version and the mobile application of the SberBusiness online bank were fully switched to certificates of the Russian Ministry of Digital Development[1], which eliminated dependence on foreign providers in terms of service availability. During 2023, all obsolete versions of the SberBusiness app were disabled (since many clients did not update their apps after removal from official app stores), and users were seamlessly migrated to up-to-date releases with the help of an outreach campaign in the Bank's proprietary channels.

4.9 stars out of 5 –

customer satisfaction with SberBusiness services

In 2023, the popularity of the Billing service increased: by year end, 200,000 clients made use of this service to issue 1 million bills.

Sber has expanded the functionality of the simplified taxation system module: it is now possible to switch to the single tax account, notify of a tax assessment by the Federal Tax Service, or submit a taxation regime switch application from the mobile app.

Since 2023, clients have had visibility of which clause of the FTS methodological guidance served as the basis for the determination of the code and category of the taxable base for transactions on their settlement accounts. The mobile app informs SberBusiness clients about the new automated taxation system and the opportunity to quickly switch to it.

SberBusiness has made it possible to transfer money with ruble-to-rupee conversion.

The acquiring service analysis feature of the SberBusiness mobile app allows to view all self-service terminals, update SST-related information, initiate maintenance inquiries.

As part of the accessibility strategy, the web version of the SberBusiness online bank was certified for compatibility with two of the most popular import-substituting domestic operating systems.

[1] Certificates of the National Certification Center (NCC) of the Ministry of Digital Development, Communications and Mass Media of the Russian Federation (the Ministry of Digital Development).

Major, Large and Medium-Sized Business

LENDING

Project finance

RUB 1.4 trn

the Bank's current portfolio of project financing transactions[1]

Sber helps clients implement large and extremely complex projects of strategic importance for the country. Historically, Sber has controlled more than 1/3 of the project financing transactions support market.

Major infrastructure projects account for a considerable share of the project finance business, including the financing of construction and refurbishment projects at several Russian airports.

Online lending to businesses

> 2 increase YoY

RUB 1.2 trn

the portfolio of loans issued using the Online Lending technology

Sber continuously develops its online lending for medium-sized and large business clients: in 2023, the online lending process was extended onto unitary enterprises, and all types of working capital funding guarantees were introduced. Since the beginning of the year, Sber's portfolio of online loans to medium-sized and large businesses has more than doubled, exceeding RUB 1 trn, while the share of short-term loan and bank guarantee origination decisions made with the help of artificial intelligence using the Online Lending technology amounted to 87%.

+9 p.p. YoY

87%

of short-term loan and bank guarantee origination decisions for large and medium-sized businesses are made using the Online Lending technology

In 2023, Sber introduced automated controls of intended use of the loan monies provided to large and medium-sized businesses for current expenditure financing purposes. Transactions involving a working capital funding loan now settle faster: the process now takes 4 minutes only instead of 65 minutes, thanks to automated verification of the involved companies' documentation (payment orders, contracts, waybills).

Sber has introduced a new online service for legal entities, electronic registration of real estate mortgage agreements. Sber absorbs all labor costs and takes the responsibility for preparing and sending the client's package of mortgage-related documents to the Federal Service for State Registration, Cadastre and Cartography (Rosreestr). The new process eliminated 80% of the clients' and Bank's labor costs of auxiliary operations in connection with real estate mortgage-backed loan origination. The service was launched in July 2023, and by the end of the year, the share of registrations through the new service reached 44%. Going forward, it will allow registering not only original mortgage agreements, but also amendments to them, jointly owned properties and agricultural lands.

Key awards

Russian Mortgage Award 2023

★ The Sber Mortgage Registration for Corporate Clients (SberMR) service won an award in the Best Digital Product on the Mortgage Lending Market category

RESIDENTIAL CONSTRUCTION ESCROW

×1.3 times YoY

~ RUB 4 trn

housing developer loans portfolio

Sber pioneered the residential project financing transaction with automatic origination on the Russian market. This RUB 2 bn worth developer financing became the first automatically originated transaction powered by AI. Thanks to Sber's proprietary technologies, the loan approval period reduced at least five times. This will allow to accelerate residential construction and help create more new comfortable housing for the people of Russia.

[1] Without investment lending and construction projects financing.

NON-FINANCIAL PROJECTS

Digital transformation of client business

Sber actively implements full-scale digital transformation projects for our clients' businesses: from business model and process redesign in line with technological trends to developing and implementing digital solutions as such, including infrastructure and data warehouse deployment, establishment of dedicated teams.

For these purposes, Sber created its DTaaS (Digital Transformation as a Service) product. This product includes comprehensive consulting based on Sber's experience, training at the Corporate University, assistance in the formulation of business requirements, solution prototypes, integration of the market's best financial and non-financial services. A client project is implemented by a joint team of the Bank and the client: the Customer Success Manager coordinates work on Sber's side, while the Product Owner takes responsibility for the digital transformation project on the client's side.

DtaaS became a driver of the spread of AI technologies across real-life business processes: about a third of all clients implement AI-powered solutions. For example, the Siberian Agrarian Group won the AI Leaders National Award at the AI Journey 2023 conference for their use of artificial intelligence in pig farming: the animal condition video monitoring system automatically assesses daily weight gains at the fattening stage and makes sure that animals receive tailored care.

To get partners deeper involved in digital transformation projects, Sber delivered the following events in 2023:

- the Hackathon[1] where IT companies from all over the country had the chance to apply Sber's fintech services and AI technologies in their own solutions;
- the SberPro Tech 2023 digital business transformation conference with an audience of 7+ million people.

Sber also develops its SberPro media resource with a monthly audience of 200+ thousand users. The platform promulgates the market's best digital transformation practices and offers a digital maturity self-assessment tool.

Sber not only actively assists its major corporate clients in transforming their business and operating models, improving business performance and finding additional business opportunities, but also actively promotes technological maturity, solving the most complex cases of import substitution and promoting the implementation of AI and large language models (LLM) in the client's processes.

Sber has reinforced its role as an important partner capable of supplying and implementing domestic technology solutions

To make the business of largest air carriers failure-proof, Sber addressed the clients' critical systems in a comprehensive manner. For example, to support the functioning of air ticket booking services, an analytical solution was developed based on the components of Platform V, Sber's digital platform; also, Pulse HR, Sber's proprietary product, was proposed as a means of improving HR services availability and integrating HR processes on a one-stop shop basis.

Sber entered into a three-year Platform V supply agreement with one of Russia's largest transport companies; the first phase of this import substitution project commenced in 2023.

For a major Russian retailer, Sber implemented a call recognition and speech-to-text conversion system in call centers with subsequent analysis of customer satisfaction scores and call center operator scoring on the basis of the SaluteSpeech solution.

Despite all hardships associated with import substitution, Sber continues searching for solutions to the most complex problems in the field of artificial intelligence and, together with its clients, participates in the research and development of AI-powered innovations.

[1] A Hackathon is a forum where specialists from diverse software development fields solve a challenge within time allotted.

>1 K clients
from various industries are undergoing digital transformation with Sber, achieving success and taking their business to a new level

Key awards

TAdviser IT Prize 2023

★ Digital transformation as a service was named product of the year

Russian Creative Awards

★ SberPro Digital Development was named digital project of the year

AI Leaders National Award

★ The award was won by Sber's joint project with the Siberian Agrarian Group

MEZZANINE AND EQUITY FINANCING

In 2023, Sber successfully more than doubled its mezzanine and equity financing portfolio.

x2 YoY

RUB 1,020 bn

Sber's investment portfolio

The Bank successfully closed 165 mezzanine and equity financing transactions worth in aggregate RUB 789 bn and 60 exits from investments worth RUB 221 bn, more than twice the 2022 volumes.

In 2023, Sber made it to the leading positions in the capital markets (No. 1 in ECM[1] and DCM[2]) in the changed environment. Sber's team participated in more than 70% of ECM offerings on the Russian market and occupied the top line in the Cbonds agency's 2023 ranking of Russia's bond arrangers (without proprietary offerings). At the same time, Sber actively promoted the demand for securities offerings on the part of retail investors and offered new debt instruments to its clients.

In 2023, Sber's financing of M&A transactions exceeded RUB 1,250 bn. As part of M&A financing, the Bank offered its clients various financial products, including leveraged, mezzanine and equity financing.

In the reporting year, Sber closed the first transactions in a previously unfamiliar business area, investments in land plots, that is, implementation of land development projects together with the Bank's clients. These first transactions amounted in total to RUB 12 bn.

[1] ECM – Equity Capital Market.
[2] DCM – Debt Capital Market.

Cooperation with the Government

Sber is the main enabler of digital transformation for the public sector.

As part of joint digital transformation projects, Sber entered into cooperation agreements with 50 regions of the Russian Federation on the development and application of AI-enabled digital technologies for social and economic development purposes. Sber is actively involved in the digital transformation of executive authorities. For the second consecutive year, Sber's machine learning models have been successfully helping to detect violations in the circulation of animal products by analyzing large data sets with the help of AI.

Sber finances upgrades and creation of modern utility infrastructure and social facilities in Russian cities in the public-private partnership format.

In 2023, a record amount of public-private partnership projects financing was approved

RUB 125 bn

Area of financing	Scope, RUB bn
Housing and utilities	14
Education	61
Solid municipal waste (SMW)	29
Other city infrastructure	21

Comprehensive upgrades **of city communal infrastructure** are ongoing in 24 cities, with a half of these projects launched in 2023. In 2023, 700+ vehicles worth in excess of RUB 20 bn were leased, 357 public transport stops were upgraded, 250+ vehicles were digitized, public transport networks were optimized in 7 cities, and in two cities, the public transport management process was digitized.

Sber is also a key financial partner to projects under the **Development of Campuses** government program. In 2023, Sber approved and opened financing for three campuses: in Nizhny Novgorod, Veliky Novgorod, and Ufa. Already approved loans amount to RUB 21 bn. 7 more campuses are scheduled to be considered in 2024 as candidates for financing.

In 2023, Sber became the leader in **tourism development**: every second player in this industry is our client. To ensure comprehensive development of the industry, new product solutions and approaches were developed at the stages of master planning of a tourist cluster, financing of investment lots and digitization of tourism projects. This kind of comprehensive approach is used already by 36 regions.

Sber is the key lender to the **Development of Education** government program of concession-based school construction projects. As of the end of 2023, 34 schools for 30,000 students, built with the Bank's financial participation, were commissioned. In 2023, 39 decisions were made to finance similar projects worth in total RUB 40 bn, which will create another 40,000 new school seats.

Sber is actively involved in the development of the **municipal solid waste (MSW)** handling industry in Russia. As of 1 January 2024, the aggregate amount of credit limits approved by Sber for the financing of MSW handling facility construction projects exceeded RUB 28 bn. In total, 10 regions will create infrastructure capable of handling 9 million tons of waste. In 2023, a new product was developed for preferential financing of the construction of MSW handling facilities through the Russian Environmental Operator (a public-law entity) bonds buyout mechanism. The Bank bought out 6 issues of such bonds in respect of three regions of operation, for a total amount of RUB 13 bn.

Sber is a key partner in the development of new tourist infrastructure:

75%
of certified hotels are signed up for at least one of the Bank's products

>50%
of certified hotels are connected to Sber's booking system

For more details on Sber's public-private partnership projects, see "the Social Responsibility and Support of Regional Communities" section of the ESG Report.

Global Markets

Individual financial needs are the main driver behind Sber's investment solutions. The evolution of markets and risk management culture in Russia, as well as development of investment solutions and access to overseas markets allow to improve the investment climate, protect clients, at the same time preserving and multiplying their savings and capital.

No. 1 issuer
in the structured investment products market in 2023

> RUB 100 bn
the amount of structured investment products purchased by Sber's clients in 2023

Since 2017, Sber has been developing the market for ruble-denominated interest-bearing derivative financial instruments (DFIs). At present, Sber remains focused on expanding this market in Russia, having participated in seven out of ten transactions with interest-bearing DFIs on the Moscow Exchange in 2023.

Sber remains one of the main liquidity providers in the country. There was a tenfold increase in the amount of interbank loans on the SberCIB Terminal data and trading platform. The trading terminal received a number of new features and products and won the Time for Innovations 2023 award.

In 2023, Sber presented 40+ new products to help clients manage their businesses. Becoming the first Russian bank to have tapped into Indian exchanges was a notable success. The license obtained allows Sber to participate in trading sessions and invest in one of the world's most vibrant financial markets and create new solutions for clients in financial markets.

DFI market development

7 out of 10
Transactions on the market involved Sber

Trading platform development

x10 YoY
growth of interbank loan volumes in SberCIB Terminal

Risk management products

40
new products

Key awards

Time for Innovations 2023

- ★ The SberCIB Terminal Trading and Information Suite project, a financial risk management solution for banks and companies, won the Import Substitution: Product of the Year award, in the Finance and Consulting category
- ★ The Tailored FX Offerings for Clients project won the Innovation of the Year award in the Financial Services: Banking category

Trade Finance

In 2023, Sber continued to support domestic and international trade.

Letters of credit remain popular among clients as a product allowing to settle transactions in a secure manner and obtain trade financing at special rates. Sber made the opening of domestic letters of credit fully automated. The number of transactions closed by legal entities with the use of this instrument doubled in 2023, exceeding 100,000. The product is also popular in retail clients' transactions.

Importer and exporter financing, provided by Sber jointly with the Ministry of Industry and Trade of Russia under government programs, s another priority vector of international trade development. The portfolio of transactions under the importers support government program doubled by the end of 2023, reaching RUB 90 bn, while the exporter financing with government support portfolio grew 1.5 times and exceeded RUB 310 bn.

Notwithstanding the restrictions, Sber resumed **commodity exports financing** and expanded into previously unfamiliar markets of friendly countries. The volume of international letters of credit denominated in rubles and national currencies grew 2.8 times over the year.

Together with the Ministry of Digital Development, Sber embarked on the implementation of a new standard of **secure settlements in the car market:** the first transactions with an online letter of credit have been implemented on the Gosuslugi (online public services) platform.

Sber became the first bank to implement this initiative together with the Russian Ministry of Digital Development.

Sber continues to develop escrow accounts in real estate transactions:

RUB 3 trn +47% YoY

aggregate balance on escrow accounts

RUB 1.9 trn

paid to developers from escrow accounts

270 thousand

individuals got their apartments

The first escrow transactions were implemented as part of the Moscow renovation program. A special section dedicated to escrow accounts was created in the Sberbank Online mobile app which contains documents, details of escrow account activity and answers to frequently asked questions about the product.

Escrow accounts have performed well in non-real estate transactions, too. Clients make active use of this tool in sales and purchases of any goods and services (such as stocks, assets, shares of business, etc.) as collateral, substitute of advance payments, and a control of intended use of funds. The number of transactions with this product quadrupled over the year, with their volume reaching RUB 0.5 trn.

New Technologies

BLOCKCHAIN

Sber views digital financial assets (DFA) as a promising area of innovation that will create new financial instruments and investment opportunities.

Sber is focused on the digitization of physical-world assets to make them suitable for transactions using Blockchain, the distributed ledger technology. Innovative solutions in this area drive the development of digital economy by creating new financial instruments and investment opportunities. Going forward, this will give rise to new secure lending markets, improve the availability and flexibility of financial services and allow to attract new participants to the financial market by providing more flexible and more readily accessible loan and investment terms and conditions. Sber views DFA as a promising vector of shaping new debt markets and more sophisticated digital financial products. DFA-mediated lending streamlines the client's financing journey and accelerates transactions.

Sber carried out the first-in-Russia DFA-mediated lending transaction secured by a pledge of physical property; one of Russia's largest manufacturers of household chemicals acted as the issuer in the transaction.

For the first time in Russia, Sber closed two bank guarantee transactions on the basis of a smart contract on a blockchain platform.

Clients can purchase gold DFAs, an equivalent of a traditional unallocated bullion account, in a convenient digital format, and earn investment income depending on the gold price dynamics. The advantage of this new instrument is in a fast and convenient process of making a transaction which is initiated in the data system at the investor's request with the use of a smart contract and without intermediaries. Investors can also transfer their DFAs to other platform users.

Sber issued DFA underlain by the digital square meter index, a tool pegged to the average price tag of residential real estate in Moscow. The DFA payout depends on the value of the Digital Square Meter Index (SBERDSMI). The new instrument provides additional opportunities for diversification of retail investment portfolios.

Key awards

FINAWARD 2023

1-st place

★ The DFA issuance platform won the first place in the Implementation/ Solution in Business Processes or Client Services category

OPENAPI

In 2023, the number of clients using SberBusinessAPI, a convenient Bank integration service, almost doubled, reaching 1,000. New integrations include the largest domestic market players from a wide variety of industries.

With effect from 1 May 2023, the two direct Bank integration services, SberBusinessAPI and Sber API, have been merged together. Starting from the beginning of 2024, clients will interact with Sber's single API brand, Sber API. This merger aims at reinforcing the leading positions in the domestic market of banking APIs, equalizing the Sber API channel service quality and stability levels.

Key awards

CDO/CDTO AWARD 2023

★ SberBusinessAPI won the Corporate Digital Transformation Achievements Award

FINAWARD 2023

★ The solution for SberBusinessAPI activation via personal account section ranked the 3rd in the Open API Implementation category

NEW TECHNOLOGY IN DATA

More than 200 of Sber's ML models use 30,000 attributes with data on Bank clients and non-clients. They bear upon lending, pricing and offering of customized rates on different products to clients, as well as upon services that help customers avoid dubious transactions.

Sber successfully integrates AI based on large language models (LLM) into business processes. Development and implementation of an AI assistant for banking industry workers is an example of a success story. This tool, based on Sber's GigaChat neural network allows employees of any level to quickly retrieve summarized updates on the market, the industry, or the client in real time. The AI assistant significantly reduces the time spent by employees on analyzing large amounts of information and helps quickly find the best solution for clients

Non-Financial Services

Sber actively develops its non-financial products and services for legal entities.

The e-commerce management platform allows business owners to easily launch and manage an online business, trade through an online store, marketplaces, social networks, or other storefronts. Sber was the first in the market to use AI models for product descriptions. The time for compiling a description was reduced from 15 minutes to one. 34,000 descriptions have been generated; all of them taken together are 59 times larger than the War and Peace novel. The feature of automatic website creation matching the theme of client business was implemented: a ready-to-launch website with unique content is generated in less than a minute. 2,700 websites have already been created without the involvement of developers or designers.

An electronic bidding platform for procurement purposes. Bank guarantees are issued through the electronic channels of the **electronic bidding platform** under Federal Laws No. 44-FZ and No. 223-FZ.

The Bank has created the Business Intelligence national projects implementation monitoring system and is implementing it in Russian regions. This tool uses the company's own data and information from the budget.gov.ru and zakupki.gov.ru websites to analyze procurement, the competitive environment, tender process efficiency and accomplish other objectives.

FINAWARD 2023

- ★ Sber's secure settlement service was named the best in the market and won the annual FINAWARD'23.
- ★ The blockchain platform-based B2BSecurePay settlement system won in the Front-Office Implementations/ Solutions: B2B Payment Service category.

Sber offers high-tech **business process outsourcing solutions** for companies in any industry. These include outsourcing of accounting functions, financial, legal, tax consulting, preparation of RAS-based financial statements in Russia.

The bank created a specialized cloud platform for interaction with clients and employees. The service allows to securely exchange documents for correct and fast financial, personnel and tax accounting. In 2023, over 90% of clients were migrated to this platform for business support purposes.

Sber offers its clients **analytical products,** developed on the basis of big data from the Bank's and partners' sources, that make use of machine learning, information processing and visualization technologies. Research is conducted with full market coverage. Research is conducted with full market coverage. Sber's proprietary data processing algorithms help customers understand the current state and dynamics of market segments, clearly assess their competitive environment and own capabilities, effectively develop their own business.

The Bank has implemented dozens of regional development projects within the strategic initiatives of the Government of the Russian Federation. More than 50 Russian regions are connected to analytical products. Sber actively interacts with large and medium-sized companies, small and micro businesses.

Sber remains one of Russia's leading and successful strategic consultants, specializing in the development of business strategies and implementation of operational improvements for the largest companies and government institutions in Russia and the CIS countries. More than 200 consulting projects have been implemented. A strategy developed for one of Russia's major cities ranked the 1st at the federal contest of city strategies.

Sber develops IT and AI solutions **for business automation** in the fields of sales, process support, marketing and analytics, and implements off-the-shelf solutions using state-of-the-art AI technologies for fast integration into customers' IT architectures. SberCRM SaaS, with 36,000 active users, is one of the main products.

In 2023, the product was named the system of the year by Cnews Awards and ranked among the top 5 according to CRMRating and SalesForce.

Corporate customers with salary projects

Hundreds of thousands of corporate clients continue to trust Sber with the management of their salary projects. The Bank carries on with improving this area. In 2023, incoming payments by telephone number in the SberBusiness mobile app became available to corporate clients. The recipient's full name and telephone number and the amount to be paid is all that is necessary for this purpose. On payroll-based issuance of salary cards, the cards may be delivered to clients via any branches that serve individuals. Sberbank tariffs were brought to the market level. Since June, the fee for the transfers of salary-related payments to new salary clients has been cancelled.

Starting from February 2023, companies in Crimea can sign up for a salary project to pay those employees who are Sber clients via all channels, including the SberBusiness automated system in an online mode.

Corporate Insurance

In 2023, the corporate insurance business kept developing in the context of ongoing macroeconomic transformation of the Russian economy and as business continued to adapt to the new conditions. Despite some elements of uncertainty in the external environment, Sber's insurance business achieved certain success. SberInsurance added major players from the extracting, aircraft, and timber industries, and the freight transportation sector to its customer base. The number of corporate insurance transactions increased by 25%.

As corporate insurance products were integrated into the SberBusiness online bank platform, it became possible to implement the full insurance cycle in the digital environment, from entering into the insurance contract, paying for or renewing the policy, to filing the claim documents and settling losses.

Sber carried on with the upgrade of its "360 Cover" flagship insurance contract builder for SMB clients, including individual entrepreneurs. The product features blocks allowing clients to insure their property, finances, personnel health and civil liability, as well as to reimburse legal fees incurred in connection with challenging a tax inspection report. The product is fully deployed in a digital environment and serves as a one-stop shop for SMB clients wishing to insure their business risks online. Clients can choose the risks that match their business profile. Since 2023, clients have been able to purchase voluntary health and accident insurance options with disease risk coverage; the basic coverage may be expanded with diagnostics and treatment of oncologic diseases.

Gamification was used to promote the 360 Cover product. This innovative idea allowed SMB clients to carry out a full key risk assessment of their business in just 3–5 minutes of casual play and use the opportunity to insure against these risks with the 360 Cover product.

360 Cover product awards

National Banking Award

- ★ In 2023, SberInsurance won the National Banking Award. The 360 Cover comprehensive insurance program for small and micro businesses won the Insurance Product category

Digital Leaders 2023

- ★ The Gamification of Corporate Insurance Product Sales project won the Digital Leaders 2023 award in the New Digital Idea of the Year sub-category, in the Electronic Insurance category

Insurance Broker

Sber's Insurance Broker is a leader in the national insurance brokerage market.

In 2023, the Insurance Broker settled the most prominent insured events (losses) in the market. Clients received prompt and full indemnity under insurance contracts for a total amount in excess of RUB 8 bn due to the employees' deep expertise and the high quality of technical specifications. Currently, the Insurance Broker employees keep 3,000+ insurance events under control.

In 2023, the Insurance Broker issued about 2,500 construction risk insurance policies with a total underwritten amount of RUB 3.5 trn. Since July, such risks have been insured via a digital solution, so that issuance of documentation on transactions with insured amounts of RUB 500 million or less was expedited to 15 minutes.

Successful collaboration among the Insurance Broker, SberInsurance and SberHealth has resulted in the launch of a new product, VHI+. The product combines all the advantages of classic voluntary health insurance (VHI) with state-of-the-art telemedicine technologies. Clients choose this product due to the bundled nature of the services, affordable price and the ease of the sign-up process without the need to fill out medical questionnaires.

As for classic VHI, 26,700 employees of Sber group's corporate clients were insured together with SberInsurance, including 623 children. As is evident from an analysis of complaints, 87% of insured persons actively use the services, with 73.700 instances of medical services provided to them.

The Insurance Broker and its subsidiary, the Professional Consultant, are actively promoting the sales of their ESG product line.

For more details on Sber's ESG products, see "the Responsible Financing and Non-Financial ESG Products" section of the ESG Report

Cash Management and Collection Services

In 2023, Sber grew its share of the cash management and collection services market by maintaining high-quality and uninterrupted service, developing existing products and offering new ones to clients.

+16%

In 2023, clients' demand for cash kept growing, with the year-on-year volume increment amounting to 16%. To meet the clients' cash needs during the period of increased demand, Sber's cash management and collection service centers worked on a round-the-clock basis.

In mid-2023, the third largest market participant announced its wind-up, causing an unprecedented mass surge in the demand for cash collection services on the Russian cash management and collection services market. Sberbank's cash management and collection service function quickly adapted to the new challenge and, with effect from August, extended service onto 70,000+ client points, making the transition to Sberbank seamless for clients. The potential for incremental fee and commission income from the extension of service onto these facilities is RUB 3.1 billion per year.

In 2023, Sber focused on building a bundled offering for credit institutions, the "turnkey ATM". Sber offered the market a unique service: ATM rent, complemented by full settlement and cash collection support.

Another new service offered by Sber to the market is safekeeping of corporate clients' precious metals in Sber's cash management and collection service centers. This became possible thanks to the Bank's specialized infrastructure and trained personnel.

For corporate clients, Sber is deploying the services of revenue collection and online posting to accounts using automatic cash-in machines. More than 600 devices were installed in 2023, and this activity will continue in 2024.

Sber continued to develop a product that provides 100% electronic document exchange in respect of cash collection operations in the convenient Sber Cash Collection Service mobile and web application. This high-technology product matches the spirit of the times and is good for digitally-minded clients.

Sber acted swiftly to support cash circulation in Sber's infrastructure in Crimea, in partnership with the Rosinkas Association, a Sber accredited partner. Concurrently, work was under way to prepare for the launch of Sber's first cash management and collection service center in Simferopol, which opened in January 2024.

Sberbank continues to develop its Bank of Russia cash safekeeping program: as of the end of 2023, 50+ cash management and collection service centers already participate in the program. This will allow the Bank to stay better prepared for abnormal surges in demand, improve the operating efficiency of the cash management and collection service function and, going forward, earn more fee and commission income from serving other credit institutions.

Sales Network

GRI 3-3

Sber Branch Network

With over 12 thousand branches, Sber's branch network is the largest one in the country, accounting for nearly one half of all bank branches existing in Russia. The remaining half is distributed among 300+ banks registered in Russia. Sber's branches and mobile offices operate in the country's most remote corners, as far as the permafrost zone. Sber is strongly focused on rethinking and upgrading its branch network, creating state-of-the-art cozy spaces with coworking zones and coffee points, expanding the range of financial and non-financial services offered at its branches.

We create new branch formats, including, in particular, modular structures capable of being mounted in a matter of several days. Sber presented this format in Crimea where the bank's branches were launched in 2023.

>21 mn
non-financial service transactions at Sber branches

In 2023, clients made 21 mn non-financial service transactions at Sber branches, an almost double increase year-on-year. Sber marketplace order pick-up and SberBank Online mobile app installation on smartphones displayed the strongest growth. Clients dropped in for a cup of coffee even more often.

In 2023, Sber launched a number of new services that, too, are gaining popularity. In urban settings, Sber branches offer document printing and photocopying, and in some regions, they sell Troika transport cards, SIM cards, air and railway tickets; clients can apply for and obtain a tax deduction, take advantage of the secure vehicle purchase service, receive help with job search, sign up for services for the self-employed, receive advice on utility bills, and much more.

Popular non-financial services in Sber offices in 2023:

Sending and receiving parcels
x2.7 times YoY
14.1 mln parcels

Installation of Sberbank Online app on smartphones
5 mln installations

Copying and printing out documents
422 thousand documents

Cup of coffee - more than
1.4 mln cups

In January 2023, first Sber ATMs came to Crimea, and in May, first Sber offices were open there.

As the end of 2023, Sber in Crimea:

13
branches for retail and corporate clients

175 thousand client
visits to Sber's branches in Crimea

130
modern ATMs

>3 thousand families
that have purchased apartments and houses with a mortgage loan from Sber

almost 4,000
payment terminals in stores

RUB 11 bn
outstanding mortgage portfolio in Crimea

RUB 50 billion
approved loans to businesses

>10 thousand
entrepreneurs that opened accounts with Sber

Two Sber offices, historical and modern, started to work at "Russia" International Exhibition and Forum at VDNKh. Both offices are located in Pavilion 2 (Robostation) which is near the Friendship of Peoples Fountain, where the exhibition "Sber for an individual. For business. For the country." has been launched. The exhibition has been running since November 2023. Office visitors can order a bank card with tailored design powered by the Kandinsky neural network.

In 2023, Adafa debit card and Amana account, Sharia compliant Islamic finance products, became available to all Sber clients. The card has an authentic digital design. The card and the account can be opened in Sber offices located in Moscow, Tatarstan, Bashkortostan, Dagestan, Ingushetia, Karachaevo-Cherkessia, Chechnya, Kabardino-Balkaria, Adygea. Introduction of Islamic finance products helped expand the existing customer base by creating a new segment.

To visually present various services and products, client managers in Sber offices use the SBOL.pro platform, which allows them to effectively demonstrate on a tablet the benefits of the products and services being offered. Sber employees help clients learn new skills and start using connected services on the clients' devices right in the offices.



ATMs

Sber became the first Russian bank to have developed the controlled processing functionality for self-service terminals and migrated 100% of ATMs to this functionality.

62.5 mn
ATM MAU, December

Sber ATMs offer cash-in and cash withdrawal without a card, with the help of QR codes, SberBank Online app, or biometry.

The network availability is maintained at
>96%

5 products
for ATM control are entered in the Domestic Software Register maintained by the Digital Development Ministry

The number of receipts printed by ATMs decreased
by 40% for 2023
which is in line with Sber's ESG agenda

98%
of Sber terminals are equipped with the cash recycling function



Sales and Service Model at Sber Branches

Since 2022, Sber has tested, and in 2023, introduced a new universal employee role

in 600 small branches

with a client flow of up to 250 people. This is a role of Senior Client Manager

In 2024, the universal employee model will be replicated in other offices with comparable client flow and will be tested in branches with higher traffic.

To attract payroll clients, client managers in Sber offices use a new product presentation created on the SBOL.pro platform. The presentation allows conducting a natural dialogue with clients, add their life stories, print out applications with pre-filled details of both the employee and the employer. SBOL.pro also allows issuing salary cards with an individual design to the Ministry of Defense's employees and mobilized people using the employer's QR code. These measures made it possible to increase the number of payroll clients attracted in the offices in 2023 by 1.7 times to reach 1.31 million people.

BENEFITS FROM INTRODUCTION OF THE NEW ROLE OF A UNIVERSAL EMPLOYEE:

For **a client**: a simple navigation through the queue, solving all issues with the help of one employee, opportunity to learn more about the Bank's products and services, even if the client's current visit is related to a regular transaction.

For **an employee**: potential for sales growth and salary increase, professional development and career growth

For **Sber**: revenue growth due to effective client flow management and reductions in employee downtime.

Sales outside of Sber offices

One million

financial product deliveries

Other sales by field service managers:

205 thousand

consumer loans



of the total volume

including:

16 thousand

of education loans



of their total volume

27 thousand

new users of SberHealth service

21 thousand

mortgage loans



of their total volume

Sber continues to develop mechanisms for product sales outside its branches through external distribution channels, financial delivery service, agent and partner networks.

Sber's nearest plans are to transfer universal employees to work in various locations, where they will help resolve practically all clients' issues outside the office. The work in this direction has already started. The Bank actively uses artificial intelligence to optimize the traveling routes of field managers: cities are divided into sectors optimal for travel, the required resources are calculated and allocated. Tasks are distributed among field employees in a centralized manner, taking into account optimal traveling route and time.

Sber implemented same-day or next-day card deliveries to non-clients. In two cities, Sber also delivers SIM cards of the mobile operator that is member of the Sber group. The Bank can install the SberInvestments app on a field visit: in 2023, 40% of all app installations by Sber employees were made by field service managers. Since the end of 2023, Sber also has been able to provide the pension granting service on a field visit, so that the client no longer needs to visit the Russian Social Fund or the Multifunctional Public Service Center for this purpose.

Since the end of 2023, Sber can provide a pension assignment service on site, and a client does not need to visit the Russian Social Fund or MFCs for that.

Sber field service managers can deliver 24 financial products to clients in 200 cities across the country.

Within the framework of promoting a unified field service, the Bank has developed the incentive system for field employees. The system aims to increase employee efficiency and improve employee retention through additional compensation. Content for the field employees' trainings is enriched and promoted through various Sber channels. The community of external distribution employees is being developed to increase their engagement, knowledge and experience sharing.

Payroll Programs



Sber is actively developing a department which offers payroll programs to clients. In 2023, over 600 employees were added to this department and now more than 1,500 Sber employees are engaged in selling these programs. Their training process has been fully revised and updated: it is carried out on the unified PULS platform, experience exchange with experts is carried out using a speech simulator, and GigaChat helps to deal with objections.

AI helps to estimate the required number of these employees and set tasks for them. In 2023, employees were assigned more than 1 million tasks to attract clients, liaise with them, prevent their outflow.

Employees rely on the unified data mart for organizations created by the Bank, where information about companies, their employees and persons making decisions in companies is collected. With the help of GigaChat, these data help Sber employees' prepare for client meetings.

Social engineering fraud prevention at Sber brances

Social engineering fraud prevention in Sber's network

In 2023, Sber office employees together with security and cybersecurity services saved over RUB 5.9 billion in clients' accounts within the framework of social engineering fraud prevention.

An advanced interactive hint system for Sber office employees has been introduced to help in the cases when they suspect that a client is acting under the influence of fraudsters using social engineering techniques. The Bank has launched projects of involving a security employee or a head of the Bank's office when servicing a client who needs help.

Technology Leadership

GRI 3-3

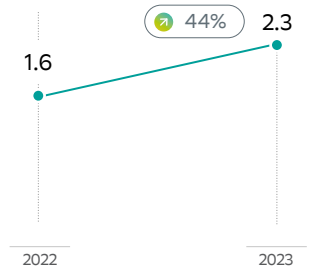
IT for business

99.99%
Reliability of the main transactional services

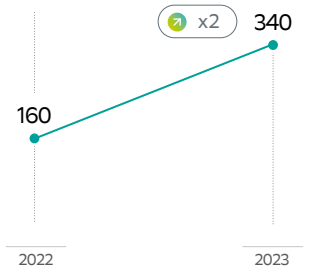
The number of incidents with a material impact on client service was halved.

Despite growing transactional load and an increasing number of changes, Sber was able to significantly reduce the number of incidents with a material impact on client service.

Changes,
mn pcs



Transactions,
thsd pcs/sec



RELIABILITY

Sber comprehensively manages the reliability of IT services to reduce its impact on client service.

1

Proactively detects incidents

Eliminates deviations before they start impacting the client.

97%
of incidents were resolved proactively in 2023

2

Employs AI models to increase the frequency of changes with a low risk

Automatically assesses the risk of post-deployment incidents.

71
parameters

>85%
accuracy

3

Ensures reliable data supply

Works hard to prevent delays in delivery of system replica estimates through the corporate analytical platform.

>2 thsd hours
of delays were prevented in 2023

4

Moves from automated to autonomous operations

Eliminates human error in operational decision-making with the Autonomous Operations program. All key critical systems go to standby autonomously in case of failure.

95 thsd
implementations were autonomous

Production process

Sber develops current production process tools using GigaChat and creates new ones. This is one of the largest processes at Sber.

To reduce the time for developers to create and improve products, we use GigaCode, which allows auto-completing and generating software code.

GIGA CODE

by 25%

GigaCode accelerates code writing with the potential for even greater acceleration in later years

Sber is developing new initiatives

Improving reliability and accelerating the production process based on digital architecture.

Securing transactions for their guaranteed completion even without the client's involvement under a transactional reliability program.

Migration of non-target ASs to our proprietary platform



>88%

of the IT landscape is in the target state

Migration of seven large ASs was successfully completed:

- Data Center
- Unified Loan Portfolio
- Retail CRM
- E-payment System
- SmartVista
- Corporate CRM
- Processing helper functions

Much work was done to migrate the unified corporate system:

90%

of payment documents of corporate clients are executed on the Platform

Payment delivery to the Bank Russia was sped up by a factor of

15

93 ASs

were converted to target solutions as part of parallel migration

70%

of operations moved from the legacy AS Sberbank Branch to AS SBOL.Pro

180 million

contracts on the new proprietary Processing Platform

Vendor substitution

Sber completed the plan to migrate the bank's servers to its own operating system – over 43,000 servers were transferred to Platform V SberLinux. Sber OS, a proprietary operating system for Linux-based workstations, was released.

100%

of vendor replacement plans were fulfilled

Elimination of seven major foreign vendors was completed

Data

Data factory:



100%
of migration from Cloudera was completed



93%
of tribes on the platform

7.5 thsd
users of Data Supermarket (one-stop solution for receiving data)

820+
data sources uploaded to the Data Factory

Work continues on the Information Lifecycle Management project launched in 2021. The project optimizes the use of resources, data storage, and access to data at minimal cost. In an environment of limited hardware supply, this approach enables dynamic growth of necessary data storage capabilities.

116.5 PB
thanks to data and infrastructure optimization

Sber keeps developing its platform for secure data exchange by ecosystem companies.

120+
users

250+
data sources

Infrastructure

>87%
of the infrastructure is in the Bank's cloud

93%
automation of infrastructure operations

825 thsd
values are collected from the infrastructure every second as part of the monitoring process

>4 mn
operations per year are automated with self-service tools

IT as a Business

Platform V technology platform tools and components

PLATFORM V

60 Platform V tools and components in the Russian Software Register

- SberLinux OS Server
- Works
- Pangolin

Platform V SberLinux OS Server

A domestic server operating system designed to manage enterprise-grade servers and create an efficient and secure environment for execution of workloads of:

- server applications
- databases
- distributed computing
- containerization and virtualization
- artificial intelligence

The solution helps substitute the imports of popular foreign enterprise-grade server operating systems based on Red Hat Enterprise Linux (RHEL), which have left the Russian market.

Platform V empowers Russian companies to not only replace the software of foreign providers, but also improve the efficiency of the entire technology landscape.

Commercial contracts with clients were signed

CNews

★ “Platform of the Year for Import Substitution”

Tadviser IT Prize 2023

★ “Platform of the Year for Application Development”

GitVerse service

GITVERSE

GitVerse was announced at the SmartDev conference as a service that enables developers to create open- and closed-source projects.

Developers will be able to leverage GitVerse to build a project, test it, deploy it on stands and conduct a code review.

The service will help automate project development, store code, create and delete repositories, assign tasks, and add comments.

It will be possible to connect GigaCode, an AI assistant to developers, through GitVerse to accelerate code writing and handling.

The service will be made available to the general public in early 2024.

SMART DEVICES

1.7 mn
devices sold in 2023



SberBoom smart speaker line

Sber smart TV sets based on the proprietary operating system Salute TV with Salute virtual assistant on board

+21 models,
including QLED

32–75"



Sber supervises the full production cycle

TOP-1 brand in Smart TV online sales

Salute assistant

23 mn MAU

Russia's first LLM-based virtual assistant

Eight new smart home devices

- control hub
- scenario button
- socket
- children's lamp
- opening sensors
- motion sensors
- leakage sensors
- temperature and humidity sensors

Sber's Smart Hotel was implemented at Manzherok Resort

GIGA FAMILY

GigaChat

GIGA CHAT

Sber was the first in Russia to launch a large language model on the market. The biggest Prod LLM in Russia

GigaChat can answer users' questions and maintain conversations, while the inclusion of Kandinsky model into the ensemble enables the neural network to create images.

Available on the following surfaces:

- Web
- Telegram
- VK
- Sber smart devices

Quality parity side-by-side with ChatGPT-3.5 turbo

2.6 mn
users

25+ mn
requests

GigaChat passed a Unified State Exam in social studies scoring
67/100

GigaChat API

The interface for integrating GigaChat with business products is on the market.

GigaChain

A Python library (adapted version of LangChain for the Russian language), which helps streamline and automate work with GigaChat and other LLMs.

SBERJAZZ

Users now have access to the built-in messenger, webinars and meetings in 3D spaces (SberJazz XR). Calls with co-workers, partners, or customers can be made in a virtual environment with 3D characters that move around and interact with each other.

120+
schools, universities and other socially important institutions use SberJazz

130 thsd
conferences are held on the platform every week

600 thsd
is the MAU of the cloud version of the service

Product of the year in the "AI-based Video Conferencing" category

Sber's digital platform for GovTech

A secure, reliable and import-substituted solution for digital public services. Sber supports the government in creating digital services that are convenient and useful for people and businesses.

Two state contracts for maintenance and support of GovTech Unified Digital Platform have been signed and are being implemented

In 2023, GovTech went from an experiment to full-scale production

Two sites were launched and certified – in Skolkovo and St. Petersburg

The Public Service Platform is already operating at the Skolkovo site

In 2023 Sber provided infrastructure for 52 government services on the GovTech platform

Migration of these services is nearing completion

Sber's digital cloud platform won an award as the best "Cloud Digital Platform of the Year for Digital Transformation in the Public Sector"

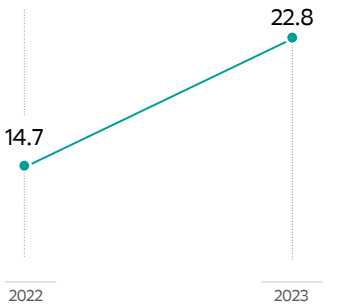
Sber continues to work on improving stability and expanding the product range

Training IT specialists

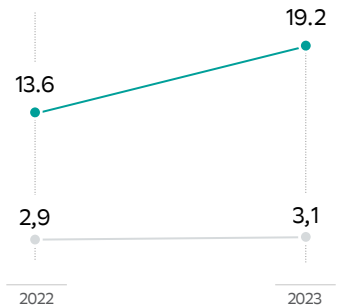
Sber employs over 42,000 IT specialists with expertise in key technology areas: Cloud, AI&ML, Data, etc.

Trained specialists, thsd, cumulatively

School of Architects



IT Bootcamp



IT BootCamp sites

- Moscow
- St. Petersburg
- Novosibirsk
- Ekaterinburg

Additionally opened in 2023

- Nizhny Novgorod
- Samara
- Kazan
- Sochi

Sber – an attraction point for IT specialists

Two tech hubs
in Kazan and Ekaterinburg

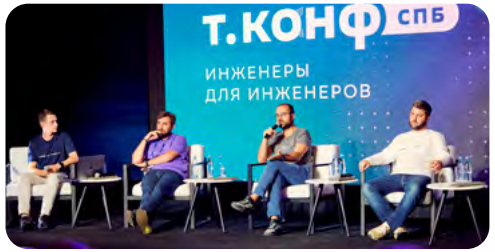






23 professional communities connecting 18+ thsd employees

4 engineering conferences for employees





150 speakers

25 thsd online participants



Research and Innovation

Patents and academic papers

126 patents
registered in 2023

328 patents
registered over three years (2021–2023)

464 patents
cumulatively in Sber as of the end of 2023

Employees of Sber and AI Centers working with Sber published 222 academic papers, of which 98 were included in the world's leading journals (Q1 journals) and top conferences (A*/A rank), over the span of 3 years (2021-2023).

Key results of 2023

The AI Laboratory, in collaboration with SberMedAI and the Moscow Government, developed and implemented a digital doctor's assistant. The service analyzes EHR for two years to help reach a final diagnosis. It is available in all Moscow polyclinics that provide qualified medical care to adults and adolescents. The solution became an important step in improving the quality of healthcare in the capital.

Researchers at the AI Laboratory won gold and silver medals at six major international machine learning competitions (on the Kaggle platform) using technology developed at the lab. The winners (medalists) of three other competitions used open source solutions created by the lab.

New research facilities were launched:

- The Quantum Technology Center;
- The Design Lab.

Jointly with Skoltech AI, Sber solved the problem of creating more precise models for forecasting climate risks: permafrost melting, flooding, storm wind, and hail. This allowed Sber not only to experiment with comprehensive ESG models capable of predicting emergencies in various regions, but implement them in practice. The developed models will enable the Bank to more accurately calculate its credit and insurance risks, and help clients build their own development strategies.

In 2023 Blockdata (CB Insights Group), a research company, included Sber in a global top list of companies implementing blockchain. Our Blockchain Lab developed a blockchain platform for digital financial assets (DFA). In 2023 Sber's DFA platform hosted 57 issues worth more than RUB 1.8 bn and the first transaction in the Russian market involving two largest DFA issue operators using different blockchain technologies

The Robotics Center developed SberShuttle, a shuttle storage system, and launched pilot operation of a warehouse at JNB, a commercial client. The solution fully automates warehouse operations, dramatically reducing operating costs and eliminating human error.

Development of Artificial Intelligence

GRI 3-3

GENERATIVE AI MODELS

The development of generative artificial intelligence models became one of the important results of our research efforts beyond the goals of the AI Strategy 2021–2023.

GIGA CHAT

A large language model, interacts with the user in a dialog format; it can create texts, write code, and draw. The model successfully passed the USE exam in social studies scoring 67 points.

GIGA CODE

GigaCode, an AI assistant to developers, accelerates the code writing process and offers the most likely and relevant options for continuing the code in the development environment in real time.

Kandinsky 3.0

Kandinsky 3.0 model allows generating high-quality images in different styles based on text, mix images and edit them. The model understands queries in 101 languages, including Russian and English.

Kandinsky Video

Kandinsky Video is the first Russian model for creating videos from text. The model generates videos up to eight seconds long in 512×512 pixel resolution and with a frame rate of 30 FPS.

OmniFusion (Jointly with AIRI)

OmniFusion, a multimodal (able to process different types of data) model, can work with two types of data—text and images. The model can analyze and describe images and answer questions about them, while maintaining a continuous dialog with the user.

ARTIFICIAL INTELLIGENCE APPLICATIONS AT SBER

GigaChat was used as a basis for launching a whole series of AI projects, including:

- An LLM-based solution for accelerating responses to queries from citizens in the Moscow Region;
- A model for selecting the best locations for opening new branches and installing ATMs based on client traffic and infrastructure data;
- Credit risk assessment models based on the latest neural network architecture, which help drastically improve the efficiency of decision-making on retail loan products.

RESEARCH ACTIVITY

In the process of developing new AI tools that will be able to solve real-world problems, Sber cooperates with the AI centers of leading Russian universities and is also developing its own AI laboratory and the Artificial Intelligence Research Institute (AIRI).

In 2023 researchers from Sber, the AI Lab, and AIRI submitted 36 scientific papers at landmark A/A* conferences, with 57 more papers published in Q1 (the most prestigious) scientific journals.

Sber's research efforts are applied in many areas.

36 scientific papers

The AI Lab, and AIRI submitted at landmark A/A* conferences in 2023

AI JOURNEY, OR JOURNEY INTO THE WORLD OF ARTIFICIAL INTELLIGENCE

The AI Journey international conference features a variety of events dedicated to artificial intelligence and machine learning, such as a series of lectures on AI in eight Russian cities, including the conference in Moscow.

The AI Journey conference is one of the largest AI events in the world, with 150 million views from more than 190 countries in 2023. Presentations at the conference by over 200 speakers were broadcast in Russian, English and Arabic. The main stage program was simultaneously interpreted into Russian Sign Language (RSL) using a service developed by Sber.

The 2023 program revolved around the latest innovations in the field of artificial intelligence, including the development of generative and large language models. Special emphasis was given to the impact of technology on society and various sectors of economy, their role in the implementation of government initiatives, business growth, and sustainable development. The conference in Moscow also featured a special AI Journey Junior track to promote AI technology among schoolchildren. The results of the international AI Journey Contest were announced. More than 1,300 researchers from 20 countries took part in the competition to solve problems in the field of AI, including socially important ones. The results of the open call for papers AI Journey Science were announced at the conference for the first time.

COOPERATION WITH UNIVERSITIES AND SCHOOLS

Sber works closely with universities to develop Russia's talent pool and propagate competencies among AI specialists. Sber experts teach 13 programs created jointly with Sber to 711 students at Russia's leading universities, and contribute to the development of training materials for more than 200,000 students.

Sber has been consistently cooperating with schools and actively engaging schoolchildren in different events, including open lessons. The Digit Lesson[1] designed by Sber on the topic of AI in industries was attended by 2.8 million schoolchildren, 45,000 parents, and 60,000 teachers. More than 6,300 schoolchildren from Grades 8–11 registered for the National Technology Olympiad in the AI category.

The Digit Lesson[1] designed by Sber on the topic of AI in industries was attended by

2.8 million schoolchildren

45 thousand parents

60 thousand teachers

[1] An All-Russian educational project in digital economy that gives schoolchildren an opportunity to learn from leading technology companies.

SBER IS A NATIONAL AI COMPETENCY CENTER

Sber is a competency center for the Artificial Intelligence federal project. In January 2023, the Government of the Russian Federation, the Bank, and several other stakeholders signed an agreement on the development of the cutting-edge field of artificial intelligence and produced a corresponding roadmap.

As part of the Artificial Intelligence federal project, six new AI research centers were created in 2023, 4,900 people signed up for new educational programs on AI, 16,300 school teachers upgraded their AI skills, and 11,500 people took part in AI hackathons.

In 2023 Sber provided expert and methodological support to the Government of the Russian Federation in updating the National AI Development Strategy until 2030.

Sber helps regional authorities and businesses with AI implementation. In the reporting year, we launched a large-scale project on AI-based regional transformation. In 2023, 54 Russian regions held sessions attended by about 2,000 regional leaders. As a result, the regions signed AI development agreements with Sber, developed roadmaps for AI implementation, and initiated over 500 joint projects to deploy AI solutions. AI Transformation Offices were launched in 15 regions, and four more regions opened AI Centers supported by Sber.

Sber assists the Government of the Russian Federation in developing and promoting the National Code of Ethics for AI. So far, more than 340 organizations have acceded to the Code.

AI ALLIANCE

The AI Alliance brought together leading technology companies for them to cultivate each other's expertise and jointly implement and promote AI in business, education, and regulation.

In 2023:

- The Alliance expanded and acquired new members
- The AI Leaders National Award was created (more than 300 applications from 70 scientists, 28 regions, and 165 companies). The results were announced at the AI Journey conference in Moscow
- A series of benchmarks was launched for large language models (LLM) and industry-specific ML models (using the example of agriculture)
- Russia got its first top list of universities ranked by their quality of AI training

Financial Performance

94 Five-year dynamics of Sber's key indicators under IFRS
96 Profit and Loss Statement analysis
99 Asset structure analysis
101 Liability and equity structure analysis

Image generated by Kandinsky 3.0

Five-Year Dynamics of Sber's Key Indicators under IFRS

GRI 3-3

Profit and Loss Statement Highlights

RUB bn	2023	2022	Change	2021[1]
Operating income from continuing operations before provisions and changes in the loan portfolio fair value due to credit quality changes	3,165.0	1,902.9	66.3%	2,452.9
Expenses from loan loss provisioning in respect of debt financial assets	(235.4)	(450.5)	-47.7%	(138.7)
Operating income	2,909.1	1,312.4	121.7%	2,289.6
Staff and administrative expenses	(924.4)	(726.5)	27.2%	(834.4)
Profit before tax	1,984.7	585.9	x3.4	1,455.2
Net profit	**1,508.6**	**287.8**	**x5.2**	**1,245.9**

Statement of Financial Position Highlights

RUB bn	31 December 2023	31 December 2022	Change	31 December 2021[1]
Loans and advances to clients, net	37,558	29,373	27.9%	27,096
Loans and advances to clients before loan loss provisions	39,381	31,038	26.9%	28,518
Total assets	52,307	41,862	25.0%	41,166
Retail and corporate clients' funds	36,694	29,876	22.8%	28,312
Total liabilities	45,723	36,086	26.7%	35,521
Total equity	6,584	5,777	14.0%	5,645

Per share figures

RUB per share	2023	2022	Change, %	2021[1]
Basic and diluted earnings per ordinary share	69.10	13.20	x5.2	56.98
Net assets per ordinary share	307.68	269.94	14.0%	262.53

[1] 2021 figures do not reflect adjustments related to the adoption of IFRS 17 Insurance Contracts.

Financial highlights

Profitability indicators

%	2023	2022	Change, %	2021[1]
Return on average annual assets (ROA)	3.2	0.7	2.5 p.p.	3.3
Return on equity (ROE)	25.3	5.2	20.1 p.p.	24.2
Net interest margin (net interest income to average-weighted interest-earning assets) – in accordance with the methodology adopted in 2019	5.98	5.32	0.66 p.p.	5.38
Operating expenses to operating income before provisions (CIR)	29.2	38.2	-9.0 p.p.	34
Ratio of loans and advances to clients after loan loss provisions to retail and corporate clients' funds	102.4	98.3	4.1 p.p.	95.7

Capital adequacy ratios

%	31 December 2023	31 December 2022	Change, %	31 December 2021[1]
Common Equity Tier 1 adequacy ratio (Basel 3.5 / Basel 3)	13.2	14.7	-1.5 p.p.	13.9*
Total capital (Tier 1 and Tier 2 capital) adequacy ratio (Basel 3.5/Basel 3)	14.0	15.6	-1.6 p.p.	14.8*
Equity to assets ratio	12.6	13.8	-1.2 p.p.	13.7

Asset quality indicators

%	31 December 2023	31 December 2022	Change, %	31 December 2021[1]
Share of non-performing loans in the loan portfolio	2.2	2.6	-0.4 p.p.	2.9
Share of Stage 3 and POCI loans in the loan portfolio at amortized cost	3.4	3.9	-0.5 p.p.	4.9
Ratio of provisions for loan losses and advances to clients to loan portfolio at amortized cost before provisions	4.8	5.6	-0.8 p.p.	5.2

[1] 2021 figures do not reflect adjustments related to the adoption of IFRS 17 Insurance Contracts.

Profit and Loss Statement Analysis

General Tendencies

The Group's net profit under IFRS in 2023 amounted to RUB 1,508.6 bn, 5.2 times higher than in 2022. The operating income before provisions in respect of debt financial assets and credit-related commitments, as well as before the impact of loan portfolio fair value changes due to changes in credit quality grew by 66.3% in 2023, to RUB 3,165.0 bn, driven mainly by net interest income and net fee and commission income. In 2023, expenses from loan loss provisioning in respect of debt financial assets decreased by 47.7% to RUB 235.4 bn, versus RUB 450.5 bn in 2022. Staff and administrative expenses grew by 27.2% over 2023, amounting to RUB 924.4 bn.

RUB bn	2022	2023	Change
Profit for the year	287.8	1,508.6	x5.2
Operating income before provisions for expected loan losses, including provisions for credit-related commitments, and before the loan portfolio fair value change due to changes in credit quality	1,902.9	3,165.0	66.3%
Staff and administrative expenses	-726.5	-924.4	27.2%
Expenses from loan loss provisioning in respect of debt financial assets	-450.5	-235.4	-47.7%

Net interest income

RUB bn	2022	2023	Change
Net interest income	1,875.0	2,564.6	36.8%
Interest income	3,548.3	4,505.2	27.0%
Interest expense (including insurance expenses)	-1,673.3	-1,940.6	16.0%

The Group's net interest income increased by 36.8% to RUB 2,564.6 bn in 2023. The Group's interest income grew by 27.0% over the year, reaching RUB 4,505.2 bn. This trend is mostly underpinned by loan portfolio growth. In particular, the retail portfolio grew by 29.3%, while the corporate loan portfolio increased by 25.2% in 2023.

Interest expenses, including deposit insurance expenses, increased by 16.0% in 2023 year-on-year, reaching RUB 1,940.6 billion. This increase was related to growth in interest-bearing liabilities; at the same time, this increase was offset by a year-on-year decrease in the cost of retail funds in versus 2022. During the first three quarters of 2023, the cost of retail term deposits remained in the range from 5.1% to 5.4%, but grew to 7.1% in the 4th quarter of 2023 against the backdrop of growing interest rates in the economy. Interest expense on retail clients' funds which are the key source of funding for the Group continue to account for the bulk of interest expense. Growth in the amount of interest expense on corporate clients' funds was mostly driven by the volume factor.

The net interest margin was 5.98%, having grown by 0.66 p.p. in 2023. This trend was underpinned by an increase in the return on performing assets in 2023 as the cost of borrowing declined. In the performing assets category, the retail loan portfolio displayed the strongest growth driven by outperformance in the retail business.

Cost of clients' funds, %

	2023			
	Q1	Q2	Q3	Q4
Retail term deposits	5.1	5.2	5.4	7.1
Corporate deposits	3.9	4.1	5.5	8.7

Return on loans, %

	2023			
	Q1	Q2	Q3	Q4
Return on corporate loans	8.3	8.4	9.2	11.3
Return on retail loans	11.7	12.0	12.4	14.1

Net interest margin, %

2022	2023				
	Q1	Q2	Q3	Q4	Year
5.32	5.78	5.81	6.01	6.26	5.98

Fee and Commission Income and Expenses

In 2023, the Group's fee and commission income grew by 14.3%, reaching RUB 1,074.7 bn. The Group's net fee and commission income increased by 9.4% to RUB 763.9 bn. The main driver of the fee and commission income growth were bank card transactions that displayed growth by 17.7% to RUB 578.5 billion in 2023. Their contribution to the fee and commission income was the largest, at 53.8% (52.3% in 2022). Cash management service fees were another significant contributor to the fee and commission income growth, having grown by 15.5% to RUB 327.7 billion in 2023. Trade finance transaction fees also displayed growth: they increased by 40.0% to RUB 50.4 billion.

Fee and commission income and expenses

RUB bn	2022	2023	Change RUB bn	Change %
Bank card transactions, including:	491.6	578.5	86.9	17.7%
• acquiring, payment system fees and other similar fees	411.7	484.2	72.5	17.6%
• bank card service-related fees	62.1	61.1	(1.0)	-1.6%
• other	17.8	33.2	15.4	86.5%
Cash management services	283.8	327.7	43.9	15.5%
Clients' FX and precious metals transactions	80.4	50.8	(29.6)	-36.8%
Trade finance transaction fees	36.0	50.4	14.4	40.0%
Agency fees received	8.6	10.2	1.6	18.6%
Securities and commodities brokerage fees, custody service fees, investment business-related fees (including syndication fees)	7.2	8.6	1.4	19.4%
Other	33.0	48.5	15.5	47.0%
Fee and commission income	**940.6**	**1,074.7**	**134.1**	**14.3%**
Fee and commission expenses on bank card transactions	(222.8)	(289.3)	(66..5)	29..8%
Other fee and commission expenses	(19.3)	(21.5)	(2.2)	11.4%
Fee and commission expenses	**(242.1)**	**(310.8)**	**(68.7)**	**28.4%**
Net fee and commission income	**698.5**	**763.9**	**65.4**	**9.4%**

Other Net Operating Income / (Expenses)

Other net operating expenses (net of changes in the loan portfolio fair value due to changes in credit quality), which include net income/expenses from operations with securities, derivative financial instruments, foreign currency, the net result from insurance activities, the net result from non-core activities, as well as allocations to other provisions, amounted to RUB167.6 bn in 2023, versus other net operating expenses of RUB 684.9 bn in 2022, caused by provisioning for blocked assets, negative revaluation of the fair value of financial instruments, impairment of non-financial assets and net other provisions. As the operating environment stabilized and the asset quality improved, this caused the reduction in other operating expenses in 2023 vs. 2022.

Expenses from Loan Loss Provisioning in Respect of the Loan Portfolio

In 2023, the loan loss provisioning expenses in respect of the loan portfolio at amortized cost decreased by 42.1% from RUB 429.7 bn in 2022 to RUB 248.6 bn in 2023 as the loan portfolio quality improved. Under IFRS 9, some of the loan portfolio is to be recognized at fair value through profit or loss. In 2023, negative revaluation due to changes in credit quality recognized in respect of such loans amounted to RUB16.4 bn (in 2022, RUB 125.7 bn).

The cost of credit risk in respect of the loan portfolio at amortized cost decreased by 80 bps during 2023, from 154 bps in 2022 to 74 bps In 2023. With negative revaluation of loans at fair value taken into account, the aggregate cost of credit risk was 76 bps vs. 192 bps in 2022, having decreased by 116 bps.

EXPENSES FROM LOAN LOSS PROVISIONING IN RESPECT OF THE LOAN PORTFOLIO AND THE COST OF CREDIT RISK

Expenses from loan loss provisioning in respect of the loan portfolio at amortized cost, RUB bn.

2022	2023				
	Q1	Q2	Q3	Q4	Year
429.7	83	83	32.3	50.3	248.6

Revaluation of loans at fair value due to changes in credit quality, RUB bn.

2022	2023				
	Q1	Q2	Q3	Q4	Year
125.7	1.2	19.7	15.7	-20.2	16.4

Cost of credit risk in respect of loans at amortized cost, bps

2022	2023				
	Q1	Q2	Q3	Q4	Year
154	110	103	37	54	74

Aggregate cost of credit risk, including revaluation of loans at fair value, bps

2022	2023				
	Q1	Q2	Q3	Q4	Year
192	108	123	53	31	76

Staff and Administrative Expenses

In 2023, the Group's staff and administrative expenses grew by 27.2% reaching RUB 924.4 bn. The dynamics of these expenses was affected, among other things, by the large-scale operating expenses reduction program in 2022 and high business growth rates in 2023. Staff expenses, the main component of operating expenses, grew by 28.4% in 2023, reaching RUB 572.2 billion. The growth in staff expenses was impacted by the employee salary increase in the second half of 2023. At the same time, the operating expenses to operating income ratio before loan loss provisions decreased by 9.0 p.p. to 29.2% at the end of 2023, compared to 38.2% at the end of 2022.

Asset Structure Analysis

General Tendencies

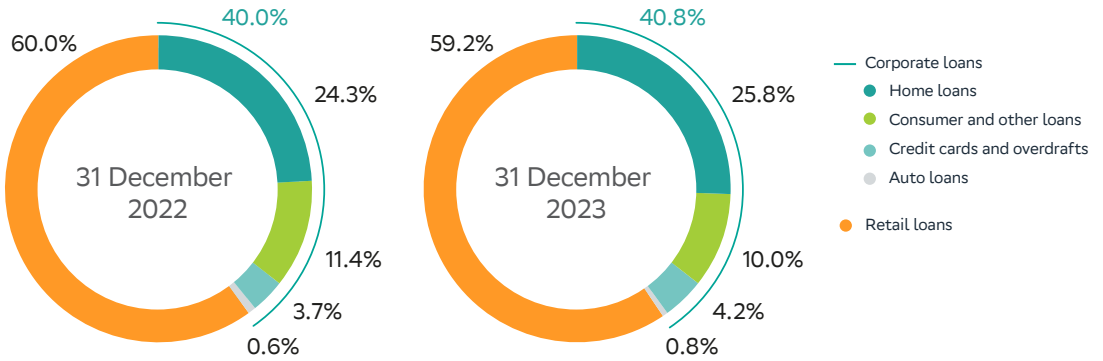
In 2023, the Group's assets grew by 25.0% to RUB 52.3 trn, compared to RUB 41.9 trn as of 31 December 2022. Loans and advances to clients remain the largest category of assets, accounting for 71.8% of total assets at the end of 2023. The Group's total loan portfolio before loan loss provisions grew by 26.9% during the year, reaching RUB 39.4 trn.

Loans and Advances to Clients

Corporate loans before loan loss provisions (cumulatively at amortized cost and at fair value) grew by 25.2% to RUB 23.3 trn in 2023. Their share of the total loan portfolio decreased slightly in 2023 year-on-year, to 59.2% (60.0% in 2022).

The retail loan portfolio increased by 29.3% in 2023 to RUB 16.1 trn, as the consumer activity kept growing in 2023. The share of these loans in the loan portfolio increased to 40.8% from 40.0% in 2022. This growth was mainly underpinned by the mortgage loan portfolio which increased by RUB 2.6 trn to RUB 10.2 trn, or by 34.9% over the year. Other retail lending segments also displayed growth, for example, the credit cards and overdrafts portfolio grew by 42.7% in 2023. Consumer lending grew by 10.9% in 2023. Loan sales via digital channels are a significant contributor to the retail lending growth: the share of retail loan sales via digital channels approached 67.0% at the end of 2023.

Loans diagram



Loans at amortized cost and at fair value

	31 December 2022		31 December 2023	
	RUB bn	%	RUB bn	%
Commercial corporate loans	11,694.7	37.7%	14,205.3	36.1%
Corporate project financing	6,913.2	22.3%	9,100.6	23.1%
Retail home loans	7,545.0	24.3%	10,175.3	25.8%
Consumer and other retail loans	3,549.1	11.4%	3,937.6	10.0%
Credit cards and overdrafts	1,145.1	3.7%	1,633.7	4.2%
Retail auto loans	190.4	0.6%	328.8	0.8%
Total loans and advances to clients before loan portfolio impairment provision	**31,037.5**	**100.0%**	**39,381.3**	**100.0%**

Loans at amortized cost

	31 December 2022		31 December 2023	
	RUB bn	%	RUB bn	%
Commercial corporate loans	11,596.6	38.7%	14,083.8	37.3%
Corporate project financing	5,957.7	19.9%	7,579.9	20.1%
Retail home loans	7,545.0	25.2%	10,175.3	27.0%
Consumer and other retail loans	3,533.8	11.8%	3,937.1	10.4%
Credit cards and overdrafts	1,145.1	3.8%	1,633.7	4.3%
Retail auto loans	190.4	0.6%	328.8	0.9%
Total loans and advances to clients at amortized cost before loan portfolio impairment provision	**29,968.6**	**100.0%**	**37,738.6**	**100.0%**

Loans at fair value

	31 December 2022		31 December 2023	
	RUB bn	%	RUB bn	%
Commercial corporate loans	98..1	9.2%	121..5	7.4%
Corporate project financing	955.5	89.4%	1,520.7	92.6%
Consumer and other retail loans	15.3	1.4%	0.5	0.0%
Total loans and advances to clients at fair value	**1,068.9**	**100.0%**	**1,642.7**	**100.0%**

Loan Portfolio Quality

By the end of 2023, the share of NPL90+ (non-performing loans with interest and/or principal payments past due for more than 90 days) in the Group's total loan portfolio decreased to 2.2% compared to 2.6% at the end of 2022. The share of impaired (Stage 3 and POCI (purchased or originated credit-impaired)) loans in the loan portfolio at amortized cost decreased by 0.5 p.p. to 3.4% in 2023. At the same time, the ratio of total loan loss provisions to Stage 3 and POCI loans was 142.2% at the end of 2023 (142.5% at the end of 2022).

Liability and Equity Structure Analysis

General Tendencies

The Group's liabilities are dominated by retail and corporate clients' funds that totaled to RUB 36.7 trn at the end of 2023, or 80.3% of all liabilities. Overall, the Group's liabilities amounted to RUB 45.7 trn at the end of 2023, having increased by 26.7% over the year.

Clients' Funds

Retail and corporate clients' funds increased by 22.8% in 2023, reaching RUB 36.7 trn. Retail clients' funds increased by 23.8% to RUB 29.9 trn. Overall, in 2023, the share of retail clients' funds in the Group's overall liabilities structure decreased from 51.3% to 50.1%. That said, retail clients' funds remain the main source of financing for the Group, accounting for the largest share of all liabilities. Retail term deposits increased by 25.3%. Seasonal deposit offers and special terms for SberPrime subscribers supported growth in retail term deposits at the end of 2023. The share of term deposits in the total amount of retail clients' funds increased from 51.5% to 52.2% in 2023. In 2023, corporate clients' funds displayed strong growth, by 21.2%, reaching RUB 13.8 trn, while their share in the total structure of the Group's liabilities decreased from 31.5% to 30.2%.

Structure of clients' funds

	31 December 2022		31 December 2021	
	RUB bn	%	RUB bn	%
Retail clients' funds				
Current / on-demand accounts	8,963.4	30.0%	10,955.8	29.9%
Term deposits and direct repo transactions	9,535.9	31.9%	11,948.6	32.5%
Total retail clients' funds	**18,499.3**	**61.9%**	**22,904.4**	**62.4%**
Corporate clients' funds				
Current/settlement accounts	3,621.2	12.1%	3,363.6	9.2%
Term deposits and direct repo transactions	7,755.4	26.0%	10,425.6	28.4%
Total corporate clients' funds	**11,376.6**	**38.1%**	**13,789.2**	**37.6%**
Total	**29,875.9**	**100.0%**	**36,693.6**	**100.0%**

Equity

In 2023, the Group's equity increased by 14.0% to RUB 6.6 trn. This growth was mainly driven by the Group's profit from operations.

+14.0% YoY

RUB 6.6 trn

The Group's equity

Equity

RUB bn	31 December 2022	31 December 2021	Change, RUB bn	Change
Charter capital and share premium	320.3	320.3	-	0.0%
Perpetual subordinated loan	315.0	315.0	-	0.0%
Treasury shares and other reserves	(103.6)	(234.9)	(131.3)	-126.7%
Retained earnings	5,410.2	6,348.6	938.4	17.3%
Total equity attributable to the Bank shareholders	**5,776.9**	**6,584.0**	**807.1**	**14.0%**
Non-controlling interest	(0.1)	0.4	0.5	500.0%
Total equity	**5,776.8**	**6,584.4**	**807.6**	**14.0%**

Capital Adequacy

At the end of 2023, the Common Equity Tier 1 adequacy ratio calculated in accordance with Basel 3.5 requirements was 13.2%. The total capital adequacy ratio, calculated in accordance with Basel 3.5 requirements, was 14.0% at the end of 2023, having decreased by 1.6 p.p. year-on-year; at the same time, it noticeably exceeds the minimum level set by the Basel Committee (8%). Two factors caused the decrease in the total capital adequacy ratio: record dividends paid by the Bank based on 2022 performance, and growth of the Group's risk-weighted assets at a rate above total capital growth. The Group's risk-weighted assets grew by 27.1% over the year to RUB 46.3 trn, driven mainly by the loan portfolio growth. The risk-weighted assets density was 85.1% in 2023, having grown by 1.2 p.p. over the year, mainly as the Bank of Russia imposed higher risk ratio buffers on retail loans.

Capital adequacy

	31 December 2021	31 December 2021
Common Equity Tier 1 adequacy ratio (Common Equity Tier 1 to risk-weighted assets), %	14.7	13.2
Tier 1 capital adequacy ratio (Tier 1 capital to risk-weighted assets), %	15.1	13.5
Total capital adequacy ratio (Total capital to risk-weighted assets)	15.6	14.0

Risk Report

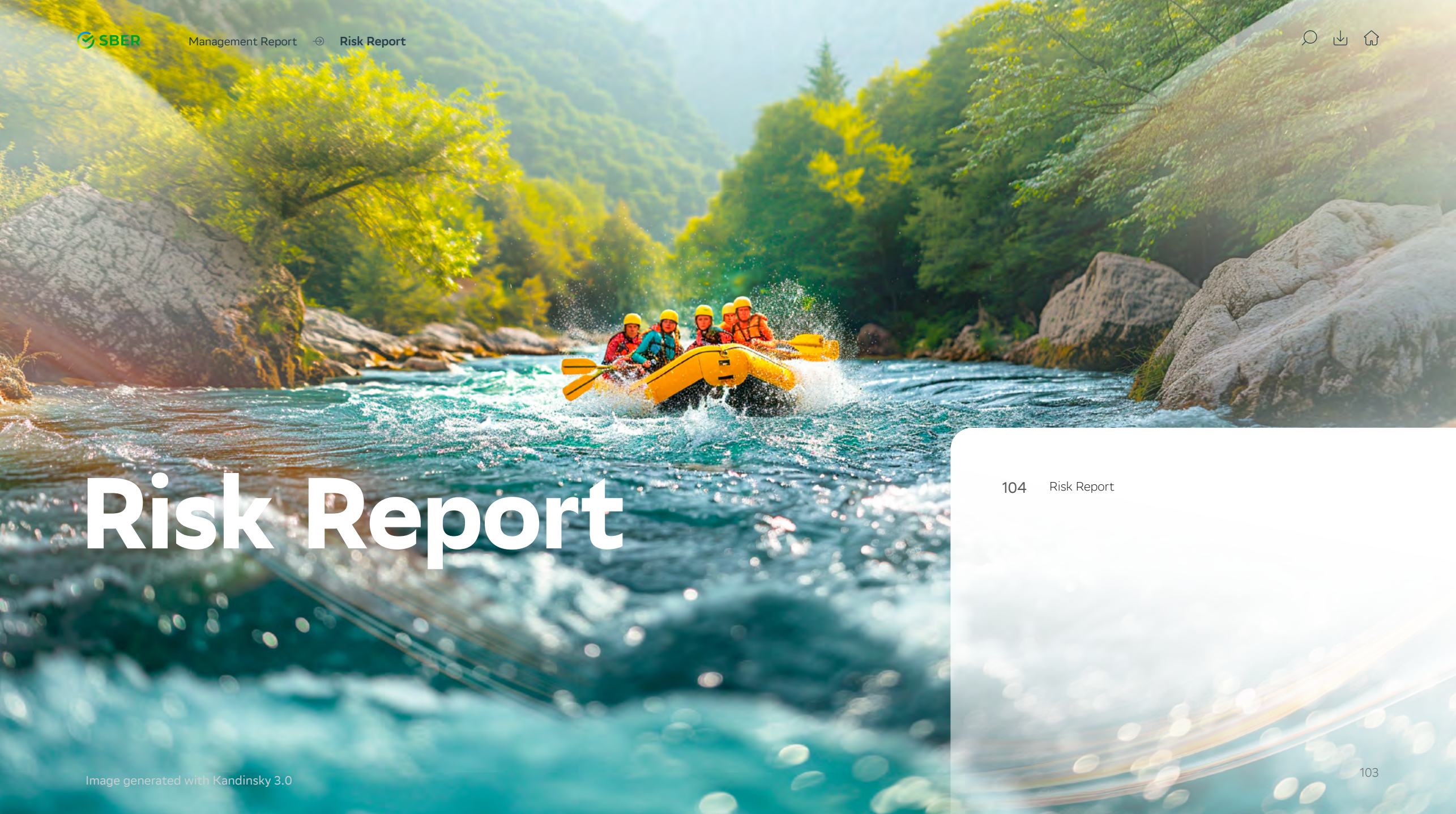


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104 Risk Report

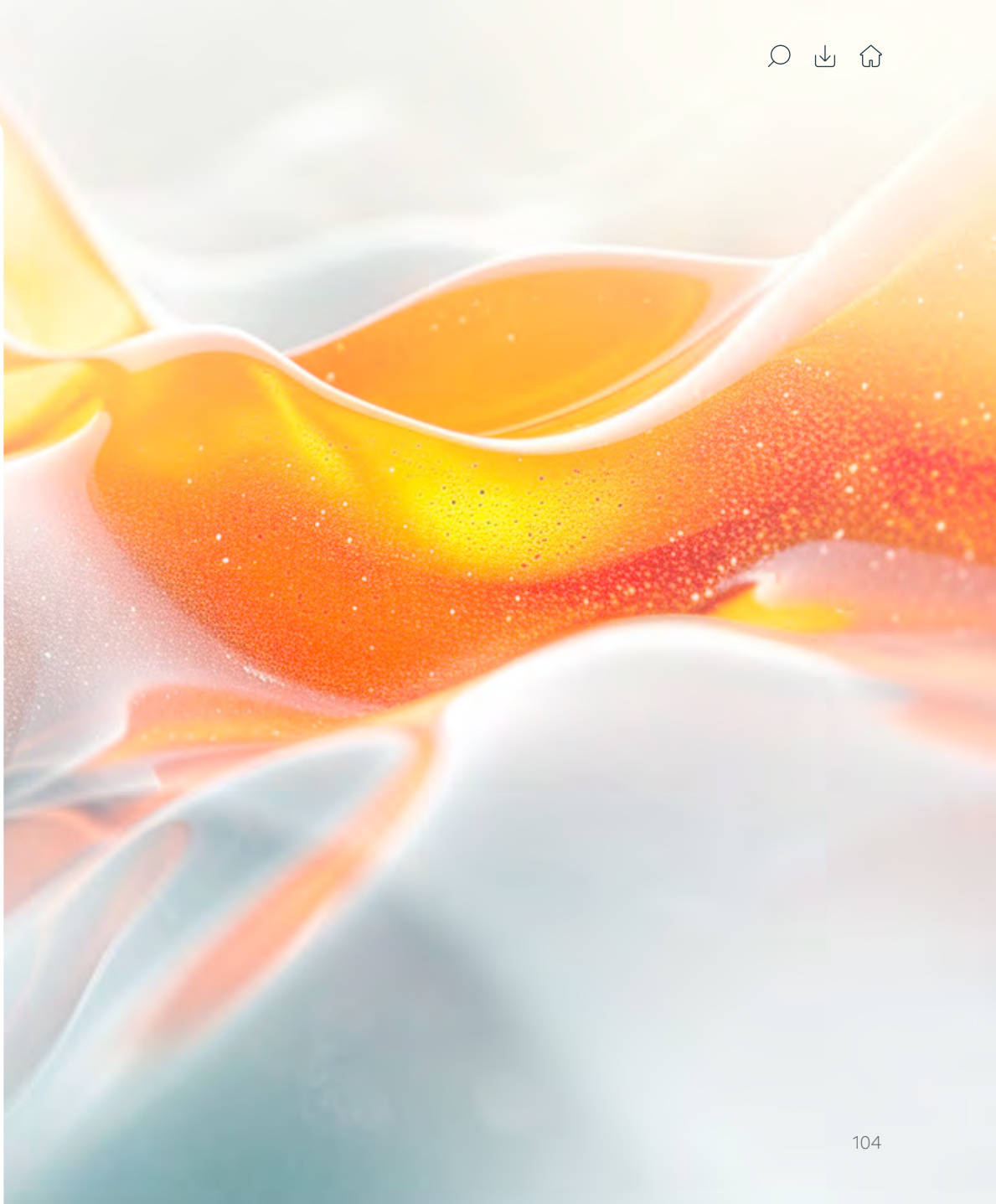
Risk Report

Risk Management Strategy, including ESG Risks

GRI 3-3

The Group risk management system is governed by the Sberbank Group Risk and Capital Management Strategy, as well as the applicable risk management policies. Our risk management system has proven to be stable and reliable, withstanding the test of a few crises.

The Group constantly improves its approaches to risk identification and management, develops existing tools (risk assessment models, stress testing and scenario analysis tools and decision-making tools, including those powered by AI technologies) and expands the range of new tools to meet the challenges of the external environment and regulatory requirements by building a system for behavioral risks management and integrating ESG factors into Group risk management, among many other endeavors.



Development of the risk management system, including ESG risks, in 2023. Adaptation of processes to changes in the external environment

INTEGRATED RISK MANAGEMENT

The Group integrated risk management system involves risk identification and risk materiality assessment. These procedures are carried out on an annual basis and are to be completed prior to the start of the annual business planning cycle – provided that should any considerable changes occur in the external environment or within the Group that may affect the Group risk level, unscheduled risk identification and materiality assessment may be carried out.

For each type of risk, the Group/a Group member will determine the approach to capital requirements assessment, and afterwards, during aggregation of capital requirements, the aggregate risk level and applicable capital requirements for all risks will be determined.

To contain its risk exposure, the Group has approved a risk appetite, which represents a system of indicators that describe the Group's maximum aggregate risk level acceptable in the process of achieving set strategic goals. The Group conducts aggregate risk assessment at least quarterly.

In accordance with the Sberbank Group Risk and Capital Management Strategy and the Sberbank Group Capital Adequacy Management Policy adopted by the Bank, the goal of capital adequacy management is to ensure that the Bank and the Group are able to meet strategic asset growth targets while complying unconditionally with capital adequacy requirements both in the course of regular operating activities and in conditions of stress.

Capital adequacy indicators are projected at least on a monthly basis for at least one year ahead, taking into account existing assumptions on any changes that may affect the capital adequacy indicators, such as an increase in assets, raising of capital sources, payment of dividends, investments in subsidiaries or changes in regulatory requirements. Projecting capital adequacy, amount and target structure helps identify violations of standards in advance and make timely management decisions.

The Group is implementing a set of measures aimed at engaging employees in the risk management system. Employees who are not associated with risk management formally understand the importance of their risk management role and perform first-line functions.

Employees' risk-oriented behavior patterns are set by personal example of their managers within a specific business unit, in addition to bank-wide communications and training.

The development of the Sber Group risk management system in 2023 was focused at:

- Group risks: building a risk management system for Group companies based on the fundamental risk management principles of the Group;
- stress testing and scenario analysis tools: improving the methodology, automation and acceleration of calculations.

The following practices are used in capital adequacy management at the Bank and Group level:

- business planning;
- planning of dividends and capitalization of subsidiaries;
- a system of capital adequacy ratio limits;
- a capital adequacy management plan in the event of a crisis situation;
- a system of early-warning indicators of a capital adequacy decrease;
- capital adequacy stress testing;
- forecasting of capital adequacy ratios.

The Existing “Three Lines of Defense” Model

SBER’S INTERNAL CONTROL SYSTEM OPERATES ACCORDING TO THE “THREE LINES OF DEFENSE” MODEL

01 The first line

The first line of defense represents business units that are responsible for efficient day-to-day internal control and take risk management measures that are part of daily routine operations of business units. This drives an ongoing process of risk identifying, assessment and control.

- Treasury;
- Business units

02 The second line

The second line of defense represents business units that are responsible for the development and implementation of internal control procedures, setting risk management standards, limits and restrictions, monitoring the risk level, preparing reports, matching the risk level to the Bank’s risk appetite, or modeling and aggregating the general risk profile.

- Risks Block

Integrated risk management, retail and corporate and investment business risks, wealth risks, international business risks, market risks, operational risks, technology risks, model risk.

- Legal Department
- Cybersecurity Department
- Compliance Division
- Strategy and Development Department
- Marketing and Communications Department
- GR Center
- Tax Department
- Real Estate and Maintenance Department

03 The third line

The third line of defense represents internal audit that provides an independent performance assessment of the internal control and risk management systems.

- Risk management system audit

RISK MANAGEMENT POWERS AND RESPONSIBILITIES, INCLUDING ESG RISKS

Supervisory Board

- approves the Group Risk and Capital Management Strategy, as well as the procedures for managing the most significant risks
- sets the risk appetite and target risk levels for the Group and the Bank
- assesses the risk management system’s performance
- approves stress testing scenarios
- approves the Long-Term Remuneration Program for key risk-taking employees
- reviews risk reports

Audit Committee

- improves the efficiency of risk management
- performs the management and control functions of the Supervisory Board with regard to the risk management system operation

HR and Remuneration Committee

Strategic Planning and Sustainable Development Committee

Risk Management Committee

- comprehensively examine risk management matters
- draft and present risk management recommendations to the Supervisory Board
- review risk reports

Technology Committee

- reviews, jointly with the Risk Management Committee, matters related to technology risk management and the cyber security risk

Executive Board

- approves the Bank's organizational structure
- approves the Group's business plan
- establishes collegial working bodies and determines their powers
- creates conditions for effective implementation of the Bank's risk management policy and organizes the risk management process
- reviews reports generated as part of internal capital adequacy assessment procedures, including risk reports

Group Risk Committee

- ensures implementation of the Group Risk Management Strategy
- manages the Group's aggregate risk level
- allocates Group risk management functions among the Bank's collegial working bodies and structural units
- manages Group risks whose management functions are not allocated among other collegial working bodies

Market Risk Committee

- manages the market risk of the trading book and the stock market risk of the banking book
- manages the credit risk of financial institutions, country and operational risks within the scope of powers delegated to it to the extent of transactions with financial institutions

Assets and Liabilities Committee

- manages the liquidity risk, interest rate and currency risks of the banking book
- manage the Bank's and the Group's capital structure and capital adequacy
- manages the Bank's balance sheet structure and net interest income, including making decisions on internal transfer pricing matters

Compliance Committee

- manages the compliance risk and ensures that the Bank and the Group's activities comply with laws, regulations and best practices

Loans and Investments Committee

- manages the Group's credit and country risks

MAP OF 2023 MATERIAL RISKS, INCLUDING ESG RISKS

Operational risks

- Operational risk
- Legal risk
- Compliance risk
- Regulatory risk
- Technology risk
- Cybersecurity risk
- Behavioral risk
- Model risk

Market risks

- Market risk of the trading book
- Currency risk of the banking book
- Interest rate risk of the banking book
- Market credit spread risk

Other risks

- Reputational risk
- ESG risk
- Tax risk
- Real estate risk
- Guaranteed return risk
- Insurance risk

Credit risks

- Credit risk
- Country risk
- Transaction risk

Business risks

- Strategic risk
- Participation and forced support risk
- Legislative amendments risk

Liquidity risk

- Liquidity risk

The approaches used to assess and manage material risks are set forth on pages 111-116.

2023 Risk Management Regulatory Changes and Their Effect on Sber

Amid the tightening by the Bank of Russia of regulation of the unsecured and mortgage lending segments, Sber swiftly responded to the changes and flexibly adjusted its risk strategies for issuing loans in the decision-making processes.

The key driver of unsecured lending adjustments was the Bank of Russia's application of macroprudential limits and increase in macro add-ons to risk ratios. The establishment of a target loan disbursement structure for banks depending on the client's debt load set new challenges for achieving business targets. In the mortgage segment, adjustments were driven by changes in government-sponsored preferential programs and the tightening of macro add-ons by the Bank of Russia depending on the LTV (loan-to-value) and debt load indicators. The regulatory changes drove an increase in the density of risk-weighted assets.

Multiple key rate hikes in 2023 changed the market and the average borrower's profile. Still, demand for Sber's loan products was strong in 2023.

OPERATIONAL RISK MANAGEMENT

In 2023, Sberbank continued aligning its operational risk management system with the new Russian regulatory requirements, causing it to include the risk of disruption of continuous operations and the risk of outsourcing in the operational risk headline within the Group Risks Identification and Materiality Assessment Report.

In 2023, Sber was using SberORM AS, a proprietary automated solution for operational risk management. The system is self-sufficient and completely independent of any foreign software. SberORM AS ensures that Sber companies meet the regulator's requirements, including capital calculations and generating mandatory reports, by taking into account their risk management specifics.

Measures taken by the Group in 2023 to mitigate operational risks and improve the operational risk management system

- ML models were implemented to optimize identification and recording of operational risks;
- a concept of data risk management as one of the top-priority areas for risk management was approved;
- new algorithms to automatically log incidents using digital trackers were introduced, with the share of automatic recording exceeding 90%;
- the values of operational risk appetite and limits of losses from operational risk were approved for all Group members;
- behavioral risk limits were approved;
- a single end-to-end operational risk management system maturity indicator was set up for all Group members.

The Group uses a system of reports for management and for the collegial bodies involved in risk management processes to monitor operational risk. Reports are generated on a daily, monthly and quarterly basis. Risk assessment and actual loss data helps identify risk concentration areas for developing measures to mitigate the Group risk level.



Loan Portfolio Quality as of the End of 2023

RETAIL LOAN QUALITY, SBERBANK

In 2023, Sber continued supporting our clients, including by extending the grace periods (credit holidays) for restructured loans under state-sponsored restructuring programs (according to Federal Law No. 377-FZ).

By the end of 2023, Sber had achieved a substantial increase in its loan portfolio by 29% over the year to RUB 16.1 trillion. In 2023, Sber issued record amounts of mortgages under state-sponsored programs, which have earned a track record of strong debt service quality. In addition to the impressive growth indicators, the risk level of Sber's portfolio was stable as the share of loans overdue by more than 90 days in the portfolio had decreased to 2.9% as of 31.12.2023 (from 3.8% at 31.12.2022).

The retail loan portfolio stood at +29%

RUB 16.1 trn



CORPORATE LOAN QUALITY, SBERBANK

Our corporate loan portfolio rose by 25% in 2023 to RUB 23.3 trillion.

In 2023, Sber significantly increased lending to the small and medium-sized business segment – by 25%.

The share of Stage 3 loans, including originally impaired loans, was 3.4% as of 31 December 2023 (compared to 3.7% as of 31 December 2022), while loans overdue by more than 90 days accounted for 1.6% of the portfolio (down from 1.9% as of 31.12.2022). The provision coverage of the Stage 3 loan portfolio, including originally impaired loans, amounted to 142.2% at the end of 2023 (142.5% at the end of 2022).

The share of foreign currency loan portfolio decreased from 10.0% to 9.3% during 2023. Currency concentration in "unfriendly currencies" was reduced fourfold.

The Bank takes into account all relevant information in assessing the credit risk amid a significantly changed economic environment. Sber's Macroeconomic Research Center updates economic situation scenarios on a regular basis. In turn, updated forecasts are taken into account in determining the credit risk level.

The corporate loan portfolio stood at +25%

RUB 23.3 trn

Risk Culture and Risk Behavior Development in 2023

BEHAVIORAL RISK IN 2023

Behavioral risk assessment at various life cycle stages of products/services is carried out on an aggregate basis using the following indicators:

- propensity of a product/service to unfair business practices (misselling, misinforming, mispricing, forced bundling, hidden sale, sale of unsuitable products);
- novelty, complexity and consumer value of a product/service;
- target amount of a product/service sales, number of client complaints about similar products/services, and losses of the Bank/Group members/clients from behavioral risk materialization for similar products/services offered by the Group.



Operational Risk Management

TECHNOLOGY RISK AMID SANCTIONS IN 2023

The technology risk management model proved to be efficient in 2023.

Even after

>80%

of our IT vendors left, the Bank is still doing business as usual

Digital Credit Process: Process Description, Opportunities and Advantages

The digital credit process (DCP) is Sber's breakthrough solution driven by the composite event architecture. It has been developed for the Bank and its subsidiaries, Sberbank Leasing and Sberbank Factoring. It makes a loan offer available for all corporate clients in Russia 24/7/365, even for those who are not the Bank's clients. The solutions are updated through constant monitoring of changes in any counterparties' parameters, including by using AI models.

The DCP helps us execute transactions within hours rather than weeks, including with companies of the Largest Business segment. Offers are available for more than 14,000 clients at the moment.

Approach to key Group risk management

Risk definition	Risk description	Risk management policies and Committees	Risk management and assessment
Credit risk	The credit risk is a risk of loss stemming from full or partial impairment of an asset value or from an increase in liabilities due to default or deterioration of credit quality (migration) of a counterparty/issuer/third party for the following instruments (including those accepted as collateral): • a financial instrument in a transaction with a counterparty; • an issuer's security; • a derivative financial instrument linked to a credit event of a third party	**Policy:** • Credit Risk Management Policy; • Loan Product Security Policy. **Committee responsible for managing this risk:** • Sberbank Loans and Investments Committee; • Sberbank Market Risks Committee, Sberbank Problem Assets Committee, or other collegial working bodies of the Bank or its branches (RBs[1], HBSBs[2]) to the extent of powers delegated to them.	**Key credit risk management methods:** • credit risk prevention by identifying, analyzing and assessing potential risks; • credit risk level planning by assessing the level of anticipated losses; • credit risk mitigation by setting risk limits and/or restrictions; • building loan loss provisions; • transaction security management; • credit risk level monitoring and control. Risk levels are assessed using quantitative credit risk assessment statistical models, such as PD[3], LGD[4] or EAD[5]. **Credit risks of the Group's counterparties for transactions that carry inherent credit risks are assessed depending on the type of counterparty:** • corporate clients: based on a credit rating system depending on the counterparty's risk segment, or by building a projected cash flow model; • individuals: based on an assessment of the counterparty's solvency, an express assessment, behavioral information or information from external sources available to Sberbank. A multi-level system of limits, including the Group risk appetite limits, is used to contain the credit risk.
Market risk of the trading book	The market risk of the trading book is a risk of loss or a decrease in profit due to an adverse change in the market value of financial instruments, goods, foreign currencies or precious metals.	**Policy:** • Financial Market Transaction Credit Risk and Market Risk Management Policy. **Committee responsible for managing this risk:** • Sberbank Market Risks Committee, Sberbank Problem Assets Committee, or other collegial working bodies of the Bank or its branches (regional banks, head branches) to the extent of powers delegated to them.	Risk identification, assessment and subsequent management form the basis of the market risk management system. Setting market risk limits at the portfolio level is the key management tool. Market risk limits are set at four levels of the portfolio hierarchy, from the aggregate level down to limits at the level of individual sub-portfolios or strategies. The top-level limits are Group risk appetite metrics. VaR (value-at-risk) is the primary market risk assessment metric. The Bank measures VaR using the historical modeling method with a confidence level of 99% on a 10-day horizon.

[1] RB means a Regional Bank.
[2] HBSB means a Head Branch of Sberbank of Russia.
[3] PD means Probability of default.
[4] LGD means loss given default.
[5] EAD means Exposure at default.

Risk definition	Risk description	Risk management policies and Committees	Risk management and assessment
Interest rate and currency risks of the banking book	The interest rate risk of the banking book is a risk of loss or a decrease in profit, capital or capital adequacy as a result of an adverse change in interest rates on financial instruments recorded in the banking book and/or market interest rates that affects the value of financial instruments of the banking book. The currency risk of the banking book is a risk of financial loss or a decrease in capital or capital adequacy as a result of changes in foreign exchange rates or precious metal prices on banking book positions.	**Policy:** • Banking Book Interest Rate Risk and Currency Risk Management Policy. **Committee responsible for managing this risk:** • Sberbank Assets and Liabilities Committee.	The interest rate and currency risks of the banking book (hereinafter, IRCRBB) are managed on a centralized basis, taking into account the position consolidation and three lines of defense principles. The key IRCRBB management procedures include: • IRCRBB identification and assessment; • IRCRBB containment by establishing a limits system; • management of the interest rate and foreign exchange positions of the banking book; • IRCRBB stress testing; • monitoring of the IRCRBB level and of observance of set limits; • IRCRBB reporting; • validation of models used for quantifying the IRCRBB; • assessment of the IRCRBB management system quality and effectiveness (internal audit). The Group mainly uses the following IRCRBB assessment metrics: • change in NII[1] (ΔNII); • regulatory OFXP[2]; • economic capital. A multi-level system of limits is used to contain the IRCRBB, including Group-level risk appetite limits.
Liquidity risk	The liquidity risk is a risk of inability to finance own activities, i. e. to grow assets and/or discharge obligations as they fall due, or of a breach of regulatory requirements for the liquidity risk.	**Policy:** • Liquidity Risk Management Policy. **Committee responsible for managing this risk:** • Sberbank Assets and Liabilities Committee.	**Key liquidity risk management methods:** • business planning and development of a Funding Plan; • a system of limits and trigger limits on risk metrics that contain the liquidity risk; • product pricing; • transfer pricing; • approval of terms and conditions for new products; • approval of major transactions; • maintaining the liquidity buffer; • development of a financial stability recovery action plan amid a liquidity crisis situation. **Key liquidity risk assessment methods:** • calculation of risk metrics to monitor and measure the liquidity risk; • bottom-up balance sheet projection; • top-down balance sheet projection; • scenario analysis; • stress testing. A multi-level system of limits, including Group risk appetite limits, is used to contain the liquidity risk.

[1] NII means net interest income.

[2] OFXP means open foreign exchange position.

Risk definition	Risk description	Risk management policies and Committees	Risk management and assessment
Operational risk	A risk that a credit institution will suffer direct or indirect losses as a result of imperfect or erroneous internal processes, acts of employees or any third parties, failures or flaws of information, technology or any other systems, or as the result of any external events. **In accordance with Basel II, operational risk includes the following categories of events:** • external fraud; • internal fraud; • HR policy and occupational safety; • clients, products and business practices; • damage inflicted upon tangible assets; • interruption of operations or system failures; • execution, service delivery and personnel management.	**Policy:** • Operational Risk Management Policy. **Committee responsible for managing this risk:** • Sberbank Group Risk Committee; • Payment System Risk Management Steering Committee.	**Key management methods:** • operational risk identification; • operational risk assessment; • analysis of problem areas in processes, development and adoption of decisions on optimizing/ changing processes to reduce the operational risk level • operational risk monitoring; • operational risk control and/or reduction, including: – comprehensive regulation of business processes and procedures; – segregation of duties; – internal control of compliance with the established procedure for performing operations and transactions and with the limits discipline; – a set of measures aimed at assuring data security and business continuity; – improvement of audit procedures and of quality control of automated systems and hardware operation; – property and asset insurance. **Key risk identification methods:** • daily analysis of data on materialized operational risk events and any damages suffered as a result; • analysis of information provided by business units in the course of self-assessment of operational risks or based on the results of quarterly and/or annual scenario analyses; • business process analysis; • scenario analysis; • stress testing. Group risk appetite limits have been set to contain the operational risk.

Risk definition	Risk description	Risk management policies and Committees	Risk management and assessment
Country risk	**The country risk is a risk of losses associated with the inability or unwillingness of the following types of counterparties:** • residents of a foreign country (including sovereigns); • holders of assets in a foreign country; • carriers of the ultimate risk in a foreign country (i. e. if the sources for repayment of a counterparty's liabilities are associated with residents of a foreign country). to perform its obligations as a result of economic, political or social changes taking place in a foreign country, or due to the fact that the currency of a foreign country may be unavailable to the counterparty due to the specifics of local and/or national legislation (regardless of financial position of the counterparty).	**Policy:** • Country Risk Management Policy. **Committee responsible for managing this risk:** • Sberbank Loans and Investments Committee.	The country risk is classified as a credit risk. To manage the country risk, the Bank has established limits and monitors, on a regular basis, the economic situation in countries where the Bank already carries certain risks and where it is planning to engage in new transactions.
Cybersecurity risk	The cybersecurity risk is a risk of realization of data security threats that are caused by shortcomings in information security processes, including in carrying out technology-related or any other activities, flaws in software of automated systems or applications, or inconsistency of these processes with the activities of an organization.	**Policy:** • berbank Group Cybersecurity Risk Management Policy. **Committee responsible for managing this risk:** • Sberbank Group Risk Committee.	The Group uses a process-oriented approach to manage the cybersecurity (CS) risk. The context must be established a part of CS risk management, and the CS risk will be assessed and then processed according to an adopted plan. Before a decision can be made as to what and when has to be done to reduce the CS risk to an acceptable level, a projection will be made of what could happen and what the potential consequences might be.

Risk definition	Risk description	Risk management policies and Committees	Risk management and assessment
Model risk	The model risk is a risk of adverse consequences stemming from inaccuracies (errors) in the operation of models and/or incorrect application of models in the processes of a bank (organization).	**Policy:** • Sberbank Group Model Risk Management Policy. **Committee responsible for managing this risk:** • Sberbank Group Risk Committee.	Accepting the model risk management responsibility: a clear-cut distinction between the three lines of defense. • Model developers strive to minimize model inaccuracies (errors). • Model owners: – make decisions on model implementation in the Bank or the Group's processes; – participate in implementation of measures required to comply with established model risk limits. • Validation Division: – maintains a methodological model risk assessment data base; – validates models; – assesses the model risk; – drafts model risk level reports; – advises developers, owners and users on model risk assessment matters. • Audit services: independently assess the model risk management system performance and its compliance with internal and external requirements.
Participation and forced support risk	The participation and forced support risk is a risk of losses that the Bank or a Group member may suffer due to adverse changes in the financial position/market value of investments in equity securities that give them control or significant influence over an issuer/the authorized capital of an organization, or a risk caused by the Bank being forced to provide financial support to any entities that are not taken into account for Group capital adequacy ratio calculation purposes.	**Policy:** • Participation Risk Management Policy. **Committee responsible for managing this risk:** • Sberbank Group Risk Committee.	**The goals of participation risk management are as follows:** • ensure financial stability, limit potential financial losses and adverse impact of assumed participation risk on the Group; • comply with regulatory requirements established by the Bank of Russia and local regulators to the extent of participation risk management and control; • contain the risk by setting a participation risk appetite and other participation risk limits; • keep the participation risk level within the established risk appetite and other limits. **The participation risk management system covers all investments of the Group and limits the risk through:** • established investment limits; • control of the Bank of Russia N12[1] and N23[2] ratios

[1] N12 means the ratio of a bank's equity (capital) utilization for acquisition of shares (participatory interests) in other legal entities.
[2] N23 means the ratio of a banking group's equity (capital) utilization for acquisition by the parent credit institution of the banking group and by members of the banking group of shares (participatory interests) in other legal entities.

Risk definition	Risk description	Risk management policies and Committees	Risk management and assessment
Technology risk	The technology risk is a risk of direct or indirect losses suffered as a result of downtime of IT systems, breach of data quality or integrity, disruptions in the work of contractors or partners, or errors committed in the development or updating of IT systems.	**Policy:** • Technology Risk Management Policy. **Committee responsible for managing this risk:** • Sberbank Group Risk Committee.	Four “lines of defense” are deployed to manage the technology risk. The first line of defense is the owner of the technology risk inherent in AS and automated business services of the Group. It ensures compliance with the risk appetite. The second line of defense provides support with goal-setting and risk management independently from the first line. It develops a methodology and exercises control over risk mitigation measures. The third line of defense performs independent assessment of compliance of the risk management system with internal and external requirements. Regulators and external auditors act as the fourth line of defense and control.
Behavioral risk	The behavioral risk is a risk of the Bank, Group members, or their employees using unscrupulous business practices at any stage of a product life cycle and of the client journey of interaction with it, including product substitution (misselling), opaque pricing (mispricing), unfair information (misinforming), forced bundling, sale of unsuitable products or sale without the client’s knowledge, which breach the principles of business ethics and may have an adverse effect both on the clients and the Bank in general or on the clients only, including their financial interests or expectations.	**Policy:** • Group Behavioral Risk Management Policy. **Committee responsible for managing this risk:** • Sberbank Group Risk Committee.	The process of behavioral risk management within the Group consists of the following four key stages: • behavioral risk identification and analysis includes identification of potential/materialized behavioral risk events, determination and analysis of their causes and preconditions, and recording of any transactions exposed to this risk; • behavioral risk assessment includes an analysis of information obtained at the stage of risk identification, assessment of presence of behavioral risk factors in a product/service, and determination of probability of events resulting in losses and of the amount of potential or actual damage; • making decisions on risk corrective measures includes making management decisions with respect to identified behavioral risk and monitoring implementation of declared measures aimed at reducing the behavioral risk level and eliminating problem processes areas; • monitoring and control of the behavioral risk level and losses includes observation of behavioral risk events, dynamics of those events and trends in behavioral risk level changes.



Corporate Governance

Image generated by Kandinsky 3.0

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Corporate Governance System

GRI 2–9, 3-3

Sberbank's system of corporate governance is a system of relations among its shareholders, the Supervisory Board, management and other stakeholders, as well as rules and codes of conduct that govern the management and control over the Bank's operations. The efficiency of the corporate governance is achieved by ensuring the right balance between entrepreneurship and oversight, and between performance and regulatory compliance.

The goals of corporate governance at Sberbank include

- increasing the Bank's shareholder value and investment appeal
- profitabilty of the Bank and Group companies' operations
- long-term, sustainable and balanced development, meeting the interests of a wide range of stakeholders through the implementation of the Development Strategy objectives and priorities
- continuous and consistent improvement of corporate governance in the interests of stakeholders, including reasonable and differentiated cascading of corporate governance standards and practices across other Group companies.

Principles of corporate governance at Sberbank

1. Full observance of shareholders' rights and interests
2. Division of powers and responsibilities between the Bank's management and executive bodies
3. High-performing Supervisory Board
4. Accountability of executive bodies
5. High performance and independence of the Corporate Secretary
6. A transparent and balanced remuneration system for members of the Supervisory Board and executive bodies
7. High standards of corporate culture and business ethics
8. Balanced and effective internal control and management systems
9. Establishment of adequate corporate governance mechanisms in the controlled companies
10. Information transparency
11. Compliance with international standards and principles of sustainable development and ESG

In 2023, the Bank aimed to maintain positive perception of its corporate governance (CG) system by various stakeholder groups (shareholders, investors, business community, etc.), develop new CG practices while sticking to the fundamental principles in this area. In 2023, the Supervisory Board approved the new Development Strategy until 2026 and a new version of the Dividend Policy.

In 2023, the Bank focused on the following areas.

1. Transformation of shareholder management practices taking into account the current context.
2. Support for the activities of the Supervisory Board, developing standards and practices of the Supervisory Board.
3. CG improvement in the Bank and the Group companies.
4. Maintaining the best CG and sustainable development best practices.

Strategy 2026

At the end of 2023, the Supervisory Board approved Sber's new Development Strategy until 2026.

The new Strategy prioritized the idea of transforming Sber into a human-centered organization built around an individual, their interests and aspirations. One of its main tasks is to exploit the technologies (primarily artificial intelligence) for the benefit of individuals. The consumer-based business model, where clients were viewed solely as a source of income, has become irrelevant. The bank aims to help clients and adapt them to life in volatile conditions. In addition to the long-term priorities, the Strategy focuses on developing and improving customer experience, ensuring higher peroformance, reliability and safety of services, and accelerated implementation of artificial intelligence across every line of business.

The Strategy 2026 was preliminarily considered by the Strategic Planning and Sustainable Development Committee of the Supervisory Board, as well as at the special Strategic Session of the Supervisory Board held to discuss the Strategy 2026 issues.

New Version of the Dividend Policy

In December 2023, the Bank's Supervisory Board adopted a new version of Sberbank's Dividend Policy for the next three years to update its Dividend Policy 2020 and meet the requirements of the Moscow Exchange Listing Rules.

The new version of the Dividend Policy was guided by the Sberbank Corporate Governance Code and provisions of the new Strategy 2026.

The target (minimum) share of profit allocated for dividend payout remains the same-50% of the Group's net profit according to IFRS. The main changes concerned the new key capital adequacy ratio of the Group used to determine the capital allocation in the form of dividends, as well the target total capital adequacy ratio (N20.0) used to make a decision on dividend payout which is now at 13.3%.

The Dividend Policy was pre-reviewed by the Strategic Planning and Sustainable Development Committee of the Supervisory Board.

GRI 2-9

CG system characteristics

Total number of shareholders as of 01/01/2024	1.7 mn
Committee for Minority Shareholder Relations	Since 2008
Shares listed	at Moscow Exchange
National Corporate Governance Rating	8++ Best CG Practice
Supervisory Board	✓
Collegial executive body (the Executive Board)	✓
Sole executive body (CEO, Chairman of the Executive Board)	✓
Idependent audit	✓
Internal Audit Commission	✗
Corporate Secretary	✓
Dedicated risk management structural units	✓
Dedicated internal control structural units	✓
Dedicated internal audit structural units	✓
Development strategy	✓
Dividend policy	✓
Corporate governance code	✓
Code of Ethics	✓
Anti-corruption policy	✓
Conflict of interest management policy	✓
Information policy	✓
ESG advisor within the Supervisory Board and the Executive Board	✓

Corporate governance system elements

GRI 2-9

Independent Auditor

appoints

General Meeting of Shareholders

The Russian government has the controlling interest in Sberbank

accountable to

External and internal control vertical

elects/appoints and controls

SB Audit Committee

SB Risk Management Committee

Internal Audit Service

Internal Control Service

Risks Block

Executive Board

- Executive Board members are appointed by the SB
- CEO, Chairman of the Executive Board is selected by the SB



Supervisory Board

- Members of the Supervisory Board are elected by the General Meeteng of Shareholders
- Chairman is elected by the SB members



SB HR and Remuneration Committee

SB Strategic Planning and Sustainable Development Committee

SB Technology Committee

Corporate Secretary

accountable to

appoints and removes from office

Corporate Governance System Assessment

In December 2023, the Russian Institute of Directors confirmed Sberbank's National Corporate Governance Rating (NCGR) at 8++, the Best Practices of Corporate Governance[1].

According to the NCGR scale, a company with 8++ rating complies to a considerable extent with the recommendations of the Russian Corporate Governance Code and sustainable development standards. Stakeholder risks stemming from to the quality of corporate governance and sustainable development management are insignificant.

The National Corporate Governance Rating (NCGR) has been assigned to Sberbank since 2016.

8++ — 2021
Best practices of corporate governance

8+ — 2019
Best practices of corporate governance

8 — 2016
Best practices of corporate governance

[1] http://rid.ru/news/press-reliz-nrku-sberbank



Compliance with the Bank of Russia Corporate Governance Code

Sberbank has built a well-balanced and transparent corporate governance system.

The Bank's shares have been included in first-tier quotation lists of Russian stock exchanges since 1997, a testament to the high quality of Sberbank's corporate governance and its compliance with the requirements imposed by stock exchanges on securities of top-listed issuers.

In 2002, Sberbank adopted a Corporate Governance Code that reflects its established corporate-relations traditions and gives basic guidelines for implementing the best corporate governance practices. In 2014, the Bank of Russia published its new Corporate Governance Code and issued recommendations for Russian public companies on how to apply it which led Sberbank to develop and approve a new Corporate Governance Code based on these recommendations.

In 2020, Sberbank revised its Corporate Governance Code preserving the best practices it had used for years.

In 2023, there were no changes in the degree of Sberbank's compliance with the recommendations of the Bank of Russia Corporate Governance Code.

In the reporting year, as in 2022, there was a slight decrease in the amount of public disclosure due to the sanctions imposed on Sberbank. Regulatory disclosures have in some cases been made just for notification purposes[1].

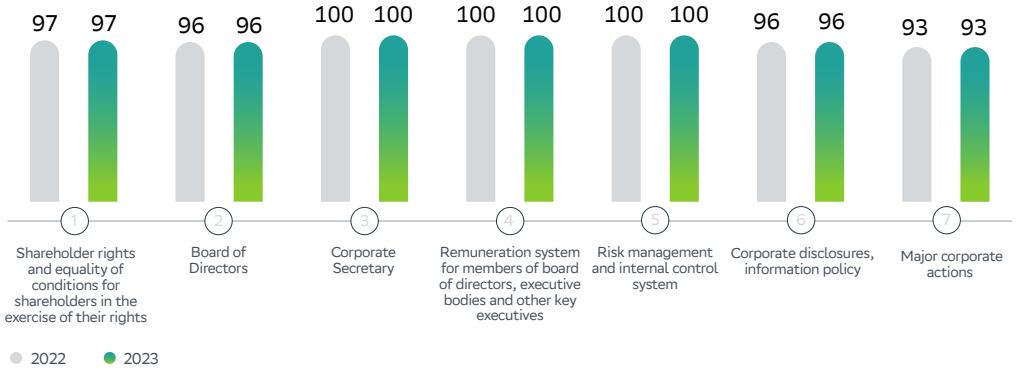
At the same time, the Bank took several steps to resume some disclosure practices, in particular:

- by providing access to the sections of the corporate website containig the Charter and the essential regulatory documents concerning the Bank's management bodies (Regulations on the AGM, SB, Executive Board), as well as information disclosed by the Bank as a securities issuer (corporate action announcements, statements of material facts, bond issue documents)
- by resuming public information disclosure (corporate action announcements, Issuer's report) through Interfax information agency (without the most sensitive data)
- by resuming the disclosure of reports in the adapted format takingout the most sensitive data.

In 2023, the Annual General Meeting of Shareholders of Sberbank was conducted in absentia, so the degree of the Bank's compliance with the recommendations of the Rights of Shareholders and Equality of Conditions for Shareholders in Exercising Their Rights section remained at the level of the previous year (97%), which is not explained by the deterioration of corporate governance quality, but rather by the specifics of holding the meeting in absentia.

Sberbank's intention is to resume the practice of fuller compliance with the recommendations of the Corporate Governance Code of the Bank of Russia after the regulatory restrictions are removed (eased).

Sberbank's compliance with the Bank of Russia Corporate Governance Code, %



For Sberbank's report on compliance with the Bank of Russia Corporate Governance Code go to page 157.

[1] Sending of notifications to the Bank of Russia in accordance with Ordinance No. 5096-U dated 21 March 2019 'On the Form and Procedure for Issuers to Submit to the Bank of Russia Notifications Regarding Information Which Cannot Be Disclosed and (or) Provided' and Ordinance No. 5130-U dated 22 April 2019 'On the Procedure for Insiders to Submit to the Bank of Russia Notifications Containing Insider Information Not Subject to Disclosure'.

Sberbank's corporate governance system evolution

The Bank's activities in 2023	Overall directions of the Bank's corporate governance practices improvement in 2024
Protecting shareholder rights	**Protecting shareholder rights and creating the conditions for their exercise**
• In April and October 2023, the Bank organized Shareholder Time, the two online programs for Sber's community of employees owning its shares. The programs covered the following topics: AGM 2023, dividend payments, digital services designed to improve the shareholders' customer journey and simplify participation in meetings. The programs also dealt with the prospects of future development of Sber's corporate governance and shareholder community, shareholders' and investors' expectations from the Russian stock market, digital benefits and current Sber's offering. • During the year, Sber operated a blog for Sber's shareholder community (where, on a weekly basis, it published relevant and useful information about shareholder life and announcements of corporate events, and encouraged the exchange of opinions). Within a year, the number of community members doubled (to 4.500 people). • A webversion (PWA) of the Shareholder Online Account of the Registrar Company STATUS was created with the same interface available both on PCs and mobile devices. • For the first time, legal entities recording shares in the Shareholder Register were able to get authorization for participation in the AGM using SberBusinessID. • The Salute virtual assistant's skills were expanded to enbale it to answer questions concerning the AGM and dividend payout. • In order to find any unidentified persons in the Bank's shareholder register, some 2,608 heirs and over 3,200 shareholders of the Bank were contacted with the purpose of updating their personal details.	• Implement the process for paying out unclaimed dividends. • Adapt GigaChat for shareholder needs. • Develop services to enable remote shareholder meetings. • Find any unidentified persons in the Bank's shareholder register to update their personal details. • Attract more participants of Sber's shareholder community and encourage their active involvement, organize regular events for community members.
Incorporation of best practices in the Supervisory Board's activities	**The Supervisory Board and its Committees**
• In 2023, three members of the Supervisory Board took part in Sharehoder Time online programs for the Bank's employees holding its shares, to adopt the practice of SB's members' participation in shareholder activities. • A special service for generating thesaurus and providing explanations of abbreviations used in the meetings' materials was created for SB members based on AI technology to facilitate their more comfortable work. • In 2023, the functionality of SBoard, a mobile app for SB members, was enhanced to include the secure infirmation storage, access to the Strategy metrics; the app was integrated with intrabank automated system. • The SB members took part in sessions dedicated to specific areas of the Bank's activities to hold discussions and exchange best practices beyond the formal agenda : Strategy Session (June and October 2023), Corporate Governance Session (July 2023), ESG roundtable of Board members of Russian companies (November 2023); SB members also took part in external events dedicated to ESG and CG issues, organized by the Global Climate Initiative of Directors Association and the National Association of Corporate Secretaries.	• Develop SBoard (PWA version), a web version of mobile app for SB members. • Implement AI elements to support decision-making process among SB members, development of corporate rules of AIuse. • Further promotion of SB members' participation in events for shareholders, sessions focusing on specific business areas to discuss and exchange best practices on issues beyond the official agenda.

General Meeting of Shareholders

A General Meeting of Shareholders is the Bank's supreme management body making decisions on key matters of the Bank's operations.

The procedure for preparing and holding a General Meeting of Shareholders is governed by the Regulation on the General Meeting of Shareholders.

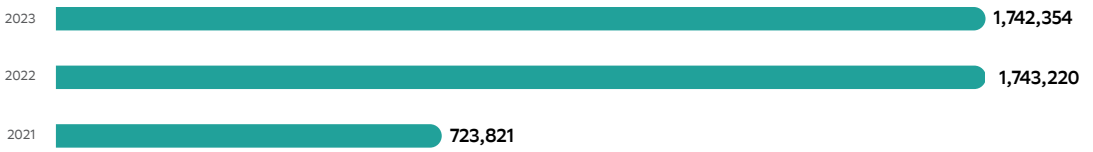
One General Meeting of Sberbank shareholders was held in 2023.

Type of meeting	Annual general meeting
Date of meeting	21 April 2023
Form of the meeting	Absentee voting
Meeting agenda	1. Approval of the 2022 Annual Report 2. Distribution of profits and payment of dividends for 2022. 3. Appointment of an auditing organization 4. Election of Supervisory Board members. 5. Approval of the new version of the Charter

The Bank's vast experience of electronic remote voting proved useful during the Annual General Meeting of Shareholders convened in absentia in 2023. Shareholder Online Account and E-voting are the highly reliable serivices that were used to ensure observance of shareholders' rights and convenient voting on the agenda items. Moreover, an electronic voting tool for shareholders whose shares are registered with Sber's depository was incorporated into SberInvestments banking mobile app (a large-scale deployment is planned for the next meeting of shareholders in 2024).

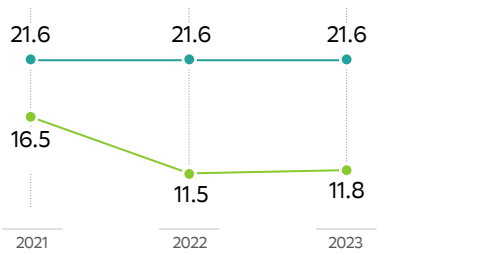
The number of shareholders who took part in the AGM remotely increased 2.4x year-on-year and 10-fold since e-voting was first introduced in 2019.

Number of Sberbank shareholders

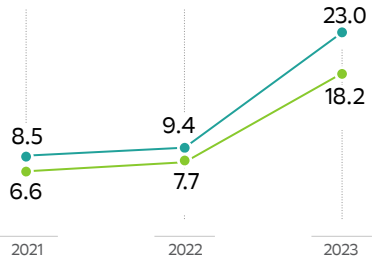


The Bank is actively working with shareholders recording their rights in the Register of Shareholders with the purpose of updating their data. A fully online service for updating shareholders' personal data has been created in the Shareholder Online Account. The service is provided to the Bank's shareholders free of charge. In 2023, it was used by about 2,000 individuals and 25 companies.

AGM quorum, bn

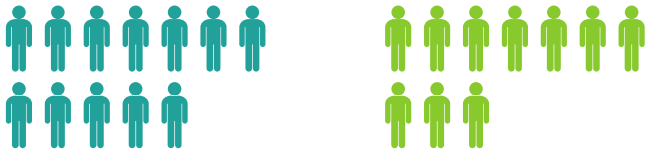


Electronic voting, '000 people



Sber's Shareholder Profile

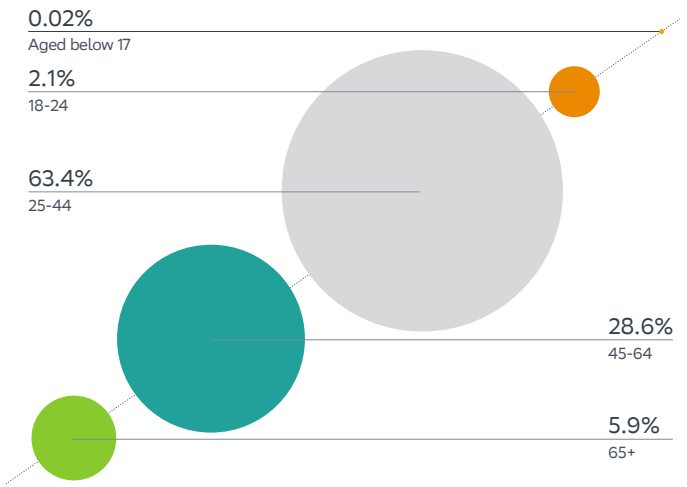
Female/Male, %



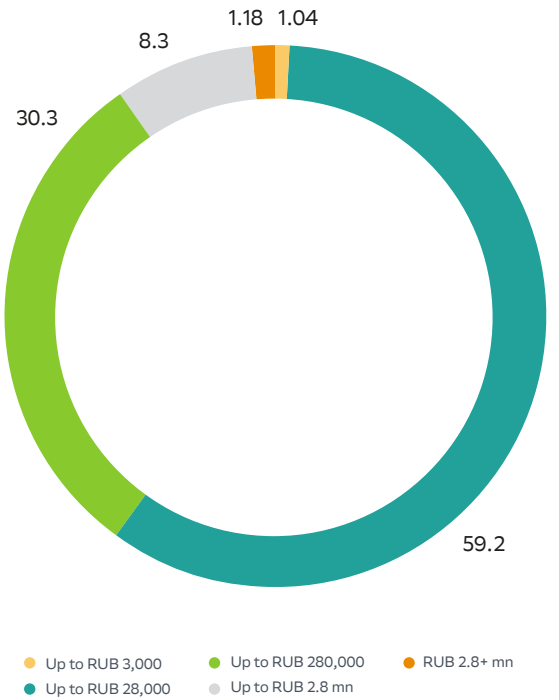
57.5
Male

42.5
Female

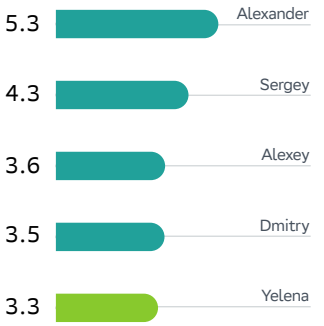
Age, %



Investments in stocks, by size of shareholding, %



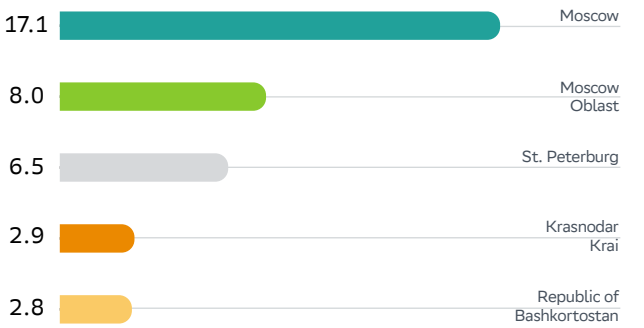
Name, %





Generalized portrait of Sber's shareholder created by Kandinsky 3.0

Regions, %



Supervisory Board

GRI 2–9

The Supervisory Board exercises overall management of the Bank's operations and reports to the General Meeting of Shareholders.

The Supervisory Board's activities are governed by the Regulation on the Supervisory Board of Sberbank approved by the General Meeting of Shareholders.

Supervisory Board. Characteristics

SB members	14
Independent directors	8
Female	2
SB Committees	5
Annual SB elections	✓
Succession Policy for Supervisory Board Members	✓
Independent Chairman of the SB	✗
Senior Independent Director	✓
ESG Advisor	✓
Annual assessment of independence of directors, the SB and its Committees	✓
Independent directors may hold meetings without participation of other SB members	✓
Members of the collegial executive body (Executive Board) cannot simultaneously chair the SB	✓
Directors' liability insurance	✓
The Audit Committee consists solely of independent directors	✗
% of independent directors in the Committee	83%
The HR and Remuneration Committee consists solely of independent directors	✗
% of independent directors in the Committee	75%
A policy on remuneration and compensation for SB members	✓
Remuneration of SB members in non-cash form, including stock (or stock-based)	✗
SB meetings held in 2023	39
Attendance rate of the Supervisory Board meetings in 2023	92%

Selection of Candidates and their Appointment to the Supervisory Board

GRI 2–10

Candidates are selected and an efficient and professional composition of the Supervisory Board is ensured in accordance with the Bank's Succession Policy for Supervisory Board Members, which enables succession planning for Supervisory Board members in the short (up to one year) and medium (up to three years) term.

Common candidate selection criteria include an impeccable business and personal reputation, knowledge, skills and experience in the areas of the Bank's core activities, as well as available time to be dedicated to earnest performance of duties. Candidates may not serve on the boards of more than four other public companies at the same time.

In addition, candidates claiming the independent director status must have the ability and desire to serve on the Supervisory Board for at least three years, be willing to avoid any conflict of interest, have no connection with the Bank, the state, the principal shareholder, or any competitor of the Bank, and capable of having an unbiased position not dictated by the interests of executive bodies, groups of shareholders or any other stakeholders. The number of independent directors on the Board is dictated by the need to ensure a balanced and conscientious position on issues under consideration through a wide range of opinions.

To ensure succession and maintain an effective operation of the Supervisory Board, an annual simultaneous rotation may not exceed 1/3 of the total SB membership.

The HR and Remuneration Committee is responsible for drawing up a list of potential candidates to the Supervisory Board and for evaluation of any candidates nominated by shareholders.

Within 75 days of the end of a reporting year, shareholders with at least 2% of voting shares in aggregate may nominate candidates to the Supervisory Board whose number may not exceed the total number of members of the Board. The Bank's Charter limits the Supervisory Board membership to 14 members.

Supervisory Board Members are elected once a year at an Annual General Meeting of Shareholders by cumulative voting.

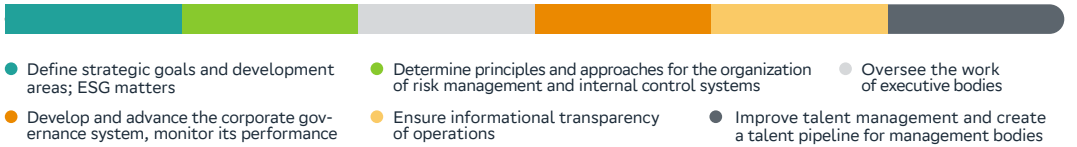
The powers of Supervisory Board members may be terminated prematurely. An early termination of powers is only possible in respect of all members of the Supervisory Board simultaneously. A resolution on early termination of the powers of SB members is adopted by a General Meeting of Shareholders.

Composition of the Supervisory Board

The Supervisory Board is a collegial management body of the Bank. The competence of the Supervisory Board is established by Russian law and the Bank's Charter. Issues falling within the purview of the Supervisory Board may not be delegated to the Bank's executive bodies for resolution.

The Supervisory Board establishes Supervisory Board Committees from among its members for preliminary consideration of issues falling within the purview of the Supervisory Board. The Supervisory Board has five Committees. The Committees operate on the basis of the Regulation on the Supervisory Board Committees approved by the Supervisory Board.

Scope of competence matrix of the Supervisory Board



Supervisory Board

Audit Committee	HR and Remuneration Committee	Strategic Planning and Sustainable Development Committee	Risk Management Committee	Technology Committee
Scope of competence matrix				
• Reporting • Risks, internal control, corporate governance • Internal and independent audit • Counteracting unscrupulous actions of the Bank's employees and third parties	• Succession planning, forming a professional composition of the Bank's management bodies and appointing other key executives of the Bank • Establishing an effective remuneration system for members of the Supervisory Board, executive bodies and other employees of the Bank	• Setting the Bank's strategic sustainable development goals and targets, including ESG goals • Overseeing the Development Strategy implementation and identifying measures for its adjustment in collaboration with the executive bodies • Determining priority areas of the Bank'sactivities • Identifying priority industries for the development of new business models (acquisition of promising businesses) • Reviewing the financial model and the Bank's business valuation model, including its business segments	• Overseeing the development and conducting preliminary reviews of matters related to the Group's risk and capital management • Reviewing reports, including as part of internal capital adequacy assessment procedures • Overseeing compliance with Russian law in the field of risk management • Overseeing compliance risk management process and the activities of the Bank'sInternal Control Service	• Addressing topical issues of technology development at the Bank • Overseeing the organization of technology management • Using information to preserve and increase the Bank's intellectual capital

Chairman of the Supervisory Board

GRI 2–11

The Supervisory Board is headed by the Chairman who is elected from among Supervisory Board members by a majority vote of the total number of members of the Board.

The Chairman of the Supervisory Board has no executive role (he/she may not be simultaneously the CEO, Chairman of the Executive Board, or a member of the Bank's Executive Board).

The Chairman directs the proceedings of the Supervisory Board and organizes the development of its action plan, approves the agenda of the Board meetings, has the right to convene a meeting of the Supervisory Board at his/her own initiative, and presides over General Meetings of Shareholders.

During Board meetings, the Chairman ensures a free discussion of agenda items, facilitates well-balanced decision-making, and maintains a constructive and friendly atmosphere at the meetings.

Supervisory Board Membership

MER-37

The Supervisory Board consists of independent, non-executive directors (who are not employed by the Bank) and executive directors (the Bank's managers).

A Senior Independent Director is elected from among independent directors.

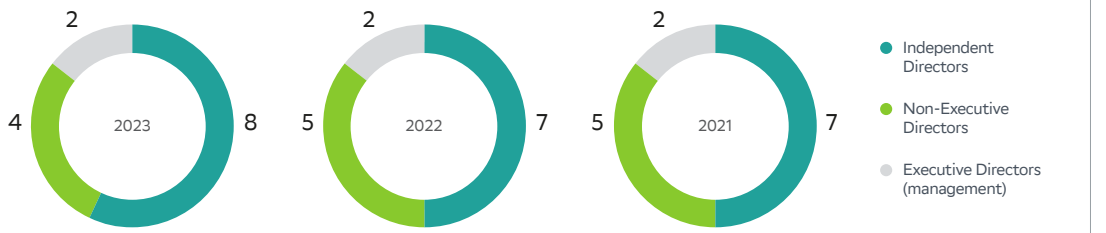
An advisor in charge of ESG and sustainable development issues is selected from among Supervisory Board members.

Senior Independent Director

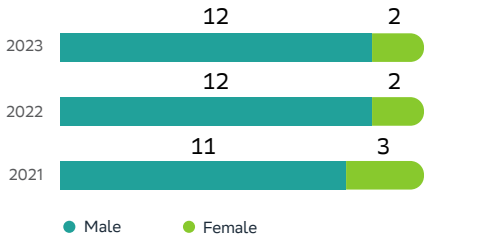
Advisor on ESG and sustainable development issues (Independent Director)

Independent Directors

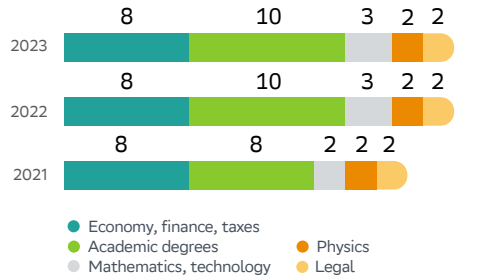
Supervisory Board composition by types of directors



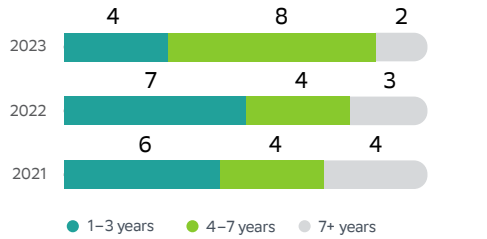
Female / male representation



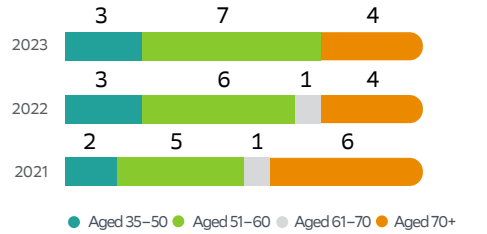
Education



Tenure of office, persons



Supervisory Board composition by age



Independent Directors

In order to make effective decisions and maintain a balance of interests between various groups of shareholders, Independent Directors are elected to the Supervisory Board. An Independent Diector is a member of the Supervisory Board who has sufficient competence, experience and responsibility to formulate his/her own position, is capable of making decisions, unbiased and well-grounded opinions that are free from influence of executive bodies, groups of shareholders or any other stakeholders.

The representation of Independent Directors in the Supervisory Board fully conforms to the requirements of the Moscow Exchange Listing Rules and the recommendations of the Bank of Russia Corporate Governance Code. Eight out of the 14 Supervisory Board members are Independent Directors.

A Senior Independent Director is appointed from among Independent Directors and is mainly responsible for assisting the Chairman of the Supervisory Board, facilitating his/her performance assessment, coordinating interaction among Independent Directors and developing, where necessary, a consolidated opinion of Independent Directors on issues under consideration.

The independent status of candidates is assessed by the Supervisory Board. A candidate (a director) may be recognized as independent despite him/her meeting a formal non-independence criterion if meeting any such criteria does not impact the director's ability to make independent and objective judgments.

Supervisory Board's Activities in 2023

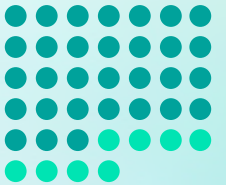
MER-36, GRI 2-16

There are all the conditions necessary for an effective operation of the Supervisory Board at the Bank. The most advanced, technology-driven solutions are employed for this purpose. Supervisory Board members can participate in Board meetings and voter remotely using AS Senat, a decision-making platform. They can also vote using theSBoardmobile app, which offers a wide range of other features as well.

The Supervisory Board held 39 meetings in 2023, including 8 in-person meetings and 31 meetings by absentia. A total of 103 agenda items were considered.

During the year, the Supervisory Board considered the following issues on priority areas of the Bank's activities:

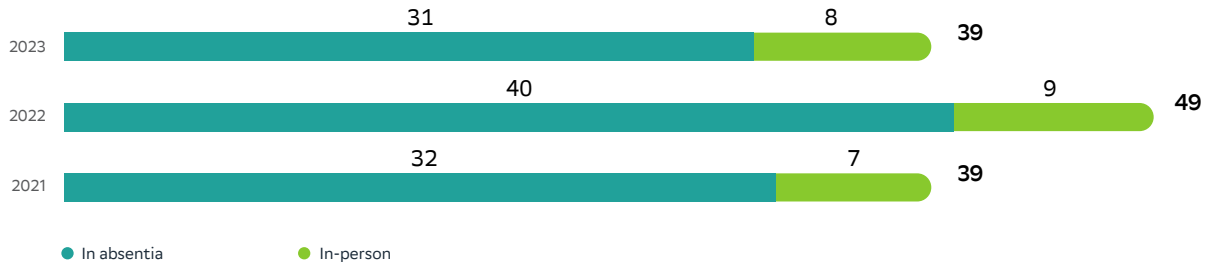
- approval of Sber's new Development Strategy 2026
- re-election of the CEO, Chairman of the Executive Board of Sberbank for the new term
- specific business issues (small and medium enterprises financing development of retail, corporate and investment projects)
- ESG issues, including the performance of the ESG risk management system and future activities in the field
- risk and capital management, internal control, compliance and audit, HR issues
- current state and outlook for IT development
- corporate governance issues
- reports of the management on the financial performance of the Bank, on the approval of related-party transactions.



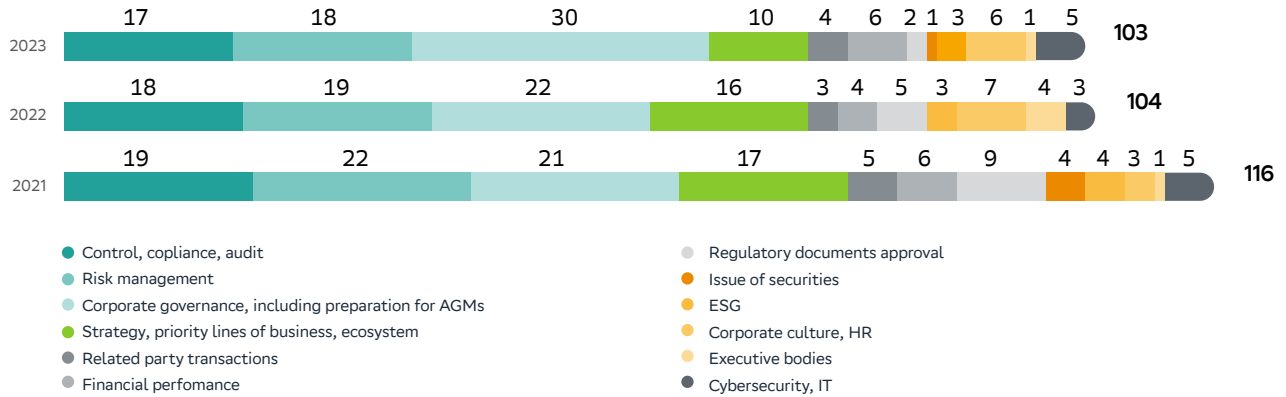
39
meetings
- In-person
- In absentia

Supervisory Board activities

Meetings held by the Supervisory Board



Issues considered by the Supervisory Board



Directors' Liability Insurance

The liability of all members of the Supervisory Board related to performance of their duties at the Bankis insured under a Directors, Officers and Companies Liability Insurance Agreement. D&O liability insurance is insurance against damage resulting from wrongful acts of persons in charge in order to cover any losses that the Bank may suffer as a result of such erroneous acts.

Key terms and conditions of the D&O Liability Insurance Agreement

Parameters	Previous D&O Agreement	Current D&O Agreement
Insurer	SOGAZ INSURANCE	SOGAZ INSURANCE
Insurance period	July 2022 – June 2023	July 2023 – June 2024
Insurance premium	RUB 129 mn	RUB 128 mn
Insurance coverage	RUB 6 bn	RUB 6 bn
Additional limit per Independent Director	RUB 30 mn RUB 150 mn in total	RUB 30 mn RUB 150 mn in total

Onboarding of Directors. Development of Collective Knowledge of Supervisory Board Members

GRI 2-17

Sberbank places high emphasis on the onboarding of newly elected members of the Supervisory Board. For this purpose, a special induction event called the Introductory Course is offered to them on an annual basis. During the Introductory Course, the Bank'skey executives, top managers in charge of functional blocks and other key employees of the Bank introduce to newly elected members of the Supervisory Board the Development Strategy, the issues of ESG development and ESG transformation, the corporate governance system, division of responsibilities among the executive bodies, the fundamentals of the risk management and internal control system, and a lot of other essential information about the Bank and its ecosystem companies.

An annual professional development program is created for the elected Supervisory Board members taking into account their wishes and the suggestions from the management, including visits to the Bank'sunits, conferences on various topics, strategic sessions, including those involving external experts.

Shareholder Time online programs for the Bank's employees featured lectures delivered by SB members on the changes in the securities market and the Russian investor profile, on the importance of shareholder participation in the corporate life and management of the company, on the activities of the SB, the role of Independent Directors, on their participation in the activities of the Bank's Minority Shareholder Committee.

SB members took part in the following events organized in 2023 to further develop their competencies:

- Strategy session (June and October 2023)
- Corporate governance session (July 2023)
- Roundtable for board members of Russian companies dedicated to ESG issues (November 2023)

SB members also participated in ESG and corporate governance development events, including those organized by the Climate Governance Initiative and the National Corporate Secretaries Association (NCSA):

- The 17th International Forum Corporate Governance: Evolution of Contents (NCSA) (July 2023)
- Presentation of Non-Financial Reporting: Challenges of Our Time, a study conducted by CGI Russia in partnership with the Plekhanov Russian University of Economics (April 2023)
- Presentation of a study on Corporate Governance in Companies of the Asia Pacific and the Middle East, a study conducted by the Russian Institute of Directors in partnership with Sber (June 2023)
- ESG in Development conference (June 2023); Green Transition: Solutions for the Future online discussion (July 2023); ESG for SMEs: Support or Barrier? roundtable (September 2023) (CGI Russia)

Supervisory Board Performance Assessment

GRI 2-18

Assessment of the Supervisory Board performance is an important tool for maintaining and improving its effectiveness. The Corporate Governance Code contains recommendations on conducting independent external assessment at least once in three years, while self-assessment may be done during these three-year periods.

External assessment involving independent consultants is organized every three years (2013, 2016, 2019, 2021). In between, the Supervisory Board members perform self-assessment (by questionnaires).

The Supervisory Board and its Committees assessed their performance in 2023. The purpose of self-assessment was to monitor any changes in the activities of the Supervisory Board and its Committees, develop approaches to improve their practices, identify areas for improvement and development.

Results of the most recent self-assessment for 2023:

The Supervisory Board of Sberbank conducted a self-assessment of its performance in 2023 to monitor changes in the practices of the Supervisory Board and its Committees and to develop approaches for further consistent improvement of activities.

The average score for 2023 compared to the previous self-assessment (for 2022) increased to 4.85 out of 5 (in the previous period, the average score was 4.73).

The following areas were identified as areas of assessment:

- organization of activities and composition of the Supervisory Board
- internal efficiency of the Supervisory Board
- interaction between the Supervisory Board and the Bank
- accomplishent of the Supervisory Board's objectives
- organization of activities and performance of each of the Supervisory Board Committees

Key self-assessment takeaways:

- the Supervisory Board plays a key role in the Bank's corporate governance system and pays close attention to both strategic issues and issues related to control over the Bank's performance
- the Supervisory Board members fully understand their roles, powers and areas of responsibility
- the membership of the Supervisory Board and its Committees meets the Bank's current needs
- members of the Supervisory Board and management seamlessly cooperate on important issues, including in periods between meetings
- information technologies supporting the Supervisory Board's activities help improve its performance
- the Supervisory Board members demonstrate a strong interest in continuing the practice of organizing strategic sessions on topical issues involving the Bank's management.

It was noted that the practices of the Supervisory Board and its Committees have improved considerably in recent years. However, there are areas yet which require additional focus.

The self-assessment results for 2023 were reviewed at the meeting of the HR and Remuneration Committee, and them at the in-person meeting of the Supervisory Board.

Avoiding Conflicts of Interest

GRI 2-15

The Bank has implemented and is operating a conflict of interest management system, which is an integral part of its anti-corruption efforts.

According to Russian law and the Bank's Charter, the Supervisory Board's purview includes approval of a conflict of interest prevention policy and overall oversight of the process and measures to manage conflicts of interest, including potential ones. The Supervisory Board approved a new version of the Conflict of Interest Management Policy of Sberbank Group in 2022.

According to the Bank's existing policies and procedures in the area of conflict of interest management, Supervisory Board members should refrain from any actions that will or could lead to a conflict arising between their own personal interests and the interests of the Bank. A member of the Supervisory Board must refrain from discussing and voting on any agenda item of a Supervisory Board meeting with regard to which he/she has a conflict of interest.

Whenever a conflict of interest arises, a member of the Supervisory Board must immediately report it to the Chairman of the Supervisory Board via the Bank's Corporate Secretary or verbally declare that there is a conflict of interest during a Supervisory Board meeting before the relevant agenda item is considered.

At the beginning of an in-person meeting, the Chairman of the Supervisory Board will announce if there are any or no declared conflicts of interest. Information on any conflict of interest, including on a related-party transaction, must be included in the materials of a Supervisory Board meeting and recorded in the minutes of the meeting.

Where the nature of the matter under consideration or the specifics of a conflict of interest so requires, the Chairman of the Supervisory Board may suggest to a member of the Supervisory Board who has the conflict of interest not to be present during the discussion of such matter at the meeting.

Supervisory Board Committees

GRI 2-9

There are five committees within the Supervisory Board established for preliminary consideration of the most important matters within the purview of the Supervisory Board and for drafting recommendations for decision-making on such matters.

The Committees report to the Supervisory Board. The Chairmen of the Committees submit reports to the Supervisory Board on the tasks completed by the Committees, on the substance of matters considered, and resolutions adopted.

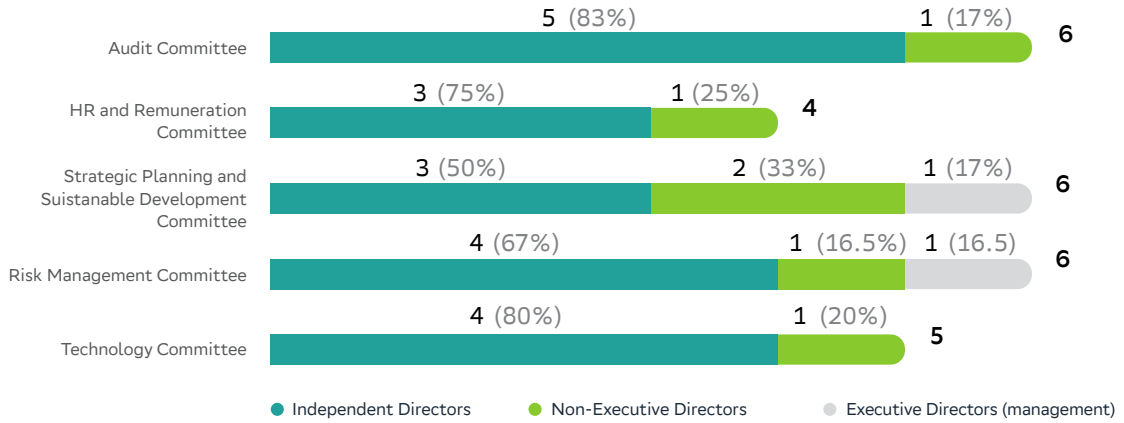
Committee meetings are usually held in person (in the form of joint presence, telephone or video conference) with the following periodicity:

- The Audit Committee: at least four times a year
- The HR and Remuneration Committee, the Strategic Planning and Sustainable Development Committee, the Technology Committee and the Risk Management Committee: at least two or three times a year.

Some resolutions can be adopted by the Committees at meetings held by remote voting.

Committees' Action Plans are drafted by the Chairmen of the relevant Committees based on the Supervisory Board's Aaction Plan and on suggestions made by Committee members and the Bank's relevant business units in line with the responsibilities of each Committee.

The Supervisory Board Committees, members



Audit Committee

MER-38

The Audit Committee was established for preliminary consideration of the matters related to supervision of the Bank's financial and business operations.

The Audit Committee's main responsibilities include improving the performance of internal control, risk management and corporate governance systems, ensuring that the Supervisory Board performs its management and supervisory functions with regard to the operation of those systems; checking the accuracy of accounting (financial) statements, and overseeing the activities of independent auditors and the Internal Audit Service. As part of the auditor selection process, the Audit Committee assesses the independence of the auditors and the absence of any conflict of interest, evaluates the criteria for selecting an auditor and candidates for being an auditor, and drafts recommendations for the Supervisory Board on selection of an auditor for further approval by the General Meeting of Shareholders and on the terms of the agreement to be concluded with the auditor.

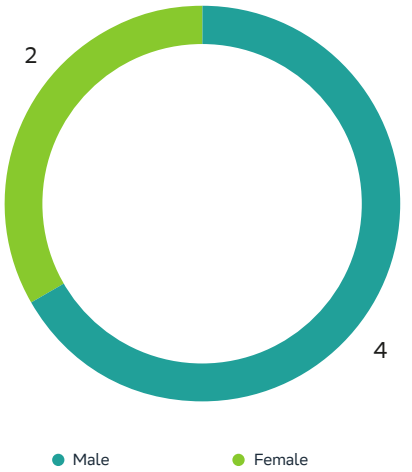
The Audit Committee is also responsible for reviewing the Bank's Annual Report and drafting recommendations on its preliminary approval by the Supervisory Board.

In 2023, the Audit Committee held nine meetings within its competence, at which the following items were reviewed:

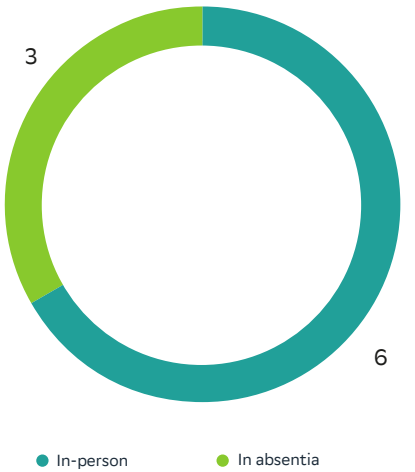
- the results of audits carried out by the Internal Audit Service of Sberbank;
- performance assessment and independence assessment of the Internal Audit Service, assessment of the Head of the Internal Audit Service of Sberbank;
- consolidated IFRS financial statements of Sberbank;
- assessment of the auditor's report on the annual accounting (financial) statements of Sberbank for 2022;
- preliminary approval of the Annual Report of Sberbank for 2022;
- distribution of Sberbank's profit ,and recommendations on the amount of dividend payments;
- appointment of an auditor for Sberbank;
- key matters of independent audit for 2023;
- approval of the Action Plan of the Internal Audit Service of Sberbank for 2024;
- approval of the Action Plan of the Audit Committee of the Supervisory Board of Sberbank for 2023-2024;
- other issues.

Audit Committee membership

Four out of six members of the Audit Committee are Independent Directors (including the Committee Chairman), while one member is a Non-Executive Director.



Activities of the Audit Committee in 2023



HR and Remuneration Committee

The HR and Remuneration Committee has been established for building an effective remuneration system, succession planning and developing professional membership of the Supervisory Board, executive bodies and other key executives of the Bank.

The key responsibilities of the HR and Remuneration Committee include improving the staffing and performance of the Supervisory Board and drafting proposals for establishing an effective remuneration system for members of the Supervisory Board, the Bank's executive bodies and other key executives.

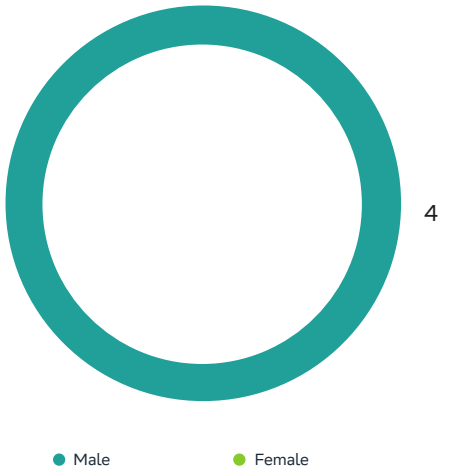
The Committee is responsible for preparing onboarding and professional development programs for the Supervisory Board members taking into account the individual needs of each of them, as well as supervising implementation of those programs. The HR and Remuneration Committee carries out regular performance assessment of members of the Bank's executive bodies, taking into account ESG indicators, and drafts recommendations regarding a candidate for the position of an advisor on ESG and sustainable development issues within the Supervisory Board.

The HR and Remuneration Committee considered the following issues within its scope of competence in 2023:

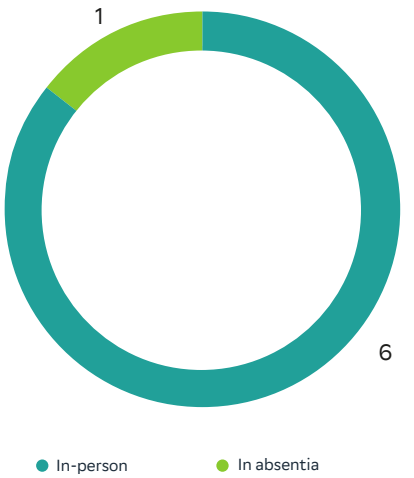
- the results of independent performance assessment of Sberbank's Supervisory Board for 2022;
- proposals regarding candidates for the Supervisory Board to be elected at the Annual General Meeting of Shareholders of Sberbank over 2022 performance;
- approval of a plan for improving the operating procedures of the Supervisory Board and its Committees, including based on the results of the 2022 independent performance assessment of the Supervisory Board and its Committees;
- corporate governance system of Sberbank and self-assessment of the Supervisory Board of Sberbank and its Committees for 2023;
- nominee for the CEO, Chairman of the Executive Board of Sberbank;
- remuneration for members of executive bodies and other employees assuming risks in Sberbank;
- approval of the Action Plan of the HR and Remuneration Committee of the Supervisory Board of Sberbank for 2023-2024;
- other issues.

HR and Remuneration Committee membership

Three out of four members of the HR and Remuneration Committee are Independent Directors (including the Committee Chairman), while one member is a Non-Executive Director.



Activities of the HR and Remuneration Committee in 2023



Strategic Planning and Sustainable Development Committee

The key responsibilities of the Strategic Planning and Sustainable Development Committee include drafting and presenting recommendations (opinions) to the Supervisory Board on matters related to the Bank's business strategy and policy on sustainable development that are within the purview of the Supervisory Board or are considered by the Supervisory Board as part of monitoring the activities of the Bank's executive bodies.

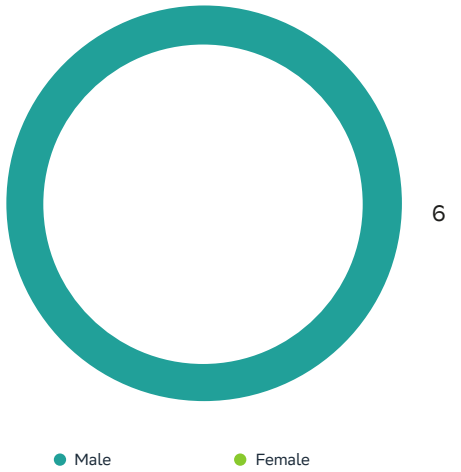
The Strategic Planning and Sustainable Development Committee is responsible for drafting recommendations for the Supervisory Board in the process of setting strategic goals and targets for the Bank in the area of sustainable development, including goals in the area of social and environmental responsibility and corporate governance (ESG), monitoring implementation of the Bank's Development Strategy and developing measures for its adjustment jointly with the Bank's executive bodies, as well as other matters.

The Strategic Planning and Sustainable Development Committee considered the following issues within its scope competence in 2023:

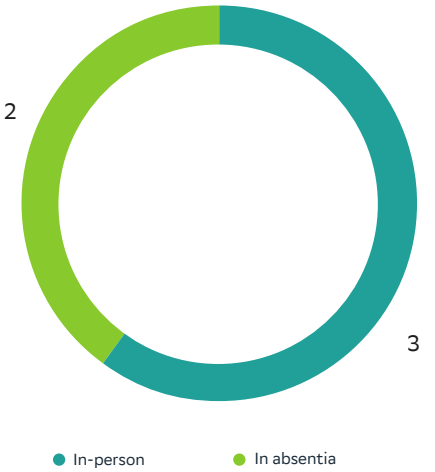
- the approach to Strategy 2026 development;
- the Strategy 2023 implementation progress;
- development of digital surfaces;
- achieving the lending to small and medium businesses targets and approving the respective KPI values;
- the progress of projects for the development of financial and non-financial business of Sberbank's corporate clients;
- development of SberPrime and entertainment industry at Sberbank;
- approval of Sberbank Development Strategy until 2026 and preliminary outcomes of Strategy 2023;
- approval of the Regulation on Dividend Policy of Sberbank;
- approval of the Action Plan of the Strategic Planning and Sustainable Development Committee of the Supervisory Board of Sberbank for 2023-2024;
- other issues.

Strategic Planning and Sustainable Development Committee membership, persons

Three out of six members of the Strategic Planning and Sustainable Development Committee are Independent Directors, two members are Non-Executive Directors, and one is an Executive Director. The Committee Chairman is a Non-Executive Director.



Activities of the Strategic Planning and Sustainable Development Committee in 2023



Risk Management Committee

The purpose of the Risk Management Committee is to draft and present recommendations on risk management to the Supervisory Board.

The key responsibilities of the Risk Management Committee include preliminary review of the risk management strategy of the Bank and its Group, risk appetite, and monitoring implementation of the risk management strategy and compliance with risk appetite.

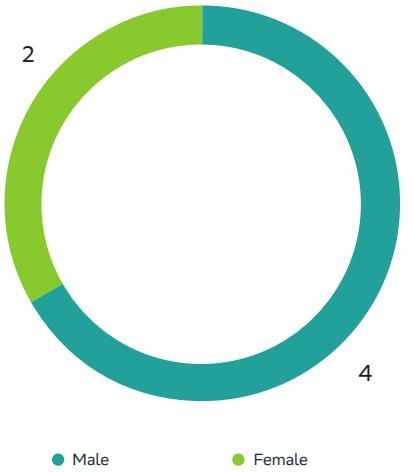
The Risk Management Committee is responsible for overseeing the development and the preliminary review of matters related to the Group's risk and capital management, the review of statements, including as part of internal capital adequacy assessment procedures, and the review of matters related to management of certain key types of risks, including the social and environmental risk (the ESG risk) and the technology risk.

The Risk Management Committee considered the following issues within its scope of competence in 2023:

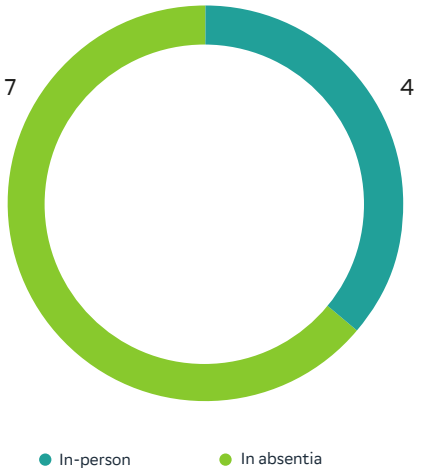
- Sberbank Group risk reports;
- reports on the current situation at Sberbank;
- reports on the level of model risk at Sberbank Group;
- a related-party transaction;
- updating the risk appetite of Sberbank and Sberbank Group;
- report on the compliance system maturity and performance of the Internal Control Service in 2023;
- updating the risk appetite of Sberbank and Sberbank Group and the Risk and Capital Management Strategy of Sberbank Group (annually, in accordance with regulatory requirements);
- approval of the stress testing scenario and review of the results of its application;
- results of ESGrisk management system development and plans for 2024;
- approval of the Action Plan of the Risk Management Committee of the Supervisory Board of Sberbank for 2023-2024;
- other issues.

Risk Management Committee membership, persons

The majority of the Risk Management Committee members (four out of six) are Independent Directors (including the Committee Chairman). The Committee also includes one Non-Executive Director and one Executive Director.



Activities of the Risk Management Committee in 2023



Technology Committee

The key responsibility of the Technology Committee is to draft and present recommendations to the Supervisory Board on technology implementation, use, development and management.

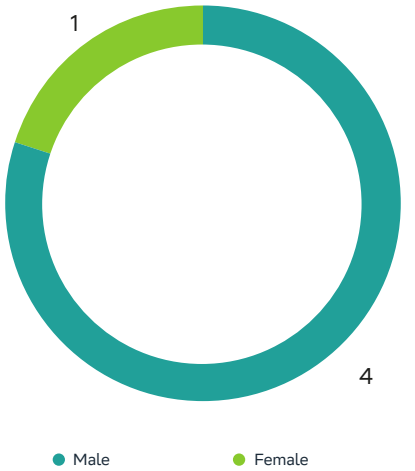
The Technology Committee is responsible for overseeing organization of monitoring processes and appropriate response to new technology developments, including understanding their potential capabilities, impact on the Bank's operations and its Development Strategy, and their ability to create new opportunities for further strategic development of the Bank; consideration, jointly with the Risk Management Committee, of the matters related to technology risk management.

The Technology Committee considered the following issues within its scope of competence in 2023:

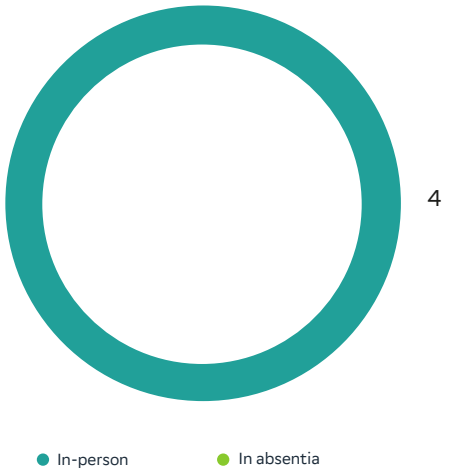
- cybersecurity at Sberbank and measures designed to counteract violations of Sberbank clients' cybersecurity rights and interests;
- the status of and outlook for IT development in Sberbank's banking business;
- approaches to incorporating artificial intelligence into the Bank's processes;
- approval of the Action Plan of the Technology Committee of the Supervisory Board of Sberbank for 2023-2024;
- other issues.

Technology Committee membership, persons

The majority of the Technology Committee members (four out of five) are Independent Directors (including the Committee Chairman). One member is a Non-Executive Director.



Activities of the Technology Committee in 2023



Executive Bodies. Executive Board

The Bank's Executive Board is a collegial executive management body headed by the CEO, Chairman of the Executive Board, responsible for the overall management of the Bank's current operations. At least once a year, the Executive Board submits a report to the Supervisory Board on the progress of implementing the Bank's strategy and the resolutions adopted by the Supervisory Board and the General Meetings of Shareholders, and quarterly - the report on the Bank's financial and economic performance and the level of risks assumed by the Bank. The Executive Board members are appointed or dismissed by a resolution of the Supervisory Board.

The Bank's CEO, Chairman of the Executive Board heads and manages the activities of the Executive Board, carries out operational management of the Bank, ensures implementation of resolutions of the Supervisory Board and the General Meeting of Shareholders, organizes the activities of the Executive Board, distributes responsibilities among members of the Executive Board, and chairs meetings of the Executive Board. The CEO, Chairman of the Executive Board is elected by the Supervisory Board for four years.

The CEO, Chairman of the Executive Board is responsible for organizing a process of preparing the Bank's accounting (financial) statements and ensuring its reliability, timely disclosure of information and provision of information on the Bank's operations to shareholders, clients and other stakeholders.

Issues considered by the Executive Board in 2023



Corporate Secretary

The position of the Corporate Secretary was introduced to ensure compliance of the Bank's management bodies and officers with corporate governance procedures, current legislation, the Bank's Charter, the Corporate Governance Code and the Bank's internal documents that guarantee the rights and legitimate interests of shareholders.

The Corporate Secretary's activities are governed by the Regulation on the Corporate Secretary approved by the Bank's Supervisory Board.

The Corporate Secretary:

- is appointed by a resolution of the Supervisory Board, reports and is accountable to the Supervisory Board, and is administratively subordinated to the Bank's CEO, Chairman of the Executive Board;
- submits annual reports to the Supervisory Board on improving the Bank's corporate governance system;
- is the head of the Corporate Secretary Service, one of the Bank's structural units.

Key responsibilities:

- improving the Bank's corporate governance system and practices;
- interacting with shareholders to ensure compliance with corporate procedures and protection of their rights and legitimate interests;
- organizing interaction between the Bank's shareholders and members of the Supervisory Board within the scope of competence of the Committee for Minority Shareholder Relations;
- participating in organization of, preparation for and holding general meetings of shareholders;
- supporting the activities of the Bank's Supervisory Board, including:
  - creating the advanced technology and organizational basis for the activities of Supervisory Board members;
  - ensuring effective communication among the Supervisory Board members and between them and the Bank's shareholders and management;
  - developing and updating the procedure for drafting and executing materials on agenda items of the Supervisory Board meetings;
  - drafting clarifications on issues related to corporate law and governance, the content of the Bank's constituent documents, and the form and procedure of decisions taken at the Supervisory Board meetings;
- participating in implementation of the information disclosure policy and ensuring storage of corporate documents;
- overseeing the regulatory compliance, the compliance with the provisions of the Charter and internal documents which fall within the purview of the Corporate Secretary.

Control and Audit System

Internal Audit Service

The purpose of the Internal Audit Service is to assist Sberbank management bodies in achieving their goals, ensuring their effecient activities and performance. The Internal Audit Service operates in full compliance with the regulatory requirements and adheres to the principles of business continuity, independence, neutrality, and professional competence.

The Internal Audit Service reports to the Bank's Supervisory Board and is administratively subordinated to the CEO, Chairman of the Executive Board. The Service head is appointed or dismissed by the Bank's Supervisory Board.

The Bank takes the necessary steps to ensure independence and neutrality of the Internal Audit Service and creates conditions for unimpeded and effective performance of the Service functions. The Service conducts audits in all areas of the Bank's operations and monitors the effectiveness of measures taken by the Bank's units based on the results of the audits to reduce the level of identified risks.

As part of the Internal Audit Service's reporting to the Bank's Supervisory Board, the Service head informs it of implementation of the Service's Action Plan approved by the Bank's Supervisory Board, about any deficiencies identified in the performance of internal control, risk management and corporate governance systems, and about actions taken to resolve them.

In 2023, based on the results of audits conducted by the Service, the Bank's management gave more than 900 instructions to improve the Bank's processes to ensure better customer experience, strong financial results, as well material risks management.

Internal Control Service

The Internal Control Service is a team of employees of the Bank's Compliance Division that are not part of a separate structural unit. Their job description includes responsibilities determined by the Internal Control Service Regulation. Some functionality of the Internal Control Service may also be implemented by employees of various structural units of the Bank whose job duties include those related to internal control and regulatory risk management.

The Internal Control Service reports to the Bank's CEO, Chairman of the Executive Board.

The Internal Control Service adheres to the principles of independence, neutrality, objectivity and professional competence, non-involvement in any illegal activities, and timely submission of information to government authorities and the Bank of Russia in accordance with the Russian law.

The key functions of the Internal Control Service include:

- identifying and monitoring regulatory risks;
- recording events associated with regulatory risk, determining the probability of their occurrence, and making quantitative assessment of any potential implications;
- making recommendations on regulatory risk management to the leaders of the Bank's structural units and to management bodies;
- coordination of and participating in the development of a set of measures aimed at regulatory risk mitigation in the Bank;
- keeping the Bank's employees informed on matters related to regulatory risk management;
- identifying any conflicts of interest in operations of the Bank or its employees and participating in drafting of internal documents aimed at mitigation of such risks;
- participating in drafting of internal documents and development of measures designed to ensure compliance with the rules of corporate conduct and standards of professional ethics, and countering commercial bribery and corruption;
- participating in the Bank's interaction with supervisory authorities, self-regulatory organizations, associations and financial market participants.

Risk Management Service

The Bank has established the Risk Management Service in order to manage risks, which is a combination of the Bank's structural units and Committees mainly responsible for the risk management.

The Risk Management Service:

- is a part of the Risks Block;
- reports to the Bank's Supervisory Board, the CEO, Chairman of the Executive Board, and the Executive Board;
- submits reports to the Bank's Supervisory Board at least once a quarter, and to the executive bodies-at least once a month.

The key functions of the Risk Management Service include:

- identifying risks and assessing their materiality;
- assessing, aggregating and forecasting risk levels;
- designing risk limits and restrictions;
- monitoring and controlling the amount of assumed risk, implementing measures to mitigate the level of assumed risk in order to keep it within the established internal and external limits;
- assessing the capital adequacy to material risks that involve establishing the capital adequacy requirements, including for stress scenarios;
- developing preventive and corrective measures aimed at maintaining capital adequacy and preventing/reducing losses under stress scenarios;
- providing information about material risks and capital adequacy;
- ensuring a uniform understanding of risks at the Group level;
- building a risk culture and risk management competences taking into account the best international practices.

Independent auditor

To verify and confirm reliability of financial statements prepared under both Russian and international standards, Sberbank engages an independent auditor.

Sberbank organizes a tendering process to select an auditing firm which will provide audit services for the Bank. Open tender notice and tender documents to select an auditing organization approved by Sberbank's Bidding Commission for Procurement of Goods, Work and Services are published in accordance with the law. An auditing firm selected by open tender is then approved by the Executive Board, the Audit Committee of the Supervisory Board and the Supervisory Board, and is appointed by the Bank's Annual General Meeting of Shareholders.

TSATR – Audit Services LLC, Sberbank's auditors, conducted the following:

- audit of the annual accounting (financial) statements of Sberbank for 2023 prepared in accordance with the Russian law, and the disclosed statements prepared on their basis for publication on the Bank's website;
- audit of the consolidated financial statements of Sberbank for 2023 prepared in accordance with IFRS, and summarized consolidated financial statements prepared on their basis for publication on the Bank's website;
- audit of the interim accounting (financial) statements of Sberbank for 9 months of 2023 prepared in accordance with Russian law, and the interim disclosed statements prepared on their basis for publication on the Bank's website;
- reviews of the interim condensed consolidated financial statements of Sberbank for 3, 6, and 9 months of 2023 prepared in accordance with IAS 34, and the interim condensed special purpose consolidated financial statements prepared on the basis thereof for publication on the Bank's website.

Payments by Sberbank Group companies to the companies of Sberbank's Independent Auditor Group

	Payments, RUB mn, VAT excluded
	2023
Audit of annual statements (including audit of regular statements and IFRS statements)	179.0
Interim audits and reviews	92.0
Related services	4.1
Tax consulting	19.5
Other non-tax consulting	42.1

Compliance and Internal Control at Sber in 2023

Information on Sber's internal regulatory documents that define the values and principles of doing business, ensure decision-making integrity, law abidance and ethical behavior of employees and top management.

There are the following key documents in place at the Bank to ensure the compliance by the Bank's employees with the applicable legislation and best compliance practices, as well as business ethics principles and standards:

- Code of Corporate Ethics and Business Conduct[1];
- Sberbank Group Compliance Risk Management Policy;
- Sberbank Group Anti-Corruption Policy[1];
- Sberbank Group Conflict of Interest Management Policy[1];
- Sberbank Policy on Combating the Misuse of Insider Information and Market Manipulation[1];
- Sberbank Group Policy on Anti-money Laundering, Combatting the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction[1].

In addition to the above, the following documents are developed:

- Sberbank Internal Control Rules on Combating the Misuse of Insider Information and Market Manipulation;
- Rules for Identifying Persons of Foreign States Who Commit Unfriendly Actions in Relation to the Russian Federation, in order to comply with the Orders of the President of the Russian Federation;
- Sberbank Rules for Making Transactions in Financial Instruments;
- Standard for Handling Gifts and Business Hospitality Tokens;
- Standard on Employees' Disclosure of Conflicts of Interest;
- Standard for Managing Conflicts of Interest Resulting from Sberbank Employees' Participation in External Committees Related to Financial Market Activities;
- Standard on Information Barriers and Maintaining Checklists;
- Standard on Preparing and Distributing Analytical Materials;
- Standard for Approval and Use of Automated Trading Algorithms;
- Standard Requirements for Preparation and Distribution of Information Materials, Including Advertising;
- List of Measures for Preventing Conflicts of Interest In Sberbank's Business on the Securities Market;
- Flowchart for Organization of the Compliance Hotline.

Key Sber's achievements in the field of compliance in 2023:

- automated controls have been introduced in the areas of anti-corruption, conflict of interest control, protection of insider information, countering legalization (laundering) of proceeds from crime, financing of terrorism and financing of proliferation of weapons of mass destruction, using modern and technological tools based on advanced algorithms and artificial intelligence.

The following activities were performed:

- review of the Bank's internal regulatory and organizational-administrative documents in terms of countering corruption and managing conflicts of interest, protecting insider information;
- promoting the brand and compliance culture for all employees of Sber Group;
- improvement of compliance risk management processes, tools and methods.

In 2024, the Bank will continue to further improve its compliance system, in particular:

- migrate to target platforms and further automate compliance services;
- centralize some control and operating functions;
- further promote compliance brand and culture among employees of the Bank and Sber Group, conduct training and awareness events using various formats and resources of the Bank.

[1] The documents are publicly available on the Bank's official website www.sberbank.com.

Penalties and Non-Financial Sanctions in the area of Compliance Risk Management

None.

The Compliance Division did not impose any non-financial sanctions in its processes.

The Bank was subject to disciplinary liability by NAUFOR in the form of a written warning for violation of the requirements of the Baseline Standard for Investment Advisers' Transactions in the Financial Market and the Baseline Standard for the Protection of the Rights and Interests of Individual Receivers of Financial Services Provided by SRO[1] Members in the Financial Market, the standards for brokers[2].

Compliance Hotline

The Bank operates the Compliance Hotline, a secure and confidential channel that operates 24/7 and is designed for reporting by the Bank's employees and any third parties, including anonymously, information on violations in the field of compliance.

The Compliance Hotline is regulated by the Anti-Corruption Policy of Sberbank Group and the Process Chart for Organizing the Compliance Hotline.

The Bank provides protection to the persons who reported the violation.

Compliance and business ethics training for Sber employees

Sber has developed and is successfully implementing thematic training courses and programs that reflect the main requirements of the legislation and internal documents in the field of compliance risk management. The target audience for each course is determined based on the job duties of employees, a number of compliance courses are mandatory for all employees of the Bank.

All compliance trainings and events are designed with the direct involvement of the Compliance Division and are held both remotely, as multimedia e-courses and advanced training programs, and classroom trainings and consultations requested by the firrst line of defense.

An in-person educational session was held for members of the Supervisory Board of Sberbank, which included information on the requirements and obligations imposed on the members of the Supervisory Board in the area of compliance control.

Training in 2023:

- over 131,000 employees of the Bank completed scheduled AML/CFT training and knowledge assessment;
- over 67,000 employees took a special course on the Code of Corporate Ethics and Business Conduct since its launch;
- over 32,000 employees completed an introductory course on compliance risk management;
- over 17,000 employees completed training on insider information protection and countering market manipulation;
- over 8,500 employees participated in eduction events dedicated to investment consulting and anti-misselling;
- over 1,500 employees took specialized courses on anti-corruption and conflict of interest management, including over 900 employees who completed Anti-Corruption, a thematic professional development program.

>131,000

employees of the Bank completed scheduled AML/CFT training and knowledge assessment

[1] Self-regulatory organization.
[2] The violations had been eliminated before the inspection was completed.
[3] Countering the legalisation (laundering) of criminally obtained incomes and the financing of terrorism.

Participation of Sber's compliance employees in professional communities in 2023

The Bank is strongly involved in the activities of professional communities, cooperates and shares information on compliance issues, including via the following platforms:

- Rosfinmonitoring's Compliance Board;
- International Training and Methodology Centre for Financial Monitoring;
- Compliance Risk and AML/CFT Committee of the Association "Russia";
- National Association of Securities Market Participants (NAUFOR);
- National Fund Association (NFA);
- Scientific and Education Center Compliance at the Lomonosov Moscow State University, as part of a scientific and educational session to discuss anti-corruption compliance practices in the Russian financial sector and research activities.

The meetings were devoted to the discussion of pressing issues related to countering the legalization (laundering) of proceeds from crime, financing of terrorism and financing of proliferation of weapons of mass destruction, including changes in laws and regulations, expert review of initiatives to improve compliance procedures, as well as issues of improving anti-corruption practices, implementation of special economic measures (in particular, amendments to Federal Law No.281-FZ dated 30/12/2006), urgent matters of the financial market development.

Sber's Internal Control Service in 2023

The Internal Control Service (hereinafter, the SVK) was established in the Bank in accordance with the requirements of Regulation No. 242-P[1] dated 16/12/2003 and in order to assist the Bank's management bodies in ensuring compliance of the Bank's activities with the legislation, regulation and best practices, as well as for creating and applying efficient methods and mechanisms of regulatory risk management.

The SVK is operating on a permanent basis. In its activities, SVK is guided by the principles of independence, neutrality, objectivity and professional competence.

Decisions on significant issues related to regulatory risk management are taken by the Group Risk Committee of Sberbank.

The Internal Control Service reports to the Bank's CEO, Chairman of the Executive Board. At least once a year, it submits a report on its performance to the Supervisory Board of the Bank.

In accordance with the Action Plan for 2023, the SVK completed the following tasks:

- approval of the Regulation on Cooperation Between Sberbank Units in the Process of Regulatory Risk Management by a resolution of the Group Risk Committee;
- preparation of the SVK reports on the results of regulatory risk management at Sberbank for 2022 and 10 months of 2023 and their review by the Supervisory Board of the Bank;
- migration to the target model of regulatory risk events management;
- self-assessment of regulatory risk and validation of the correctness of regulatory risk events recording according to the SVK plan;
- a random check of the economic feasibility analysis of the agreements concluded to outsource the banking operations;
- development of training materials on regulatory risk, launch of training for risk coordinators.

Key development areas for 2024:

- redesign of the process for recording potential regulatory risk events without direct losses;
- independent assessment of the quality of the regulatory risk management system implemented in the Group members;
- continuous improvement of the regulatory risk management system.

[1] Bank of Russia Regulation dated 19/12/2003 No. 242-P On Organization of Internal Control in Credit Institutions and Banking Groups.

Credit Ratings

On 19 October 2023, the National Credit Ratings agency assigned Sberbank the AAA.ru rating with a stable outlook, the highest national credit rating. This is the Bank's second national credit rating. On 7 June 2023, the Analytical Credit Rating Agency (ACRA) confirmed the highest national credit rating of Sberbank, AAA(RU), with a stable outlook.

Credit rating is the opinion of a rating agency on the ability of an entity to perform its financial obligations (creditworthiness, financial reliability, financial stability), expressed using a rating category.

The highest ratings assigned by the agencies are the evidence of the Bank's high systemic importance for the Russian economy and high creditworthiness.

The two highest ratings allow the Bank to fully comply with the requirements of the Russian Government's Resolution whereby, with effect from 17 November 2023, the banks authorized to invest the funds of state corporations and companies, the federal budget, the Deposit Insurance Agency are to have at least two credit ratings of a certain level on a national rating scale.

Dynamics of Sberbank national credit ratings

	2019	2020	2021	2022	2023
ACRA					
Credit rating	AAA (RU)	AAA (RU)	AAA (RU)	AAA (RU)	AAA (RU)
Forecast	Stable	Stable	Stable	Stable	Stable
NCR					
Credit rating	–	–	–	–	AAA.ru
Forecast					Stable

Share Capital

Share capital structure

Since 1991, Sberbank has been operating on the Russian financial market as a joint-stock company. During this time, it made 13 issues of shares which are currently held by Russian and foreign investors. The Bank's charter capital is RUB 67.8 bn and includes ordinary and preferred shares.

The majority stake in Sber's share capital, 50% plus 1 share, is held by the Ministry of Finance of the Russian Federation (the National Wealth Fund). The remaining capital is distributed among foreign sovereign funds, corporations, and private investors.

Conversion of depositary receipts into shares

In 2023, Sber team actively assisted investors and shareholders with the conversion of their depositary receipts into the ordinary shares of Sberbank. Sber engaged direcly with the regulator and the central depository to develop and implement alternative solutions enabling those shareholders who for various reasons were not in a position to follow the standard procedure, to convert their depositary receipts.

Share capital structure by share type, as of 31/12/2023

Types of shares	State registration number of the share issue	Notional value	Number of shares issued
Ordinary shares	10301481B	RUB 3	21,586,948,000
Preferred shares	20301481B	RUB 3	1,000,000,000
Charter capital			RUB 67,760,844,000

Sber’s Share Highlights

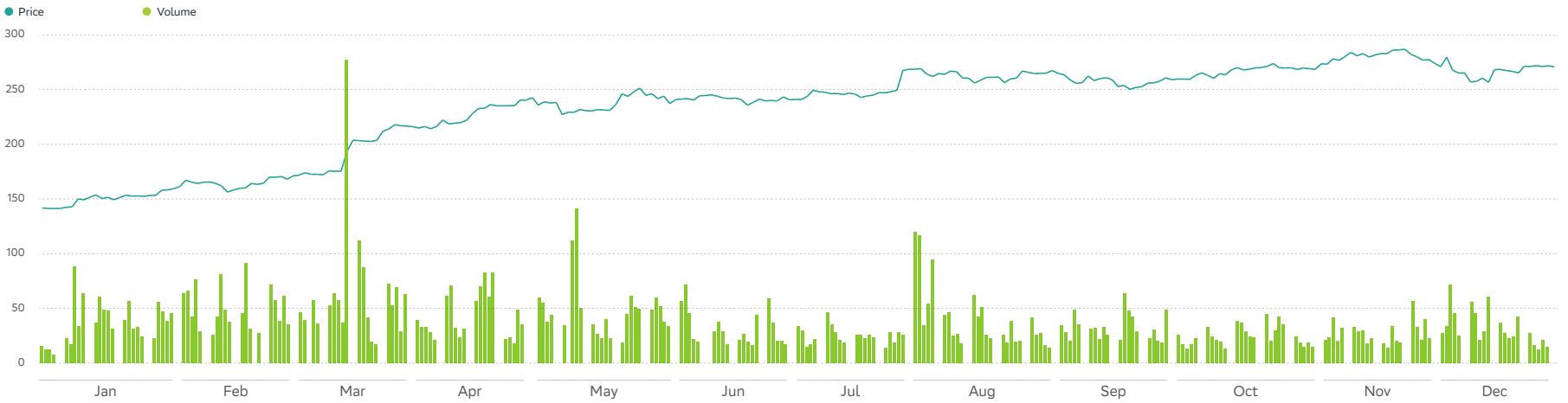
In 2023, the Russian stock market began to recover from a difficult year of 2022. Against the backdrop of across-the-board economic growth, investors’ confidence and risk appetite have risen, positively affecting the share market performance.

Sberbank is a public listed company whose ordinary and preferred shares are included in the first-level (top) quotation list of Moscow Exchange.

Sber’s securities showed upward dynamics due to strong financial results, an improvement in the Group’s financial forecast for 2023 and record dividends for 2022 (RUB 565 bn, or RUB 25 per share).

Sber’s shares are among the most liquid assets in the Russian market. In 2023, trading in common and preferred shares on the Moscow Exchange exceeded RUB 3 trillion and accounted for more than 24% of the total trading in securities included in the Moscow Exchange index.

Dynamics of Sber’s ordinary shares prices and trading volume in 2023



RUB 286.85
High price

RUB 270.82
End of 2023 price

RUB 233.31
Average price

RUB 141.27
Low price

Dividends

The process of making a decision on dividend payments, determining their size, procedure and timing is established in the Dividend Policy. The Supervisory Board of Sberbank reviews and approves the Dividend Policy for the medium term, which means for at least three years, depending on external and internal economic factors that affect the business.

In December 2023, Sber adopted the new Strategy 2026, with the Dividend Policy approved as part of this Strategy. The dividend payout target is 50% of the Group's net profit under IFRS adjusted for interest payments less the tax effect on equity instruments other than shares recorded in the capital, subject to a number of mandatory conditions.

KEY DIVIDEND POLICY PARAMETERS

50 %
of the Group's IFRS net profit

13,3 %
The Group's N20.0 total capital adequacy ratio on a medium-term horizon

Conditions affecting the size of Sberbank's dividends

- The presence and the amount of net profit determined according to the consolidated financial statements of the Bank and its subsidiaries under IFRS
- Maintaining the Group's total capital adequacy under RAS at min 13.3% over the medium term, including the systemic importance buffer of max 1.0% established by the Bank of Russia, the conservation buffer of max 2.5%, and the national countercyclical buffer of 0%
- The economic situation, other internal and external changes having or potentially having the material negative impact on the Group's operating activities
- The Bank's need for capital to implement the Development Strategy taking into account the potential dividend payments
- Striking the balance of interests for the Group, Sberbank and its shareholders, with due regard for the need to improve the investment prospects and respect the rights of the Bank's shareholders

RECORD DIVIDEND PAYMENT IN 2023

On 21 April 2023, the Annual General Meeting of Shareholders of Sberbank on 2022 performance was held in the form of absentee voting. The shareholders approved the amount of dividends recommended by Sberbank's Supervisory Board - RUB 565 bn, i.e. RUB 25 per ordinary and preferred share, which became the record dividends during the Bank's entire history. The dividend yield rate was about 10.5%[1].

Half of these funds were paid to the government, Sber's controlling shareholder, Sber's private investors also received their dividends.

At the time of the approval of dividend amount, the Bank's dividend policy assumed that 50% of the annual net profit under IFRS would be paid to shareholders if the capital adequacy requirement of 12.5% was met. In 2022, Sber's net profit was RUB 270.5 billion. The amount of dividends for 2022 exceeded the profit of the previous year. To compensate for the difference, Sber made payments to its shareholders, including out of retained earnings for 2021. In 2021, the Bank earned a record net profit of RUB 1.246 trillion.

Record-breaking dividend payout is an important event both for Sber's shareholders and the entire Russian stock market. On the eve of the date when shareholders received their dividends, Sber shares closed the dividend gap – it took only 11 trading days to do so.

RUB 565 billion

is the record-breaking dividends paid in 2023

Unclaimed dividends

In February 2024, Sber started the process of collecting documents for payment of unclaimed dividends in respect of 2022, after foreign nominee holders had refused to disclose their lists of shareholders or provided incomplete data.

Sber proposed a temporary mechanism whereby those shareholders who have not received dividends in respect of 2022 can receive payments directly into the owner's account.

[1] As of the record close date, 11 May 2023.

History of dividend payments

Year of payment	2018	2019	2020	2021	2022	2023	2024
For the year	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Ordinary shares, RUB per share	12.0	16.0	18.7	18.7	–	25.0	33.3[2]
Nominal value per ordinary share, RUB	3	3	3	3	3	3	
Preferred shares, RUB per share	12.0	16.0	18.7	18.7	–	25.0	33.3[2]
Nominal value per preferred share, RUB	3	3	3	3	3	3	

[2] Recommended by the Supervisory Board. The decision on dividends will be made by the General Shareholders' Meeting in 2024.

Working with Investors and Shareholders

Sber maintains a continuous dialogue with shareholders, investors, and analysts. Sber's team attended various investor conferences and participated in webinars for analysts and brokers. Since 2021, the number of investors in Sberbank's capital has grown x2.5 to exceed 1.74 mn. In 2023, retail investors accounted for about 80% of the entire share trading volumes in the Russian market.

In 2023, Sber's share price increased by 92%, which is more than doubled growth rate of the Moscow Exchange index (+44% over the same period).

>1.74 mn x2.5 since 2021

the number of investors in Sberbank's capital has grown

In 2023, Sber shares demonstrated the growth higher than the market average



Committee for Minority Shareholder Relations

An advisory and consultative body established to maintain constructive and efficient relations with Sberbank's minority shareholders and increase the Group's investment attractiveness. The purpose of the Committee is to contribute to the protection of the rights and legitimate interests of shareholders by providing them the comprehensive support.

- In 2023, the Committee held five in-person meetings thus improving the customer journey of Sber's shareholders.

Investor Day 2023



In December 2023, Sber organized the Investor Day, which was attended by representatives of leading investment funds, brokerage companies, major customers and partners of the Bank, as well as a lot of viewers from all over the world who watched the broadcast online.

At the Investor Day, the Sber team spoke about the company's key achievements in 2021–2023, presented its new Business Development Strategy until 2026, and announced the key parameters of its updated dividend policy.

The new Strategy is focused on building human-centric organization, which is the next natural stage of Sber's transformation. Sber's strategy is to move away from the consumer business model, where customers and employees are viewed solely as a source of income, and start building long-term relations centered around the interests of a person. That way, our customers and employees will perceive us as something more than just a Bank or a technology company.

Sber has embarked on an ambitious path: to become a true assistant in the development and personal fulfillment of every person using its own technologies and expertise in a wide variety of areas.

Development of Sberbank.com Website for Shareholders and Investors

In 2023, Sber continued to share with the market the relevant information about its operations, and redesign digital channels used to communicate with shareholders and investors. Materials for investors are posted in the For Shareholders and Investors section of Sber's official website, sberbank.com.

The Sber Shareholder app

- Information for private investors is available not only on Sber website in the Shareholders and Investors section, but also in the Sber Shareholder mobile app. The PWA version of the Sber Shareholder app is available for saving on the Home screen on mobile devices, click here https://shareholder.sberbank.com/ to download.
- The Sber Shareholder app may be used as a one-stop shop for shareholders who can find there all the information that may be of interest to them, including financial statements, analytics, market research, news, calendar of activities and key events, as well as receive prompt feedback, and much more.

Main Channels of Communication with Investors and Shareholders

Sberbank has built a robust system of interaction with its shareholders and investors to maintain information transparency and investment attractiveness of the Bank's activities. Investors and shareholders may use any of the communication channels available to them.

The Bank continues to pay special attention to the development and implementation of new technology solutions to improve the efficiency, accessibility and convenience of communication with its shareholders and investors.

Sber Shareholder app

SberInvestments Telegram channel

SberInvestments app

Sber Telegram channel

Developing Channels of Communication with Private Investors

The transformation of the communication strategy carried out throughout 2023 resulted in further development of Sber's channels in social networks for investors, in specialized Telegram channels and other social media, where Sber publishes the most important news, financial and operating results. Sber's social media channel for investors holds a leading position among other issuers' channels. The number of followers has already exceeded 95,000 investors.

In September 2023, as part of the efforts to improve interaction with retail investors, Sber conducted a survey in Sber's official social media channels. According to the survey results, investor satisfaction with Sber's information disclosure reached 89%.

Sber official

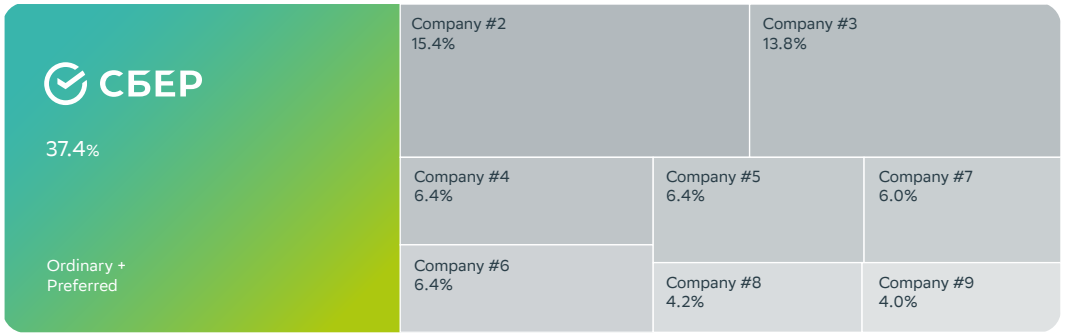
Sber's Share is the most Popular Security

Throughout 2023, Sber shares remained the most popular securities among private investors. Over the year, Sber increased its share in the People's Portfolio of the Moscow Exchange by 8.3% to 37.4%.

PEOPLE'S PORTFOLIO AS OF THE END OF 2023

People's Portfolio is an analytical product of the Moscow Exchange, which includes 10 most popular securities and reflects the preferences of private investors in the stock market. The shares in the chart are calculated by the total number of common and preferred shares.

Composition of the People's Portfolio of the Moscow Exchange
TOP-10 securities (more than 50% of all investments of retail investors in Russian shares)



Major Transactions

During 2023, Sberbank did not enter into transactions recognized as major transactions in accordance with the Federal Law On Joint-Stock Companies, as well as other transactions covered by the procedure for approval of major transactions in accordance with the Charter of Sberbank.



Related-Party Transactions

In 2023, Sberbank entered into four transactions recognized as related-party transactions in accordance with the Federal Law On Joint-Stock Companies.

Investment Attractiveness

Active clients

108.5 mn
retail clients

3.2 mn
corporate clients

Leading positions in key markets at the end of 2023

32.3%
Corporate loans

47.7%
Retail loans

18.7%
Due to legal entities

43.9%
Due to individuals

Confident business growth in 2023

+25.0%
growth in assets

+14.0%
growth in equity

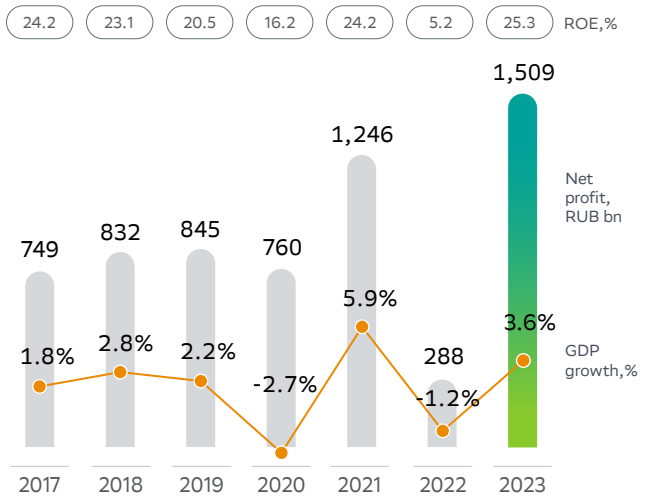
Comfortable capital adequacy level

13.8%
N20.0 adequacy ratio at the end of 2023

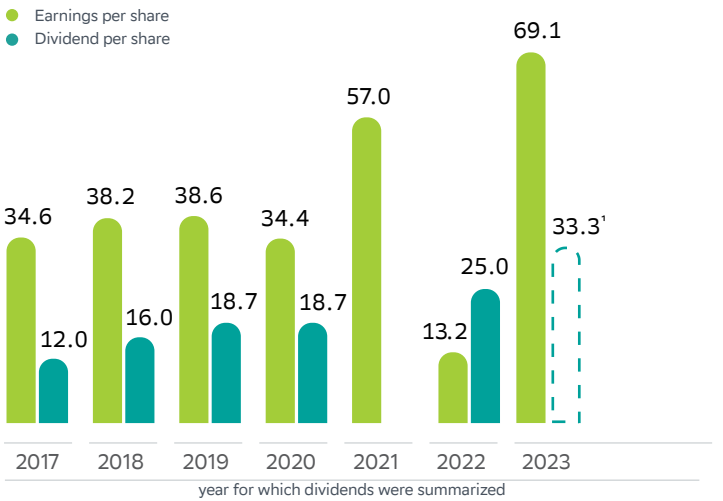
Technology independence Replacement of foreign vendors with home-grown technology solutions

>88%
of critical IT landscape migrated to the target state

The profitable business model is resistant to external shocks



Return of capital in the form of dividends



Recoomendations by 10 public Russian investment companies

100% – Buy



¹ Recommended by the Supervisory Board. The dividend decision will be made by the General Shareholders Meeting in 2024.

Appendices

158 Report on Compliance with Principles and Recommendations of the Bank of Russia Corporate Governance Code

177 Summary Consolidated Financial Statements

Image generated by Kandinsky 3.0

Report on Compliance with Principles and Recommendations of the Bank of Russia Corporate Governance Code

This Report on compliance with the principles and recommendations of the Bank of Russia Corporate Governance Code was reviewed by Sberbank's Supervisory Board at the meeting held on xx/04/2024, minutes No. __.

Sberbank's Supervisory Board confirms that the data in this report contain complete and accurate information on Sberbank's compliance with the principles and recommendations of the Bank of Russia Corporate Governance Code in 2023.

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
1.1	**The company must ensure equal and fair treatment of all shareholders as they exercise their right to be involved in the company management**			
1.1.1	The company must provide shareholders with the most favorable conditions for participation in the general meeting, conditions for formulating a reasoned position on the general meeting agenda items, for coordination of their activities, and with an opportunity to express an opinion on matters under review	1. The company must provide accessible and affordable means of communication with the company, such as a hotline, an e-mail address or an Internet forum, as would enable the shareholders to express their opinion and send in their questions on the agenda in the course of preparation for the general meeting. The above-mentioned means of communication were put in place by the company and made available to the shareholders in the course of preparation for each general meeting that took place in the reporting period	Compliant	
1.1.2	The procedure for notifying about, and providing materials for, a general meeting provides shareholders with the opportunity to properly prepare for participation in such meeting	1. In the reporting period, the notice of the general shareholders' meeting was posted (published) on the company's website at least 30 days prior to the date of the general meeting unless the law provided for a longer notification period. 2. The notice of the meeting lists the documents required for the admission to the meeting premises. 3. Shareholders were provided with access to the information on who proposed the agenda items and who nominated candidates for the company board of directors and internal audit commission (if the company charter provides for the establishment of such commission).	Partially compliant	Compliant with Criterion 1. Compliant with Criterion 2. In 2022, this criterion could not be applied in full measure as the annual general shareholders' meeting was held by absentee voting under Federal Law No 519-FZ(ФЗ) dated 19/12/2022 "On Amendments to Certain Legislative Acts of the Russian Federation and Suspension of Certain Provisions of Legislative Acts of the Russian Federation" (hereinafter, Law 519-FZ). The Regulation on Sberbank general shareholders' meeting (Para. 11.4) stipulates a list of documents required for participation in the general shareholders' meeting in the form of joint attendance. The practice of providing shareholders with information on the documents necessary for admission to the premises where the general shareholders' meeting is held will be resumed starting from the first shareholder meeting held by Sberbank in the form of joint attendance. Compliant with Criterion 3.

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
1.1.3	In the course of preparing for, and holding of, the general meeting the shareholders had the option to receive information about the meeting and materials thereto freely and in timely manner, to direct their questions to the executive bodies and members of the company board of directors, and to communicate with one another.	1. In the reporting period, the shareholders were provided with the opportunity to direct their questions to members the executive bodies and members of the company board of directors in the course of preparing for, and holding of, the general meeting. 2. The position of the board of directors, including recorded dissenting opinions (if any) on each agenda item of the general meetings held in the reporting period, was included into the materials to the general meetings. 3. The company provided eligible shareholders with access to the record of persons entitled to participate in the general meeting, commencing from the date on which it is received by the company, in connection with every general meeting held in the reporting period	Partially compliant	Partially compliant with Criterion 1. In 2023, this criterion could not be applied in full measure as the annual general shareholders' meeting of Sberbank was held by absentee voting under Law 519-FZ. In 2023, during preparation for the meeting, shareholders were provided with the opportunity to direct their questions to members of the executive bodies and members of the Supervisory Board of Sberbank via the Bank's corporate website (hereinafter, the "corporate website") and via the Sber Shareholder mobile application (hereinafter, the "application"). The shareholders will be provided with the opportunity to ask their questions during the meeting once the practice of holding meetings in the form of joint attendance is resumed. Compliant with Criterion 2. Compliant with Criterion 3.
1.1.4	The exercise of the shareholders' right to request convention of a general meeting, to nominate candidates to the governance bodies and make proposals for inclusion in the general meeting agenda was not burdened by unnecessary complexities	1. The company charter provides for a deadline for the filing of shareholders' proposals on the annual general meeting agenda which is at least 60 days after the end of the respective calendar year. 2. During the reporting period, the company did not refuse to accept proposals on the agenda or nominations of candidates to the company bodies by reason of any typos or other insignificant deficiencies in the shareholder's proposal.	Compliant	
1.1.5	Every shareholder had the opportunity to freely exercise their voting right in the easiest and the most convenient manner.	1. The company charter provides for an opportunity to fill out an electronic ballot form on the website specified in the notice of the general shareholders' meeting	Compliant	

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
1.1.6	The general meeting procedure established by the company provides an equal opportunity for all the meeting participants to give their opinions and ask their questions.	1. Where general shareholders' meetings were held in the form of meetings (i.e. joint attendance of shareholders) in the reporting period, sufficient time was allotted for reports on the agenda items, and shareholders were provided with the opportunity to express their opinions and ask their questions regarding the agenda. 2. The company invited the candidates to the company governance and control bodies and took all necessary measures to ensure their participation in the general shareholders' meeting at which their names were put to vote. The candidates to the company governance and control bodies that were present at the general shareholders' meeting were available to answer questions asked by the shareholders. 3. The sole executive body, the person responsible for the accounting function, the chairman and other members of the audit committee of the board of directors were available to answer any questions asked by the shareholders at the general shareholders' meetings held during the reporting period. 4. In the reporting period, the company used telecommunication facilities to provide shareholders with remote access for the purposes of participation in the general meetings, or the board of directors made an informed decision that there was no need (possibility) to use such facilities during the reporting period	Partially compliant	Partially compliant with Criterion 1. The Regulation on Sberbank general shareholders' meeting (Para. 12) formalizes the general shareholders' meeting procedure that allots sufficient time for reports on, and discussions of, the agenda items, taking into account the opportunity for shareholders to express their opinions and ask their questions the on agenda. In 2023, since Sberbank's annual general shareholders' meeting was held in the form of absentee voting, the shareholders were provided with an opportunity to ask their questions via the corporate website and the app for shareholders. Corporate procedures for meetings in the form of joint attendance of shareholders will return after resumption of the practice of holding joint attendance meetings of shareholders. Not compliant with Criterion 2. In 2023, this criterion could not be applied in full measure since the annual general shareholders' meeting was held in absentia in accordance with the Law 519-FZ(ФЗ). According to the Regulation on Sberbank general shareholders' meeting (Para. 10.4) and the prevailing practice, Sberbank's annual General Meetings of Shareholders held in the form of joint attendance are attended by members of the Bank's Supervisory Board; CEO, Chairman of the Bank's Executive Board; representatives of the Bank's auditor; the Bank's chief accountant; candidates to the Bank's bodies to be elected at the Bank's general shareholders' meeting; members of the Bank's Executive Board; the Bank's corporate secretary, and other persons invited by the meeting chairperson. This practice will be resumed starting from the first meeting of shareholders held by Sberbank in the form of joint attendance. Partially compliant with Criterion 3. In 2023, this criterion could not be applied in full measure since the Sberbank's annual general shareholders' meeting was held in the form of absentee voting. In this context, it was impossible to ensure the attendance of CEO, Chairman of the Sberbank's Executive Board, the Bank's chief accountant, and members of the Audit Committee of the Bank's Supervisory Board. The attendance of these persons at general meetings in accordance with the Regulation on Sberbank general shareholders' meeting will be resumed starting from the first Sberbank shareholder meeting held in the form of joint attendance. Compliant with Criterion 4.
1.2	**The shareholders were provided with an equal and fair opportunity to share in the company profits in the form of receiving dividends**			
1.2.1	The company has developed and implemented a transparent and easily understandable mechanism for the determination and payout of dividends	1. The company's dividend policy was approved by the board of directors and disclosed on the company website. 2. If the dividend policy of the company that prepares consolidated financial statements uses indicators from the company's statements to determine the dividend amount, the respective provisions of the dividend policy take into account the consolidated indicators from financial statements. 3. A rationale of the proposed net profit distribution, including for dividend payment and for the company's own needs, and an assessment of its compliance with the dividend policy adopted by the company, with explanations and an economic rationale of the need for the allotment of a certain part of net profit for own needs in the reporting period, were included in materials for the general shareholders' meeting whereof the agenda includes an item concerning profit distribution (including dividend payment (announcement)).	Compliant	

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
1.2.2	The company does not make decisions to pay dividends, if such decisions, even though they formally do not violate any restrictions imposed by the law, are economically unreasonable and may result in a misrepresentation of the company operations.	1. In addition to any restrictions set by law, the Company dividend policy specifies financial/economic circumstances under which the company should not decide to pay out dividends	Partially compliant	In December 2023, Sberbank's Supervisory Board approved a new version of the Dividend Policy, intended to be applied for 3 years. The target (minimum) share of profit allocated for dividend payment is set at 50% of the Group's net profit according to IFRS, adjusted for interest payments, net of the tax effects of capitalized equity financial instruments other than shares. The dividend policy does not contain any direct references to circumstances under which the Bank should not pay dividends, but contains a list of internal and external conditions that should be analyzed by the Bank when making a decision to pay (or not pay) dividends: • availability and amount of net profit determined based on the consolidated financial statements of the Bank and its subsidiaries (hereinafter, the Group) in accordance with the International Financial Reporting Standards (IFRS) for the respective period; • the Bank's capital requirement for the implementation of Sberbank's Development Strategy, taking into account any dividend payments made to comply with both existing and future requirements of the Russian law and of the Bank of Russia, local regulators in countries of operation, as well as recommendations of the Basel Committee, and also taking into account any target amounts of systemic importance buffers, the conservation buffer, and the Russian national countercyclical buffer to capital adequacy ratios taking into account the Risk Appetite approved by the Bank's Supervisory Board and the stress testing procedure according to the Bank of Russia requirements to internal capital adequacy assessment process; • the possibility to maintain the medium-term Tier 1 capital adequacy ratio of the Group calculated in accordance with Basel 3.5 requirements (Common Equity Tier 1) and based on the Groups' consolidated financial statements according to IFRS, with allowance for the conservative forecast of the Group's business development in the next reporting period, at the level of not less than 12.5 percent with allowance for the systemic importance buffer set by the Bank of Russia in the amount of no more than 1.0 percent • the economic situation, other internal and external changes that have or may in the future have a material negative impact on the Group's operating activities, force majeure circumstances, including natural disasters and wars; • striking the balance of interests among the Group, Sberbank and its shareholders, with due regard for the need to improve the investment prospects and respect the rights of the Bank's shareholders. The Bank will not revise its approach to meeting the above criteria over the next 3 years.
1.2.3	The company does not permit any deterioration of dividend rights of the existing shareholders	1. In the reporting period, the company did not do anything as would result in a deterioration of dividend rights of the existing shareholders	Compliant	
1.2.4	The company seeks to prevent shareholders from using other ways of earning profit (income) at the company expense, except for dividends and disposal value distributions	1. In the reporting period, any persons controlling the company did not use any ways of earning profit (income) at the company expense except for dividends (e.g. though transfer pricing, unreasonable provision by a controlling person of overpriced services to the company, or by means of internal loans in lieu of dividends to a controlling person and/or their controlled persons)	Compliant	

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
1.3	**The corporate governance system and practice ensure equal conditions for all shareholders holding shares of one category (type), including minority and foreign shareholders, and their equal treatment by the company**			
1.3.1	The company has created conditions for fair treatment of each shareholder by the company's management bodies and controlling persons, including conditions ensuring that major shareholders cannot abuse minority ones.	1. During the reporting period, the persons controlling the company did not abuse rights in relation to the company's shareholders, there were no conflicts between the controlling persons of the company and the company's shareholders, and if there were, they were properly addressed by the board of directors	Compliant	
1.3.2	The company does not do anything that results or may result in artificial redistribution of corporate control	1. Quasi-treasury shares do not exist or did not vote during the reporting period	Compliant	
1.4	**The shareholders are provided with reliable and efficient methods of recording their rights to shares, as well as with an opportunity for free and non-burdensome disposal of their shares**			
1.4	The shareholders are provided with reliable and efficient methods of recording their rights to shares, as well as an opportunity for free and non-burdensome disposal of their shares	1. The technology used by the company's registrar and the terms and conditions of its service are congruent with the needs of the company and its shareholders, and ensure that the rights to shares are recorded and that shareholders' rights are exercised in the most effective manner	Compliant	
2.1	**The board of directors provides strategic governance of the company, determines basic principles and approaches to the organization of the company's risk management and internal control system, oversees the activity of the company's executive bodies, and performs other key functions**			
2.1.1	The board of directors is responsible for making decisions related to the appointment and dismissal of members of executive bodies, including in connection with improper performance of their duties. The board of directors also controls whether the company's executive bodies act in accordance with the approved development strategy and the core areas of the company's business.	1. The board of directors has the powers enshrined in the charter to appoint and dismiss members of executive bodies and to determine the terms and conditions of their contracts. 2. In the reporting period, the nomination (appointment, HR) committee[3] considered whether the professional qualification, skills and experience of members of executive bodies complied with current and anticipated needs of the company dictated by its approved strategy. 3. In the reporting period, the board of directors considered the report(s) of the sole executive body and the collegial executive body (if any) on the implementation of the company's strategy	Compliant	
2.1.2	The board of directors sets key long-term targets for the company's operations, assesses and approves key performance indicators and basic business goals of the company, assesses and approves the strategy and business plans for core activities of the company	1. During the reporting period, the board of directors addressed matters related to implementation and updating of the company's strategy, approval of its financial and economic plan (budget), as well as consideration of criteria and indicators (including interim ones) relevant for the implementation of the company's strategy and business plans	Partially compliant	On a general note, Sberbank is compliant with principle 2.1.2 in terms of all specified criteria. At the same time, approval of the Bank's business plan and budget, as well as monitoring of their implementation, is reserved to the Executive Board. Such segregation of duties emerged historically, since Sberbank is a multibranch credit institution and the Bank's general business plan and budget are formed through consolidation of business plans and budgets of the Bank's branches (operational) which are subject to mandatory presentation and discussion before the Bank's Executive Board. The Executive Board also follows up on the business plan and budget, in particular, by hearing regular reports of the Bank unit leaders. This functionality is assigned to the Executive Board in the Bank's internal regulatory document, the Regulation on the Executive Board. The Supervisory Board, in turn, is regularly provided with information about interim indicators of the Bank's Strategy, business plan and budget implementation, for the follow-up purposes.

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
2.1.3	The board of directors determines the principles and approaches to the organization of the company risk management and internal control system	1. The principles and approaches to the organization of the company risk management and internal control system were determined by the board of directors and enshrined in the company's internal documents determining the policy in the risk management and internal control area. 2. In the reporting period, the board of directors approved (revised) the acceptable risk magnitude (risk appetite) of the company, or the audit and (or) risk committee (if any) considered whether it is practicable to escalate the issue of revising the company's risk appetite to the board of directors	Compliant	
2.1.4	The board of directors determines the company's policy with regard to remuneration and/or compensation payable to members of the board of directors, the company's executive bodies and other key executives of the company	1. The company has implemented a policy (policies) with regard to remuneration and compensation payable to members of the board of directors, the company's executive bodies and other key executives of the company, developed and approved by the board of directors. 2. During the reporting period, the board of directors addressed the matters related to the above-mentioned policy (policies)	Compliant	
2.1.5	The board of directors plays the key role in the prevention, detection and resolution of internal conflicts among the company's bodies, shareholders and employees	1. The board of directors plays the key role in the prevention, detection and resolution of internal conflicts. 2. The company has created a system for the identification of transactions associated with conflicts of interest, and a system of measures aimed at the resolution of such conflicts	Compliant	
2.1.6	The board of directors plays the key role in ensuring the company's transparency, timeliness and completeness of information disclosure by the company, providing the shareholders with non-burdensome access to the company documents	1. The company's internal documents identify persons responsible for the implementation of the information policy	Compliant	
2.1.7	The board of directors exercises control of the corporate governance practice in the company and plays the key role in its material corporate events	1. During the reporting period, the board of directors considered the results of self-assessment and/or external assessment of the company's corporate governance practice	Compliant	
2.2	**The board of directors is accountable to the company's shareholders**			
2.2.1	Information about the board of directors proceedings is disclosed and made available to shareholders	1. The company's annual report in respect of the reporting period contains information about each board member's attendance of the meetings of the board of directors and its committees. 2. The annual report contains the key highlights of an assessment (self-assessment) of the board of directors performance, undertaken during the reporting period	Partially compliant	Not compliant with Criterion 1. Starting from 2022, due to the imposition of restrictions against Sberbank and members of the Bank's governance bodies, information on members of the Bank's governance bodies is no longer publicly disclosed in accordance with the provisions of regulations issued by the Government of the Russian Federation (in 2023, in accordance with the provisions of the Russian Government Resolution No. 1102 dated 04/07/2023 "On Specific Features of Disclosure and/or Provision of Information to Be Disclosed and/or Provided in Accordance with Requirements of Federal Law "On Joint-Stock Companies" and Federal Law "On Securities Market" (hereinafter referred to as Regulation No. 1102). Disclosure of the information on members of the governance bodies in any form (format) is fraught with risks of new sanctions becoming imposed against the Bank and the above-mentioned persons. As the situation stabilizes, the Bank plans to resume the practice of disclosing information about members of its governance bodies, in particular, in the Bank's Annual Report. Compliant with Criterion 2.

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
2.2.2	The chairman of the board of directors is available for communication with the company's shareholders	1. The company has a transparent procedure providing shareholders with an opportunity to make inquiries with the chairman of the board of directors (and, if applicable, the senior independent director) and to receive feedback thereon	Compliant	
2.3	**The board of directors is an effective and professional governance body of the company capable of making unbiased independent judgments and make decisions in the best interests of the company and its shareholders**			
2.3.1	Only persons with unblemished business and personal reputation and possessing the knowledge, skills and experience required for making decisions on matters reserved for the board of directors and necessary for the efficient exercise of its functions may be elected members of the board of directors.	1. During the reporting period, the board of directors (or the nomination committee) assessed candidates to the board of directors in terms of required experience, knowledge, business reputation, absence of conflict of interest, etc.	Compliant	
2.3.2	Members of the company's board of directors are elected using a transparent procedure that allows the shareholders to obtain information about candidates to an extent sufficient to get an understanding of their personal and professional qualities	1. In all cases when a general shareholders' meeting was held during the reporting period with the agenda that included items regarding election of the board of directors, the company provided the shareholders with the biographic information about all candidates to the board of directors, the results of an assessment of the candidates' professional qualification, experience and skills for conformity with current and anticipated needs of the company conducted by the board of directors (or its nomination committee), as well as information on whether the candidates meet the independence criteria in accordance with Recommendations 102-107 of the Code, and information about the candidates' written content to be elected to the board of directors	Not compliant	As restrictions were imposed against Sberbank and members of the Bank's governance bodies, the information about candidates to the Supervisory Board members was not disclosed in accordance with the provisions of relevant regulations of the Russian Government. Disclosure of information about candidates to members of Sberbank's Supervisory Board could result in the imposition of restrictive measures against such persons. The "Materials provided for information purposes to persons entitled to participate in Sberbank's annual General shareholders' meeting based on the results of 2022" included anonymized information confirming that all candidates have unblemished business and personal reputation and possess the knowledge, skills and experience required for making decisions on matters reserved for the Supervisory Board. As the situation stabilizes, the Bank plans to resume the practice whereby information about candidates to members of the Supervisory Board is disclosed to shareholders in accordance with the Code recommendations.
2.3.3	The composition of the board of directors is balanced, including in terms of its members' qualifications, experience, knowledge and business qualities, and enjoys the trust of shareholders	1. In the reporting period, the board of directors analyzed its own requirements in the field of professional qualification, experience and skills, and determined the competencies required by the board of directors in the short and longer term	Compliant	
2.3.4	The number of the board members makes it possible to organize its activities in the most effective manner, including the possibility to establish the board committees, and provides the substantial minority shareholders of the company with the opportunity to have the candidate they vote for elected to the board of directors	1. In the reporting period, the board of directors considered whether the number of the board members conforms to the company needs and shareholders' interests	Compliant	

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
2.4	**The board of directors includes a sufficient number of independent directors**			
2.4.1	A person that possesses sufficient professionalism, experience and independence to form an independent opinion and is capable of making objective and honest judgments that are free from any influence of the company executive bodies, certain groups of shareholders or other stakeholders is recognized as an independent director. At the same time, it must be kept in mind that under normal circumstances a candidate (elected member of the board of directors) who is related to the company, its substantial shareholder, substantial counterparty or competitor or related to the government cannot be considered as an independent director	1. During the reporting period, all independent members of the board of directors met all independence criteria indicated in Recommendations 102-107 of the Code, or were recognized as independent by resolution of the board of directors	Compliant	
2.4.2	The candidates to the board of directors are initially assessed and thereafter regularly reviewed for conformity with the independence criteria. In the course of such assessment, content prevails over form.	1. In the reporting period, the board of directors (or its nomination committee) formed an opinion about the independence of each candidate to the board of directors and presented the respective opinion to the shareholders. 2. During the reporting period, the board of directors (or its nomination committee) at least once considered the issue of independence of existing board members (after their election). 3. The company has developed procedures specifying actions required from a board member if he or she ceases to be independent, including the obligations to notify the board of directors thereof in a timely manner	Compliant	
2.4.3	Independent directors constitute at least one third of the elected board of directors	1. Independent directors constitute at least one third of the board of directors	Compliant	
2.4.4	Independent directors play the key role in prevention of internal conflicts in the company and in its major corporate actions	1. In the reporting period, independent directors (who did not have any conflict of interest) assessed, on a preliminary basis, significant corporate actions related to a potential conflict of interest, and the results of such assessments were submitted to the board of directors	Compliant	
2.5	**The chairman of the board of directors contributes to the most effective performance of the functions assigned to the board of directors**			
2.5.1	An independent director has been appointed chairman of the board of directors, or the senior independent director is appointed from among the elected independent directors to coordinate the activities of independent directors and interact with the chairman of the board of directors.	1. The chairman of the board of directors is an independent director, or the senior independent director has been appointed from among the elected independent directors. 2. The role, rights and duties of the chairman of the board of directors (and, if applicable, the senior independent director) are properly defined in the internal documents of the company	Compliant	The Chairman[4] of the Supervisory Board is a non-executive director (a representative of the majority shareholder). The position of senior independent director has been introduced to reinforce the role of independent directors, coordinate their interaction in formulating a consolidated opinion as necessary, as well as to assist the Chairman of the Supervisory Board.

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
2.5.2	The chairman of the board of directors ensures a constructive atmosphere at meetings, free discussion of the items on the agenda, as well as follow-up on the decisions made the board of directors.	1. The performance of the chairman of the board of directors was assessed as part of the board of directors' performance assessment (self-assessment) procedure in the reporting period.	Compliant	
2.5.3	The chairman of the board of directors acts as necessary to provide the board members in a timely fashion with the information required for the making of decisions on agenda items.	1. The obligation of the chairman of the board of directors to act as necessary to make sure that the board members are provided in a timely fashion with full and accurate information on the board meeting agenda items is enshrined in the company's internal documents	Compliant	
2.6	**Members of the board of directors act in good faith and reasonably in the best interests of the company and its shareholders on a sufficiently informed basis, with due care and diligence**			
2.6.1	Members of the board of directors make decisions taking into account all available information, free of any conflicts of interest, ensuring equal treatment of the company's shareholders, within the framework of ordinary business risk.	1. The company's internal documents establish that a member of the board of directors is obliged to notify the board of directors if he/she has a conflict of interest in respect of any issue on the agenda of the board of directors' meeting, before the relevant issue is discussed. 2. Internal documents of the company provide that each member of the board of directors shall refrain from voting on any issue in relation to which he/she has a conflict of interest. 3. The company has in place a procedure that allows the board of directors to receive professional advice on matters within its competence at the company's expense.	Compliant	
2.6.2	The board members' rights and obligations are clearly formulated and enshrined in the company's internal documents.	1. The company has adopted and published an internal document clearly defining the rights and obligations of the board members.	Compliant	
2.6.3	Members of the board of directors have enough time for the performance of their duties	1. The individual attendance of the board and committee meetings, as well as sufficiency of time for service on the board of directors, including its committees, was analyzed as part of the board of directors' performance assessment (self-assessment) procedure in the reporting period. 2. In accordance with the company's internal documents, members of the board of directors are obliged to notify the board of directors of their intention to join the governing bodies of other organizations (other than any organizations controlled by the company), as well as of such appointment.	Compliant	
2.6.4	All members of the board of directors have equal access to the company's documents and information. Newly elected members of the board of directors are provided with sufficient information about the company and the board of directors' activities as soon as possible.	1. In accordance with the company's internal documents, members of the board of directors have the right to receive information and documents regarding the company and its controlled organizations, necessary for the performance of their duties, and the company's executive bodies are to ensure the provision of such relevant information and documents. 2. The company implements a formalized program of induction sessions for newly elected members of the board of directors.	Compliant	

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
2.7	**Meetings of the board of directors, preparation for, and participation of the board members in, such meetings ensure good performance of the board of directors**			
2.7.1	Meetings of the board of directors are held as necessary, taking into account the scale of the company's activities and the objectives now and then facing the company	1. In the reporting year, the board of directors held at least six meetings	Compliant	
2.7.2	The company's internal documents stipulate the procedure for preparing and holding the board of directors meetings whereby the members have the opportunity to properly prepare for a meeting	1. The company has approved an internal document defining the procedure for organizing and holding meetings of the board of directors, which, among other things, establishes that notice of the meeting is to be given at least five days before the meeting date. 2. In the reporting period, members of the board of directors located elsewhere were provided with the opportunity to participate in the discussion of agenda items and vote remotely, via tele- and video conferencing	Compliant	
2.7.3	The board of directors meeting format is chosen taking into account the importance of the agenda items. The most important issues are resolved at joint attendance meetings.	1. The company's charter or internal document stipulates that the most important issues (including those listed in Recommendation 168 of the Code) must be considered at joint attendance meetings of the board of directors.	Compliant	
2.7.4	Decisions on the most important matters related to the company's operations are made at a meeting of the board of directors by a qualified or simple majority vote of all elected members of the board of directors.	1. The company's charter stipulates that decisions on the most important issues, including those set forth in Recommendation 170 of the Code, are to be made at a meeting of the board of directors by a qualified majority of at least 3/4 or by a simple majority vote of all elected members of the board of directors	Compliant	
2.8	**The board of directors establishes committees for preliminary consideration of the most important issues related to the company's activities**			
2.8.1	An audit committee consisting of independent directors has been established to review matters related to controlling the company's financial and business operations.	1. The board of directors has established an audit committee consisting of independent directors only. 2. The company's internal documents define the objectives of the audit committee, including those listed in Recommendation 172 of the Code. 3. At least one member of the audit committee, being an independent director, has experience and knowledge in the preparation, analysis, evaluation and audit of accounting (financial) statements. 4. In the reporting period, the audit committee held meetings at least quarterly.	Partially compliant	Not compliant with Criterion 1. The majority of the audit committee members (five out of six) are independent directors. The audit committee is chaired by an independent director. This practice is compliant to the requirements of the Moscow Exchange Listing Rules. However, Sberbank's full compliance with this recommendation largely depends on the majority shareholder's preparedness to nominate and elect more independent directors to the Supervisory Board of Sberbank, as well as its consent in principle to the replacement of its representatives on the Audit Committee with independent directors. Compliant with Criterion 2. Compliant with Criterion 3. Compliant with Criterion 4.

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
2.8.2	For preliminary consideration of matters related to putting in place an effective and transparent remuneration practice, a remuneration committee has been established, consisting of independent directors and chaired by an independent director who is not the chairman of the board of directors.	1. The board of directors has established a remuneration committee consisting of independent directors only. 2. The remuneration committee is chaired by an independent director who is not the chairman of the board of directors 3. The internal documents of the company define the remuneration committee's objectives, including those specified in Recommendation 180 of the Code, as well as conditions (events) upon the occurrence of which the remuneration committee will consider revising the company's remuneration policy applicable to members of the board of directors, executive bodies and other key executives	Partially compliant	Not compliant with Criterion 1. The Supervisory Board has established an HR and Remuneration Committee. The majority of the HR and Remuneration Committee members (3 out of 4) are independent directors. The HR and Remuneration Committee is chaired by an independent director. At present, the company is not in a position to form the above-mentioned committee of independent directors only. This practice is compliant to the requirements of the Moscow Exchange Listing Rules. However, Sberbank's full compliance with this recommendation largely depends on the majority shareholder's preparedness to nominate and elect more independent directors to the Supervisory Board of Sberbank, as well as the majority shareholder's consent in principle to the replacement of its representatives on the HR and Remuneration Committee with independent directors. Compliant with Criterion 2. Compliant with Criterion 3.
2.8.3	For preliminary consideration of matters related to HR (succession) planning, the professional composition and performance of the board of directors, a nomination (appointment, HR) committee has been established, with the majority of its members being independent directors	1. The board of directors has established a nomination committee (or its objectives specified in Recommendation 186 of the Code are pursued by another committee[5]), with the majority of members being independent directors. 2. The company's internal documents define the objectives of the nomination committee (or the respective committee with combined functionality), including those specified in Recommendation 186 of the Code. 3. In order to establish a board of directors that conforms as much as possible with the company's goals and objectives, the nomination committee in the reporting period independently or jointly with other committees of the board of directors or the company's dedicated shareholder relations unit has arranged for interaction with shareholders, not limited to the major ones, in the context of selecting candidates for the board of directors.	Compliant	The HR and Remuneration Committee has been established under the Supervisory Board, combining the functions of the Remuneration Committee and the Nomination Committee. The majority of the HR and Remuneration Committee members (3 out of 4) are independent directors.
2.8.4	Based on the company's scale of activities and risk level, the board of directors made sure that the composition of its committees fully meets the company's goals. Additional committees have either been established or were found to be unnecessary (strategy committee, corporate governance committee, ethics committee, risk management committee, budget committee, health, safety and environment committee, etc.)	1. In the reporting period, the company's board of directors considered whether the board of directors' structure conforms to the scope, nature, objectives of the company's activities, as well as the company's needs and risk profile. Additional committees were either established or were found to be unnecessary	Compliant	
2.8.5	The composition of the committees was determined so as to allow for a comprehensive discussion of matters subject to preliminary consideration, taking diverse opinions into account	1. In the reporting period, the audit committee, the remuneration committee, the nomination committee (or the relevant committee with a combined functionality) were chaired by independent directors. 2. The internal documents (policies) of the company contain provisions whereby persons who are not members of the audit committee, nomination committee (or the relevant committee with a combined functionality) and remuneration committee may attend committee meetings only if invited by the chairman of the relevant committee	Compliant	

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
2.8.6	The chairmen of the committees regularly report to the board of directors and its chairman on the performance of their committees.	1. In the reporting period, the chairmen of the committees regularly reported to the board of directors on their performance	Compliant	
2.9	**The board of directors ensures performance assessments of the board of directors, its committees and members**			
2.9.1	The board of directors performance assessment is aimed at determining the degrees of effectiveness of the board of directors, its committees and members, the extent to which their activities conform to the Company's development needs, intensifying the board of directors' activities, and identifying areas of improvement.	1. The company's internal documents define the procedures for the assessment (self-assessment) of the board of directors' performance. 2. In the reporting period, the board of directors' performance assessment (self-assessment) included performance assessments of the committees, of each board member individually and of the board of directors as a whole. 3. The results of the board of directors performance assessment (self-assessment) carried out during the reporting period were considered at a joint attendance meeting of the board of directors.	Compliant	
2.9.2	The performance of the board of directors, its committees and members is assessed regularly at least once a year. To conduct an independent performance assessment of the board of directors, an external organization (consultant) is engaged at least once in every three years.	1. To conduct an independent performance assessment of the board of directors, the company engaged an external organization (consultant) on at least one occasion in the last three reporting periods	Compliant	
3.1	**The company's corporate secretary ensures effective day-to-day shareholder engagement, coordination of the company's actions aimed at protecting the rights and interests of shareholders, and support of the board's good performance**			
3.1.1	The corporate secretary has sufficient knowledge, experience and qualifications to perform his/her duties, has an impeccable reputation and is trusted by shareholders	1. The company's website and the annual report contain background information on the corporate secretary (including data on his/her age, education, qualifications, experience), as well as information on the positions in the governance bodies of other legal entities held by the corporate secretary over at least 5 past years	Not compliant	As restrictive measures were imposed against Sberbank and members of the Bank's governance bodies, the information on Sberbank corporate secretary was not disclosed on the Bank's corporate website or in the Annual Report in 2023, in accordance with the provisions of the Russian Government's regulations. Disclosure of such information could result in imposition of restrictive measures against such person. As the situation stabilizes, the Bank plans to resume the practice of disclosing information on the Corporate Secretary on the company's corporate website and in the Bank's Annual Report in accordance with the recommendations of the Code.
3.1.2	The corporate secretary is sufficiently independent of the company's executive bodies and has the necessary powers and resources for the accomplishment of his/her tasks.	1. The company has adopted and disclosed an internal document, the regulation on the corporate secretary. 2. The board of directors approves the candidate for the position of corporate secretary, terminates his/her powers, as well as considers payment of additional remuneration to him/her. 3. The company's internal documents stipulate the corporate secretary's right to request and obtain company documents and information from the governance bodies, structural units and company officials.	Compliant	

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
4.1	**The remuneration paid by the company is sufficient to attract, motivate and retain persons possessing the competence and qualifications needed by the company. Remuneration is paid to members of the board of directors, executive bodies and other key executives of the company in accordance with the remuneration policy adopted by the company**			
4.1.1	The remuneration paid by the company to members of the board of directors, executive bodies and other key executives provides sufficient incentive for their effective work, allowing the company to attract and retain competent and qualified specialists. That said, the company avoids excessive remuneration or an unreasonably large gap between the remuneration amounts of such persons and those paid to the company employees	1. The remuneration of members of the board of directors, executive bodies and other key executives of the company was determined based on the results of a peer benchmarking of remuneration levels	Compliant	
4.1.2	The company's remuneration policy was developed by the remuneration committee and approved by the board of directors. The board of directors, with support from the remuneration committee, ensures control over the implementation and adoption of the remuneration policy in the company, and, if necessary, revisits such policy and makes adjustments	1. In the reporting period, the remuneration committee reviewed the remuneration policy (policies) and/or the related implementation practices, assessed their effectiveness and transparency, and, where necessary, submitted appropriate recommendations to the board of directors on revising such policy (policies).	Compliant	
4.1.3	The company's remuneration policy contains transparent mechanisms designed to determine the remuneration of members of the board of directors, executive bodies and other key executives of the company, also regulating all types of payments, benefits and privileges granted to such persons.	1. The company's remuneration policy (policies) contains (contain) transparent mechanisms designed to determine the remuneration of members of the board of directors, executive bodies and other key executives of the company, also regulating all types of payments, benefits and privileges granted to such persons.	Compliant	
4.1.4	The company determines the reimbursement (compensation) policy that specifies the list of expenses subject to reimbursement, and the level of service for which members of the Board of directors, executive bodies and other key executives of the company are eligible. Such policy may be part of the company's remuneration policy.	1. The company's remuneration policy (policies) or other internal documents establish rules for reimbursement of expenses incurred by members of the board of directors, executive bodies and other key executives of the company	Compliant	
4.2	**The remuneration system designed for the members of the board of directors ensures convergence of the directors' financial interests with the long-term financial interests of shareholders**			
4.2.1	The company pays fixed annual remuneration to members of the board of directors. The company does not pay remuneration for participation in specific meetings of the board of directors or its committees. The company does not provide any forms of short-term motivation or additional monetary incentives to members of the board of directors.	1. In the reporting period, the company paid remuneration to members of the board of directors in accordance with the adopted remuneration policy. 2. In the reporting period, the Company did not provide any performance-based forms of short-term motivation or additional monetary incentives to members of the board of directors. No remuneration was paid for the participation in specific meetings of the board of directors or its committees	Compliant	

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
4.2.2	Long-term ownership of the company's shares is the largest enabler of convergence of the directors' financial interests with the long-term interests of shareholders. That said, the company does not make the right to dispose of the shares dependent on the accomplishment of certain performance indicators, and members of the board of directors do not participate in any option programs	1. If any internal document (documents) - the company's remuneration policy (policies) - stipulates (stipulate) vesting of the company's shares in members of the board of directors, the company must establish and disclose clear share ownership rules for members of the board of directors, aimed at the promotion of long-term ownership of such shares	Compliant	
4.2.3	The company does not provide any additional payments or compensation on early termination of the board members' powers due to a change of control over the company or any other circumstances.	1. The company does not provide any additional payments or compensation on early termination of the board members' powers due to a change of control over the company or any other circumstances.	Compliant	
4.3	**The company's remuneration system for members of its executive bodies and other key executives provides makes remuneration dependent on the company's performance and their personal contribution to such performance**			
4.3.1	The remuneration for members of the company's executive bodies and other key executives is determined in such a way as to provide a reasonable and justified ratio of the fixed part of the remuneration and the variable part thereof, which depends both on the company's performance and the employee's personal (individual) contribution to the end result	1. In the reporting period, the annual performance indicators approved by the board of directors were used to determine the amount of the variable remuneration payable to members of the company's executive bodies and other key executives. 2. In the course of the last assessment of the company's remuneration system for members of the executive bodies and other key executives, the board of directors (the remuneration committee) made sure that the company applies an efficient ratio of fixed and variable remuneration components. 3. As the remuneration amounts payable to members of the executive bodies and other key executives of the company are determined, the risks borne by the company are taken into account in order to avoid incentivizing too risky management decisions	Compliant	
4.3.2	The company has implemented a long-term incentive program for members of the executive bodies and other key executives, based on the company's shares (options or other derivative financial instruments for which the company's shares are the underlying asset)	1. If the company has in place a long-term incentive program for members of its executive bodies and other key executives, based on the company's shares (financial instruments underlain by the company's shares), such program provides that the right to dispose of such shares and other financial instruments becomes exercisable at least 3 years after vesting. That said, such right to dispose is conditional upon the accomplishment of the certain performance indicators by the company	Compliant	
4.3.3	The amount of compensation ("the golden parachute") paid by the company to members of its executive bodies and other key executives in case of early termination of their powers at the company's initiative and in the absence of any bad-faith actions on their part, does not exceed twice the size of the fixed component of the annual remuneration	1. In the reporting period, the amount of compensation ("the golden parachute") paid by the company to members of its executive bodies and other key executives in case of early termination of their powers at the company's initiative and in the absence of any bad-faith actions on their part, did not exceed twice the size of the fixed component of the annual remuneration	Compliant	

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
5.1	**The company has in place an effectively functioning risk management and internal control system aimed at ensuring reasonable assurance that the company's goals will be met**			
5.1.1	The company's board of directors has defined the principles and approaches to organizing the risk management and internal control system in the company	1. The functions of various management bodies and units of the company within its risk management and internal control system are clearly defined in the internal documents/ relevant policies of the company approved by the board of directors	Compliant	
5.1.2	The company's executive bodies ensure the establishment and maintenance of an effective risk management and internal control system	1. The company's executive bodies ensured the segregation of duties, powers, and responsibilities in the area of risk management and internal control among the subordinate leaders (managers) of company units and departments	Compliant	
5.1.3	The company's risk management and internal control system ensures an objective, fair and clear understanding of the company's current state and prospects, integral and transparent corporate reporting, and that the risks taken by the company are reasonable and acceptable	1. The company has approved an anti-corruption policy. 2. The company has a secure, confidential and accessible method in place (hotline) to inform the board of directors or its audit committee of any violations of the legislation, internal procedures or the company's code of conduct	Compliant	
5.1.4	The company's board of directors acts as necessary to ensure that the existing risk management and internal control system of the company complies with the principles and approaches to its organization determined by the board of directors and functions effectively	1. In the reporting period, the board of directors (the audit committee and/ or the risk committee, if any) arranged for a reliability and effectiveness assessment of the company's risk management and internal control system. 2. During the reporting period, the board of directors reviewed the results of the reliability and effectiveness assessment of the company's risk management and internal control system, and the results of such review were included in the company's annual report.	Compliant	
5.2	**For the purposes of systematic independent reliability and effectiveness assessment of the risk management and internal control system and the corporate governance practice, the company organizes internal audit reviews**			
5.2.1	To conduct internal audits, the company has established a separate structural unit or engaged an independent external organization. The functional and administrative reporting lines of the internal audit unit are segregated. Functionally, the internal audit unit reports to the board of directors.	1. To conduct internal audits, the company has established a separate structural unit responsible for internal audit that functionally reports to the board of directors, or engaged an independent external organization along the same reporting lines.	Compliant	
5.2.2	The internal audit unit conducts the reliability and effectiveness assessment of the company's risk management and internal control system and of the corporate governance practice, applying generally accepted internal auditing standards	1. In the reporting period, the reliability and effectiveness of the company's risk management and internal control system was assessed as part of the internal audit procedure. 2. In the reporting period, corporate governance practice (separate practices) were assessed as part of the internal audit procedure, including information exchange procedures (in particular, on matters of internal control and risk management) at all levels of governance, as well as stakeholder engagement procedures	Compliant	

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
6.1	**The company and its activities are transparent to its shareholders, investors and other stakeholders**			
6.1.1	The company has developed and implemented an information policy that ensures effective information exchange among the company, its shareholders, investors and other stakeholders	1. The board of directors has approved the company's information policy, developed with reference to the Code recommendations. 2. In the reporting period, the board of directors (or one of its committees) considered the effectiveness of the company's information exchange with its shareholders, investors and other stakeholders, as well as whether a revision of the company's information policy would be feasible (or necessary)	Compliant	
6.1.2	The company discloses information on its corporate governance system and practices, including detailed information on compliance with the principles and recommendations of the Code	1. The company discloses information on its corporate governance system and the general principles of corporate governance applied, in particular, on the company's website. 2. The company discloses information on the composition of its executive bodies and the board of directors, independence of members of the board of directors and their membership in its committees (as defined in the Code). 3. If the company has a controlling person, the company publishes a memorandum of the controlling person describing such person's plans with regard to corporate governance in the company	Partially compliant	Compliant with Criterion 1. Not compliant with Criterion 2. Before the imposition of restrictive measures against Sberbank and members of the Bank's governance bodies, the information on the members of the Bank's Supervisory Board and Executive Board was publicly available on the corporate website. Such information was removed from the website due to the risk of new restrictive measures being imposed against the Bank and such persons. As the situation stabilizes, the Bank plans to resume the practice of disclosing, on its corporate website, of information on the members of the Bank's governance bodies in accordance with the recommendations of the Code. Compliant with Criterion 3. The memorandum will be published if prepared by the controlling person.
6.2	**The company discloses, in a timely fashion, full, up-to-date and accurate information about the company to enable informed decisions by the company shareholders and investors**			
6.2.1	The company discloses information in accordance with the principles of regularity, consistency and timeliness, as well as availability, accuracy, completeness and comparability of disclosed data	1. The company has a defined procedure in place to ensure coordination among all structural units and employees of the company related to disclosure of information, or whose activities may result in the need for such disclosure. 2. If the company's securities are traded in foreign organized markets, material disclosures in the Russian Federation and in such markets are made concurrently and equivalently during the reporting year. 3. If foreign shareholders own a significant portion of the company's shares, disclosures during the reporting year were made not only in Russian but also in one of the most common foreign languages	Compliant	

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
6.2.2	The company avoids a formal approach to information disclosure and discloses material information about its activities, even if disclosure of such information is not required by the law	1. The company's information policy determines the approaches to the disclosure of information on other events (actions) that have a significant impact on the value or quoted prices of its securities but are not required to be disclosed in accordance with the law. 2. The company discloses its capital structure in accordance with Recommendation 290 of the Code, in its annual report and on the corporate website. 3. The company discloses information on its controlled entities of material importance, including on the key areas of their activities, the mechanisms that ensure accountability of controlled entities, powers of the company board of directors with regard to determining the strategy and evaluating the performance of controlled entities. 4. The company discloses its non-financial report, i.e. a sustainability report, an environmental report, a corporate social responsibility report or another report containing non-financial information, including any factors related to the environment (in particular, ecological and climate change-related factors), the company (social factors) and corporate governance, except for the equity securities issuer's report and the annual report of a joint-stock company	Partially compliant	Partially compliant with Criterion 1. The approaches to disclosing information not provided for in Section V of Regulation of the Bank of Russia No. 714-P(П) dated 27 March 2020, "On Disclosure of Information by Issuers of Equity Securities" (hereinafter, Regulation 714-P), that may have a material impact on the value or quoted prices of Sberbank's securities (Chapter 50 of Regulation 714-P). are set out in an internal regulatory document of the Bank that regulates information disclosure. Since 2022, following the imposition of restrictive measures against Sberbank and members of the Bank's governance bodies, the Bank has been making public disclosures subject to certain exceptions provided for by the regulations of the Russian Government. In this regard, in 2023, it was not feasible to make any amendments to the Information Policy. The need for any amendments to the Information Policy of Sberbank will be considered once the information disclosure exceptions are lifted. Not compliant with Criterion 2. Before the imposition of restrictive measures against Sberbank and members of the Bank's governance bodies, the information about the number of Sberbank shareholders, the number of voting shares with a breakdown by share categories (types), the information about the person directly holding more than 5% of Sberbank's charter capital and ordinary shares was disclosed on the Bank's corporate website and in the Annual Report. After the imposition of such restrictive measures, some information about the Bank's corporate governance system, including the information about its capital structure, was removed from the public domain. As the situation stabilizes, the Bank plans to resume the practice of disclosing information on its capital structure in accordance with the Code recommendations. Criterion 3 is not applicable at the moment. Sberbank has no controlled entities of material importance in accordance with the materiality criteria set out in Para. 1.14 of Regulation of the Bank of Russia No. 714-P(П) dated 27 March 2020, "On Disclosure of Information by Issuers of Equity Securities". To this end, the information on material controlled entities is not disclosed. Compliant with Criterion 4.
6.2.3	Being one of the most important tools for information exchange with shareholders and other stakeholders, the annual report contains information that allows to assess the company's results of operation for the year.	1. The company's annual report contains information on the results of the audit committee's effectiveness assessment of the external and internal audit processes. 2. The company's annual report contains information on the company's environmental policy and social policy	Partially compliant	Not compliant with Criterion 1. The Audit Committee reviews matters of performance of the Internal Audit Service of Sberbank (hereinafter, the IAS, or the Service) on an ongoing basis; on a quarterly basis, hears information on the results of IAS reviews; once a year, assesses the independence of IAS, as well as the performance of the Service leader; reviews the results of the audit company's work; oversees the provision of non-audit services by the auditor; reviews draft audit opinions with regard to the annual accounting (financial) statements and annual consolidated (financial) statements of Sberbank. The above-mentioned matters account for 60% of the items on the agenda of the Audit Committee meetings. In 2023, following the imposition of restrictive measures against Sberbank and members of its governance bodies, some information about the Bank's corporate governance system was not included in the Bank's Annual report. As the situation stabilizes, the Bank plans to resume the practice of disclosing the results of the internal and external audit effectiveness assessment in the Annual Report in accordance with the Code recommendations. Compliant with Criterion 2.

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
6.3	**The company provides information and documents at the request of shareholders in accordance with the principle of equal and non-burdensome access**			
6.3.1	The exercise by shareholders of their right to access the company's documents and information is not burdened by unnecessary difficulties	1. The company's information policy (internal documents defining the information policy) determines the non-burdensome procedure for providing access to the company information and documents at the request of the shareholders. 2. The information policy (internal documents defining the information policy) contains provisions stipulating that if a shareholder requests information on the company's controlled entities, the company will act as necessary to obtain such information from the relevant controlled entities	Partially compliant	Compliant with Criterion 1. Partially compliant with Criterion 2. At present, Sberbank's Information Policy does not contain provisions establishing the practice of obtaining information from companies controlled by the Bank for subsequent submission to shareholders upon their request. The approach applied meets Sberbank's current needs. The Bank will not revise its approach to meeting the above criterion during the next 3 years. Moreover, as restrictive measures were imposed against some of the Sber Group companies in 2022, and in order to avoid the imposition of such measures against other Group companies, the information about the Sber Group member companies was removed from the public domain.
6.3.2	As the company provides shareholders with information, it maintains a reasonable balance between the interests of specific shareholders and those of the company itself as it endeavors to maintain the confidentiality of important commercial information, capable of having a material impact on its competitiveness.	1. In the reporting period, the company did not refuse to satisfy shareholders' requests for information, or else such refuses were reasonable. 2. Where the company's information policy so provides, shareholders are warned about the confidential nature of the information and assume the obligation to keep it confidential	Compliant	
7.1	**Actions that significantly affect or may significantly affect the structure of the company's share capital and financial standing and, accordingly, shareholders' standing (material corporate actions) are carried out on fair terms that ensure observance of the rights and interests of shareholders as well as other stakeholders**			
7.1.1	Material corporate actions include: reorganization of the company; acquisition of 30 percent or more of voting shares (merger); material transactions; increase or decrease in the company's share capital; listing and delisting of the company's shares; as well as other actions that may lead to a significant change in the rights of shareholders and/or an infringement of their interests. The company's charter determines the list (criteria) of transactions and other actions that constitute material corporate actions, and such actions are reserved for the board of directors	1. The company's charter determines the list (criteria) of transactions and other actions that constitute material corporate actions. The company's charter reserves the making of decisions on material corporate actions for the board of directors. Where the law expressly reserves such corporate actions for the general shareholders' meeting, the board of directors gives relevant recommendations to the shareholders	Partially compliant	Partially compliant with Criterion 1. The Charter of Sberbank does not provide for a list of material transactions or actions or for their identification criteria. The list of material corporate actions is set out in the Corporate Governance Code of Sberbank. Material corporate actions include: major transactions and related-party transactions; increase or decrease in the share capital; listing and delisting of shares; reorganization of the Bank; acquisition by one shareholder of 30 percent or more of voting shares, as well as other actions that may lead to a significant change in the rights of shareholders and/or an infringement of their interests. The applicable law and the Bank Charter reserve the making of decisions in respect of material corporate actions for the General shareholders' meeting or the Supervisory Board. If a matter falls within the purview of the Supervisory Board, decisions on material corporate actions in most cases (in accordance with the Charter) are made by a qualified majority vote (at least a three-quarters vote). The approach applied meets Sberbank's current needs and its revision on a horizon of the next few years is not seen as practical.
7.1.2	The board of directors plays a key role in making decisions or providing recommendations regarding material corporate actions; the board of directors takes guidance in the position of the company's independent directors.	1. The company has a procedure in place that allows independent directors to state their position on material corporate actions prior to their approval	Compliant	The Supervisory Board plays an important role in making decisions on material corporate actions. To enable preliminary consideration of matters related to material corporate actions, the Corporate Governance Code of Sberbank provides for potential establishment of a special temporary committee under the Supervisory Board.

N	Corporate governance principles	Compliance assessment criteria for a corporate governance principle	Status[1] of compliance with a corporate governance principle	Explanations[2] for departures from compliance assessment criteria for a corporate governance principle
7.1.3	When significant corporate actions affecting the rights and legitimate interests of shareholders are performed, it is assured that all shareholders of the company are treated equally, and where the legal mechanisms aimed at protecting the rights of shareholders are insufficient, additional measures protecting the rights and legitimate interests of the company shareholders are instituted. In so doing, the company takes guidance not only in formal legal requirements, but also in the corporate governance principles set out in the Code	1. Taking into account the specific nature of the company's activities, the company charter provides that the board of directors is competent to approve transactions of material importance for the company, in addition to those provided for by the law. 2. During the reporting period, all material corporate actions passed the approval procedure before they were implemented.	Partially compliant	Partially compliant with Criteria 1 and 2. The Charter of Sberbank does not establish thresholds for classifying transactions as material corporate actions as would be lower than those prescribed by the law. In matters of material corporate actions, the Bank takes guidance in the requirements of the law, as well as the provisions of the Charter requiring that decisions on material corporate actions are made by a qualified majority of votes of the Supervisory Board members (at least three quarters of the votes), which significantly reinforces corporate control over transactions and meets the current needs of Sberbank. Revision of the existing approach on a horizon of the next few years is not seen as practical.
7.2	**The company ensures that the procedure for performing material corporate actions allows shareholders to receive full information on such actions in a timely manner, enables them to influence such actions and guarantees observance and adequate level of protection of their rights when performing such actions**			
7.2.1	Information on material corporate actions is disclosed with an explanation of the reasons, conditions and consequences of such actions	1. If the company performed material corporate actions during the reporting period, the company disclosed information on such actions in a timely and detailed manner, including the reasons, conditions and consequences of such actions for shareholders.	Not compliant	During the reporting year, the Bank entered into related-party transactions. Information on related-party transactions was not publicly disclosed taking into account the provisions of the Russian Government's regulations. As the situation stabilizes, the Bank plans to resume the practice of publicly disclosing information on related-party transactions and other material corporate actions (if any) in accordance with the recommendations of the Code.
7.2.2	The rules and procedures related to the company's performance of material corporate actions are set out in its internal documents.	1. The company's internal documents determine the cases and procedure for engaging an appraiser to determine the value of the property to be disposed of or acquired under a major transaction or a related-party transaction. 2. The company's internal documents stipulate the procedure for engaging an appraiser to determine the value of the company shares for acquisition or buy-back purposes. 3. Where a member of the board of directors, the sole executive body, a member of the collegial executive body, or a person entitled to give binding instructions to the company are not formally interested in the company's transactions but have a conflict of interest or are otherwise effectively interested, the company's internal documents provide that such persons do not participate in the voting on the approval of such a transaction	Compliant	

[1] The "compliant" status is indicated only if the company's corporate practice meets all the criteria for conforming to the corporate governance principle listed in the third column of the Form of Report on Compliance with Code Principles. If the company's corporate practices meet only some of the criteria for compliance, or does not meet any of them, then the fourth column of the Form of Report on Compliance with Code Principles should indicate the Code compliance status of "partially compliant" or "not compliant", respectively.
[2] Indicated in respect of each corporate governance assessment criterion (compliance criterion) where the company meets only some of the criteria or does not meet any criteria for the assessment of compliance with the principle.
[3] Hereinafter, the nomination committee.
[4] It is recommended that the fifth column of the Form of Report on Compliance with Code Principles indicates which of the two alternative approaches allowed by the principle is implemented in the company, and explain the reasons behind the choice of the approach.
[5] If the nomination committee's objectives are pursued by another committee, indicate the name of the committee.

Summary Consolidated Financial Statements

Sberbank of Russia and its subsidiaries

For the year ended 31 December 2023
with Independent Auditor's Report

SBER

Summary Consolidated Financial Statements with Independent Auditor's Report

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NEW CHALLENGES
NEW SOLUTIONS

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Independent auditor's report

To the Shareholders and Supervisory Board of
Sberbank of Russia

Opinion

The accompanying summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2023, the summary consolidated statement of profit or loss and the summary consolidated statement of comprehensive income for the year then ended 31 December 2023, and related notes, are derived from the audited consolidated financial statements of Sberbank of Russia and its subsidiaries (the "Group") for 2023, prepared in accordance with International Financial Reporting Standards (the "audited consolidated financial statements").

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements in accordance with the principles specified in Note 7 "Basis of preparation of Summary Consolidated Financial Statements" to the summary consolidated financial statements.

Summary consolidated financial statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards (IFRS). Reading the summary consolidated financial statements and the auditor's report, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

Audited consolidated financial statements and our auditor's report thereon

We have expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 27 February 2024. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

Management's responsibility for the summary consolidated financial statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with the principles specified in Note 7 "Basis of preparation of Summary Consolidated Financial Statements".

NEW CHALLENGES
NEW SOLUTIONS

Auditor's responsibly

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Zaichikova Eugenia Vladimirovna,
acting on behalf of TSATR – Audit Services Limited Liability Company
on the basis of the power of attorney dated 18 April 2022,
partner in charge of the audit resulting in this independent auditor's report
(main registration number 21906101351)

27 February 2024

Details of the auditor

Name: TSATR – Audit Services Limited Liability Company
Record made in the State Register of Legal Entities on 5 December 2002, State Registration Number 1027739707203.
Address: Russia 115035, Moscow, Sadovnicheskaya naberezhnaya, 77, building 1.
TSATR – Audit Services Limited Liability Company is a member of Self-regulatory organization of auditors Association "Sodruzhestvo". TSATR – Audit Services Limited Liability Company is included in the control copy of the register of auditors and audit organizations, main registration number 12006020327.

Details of the audited entity

Name: Sberbank of Russia
Record made in the State Register of Legal Entities on 16 August 2002, State Registration Number 1027700132195.
Address: Russia 117312, Moscow, ulitsa Vavilova, 19.

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Summary Consolidated Statement of Financial Position

in billions of Russian Roubles	Note	31 December 2023	31 December 2022	1 January 2022
ASSETS				
Cash and cash equivalents		2,386.6	1,392.5	2,409.3
Mandatory cash balances with central banks		77.1	46.9	273.8
Due from banks		1,153.2	1,267.5	1,532.5
Loans and advances to customers	1	37,558.3	29,373.4	27,095.5
Securities and derivative financial assets		8,222.1	7,466.1	6,997.6
Deferred tax asset		133.0	156.8	48.2
Premises, equipment and right-of-use assets		1,002.9	819.7	827.8
Other assets		1,774.0	1,339.5	1,980.8
TOTAL ASSETS		**52,307.2**	**41,862.4**	**41,165.5**
LIABILITIES				
Due to banks		4,958.8	2,612.6	2,434.3
Derivative financial liabilities and obligations to deliver securities		269.4	192.7	530.6
Due to individuals	2	22,904.4	18,499.3	17,854.8
Due to corporate customers	2	13,789.2	11,376.6	10,522.6
Debt securities in issue		652.0	741.1	895.6
Deferred tax liability		21.5	19.0	27.7
Other liabilities		2,714.3	2,176.7	2,763.6
Subordinated debt		413.2	467.6	552.5
TOTAL LIABILITIES		**45,722.8**	**36,085.6**	**35,581.7**
EQUITY				
Share capital and share premium		320.3	320.3	320.3
Perpetual subordinated loan		150.0	150.0	150.0
Treasury shares and other reserves		(234.9)	(103.6)	(32.1)
Retained earnings		6,348.6	5,410.2	5,139.7
Total equity attributable to shareholders of the Bank		**6,584.0**	**5,776.9**	**5,577.9**
Non-controlling interest		0.4	(0.1)	5.9
TOTAL EQUITY		**6,584.4**	**5,776.8**	**5,583.8**
TOTAL LIABILITIES AND EQUITY		**52,307.2**	**41,862.4**	**41,165.5**

Approved for issue and signed on behalf of the Executive Board on 27 February 2024.

Herman Gref,
Chairman of the Executive Board and CEO

Taras Skvortsov,
Senior Vice-President, CFO

The notes №1-7 are an integral part of these summary consolidated financial statements.

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Summary Consolidated Statement of Profit or Loss

in billions of Russian Roubles	Note	Year ended 31 December 2023	2022
Interest income calculated using the effective interest method	3	4,217.5	3,304.5
Other interest income	3	287.7	243.8
Interest expense calculated using the effective interest method	3	(1,771.6)	(1,514.5)
Other interest expense	3	(63.9)	(70.3)
Deposit insurance expenses	3	(105.1)	(88.5)
Net interest income	**3**	**2,564.6**	**1,875.0**
Net credit loss allowance charge for debt financial assets	1	(235.4)	(450.5)
Net interest income after credit loss allowance charge for debt financial assets		**2,329.2**	**1,424.5**
Fee and commission income	4	1,074.7	940.6
Fee and commission expense	4	(310.8)	(242.1)
Net gains / (losses) from financial instruments at fair value through profit or loss and from trading in foreign currencies, foreign exchange and precious metals accounts translation		94.2	(525.5)
Net gains from financial instruments at fair value through other comprehensive income		5.4	0.4
Impairment of assets and net charge for other provisions and allowances		(46.8)	(221.5)
Other net operating losses		(236.8)	(64.0)
Operating income		**2,909.1**	**1,312.4**
Staff and administrative expenses		(924.4)	(726.5)
Profit before tax		**1,984.7**	**585.9**
Income tax expense		(476.1)	(154.8)
Profit from continuing operations		**1,508.6**	**431.1**
Loss from discontinued operations (attributable to shareholders of the Bank)		—	(143.3)
Profit for the period		**1,508.6**	**287.8**
Attributable to:			
- shareholders of the Bank		1,511.8	292.4
- non-controlling interest		(3.2)	(4.6)
Earnings per ordinary share based on profit for the period attributable to the shareholders of the Bank, basic and diluted (expressed in RR per share)	**5**	**69.10**	**13.20**
Earnings per ordinary share based on profit for the period from continuing operations attributable to the shareholders of the Bank, basic and diluted (expressed in RR per share)	**5**	**69.10**	**19.89**

The notes №1-7 are an integral part of these summary consolidated financial statements.

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Summary Consolidated Statement of Comprehensive Income

in billions of Russian Roubles	Year ended 31 December 2023	2022
Profit for the period	**1,508.6**	**287.8**
Other comprehensive loss:		
Other comprehensive loss to be reclassified to profit or loss in subsequent periods, net of tax	(144.7)	(64.1)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods	13.3	1.0
Total other comprehensive loss from continuing operations	**(131.4)**	**(63.1)**
Total other comprehensive loss of discontinued operations to be reclassified to profit or loss upon disposal, net of tax	**—**	**(6.5)**
Accumulated gains of discontinued operations transferred to profit or loss upon disposal of discontinued operations, net of tax	**—**	**(7.9)**
Total other comprehensive loss	**(131.4)**	**(77.5)**
Total comprehensive income for the period	**1,377.2**	**210.3**
Attributable to:		
- shareholders of the Bank	1,380.4	214.9
- non-controlling interest	(3.2)	(4.6)
Total comprehensive income / (loss) for the year, attributable to shareholders of the Bank from:		
- continuing operations	**1,380.4**	**372.6**
- discontinued operations	**—**	**(157.7)**

The notes №1-7 are an integral part of these summary consolidated financial statements.

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

1 Loans and Advances to Customers

in billions of Russian Roubles	31 December 2023	31 December 2022
Loans and advances to customers at amortized cost	35,915.6	28,304.5
Loans and advances to customers at fair value through profit or loss	1,642.7	1,068.9
Total loans and advances to customers	**37,558.3**	**29,373.4**

Loans and advances to customers at amortized cost

	31 December 2023		
in billions of Russian Roubles	Gross carrying amount	Credit loss allowance	Amortized cost
Commercial loans to legal entities	14,083.8	(692.9)	13,390.9
Project finance loans to legal entities	7,579.9	(413.8)	7,166.1
Mortgage loans to individuals	10,175.3	(75.4)	10,099.9
Consumer and other loans to individuals	3,937.1	(450.1)	3,487.0
Credit cards and overdrafts to individuals	1,633.7	(177.6)	1,456.1
Car loans to individuals	328.8	(13.2)	315.6
Total loans and advances to customers at amortized cost	**37,738.6**	**(1,823.0)**	**35,915.6**

	31 December 2022		
in billions of Russian Roubles	Gross carrying amount	Credit loss allowance	Amortized cost
Commercial loans to legal entities	11,596.6	(604.2)	10,992.4
Project finance loans to legal entities	5,957.7	(393.5)	5,564.2
Mortgage loans to individuals	7,545.0	(62.3)	7,482.7
Consumer and other loans to individuals	3,533.8	(432.5)	3,101.3
Credit cards and overdrafts to individuals	1,145.1	(159.0)	986.1
Car loans to individuals	190.4	(12.6)	177.8
Total loans and advances to customers at amortized cost	**29,968.6**	**(1,664.1)**	**28,304.5**

The notes №1-7 are an integral part of these summary consolidated financial statements.

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

1 Loans and Advances to Customers (continued)

The tables below show the credit quality analysis of the Group's loans and advances to customers at amortized cost as at 31 December 2023 and 31 December 2022.

	31 December 2023				
in billions of Russian Roubles	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased/ originated credit-impaired	Total
Commercial loans to legal entities					
Gross carrying amount	12,518.2	1,057.7	483.3	24.6	14,083.8
Credit loss allowance	(73.6)	(265.5)	(346.6)	(7.2)	(692.9)
Total commercial loans to legal entities	**12,444.6**	**792.2**	**136.7**	**17.4**	**13,390.9**
Project finance loans to legal entities					
Gross carrying amount	6,720.2	625.2	229.8	4.7	7,579.9
Credit loss allowance	(123.8)	(141.5)	(144.1)	(4.4)	(413.8)
Total project finance loans to legal entities	**6,596.4**	**483.7**	**85.7**	**0.3**	**7,166.1**
Mortgage loans to individuals					
Gross carrying amount	9,699.6	417.7	58.0	—	10,175.3
Credit loss allowance	(13.6)	(26.8)	(35.0)	—	(75.4)
Total mortgage loans to individuals	**9,686.0**	**390.9**	**23.0**	**—**	**10,099.9**
Consumer and other loans to individuals					
Gross carrying amount	3,413.0	195.4	327.3	1.4	3,937.1
Credit loss allowance	(105.2)	(43.5)	(301.3)	(0.1)	(450.1)
Total consumer and other loans to individuals	**3,307.8**	**151.9**	**26.0**	**1.3**	**3,487.0**
Credit cards and overdrafts to individuals					
Gross carrying amount	1,433.8	62.3	137.6	—	1,633.7
Credit loss allowance	(33.5)	(24.8)	(119.3)	—	(177.6)
Total credit cards and overdrafts to individuals	**1,400.3**	**37.5**	**18.3**	**—**	**1,456.1**
Car loans to individuals					
Gross carrying amount	312.6	1.1	15.1	—	328.8
Credit loss allowance	(2.0)	(0.4)	(10.8)	—	(13.2)
Total car loans to individuals	**310.6**	**0.7**	**4.3**	**—**	**315.6**

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

1 Loans and Advances to Customers (continued)

	31 December 2022				
in billions of Russian Roubles	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased/ originated credit-impaired	Total
Commercial loans to legal entities					
Gross carrying amount	10,089.6	1,067.4	415.5	24.1	11,596.6
Credit loss allowance	(73.1)	(211.2)	(312.6)	(7.3)	(604.2)
Total commercial loans to legal entities	**10,016.5**	**856.2**	**102.9**	**16.8**	**10,992.4**
Project finance loans to legal entities					
Gross carrying amount	5,097.0	659.2	196.7	4.8	5,957.7
Credit loss allowance	(87.2)	(158.2)	(143.6)	(4.5)	(393.5)
Total project finance loans to legal entities	**5,009.8**	**501.0**	**53.1**	**0.3**	**5,564.2**
Mortgage loans to individuals					
Gross carrying amount	7,144.3	348.0	52.7	—	7,545.0
Credit loss allowance	(8.7)	(18.9)	(34.7)	—	(62.3)
Total mortgage loans to individuals	**7,135.6**	**329.1**	**18.0**	**—**	**7,482.7**
Consumer and other loans to individuals					
Gross carrying amount	3,028.3	175.7	329.0	0.8	3,533.8
Credit loss allowance	(87.6)	(38.0)	(306.9)	—	(432.5)
Total consumer and other loans to individuals	**2,940.7**	**137.7**	**22.1**	**0.8**	**3,101.3**
Credit cards and overdrafts to individuals					
Gross carrying amount	967.5	47.5	130.1	—	1,145.1
Credit loss allowance	(21.7)	(19.8)	(117.5)	—	(159.0)
Total credit cards and overdrafts to individuals	**945.8**	**27.7**	**12.6**	**—**	**986.1**
Car loans to individuals					
Gross carrying amount	175.4	1.2	13.8	—	190.4
Credit loss allowance	(1.7)	(0.4)	(10.5)	—	(12.6)
Total car loans to individuals	**173.7**	**0.8**	**3.3**	**—**	**177.8**

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

1 Loans and Advances to Customers (continued)

The following tables explain the changes in the credit loss allowance of loans and advances to customers at amortized cost between the beginning and the end of the reporting periods.

	Credit loss allowance				
in billions of Russian Roubles	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased/ originated credit-impaired	Total
Total loans and advances to customers at amortized cost					
At 1 January 2023	**280.0**	**446.5**	**925.8**	**11.8**	**1,664.1**
Movements with impact on credit loss allowance charge for the year:					
Transfers and corresponding remeasurement of credit loss allowances	(31.6)	(0.9)	282.0	–	**249.5**
Net other remeasurement of credit loss allowance including changes to ECL measurement model assumptions and estimates	99.0	(2.9)	(93.2)	(3.8)	**(0.9)**
Total movements with impact on credit loss allowance charge for the year	**67.4**	**(3.8)**	**188.8**	**(3.8)**	**248.6**
Movements without impact on credit loss allowance charge for the year:					
Write-offs	–	–	(215.2)	–	**(215.2)**
Other movements	4.3	59.8	57.7	3.7	**125.5**
Total movements without impact on credit loss allowance charge for the year	**4.3**	**59.8**	**(157.5)**	**3.7**	**(89.7)**
At 31 December 2023	**351.7**	**502.5**	**957.1**	**11.7**	**1,823.0**

Net other remeasurement of credit loss allowance includes movements due to net remeasurement of credit loss allowance within the same stage, new originated or purchased loans and impact of other increases in gross carrying amount, loans derecognized during the period and impact of other decreases in gross carrying amount, and other movements.

	Credit loss allowance				
in billions of Russian Roubles	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Purchased/ originated credit-impaired	Total
Total loans and advances to customers at amortized cost					
At 1 January 2022	**192.3**	**265.1**	**954.6**	**10.0**	**1,422.0**
Movements with impact on credit loss allowance charge from continuing operations for the period:					
Transfers and corresponding remeasurement of credit loss allowances	(33.0)	123.9	161.7	–	**252.6**
Net other remeasurement of credit loss allowance including changes to ECL measurement model assumptions and estimates	127.4	75.6	(27.8)	1.9	**177.1**
Total movements with impact on credit loss allowance charge from continuing operations for the period	**94.4**	**199.5**	**133.9**	**1.9**	**429.7**
Net remeasurement of credit loss allowance of discontinued operations for the period	**(2.6)**	**0.6**	**5.9**	**(0.1)**	**3.8**
Movements without impact on credit loss allowance charge for the period:					
Write-offs	–	–	(174.3)	–	**(174.3)**
Other movements	(4.1)	(18.7)	5.7	–	**(17.1)**
Total movements without impact on credit loss allowance charge for the period	**(4.1)**	**(18.7)**	**(168.6)**	**–**	**(191.4)**
At 31 December 2022	**280.0**	**446.5**	**925.8**	**11.8**	**1,664.1**

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

1 Loans and Advances to Customers (continued)

Loans and advances to customers at fair value through profit or loss

in billions of Russian Roubles	31 December 2023	31 December 2022
Project finance loans to legal entities	1,520.7	955.5
Commercial loans to legal entities	121.5	98.1
Consumer and other loans to individuals	0.5	15.3
Total loans and advances to customers at fair value through profit or loss	**1,642.7**	**1,068.9**

For the year ended 31 December 2023 net gains / (losses) from derivatives, trading in foreign currencies, foreign exchange and precious metals accounts translation include RR 16.4 billion of negative revaluation (for the year ended 31 December 2022: RR 125.7 billion of negative revaluation) of loans and advances to customers at fair value through profit or loss which is driven by a change in credit quality of respective assets.

Current and past-due loans analysis. For the purposes of these summary consolidated financial statements a loan is considered past due when the borrower fails to make any payment due under the loan agreement at the reporting date. In this case the aggregate amount of all amounts due from borrower under the respective loan agreement including accrued interest and commissions is recognized as past due. For the purposes of these summary consolidated financial statements restructured loans are classified as not past due if there are no past due payments on these loans.

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

1 Loans and Advances to Customers (continued)

The table below shows the analysis of loans and advances to customers at amortized cost and credit loss allowance as at 31 December 2023:

in billions of Russian Roubles	Gross carrying amount of loans	Credit loss allowance	Total amortized cost of loans	Credit loss allowance to gross carrying amount of loans
Commercial loans to legal entities				
Loans not past due	13,735.5	(426.3)	13,309.2	3.1%
Loans 1 to 90 days overdue	76.0	(27.9)	48.1	36.7%
Loans over 90 days overdue	272.3	(238.7)	33.6	87.7%
Total commercial loans to legal entities	**14,083.8**	**(692.9)**	**13,390.9**	**4.9%**
Project finance loans to legal entities				
Loans not past due	7,444.5	(314.3)	7,130.2	4.2%
Loans 1 to 90 days overdue	31.4	(5.0)	26.4	15.9%
Loans over 90 days overdue	104.0	(94.5)	9.5	90.9%
Total project finance loans to legal entities	**7,579.9**	**(413.8)**	**7,166.1**	**5.5%**
Total loans to legal entities	**21,663.7**	**(1,106.7)**	**20,557.0**	**5.1%**
Mortgage loans to individuals				
Loans not past due	10,088.6	(39.5)	10,049.1	0.4%
Loans 1 to 90 days overdue	56.5	(11.3)	45.2	20.0%
Loans over 90 days overdue	30.2	(24.6)	5.6	81.5%
Total mortgage loans to individuals	**10,175.3**	**(75.4)**	**10,099.9**	**0.7%**
Consumer and other loans to individuals				
Loans not past due	3,573.0	(131.9)	3,441.1	3.7%
Loans 1 to 90 days overdue	66.8	(32.9)	33.9	49.3%
Loans over 90 days overdue	297.3	(285.3)	12.0	96.0%
Total consumer and other loans to individuals	**3,937.1**	**(450.1)**	**3,487.0**	**11.4%**
Credit cards and overdrafts to individuals				
Loans not past due	1,467.1	(46.6)	1,420.5	3.2%
Loans 1 to 90 days overdue	35.7	(15.3)	20.4	42.9%
Loans over 90 days overdue	130.9	(115.7)	15.2	88.4%
Total credit cards and overdrafts to individuals	**1,633.7**	**(177.6)**	**1,456.1**	**10.9%**
Car loans to individuals				
Loans not past due	311.7	(2.0)	309.7	0.6%
Loans 1 to 90 days overdue	2.8	(0.9)	1.9	32.1%
Loans over 90 days overdue	14.3	(10.3)	4.0	72.0%
Total car loans to individuals	**328.8**	**(13.2)**	**315.6**	**4.0%**
Total loans to individuals	**16,074.9**	**(716.3)**	**15,358.6**	**4.5%**
Total loans and advances to customers at amortized cost at 31 December 2023	**37,738.6**	**(1,823.0)**	**35,915.6**	**4.8%**

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

1 Loans and Advances to Customers (continued)

The table below shows the analysis of loans and advances to customers at amortized cost and credit loss allowance as at 31 December 2022:

in billions of Russian Roubles	Gross carrying amount of loans	Credit loss allowance	Total amortized cost of loans	Credit loss allowance to gross carrying amount of loans
Commercial loans to legal entities				
Loans not past due	11,280.5	(361.5)	10,919.0	3.2%
Loans 1 to 90 days overdue	79.5	(34.3)	45.2	43.1%
Loans over 90 days overdue	236.6	(208.4)	28.2	88.1%
Total commercial loans to legal entities	**11,596.6**	**(604.2)**	**10,992.4**	**5.2%**
Project finance loans to legal entities				
Loans not past due	5,829.6	(284.2)	5,545.4	4.9%
Loans 1 to 90 days overdue	15.6	(4.5)	11.1	28.8%
Loans over 90 days overdue	112.5	(104.8)	7.7	93.2%
Total project finance loans to legal entities	**5,957.7**	**(393.5)**	**5,564.2**	**6.6%**
Total loans to legal entities	**17,554.3**	**(997.7)**	**16,556.6**	**5.7%**
Mortgage loans to individuals				
Loans not past due	7,463.4	(27.7)	7,435.7	0.4%
Loans 1 to 90 days overdue	51.6	(9.4)	42.2	18.2%
Loans over 90 days overdue	30.0	(25.2)	4.8	84.0%
Total mortgage loans to individuals	**7,545.0**	**(62.3)**	**7,482.7**	**0.8%**
Consumer and other loans to individuals				
Loans not past due	3,163.6	(110.6)	3,053.0	3.5%
Loans 1 to 90 days overdue	68.0	(30.3)	37.7	44.6%
Loans over 90 days overdue	302.2	(291.6)	10.6	96.5%
Total consumer and other loans to individuals	**3,533.8**	**(432.5)**	**3,101.3**	**12.2%**
Credit cards and overdrafts to individuals				
Loans not past due	973.4	(26.9)	946.5	2.8%
Loans 1 to 90 days overdue	46.4	(17.1)	29.3	36.9%
Loans over 90 days overdue	125.3	(115.0)	10.3	91.8%
Total credit cards and overdrafts to individuals	**1,145.1**	**(159.0)**	**986.1**	**13.9%**
Car loans to individuals				
Loans not past due	174.9	(1.8)	173.1	1.0%
Loans 1 to 90 days overdue	2.5	(0.7)	1.8	28.0%
Loans over 90 days overdue	13.0	(10.1)	2.9	77.7%
Total car loans to individuals	**190.4**	**(12.6)**	**177.8**	**6.6%**
Total loans to individuals	**12,414.3**	**(666.4)**	**11,747.9**	**5.4%**

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

1 Loans and Advances to Customers (continued)

The table below shows the analysis of loans and advances to customers measured at fair value through profit or loss as at 31 December 2023 and 31 December 2022:

	Loans and advances at fair value through profit and loss	
in billions of Russian Roubles	**31 December 2023**	**31 December 2022**
Project finance loans to legal entities		
Loans not past due	1,517.2	955.1
Loans 1 to 90 days overdue	3.1	—
Loans over 90 days overdue	0.4	0.4
Total project finance loans to legal entities	**1,520.7**	**955.5**
Commercial loans to legal entities		
Loans not past due	117.1	97.6
Loans over 90 days overdue	4.4	0.5
Total commercial loans to legal entities	**121.5**	**98.1**
Total loans to legal entities	**1,642.2**	**1,053.6**
Consumer and other loans to individuals		
Loans not past due	0.5	15.3
Total consumer and other loans to individuals	**0.5**	**15.3**
Total loans to individuals	**0.5**	**15.3**
Total loans and advances to customers at fair value	**1,642.7**	**1,068.9**

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

2 Due to Individuals and Corporate Customers

in billions of Russian Roubles	**31 December 2023**	**31 December 2022**
Individuals:		
- Current/demand accounts	10,955.8	8,963.4
- Term deposits	11,898.5	9,532.7
- Direct repo agreements	50.1	3.2
Total due to individuals	**22,904.4**	**18,499.3**
State and public organizations:		
- Current/settlement accounts	252.0	241.8
- Term deposits	1,797.1	2,524.8
- Direct repo agreements	2,020.4	887.5
Total due to state and public organizations	**4,069.5**	**3,654.1**
Other corporate customers:		
- Current/settlement accounts	3,111.6	3,379.4
- Term deposits	6,567.0	4,324.2
- Direct repo agreements	41.1	18.9
Total due to other corporate customers	**9,719.7**	**7,722.5**
Total due to corporate customers	**13,789.2**	**11,376.6**
Total due to individuals and corporate customers	**36,693.6**	**29,875.9**

As at 31 December 2023 included in amounts due to individuals are current accounts with individuals in unallocated precious metals as well as term deposits and direct repo agreements with individuals designated at FVPL in the amount of RR 296.6 billion (31 December 2022: RR 184.7 billion).

As at 31 December 2023 included in amounts due to corporate customers are current accounts in unallocated precious metals, term deposits and direct repo agreements with corporate customers designated at FVPL in the amount of RR 118.4 billion (31 December 2022: RR 75.3 billion).

As at 31 December 2023 included in due to corporate customers are deposits of RR 469.2 billion (31 December 2022: RR 649.6 billion) held as collateral for irrevocable commitments under import letters of credit.

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

3 Interest Income and Expense

in billions of Russian Roubles	Year ended 31 December 2023	2022
Interest income calculated using the effective interest method		
Interest income on debt financial assets / liabilities measured at amortized cost:		
- Loans and advances to customers	3,578.2	2,804.4
- Debt securities	98.9	89.1
- Operations with banks and cash equivalents	49.8	47.3
- Other	4.4	3.4
	3,731.3	**2,944.2**
Interest income on debt financial assets measured at fair value through other comprehensive income:		
- Debt securities measured at fair value through other comprehensive income	486.2	360.3
	486.2	**360.3**
Total interest income calculated using the effective interest method	**4,217.5**	**3,304.5**
Other interest income:		
- Loans and advances to customers at fair value through profit or loss	152.2	116.0
- Other financial assets at fair value through profit or loss	135.5	127.8
Total other interest income	**287.7**	**243.8**
Interest expense calculated using the effective interest method		
Interest expense on financial liabilities measured at amortized cost:		
- Due to corporate customers - term deposits	(593.9)	(481.7)
- Due to individuals - term deposits	(503.7)	(585.8)
- Operations with banks	(334.0)	(204.0)
- Due to individuals - current / demand accounts	(153.0)	(77.5)
- Due to corporate customers - current / settlement accounts	(104.7)	(84.0)
- Debt securities in issue and subordinated debt	(69.3)	(73.4)
- Other	(13.0)	(8.1)
Total interest expense calculated using the effective interest method	**(1,771.6)**	**(1,514.5)**
Other interest expense:		
- Financial liabilities measured at fair value through profit or loss	(63.9)	(70.3)
Total other interest expense	**(63.9)**	**(70.3)**
Deposit insurance expenses	**(105.1)**	**(88.5)**
Net interest income	**2,564.6**	**1,875.0**

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

4 Fee and Commission Income and Expense

in billions of Russian Roubles	Year ended 31 December 2023	2022
Fee and commission income		
Operations with banking cards:		
- Acquiring, commissions of payment systems and other similar commissions	484.2	411.7
- Service fees	61.1	62.1
- Other	33.2	17.8
Cash and settlements transactions	327.7	283.8
Client operations with foreign currencies and precious metals	50.8	80.4
Documentary and other credit related commitments commissions	50.4	36.0
Agent commissions	10.2	8.6
Securities and commodities brokerage, custodian and investment banking commissions	8.6	7.2
Other	48.5	33.0
Total fee and commission income	**1,074.7**	**940.6**
Fee and commission expense		
Operations with banking cards:		
- Commissions to payment systems and other similar commissions	(160.5)	(149.5)
- Loyalty programs	(111.5)	(59.3)
- Other	(17.3)	(14.0)
Settlement transactions	(5.5)	(6.2)
Other	(16.0)	(13.1)
Total fee and commission expense	**(310.8)**	**(242.1)**
Net fee and commission income	**763.9**	**698.5**

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

5 Earnings per Share

Basic earnings per share are calculated by dividing the profit attributable to the holders of ordinary shares of Sberbank of Russia (the "Bank") by the weighted average number of ordinary shares in issue during the period, excluding treasury shares. The Bank has no dilutive potential ordinary shares, except for share-based long term incentive programmes settled in shares. The effect of those programmes as at 31 December 2023 and 31 December 2022 is negligible, therefore the diluted earnings per share for the purpose of these consolidated financial statements presented equal to the basic earnings per share.

Earnings per ordinary share based on profit for the period attributable to the shareholders of the Bank, basic and diluted, are calculated in the table below.

	Year ended 31 December	
in billions of Russian Roubles	**2023**	**2022**
Profit for the year attributable to the shareholders of the Bank	1,511.8	292.4
Less preference dividends declared	(24.2)	—
Less interest payments on perpetual subordinated loan	(9.7)	(9.7)
Profit attributable to the ordinary shareholders of the Bank	**1,477.9**	**282.7**
Weighted average number of ordinary shares in issue (billions)	21.4	21.4
Earnings per ordinary share based on profit for the year attributable to the shareholders of the Bank, basic and diluted (expressed in RR per share)	**69.10**	**13.20**

Earnings per ordinary share based on profit from continuing operations attributable to the shareholders of the Bank, basic and diluted, are calculated in the table below.

	Year ended 31 December	
in billions of Russian Roubles	**2023**	**2022**
Profit from continuing operations for the year attributable to the shareholders of the Bank	1,511.8	435.7
Less preference dividends declared	(24.2)	—
Less interest expense on perpetual subordinated loan	(9.7)	(9.7)
Profit from continuing operations attributable to the ordinary shareholders of the Bank	**1,477.9**	**426.0**
Weighted average number of ordinary shares in issue (billions)	21.4	21.4
Earnings per ordinary share based on profit for the year from continuing operations attributable to the shareholders of the Bank, basic and diluted (expressed in RR per share)	**69.10**	**19.89**

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

6 Capital Adequacy Ratio

The Group's objectives when managing capital are (i) to comply with the regulatory capital requirements set by the Bank of Russia and (ii) to safeguard the Group's ability to continue as a going concern.

According to requirements set by the Bank of Russia regulatory capital ratio N1.0 has to be maintained by the Bank above the minimum level of 8.0% (31 December 2022: 8.0%). For the purposes of regulatory capital adequacy ratios calculation the Bank applies the requirements of the Bank of Russia which were issued by the regulator to adopt in the Russian Federation the requirements of the Basel Committee for Banking Supervision known as "Basel 3.5".

The total regulatory capital of the Bank and regulatory capital adequacy ratios of the Bank as at 31 December 2023 (before adjustments for subsequent events) and 31 December 2022 are disclosed below.

in billions of Russian Roubles	**31 December 2023**	**31 December 2022**
Total capital	6,265.2	5,387.4
Common equity adequacy ratio N1.1, %	11.1	12.9
Tier 1 capital adequacy ratio N1.2, %	11.4	13.3
Total capital adequacy ratio N1.0, %	13.2	14.7

The Bank calculates capital adequacy ratios using internal ratings-based ("IRB") approach for part of certain classes of financial instruments:

- Loans to corporate customers;
- Loans to individuals;
- Debt securities;
- Derivatives;
- Credit related commitments.

The Group also monitors capital adequacy ratio on consolidated level based on requirements of Basel Committee for Banking Supervision. According to Basel Committee for Banking Supervision requirements minimum level of capital adequacy ratio is 6.0% for Tier 1 capital and 8.0% for total capital. For assessment of credit risk in calculation of capital adequacy ratio on consolidated level the Group applies IRB approach for certain part of financial instruments for which IRB approach is applied in regulatory reports.

The Group applies Basel 3.5 requirements for all assets in calculation of capital adequacy ratios on consolidated level.

Principles and methodology of IRB approach implementation for the purposes of calculation of regulatory capital adequacy ratios and capital adequacy ratios on consolidated level are aligned and reflect Russian regulatory interpretation of Basel 3.5 requirements.

Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

6 Capital Adequacy Ratio (continued)

Principles and methodology of standardized approach implementation for the purposes of calculation of regulatory capital adequacy ratios and capital adequacy ratios on consolidated level are aligned in cases where Basel 3.5 requirements allow to apply such national regulatory requirements. In particular, such approach was used for the following main types of assets:

- government and municipal debt financial instruments of the Russian Federation and its subjects nominated and funded in Russian Roubles;
- specific types of loans to which higher risk weights are applied in accordance with the Bank of Russia requirements;
- correspondent accounts and mandatory cash balances with the Bank of Russia.

Additionally, such aligned approach to the calculation of risk weighted assets on credit risk for the purpose of calculation of regulatory capital adequacy ratio and capital adequacy ratio on consolidated level includes:

- application of the macroprudential adjustments to the risk coefficients for both standardized and IRB approaches;
- application by the Group members—non-residents of the macroprudential adjustments to the risk coefficients in case they are set up by their national regulators;
- application of other regulatory requirements of the Bank of Russia to risk coefficients applied;
- the element of potential credit risk on derivative financial instruments is calculated in accordance with the requirements of Basel 2.

For counterparties - banks the Group applies Standardized Credit Risk Assessment Approach (SCRA), based on ABC grades.

The capital adequacy ratio of the Group as at 31 December 2023 and 31 December 2022 calculated in accordance with the Basel Committee for Banking Supervision requirements is disclosed below.

in billions of Russian Roubles	31 December 2023	31 December 2022
Common equity Tier 1 capital adequacy ratio (Common equity Tier 1 capital / Total RWA), %	**13.2**	**14.7**
Tier 1 capital adequacy ratio (Tier 1 capital / Total RWA), %	**13.5**	**15.1**
Total capital adequacy ratio (Total capital / Total RWA), %	**14.0**	**15.6**

The Group was in compliance with external capital requirements during the year ended 31 December 2023 and the year ended 31 December 2022.

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

7 Basis of Preparation of Summary Consolidated Financial Statements

These summary consolidated financial statements have been prepared based on audited consolidated financial statemens of Sberbank of Russia and its subsidiaries for 2023 prepared in accordance with International Financial Reporting Standards, and consist of summary consolidated statement of financial position as at 31 December 2023, summary consolidated statement of profit or loss and summary consolidated statement of comprehensive income for the year ended at the mentioned date, and selected summary notes. The summary consolidated financial statements do not contain all the information necessary for disclosure under International Financial Reporting Standards. Therefore the analysis of summary consolidated financial statements and independent auditors' report on these summary consolidated financial statements do not substitute the analysis of the audited consolidated financial statements and independent auditors' report on these consolidated financial statements.

Audited consolidated financial statements of the Group for 2023 may be presented by submitting an inquiry on official mail address ir@sberbank.ru.

The main principles of preparation of these summary consolidated financial statements and presentation of information contained in it are presented below:

These summary consolidated financial statements are prepared to summarize and present through aggregation the information on consolidated statement of financial position, consolidated statement of profit or loss and consolidated statement of comprehensive income, and do not contain information on changes in equity and cash flows.

At the same time the information disclosed in the notes is aimed at presenting to its users in structured view the most material economic resources and liabilities of the Group as at 31 December 2023, changes in structure of these resources and liabilities, and specification of the most significant for the banking business of the Group items within interest and commission income and expenses for 2023.

"Other assets" line in the summary consolidated statement of financial position includes investments in associates and joint ventures, assets of the disposal groups and non-current assets held for sale, assets related to reinsurance contracts, other financial and non-financial assets of the Group.

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Selected Notes to the Summary Consolidated Financial Statements – 31 December 2023

7 Basis of Preparation of Summary Consolidated Financial Statements (continued)

"Other liabilities" line in the summary consolidated statement of financial position includes liabilities of the disposal groups, liabilities related to insurance contracts, other financial and non-financial liabilities of the Group.

"Treasury shares and other reserves" line in the summary consolidated statement of financial position includes:

- Treasury shares,
- Revaluation reserve for office premises,
- Fair value reserve for debt instruments measured at fair value through other comprehensive income,
- Liabilities reserve for buyout of non-controlling interest,
- Foreign currency translation reserve,
- Reserve for other comprehensive income of associates and joint ventures,
- Remeasurement of defined benefit pension plans,
- Reserve for incentive programs for employees,
- Reserve for insurance finance income / (expenses).

"Other net operating income" line in the summary consolidated statement of profit or loss includes:

- Net losses arising on initial recognition and modification of financial instruments measured at amortized cost,
- The result from revaluation of office premises,
- Net result of non-core business activities,
- Net insurance result,
- Net share of profit of associates and joint ventures,
- Net profit from disposal of subsidiaries,
- Other net operating income.

"Other comprehensive loss to be reclassified to profit or loss in subsequent periods, net of tax" line in the summary consolidated statement of comprehensive income includes:

- Debt financial instruments measured at fair value through other comprehensive income: net change in fair value, net of tax,
- Debt financial instruments measured at fair value through other comprehensive income: accumulated gains transferred to profit or loss upon disposal, net of tax,
- Exchange differences on translating foreign operations,
- Insurance finance income,
- Share of other comprehensive income of associates and joint ventures.

"Other comprehensive income that will not be reclassified to profit or loss in subsequent periods" line in the summary consolidated statement of comprehensive income includes revaluation of office premises and change in


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ESG
Report

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ESG Transformation
Management Strategy and System

Sber's ESG transformation is based on cooperation with all stakeholders of the Group. As a leader of systemic changes in sustainable development, Sber contributes to the development of the national ESG agenda.

Key results 2023

ESG 2026 **Strategic Priorities and Targets** were approved

11 meetings were held by the ESG Committee

ESG data collection for the Sber Group companies was automated

High scores in Russian ESG ratings were obtained

2 mn people unique users of the Saving Together platform

For more information, please see the "ESG Transformation Management Strategy and System" section

ESG MANAGEMENT SYSTEM

Supervisory Board
Determination of ESG strategic areas and priorities

Executive Board
Control over the implementation of the ESG Strategy goals

ESG Committee
Ensuring compliance with the ESG principles, and coordination of the business units' activities

ESG Directorate
Ensuring systematic approach to ESG management

Business units, regional banks, and companies of the Sber Group
Implementation of the ESG Strategy initiatives

SHAPING THE ESG AGENDA

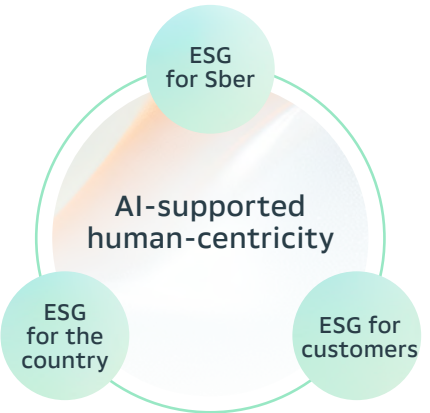
2020
- Establishmet of the ESG Committee and the ESG Directorate
- Approval of the ESG Strategy 2023

2021
- Approval of the ESG and Sustainable Development Policy and its Implementation Plan
- Approval of the ESG and Corporate Governance Standard

2022
- Updating the ESG Policy Implementation Plan
- Updating the Regulation on the ESG Committee and the Regulation on the ESG Directorate

2023
- Approval of the ESG Strategy 2026
- Approval of the Climate Strategy 2026

ESG STRATEGY 2026



KEY AI SOLUTIONS FOR SUSTAINABLE DEVELOPMENT

ESGify is a library for classifying the ESG news by ESG risk type
ASCAD Light is an anomaly detection model for improving the quality of solar panels in large-scale production
WaRP is a dataset and computer vision model for waste sorting on a conveyor belt
Eco2AI is a library for monitoring the carbon footprint of machine learning models
Eco4cast is a library for reducing the greenhouse gas emissions during neural networks training
Geometry platform is a neural network for detecting unauthorized waste deposits
Wild animals identification system
Model for Russian sign language recognition and translating it into text format

Social Responsibility and Population Support

Sber participates in large-scale social and charity projects as a partner or sponsor, implements its own initiatives in the areas of education, healthcare and medicine, science, environmental protection, and development of inclusion.

For more information, please see the "Social Responsibility and Population Support" section

Key results 2023

>6 thsd transactions
for RUB 5 bn were concluded with governmental institutions and agencies for ecosystem products

Participation in the Russia International Exhibition Forum at the Exhibition of Economic Achievements (VDNKh) in Moscow with its own pavilion consisting of 10 halls and an office

Establishment of a medicine AI center on the basis of the largest national medical research center

The fourth **Sber500 IT accelerator** conducted with the participation of 25 teams of finalists from Russia, India, and Turkey

Russia's first educational project in the metaverse – **KoMeta** – launched

Sustainable development in the regions of presence

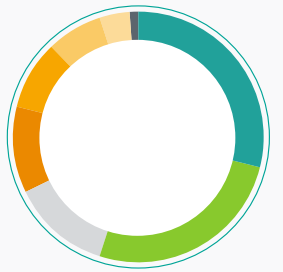
In 2023, Sber entered into ESG transformation agreements with the governments of 61 regions and developed 35 roadmaps.

Development of the public-private partnership (PPP) institution

The Bank has approved RUB 125 bn of PPP financing for projects in education, solid municipal waste (SMW), urban infrastructure and utilities.

Charity

RUB 12.3 bn
Sberbank's total charity costs in 2023



- 29% Culture
- 26% Social and public infrastructure, R&D activities
- 13% Supporting veterans and people with disabilities
- 11% Education
- 9% Healthcare
- 7% Supporting development of children and youth, social protection of citizens, establishing inclusive environment
- 4% Physical education and sports
- 1% Environmental protection

Educational initiatives

- Digital lesson
- New campuses of School 21 in Veliky Novgorod, Surgut and Yakutsk
- National technological olympiad in artificial intelligence
- Sber500
- Elimination of digital illiteracy
- KoMeta metaverse
- Financial literacy for different customer categories
- Cooperation with Russian universities

Healthcare initiatives

- Service for receiving medical assistance: face-to-face appointments, online consultations, remote monitoring
- Artificial intelligence-based service to assist doctors in diagnosing
- Service for sale and delivery of health and beauty products

Care for Employees

Sber strives to be the best company for its employees by maintaining their financial, physical and emotional well-being. The Group focuses on creating comfortable working conditions, as well as programs that ensure the work and personal life balance, health of employees and their families. People care is the basis of Sber's corporate culture, which makes the team efficient and stable.

Key results 2023

210.8 thsd employees
The total headcount of the Bank

44 thsd
The number of employees hired by Sberbank in 2023

13%
The employee turnover ratio at Sberbank

Sber's culture

82%
of employees feel cared for by Sber and are proud of their work

>750
social and volunteer projects are being implemented by Sber employees

Efficient teams

73%
is the employee engagement index

94%
of executives have successors

Training and education

~210 thsd
employees who completed training in various areas at Sberbank

49.7
average training hours a year per employee at Sberbank

Pulse HR Platform

>350 thsd
users from 20+ organizations

10%
AI-based staff loss risk assessment models built into the Pulse platform allowed retaining more employees in 2023

The My Health convenient personal account has been integrated into the workspace of **the Pulse platform** to improve the customer experience of using voluntary health insurance (VHI)

Sber Internship center

>9 thsd
students have done internship at Sber all over the country

60%
conversion into hiring rate

30%
higher chances of getting good ratings for former interns joining the staff

Employee diversity and inclusion

65%
The share of women in Sberbank's staff

64%
The share of women holding management positions at Sberbank

22.4 thsd
The number of 50+ employees in Sberbank

+44%
The growth rate of hiring people with disabilities

Sber guarantees equal opportunities and transparency of employment, career development, remuneration and training for every employee.

For more information, please see the "Care for Employees" section

Respect for Human Rights and Financial Inclusion

Key results 2023

43 thsd ATMs with voice support

The Bank has developed the instruction **"How can I access my money if my health deteriorates"**

1.3 thsd students in 15 Russian schools have taken Sber's courses in financial literacy

Sber has presented a Russian sign language recognition model, which will be the basis for an AI translator

6 thsd branches and the Sberbank Online app offer remote translation into Russian sign language for people with hearing impairments

Together with the Love Syndrome and Downside Up charity foundations, Sber has released the guide **"Affordable Languages and Inclusive Communication"**

5.8 thsd branches are available to people with limited mobility

Sber's materials on financial literacy were studied by **6.3 mn adults and children**

Respect for human rights is one of the fundamental values of Sber.

The human rights rules and regulations are set out in the Code of Corporate Ethics and Business Conduct.

Sber's stakeholder interaction principles are defined by Environmental, Social, Governance and Sustainability Policy.

For customers:

Development of inclusion and equality, improvement of availability of socially important financial and non-financial products and services for vulnerable population groups.

For employees:

Creating a favorable environment to fulfill the potential of all employees based on common values, cultural diversity, gender, racial and other equalities.

For counterparties:

Increased awareness and assistance in observing human rights by suppliers and business partners.

For the society and state:

Assistance in the formation of inclusion culture, observance and protection of human rights at the national level.

Special services

#ICANDOIT – is a documentary mini-film about the lives of people suffering from various health impairments

#FinanceSimplySpeaking – videos about finance for people with hearing loss and audio instructions for blind people

Training materials about inclusion

2 online courses

3 guidelines

3 instructions

For more details, please see the "Respect for Human Rights and Financial Inclusion" section

Responsible Financing and Non-Financial ESG Products

Sber continues to support the ESG agenda and responsible financing practices in Russia. In all business segments, the Bank provides ESG products and services and continuously improves them.

Key results 2023

RUB 2.9 tn
Sberbank's responsible financing portfolio

> RUB 1.6 bn
Revenue from non-loan B2B ESG products

More than 20 ESG products are available to B2B customers

89 ESG profiles of federal constituent entities of the Russian Federation were developed

35 regions cooperated with Sber in ESG transformation

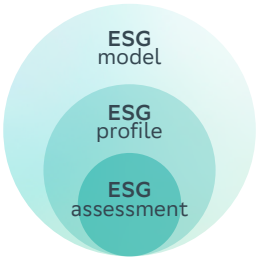
70 ESG projects were implemented with federal constituent entities of the Russian Federation

40 thsd retail customers purchased investment ESG products through the help of Sber

The Responsible Finance Policy of Sberbank PJSC approved, and:

- for the first time ever, deals with restrictions on the financing of activities that contradict the principles of sustainable development;
- reflects the provisions of the internal regulatory documents in ESG risk management and sustainable loan products;
- increases the transparency of the Bank's approaches for the sake of customers and other stakeholders;
- describes ESG risk assessment tools;
- defines criteria for sustainable loan products and the ESG conditions' lines.

ESG AGENDA FOR REGIONS



Comprehensive region development strategy

- **89 ESG profiles** of federal constituent entities of the Russian Federation
- **35 regions**
- **70 ESG projects**

Assessment of the current state of the ESG agenda in the region

Assessment of the ESG agenda level in the region by 16 factors and 50 indicators

ESG TRANSFORMATION OF CORPORATE CUSTOMERS

Assessment and management of ESG risks

- Industry-specific ESG risks exposure maps
- An automated model for customer ESG risk assessment
- ESG risk integrated assessment tool
- ES due diligence of large-scale projects
- ESG screening
- ESG risks monitoring

Sustainable loan products

- ESG loans
- Green and adaptation loans
- Social loans

Investment products

- Sber's green bonds
- Arrangement of offerings of customers' ESG bonds

Non-loan ESG products

- Assessment of ESG risks and practices (ESG diagnostics, ESG assessment of suppliers, green factoring, etc.)
- Creation of the ESG transformation management system (ESG policies development, ESG Strategy drafting, ESG report preparation, etc.)
- Development of ESG practices (ecoinsurance, training, corporate healthcare, etc.)

For more details, please see the "Responsible Financing and Non-Financial ESG Products" section

Responsible Business Practices

Sber acts as a responsible participant in business relations, observes ethical standards and principles, and expects its business partners, counterparties, customers and suppliers to behave in accordance with the Bank's ethical standards. In relations with them, Sber ensures honesty and openness, and tries to consistently strengthen their trust. To achieve this, Sber, among other things, implements state-of-the-art artificial intelligence technologies in its business processes and constantly works to counteract violations of their rights and interests in cybersecurity. In addition, Sber strictly complies with the tax legislation by demonstrating the transparency and reliability of its financial operations.

For more details, please see the "Responsible Business Practices" section

Business ethics, compliance and anti-corruption

2,432 queries
have been received by the Compliance Hotline

>67 thsd employees
underwent training on the Code of Corporate Ethics

99 %
is the satisfaction index for employees as internal customers (CSI) for compliance services in the area of conflict of interest control

Tax strategy

RUB **353** bn
the Bank's accrued income tax

Sber discloses annually tax information on the activities of the Group companies in its financial statements, which is independently certified by an external auditor

The course "What taxes we pay and how to do it smartly" has been introduced

Principles of the Compliance Hotline

- Confidentiality
- Anonymity
- Availability
- Integrity
- No Persecution
- Continuity of Operation
- Impartiality
- Promptness

Cybersecurity

0 minutes
downtime due to DDoS attacks

RUB **0**
losses from accounts as a result of cyberattacks

99.6 %
performance indicator of Sberbank's anti-fraud system

RUB **276** bn
of customer money saved due to the anti-fraud system

An open fraud database has been created

Government and industry relations

145 projects
have been included in the Plan of Regulatory Initiatives

Climate Agenda

Sber's Climate Strategy consists of reducing own negative climate impact caused by greenhouse gas emissions, as well as effectively managing climate-related risks and participating in the formation and implementation of the national and international climate agenda.

Key results 2023[1]

The goals of **the Climate Strategy 2023** were achieved, with its targets overachieved

Greenhouse gas emissions reduced against the 2019 base year:

22% Scope 1

25% Scope 2

The Climate Strategy 2026 was approved

Eco4cast model was developed for low-carbon computing in AI models training

AI-enabled disaster prediction and impact assessment models were implemented

Russia's first low-carbon energy certification system was launched

[1] Data is provided for Sberbank.

KEY AREAS OF CLIMATE-RELATED EFFORTS AND ACTIVITIES AT SBER

Approval of the Climate Strategy that sets climate-related strategic directions and targets

Sber's key commitments are:

- Achievement of the Scope 1 and Scope 2 carbon neutrality by 2030
- Support for the national transition to a low-carbon economy

Calculating the carbon footprint and factoring in the results to assess the efficiency of the measures taken

- Development of methodology for calculating the emissions, and its enhancement
- Assessment of Sber Group's emissions (Sberbank and the Sber Group companies) by Scopes 1, 2 and 3
- Assessment of carbon intensity of the loan portfolio

Assessment of climate risks and opportunities within the integrated risk management system

- Development of scenarios and models for climate risks assessment
- Climate risks sssessment at the transaction and customer levels
- Climate stress testing of the loan portfolio

Implementation of carbon footprint reduction measures

- Increasing the facilities' energy saving and energy efficiency
- Purchasing green energy
- Purchasing and redeeming green certificates

Implementation of the opportunities related to the energy transition

- Provision of responsible financing tools for green projects
- Development of advanced decarbonization technologies (in particular, for AI models)
- Development of the green certificates market

Participation in the development of the climate agenda at the national and international levels

- Participation in global and national events for discussing essential climate-related issues
- Provision of consulting, methodological and technological support to business and the state as well as to Russia's regions
- Development of international cooperation in climate-related aspects

For more details, please see the "Climate Agenda" section

Environmental Aspects

Sber takes measures to reduce its environmental footprint through wise use of natural resources. In addition, the Group supports partner projects aimed at preserving the natural environment and improving the environmental situation and conducts environmental campaigns. Also, Sber is involved in the development of the waste management infrastructure in Russia.

Key results 2023[1]

The Energy Policy was approved

12%
the renewable energy share in the Bank's electric power consumption structure

44%
the paper consumption reduction against 2020

105.4 mn kWh
of green electric power supplied

12%
the water consumption reduction against 2022

26%
of the generated waste transferred for recycling

18%
the generated waste reduction against 2022

13%
waste amount transferred for burial reduced against 2022

[1] Data is provided for Sberbank.

NEGATIVE IMPACT MINIMIZATION WITHIN THE GREEN OFFICE CONCEPT

Energy saving and energy efficiency

- Introduction of the automatic switching on and off feature for devices
- Transition to energy efficient lighting
- Heat insulation improvement
- Use of high energy efficiency class equipment
- Green energy consumption

A 6% reduction in energy consumption against 2022

12% of green electric power (105.4 mn kWh) purchased

Rational use of water

- Use of water dosing system and water saving devices
- Automation of hot and cold water consumption metering
- Regular monitoring of the condition of the internal water supply system

A 12% reduction in water consumption against 2022

Waste transfer for recycling

- Transfer of waste equipment for recycling
- Implementation of separate waste collection
- Pilot pressing of separately collected paper and plastic waste
- Transfer of used plastic cups for making ecopens

26% of the generated waste transferred for recycling

Waste generation reduced **by 18%** against 2022

Waste amount transferred for burial reduced **by 13%** against 2022

Reducing the use of material resources

- Introducing the electronic document management
- Applying fixed water treatment filters and skipping bottled water

Paper consumption reduced **by 44%** against 2020

For more details, please see the "Environmental Aspects" section

ESG Transformation Management Strategy and System



Image generated by Kandinsky 3.0

202 Sber's ESG Strategy:Results 2023 and Goals 2026
208 ESG Transformation Management System
220 ESG Compass

KEY RESULTS 2023

ESG Strategic Priorities and Targets 2026 were approved

High scores of Russian **ESG ratings** were obtained

ESG data collection across the Sber Group companies was automated

11 meetings
of the ESG Committee were held

2 mn
unique users of the Saving Together platform

SBER'S APPROACH TO THE ESG TRANSFORMATION MANAGEMENT

ESG Policy compliance

Action line VI. Improve practices of corporate governance, safety and ESG risks management, including along the supply chain:
- ★ **Target 29.** Improve the integrated risks management system, including ESG risks
- ★ **Target 32.** Assist with the development and distribution of ESG risks and sustainability management practices at the national and international level

Action line VII. Develop sustainable finance practices:
- ★ **Target 35.** Increase the ESG appeal of Sber for investors

Action line VIII. Facilitate economic well-being and prosperity for all:
- ★ **Target 40.** Ensure the fulfillment of economic obligations to shareholders and investors
- ★ **Target 45.** Contribute to the ESG transformation of the Russian economy

UN Sustainable Development Goals



Internal regulatory documents

Environmental, Social, Governance and Sustainability Policy

Awards and achievements

- ★ Sber won the Event of the Year award for conducting the **AI Journey 2023** international conference on artificial intelligence
- ★ Sber took the third place in the **Bema!** award for the AI Journey 2023 project: Best Business Event / Customer Communications for the B2C brand
- ★ Six Sber projects became the awardees of the **Best ESG Projects** in Russia program. The ESG Transformation of Sber as a Driver of Sustainable Development Change in the Country project won in the ESG Business Transformation category
- ★ Sber became an awardee of the **Eco Best Award** in the Best Company in Sustainable Development category. The jury highly evaluated the ESG Transformation of Sber as a Driver of Sustainable Development Change in the Country project
- ★ The Saving Together project was awarded as the Best Eco-Education Program in the **Corporate Charity Leaders** all-Russian Responsible Business competition
- ★ Sber became a leader among Russian companies in covering the ESG agenda, according to the **SCAN-Interfax** reputation management system
- ★ Sberbank's Senior ESG Vice-President became an awardee of the **ESG Principles Headliners** award in the Headliner in Implementing Corporate and External Social Programs for Interaction with the Community (S) category and a winner in the Director for Sustainable Development and Corporate Social Responsibility category of the **Top 1000 Russian Managers** award established by the Association of Managers

Sber's ESG Strategy: Results 2023 and Goals 2026

GRI 3-3

The ESG Strategy 2023 Implementation Results

In 2023, Sber analysed the results of implementation of its first ESG Strategy adopted in 2021. Sber fulfilled all the plans of its ESG Strategy 2023, factoring in their revision and actualization in 2022 due to the changes in the external environment.

ESG FOR SBER

22%
Scope 1 greenhouse gas emissions of Sberbank reduced against the 2019 base year (vs the planned 5%)

25%
Scope 2 greenhouse gas emissions of Sberbank reduced against the 2019 base year (vs the planned 15%)

Employee Engagement Index towards the ESG agenda was developed

26 thsd
Sber employees were corporate volunteers

26%
of the generated waste was transferred for recycling

12%
of electric power in the Bank's energy balance was generated by renewable energy sources

ESG FOR CUSTOMERS

RUB 2.9 tn
Responsible financing portfolio

> RUB 1.6 tn
Revenue from non-loan B2B ESG products

35
regions cooperated with Sber in sustainable development

70
ESG projects were implemented with federal constituent entities of the Russian Federation

89
ESG profiles of the regions of the Russian Federation were developed

ESG FOR THE COUNTRY

100 mn
persons were engaged with the Saving Together communications

> 1,100
ESG initiatives were launched in regional banks

National ESG Alliance was established

In-house platform for green energy certificates was launched

A regional segment of the ESG index for cities and regions was formed in partnership with VEB.RF

Sber's Positions in ESG Ratings

MED-39

Sber's ESG transformation performance was scored high in the ESG ratings. Participation in the independent external assessment enables Sber to get an unbiased overview of its strengths and areas for development. Beyond that, in 2023, the range of the Sber Group companies scored in ESG ratings expanded.

SCORES OF SBERBANK AND THE SBER GROUP COMPANIES IN ESG RATINGS AND RANKINGS IN 2023

РБК НКР

The Sber Group companies' score

Category I
460–800 points

(group with the highest indicators):
- Sberbank
- Sberbank Life Insurance

Category II
340–459 points

(group with an above average score)
- Rublyovo-Arkhangelskoye
- Sberbank Private Pension Fund
- SberInsurance

Expert

Sberbank's score

ESG-II(a)

ESG rating: a very high level of compliance with interests in the sphere of sustainable development in decision-making

АКРА

Sberbank's score

ESG-2

ESG-B ESG rating of ESG-2 level: a very high score in the environmental protection, social responsibility and governance

АК&М

Sberbank's score

85.4 points

Non-financial reporting rating of RESG 1 (85.4 points of 90.6), the highest level of sustainable development disclosures

The Sber Group companies' score

AA.esg

Sber Bank (Belarus): AA.esg ESG rating and leadership in the ESG ranking of Belarusian companies

RAEX EUROPE

Sberbank's score

AA

AA ESG rating: a very high level of managing of ESG risks and opportunities

НРА

Sberbank's score

AA.esg

AA.esg ESG rating: a very high level of integration of sustainable agenda into the Group's operations

The Sber Group companies' score

AA.esg

Sberbank Life Insurance: AA.esg ESG rating: a very high level of integration of ESG agenda into the Company's operations, and quality of observance of respective practices

НКР

Sberbank's score

AAA

AAA ESG rating: the highest level of compliance with environmental, social, and governance standards

BIK Ratings

The Sber Group companies' score

AA.esg

Sber Bank (Belarus): AA.esg ESG rating: a very high level and leadership in the ESG ranking of Belarusian companies

ESG Goals 2026

MED-35, GRI 2-22

In 2023, Sber analyzed the results of the ESG Strategy 2023 and set new strategic priorities through to 2026. When selecting development areas, Sber took into account global and Russian trends in sustainable development and the needs of key stakeholders.

The ESG transformation remains an integral condition of the long-term competitiveness of business. In addition, Sber explores opportunities for reintegration into the international ESG agenda.

The goals of the Strategy are decomposed by management levels. The ESG goals of the Strategy are set forth as key performance indicators for the executives of different levels, relevant business units and teams.

KEY GOALS OF SBER'S ESG STRATEGY 2026

30%
Scope 1 emissions reduced

40%
Scope 2 emissions reduced

0 money thefts
from bank accounts through cyberattacks

0
cyberattack-related downtime

50 thsd
corporate volunteers

75%
of employees are involved in the ESG agenda

3.4 RUB tn
the volume of the responsible financing portfolio

>70 regions
cooperate with Sber in ESG transformation

For more information on Sber's Development Strategy 2026, please see the Management Report

Artificial Intelligence for Sustainable Development

Development of technologies, in particular artificial intelligence (AI), is a key area of Sber's Development Strategy. Artificial intelligence is the most important tool for achieving human-centricity as it makes it possible to free people from routine operations, helps process large amounts of information faster and, eventually, accelerates the decision-making process. Moreover, AI promotes the creation of digital tools to address essential challenges of the society.

Development and launch of AI-based sustainable development solutions is one of the objectives of the ESG Strategy 2026.

In 2023, a separate ESG track at the AI Journey International Conference was dedicated to artificial intelligence. In the course of the special AI4Planet ESG podcast, Sber shared its experience in using AI to achieve sustainable development goals. The podcast included eight thematic releases on the use of artificial intelligence for preserving the planet, accelerating energy transition, maintaining biodiversity, monitoring and forecasting climate change, developing smart cities, addressing social challenges, and expanding creativity, as well as a foresight session on neural networks that impact the development of a future human.

At the conference, Sber presented the results of an artificial intelligence use research conducted jointly with a major media holding. The results showed that more than half of all Russians see AI as an efficient solution in achieving the targets of sustainable development, and 51% of respondents stated that AI could help tackle climate change.

Sber pays special attention to the development of AI-based applications for the sake of sustainable development. In addition to innovations that increase the efficiency of internal processes, Sber develops models with an open source code. Some libraries are available in the public domain in order to promote Sber's expertise and develop AI topics for sustainable development.



SBER'S AI SOLUTIONS DEVELOPED IN 2023

ESGify

Library for classifying ESG news

Purpose: to help assess the company's ESG risks, including in determining contractor's compliance with the specified ESG requirements.

Principle of operation: the library makes it possible to process text data and attribute a text about a particular news event to a particular type of the realized ESG risk.

Advantages: addresses the lack of comparable publicly available standardized ESG data; evaluates the text in two languages; can discern texts on 47 ESG topics.

ASCAD Light

Model for improving the quality of solar panels in large-scale production

Purpose: to improve the quality of solar panels at large-scale production.

Principle of operation: the model reveals anomalies and searches for the causes of defects at production lines to accelerate defect elimination.

Advantages: makes it possible to identify defects and the quality class of a solar cell without a preliminary dataset or defect library formation, through the use of partial teacher-assisted learning.

Eco4cast

Library for reducing the greenhouse gas emissions during neural network training

Purpose: to reduce the greenhouse gas emissions during neural network training.

Principle of operation: Eco4cast predicts the carbon cost of electricity for a number of regions and chooses optimal time intervals and server location regions in order to reduce the overall carbon emissions of computations. Prediction accuracy is ensured by a neural network that analyzes the emission data and 20 weather indicators in the regions under review. Its library may be used both locally and in cloud services.

Advantages: makes it possible to reduce emissions by 25% on average and in some cases by up to 77% subject to the selected mode of operation and region.

Eco2AI

Library for monitoring the carbon footprint of machine learning models

Purpose: to monitor the energy consumption and carbon footprint during the code execution / model training to encourage the community to create energy-efficient machine learning architectures and to assess environmental friendliness of machine learning models under development.

Principle of operation: the library determines the available computing resources and calculates the energy consumed for training the model, and then assesses the indirect carbon dioxide emission factoring in the regional standards of carbon cost of power generation.

Advantages: makes it possible to keep precise records of the capacity of certain computing processes, contains up-to-date databases of the computing resources and data on the carbon cost of electric power, including those for the regions of Russia.

WaRP

Dataset and computer vision model for waste sorting on a conveyor belt

Purpose: to improve the material sorting quality at waste treatment plants.

Principle of operation: the model analyzes waste on a conveyor belt according to the generated database of waste images and performs automatic sorting.

Advantages: discerns objects that may overlap, get severely deformed or be underlit; can discern 28 types of recycled objects.

SBER'S AI SOLUTIONS DEVELOPED IN 2023

Wild animals identification system

Purpose: to simplify the work of researchers of wildlife sanctuaries on detection and identification of wild animals.

Principle of operation: the system identifies a tiger's image in a photograph, then cuts and zooms the image, which is followed by a final identification of the species.

Advantages: identifies wild animals with a precision up to a species, distinguishes 94 species with the precision of definition of ~78.45% for tigers, and allows to add new species to the database without model retraining.

Memoranda of cooperation and launch of a pilot project were signed with the leading scientific centers and institutes in the field of ecology. The model was the basis for a tiger identification solution; the solution was passed over to the customer for testing.

Russian sign language recognition model

Purpose: to help hearing impaired people communicate with the outside world.

Principle of operation: the model recognizes uninterrupted sign language and translates it into a text.

Advantages: ensures a bilingual translation, understands 1,598 gestures with a recognition speed of up to three gestures per second.

In the reporting year, Sber arranged a minimum viable product (MVP) of the Russian sign language simulator and scheduled the launch of a pilot project on the model use in Chelyabinsk.

Geometry platform

Neural network for detecting unauthorized waste deposits

Purpose: to reduce the number of unauthorized waste deposits in the region to zero by promptly identifying them through the use of artificial intelligence technologies.

Principle of operation: the artificial intelligence model processes drone footage and identifies areas with debris accumulation.

Advantages: efforts focused on the removal of unauthorized waste deposits instead of search; minimization of negative impact on the environment within the region and an opportunity of scaling to other detection tasks.

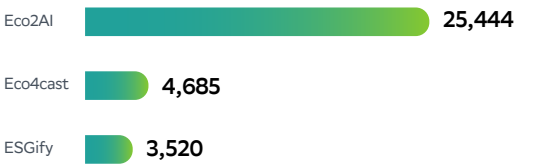
The pilot project was launched in Sakhalin Region in 2023 under the Sakhalin AI Center established by Sber in partnership with regional organizations.

Also, the Geometry platform was used in a pilot project for identifying unauthorized landfills via satellite images that was implemented in 2023 jointly with a federal operator for solid municipal waste management.

Alongside with the described solutions, Sber continued to develop its climate risk analysis models that make it possible to predict emergency events in various regions of the country and assess their impact on corporate customers.

For more details, please see the "Climate Agenda" section.

Number of downloads of Sber's open source AI products for sustainable development, pcs



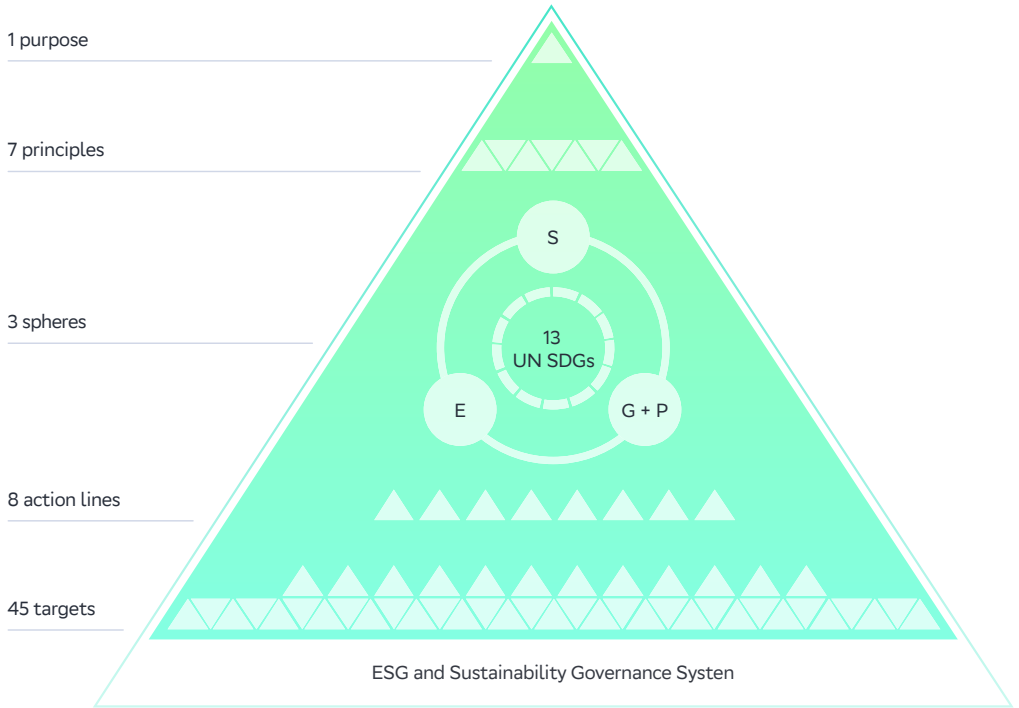
Sber's AI-based sustainable development solutions were presented at a topic-specific event held by the National ESG Alliance in late 2023. Sber and other participants discussed the possibilities of using artificial intelligence for the benefit of sustainable development and shared their experience in this area.

ESG Transformation Management System

MED-35

The architecture of Sber's sustainable development activities combines a number of principles, objectives and tasks that help the Bank fulfill its commitments under the ESG Strategy. The key document that sets forth Sber's approach to managing this area is the Environmental, Social, Governance and Sustainability Policy.

Sber's architecture of ESG and sustainable development activities



Organizational Structure of ESG Transformation and Sustainable Development Management

GRI 2-12, 2-13, 2-14

Sber has a multi-level sustainable development management system in place. This approach makes it possible to efficiently allocate responsibilities for the implementation of sustainable development measures and to achieve the stated strategic goals. In the reporting period, the organizational structure of ESG management remained unchanged.

For more details, please see the "Organizational Structure of ESG and Sustainable Development Management" section of the Sber Annual Report for 2022.

The Supervisory Board and the Executive Board are involved in managing the ESG issues. The Supervisory Board determines strategic areas of sustainable development, and the Executive Board monitors the implementation of Sber's ESG Strategy. The ESG Committee functions at the operational level, and its core task is to coordinate the activities of business units, regional banks and the Sber Group companies. The supreme governing bodies regularly review the ESG agenda issues at their meetings.

ESG topics on the agenda of the governing bodies' meetings in 2023

Supervisory Board

- Social risk management

Executive Board

- Responsible Finance Policy of Sberbank
- Implementation of the ESG Strategy 2023
- ESG 2026 strategic priorities and goals

ESG Committee

- Setting Sber's ESG goals and reporting on achievement thereof
- Endorsement of documents governing Sber's ESG transformation
- Approval of the ESG Report concept
- New ESG products launch
- Discussing the concepts and outcomes of large and cross-block ESG projects

KOCMOC ESG

In 2023, Sber automated the process of collecting and consolidating the ESG data of the Group's companies. The deployment Sber's proprietary COSMOS platform ensured a faster processing speed and a better processing quality of handing the ESG data for the consolidated sustainability reporting. The transition to the new process made it possible to reduce the time frame for preparing non-financial reporting, decrease the amount of manual labor and limit error risks through the data structure unification, software generation of report templates and expansion of control procedures at each stage of the reporting process. The platform's capabilities will allow to expand the set of indicators and the perimeter of the Group's companies within the consolidation scope, to increase the frequency of data collection and to apply new ESG standards, including the IFRS sustainability reporting standards.

TOPIC-SPECIFIC ESG ASPECTS MANAGEMENT STRUCTURE

The ESG Directorate that functions in Sber is responsible for ensuring a systemic approach to ESG transformation and sustainable development management. Each topic-specific ESG aspect is coordinated by one or several responsible units of the Bank.

1 Climate agenda

- Supervisory Board: approval of the Climate Strategy
- Executive Board: control over the implementation of the Climate Strategy
- ESG Directorate, Risks Block, Services Block: development of the Climate Strategy; data collection, calculations and formation of reporting on the implementation of the Climate Strategy measures
- Operational units: implementation of the Climate Strategy measures

2 Cybersecurity

- Supervisory Board: reviewing the issues on the measures against violation of the cybersecurity rights and interests of the Bank's customers
- Executive Board: control over the achievement of the goals and implementation of projects in cybersecurity and data protection
- Services Block: implementation and coordination of the cybersecurity functions
- Internal Banking Security Division: managing the issues related to combating the internal fraud
- PIC of personal data processing and protection: managing and continuously enhancing the personal data processing, setting KPIs, assessing and forecasting risks, elaborating mitigation measures for identified risks
- Legal Department: monitoring the legislation applicable to personal data processing

3 Environmental aspects

- Supervisory Board: approval of environmental goals under the ESG Strategy
- Executive Board: control over the environmental protection activities and environmental goals achievement under the ESG Strategy
- Services Block: preparation of a plan for organizational and technical environmental protection measures and formation of performance reporting

4 HR management

- Supervisory Board: approval of the HR and Remuneration Policies, and the HR Strategy
- Executive Board: control over the HR Strategy implementation, and HR operational activities management
- People and Culture Block: implementation of the HR Strategy, personnel data control and records, trainings and activities to increase employee engagement and motivation, development of corporate volunteering

TOPIC-SPECIFIC ESG ASPECTS MANAGEMENT STRUCTURE

5 Responsible financing and non-financial ESG products

- Supervisory Board: approval of the goals set for responsible financing and non-financial ESG products under the ESG Strategy and the Responsible Finance Policy; review of the risk management issues, including ESG risks
- Executive Board: control over the goals achievement in responsible financing and non-financial ESG products under the ESG Strategy
- ESG Directorate: methodological support in developing Sber Group's financial and non-financial ESG products
- Corporate and Investment Business Block (hereinafter, the CIB Block), B2C Blocks, Sales Network Block: development and implementation of responsible financing products
- CIB Block, Risks Block: ESG risks assessment in the lending and other business processes
- CIB Block, Wealth Management Block, companies of the Sber Group: ESG products development and provision

6 Social responsibility and population support

- Supervisory Board: approval of target indicators
- Executive Board: control over the implementation of scheduled and target events and programs
- Services Block: implementation of charity projects in the regions of presence through interaction with non-profit organizations
- Marketing and Communications Department: sponsorship through support to major projects and events
- Sber's Investment to the Future Charitable Foundation: implementation of educational and inclusive projects

7 Respect for human rights and financial inclusion

- Supervisory Board: approval of key areas of activities
- Executive Board: control over the implementation of the approved activities
- People and Culture Block, B2C Blocks: implementation of initiatives on human rights and inclusion among Sber employees and for its customers

8 ESG risk management

- Supervisory Board: review of issues related to ESG risks management
- Executive Board and Committees accountable to Executive Board: approval and control of the implementation of the Responsible Finance Policy, approval of internal documents, regulating ESG risk management procedures
- Risks Block: ESG risk management and assessment, integration of ESG risk management, independent evaluation of ESG risks and investment
- ESG Directorate: expert support of Bank's departments engaged in ESG risk management system development

9 Business ethics, compliance and anti-corruption

- Supervisory Board: determination of principles and approaches to organization of activities, approval of key compliance, anti-corruption and corporate ethics documents
- Executive Board: control over the compliance of the Bank's activities with legislative requirements and the completion of scheduled compliance activities
- Compliance Committee: making decisions and reviewing reports on the results of anti-corruption programs implementation
- GR Block: supervision of anti-corruption activities and anti-corruption expert review
- Internal Security Division: corrupt practices identification and prevention measures
- Compliance Department: elaboration of methodology, preparation of training events, implementation of procedures and activities, consideration of issues of anti-corruption, conflict of interest, insider information, market manipulation, pseudo-trust management
- HR divisions: team environment management, consideration of issues of unethical attitude by executives or teammates to employees

Stakeholder Engagement and Determining Material Topics

GRI 2-25, 2-26, 2-29, 3-1, 3-2

Determining material topics is one of the important stages of Sber Group's reporting. The materiality principle makes it possible to focus on the disclosure of the topics that present major interest for the stakeholders and describe key impacts and risks of Sber's sustainable development.

In 2023, the approach to determining the materiality remained unchanged. To update the set of material topics, an expert working group assessed Sber's ESG risks and impacts on the environment, society and economy on the basis on the feedback from the stakeholders and with due regard to the requirements of international and national standards and the guidelines, including GRI, AA1000, UNEP PRB, Bank of Russia recommendations, ISSB standards of the IFRS Foundation.

Stages of the materiality assessment at Sber

1. Analyzing the research sources
2. Determining the impacts with due regard to experts' and stakeholders' opinions
3. Assessing the identified impacts, with assistance from experts
4. Processing the obtained results, ranking them, and determining the materiality threshhold
5. Approving the final list of material topics

For details, please see the "Determining Material Topics" subsection of the Sber Group Annual Report for 2022.

At Sber, stakeholder communication is an ongoing process. Sber identified 11 stakeholder groups, communication channels therewith, and business units responsible for interaction. In interacting with its stakeholders, Sber is guided by the provisions of ISO, AA1000SES and other international standards.

Sber's key stakeholder groups and interaction results in 2023

☐ Stakeholder group significantly impacted by Sber

Stakeholder group	Interaction mechanisms	Stakeholders' expectations[1]	Material topics
Shareholders and investors Communication with shareholders and investors is based on the principles of transparency and reliability of information	• Conducting the General Meeting of Shareholders • An annual Investor Perception Study study • Discussion of topics relevant to private shareholders at meetings of the Committee for Minority Shareholder Relations • Conducting meetings with investment funds and analysts to discuss current trends and issues on the Bank's activities • Disclosing information on the activities and performance in the Annual Report	• Transparent information disclosure • Development of responsible financing practices • Observance of high standards of corporate governance and business ethics • Value creation and payment of dividends	• Responsible financing • Corporate governance and business ethics • Risk management
Customers Sber is a trusted assistant and navigator for people and businesses, helping its customers and the country develop in a sustainable way	• Sales of services through physical and digital channels • Dealing with complaints and negative reviews • Customer behavior research to develop a value proposition • Monitoring relationship with customers through the Net Promoter Score (NPS) and Customer Satisfaction Index (CSI) • Monitoring customer feedback in social media	• Affordable quality financial products and services • Convenient sales and service channels • Support in the ESG transformation • Loan and other ESG products • Customer personal data protection	• Responsible financing • Assisting clients in ESG transformation • Security practices • Customer satisfaction • Financial inclusion
Employees Sber cares for its employees as they help the Bank achieve its goals and maintain its leadership in the Russian business	• Corporate newsletters • SberFriend and Pulse corporate apps • Corporate TV for employees – SberTV • Screens and media facades in offices • Corporate events • Engagement surveys • Work at Sber career portal • Social media • Career events and special projects	• Comfortable and competitive working conditions • Workplace safety • Career growth and professional development opportunities	• Health and safety • Labor relations and employment • Human capital development

[1] Identified through interaction in 2023.

☐ Stakeholder group significantly impacted by Sber

Stakeholder group	Interaction mechanisms	Stakeholders' expectations[1]	Material topics
Suppliers and contractors By introducing the principles of responsible supply chain, Sber indirectly influences the ESG transformation of the business and regions	• Applying the principles of corporate social responsibility in procurement activities	• Transparent communication of corporate social responsibility requirements at concluding contracts	• Responsible supply chain
Regional and federal governmental bodies of the Russian Federation Sber is a partner of the state in implementing high-impact projects, including those in ESG	• Interaction with regional authorities as part of preparing and entering into cooperation agreements, and on preparing and implementing ESG projects • Participation in meetings held by state government bodies and the Bank of Russia on draft laws • Submitting proposals on improving the legal regulation to federal authorities and the Bank of Russia • Participation in surveys held by the Bank of Russia • Participation in public discussions of draft laws • Monitoring of the normative activity of the state and the Bank of Russia, formation of the Bank's position on the upcoming changes • Participation in meetings held by government agencies on the transition to a green economy • Participation in the meeting held by the Expert Council of the State Duma Committee on the Financial Market on the issues of responsible green financing development	• Joint implementation of ESG projects • Sber's expertise in sustainable development	• Contribution to social development • Environmental aspects • Climate agenda • Development of technology and innovation; digitalization • Assisting clients in ESG transformation
Regulatory bodies Observance of the regulators' requirements is one of the key principles of Sber's activities		• Compliance with all legal requirements • Participation in shaping the legal regulation of the ESG agenda	• Corporate governance and business ethics • Risk management
Local communities and NPOs Through interaction with local communities, Sber contributes to addressing the essential issues in the regions of presence	• Implementation of sponsorship and charity projects • Support to and implementation of educational and healthcare projects • Implementation of social products	• Support to social groups of the population • Contribution to the improvement of local residents' well-being, quality of life and financial literacy level	• Financial inclusion • Contribution to social development
Mass media Cooperation with the mass media helps Sber share up-to-date information and ESG trends with all stakeholders	• Media activity: releases, speaker interviews, press tours • Regular disclosure of information and reporting on the Bank's impact on the economy, environment, and society	• Transparency of the activities and performance • Accessibility of information on Sber	• Corporate governance and business ethics

[1] Identified through interaction in 2023.

☐ Stakeholder group significantly impacted by Sber

Stakeholder group	Interaction mechanisms	Stakeholders' expectations[1]	Material topics
Financial market participants Sber develops responsible financing practices in Russia together with other industry companies, stock exchanges, insurance companies, financial and ESG analysts and other market players	• Participation in events and consultations for the development of industry solutions • Monitoring best industry-specific and global practices for their subsequent implementation in Sber's business processes	• Sustainable loan products • Non-loan ESG products • Transparency of information on Sber's ESG products	• Responsible financing • Assisting clients in ESG transformation • Climate agenda
International organizations in ESG and sustainable development International cooperation enables Sber to feel the pulse of global sustainable development trends and share best available practices with ESG agenda leaders	• Participation in international organizations' initiatives • Obtaining ESG rating scores • Partnership in the implementation of ESG projects • Taking into account the ESG and sustainable development standards and guidelines of international organizations	• Participation in the international ESG agenda • Sharing best ESG practices	• Responsible financing • Climate agenda • Assisting clinets in ESG transformation
Professional community Together with industry experts, Sber contributes to the national ESG agenda development	• Participation in the development and implementation of sustainable development programs and projects	• Sber's expertise in sustainable development • Sber's participation in shaping the national ESG agenda • Information on Sber's sustainable development activities	• Responsible financing • Assisting clients in ESG transformation • Climate agenda

[1] Identified through interaction in 2023.

List of Sber's material topics in 2023

Environment

- Climate agenda
- Environmental aspects

Social

- Health and safety
- Labor relations and employment
- Human capital development
- Financial inclusion
- Contribution to social development

Governance and Prosperity

- Responsible financing
- Assisting clients in ESG transformation
- Responsible supply chain
- Security practices
- Customer satisfaction
- Contribution to economic development
- Corporate governance and business ethics
- Development of technology and innovation; digitalization
- Risk management



Participation in the Federal Agenda and International Cooperation

Sber shapes its ESG agenda subject to best available Russian and international practices. As a leader of the national ESG agenda, Sber shares own expertise in sustainable development with the state, business and society, and contributes to the formation of discussion platforms for a discourse on the development and implementation of ESG principles, involving partners, customers and employees in ESG transformation.

Sber outlines several areas in promoting the ESG agenda at the national and international levels, i.e., maintaining leadership in the information realm, developing international cooperation, promoting responsible financing and ESG products for the regions and business. Moreover, Sber takes an active part in international and federal sustainable development forums and conferences. In particular, Sber's ESG agenda in 2023 was presented at 60 public events and conferences. The Bank initiates topic-specific sessions and panel discussions, speaks on its best ESG practices and offers its ESG products to the state and business. It communicates the business community's standpoint on international platforms as one of the leaders of the national ESG agenda.

Sber regularly makes reports at industry-specific organizations and associations. In 2023, Sber delivered a speech at the events held under the auspices of the Shanghai Cooperation Organization (SCO) and the UN Economic and Social Commission for Asia and the Pacific (ESCAP). In addition, the Bank took part in elaborating the proposals on climate consultations with the PRC, approaches to the climate agenda regulation within the framework of the Eurasian Economic Union (EEU).

Under the project titled Around the World: Green and Responsible. How to Accommodate the Requirements of the Sustainable Development Agenda Anywhere in the World, Sber published the ESG reviews on 30 countries. They can help directly study and consider the ESG requirements of a number of foreign countries being potential business partners in the circumstances of the changing world market conditions and trade flows.

In the reporting year, Sber continued its active participation in the work of National ESG Alliance's committees and workshops. The Alliance was established at Sber's initiative in January 2022. This is the only major business association in Russia that deals solely with the sustainable development agenda. The Alliance unites 25 founding companies that are leaders in sustainable transition of their industries.

SBER'S PARTICIPATION IN MAJOR INTERNATIONAL AND FEDERAL FORUMS IN 2023

28th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change

- Dubai, UAE, 30 November to 12 December
- 85 thsd participants from 197 countries

Participation format:

organizing and holding the Responsible Financing Day, speakers' participation in the business program sessions in the Russian Pavilion.

Sber proposed an initiative on establishing the BRICS Climate Council and presented the climate- and environment-related ESG product solutions for the state and businesses.

For details, please see the "Climate Agenda" section.

The AI Journey 2023 International Conference on Artificial Intelligence and Machine Learning

- Moscow, 22 to 24 November
- 150 mn online views of the Conference from over 190 countries

Participation format:

organizing and holding an ESG track, AI4PLANET video podcast.

Sber presented an AI-based tool for assessing companies' ESG risks, as well as climate- and environment-related ESG solutions.

For details, please see the "Artificial Intelligence for Sustainable Development" subsection.

III ESG (R)Evolution Congress of Responsible Business

- Moscow, 21 September
- 8 thsd online views

Participation format:

holding the Global Sustainable Development and ESG Trends. Consideration Impossible to Miss strategic session.

Sber presented five global trends that have a maximum impact on the prospects of sustainable development, including those in Russia.

VIII Eastern Economic Forum

- Vladivostok, 10 to 13 September
- 7 thsd participants from 62 countries

Participation format:

organizing and holding the Global Green Agenda Challenges: Testing for the Resilience and Catalyst for BRICS Cooperation session, participation in business program sessions.

Within the framework of the Forum, Sber signed 9 ESG agreements with regions and businesses, presented 11 ESG products, and proposed an initiative on establishing the Center for Expertise in Sustainable Development and Climate of the BRICS countries, as well as the Unified Register of Climate Projects.

SBER'S PARTICIPATION IN MAJOR INTERNATIONAL AND FEDERAL FORUMS IN 2023

26th St. Petersburg International Economic Forum

- Saint Petersburg, 14 to 17 June
- 17 thsd participants from 130 countries

Participation format:

speeches delivered at sustainable development sessions under the Forum's business program.

Within the framework of the Forum, Sber signed 18 ESG agreements with regions and businesses. It presented thematic products for the state and businesses, i.e., a standard regional ESG model, and a green supply chain. Sber proposed an initiative on creating a carbon balance management platform for the countries of SCO and BRICS.

Russia – Islamic World: KazanForum XIV International Economic Forum

- Kazan, 18 to 19 May
- 16.2 thsd participants from 80 countries

Participation format:

organizing and holding the Russia–East: Synergy of Responsible and Islamic Financing for Common Prosperity session.

Sber discussed the synergy of ESG approaches and islamic financing and presented two products for the Forum's target audience, i.e., a standard ESG model and a green supply chain.

X Asia and Pacific Sustainable Development Forum

- Bangkok, Thailand, 27 to 30 March
- 1.7 thsd representatives of governments, intergovernmental organizations, UN bodies, international organizations, and 48 ESCAP member countries and associate members

Participation format:

speeches delivered within the Forum's business program.

Sber proposed the idea of developing the principles and guidelines for sustainable regional transformation for ESCAP member countries aimed to share best practices.

The Russia–China Energy Business Forum

- Beijing, 19 and 20 October
- 100 largest companies from Russia and China

Participation format:

speeches delivered within the Forum's business program.

Sber presented proprietary low-carbon energy certification system offering to consider the possibility of recognizing it in China. It expressed its willingness to become a provider of a similar Chinese certification system in Russia.

Education and Training for ESG Transformation

ESG transformation is impossible without the spread of knowledge and development of special competencies of the stakeholders. Realizing this, Sber implements a number of training and educational programs for its employees, customers, mainstream audience and representatives of the educational system.

For Employees

Sber has own-developed target model of employee ESG competences in place as well as a multi-level corporate training program that comprises the following courses:

ESG: introduction. How can business stay on top in 30 years

- The course is available to both the employees and the external audience.
- **Purpose:** introducing to currently central practices and key ESG trends.
- **Advantages:** practical examples of managing the ESG aspects and real-life cases of Russian businesses.

ESG: basic course for first-line employees

- **Purpose:** introducing to the basic ESG principles and promoting information on the actions that can be taken by any employee to make an impact on sustainable development of the country and Sber.
- **Advantages:** focus on the practical application of knowledge.

ESG: choosing the future

- **Purpose:** to create and scale the ESG-oriented corporate culture and increase employee involvement in the ESG agenda.
- **Advantages:** interactive training format as a situational game.

For Clients

Sber promotes accessible and up-to-date information on the ESG transformation fundamentals among its customers. The first step towards mastering the theoretical knowledge in sustainable development is the ESG: introduction. How can business stay on top in 30 years course.

In 2023, Sber launched the Sustainable Development of Business, a unique synchronous program for customers, successfully completed by more than 20 representatives of Russian large and medium-sized businesses.

Sustainable Development of Business program for clients

- **Purpose:** to provide assistance and expert support in forming efficient development strategies and roadmaps for ESG transformation of business with due regard to future challenges.
- **Advantages:** learning through practice by studying real-life cases, participating in roundtables, briefings, simulations and stress tests, adapting the program to the participants' industry specifics.

For Teachers

Sber contributes to the systemic development of education for ESG transformation and sustainable development through training and sharing experience with teachers of Russian universities and secondary specialized educational institutions. In the reporting year, Sber organized a Sustainable Development track under Digital Summer school attended by 150 teachers, and held a webinar on solving ESG cases at Sber's Winter Digital School.

Sustainable Development track under Digital Summer

- **Purpose:** to disseminate best available ESG practices and knowledge in the educational community.
- **Advantages:** detailed study of current trends and practices in the corporate sector and at the state level in each ESG aspect.

Saving Together

Saving Together is a program aimed at mass involvement of Sber's employees and customers in the environmental and social agenda and practices. Its key element, a digital platform – navigator through useful habits, educates the Russian audience in a healthy and environmentally friendly lifestyle, self-care and personal growth, charity and volunteering. The platform covers Sber's ESG initiatives in various formats and features a green event poster, i.e., a handy calendar where one can find useful events held in their city and register for participation.

2 mn
the number of unique users of the platform

In 2023, two large-scale series of eco-activities were organized with the participation of Sber's employees and customers, i.e., Green Spring and Time for Care, that were given broad coverage on the program's platform and its other online channels.

In addition, the following activities were organized within the project:

Memorial Garden and Save the Forest	105 mn trees planted, including 2 mn with the participation of Sber employees
Green Spring	more than 800 events for 100 thsd persons
Time for Care	more than 1 thsd events
Clean Games	463 tons of waste collected, over 29 thsd participants
BoomBattle	280 tons of paper waste collected and transferred for recycling

In 2023, as part of the Saving Together, several special information projects on key topic-specific events were released on the platform and in the channels of Sber – Ecology Day, Knowledge Day, Day Without Paper, Forest Day, Recycling Day, and the New Year, with a total coverage of over 5 mn persons.

ESG Compass

In its sustainable development activities, Sber takes into account the requirements of key international initiatives. The ESG Compass reflects the interrelation of various initiatives and standards with material topics disclosed in the Sber's ESG Report.

Environmental

☐ Sber as an organization ◇ Sber as a fintech group ○ Sber as a systemically important institution of the Russian economy

Material topics	UN Global Compact principles	UN Sustainable Development Goals	ESG Policy action lines	ESG Policy targets	Non-financial reporting standards	Disclosure in the Report
Climate agenda	**Principle 7:** Businesses should support a precautionary approach to environmental challenges **Principle 8:** Businesses should undertake initiatives to promote greater environmental responsibility	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION	**Action line II.** Develop climate-related risk and opportunity management practices	7 8 9 10 11 12	GRI 305 Emissions	Climate-related risks and opportunities
					SASB Systemic risk management: FN-CB-550a.2	Carbon footprint methodology and calculations Climate strategy
Environmental aspects		7 AFFORDABLE AND CLEAN ENERGY, 11 SUSTAINABLE CITIES AND COMMUNITIES, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**Action line I.** Minimize the environmental impact	1 2 3 5 6	GRI 301 Materials	Efficient use of resources
					GRI 302 Energy	Energy management
					GRI 303 Water and effluents	Efficient use of resources
					GRI 306 Waste	Responsible waste treatment

Social

□ Sber as an organization ◇ Sber as a fintech group ○ Sber as a systemically important institution of the Russian economy

Material topics	UN Global Compact principles	UN Sustainable Development Goals	ESG Policy action lines	ESG Policy targets	Non-financial reporting standards	Disclosure in the Report
Health and safety		3 GOOD HEALTH AND WELL-BEING	**Action line III.** Create decent working conditions and ensure development of human potential	13	GRI 403 Occupational health and safety	Decent working conditions
			Action line V. Support local communities and assist social development	25 26		
Labor relations and employment	**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining **Principle 4:** Businesses should uphold the elimination of all forms of forced and compulsory labor **Principle 5:** Businesses should uphold the effective abolition of child labor **Principle 6:** Businesses should uphold the elimination of discrimination in respect of employment and occupation	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH	**Action line VIII.** Facilitate economic well-being and prosperity for all	38	GRI 401 Employment GRI 405 Diversity and equal opportunity	Employee diversity and inclusion Decent working conditions
Human capital development		4 QUALITY EDUCATION	**Action line III.** Create decent working conditions and ensure development of human potential	14 15	GRI 404 Training and education	Training and development

Social

□ Sber as an organization ◇ Sber as a fintech group ○ Sber as a systemically important institution of the Russian economy

Material topics	UN Global Compact principles	UN Sustainable Development Goals	ESG Policy action lines	ESG Policy targets	Non-financial reporting standards	Disclosure in the Report
Financial inclusion	**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights **Principle 2:** Businesses should make sure that they are not complicit in human right abuses		**Action line IV.** Ensure respect for and protection of human rights, provide an inclusive environment and equal access to products and services	17 18 19 20	SASB Financial inclusion and capacity building: FN-CB-240a.4	Respect for human rights Provision of equal access to financial services
Contribution to social development			**Action line V.** Support local communities and assist social development	22 23 24	GRI 203 Indirect economic impacts	Support of national and regional socially important projects Charitable, sponsorship and social activities

Governance and Prosperity

□ Sber as an organization ◇ Sber as a fintech group ○ Sber as a systemically important institution of the Russian economy

Material topics	UN Global Compact principles	UN Sustainable Development Goals	ESG Policy action lines	ESG Policy targets	Non-financial reporting standards	Disclosure in the Report
Responsible financing	**Principle 9:** Businesses should encourage the development and diffusion of environmentally friendly technologies		**Action line VII.** Develop sustainable finance practices	33 37	SASB Inclusion of environmental, social and governance factors in credit analysis: FN-CB-410a.2	ESG transformation of corporate customers
Assisting clients in ESG transformation			**Action line VII.** Develop sustainable finance practices	35		ESG transformation of corporate customers
			Action line VIII. Facilitate economic well-being and prosperity for all	45		Regional ESG agenda ESG products for retail customers and private investors
Responsible supply chain	**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery		**Action line VIII.** Facilitate economic well-being and prosperity for all	42	GRI 204 Procurement practices	Sustainable supply chain
Security practices			**Action line VI.** Improve practices of corporate governance, safety and ESG risk management, including along the supply chain	30	GRI 418 Customer privacy SASB Data security: FN-CB-230a.1 FN-CB-230a.2	Cybersecurity
Customer satisfaction			**Action line VIII.** Facilitate economic well-being and prosperity for all	41		Provision of equal access to financial services

Governance and Prosperity

□ Sber as an organization ◇ Sber as a fintech group ○ Sber as a systemically important institution of the Russian economy

Material topics	UN Global Compact principles	UN Sustainable Development Goals	ESG Policy action lines	ESG Policy targets	Non-financial reporting standards	Disclosure in the Report
Contribution to economic development			**Action line VI.** Improve practices of corporate governance, safety and ESG risk management, including along supply chain	28	SASB Financial inclusion and capacity building: FN CB-240a.1	Financial literacy and well-being
			Action line VIII. Facilitate economic well-being and prosperity for all	42 44	GRI 207 Taxes	Tax strategy
Corporate governance and business ethics	**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery		**Action line VI.** Improve practices of corporate governance, safety and ESG risk management, including along supply chain	27 31	GRI 205 Anti-corruption SASB Business ethics: FN-CB-510a.2	Business ethics, compliance and anti-corruption
			Action line VIII. Facilitate economic well-being and prosperity for all	40		
Development of technology and innovation; digitalization			**Action line VIII.** Facilitate economic well-being and prosperity for all	39 43		Financial literacy and well-being
Risk management			**Action line VI.** Improve practices of corporate governance, safety and ESG risk management, including along supply chain	29 32		ESG transformation of corporate customers ESG products for retail customers and private investors



Social Responsibility and Population Support

228 Support of National and Regional Socially Important Projects
231 Charitable, Sponsorship and Social Activities
242 Educational Initiatives
248 Healthcare Initiatives

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SBER'S APPROACH TO SOCIAL RESPONSIBILITY AND SUPPORT OF LOCAL COMMUNITIES

ESG Policy compliance

Action line V. Support local communities and promote social development:

- ★ **Target 22.** Support the systemic development of social and environmental projects with social importance
- ★ **Target 23.** Develop corporate volunteering
- ★ **Target 24.** Develop social partnership initiatives, including with clients
- ★ **Target 25.** Assist growth in the accessibility of health care and educational services through the development of infrastructure and use of cutting-edge technology
- ★ **Target 26.** Promote a healthy lifestyle, the health and longevity of the general population

Action line VIII. Promote economic prosperity and well-being for all people:

- ★ **Target 44.** Promote sustainable economic development in regions of presence

UN Sustainable Development Goals



Internal regulatory documents

- Sberbank Charitable Activities Policy
- Internal documents that govern major sponsorship project

Material topic

- Contribution to social development

Key results 2023

- In 2023, Sber entered into ESG transformation agreements with the governments of **61 regions**, and developed roadmaps together with **35 federal entities** of the Russian Federation
- Financing of public-private partnership projects amounted to **RUB 125 bn**
- Charity assistance provided by the Bank increased significantly compared to the previous year and exceeded **RUB 12 bn**
- **407 mn SberSpasibo bonus points** have been transferred for charity
- Over **6 thsd transactions for RUB 5 bn** were concluded with governmental institutions and agencies for ecosystem products
- Sber **has established a medicine AI center** on the basis of the largest national medical research center
- Sber has launched Russia's first educational project in the metaverse – **KoMeta**

Awards and achievements

- Sber has been given the status of **Partner of Russian National Projects** for implementing social programs corresponding to the objectives of national projects
- Sber has won the National Award **“Our Contribution” in the category “State-Owned Corporations and State-Owned Companies”.** The Group presented 11 ESG initiatives in support of four national projects: Culture, Education, Demographics, and Ecology
- Sber has received seven awards in the **Development of Regions. The Best for Russia program** Among other things, the best in their nominations were My Business service for the self-employed, transport acquiring (the world’s largest system of non-cash payment in public transport under the Cashless World program), Novosibirsk Resident’s Card (access to social services and support measures with a MIR card issued by any bank), and Platform of the Year
- Three Sber projects were noted at the **Corporate Charity Leaders** All-Russian Responsible Business Competition: “Saving Together” – “The Best Program in Eco-Education” (first prize), Sber Science Award – “The Best Program (Project) in Science Support” (third prize), “Green Marathon” – “The Best Program that Contributes to the Implementation of the UN Sustainable Development Goals of Ensuring Health, Healthy Lifestyle and Human Well-Being for Sustainable Development” (third prize)
- Sber Science Award became the **Best Social Project at FINAWARD**
- **5 Years of DPO Open Heart** social project has received the special **Retail Finance Awards** prize
- Sber has won 12 prizes in **the Effective Education** award:
  - Product of the Year (“Educational Projects” category) has become a state-supported loan for education
  - Sber Privacy Journal has become the Mediaproject of the Year in the “Business Education” category
  - The Mindful Parenthood multimedia course has been recognized as Course of the Year in the “Partner Projects” category
  - Navigator in Team Development has become the Product of the Year in the “Corporate Programs” category
  - The School of New Professions project has become the Program of the Year (the “Employee Retraining” category)
  - VII SberUniversity Conference “More than Learning” has become the Project of the Year in the “Marketing and Events” category
  - The Community Camp for the Creators of Corporate Professional Communities has become the Project of the Year in the “Corporate Programs” category
  - Upgrade: Leadership Intensity – Best Soft Skills Development Program (“Business Education” category)
  - The SberUniversity – Territory of Meanings project has won in the Corporate University of the Year nomination (Corporate Programs category)
- **Digital RBC Awards:** Sber’s service for using digital medical services has got a prize for implementing Remote Monitoring of Patients in the North-Western Federal District project[1]
- Health Room is an app of the year in the **“Digital Health Assistant” (TADVISER IT PRIZE)** category and the best online assistant in the **“Comfort Technologies” category (Digital Leaders Award 2023)**
- Grand Prix in the **“Technological Transformation of the Year”** category and the **“Cloud Platform of the Year for Digital Transformation in the Public Sector”** special category (TAdviser Prize 2023)

[1] North-Western Federal District.

GRI 3-3, 413-2

As a socially responsible company, Sber implements many projects annually to improve the quality of life for the population. The Group’s principles, areas and approaches to charitable activities are defined by the Charitable Activities Policy.

Sber allocates funds to support federal and regional projects, as well as implements its own initiatives in such areas as the development and renewal of infrastructure, support for vulnerable groups of population, increasing the accessibility of educational and healthcare services, the development and implementation of new technologies, including those using artificial intelligence.

Support of National and Regional Socially Important Projects

GRI 3-3, 203–1, 203–2

Sber supports socially significant projects aimed at sustainable development of the country at the federal and regional levels. The Group helps develop the settlement infrastructure and create new jobs, supports entrepreneurship and participates in the ESG transformation of Russian regions.

Sber's activities contribute to the achievement of Russia's national development goals until 2030.

Sber is the main enabler of digital transformation for the public sector. The Group has entered into over 6 thsd transactions for RUB 5 bn with government agencies and agencies for ecosystem products in security, healthcare, sports, public administration, digital solutions, education, including training programs for executives in digital transformation, Big Data based analytics (Big Data), etc.

The GosTech concept of a technological platform for the state introduced by Sberbank in April 2020 was developed in 2023. Decree of the President of the Russian Federation No. 231 dated 31 March 2023 set the deadlines for transferring to GosTech, decision-making criteria and mechanisms for federal and regional state information systems. Based on the results of the GosTech strategic session with the Prime Minister of the Russian Federation in May 2023, the plan for transition of federal and regional state information systems was approved, a priority was set for the development of the data factory and integration of artificial intelligence tools into the GosTech platform. In 2023, the team of Sber's GosTech program provided significant support in implementing the approved transition plan for federal and regional state information systems.

Sustainable Development in the Regions of Presence

In 2023, Sber entered into ESG transformation agreements with the governments of 61 regions, and developed roadmaps together with 35 federal entities of the Russian Federation.

In accordance with the agreements, the Group helps regions digitize their economy, develops and implements high-tech solutions based on artificial intelligence in various industries, promotes entrepreneurship development, and implements social and environmental projects.

To make Sberbank services available to as many people as possible, the Bank is expanding its presence in regions of the country. Since the beginning of 2023, Sberbank has been operating in the Republic of Crimea: the Bank is opening new offices in the region and growing the network of self-service terminals, gradually expanding its product line.

For more details, please see the "Responsible Financing and Non-Financial ESG Products" section.

Development of the Public-Private Partnership Institution

Sber is a leader in the market of financing public-private partnership (PPP) projects and takes an active part in its development thus helping to create socially significant facilities in the accelerated mode in the areas of utilities, transport, medicine, education, and sports.

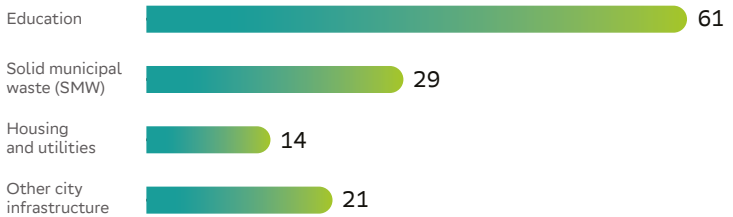
Sber contributes to attracting investments in regional projects for infrastructure development. The Concession Agreement Constructor created by Sber allows drafting a concession agreement on the terms and conditions set by the Bank for attracting loan financing in full compliance with the provisions of the Law On Concession Agreements. The service covers 11 industries: healthcare, sports, utilities, transport, tourism, culture, lighting, agriculture, social services, hydraulic facilities, paid and free roads.

In 2023, the Bank approved financing of PPP projects for a total of RUB 125 bn in such areas as education, solid municipal waste (SMW) management, urban infrastructure development and utility services.

In 2023, a new product was developed for preferential financing of the construction of SMW management facilities through the mechanism for repurchase of bonds issued by the Russian Environmental Operator Public Non-Profit Organization. The Bank bought out six issues of such bonds in respect of three regions of operation, for a total amount of RUB 13 bn.

GRI 203-1

Sber's public-private partnership projects by amount of financing in 2023, RUB bn



SBER'S PPP PROJECTS IN 2023

Transportation infrastructure

City public transport

Comprehensive upgrades **of city communal infrastructure** are ongoing in 24 cities, with a half of these projects launched in 2023. In 2023, more than 700 vehicles were leased for more than RUB 20 bn, 357 stopping points were updated, over 250 vehicles were digitized, the route network was optimized in seven cities, and the public transport management process was digitized in two cities.

Hospitality industry

Sber has become the leader **in tourism:** every second player in the industry is our client. To ensure comprehensive development of the industry, new product solutions and approaches were developed at the stages of master planning of a tourist cluster, financing of investment lots and digitalization of tourism projects. 36 regions already work together with Sber with the use of this comprehensive approach.

Construction of schools and campuses

Sber is the key lender to **the Development of Education** government program of concession-based school construction projects. As of the end of 2023, 34 schools for 30 thsd students, built with the Bank's financial participation, were commissioned. In 2023, 39 decisions were made to finance similar projects for RUB 45 bn, which will create another 40 thsd new school places.

Sber is also a key financial partner to projects under **the Development of Campuses government program**. In 2023, Sber approved and opened financing for three campuses: in Nizhny Novgorod, Veliky Novgorod, and Ufa. Total approved loans amount to RUB 21 bn. For 2024, funding of seven more campuses is to be considered.

SBER'S PROJECTS IN THE FIELD OF INDUSTRIAL AND INFRASTRUCTURE FACILITIES IN 2023

Development of the agroindustrial sector

The Bank finances the creation of new agricultural sector facilities as one of the country''s priority. Thus, Sberbank finances the construction of a buckwheat production plant with a cost of RUB 2.5 bn in Chelyabinsk region. In 2024, it is planned to build a workshop for processing buckwheat, a grain storage facility and a warehouse facility.



Construction of integrated infrastructure

City of the future SberCity

Sberbank is building SberCity — a city of the future — in west Moscow. It is designed for 65 thsd residents and 70 thsd jobs. According to the plan, eight schools, 16 kindergartens, two clinics will be built in it. The total area of housing and offices will exceed 4 mn square meters. Parks, boulevards and green zones will occupy more than 100 hectares in the city of the future. Each megaproject apartment will have a built in smart home system allowing for economical expenditure of resources. SberCity will apply separate waste collection and vacuum removal technology using special devices (inlets). The buildings will also be equipped with solar panels and electricity storage devices.

Construction of the district began in 2020. The first residential area was built in 2023, and residents of SberCity will appear in the first half of 2024.



Charitable, Sponsorship and Social Activities

GRI 413–1

Sber is systematically engaged in charitable activities and constantly cooperates with specialized funds and non-profit organizations, and provides them with financial, informational and technological assistance. As a sponsor and partner, Sber supports initiatives in the areas of education, medicine, science, culture, physical education and sports, as well as the development of inclusive environment.

The key objective of the Bank when providing charitable assistance is to promptly respond to the rapidly changing conditions and challenges of the modern world, which have a significant impact on all areas of social and public life of people and the state as a whole. The Bank efficiently and systematically distributes available resources among the key areas of charitable activities to achieve maximum result.

In 2023, the Bank mainly supported projects in the field of culture, social and public infrastructure development, as well as veterans support projects.

Sberbank's total charity costs in 2023 amounted to RUB 12.3 bn.

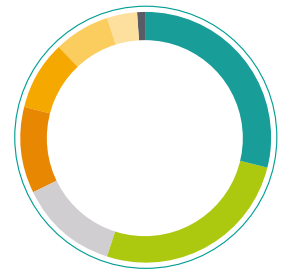
MED-34

Sberbank's charity costs, RUB thsd

Area	2020	2021	2022	2023
Supporting Activities Related to Culture and Preserving Cultural Heritage Objects	381,508	1,176,466	769,305	3,595,368
Supporting Educational Activities	718,111	961,986	1,061,225	1,387,009
Supporting Social and Public Infrastructure and R&D Projects	1,298,511	1,885,914	1,085,316	3,126,233
Supporting Healthcare Activities	2,900,456	1,378,544	726,797	1,154,539
Supporting Children's Institutions, Activities Aimed at the Development of Intellectual and Creative Abilities of Children and Teenagers, Social Support and Protection of Citizens, Creation of an Inclusive Environment	1,775,705	936,863	598,261	816,397
Support for veterans and disabled organizations	604,938	453,954	2,306,219	1,606,409
Supporting Environmental Protection	58,270	104,220	33,500	96,581
Supporting Activities Related to Physical Education and Sports	361,104	353,259	222,858	509,845
Total costs	**8,098,603**	**7,251,205**	**6,803,481**	**12,292,381**

MED-34

Structure of Sberbank's charity costs in 2023, %



29% Culture
26% Social and public infrastructure, R&D activities
13% Supporting veterans and people with disabilities
11% Education
9% Healthcare
7% Supporting development of children and youth, social protection of citizens, establishing inclusive environment
4% Physical education and sports
1% Environmental protection

To implement systemic projects, the Bank interacts with specialized non-profit organizations, such as the Charitable Foundation "Memory of Generations", the Charitable Foundation "Gift of Life", the Charitable Foundation for Seriously Ill Children, Orphans and Disabled People "Rusfond", the Curative Education Center "Special Childhood" and much more.

Areas of Sberbank charitable activities

UN SDG	Area of Sberbank's charitable activities	Description of programs and key results for 2023
	**Supporting healthcare activities** Compliance with the ESG Policy: promoting healthy lifestyle, health and longevity.	The Bank supports the healthcare system by providing assistance to healthcare institutions and non-profit organizations specializing in systemic medical care for those in need, including severely ill children. In the field of healthcare, the Bank supported more than 460 projects. The support allowed to provide high-tech equipment to healthcare institutions of the country, purchase consumables and diagnostic complexes, which contributed to improving the quality and accessibility of medical services in 54 regions of Russia. The Bank's donations provided timely treatment, medicines, technical rehabilitation and diagnostics tools for more than 1,500 children.
	Supporting activities of organizations for veterans and people with disabilities Compliance with the ESG Policy: ensuring respect for and protection of human rights, an inclusive environment and equal access to products and services	The Bank provides systemic assistance to veterans and people with disabilities. With the Bank's participation, specialized non-profit organizations have implemented over 200 comprehensive support projects for veterans and disabled people, including combat veterans: targeted and medical assistance has been provided, social, cultural and rehabilitation programs have been implemented. The support covers over 45 Russian regions.
	Supporting activities related to physical education and sports Compliance with the ESG Policy: supporting local communities and promoting social development	To implement the state policy in the field of physical education and sports development, the Bank supports sports institutions and non-profit organizations implementing projects in the field of mass sports and promotion of healthy lifestyle. The Bank supported over 120 projects of sports federations, organizations and sports schools in more than 35 regions of Russia. The support is aimed at conducting sports events and competitions, developing children's and youth's, mass and amateur sports, creating sports infrastructure for the development of physical education and sports.
	**Supporting educational activities** Compliance with the ESG Policy: promoting the accessibility of healthcare and education services by developing infrastructure and using advanced technologies	Building the country's talent potential, searching for and supporting the best students and schoolchildren is the Bank's focus when implementing programs in the field of education. The Bank contributes to the implementation of specialized educational programs in the areas of information and financial technologies, cybersecurity and ESG agenda. Charity support for more than 150 educational institutions is aimed at financing educational programs, creating research centers and laboratories on the basis of universities to introduce new approaches to educational process. More than 10 contests and competitions among schoolchildren and students have been supported. The Bank also finances the development of the material and technical base of educational institutions: it will equip computer classrooms, create comfortable spaces and co-working spaces for training. Coverage: over 600 projects in 51 regions of Russia.
	**Supporting children's institutions, activities aimed at the development of intellectual and creative abilities of children and teenagers, social support and protection of citizens, creation of an inclusive environment** Compliance with the ESG Policy: supporting local communities and promoting social development	The Bank has been implementing projects aimed at supporting children and young people, including children in difficult life situations and children with special needs. Contribution to the Future Charity Foundation is a key partner of the Bank specializing in developing the personal potential of children and young people and implementing the projects of inclusive environment. The Bank has helped implement over 150 projects to help children in the fields of education, creativity and inclusion. Such projects develop vital skills, thereby improving the quality of life for children. More than 90 boarding schools and orphanages in 59 regions of Russia received support.

UN SDG	Area of Sberbank's charitable activities	Description of programs and key results for 2023
	**Supporting activities related to culture and preserving cultural heritage objects** Compliance with the ESG Policy: development of partner initiatives in the social field, including in cooperation with customers	The Bank regularly provides charitable support to important and large-scale social and cultural projects that are being implemented by the leading theaters and museums in Russia, as well as small creative associations, including those from regions. The Bank pays attention to the preservation of monuments and cultural heritage sites and takes part in their restoration and reconstruction. Sber supported over 150 projects (inter alia, inclusive ones) implemented by cultural institutions and non-profit organizations in more than 40 regions of Russia. The following has been made with the Bank's charitable support: • The Live and the Dead performance concert was held with the participation of the Solists of Moscow chamber ensemble directed by Yuri Bashmet, People's Artist of Russia, in honor of the 80th anniversary of the victory in the Stalingrad battle. • The XVI Diaghilev Festival and the Diaghilev+ Festival took place in Perm. The multigenre nature of the program enabled to cover opera and ballet performances, art exhibitions, musical concerts, dramatic theatre pieces and an educational program. • St. Petersburg hosted the Tchaikovsky. Rebooting International Music Festival devoted to the 130th anniversary of P. I. Tchaikovsky's death. In addition to its support to the largest museums as part of the development of social and cultural and exhibition projects, for example, together with the Tretyakov Gallery, Sber also supports inclusive projects in the regions where it operates. Together with the Hermitage Museum, an inclusive project of adapting the museum's exhibition space for people with reduced hearing and vision capabilities was implemented.
	Supporting social and public infrastructure and R&D projects Compliance with the ESG Policy: promoting the development and ethical use of research and the recent development, including the artificial intelligence, to solve important ESG and sustainable development issues	The Bank is involved in implementing projects for creating and improving public spaces in various regions of Russia. Its support promotes the social and economic development of cities and creates urban spaces that are comfortable for people. The Bank supported 24 projects for developing social and public infrastructure and creating comfortable urban spaces in ten regions of Russia. As for scientific research, research projects were supported that were aimed at the development of digital technologies, including scientific research in medicine, i. e. robotic surgery, VR/AR technologies.
	**Supporting environmental protection** Compliance with the ESG Policy: minimizing the environmental impact	The Bank supports projects aimed at safeguarding and regenerating the Russian ecosystem and territories, including safeguarding preserved areas. Traditionally, the Bank took part in the Save the Forest Together and the Green Marathon campaigns together with the Contribution to the Future charity foundation. More than 26 regional projects were supported.

SberSpasibo Project Charity Program

SberSpasibo is a Sberbank Bonus Program. By paying with the Bank's card, the buyer receives bonuses, which can be spent thereafter on goods and services of the program partner companies. As part of the program charity project, all or a part of bonuses may be transferred to partner charity institutions that implement programs in healthcare, social and rehabilitation support for veterans, the disabled and children with developmental and behavior challenges.

2023 results:

- 407 mn Spasibo bonuses (1 bonus = 1 RUB) were transferred for charity.
- 674 severely ill children and adults were provided with treatment funds.
- 54,229 hours of community adaptation training were paid for 3,164 children with developmental challenges.
- 40,971 people became donors for cancer and haematological patients.
- The foundations experts provided more than 27 thsd legal, psychological and medical consultations to those in need free of charge.
- More than 2,030 people were provided with sets of vitally important goods.
- 15 war veterans and disabled were provided with necessary life and rehabilitation funds.
- Medical treatment and rehabilitation for over 700 people were organized.
- More than 50 people who had needed rehabilitation equipment received it.
- Specialized educational events and conferences were held for 390 highly qualified experts from 38 regions of the country.
- Medical equipment, reagents and consumables, and surgical instruments were purchased for diagnostic laboratories and hospitals.

PARTNER FOUNDATIONS OF THE SBERSPASIBO FOR GOOD DEEDS CAMPAIGN

Rusfond

Critical care for children, introduction of new medical technology and findings

Galchonok

Helping children with organic lesions of the central nervous system

Gift of life

Helping children with severe cancer and hematological diseases

Oncologica

Helping adult cancer patients and their relatives

Investment to the Future

Education for orphans and children with developmental challenges

Memory of Generations

Helping veterans of the Second World War and other military conflicts

Sozidanie

Helping children`s homes, orphanages, foster homes, orphans and wards of social organizations

Science for Children

Supporting research in pediatric hematology, oncology and immunology, as well as helping children and adults under 21 with rare hematological and immunological diseases

SberVmeste

SberVmeste is a service that helps anyone render target charitable assistance. It contains more than 270 reliable charitable foundations verified by Sber. Money transferred via SberVmeste is guaranteed to go to the right addressee. Users can provide one-time support or make donations on a monthly basis.

Since the service launch, RUB 943.3 mn have been raised and more than 870 charity needs have been satisfied.

RUB 303 million
was raised in 2023
via SberVmeste

"Investment to the Future" Charitable Foundation

The mission of Sberbank's "Investment to the Future" Charitable Foundation is to make joint efforts to ensure that people feel confident in the rapidly changing world and can meet challenges of the 21st century.

In 2023, the Foundation was awarded the status of Partner of Education, Demographics, Science and Universities, and Artificial Intelligence National Projects for the consecutive second year.

The foundation objectives are as follows:

- Create new opportunities for success in the modern world for children, teachers, managers and parents.
- Be a state partner in the implementation of national projects.
- Offer solutions to enhance the quality of education and to improve life prospects.

Key Results and Achievements for 2023:

- The Foundation's programs covered 5.4 mn children which is 10% more than in 2022.
- The Foundation's financial literacy, digital skills and competencies programs covered more than 93 thsd teachers (3% more than in 2022), new teachers were partially involved.
- In 2023, parent coverage was 20% higher than the last year.
- The foundation's developments for human-centered education, personal potential development and motivation formed the basis of the concept and tools of the Sber's Potential Development Academy and Human-Centered Strategy.
- UNESCO included the foundation's developments of children's social and emotional development in 12 of the world's best practices for transformative education. During 2023, the developments were presented in a number of CIS countries.

MODERN EDUCATION

The objective is to create opportunities and conditions for the development of personal potential and skills required in the modern life for all participants in the educational process.

This area implements several programs:

- **Developing Environment**, the task whereof is to create conditions in kindergartens and schools for the development of a child's personality, unlocking their potential, providing psychological comfort. To achieve this, teachers complete advance training under special programs developed by the Moscow City Pedagogical University. 4.7 thsd teachers completed advance training in 2023.
- The Foundation annually supports **the Best Practices for Personal Potential** Development Interregional Pedagogical Festival together with one of the pedagogical universities of Moscow. It is aimed at identifying efficient author practices for developing personal potential and bringing them to the attention of the pedagogical community. During the reporting period, 268 practices from 33 regions were presented at the festival.
- **Financial Literacy** is the training in financial literacy for children and teenagers aged 5 to 18. In 2023, 160 thsd children took part in the program events and made use of games and other financial literacy materials.
- In 2023, the **Financial Literacy for Children from Orphanages** volunteer program covered 63 orphanages from 44 cities, a total of 101 volunteer teams took part in the program.
- **The Deposit** mobile app simulator aimed at the development of financial literacy for teenagers won in the Most Significant Social Project category of the MOMS' CHOICE-2023 annual contest (the contest audience is 6 mn people).
- **Digital Skills and Competencies** is the development of digital skills and popularization of AI, ML and data science at school. In 2023, the AI Academy for Schoolchildren, a flagship project in this area, engaged more than 5 mn children.
- **The Artificial Intelligence** profile became the most popular profile of the Olympiad for the second consecutive year. In 2023, more than 6 thsd people registered for the Artificial Intelligence profile.

INCLUSIVE ENVIRONMENT

The objective is to develop a system of efficient practices that will enable orphans and children with developmental challenges to acquire the skills required for independent and dignified life.

This area implements the following permanent projects:

- **Kind New Year's Gift** is a charity campaign program that supports projects aimed at socialization and adaptation to educational and working life of children and teenagers that do not have parental care and children with developmental challenges through the development of available services, i.e. psychological and social, pedagogical and corrective developmental assistance to enhance their quality of life and improve their life prospects. In 2023, grant funding of RUB 49.7 mn was raised that was applied to the implementation of 52 projects in 23 regions.
- **The World of Open Opportunities** is an annual campaign aimed at developing inclusive education. All funds raised by the campaign (more than RUB 12.5 mn in 2023) were transferred to regional specialized non-profit organizations that held 9,500 school preparation classes for 195 children with mental development challenges in 11 Russian regions. Those classes help children prepare for school learning, master the communication and social interaction.
- **You Will Succeed!** is a project that helps orphanage graduates and mentally challenged teenagers find a job, and helps employers create an inclusive environment. The project is based on the supported employment technology. In 2023, thanks to the project 326 young people had their first job experience, 80 young people in St. Petersburg received psychological support and social and household services from the project tutors, in total, support was provided to 1,070 young people. The project won the competition held by the Vladimir Potanin Charity Foundation to establish the You Will Succeed! Expert Center for Supported Employment until the end of 2025, to form a basis for systematizing and increasing the affordability of the project experience to stakeholders. The You Will Succeed! project became an awardee of the Open to All All-Russian Choice of Practices by the Strategic Initiative Agency and took the third place in the Impact category.
- In 2023, the **#JustPeople** inclusive festival which general partner is the Contribution to the Future Foundation, brought together over 800 thsd participants in events dedicated to autism and support for people with autistic spectrum disorders.

Methodology for assessing charity

In 2023, Sber's Charitable Foundation "Investment to the Future" and the organization for support and development of social innovations developed a methodology for assessing social projects. It enables to forecast and assess the social significance of a project, to identify and adjust performance metrics, to improve designs according to the objective and tasks.

The Methodology may be applied to corporate and not-for-profit projects. In 2023, ten projects were assessed as part of the methodology development, the methodology was presented to the expert community and receives positive feedback of social sector experts.

Sponsorship

Sber provides annual support and sponsorship to various sustainable development projects.

Events as part of Sber Sponsorship in 2023 by Area

INCLUSION

Thread inclusive creativity festival

In 2023, Sberbank was a partner of the Thread Interregional Inclusive Creativity Festival held in Omsk. The event purpose is to grant opportunities to the disabled to show their talents in music, theater, choreography, visual arts and cinema. Teams from Omsk, Novosibirsk, Tyumen, Tomsk, Irkutsk, Vladimir and Kaliningrad performed on stage, studied at master classes and shared their experience for two months. More than 250 artists took part in the festival.

Golden Mask Online

For more than 20 years, Sber has been a partner of the Golden Mask Festival and Award. This cooperation has long grown into a diverse partnership resulting in important social and cultural projects (online broadcasting of performances, shows in cinemas across the country, tours of Golden Mask awardees and nominees to Russian cities, loyalty programs for Sber's VIP customers).

In 2023, the two pieces of theatre of the Golden Mask Online Project were broadcast online with audio descriptions for the first time[1]. Earlier, this was implemented for offline performances of the festival only. The event became part of the Art. Aloud Project which Sber has been developing since 2017. During this time, audio descriptions were prepared for more than 40 performances.

SCIENCE AND TECHNOLOGY

Sber Science Award

In 2023, Sber granted the Science Award for the second time that is aimed at supporting scientists working in Russia. The total prize fund is RUB 60 mn.

In 2023, 92 scientists were nominated for the Sber Science Award. All applications were subject to independent expert review, thereafter the academic councils under the leadership of academicians of the Russian Academy of Sciences (RAS) generated a list of finalists in each category. The award committee chose the winners. These included fundamental research in animal miniaturization and the introduction to model object science in the Life Sciences category.

Science 0+ All-Russian festival

Sber has become a strategic partner of the Science 0+ All-Russian Festival, one of the world's largest science popularization projects. The festival participants are universities, museums, famous Russian and foreign scientists.

At the festival, Sber presented its smart devices: Sber TV set on the Salute TVplatform, SberBox Timemedia-box, SberPortal smart display and SberBox Topmedia box for TV, and the Sber's robotics laboratory and partners showed a Cat Robot.

Sber experts gave Artificial Intelligence Ethics, Artificial Intelligence in a Driverless Car and Personal Finance for All lectures.

[1] Audio comments are descriptions of objects, actions, characters and space, which allow blind and visually impaired viewers to imagine what is happening on stage.

CULTURE

The East & West. Classics & avant-garde film festival

Sber took part in organizing the International East & West. Classics & Avant-Garde Film Festival in Orenburg. The screenings were attended by 10 thsd viewers.

The Motherland of P. I. Tchaikovsky festival of arts

Sberbank became the general partner of the Motherland of P. I. Tchaikovsky Festival of Arts in Udmurtia, organized by the Udmurt State Philharmonic. More than 12 thsd people attended the concerts as part of the festival. The Bank and the Philharmonic signed a long-term cooperation development agreement.

The Luzhniki skating ring and the Vorobyovy mountains cableway

Sber is a sponsor of the Luzhniki skating ring, the cableway and ski slope in the Vorobyovy Mountains. When paying with any Sber card, a 15% discount is granted for all tickets and additional services, and SberPrime subscribers get an additional bonus cashback of 20%.

As of the end of January 2024, the skating ring was visited by more than 82 thsd people, and the cableway and ski slope in the Vorobyovy Mountains by more than 100 thsd.

Cosmoscow Modern art fair

Participation in the fair is an image project for Sber and the SberFirst premium segment. As part of the fair, lounge areas for premium segment customers were arranged, pre-view of the fair and by-invitation-only public talks were organized with the participation of business representatives, collectors and art experts. The fair was visited by 31 thsd people.

AT THE INTERSECTION OF TECHNOLOGY AND CULTURE

Revived collection exhibition

In December 2023, the Voronezh Regional Art Museum n. a. Kramskoy opened the Revived Collection Exhibition in the augmented reality format with the support by Sber. As part of that project, Sber used the Kandinsky Artificial Intelligence to restore the paintings of great Russian artists that disappeared during the Great Patriotic War. The restored paintings could be viewed online in a 3D gallery or offline in the Voronezh Museum n. a. Kramskoy.

Golden Gramophone National music award

Thanks to Sber's participation, the XXVIII Golden Gramophone Awards Ceremony became the most innovative in the history of this award. Artificial intelligence and neural networks (Kandinsky, GigaChat) were widely used at all stages of preparing and holding the event, from the generation of the visual component and script to the performance of music pieces. The co-master of the ceremony was Salut virtual assistant. The ceremony audience was about 107 mn people.

Tretyakov Gallery. The age of sports. On the occasion of the 100th anniversary of Moscow sports exhibition

As a long-term partner of the Tretyakov Gallery, the Bank prepared a new cultural and educational project of augmented reality in art as part of the Sports Age. On the Occasion of the 100th Anniversary of Moscow Sports Exhibition. The exhibition was widely covered by media and PR. The Sound Internet streaming audio service was engaged as part of the ecosystem partnership.

CULTURE

Nights in the Village ice show by T. Navka

Sber was one of the title general partners of the Nights in the Village project, the ice show freely adapted from the work of N. V. Gogol with the participation of Olympic champions and figure skating stars.

State Theatre of Nations

Since 2012, the Bank has been a partner of the Theatre of Nations. In 2023, new formats of using digital tools in the theatrical art were jointly found and implemented, among other things, plays with audio descriptions were staged which received positive feedback of the audience.

Malaya Bronnaya Theater

Sber has been a general partner of the Malaya Bronnaya Theater since 2022. Sber's cooperation with the Theater is efficiently built as part of the integration of ecosystem products and services: Afisha.ru ticket system, Sber's salary project and acquiring, discounts for Sber card payments, opportunities for the Bank's VIP customers, a special joint project with the content of performances, etc.

Serf 2 and Bremen musicians films

Sber is the general sponsor of Serf 2 and Bremen Musicians films. Sponsorship of those films is on the list of projects included in the Sber's product placement strategy.

PHYSICAL TRAINING AND SPORTS

Green marathon

Sber ran the tenth anniversary Green marathon, i. e. a charity and environmental race. 126 thsd runners and 120 thsd fans took part in it. The race became one of the most mass sports events in the country.

All funds that were raised by results of the registration of the race participants and charitable donations on the SberVmeste portal (more than RUB 12.5 mn in 2023) were transferred to the Investment to the Future Charitable Foundation and were applied to the planting of trees in the marathon regions.

Cyber sports competitions

In 2023, as part of its sponsorship of events held by the Computer Sports Federation (CSF) of Russia, Sber held its own Dota 2 Cyber Sports Tournament for the first time and was a partner of the School Leage and the Open Cyber Sports Games (OCSG).

Sber's Dota 2 tournament gathered almost 6 thsd participants and got over 30 mn views, the School League – 2 mn views, and the OCSG – 13 mn views.

Social Projects for the Population

Projects involving volunteers enable the Group to make a social contribution at the national level: 11 projects are partners of Russian national projects, and Sber was given a title of the Our Contribution Award Leader. Moreover, in November 2023, Sber volunteers joined the National Corporate Volunteering Council. Participation in the Council grants an opportunity to collaborate with other major companies, share experience and implement social, environmental and charitable initiatives. The Council comprises 326 companies from 35 Russian regions.

“Russia’s sounds”

On the occasion of the People’s Unity Day, Sber created the Russia’s sounds project so that everyone could hear folk melodies and musical instruments of different regions of the country and create their own track thanks to Sber’s modern technologies.

On the project website, anyone could create their own track based on four melodies in the folk style. Well-known folk motives – Kalinka-Malinka, Lezginka, Tatar dance music or shaman music – were reconceived to a new level with the help of AI, and they could be supplemented with parties of six folk instruments: dungura, vargana, pandura, gusli, zhaleyka, thalyan-garmun.

The website was visited by

272 thsd people

31.4 mn people were covered

“Russia” Exhibition and forum

Sber takes part in the Russia International exhibition and forum at the Exhibition of Economic Achievements (VDNKh) in Moscow. Sber Pavilion consists of ten halls and an office. The pavilion concept was human-centric: everything should serve so that a person can continuously develop, implement new projects. All installations were created by the multi-touch principle, i. e. an impact on different sense organs. The multimedia content was developed using Sber’s GigaChat and Kandinsky neural networks.

In various halls, guests could learn about the history of Sberbank, listen to lectures and seminars, get tips on business development, see the Mriya and Manzherok resorts, etc. A special area and an amusement park with virtual reality elements invited children. The pavilion was equipped with a ramp for wheelchairs and video about the exhibition in the Russian sign language was made for those with hearing disabilities. All employees received a special training in interacting with people with disabilities.

Educational Initiatives

Sber contributes considerable resources to the development of educational programs for children, students, adults, entrepreneurs and company executives. The focus is on artificial intelligence and occupations of the future related projects. Many of Sber's initiatives are aimed at improving financial literacy.

International AI challenge

In 2023, Sber held the International AI Challenge aimed at promoting AI technologies among children and young people and helping every child improve their skills in this area by solving the process tasks of business. The challenge co-organizer is the Artificial Intelligence Alliance. 251 teams from 47 countries participated in the Second AI Challenge. The contestants competed in five areas of AI technology application: medicine, creative industry, efficient production, image and video analysis, and agriculture.

Digital lesson

Digital Lesson is an all-Russian educational information technology project for schoolchildren. The project platform contains lessons created by leading Russian companies. One of the partners is the Academy of Artificial Intelligence for Schoolchildren of Sberbank's Investment to the Future Charitable Foundation. In 2023, the Academy prepared an Artificial Intelligence in Industries lesson for the project that was completed by 2.8 mn schoolchildren from Russia, Belarus, Kazakhstan, Uzbekistan, Tajikistan, Moldova and other countries.

IT for children

School 21 developed the Basics of Computer Vision, Neural Networks and Digital Creativity additional general development program. The course was organized for finalists of the Sputnik all-Russian and international competition of young research engineers by the Samara National Research University named after Academician S. P. Korolev. The main learning outcomes were the development of a generative adversarial network.

School 21

School 21 is a free Sber digital technologies school for those over the age of 18 who want to have an in-demand IT job. The project won the Brand of the Year in Russia 2023 national award in the Educational Services category and the Digital Organization Transformation category at CDO/CDTO SUMMIT & AWARDS 2023.

The project objective is to make IT education affordable to a wide range of people, provide the country with skilled experts and to promote its digital transformation. School 21 functions by the peer to peer principle: there are no mentors, lectures and grades, only individual or joint project work.

In 2023, Sber opened three School 21 campuses: in Surgut, Veliky Novgorod and Yakutsk. A total of six School 21 campuses functioned in Russia in 2023.

In accordance with the order of the President of Russia, in 2024 it is scheduled to create School 21 educational spaces together with regional authorities in the Republic of Buryatia, the Republic of Dagestan, the Republic of Ingushetia, Stavropol Territory, Volgograd, Kemerovo, Lipetsk, Nizhny Novgorod, Ryazan, Chelyabinsk and Yaroslavl Regions.

National technology olympiad

Sber presented awards to the National technological olympiad winners in the Artificial Intelligence category. The profile is co-organized by the Academy of Artificial Intelligence for Schoolchildren of Sberbank's Investment to the Future Charitable Foundation, with expert support by the SberAI team and the Sber school accelerator. As part of the final stage of the profile, schoolchildren were looking for new radiopharmaceuticals – medicines that use radioactivity for the diagnosis and therapy of cancer. The profile winners get an advantage when going to the best universities of the country (100 Unified State Exam points in the profile subjects or enrollment without exams), a monetary education certificate (the total prize fund is RUB 4 mn) and an invitation to internship at Sber.

In 2023, more than 6 thsd students from Russia and other countries registered in AI-profile.

> 27 thsd people

took part in the National technology olympiad according to the AI-profile in five years

Elimination of digital illiteracy

The Academy of Artificial Intelligence for choolchildren of the Investment to the Future Charitable Foundation became a partner of the third season of the Elimination of Digital Illiteracy Project. This is an all-Russian project for schoolchildren aimed at improving digital literacy and teaching cybersecurity.

For the third season, AI Academy experts created animated videos on the Digital Balance, Copyright, Digital Etiquette, Consumer Rights and E-Money topics. They are publicly available on the project website. As of the end of 2023, more than 600 thsd people viewed them.

In December 2023, passengers of Moscow public transport, including the Moscow Metro, Moscow Central Ring, electric buses, etc., could watch a new cognitive video on the topic of deepfakes. It should be noted that about 15 mn passengers use Moscow public transport every day.

KoMeta

In 2023, Sber launched KoMeta, the first in Russia educational project for startuppers in the metaverse[1]. The metaverse hosts lectures by leading business experts, business games, networking sessions, concerts, and has created a video content library. Visitors can create their digital avatars, communicate with other users and take quests by SberCat.

The metaverse saw SPIEF and EEF youth days broadcasts for the first time and held lectures of Knowledge. The First Marathon. As of the end of 2023, KoMeta was visited by 33 thsd unique users from 70 regions of Russia.

[1] The metaverse is an ever-existing virtual space where people can interact with each other through the digital technologies.

Accelerators for youth

In 2023, 53 thsd future entrepreneurs from Russia and 24 foreign countries took part in training of Sber's school and student accelerators. Participants take a free online course on the basics of technological entrepreneurship and digital product creation, and then achieve first business results of their projects together with mentoring entrepreneurs for ten weeks.

In November, to promote technological entrepreneurship in the country, Sber launched the Startup Race Entertainment TV Show about youth entrepreneurship, which featured ten finalists of the school and student accelerator. The show ran for six weeks on Friday! and Saturday! TV channels and in social media.

The participants learned about creative technologies, improved their teamwork, developed the skills of business negotiations led by star experts, and in the final series took floor on the Demo Day where they obtained investment proposals from venture funds and business angels for a total amount of more than RUB 80 mn. The TV show had more than 40 mn viewers, and social media views were more than 20 mn.

As part of the National Technical Olympiad, a category of Technological Entrepreneurship was created, as organized by the Sber and Higher School of Economics school accelerator. The profile was the top 3 of 39 profiles for schoolchildren of grades 8 to 11 in terms of the number of participants already in the first year: 4.5 thsd people registered for it.

Seven Russian universities created customized technological entrepreneurship programs based on the SberStudent accelerator.

Sber500

For the fourth time, Sber held its Sber500 flagship international IT accelerator, which is aimed at bringing the experience of the countries developed in this area to the Russian venture market. Russian entrepreneurs receive mentors' experience from around the world and apply the lessons learned in practice: during the program they get to know more than 30 partner corporations and 40 investors so that the parties can agree upon cooperation and transactions.

1,250 startups from 36 countries (20% of foreign applications) applied for participation in Sber500 in 2023. The core program included 25 teams from Russia, India, and Turkey. On the Demo Day, they received eight investment proposals worth RUB 240 mn. By the program results, the finalists' revenues grew ten-fold in average.

> RUB 3.2 bn
the total amount of investments in the accelerator graduates

Entry in the first grade

In 2023, Sber started providing free consultations for parents of future first-graders on how to enter a child in school through Gosuslugi and regional portals of public authorities. Sber employees provide consultations in branches in 65 regions of the country. If a person does not have a Gosuslugi account, they are helped to sign it up via the mobile Sberbank Online app.

Teacher's day

On the occasion of the Teacher's day, Sber prepared video congratulations for teachers and created a postcard generator based on Kandinsky and GigaChat neural networks which anyone could use.

In celebration of the holiday, Sber and partner companies posted special offers on the website and in the mobile Sberbank Online app: free educational courses, promo codes, discounts for bank products and communication services, etc.

Financial literacy for various categories of people

Sber continues to develop products and services to improve financial literacy of various customer categories. Thus, as part of Special Bank, educational materials for people with disabilities are created.

For pensioners, there is the Active Age portal. Apps and podcasts have been created for children and teenagers that teach them how to handle money in an understandable way.

For children from orphanages, Sberbank's Investment to the Future Charity Foundation developed a special financial literacy course held by volunteers.

For more information, please see the "Respect for Human Rights and Financial Inclusion" section.

IT educational projects for children and youth

- 2,900 children took and visited the MUZA intensive courses and laboratories in digital art.
- As part of the Code of the Future Federal Program, schoolchildren of grades 8 to 11 and college students filed more than 1,500 applications for Python.
- 500 children completed in-person training as part of the IT Gym project at the central office in Moscow.
- More than 100 talented schoolchildren learned about the most promising areas of the modern industry, from information technology, AI, electronics and robotics to biotechnology, motor vehicles and processing industry during the NOVOGRAD Summer Session (Nizhny Novgorod).
- School 21 was a thematic partner of Artek in the First in Space, Best in the World Session and the "From Dream to Reality" Technical Creativity Festival.

A unique career-oriented educational series Career Code was launched for the youth, with the participation of 20 experts from various business areas: EdTech, Fintech, IT, retail, and more than 400 Edutoria courses became available in the subscription with a youth card of Sber.



Interaction with Universities

One of the key components of Sber's education activities is partnership with leading Russian universities. Joint projects enable to open access to education for talented young people, develop science and advanced technologies, and educate high-quality personnel.

Sber partnerships within interaction with universities in 2023

1

Sber and a modern scientific and technological innovation complex for the development and commercialization of new technologies signed an agreement to create a database of university startups on SberUnity online venture hub

The agreement is part of the University Technological Entrepreneurship Platform Federal Project by the Ministry of Education and Science of the Russian Federation, according to which it is necessary to train 30 thsd technological entrepreneurs ready to start a new business by 2030. The agreement between Sber and the Skolkovo Foundation assumes that private investors who invest in university startups will be able to receive cashback of up to 50%. The database of university startups and investors is being created on the SberUnity online venture hub.

2

Sber and the oldest medical university in Russia agreed to jointly develop digital technologies in medicine

The core areas are the creation of artificial intelligence models, the development of digital educational programs and the creation of innovative products and services.

In 2024, experts of Sber and the university are going to conduct a study on the use of Chest CT and Chest X-Ray models.

3

Sber engaged students in artificial intelligence research

Sber obtained applications and chose ten teams from different universities across the country to work on fine-tuning and further configuring the models underlying the GigaChat neural network. Applications to participate could be filed by anyone. Student teams chosen by the Sber experts got the resources needed for experiments and access to the ML Space platform. SberDevices and Sber AI, Artificial Intelligence Institute and industry experts took part in the work as well.

4

Sber and one of the largest universities in St. Petersburg signed an agreement for the Information Law and Data Protection Master's Degree Educational Program

The program is intended to train lawyers specialising in the legal aspects of the processing and protection of information, in particular, personal data. This is an up-to-date area, and the need for such professionals will grow in the coming years.

5

The Edutoria Educational Platform, together with leading Russian universities, implements master's degree and additional professional education programs in the in-demand areas of training

Together with universities, six master's degree online programs are implemented:

- Content & Media Project Management with one of the state universities
- Product Management with one of the largest Russian universities
- EdTech Products Development and Launch with one of the technology research universities
- Data Science with one of the technology research universities
- Oil and Gas Business: Economy and Organizational Development with the State Oil Technical University
- Machine Learning and Data Science with one of the the Aviation Instituties

As part of the training, master's degree students will have internship with the Sber Group companies and partners.

6

Sber and one of the largest technological universities in Russia will launch the Technological entrepreneurship educational program

The new Technological entrepreneurship educational program was launched as part of the Innovation Studies area of training which was created on the basis of SberStudent for students, postgraduate students and university employees. Those enrolled will be able to study design thinking, technology trends, venture capital financing and other areas. The first enrollment will take place in 2024.

7

Sber and the Academy of National Economy were the first in Russia to issue a technological entrepreneur diploma

The additional professional education program was launched based on the SberStudent acceleration program. The educational course lasts 18 months. The program is available to second-year students studying in Moscow and at university branches in St. Petersburg, Kaliningrad, Nizhny Novgorod, and Krasnogorsk.

The graduates will receive a diploma that entitles them to conduct professional activities in the creation and development of technological business.

8

The consortium of universities for Personal Potential Development in Education with the participation of the Investment to the Future Charitable Foundation educates in personal potential development

The personal potential development in education: personalization and digitalization master's degree program is aimed at teachers, professors of pedagogical universities, as well as managers and employees of public and private institutions involved in preschool and school education.

Healthcare Initiatives

Sber takes care of people's health and well-being: it supports and promotes healthcare projects, among other things, develops high-tech medical services using artificial intelligence. Such services and solutions help each person conveniently take care of their health and health of loved ones, and also support doctors in daily work, when making diagnoses and allow you to reduce the load on doctors.

Health days at Sber

Sber's corporate culture is based on a responsible attitude towards the health of its employees and customers. In December 2023, as part of the annual Health Days at Sber event, lectures, webinars, competitions and presentations on health issues were held for employees and various campaigns were held at branches for Sber's customers. Sber's customers could purchase a medical program with up to 40% discounts.

AI medicine center

On the eve of the Healthcare Employee Day, Sber opened an Artificial intelligence medicine center at the largest national medical research center.

The Center's work is aimed at improving the patient care process by introducing efficient tested solutions and artificial intelligence models in the clinical practice, including a remote service for digital medical services, the top 3 doctor's smart assistant, Voice2Med voice filling-in medical documents.

Service for receiving medical assistance: appointment for face-to-face appointments, online counselling, remote monitoring

Sber is developing a service as apart of which one can obtain an online consultation, make a personal appointment with a doctor, for a diagnostics or a comprehensive examination and call in a doctor. The company also implements a project to remote monitoring of patients with chronic non-infectious diseases.

Healthcare artificial intelligence-based service

The online platform combines artificial intelligence-based medical solutions:

- The top 3 digital service has been installed at all Moscow adult clinics where it is used by 3.5 thsd doctors; it helps doctors make preliminary diagnoses based on patient's complaints.
- The digital assistant enables to make a final diagnosis based on data of electronic medical records for the last two years.
- A series of AI services that can analyze computer tomography images and identify pathology at an early stage is already practically applied.

In addition, the company produces AI-based medical equipment:

- Digital Medical and Obstetric Center is a hardware and software for mobile diagnostics that enables to examine a patient and receive an AI opinion on a real time basis.
- MDDC Cardio is a device for recording an ECG which results are interpreted by AI. It is used at feldsher-midwife stations and ambulance vehicles.

In total, Sber products are used in 57 Russian regions. They helped analyze over 20 mn medical data and studies.

Service for sale and delivery of health and beauty products

The service is a website and a mobile app where one can buy and order home delivery of medicines, hygiene products, beauty treatments, pet goods; it is available in more than 70 cities in Russia and includes 274 own pharmacies and 14 thsd partner ones. More than a million orders are fulfilled on this platform per month.

Since 2020, the online app has been adapted for people with disabilities. From 2023, the service participates in an experiment on remote trade in prescription medicines, which is carried out in three regions of Russia.

In 2023, the service won the Roskachestvo Award for Best App for Android Devices in the "Online Pharmacy" category.

Smart devices

In 2023, Sber released two medical gadgets for personal use.

Smart Blood Pressure Monitor: its purchaser obtains a three-month subscription for remote surveillance by a cardiologist. The blood pressure monitor is synchronized with a smartphone, so that when pressure is measured, data is automatically transferred to the mobile app in order to obtain digital medical services. The doctor reviews this data and can give advice, prescribe treatment or call an ambulance if necessary.

Smart Health Camera: it helps independently inspect the throat, nose and ears. For this purpose, respective fixtures are included in the set. The device is available in two versions: for adults (in the form of a pen) and for children (in the form of a giraffe toy). The camera is synchronized with the mobile app so that the examination results are transferred to the doctor.

Care for Employees



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Image generated by Kandinsky 3.0

CARE FOR EMPLOYEES

ESG Policy compliance

Action line III. Create decent working conditions and ensure development of human potential:

- ★ **Target 13.** Ensure decent working conditions, professional and personal growth, support the health and promote the healthy lifestyle among employees
- ★ **Target 14.** Contribute to the development of high standards in the area of decent working conditions and human potential development among clients and partners
- ★ **Target 15.** Assist with the development and promotion of national standards and best practices in the area of labor relations and human potential development

Action line IV. Ensure respect for and protection of human rights, provide an inclusive environment and equal access to products and services:

- ★ **Target 16.** Guarantee and protect human rights, ensure inclusivity and equal opportunities, including gender equality, for all the employees

Action line VIII. Facilitate economic well-being and prosperity for all:

- ★ **Target 38.** Create and support jobs

UN Sustainable Development Goals



Internal regulatory documents

- Staffing Policy of Sberbank of Russia
- Remuneration Policy
- Code of Corporate Ethics and Business Conduct

Material topics

- Labor relations and employment
- Health and safety
- Human capital development

Key results 2023

82%
of employees are satisfied with their work and feel that Sber cares for them

13%
is the employee attrition ratio at Sberbank

73%
is the employee engagement index

100%
of the Bank employees are covered by a collective bargaining agreement

49.7
is the average training hours per year for Sberbank employees

~210 thsd
employees were trained in various areas at Sberbank

Awards and achievements

- ★ Sber won the **Platinum Award** (the first place) **in the Ranking of Best Russian Employers 2023** by Forbes
- ★ **Sber was in the first group of the Best Employers Ranking by RBC**, having got the highest scores on the key criteria. Sber was recognized as one of the most efficient and innovative companies. The ranking did not award any places, participants were divided into three groups
- ★ **Sber was assigned the highest A+ rating** in the study held by the 16th Annual All-Russian Contest of Socially Responsible Business Corporate Charity Leaders
- ★ The It's Not Personal community in the SberFriend employees' mobile app was awarded the **Grand Prix in the "Building a Culture of Responsible Behavior among Employees" category of the ESG EXCELLENCE AWARD 2023** for its achievements in the sustainable development and corporate social responsibility
- ★ **Pulse HR Platform:**
  - was awarded the Grand Prix in the "Platform of the Year" category of the TECH AWARDS
  - won the Grand Prix in the "Universal HR Tech Platform of the Year" category and the second place in the "HR Tech Mobile App of the Year" category of the Digital Pyramid 2023 Award
  - became the Digital Platform of the Year (Grand Prix), and a 2nd degree awardee in the "Best Online Education Platform" and "Digital Solution of the Year" categories of the CDO/CDTO Awards 2023
  - and won more than ten awards: HR IMPACT 2023 award, HRM Expo 2023, Digital Leaders Awards 2023, Innovation Time 2023, New HR Practices 2023, CX World Awards 2023, etc
  - **The Summer Digital School project** won the IT HR Awards 2024 in the "HR Incubator" category
  - **The Sber Internship Center** was the winner in the "Best Program for Working with Young Professionals" category of the Graduate Awards 2023
  - **The School of New Professions project** became the Program of the Year in the "Employee Retraining" category of the Efficient Education Award
  - **The Read from A to AI project** won the Grand Prix of the SMART Pyramid 2023 award in the "Best Corporate Education Project" category
  - **Sber's Conscious Career Program** was the 3rd degree awardee in the "Best Corporate Training Program" category of the SMART Pyramid 2023 award
  - **Sber's Speech Exerciser: How to Get Maximum Information on a Candidate? project** won in the "Digital Solutions 2023" category of the WOW!HR 2023 award
  - The development of the Mobile Customer of the Pulse HR Platform took **the second place in the "HR Tech Mobile App of the Year" category** of the Digital Pyramid 2023 Award
  - **The Bank-Wide Financial Literacy Marathon for Sber Ecosystem Employees Project** won in the "Quality Education. Corporate Training" category of the Best ESG Projects in Russia Award

From HR Management to Unlocking Human Potential

GRI 3–3

Sber is continuously improving its HR policy and striving to expand employment and career opportunities, provides decent working conditions and keeps a balance between the professional and personal life of its employees.

GRI 2–23, 2–24, 408–1, 409–1

Sber strictly observes the labor law and adheres to the international principles enshrined in the United Nations Universal Declaration of Human Rights, the Guiding Principles of the Organization for Economic Cooperation and Development (OECD) for Enterprises, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact. The Group companies do not tolerate child and forced labor, discrimination on any grounds, and ensure freedom of association, as enshrined in the ESG and Sustainable Development Policy and the Code of Corporate Ethics and Business Conduct. Sber ensures that each employee has read and complies with the Code principles.

For more details, please see the "Business Ethics, Compliance and Anti-Corruption" subsection.

To efficiently manage its employees, Sber integrates advanced digital technologies into all HR processes. All HR operations, from hiring employees to making management decisions, are automated on the Pulse HR Platform thanks to the use of data science and AI technologies.

A person and his/her needs are at the heart of the Sber's corporate culture. Therefore, instead of traditional HR management, the company aims to create a collaborative and supportive environment where everyone can find their vocation and unlock potential.

In 2023, the Sber GigaChat and Kandinsky neural networks were introduced into the Pulse HR Platform. New generative models help HR professionals develop educational content by generating materials, program summaries, and illustrations to the training catalog. The employees have access to the function of generating and sending to their teammates unique greeting cards in the Pulse with the help of Kandinsky.

By the beginning of 2024, more than 350 thsd users from more than 20 organizations were connected to the Pulse. More than 170 thsd people use the Pulse every day.

Since 2022, to optimize the HR management processes, a model has been introduced in the Sber's HR cycle that unites all employees into four segments subject to the product or value they create, and enables to improve the HR processes to match the specifics of each segment.

Sber annually assesses human capital development risks as part of the self-assessment procedure in accordance with the Methodology for Self-Assessment of Risks and Controls of Sberbank. By the self-assessment results, the Group Operational Risk Committee (GRC) approves limits of losses caused by operational risk incidents for the next year for each functional block.



Employee Diversity and Inclusion

Social and Cultural Diversity and Equal Opportunities for All

Sber actively supports the principles of equal opportunities and transparency in the processes of hiring, remuneration, training and career development for each employee. The Group ensures comfortable working conditions and develops programs to support people facing difficulties in employment: the disabled, young people without any work experience, the elderly, and employees with children. The approach to diversity management is established in the Code of Corporate Ethics and Business Conduct, and Sber is currently developing a Diversity and Inclusion Policy that will set out the key areas for increasing diversity of its employees.

Sberbank organizes the diversity and inclusion training for its employees. In the reporting year, the majority of employees took ESG courses dedicated to the fundamental principles of diversity, equality and inclusion. The programs in this area include the "Sber for Everyone" course which is designed to help employees interact with the disabled people (the course covered 147,800 employees in 2023).

For details of Sber's inclusive projects, please see the "Respect for Human Rights and Financial Inclusion" section.

GRI 406-1

Sber protects its employees against all types of discrimination in accordance with the current legislation and applicable international standards. No discrimination incidents were reported in 2023. In 2023, Sber developed an inclusive index that enables to assess the share of employees facing certain restrictions. By the results obtained, steps are being taken to develop diversity and equal opportunities programs.

GENDER EQUALITY

Sber provides equal opportunities for career and personal development of its employees and strives to overcome gender stereotypes.

In 2023, the share of women amounted to 65% of the total number of employees, while the share of men was 35%.

Sber aims to achieve gender equality both among its employees and in its management bodies. To achieve this, Sber develops support programs aimed at a comfortable balance of work and personal life, for example, develops parental skills of its employees, helps onboard and re-onboard employees with children, among other things, provides flexible work formats.

The Group ensures that the principle of equal pay to men and women holding similar positions, as set out in the Remuneration Policy and the Collective bargaining agreement, is adhered to.

GRI 2-30, MED-32

100% of Sberbank employees are covered by the collective bargaining agreement.

The "In Harmony with Yourself" course is available for employees. Its objective is to help overcome barriers to self-realization, learn to set personal boundaries, and take care of physical and emotional safety (more than 50 thsd people completed the course).

GRI 405–2

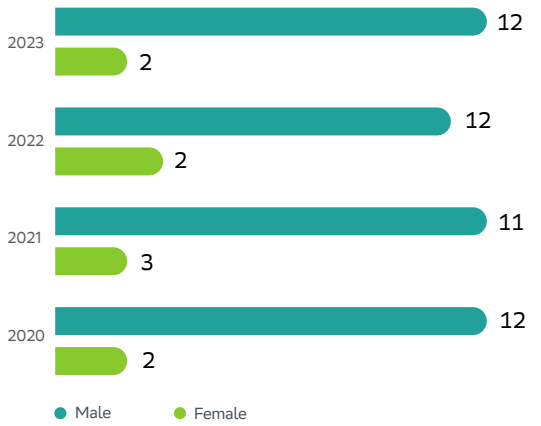
In 2023, the ratio of average wages of men and women amounted to 0.97. The average remuneration gap between women and men is 3%.

MED-44

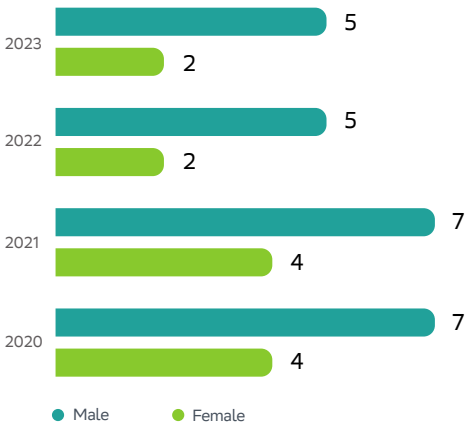
The share of women in Sber's senior management bodies amounted to 33%. The share of women holding executive positions is 64%.

[1] The methodology for indicator calculation was reviewed in the reporting year.

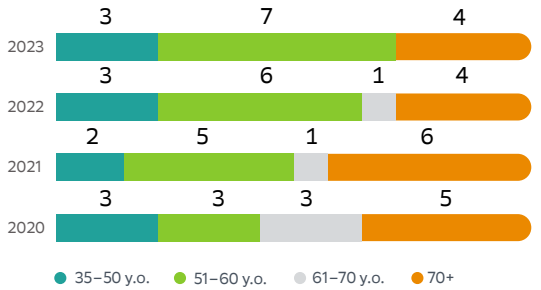
Composition of the Supervisory Board by gender, people



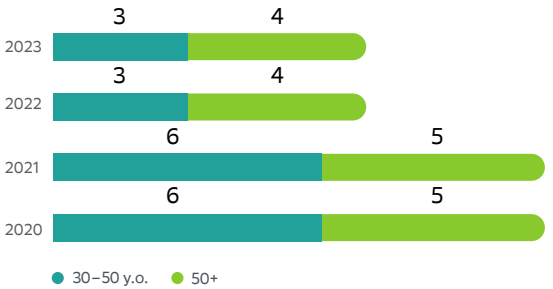
Composition of the Executive Board by gender, people



Composition of the Supervisory Board by age group, people



Composition of the Executive Board by age group, people



For more information, please see the "ESG Databook: Personnel" Appendix

INCLUSIVE EMPLOYMENT AND SUPPORT FOR EMPLOYEES OLDER THAN 55

MED-25

Sber has developed an action plan to promote inclusive employment. For this purpose, the rabota.sber.ru portal has a service for recruiting disabled people that enables them to better navigate vacancies and simplifies the job search for candidates with disabilities.

Sber helps other companies to develop inclusive employment as well. The Bank's experts have developed a guide for companies seeking to make their business inclusive, which includes, among other things, recommendations and a checklist for HR professionals.

A great deal of attention is paid to creating a comfortable environment at the workplace for the people of all ages and generations. Sber does not tolerate ageism and intolerance of people of all ages, helps develop professional skills and provides access to a wide range of educational programs and development opportunities.

SberTeam Active age

Sber helps the elderly to improve their digital literacy. For this purpose, the Active age information portal was developed which provides useful information on active life in retirement, health and finance. In addition, at Sber's digital skills school, elderly employees and customers have an opportunity to learn how to efficiently use modern digital products.

Project Results in 2023

- The cognitive health marathon had 10 thsd participants
- The Cognitive Health Days Festival had 9 thsd participants

A special landing page was created to overcome stereotypes about the elderly where one can take an ageism test.

The Social Projects Competition provides for the special category of Care for the Elderly in which 21 projects were announced.

Personnel Structure

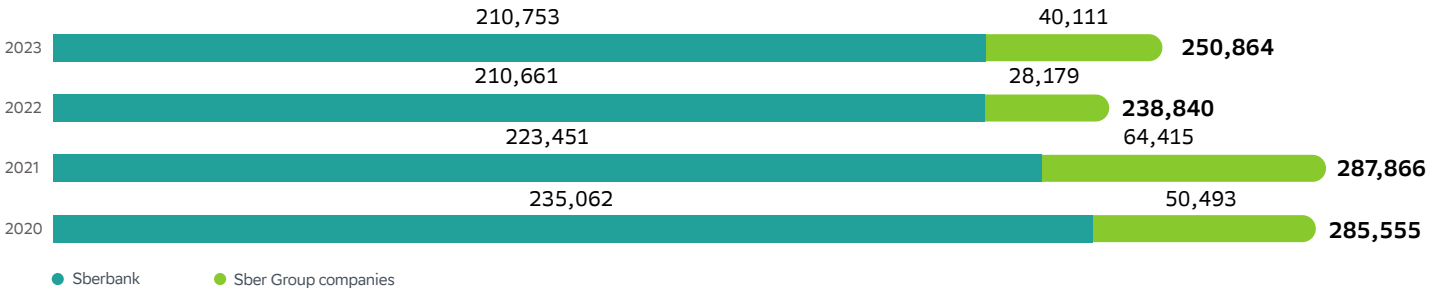
GRI 2-7

As of the end of 2023, Sberbank had 210,753 employees, and the average number of employees was 206,114[1] in 2023. 87% of employees work under the terms of an indefinite employment contract, 99% of employees are full-time employees. In 2023, the majority of employees were in the 30 to 50 age group.

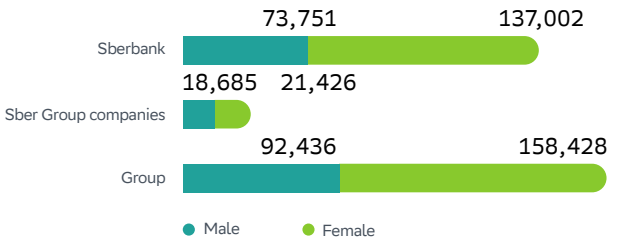
The number of IT professionals at Sberbank is growing every year. In 2023, 30,555 employees held IT positions which is 10% more than in the previous period. In addition, the Bank employs over 2 thsd employees whose work is related to science, technology, engineering and mathematics.

For more information, please see the "ESG Databook: Personnel" Appendix.

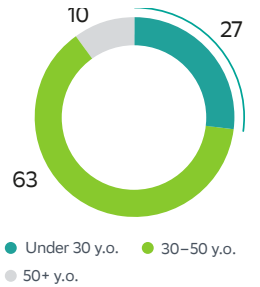
Actual number of employees, people



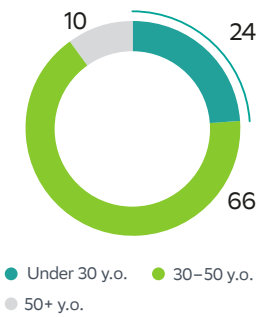
Total number of employees by gender in 2023, people



Sberbank employees by age group in 2023, %



Group employees by age group in 2023, %



[1] The headcount is given without taking into account employees on parental leave.
• Indicators were verified within the Sberbank boundaries.

Decent Working Conditions

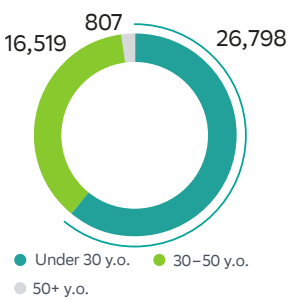
Sber cares about the well-being of its employees and creates decent working conditions for realizing the potential of each of them. Sber's priority tasks are to implement and improve innovative methods of choosing and onboarding, provide opportunities for professional development of employees, and ensure safe working conditions.

Hiring and Onboarding

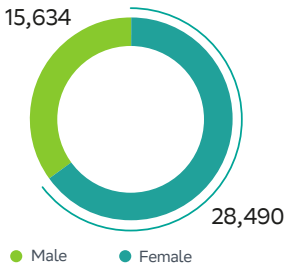
GRI 401–1

In 2023, the Bank hired **44,124** employees•

New employees by age group in 2023, people



New employees by gender in 2023, people



Ways to recruit employees

Hiring Tool	Description
Sourcing center	Efficient selection is ensured, among other things, by the Sourcing Center professional team. Its key task is to analyze companies leaving the market and recruiting highly skilled IT professionals who, becoming part of the team, are involved in the implementation of major Sber projects.
Job websites	Through strategies for posting and promoting publications on employment resources, Sber recruits the employees across the country. Platforms suitable for posting vacancies are chosen based on professional segments, target audience and search geography. In 2023, Sber received over 3 mn responses from job websites.
Sber's Career portal	Sber's Career portal is the company's own tool for recruiting candidates that enables to optimize candidate search costs. The portal informs candidates of the advantages of working at Sber and enables to form an idea of the company before a meeting with a recruiter. More than 2.4 mn unique users visited rabota.sber.ru in 2023, and 109,809 responses for Sber vacancies were received.
Referral program	Sber has been using its referral program, a system of references of the Bank's employees, as an additional tool for recruiting employees for more than eight years. Employees who joined the referral program are better onboarded and stay at Sber for a longer term than other candidates. The referral program also enables employees to participate in team building and to find motivated and highly skilled teammates. In 2023, Sber hired 27% of new employees under the referral program, a total of 127 thsd references were received that is 52% more than the last year.
One Day Offer	To improve the efficiency of selecting IT professionals, Sber runs the One Day Offer program: candidates can get acquainted with the development team, have a technical interview and receive a job offer at an online event during one day.

• Indicators were verified within the Sberbank boundaries.

In addition to other tools for recruiting new employees among graduates and students, Sber uses its own career portal:

- sbergraduate.ru

> 1.1 mn
unique users visited sbergraduate.ru in 2023.

In 2023, Sber held more than 2 thsd career events across the country (1 thsd in 2022), which were attended by about 520 thsd people. The employees held 106 tours around Sber's Kutuzovsky Avenue office in Moscow for schoolchildren and students (2 thsd participants). Sber develops Career at Sber social media communities to inform job seekers of career opportunities.

In 2023, Sber created
> 12 thsd
new job opportunities in Russia

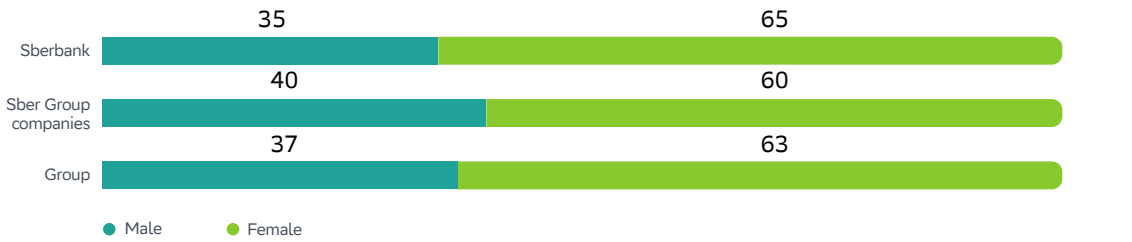
From the first days of work, new employees pass a special onboarding track on the Pulse HR Platform in order to get to know the Group more and immerse themselves in work processes successfully. They have many useful options available on the platform:

- Educational content on products, terms and principles of work;
- Functional profiles of each employee with details of their position, achievements, responsibilities;
- Transparent system of setting tasks and evaluating results;
- Communication and sharing best practices
- Informing of Sber's plans and important events.

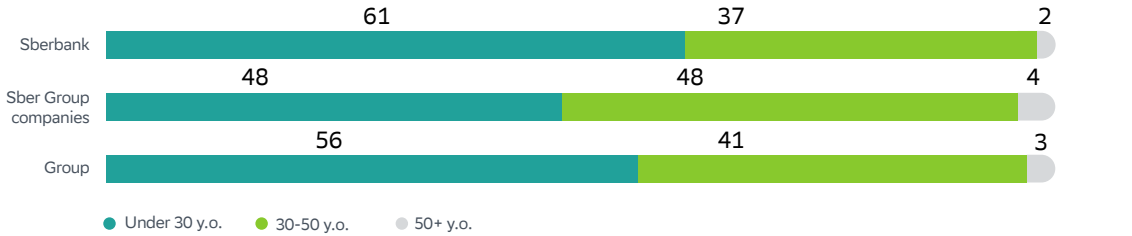
Each new employee is supported by an experienced teammate (buddy). In total, 8 thsd employees help newcomers to onboard. Due to this, the onboarding program is highly appreciated by both new employees and the executives.

For more information, please see the "ESG Databook: Personnel" Appendix.

New employees by gender, %



New employees by age group, %



Incentives and Remuneration

GRI 401–2

Sber develops various tools for financial and non-financial incentive of its employees. In order to create a comfortable work environment, the Group provides competitive salary, flexible working hours, relocation support, as well as access to the corporate benefits package, including grace mortgage, corporate pension program, voluntary health insurance (VHI) and other social programs.

The amount of remuneration is set, among other things, by results of assessment of employees' performance and commitment to corporate values.

Sber uses the following financial incentive tools:

- Bonuses determined by the performance of employees each month, quarter or year subject to the group of employees.
- Regular salary review in accordance with the market situation.
- Long-term remuneration programs that include the provision of real shares of Sberbank.

Sberbank continues to implement the long-term remuneration program based on the provision of shares for key experts with unique competencies and high potential. The remuneration program lasts for three years and enables employees to earn additional income in the form of the Bank's shares and dividends paid on them, thereby encouraging highly skilled experts to cooperate with Sber for a long time. The Bank also actively develops the Sber Shareholder community, which enables employees to share knowledge, communicate informally and learn the latest news and useful information on the governance.

GRI 202–1

70%
of employees consider the remuneration received for their work to be fair

4.78[1]
is the ratio of women's standard salary to the minimum wage[2] in Russia

4.98
is the ratio of men's standard salary to the minimum wage in Russia

>RUB 177 thsd
is the average salary of Sberbank employees per month

RUB 440 thsd
was the payroll in 2023[3]



10%
is the average percent of salary increase as a result of payroll review in 2023



91%
of Sber teams salary was increased

by 11 times
the Sber average salary exceeds the subsistence minimum in Russia for the working age population

[1] The ratio of average salary to federal minimum wage in 2023 for Line 1 specialists (mass personnel).
[2] Minimum wage means minimum compensation.
[3] Payroll fund accrued to employees during the reporting period.

Comfortable and Safe Environment

CARE FOR EMPLOYEES' HEALTH

GRI 403–2, 403–7

Ensuring safe and comfortable working conditions for its employees is one of the Sber's priorities. At the Group companies, the working conditions are at a high level thanks to the work of occupational health and safety professionals or relevant departments. Sber carries out a special assessment of working conditions at all workplaces on a regular basis following which it develops and takes steps to improve the working conditions, ensure occupational safety and mitigate professional risks.

GRI 403–1, 403–8

Procedures related to contracted work, optimal work and rest regimes at Sberbank are determined by the Occupational Health Management System (OHMS) Regulations and Occupational Health Policy. The Policy was developed in accordance with international and national occupational safety standards and is aimed at ensuring risk management in this area. In 2024, it is expected to update the documents governing occupational safety issues, and to transform the occupational safety management system, including the processes of identification of professional risks, medical examination procedures, mechanisms for involvement of the senior management bodies. The occupational safety management system applies to all Sberbank employees.

GRI 403–4, 403–5, MED-27

In case of occupational safety issues, complaints and proposals, Sberbank employees can contact a dedicated occupational safety professional in the office and the trade union. In 2023, training on the Occupational Risk Assessment and Occupational Risk Management programs were held for occupational safety professionals, as well as the "Technosphere Security. Occupational Safety" retraining were held for professionals.

- RUB 51.5 mn was spent on occupational safety measures.
- Over 140 thsd employees completed the occupational safety training.

GRI 403–9, MED-29

To monitor the efficiency of occupational safety work, Sber assesses key indicators, i.e. accident frequency and severity rates. In 2023, the accident frequency rate increased by 3% (to 0.39), and the accident severity rate increased by 13% (to 42.02). The increase in the indicators is largely due to an 11% increase in the number of days of temporary disability (from 3,115 to 3,446 days). In 2023, 82 work-related accidents were reported. All accidents are investigated in accordance with the legislation within the established period, all information on incidents is submitted to the Integrated Service Support Service Center for statistical recording at the Bank. No fatal accidents were reported in 2023.

Accident severity rate and accident frequency rate at Sberbank

Rate	2020	2021	2022	2023
Injury frequency rate[1]	0.32	0.42	0.38	0.39
Injury severity rate[2]	42.51	37.4	37.08	42.02
Total Accident Rate[3]	13.6	15.71	14.09	16

[1] Afr = T * 1,000 / C, where T is the total number of accidents within the reporting period, and C is the headcount of employees.
[2] Asr = D / T, where D is the number of days in the temporary disability period, and T is the number of accidents.
[3] Rtotal = Afr * Asr, where Afr is the accident frequency rate, and Asr is the accident severity rate.

CONVENIENT WORKSPACE

To ensure favorable working conditions, Sberbank has an office space standard in place, thanks to which the Bank maintains a productive work and business environment. Flexible work formats: remote work, flextime, shift work, etc. contribute to high-quality work of employees as well. The engagement study found that 70% of employees use these opportunities to maintain a work to personal life balance.

From 2021, Sber employees can work from other regions of Russia for up to three months a year. At that, all corporate benefits and terms of the employment contract continue to apply.

CARE FOR THE TEAM'S HEALTH

GRI 403–3, 403–6, 403–7

Sber creates conditions for employees' healthy lifestyle and supports their efforts aimed at health promotion. Thus, the Bank organized mandatory medical examinations of employees (preliminary and regular) at its own expense. Sber contributes as well to increasing the affordability of healthcare services by promoting advanced healthcare technologies:

- RUB 44.7 mn was spent to purchase special clothes, special footwear and other PPE for the Cash Collection Service.
- RUB 6.8 mn was allocated for the special assessment of working conditions.
- RUB 96.7 mn was spent for health resort treatment for pre-retirement age employees.

65 thsd employees
applied for additional VHI options

175 thsd
insurance policies were issued for employee family members

In 2023, the Ural Bank launched its Cardiocheck-Up pilot project for early diagnostics of cardiovascular diseases. The project helped identify cases requiring urgent treatment and prevent the unfavorable course of the disease.



25%
of employees made use of the preventive screening option as part of the VHI

Target corporate programs	Socially oriented programs	
Voluntary medical insurance and insurance against accidents and serious illnesses	Preferential health resort treatment	Benefits for moving to another region of presence of the Bank
RUB 5,004 mn	RUB 7.4 mn	RUB 569.6 mn
98% of employees	1% of employees	1% of employees

To support emotional health of the employees, 57 psychologist's offices were opened in 41 cities, a total of over 45 thsd consultations were held in 2023 (the option is available as part of the VHI). Moreover, a cycle of Anxiety webinars was held to develop skills to care for emotional health of employees and teams, and a unified landing page was developed that contains tools for developing viability and avoiding burnout.

Sberbankiada

In 2023, Sber held the 14th International Sberbankiada, the largest sports tournament among the Group employees, in Kazan. The sports games took place over three days, and the best athletes of Sber competed for 49 sets of awards.

On the eve of Sberbankiada, the Sber Expo Fan Park, a platform for fans and competition participants, was opened. The Fan Park hosted an exhibition of regional banks with cultural and historical features from various regions of Russia, as well as stands of Sber's partner companies. Various master classes, tournaments and artist performances were held for the participants on the venue.

Event Results:

- more than 2,500 participants.
- 18 employee teams from Russia, Belarus, and India.
- 10 sports.

MEDICAL INSURANCE

Sber provides its employees with free medical insurance, life insurance and accident insurance (under voluntary medical and accident insurance programs). Insurance of employees is arranged from the first business day, including the probation period.

Employees also have the right to additional corporate insurance options, including:

- Preventive screening.
- Psychological support service.
- Telemedical services.
- Preferential conditions for the purchase of medical policies for children and close relatives.
- Discounts on pregnancy and childbirth support programs.

SBER'S SUPPORT FOR CHILDREN AND PARENTS

GRI 401–3

Sber supports employees with children by developing services that help maintain work-life balance and develop parental competencies and family relations.

The Sber for Children and Parents program includes:
- Support of employees (both women and men) during and after child-care leave.
- Development of parenting skills.
- Support for the children of employees in obtaining useful knowledge and skills for their future life.
- Holding of events and provision of services for teenagers to make career choices.

In 2023, Sber held a traditional career guidance event "Open Prospects Day" for the children of employees: 2,500 participants completed assignments on Motivation and Goal Achievement, following which 381 winners were invited to SberUniversity campus for a two-day in-person event. In addition, a series of events called Open Doors Day was held in the reporting year, where 15 thsd children learned more about their parents' work.

Sber also provides educational programs for parent employees. In 2023, 10 thsd people took the Mindful Parenting course on parenting and building trust-based relations in the family.

PENSION PROGRAM

In 2023, the main focus was on improving the special-purpose corporate programs.

In particular, the Bank has a Corporate Pension Program based on parallel participation of an employer and an employee: an employee makes a personal contribution to form his/her future pension, and the Bank co-finances these contributions. This approach allows increasing pension and maintaining the usual standard of living after the end of employment.

In 2023, the share of co-financing of contributions made by the employees under the Corporate Pension Program increased from 3 to 5% of the semi-annual salary. All employees have the right to join the program upon completion of their probation at Sberbank.

Corporate Pension Program

RUB 841 mn

4.42% of employees

HR Impact 2024 Award

★ The Mindful Parenting course won the first place in "HAPPINESS & WELL-BEING" category of the HR Impact 2024 Award as the best project developing the culture of happiness and well-being of employees

In 2023, the number of employees who took child-care leave amounted to 11,595. During the reporting period, the number of employees who returned to work upon completion of their maternity leaves, made up 5,097 people.

Sber helps employees in their parental roles and provides them with financial support in case of birth or adoption of a child. When going on a child-care leave, employees retain access to corporate mail and the Pulse platform so that they maintain contact with their team, preserve and develop their professional skills.

Employees on maternity leave have the opportunity to make additional income by completing tasks on the TagMe data markup platform. The results of such tasks are used to train the artificial intelligence.

INVOLVEMENT ASSESSMENT

In 2023, an involvement survey was conducted among the employees. It included about 97 thsd employees of Sberbank (46%), with a total of over 50 thsd comments. In 2023, the involvement index decreased by 5 p. p. as compared to 2021 (the survey is conducted every two years) and was 73%. The main involvement drivers observed in the reporting year were Sber's technological level, developed corporate culture, executive team spirit, as well as employees highly appreciated the care of managers and opportunities for development.

Involvement assessment in 2023, %

Satisfied with working at Sber	82
Feel cared for by Sber	82
Proud of working for Sber	82
Recommend Sber as an employer	73
Motivated to take on work that goes beyond the scope of their official duties	69
Motivated to take more effort when doing their job	67
Would like to work at Sber for more than 5 years	74

TEAM MOOD MONITORING

Sber has a system in place for monitoring the team's emotional state: pulse surveys of the mood allow understanding the level of calm and the reasons for it. The survey provides for quick collection of information about the current efficiency barriers, the support needed for employees, and the managers' actions required to take care of the team. The managers of the units with the survey indicators being with special focus area receive insights in the HR system with recommendations on what is important to do to improve the situation.

In 2023, the employees consistently highly appreciated the support of their team, manager and Sber, with 86% of them stating a high level of calm. During the year, there was an increase in energy levels and a decrease in the number of burnout symptoms among the employees.

In addition to regular surveys, Sber conducts spot measurements of team climate to identify any problems and difficulties in individual teams. The cause for climate measurement may be a new manager assignment, team changes, poor mood survey results, etc. Such measurement provides the manager and HR specialist with comprehensive high-quality information about the team's strengths and focus areas, which require special measures for the team to have productive and motivating climate. Based on the measurement results, a teamwork plan is developed/adjusted.

Sber employees can ask questions and send queries via the 24-hour internal online system of HR service consultations. For feedback on HR issues, employees can also call the HR contact center or send letters in electronic or paper form. All channels ensure the confidentiality of queries and are open for a variety of issues, including those related to discrimination.

In 2023, 1,978 HR-related complaints about the labor practice, material incentives, ethics, etc. were received. The share of issues related to the labor practice is 4% of the total number of queries received within the reporting period. Each received complaint is accepted, processed, and provided with feedback.

Number of HR-related complaints

	2020	2021	2022	2023
Number of HR-related complaints filed through formal feedback mechanisms within the reporting period, including:	2,243	2,335	2,184	1,978
• number of complaints about labor practices submitted to the HR Unit in connection with corporate culture	127	78	69	71
• processed and resolved within the reporting period	100%	100%	100%	100%

CORPORATE OMBUDSMAN SERVICE

If an employee faces a problem or a dispute and cannot resolve it using standard channels of communication, he/she may apply for independent examination and support to the Corporate Ombudsman Service, which is accountable to the CEO and Chairman of the Executive Board of the Bank.

RETENTION AND LEAVING

GRI 401–1, MED-33

In 2023, 27,294 people made a decision to continue their career and life outside the Bank. Compared to 2022, the employee attrition ratio decreased by 0.5 p. p. and amounted to 13% in the Bank and 17% in the Group. To reduce the employee attrition, Sber regularly analyzes the factors that influence employees' decisions to terminate their career in the Group.

Sber uses the practice of exit interviews for all leaving employees in order to analyze staff loss. This provides for more efficient application of employee retention tools and prediction of losses upon termination. Based on the interviews conducted within the reporting period, it was decided to improve the remuneration management system, the employee performance assessment system and incentives for efficient employees.

Sber has Alumni community, a community of specialists who leave the company but do not want to lose contact with it. It helps such professionals keep up to date with the Group's news and events, and simplifies the return to Sber thanks to special selections of vacancies and a chat with HR experts. In 2023, the community included 3,280 people.

For more information about the attrition rate, please see the "ESG Databook: Personnel" Appendix.

Advantages of the HR Pulse platform for employee retention

In 2023, Sber's focus was on supporting emotional health of employees and preventing burnout, which is a common reason for voluntarily resignation. Thus, AI assessment models built into the Pulse platform for assessing personnel outflow risks allowed retaining 10% more employees in 2023. The system analyzes the state of employees against a variety of indicators and draws manager's attention to burnout factors for the latter to take timely measures to support and retain the team.

In addition to employee retention, AI technologies are also used in Pulse to solve other internal problems.

Since 2022, the platform has been successfully used by other employers to comprehensively improve HR management efficiency as well. More than 20 organizations are its users.

Training and Development

GRI 3-3

Continuous development of employees is considered the key to the Group's success. Sber is interested in high-quality training and development of its employees by providing a wide range of tools and resources.

Sber offers its employees a flexible educational system to ensure continuous training.

MED-30

~210 thsd

employees were trained in various programs

49.7

average number of training hours per each Sberbank employee per year

Training Programs

GRI 404-2

Employees are highly interested in training due to the following advantages of Sber's training programs:

- Selection of educational content based on artificial intelligence.
- Variety of programs offered by Sber in high-demand areas and the possibility of retraining.
- Wide information support for training and development.

Temporary employees and contractors have access to free open training materials on various platforms of the Group: Virtual School, Sber website, SberPro, SberClass, Edutoria.

Sber is continuously improving its employee training system: in 2023, in total 372 courses were developed and 362 programs for various categories of positions were updated.

In addition, 163 new educational products were created and 100% of programs were improved on the basis of the corporate university.

In 2023, training programs for 90 thsd Sber branch employees were transferred to a uniform online platform. Due to the digitization of training programs, the economic effect on business exceeded RUB 100 mn.

Key awards

Crystal Pyramid 2023 Award

Sber's educational projects received awards in several nominations of the Crystal Pyramid 2023 for achievements in HR management and human capital development.

- ★ Corporate university won the Grand Prix in the "Corporate University 2023" category
- ★ The HR-Weekend project from SberEducation won the third place in the "HR Solution of the Year" category

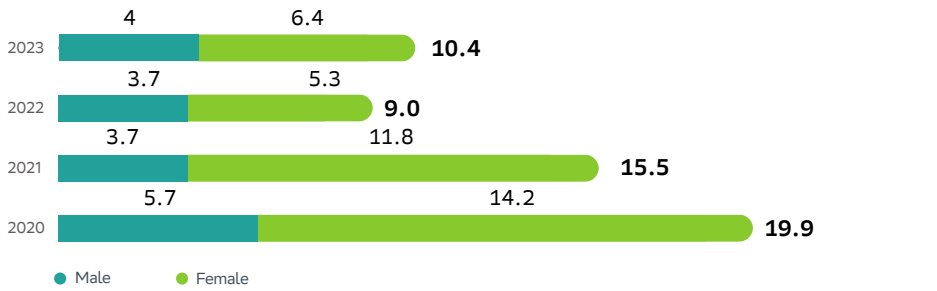
Digital Pyramid 2023 Award

Sber's digital educational projects won top prizes in HR Tech Training Platform of the Digital Pyramid 2023 Award: the development of the Tool for Training Paths on the SberUniversity Educational Platform won Grand Prix, and the HR Pulse platform won the 2nd degree laureate diploma.

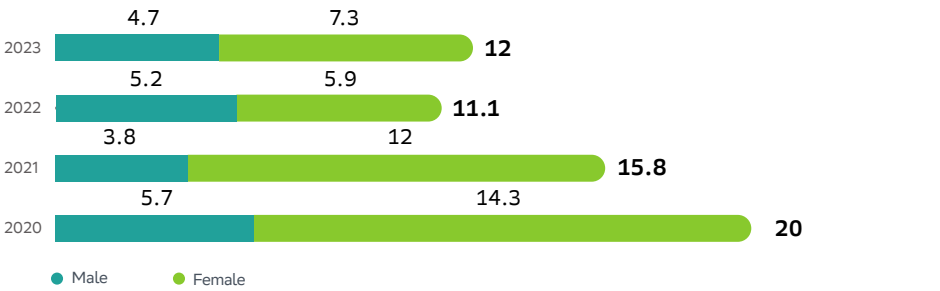
Examples and outcomes of training and professional development in 2023

Program	Topic	Course/program duration, hr	Total participants in 2023, people
ESG: Introduction	Course in ESG agenda impact on business, identification and management of E, S, G risks, mechanisms for reducing the companies' negative impact and increasing sustainability	6	85,417
STEP: Sber Top executive program	Program for training the leaders among top managers who are able to initiate and manage customer-focus changes under high uncertainty. The program includes project work as part of which participants can create a new line of business at Sber with the support of key managers	310	49
Digital leaders	Professional retraining program for digital technology executives: training in key aspects of data analysis and machine learning technologies and prerequisites for their effective use in business processes	427	212
Sber 2023: Re-Inventors	Professional retraining program for middle managers: improving the competencies in developing comprehensive digital products, as well as managerial, leadership and personal skills	449	103
Sber Mini-MBA	Program for the line managers for developing managerial knowledge and skills required for efficient performance of their duties in accordance with Sber's strategy and the corporate competency model, motivating for further continuous development	588	600
Leaders Team programs line	This program promotes team efficiency by understanding the current and desired state of the team, as well as by developing the necessary skills of its members: formation and consolidation of newly created teams, self-actualization of team using special tools of team coaching, conflict resolution and productive climate creation	180	554
Executive workshop programs line	Program for front-line unit managers aimed at their own development and improvement of the performance of their teams. Participants study management standards, practice with colleagues in training situations, gain confidence at the beginning of their job	22.5	5,738

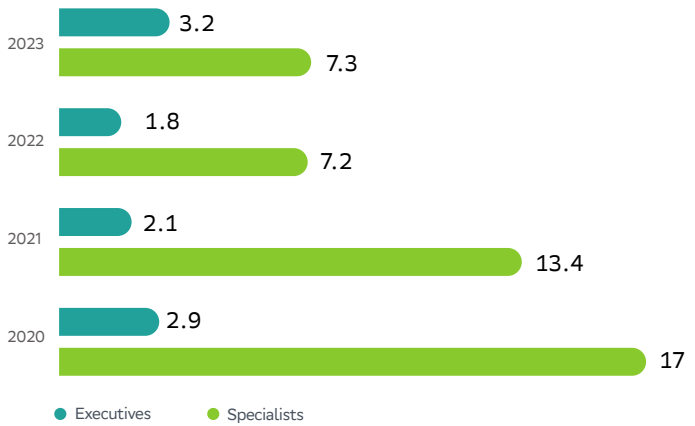
Total number of hours of training of Sberbank employees by gender, mn hr



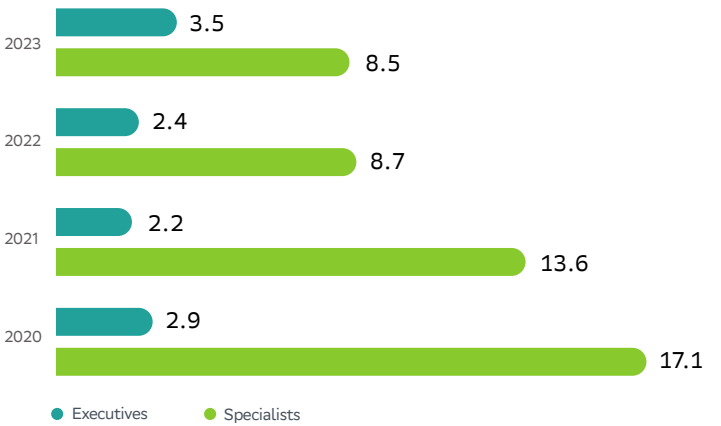
Total number of hours of training of the Group's employees by gender, mn hr



Total number of hours of training of Sberbank employees by category, mn hr

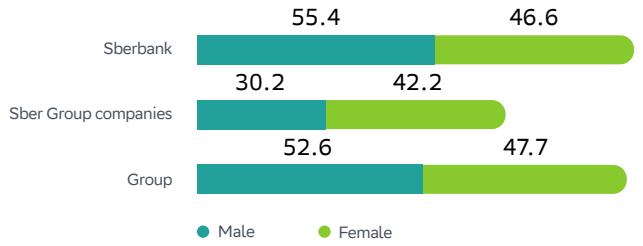


Total number of hours of training of the Group's employees by category, mn hr



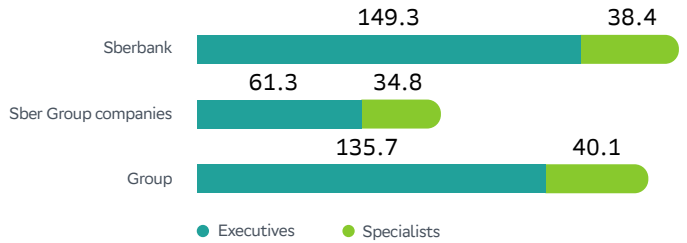
GRI 404-1

Average number of hours of training per employee by gender in 2023, hr•



MED-31

Average number of hours of training per employee by category in 2023, hr



GRI 404-2

Sber is enhancing promotion prospects in order to maintain jobs and ensure employees' confidence in future. Thus, Sber is developing an internal transfer culture: 20% of vacancies were filled by internal candidates in 2023. Moreover, the Group implements special programs to rebuild career paths or find new job in their professional area:

- **School of New Professions** is aimed at training employees in high-demand IT specialties, including Java developer, Data Scientist, Data Analyst, Data Engineer, and others.
- Relocation program for employees of starting positions expands their career development opportunities in Sber.

School of New Professions won the Effective Education 2023 Award in the "Employee retraining" category

The School of New Professions Project helps employees rebuild career paths, master new competencies or successfully develop within their chosen career track. During the project, more than 20 paths were implemented in such areas as programming, testing, data processing, analysis, agile roles, customer service, problem assets and HR. Employees can choose any of ten and more in-demand specialties, such as Java Developer, Kotlin Backend Developer, Frontend Developer, Business and System Analyst, Data Scientist and others. Retraining programs were developed jointly with SberUniversity and Sber experts.

• Indicators were verified within the Sberbank boundaries.

Development Opportunities

Sber has a comprehensive talent management system in place.

As part of the employees' career development, work is underway to prepare executive successors. In 2023, successors of 94% of Sberbank executives were selected. Successors are verified at annual HR commission meetings when discussing the current managers.

In addition to career advancement opportunities, Sber employees have access to modern development tools, such as:

- Coaching and mentoring (work with a mentor).
- Shadowing (internships with a manager).
- Regular career dialogue with a manager.
- Participation in cross-functional business projects.
- Offline and online training programs.
- Automated service "My Career" (one can select the desired positions for the next career step, subscribe to them and send his/her resume profile as soon as a vacancy opens).
- Service "Search for Talents" for managers enabling to search for candidates for their teams from among internal employees.

GRI 404–3, MED-5

For the purposes of professional and personal development, all employees undergo an annual performance assessment in goal achievement, as well as a multi-party performance assessment, following which they receive feedback not only from immediate supervisors, but also from colleagues, direct subordinates and other employees. The most prominent results of the assessment system development achieved in 2023 were:

- Development of in-house professional assessment program called SberPrivacy certification and ensuring its availability to external customers.
- Launch of SberQ 2.0 tests for systemic development of managers.
- Development and implementation of a new soft skills assessment tool for line management,
- Development of approaches to non-questionnaire assessment methods.
- Redesign of executive assessment tools — 360 Assessment and NPS.

An employee receives support at each stage of his/her development: at the beginning of the career path, he/she is assisted by a buddy and a mentor, to reach maximum performance and realize his/her potential the employee is assisted by a mentor and coach, and promotional planning involves a career consultant.

Sber continues to develop the peer-to-peer system through career counseling, mentoring and coaching, development of communities, mentors and buddy. In 2023, the most important achievements were:

- **Career consulting:** ~3 thsd applications for consulting were received.
- **Mentoring and coaching:** a 1.5x increase as compared to 2022, the total number of mentors was 1 thsd, mentees were 1,050, coaches were 210.
- **Communities:** 13 professional communities (22 thsd members), 8 interest communities (4,200 members), +1 metacommunity, 3 flows of community training program.
- **Mentors and buddies:** over 8.7 thsd new employees had a buddy in 2023.

> 80 thsd
Sber employees took a new career step in 2023

12%
of employees opened career prospects in another city or region

29%
of employees got new opportunities for development in their team

49%
of employees grew in grade

19%
of employees transferred to another team

In 2023, communications, support tools, new improvements in Pulse platform, as well as greater involvement of all participants, resulted in the increase of a number of indicators related to career development of internal candidates:

- The monthly audience (MAU) indicator of My Career service increased **by 30%**.
- The MAU of the "Search for Talents" service increased **by 60%**.
- The number of responses from internal candidates increased **twofold**.
- The number of subscriptions to career mailings increased **by 25%**.
- The number of candidates added from the service "Search for Talents" jumped **10 times**.
- The number of transitions between career tracks increased **2.4 times**.

The training program for internal facilitators working with the teams was launched in the reporting year to ensure successful communication between the employees.

In 2023, mentors and coaches actively spoke at external events and conferences and shared their experience:

- 12 Sber mentors participated in Russian Best Mentor Award and advanced to the finals, two of them became winners, and one mentor received an audience choice award.
- 11 Sber coaches took part in top 3 Business & Executive Coaches 2022, six of them became finalists, and two became the winners.

Read from A to AI.
As part of the program for reading interest development among the employees in 2023:

- Interest in books has grown 1.4 times since the movement launch.
- Sber Reading Community including 13 lectures, 23 bookcrossing points, 7 book clubs, 6,400 participants was launched.

Investing in the Future: Support of Youth and Students

Promotion of cooperation with higher and secondary specialized educational institutions is considered to be a strategically important component of Sber's HR policy. This area of work contributes not only to attracting new employees, but also to improving the professional skills of the existing ones.

In 2023, Sber continued to promote cooperation with 450 Russian universities. More than 60 joint educational programs were successfully implemented. Sberbank has entered with the leading universities of the country, including eleven institutions in which Sberbank has basic departments, into the key partnerships through which it implements its educational, scientific, professional, educational projects. In total, more than 395 thsd students are trained on Sber's content.

Sber supports young talent initiatives and implements Career of the Future youth program promoting the development of in-demand skills and increasing the chances of successful employment. In 2023, more than 4 thsd students completed the training program, which included electronic courses from corporate university on the development of soft, digital, cognitive and professional skills.

Digital summer school

In 2023, Sber held the fourth session of the Digital summer school for the teachers of special secondary and higher educational institutions of Russia. The goal of the Summer Digital School is to develop teachers' skills in digital finance and technology, sustainable development, soft skills, risk management for further application as part of the student training programs.

In the reporting year, Sber increased the number of training tracks from six to eight areas, including a sustainable development track.

1,600 teachers from 249 educational institutions and 140 cities of Russia were trained at this School, 1,015 of them received advanced training certificates. Accordingly, the number of students who receive the knowledge and experience provided by Sber increased by two times to 265 thsd people.

In 2023, Sber, together with partners from the AI Alliance, initiated the development of the first national rating of universities based on the quality of training of AI specialists. The quality rating of Russian university related to AI specialist training was developed by the Alliance by order of the President of Russia dated 29 January 2023 with the support of the Russian Government and the Ministry of Science and Higher Education of the Russian Federation. The results are expected to be useful for attracting the young people into AI education sphere, demonstrating the prestige and economic benefits of these professions for national economy, as well as the demand for AI specialists in the labor market.

For more information about interaction with universities, please see the "Social Responsibility and Population Support" section.

Sber internship center

Sber's Internship Center uses automated technologies for hiring interns and supporting personnel issues, provides support via Center's curator and unit's mentor, and makes it possible to develop a flexible internship schedule to combine it with studies. These tools make Sberbank more attractive as an employer among the youth and increase the effectiveness of internship programs. Once they have successfully completed their internship, graduates continue to build their career at Sber.

Results of the Center's Work in 2023



60%
The internship conversion rate



The former interns joining the staff are
30%
more likely to receive high ratings



The Internship Center's graduates get promotion
48%
faster

In 2023, more than 36 thsd young professionals joined the Sber's team. Academic partnerships make a significant contribution to attracting young employees: about 2,700 fledgling specialists in digital areas joined the team after completing the student programs and projects (57% of the total number of young specialists).

Over 1 thsd IT and digital students took part in SberDaily lecture series held with participation of Sber's top management.

1,680 students
started their internship at Sber in 2023

> 9 thsd
students from all over the country completed practice at Sber

Popularization of Technological Entrepreneurship

SberUp corporate accelerator helps employees launch their own IT business. SberUp provides an opportunity for each participant to undergo the intensive training in the basics of entrepreneurship and startup launches, and receive personal mentor support. Since 2018, over 3,700 people have completed the program.

In 2023, Sber won the GIA corporate innovation award in the “Best Internal Innovation” category for the product developed by SberUp graduate and used as the basis for the PharmInsurance product.

Development of digital entrepreneurship among the youth

Together with one of the largest universities in the country, Sber held a hackathon among the students and schoolchildren for IT projects in ecology, inclusion and tourism. The hackathon was held on the basis of a technological hub in Ekaterinburg, where the teams developed software for three cases:

- **Hello, Ekaterinburg!** is a product for those who want to know the city better and attend the most interesting events
- **ReadAI gestures** is a service for hearing-impaired people
- **Big City Ecology** is a service developed to improve the city’s ecology through residents’ alarms

Hackathon results:

- 38 teams from seven regions took part in the event; the competitors’ age ranged from 15 to 25 years
- Six finalists were granted the right to continue their projects within the framework of the accelerator from a partner university and bring them to the commercial stage

Among SberUp winners



85%
of the employees have high performance ratings



54%
of the employees were promoted



23%
of the employees were appointed as successors, who can become managers



42%
of the employees were classified as the candidates with high potential of product owner status

Corporate Volunteering Development

Sber is a space where everyone is appreciated. Sber's corporate culture promotes employees' actions aimed at unlocking their potential and creates a conscious attitude to work and life, thus increasing the efficiency of the Group's large team.

Sber draws employees' attention to the importance of the principles of social responsibility. Due to comprehensive work, employees are well aware of and apply the ESG principles in practice. Thus, in the reporting year, 81% of employees were familiar with Sber's ESG strategy, understood its goals and priorities, and more than 76% were aware of their role and contribution to the achievement of Sber's ESG goals.

Sber provides an active support to charitable and social initiatives and promotes corporate volunteering, by engaging employees into important social projects. In 2023, Sber's volunteer movement comprised 25 thsd participants, and Sber plans to double the number of volunteers up to 50 thsd people by 2026.

Days of universal support of donating bone marrow

In 2023, thanks to bone marrow donation campaigns, 2,500 Sber employees were entered into the register of potential donors. The campaign was held in all regional banks simultaneously. The main organizers were Sber volunteers, bone marrow donation ambassadors.

750
volunteer campaigns
were implemented in 2023

Volunteering 2023 in figures

Total participants	**26 thsd**
New participants	+39% per year
Sber volunteer platform visitors	~30 thsd
Volunteer campaigns	750
Meetings between managers and volunteers	150

For more information about socially important projects, please see the "Social Responsibility and Population Support" section.

Social Projects Competition

To engage employees in volunteer events, Sber holds an annual internal Social Projects Competition. In 2023, 212 applications for the participation in the seventh Competition, including 29 projects, which became the winners of the Competition, were received from all over Russia.

The projects implemented within the reporting year referred to the following categories:

1
“I care for older people”
Improving well-being of vulnerable categories of citizens over working age, having disabilities and/or severe life-threatening diseases

2
“I care for nature”
Protection of the environment, minimization of the ecological footprint, conscious consumption, including educational activities

3
“I develop the environment and society”
Developing the urban environment and social infrastructure, promoting a culture of safety among the population

4
“I care for children”
Improving the well-being of vulnerable categories of children and families with children and promoting foster parenting and support for foster/replacement families

5
“Our memory and traditions”
Preservation of cultural values and traditions, historical memory, patriotic education

6
“Sports and health”
Development of blood donation, preservation of mental and physical health, promotion of physical culture and sports, a healthy lifestyle

7
“I give hope”
Helping people being in a difficult life situation

8
“I care for animals”
Protection of homeless animals, preservation, study, protection of wild animals, promotion of responsible treatment of domestic animals, prevention of violence against animals

Sber continues to develop anchor federal projects

Project name	Project purpose	2023 results
Dementia.net in cooperation with the Charitable Foundation “Memory of Generations”	A project aimed at protecting cognitive health of older generations: over 200 certified Sber volunteers regularly conduct educational and preventive trainings on dementia issues among older people	Over 14 thsd participants in 42 cities The project was among the winners of the Russian competition of the best practices of active longevity
Financial literacy for orphans in cooperation with the Investment to the Future Charity Foundation	A socialization project for training of the children without parental care in financial behavior issues	Over 2 thsd children from 63 orphanages

Examples of the projects – winners of the competition:

“Dobrozelen”

★ Volunteers from the Bashkir branch organized cultivation of microgreens in a boarding house for disabled and elderly people in the village of Starobaishevo. Thanks to this project, the wards have an opportunity to grow greens and add them to their diets

“Inclusive Environment”

★ Sber’s volunteers create opportunities for amputees to go in for sports, to participate in public and cultural life, which contributes to their efficient resocialization

Respect for Human Rights and Financial Inclusion



Image generated by Kandinsky 3.0

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283 Financial literacy and Well-being

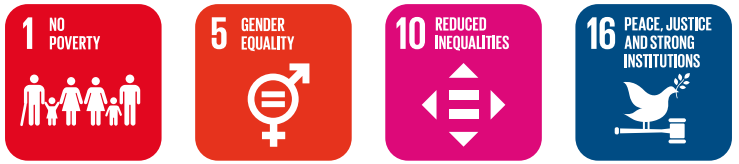
RESPECT FOR HUMAN RIGHTS IS ONE OF THE FUNDAMENTAL VALUES OF SBER

ESG Policy compliance

Action line IV. Ensure respect for and protection of human rights, provide an inclusive environment and equal access to products and services:

- ★ **Target 16.** Guarantee and protect human rights, ensure inclusivity and equal opportunities, including gender equality, for all the employees
- ★ **Target 17.** Create barrier-free environment in Sberbank branches
- ★ **Target 18.** Assist in implementation of best practices aimed at guaranteeing and protecting human rights, provide an inclusive environment and equal access to products and services among the clients and partners
- ★ **Target 19.** Improve access to financial and non-financial products and services, including socially important products and services for vulnerable groups
- ★ **Target 20.** Contribute to an improvement in the financial literacy of the general population
- ★ **Target 21.** Participate in the development of national standards and best practices in inclusivity, guaranteeing and protecting human rights

UN Sustainable Development Goals



Internal regulatory documents

- Code of Corporate Ethics and Business Conduct
- Code of Corporate Social Responsibility in Procurement Activities

Material topics

- Financial inclusion
- Development of technology and innovation; digitalization
- Customer satisfaction
- Contribution to social development

Key results 2023

- **Sber presented a Russian sign language recognition model** to be used as the basis for an AI translator
- **1.3 thsd students from 15 Russian schools** took Sber's courses in financial literacy
- **43 thsd ATMs** with voice support were installed
- **6 thsd branches and Sberbank Online** offer remote translation into the Russian sign language for hearing-impaired people
- **5.8 thsd branches** are available for mobility-impaired customers
- Together with the Love Syndrome and Downside Up charity foundations, Sber has **released the guide "Affordable Languages and Inclusive Communication"**
- Sberbank has developed the instruction **"How Can I Access My Money if My Health Deteriorates"**
- Sber's materials on financial literacy were studied **by 6.3 mn adults and children**

Respect for Human Rights

GRI 2-23, 2-24

Respect for human rights is the fundamental principle of Sber's activities. The Group is guided by the UN Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, declarations and conventions of the International Labor Organization (ILO), and the relative provision of the Russian law.

Sber's approach to observance and protection of human rights is detailed in the Code of Corporate Ethics and Business Conduct (hereinafter the Code), whereas the ESG Policy sets the key values and stakeholder engagement principles based on them.

Customers

Sber promotes inclusivity and equality, increases accessibility of socially important financial and non-financial products and services for vulnerable groups.

Employees

Sber creates favorable environment for its employees to unlock their potential based on common values, cultural diversity, gender, racial and other equalities.

Counterparties

Sber expects that its suppliers and business partners respect human rights, monitors it and raises awareness of human rights.

State and society

Sber promotes inclusivity culture, respect for and protection of human rights at the national level.

Awards and achievements

- **SberSova Online Platform** – won in the Project of the Year nomination within the "Financial Literacy" category of the Effective Education Award
- **A training program "How to Raise a Financially Literate Child" created at the SberSova platform** – won in the Project of the Year nomination within the "Digital Education" category of the Effective Education Award
- **SberUniversity's Digital Finance line** – won in the "Best Financial Literacy School" category of Investment Leaders Award 2023
- **SberInvestments Textbook** – won in the Best Educational Project nomination within the "Financial Literacy" category of the Investment Leaders Award 2023
- **The course "Fundamentals of Financial Literacy and Security" developed for orphans by Sberbank Life Insurance** – won in the Best Social Project of Russia 2023 nomination within the "Support for Socially Vulnerable People" category
- **SberSova educational videos "How the Economy Is Organized"** – won in the Best 2D Animation nomination of the Best Corporate Video 2023 competition
- It also won **the first place in the competition of inclusive practices Open for All**, and received an award for special processes of servicing wheelchair customers from the Agency for Strategic Initiatives (ASI)
- **"We may be different, but we still have more in common"** won in "Corporate Social Responsibility" category of the LIMIT Profi 2023 festival of social projects

Sber aims to ensure equal opportunities and the right to diversity for all stakeholders. At the same time, the Group's internal regulatory documents focus on those aspects of the respect for human rights that are typical of Sber's interaction with certain categories of stakeholders.

Stakeholders	Rights
Customers	• Right to personal data protection • Right to favorable environment of local communities • Rights of indigenous peoples • Right to equality and non-discrimination
Counterparties	• Right to personal data protection • Labor rights of counterparties' employees: – right to freedom from slavery and forced labor – right to freedom from child labor – right to a safe workplace – right to decent working conditions – right to freedom of association and collective bargaining • Right to favorable environment of local communities • Rights of indigenous peoples
Employees	• Right to freedom from slavery, forced and child labor • Right to equality and non-discrimination • Right to health and a safe workplace • Right to fair remuneration • Right to vacation • Right to privacy and personal data protection • Right to education • Right to freedom of association and collective bargaining

FEEDBACK MECHANISMS

Timely notification of breaches of Russian law or the Code helps avoid negative consequences for the Group and the society as a whole. Any person, including the employees, customers or partners, may claim non-compliance with the Bank's fundamental principles or seek support through the following channels:

- Compliance Hotline – for applications on anti-corruption, conflict of interest management, illegitimate use of insider information and market manipulation, countering unfair practices in terms of pseudo-trust management of customer assets.
- Internal Security Wistleblowing Line – designed for reporting on illegal actions of Sberbank's employees: extortion of money or embezzlement, sale/disclosure of bank information, adverse behavior.
- "Your Cybersecurity" – to report fraud.
- E-mail of HR unit – for letters from Bank employees about unethical behavior of their manager or colleagues.
- E-mail of the Corporate Ombudsman Service of Sberbank – for appeals in disputed and non-standard situations.

Sber guarantees unbiased review of all reports received via these lines of communication, and assists in internal investigations or inspections.

In 2023, no confirmed cases of human right violations or gender, age, nationality, disability, religion, sexual or any other discrimination were identified.

Provision of Equal Access to Financial Services

GRI 3-3

Sber focuses on customer needs and promotes barrier-free environment by creating and improving products, services and infrastructure available for everyone.

Furthermore, the Group's mission is to help businesses, government and public organizations develop inclusive culture in Russia and seeks to change the existing stereotypes. Sber raises inclusivity issues in media and social networks, at various events, in communications with the authorities. Experts develop and post materials on business accessibility on the Bank's website so that owners and executives of other companies can use them.

5.8 thsd

points of service adapted for disabled people

· Indicators were verified within the Sberbank boundaries.

SPECIAL BANK

Sber does its best to make the services convenient for each customer regardless of their health. The Special Bank is a line of activities where Sber's employees create new and adapt the existing services and processes for disabled people.

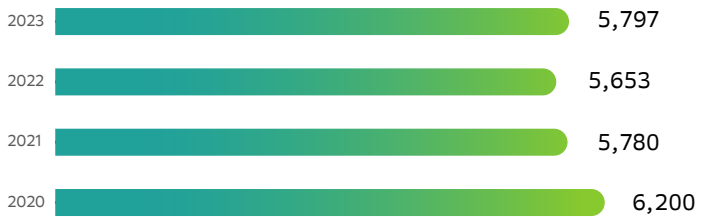
Type of customer	Bank's services
Blind and visually impaired	Blind customers can now receive banking services by themselves at 43 thsd ATMs (98% of the fleet). Such ATMs are marked on a special map. Such ATMs have a voice guide function: one should connect earphones into a special headphone jack to listen to audio prompts about all operations. There are Breille labels near openings for card reader, cash dispenser, receipt printer, while buttons on the keyboard have tactile symbols.
People with hearing and speech disorders	The Bank's branches offer free services of a Russian sign language (RSL) translator, or, if necessary, the consultant will connect him/her via video call. Video consultations of sign language interpreters are also available in the mobile Sberbank Online app. Translations are full-time employees and are obliged to keep banking secret. All of them have completed a special course in banking and successfully took exams in the All-Russian Society of the Deaf. The service is available in 6 thsd branches throughout the country. In 2023, over 5 thsd video consultations were held in the Russian sign language for hearing-impaired customers, the search for video calls in RSL in the mobile Sberbank Online app was simplified, and AI Journey was transferred into RSL for the first time.
Mobility-impaired people	Branch adaptation for wheelchair customers is underway: 5.8 thsd branches are already accessible for mobility-impaired people. Sber offers free transfer to the nearest office with a ramp or special lifting facilities. If the customer wishes, he/she can get services at the Bank's entrance or call a mobile manager to his/her place. Most of the Bank's services are available in the SberBank Online app and do not require a branch visit.
Mentally-impaired people	Instructions on how to visit a Sberbank branch yourself or with an accompanying person are posted on the Bank's website. A guide on the use of easy-to-read language in inclusive communication has been developed and published.

All people with disabilities are entitled to be served on a priority basis. They can specify their special needs via the Sberbank Online app in a short questionnaire.

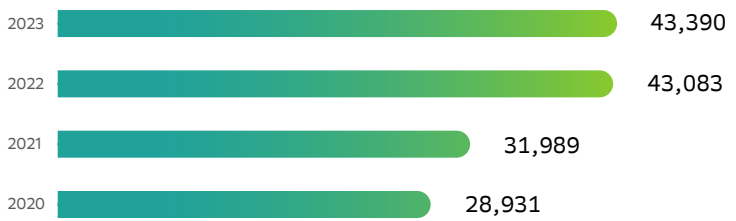
Sber took the first place in the competition of inclusive practices Open for All for adapting the bank's services to customers with disabilities and was awarded by the Agency for Strategic Initiatives (ASI) for special processes of servicing wheelchair customers.

Sber infrastructure adaptation to the needs of special customers in 2023

Number of points of service and ATMs adapted for people with disabilities, ea[1]



Number of ATMs (including with and without cash withdrawal function) adapted for people with disabilities, ea



TRAINING AND COMMUNICATIONS

As part of the Special Bank, Sber implements several special inclusion-related services:

#ICANDOIT (#ЯЭТОМОГУ)

is a series of videos about everyday life of people with disabilities. Visually, hearing and mobility-impaired people tell about their work, sports, creativity, and active social life. These videos are intended to convey to a wide audience that people with disabilities also have talents, need self-realization and should not be isolated from the society.

#FinanceSimplySpeaking (#ФинансыДоступно)

is a series of educational materials on finance for people with disabilities. By the Deaf Day, Sber released five videos in Russian sign language about the Bank's services, financial security and financial management. For blind and visually impaired customers, videos on how to use Sberbank Online on Android using screen access programs (Voice Assistant and TalkBack) have been posted on Sber's website, including audio instructions for the customers and video instructions for their close ones.

Two free online courses on inclusion are available on Sber's website:

Sber for Everyone

Sber for Everyone is a course developed by Sberuniversity.ru for executives, HR specialists and company employees on interactions with people with disabilities and creation of inclusive environment in their team.

Accessibility of Digital Content for Customers with Disabilities

Accessibility of Digital Content for Customers with Disabilities is a course for developers, designers and testers on how to create digital content for users with disabilities, how to increase availability of digital services for visually impaired people. The course was updated in 2023.

[1] People whose social opportunities for personal life are limited due to physical, mental or sensory disabilities. When disclosing this indicator, we are talking about people with disabilities who can independently manage their personal finances.

Communication guide

Together with the Love Syndrome and Downside Up charity foundations, Sber has released the guide “Affordable Languages and Inclusive Communication”. It provides guidance on how to write, test, illustrate, and present easy-to-read texts. They are intended mostly for mentally impaired people, the number of which is 5.5 mn people in Russia nowadays.

The Guide is available on Sber’s website in the “Special Bank” section – “Availability Professionals”. Guidelines for development of services and digital facilities available for people with disabilities are posted in the same section. Easy-to-read language is now used in Sber’s materials for people with disabilities.

New instruction on finance management in distressed situations

In 2023, Sberbank developed the instruction “How can I access my money if my health deteriorates”. It explains how a person can provide his/her close people with access to his/her finances in case of losing physical independence: how to issue a power of attorney or a deposit for a close person, issue an additional card to his/her account, and so on. The Instruction is published on Sber’s website.

Sber’s website offers two more instructions about finance management in distressed situations: “What to do with finance when a close person does not leave the house” and “A reminder for disability confirmation”.

AI sign language interpreter

In the reporting year, Sber presented a Russian sign language recognition model. Experts collected 70 hours of videos and approximately 240 thsd gestures from the phrase books, subtitles of interviews with members of the All-Russian Society of the Deaf, texts from electronic libraries. A dataset of 7,500 phrases was compiled based on them.

The model was trained under real-life conditions, taking into account different operating conditions. The model recognizes words in the Russian sign language shown by its interlocutor and converts them into words. The recognition rate is approximately three gestures per second.

Sber’s experts plan to develop a full-fledged AI-based translator that will be able to recognize sign speech in real time and translate it into coherent written or voiced text.

Preferential products for vulnerable and special customers

Title	Description	Project portfolio, RUB 2023
Government Support 2020	Primary housing mortgage	1.13 tn
Family mortgage	Secondary housing mortgage	1.2 tn
Military Mortgage	Mortgage for the military	11.3 bn
Deposit “Retirement Plan Plus”	Deposit for customers receiving pension and aged 55 (for women) and 60 (for men) and older	1.15 tn
Deposit “Social”	Deposit for orphaned children, children without parental care, veterans and disabled of the Great Patriotic War	11.15 bn
Special terms and conditions for deposit Save Online, Top-Up and “Top-Up Online”	Preferential deposit terms for customers aged 55 (for women) and 60 (for men) and older	318.3 bn
Deposit “Active Age”	Deposit for customers aged 55 (for women) and 60 (for men) and older	2.12 bn
Account “Active Age”	Savings account for women aged 55 and older and for men aged 60 and older	753.5 bn
Deposit SberKids+	Deposit for minors, which may be opened by legal representatives or the minor themselves (from the age of 14)	124 mn

Financial Literacy and Well-being

SASB FN-CB-240a.4

Sber considers public education in money management as one of its objectives.

Experts develop projects on financial literacy improvement, personal finance management, investment, fraud protection, and business conduct projects for various age and social groups.

In October 2023, the Government of the Russian Federation approved the Strategy for Improving Financial Literacy and Building Financial Culture until 2030 (in continuation of the Strategy for 2017–2023). The document was prepared by the Ministry of Finance of the Russian Federation and the Bank of Russia in consultation with the expert community, including Sberbank specialists.

Projects aimed at improving financial literacy

Target audience	Projects
Children and teenagers	SberKids is a free mobile app developed for children from 6 to 14 y. o. to learn the financial literacy basics and for parents to control their spendings.
	SberCat is a community in VKontakte for young people from 14 to 21 y. o. The main character SberCat teaches how to earn and use money in the format of posts, videos and memes, gives prizes, stickers and promo codes. The simulator game (12+) based on SberCat allows users to learn how to open a startup, how to use savings accounts and microbusiness and small business products. The player is to build a successful IT startup under conditions of severe resource shortage. In 2023, the number of this simulator game participants reached 7 mn. The VKontakte community audience amounted to 4.2 mn people.
	Fintest with SberCat is a financial literacy test for young audience aged 14-21.
	“Peter and SberCat” is a multi-episode fairy tale podcast for children about a journey of characters in the magical land of money.
	“How the economy works” (6+) is an animated family series using bright and plain illustrations to tell a wide audience about the modern economic trend, and the ways to maintains financial well-being. The project is a series of educational videos 3–4 minutes long. The animated series episodes are based on research and statistical data, but it was the format of the presentation with high-quality animation and graphics that made the project unique and engaging. In 2023, the animated series was watched by 59 thsd people.
	“Financial literacy for children from orphanages” is a volunteer program from the charity foundation “Contribution to the Future”, within which anyone can conduct financial literacy lessons in orphanages. The program covers more than 2 thsd students from 74 orphanages.

Target audience	Projects
Parents and teachers	In 2023, an online program was developed for parents “How to Raise a Financially Literate Child”. Experts from the Financial Literacy Development Association and the National Center for Financial Literacy, as well as authors of the books on financial education of children, are among the program authors. The program includes five video courses with practical tasks, workbooks and selections of materials for creation of educational financial environment in the family: 1. Introductory course “How to raise a financially literate child” for parents of children of all ages 2. “How to explain where money comes from” (for 3–6 y. o.) 3. “How to teach kids to manage pocket money” (for 7–10 y. o.) 4. “How to cultivate financial awareness in children” (for 11–14 y. o.) 5. “How to prepare for an independent financial life” (for 15–18 y. o.) In 2023, the number of program participants amounted to 50 thsd people.
	Financial Literacy for Children from 5 to 18 y. o. is a set of educational materials and initiatives for children and teenagers posted on the website of the Charitable Foundation “Investment to the Future”.
	Financial literacy tasks at online platform “SberClass”. The platform allows developing a unique educational plan based on the kids interests, assisting in goal achievement, and tracing the progress. In 2023, 1.3 thsd students from 15 Russian schools took Sber’s courses on financial literacy.
Pensioners	Active Age is a special information portal for active retired people. Materials on financial management, health, retirement life, entertainment articles are published here. More than 50 financial literacy courses are posted on the portal. In addition, special banking products for the retired are presented here, the Work section contains vacancies, and the Training section contains free online courses for them. The portal also offers a selection of articles for people with disabilities informing them about the Bank’s opportunities. In 2023, the portal was visited by 2 mn unique users. The Financial Security Test offered for the retired in the mobile Sberbank Online app makes it possible to assess the skills and knowledge required in various difficult situations: loss of a bank card, communication with a bank employee by phone, SMS from an unknown number, and much more. Since July 2023, 310,425 retired people have passed the test.
Entrepreneurs	Business Environment is a co-project of Sberbank and the Ministry of Economic Development of the Russian Federation. An online platform with up-to-date articles, training videos, interviews with experts, and courses both for beginners and experienced entrepreneurs.

Target audience	Projects
All customers	The SberSova platform is a portal with articles, courses and podcasts on budget management, financial planning, credits, information security, investments and lifestyle. In 2023, a separate Investments. Made Simple section summing up Sber's expertise in investments was created on the portal. SberSova's educational articles and courses were included in a number of educational initiatives, such as Sber Knowledge Week, Movement of the First, the Youth Day, Russia International Exhibition, and were integrated into the digital services familiar to Sber's clients: mobile apps SBOL and Investor, OKKO online cinema and the audio service Sound. In 2023, 6.3 mn unique users accessed SberSova materials. As of the beginning of 2024, 1.3 mn people were trained on the SberSova platform.
	Sber Channel on Dzen offers news feed with useful tips and materials about finance and Sber's products. In 2023, the audience amounted to 41 thsd followers.
	Finance Blog on the official website Sberbank.com is a section of the website where the articles, tips and tricks, educational materials about economics, applicable laws, investments, credits, etc. are published.
	Free online financial literacy courses of SberUniversity are dedicated to investment, personal finance management, taxes, and digital finance. As of the end of 2023, six courses were available on the portal.
	In November 2023, Sber provided information support to the VI annual All-Russian Online Financial Literacy Test organized by the Bank of Russia in cooperation with the Agency for Strategic Initiatives. 1,914,874 people passed the test.
	Your Cybersecurity is a training course in the Sberbank Online app and a section on the corporate website Sberbank.com with materials, instructions, questions and answers on personal data protection and anti-fraud. For more details, please see the "Cybersecurity" section.
Regional agenda	In the reporting year, Sber continued its training seminars, events and webinars throughout the country. In 2023, as part of the regional agenda, Sber conducted over 700 lectures attended by about 39 thsd people. In July 2023, the Novograd Youth Professional Guidance Forum was held in Nizhny Novgorod. During the forum, children learned about the information technologies, artificial intelligence, electronics and robotics, biotechnologies in a game form. In September 2023, the employees of all regional banks participated with financial literacy lectures in the largest All-Russian Educational Campaign "Share Your Knowledge". 276 lectures were held during the month for 14,600 listeners. The SberCourse pilot project to improve financial literacy among 8 grade students was successfully implemented in cooperation with the Department of Education of the Samara City District. The training course took two months and comprised ten electronic modules with gamification. 15 schools, 1,294 students participated in the pilot. In 2023, the Ural Bank of Sberbank held three quizzes for schoolchildren as part of financial literacy improvement activities. 1.7 thsd people took part in the quizzes.

Financial literacy rating of the Russian cities

In the reporting year, Sber ranked the Russian cities in terms of their financial literacy level. Volgograd took the first place, Perm was the second and Ulyanovsk was the third. Novokuznetsk and Chelyabinsk also ranked in the top 5 cities.

The rating was based on a survey of residents carried out in 37 cities with a population of over 500 thsd people. The survey participants were asked to assess their understanding of financial tools, their skills to keep the family budget, to invest, detect frauds, etc. According to the survey, on average, 47% of Russians think they are financially literate.

Financial literacy ambassadors

In 2023, the Investment to the Future Charity Foundation, SberSova, Autonomous Non-Profit Organization PACC, and Dobro.ru portal held the Financial Literacy Ambassadors campaign for the first time. As part of this project, senior pupils and first-year students organize master classes and events for all students in schools and universities or develop an information stand related to financial literacy issues. For this, they are granted with volunteer hours on[1] Dobro.ru.

200 schoolchildren and students were registered as participants of this campaign. For two months, they created seven information stands, held 25 master classes, and three school-wide events.

[1] Volunteer hours are the time the volunteer spent participating in charity projects. These hours are converted into additional points when entering universities and secondary specialized educational institutions.

Financial literacy improvement in Voronezh region

Sber and the Government of Voronezh Region signed a cooperation agreement to improve the public financial literacy. Sber employees are going to give lessons and lectures for schoolchildren, students and adults. In addition, the Bank will participate in the organization of large-scale events: The All-Russian Week of Financial Literacy for Children and Youth, the All-Russian Online Financial Literacy Test, a cycle of FinGramLife webinars, etc. It is planned to establish a special volunteer community of schoolchildren who will assist Sber in this project.

“All different – all equal”

As part of the project “All different – all equal”, the wards of the Voronezh regional Center for Comprehensive rehabilitation of disabled people “Seven steps” are taking the financial literacy course and learn how to use ATMs and internet banking services of Sberbank Online.



Responsible Financing and Non-Financial ESG Products

Image generated by Kandinsky 3.0

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SBER'S APPROACH TO RESPONSIBLE FINANCING AND NON-FINANCIAL ESG PRODUCTS

ESG Policy compliance

Action line I. Minimize the environmental impact:
- ★ **Target 4.** Finance green projects and the implementation of best available technologies

Action line VII. Develop sustainable finance practices:
- ★ **Target 33.** Develop sustainable financing approaches, policies, methodologies and mechanisms
- ★ **Target 34.** Assist with the ESG transformation of the governance system and activities of clients, including through consultation
- ★ **Target 35.** Increase the ESG appeal of Sber for investors
- ★ **Target 36.** Provide highly sought ESG products and services in all business segments
- ★ **Target 37.** Assist with the establishment of national and international responsible finance standards, incentives and tools

UN Sustainable Development Goals



Internal regulatory documents

- Responsible Finance Policy of Sberbank
- ESG and Sustainability Policy
- ESG Risk Management Policy
- Methodology for ES Due Diligence and Independent ES Risks Assessment of Projects
- Lending Policy
- Criteria and Specific Features of Business Processes in Connection with Sustainable Loan Products

Material topics

- Responsible financing
- Assisting clients in ESG transformation
- Risk management

Key results 2023

- The responsible finance portfolio amounted to **RUB 2.9 tn**
- The revenue from non-loan B2B ESG products amounted to **over RUB 1.6 bn**
- **More than 20 ESG products** were developed for B2B customers
- **35 regions** cooperated with Sber in ESG transformation
- **70 ESG projects** were implemented jointly with the regions of the Russian Federation
- **89 ESG profiles** of federal constituent entities of the Russian Federation were developed
- **40 thsd retail customers** purchased investment ESG products with the help of Sber

Awards and achievements

- ★ **Green Eurasia competition:** third place in the Green Financing category
- ★ **Russia's Best ESG Projects program:** Sber Is a Leader of ESG Transformation in the Country project won in the ESG Business Transformation category

GRI 3–3

Responsible financing is one of the priority areas of Sber's activities in sustainable development. Sber strives to support its customers on their way to ESG transformation through available financial and non-financial ESG products and systemic partnership. Sber regularly improves and updates the offering of ESG products in various business segments and industries. Sber participates in forming industry and national approaches to responsible financing along with methodologies and strategies in this field at the national level, and participates in international initiatives.

In 2023, Sber approved the Responsible Finance Policy of Sberbank that stipulates approaches to responsible financing of corporate customers and increases transparency of the Bank's activities in this area.

The Responsible Finance Policy:

- Is consistent with the provisions of the internal regulatory documents in ESG risk management and sustainable loan products.
- Describes the ESG risks assessment and management tools.
- First time ever, speaks out on restrictions on the financing of activities that contradict the principles of sustainable development.
- Increases the transparency of the Bank's approaches for the sake of customers and other stakeholders.
- Defines the criteria for sustainable loan products and the lines of ESG conditions.
- Takes into account national and international industry standards, initiatives and guidelines, including those by the Bank of Russia, in terms of carrying out responsible investment and sustainable development activities, as well as Russian legislation in effect.

Sber's mission in responsible finance is to facilitate a transition to a sustainable development model and an ESG transformation in the Russian economy through ESG risk management, the provision of sustainable credit and non-banking ESG products, and working with clients, the government and other stakeholders.

Principles of Sber's responsible financing

Impact

Recognition of significance of ESG risks and impacts in sustainable development

Alignment

Compliance with the requirements of the national legislation, and taking into account global initiatives and requirements of international agreements

Hierarchy

Systemic management of ESG risks and Sber's impact on the environment, society and economy based on their materiality

Leadership

Focus on best available global practices in responsible financing, and a striving for transformation of the Russian economy

Transparency

Information transparency in responsible financing

ESG Transformation of Corporate Customers

Sber helps Russian businesses continue their ESG transformation through sustainable loan and non-loan ESG products as well as through ESG risk assessment and management procedures.

ESG transformation of corporate customers

Assessment and management of ESG risks
- Industry maps of exposure to ESG risks
- Automated ESG risk assessment model
- Integrated ESG risk assessment tool
- ES due diligence of large-scale projects
- ESG screening
- Monitoring of ESG risks

Sustainable loan products
- ESG loans
- Green and adaptation loans
- Social loans

Investment products
- Sber's green bonds
- Arrangement of offerings of customers' ESG bonds

Non-loan ESG products
- Assessment of ESG risks and practices (ESG diagnostics, ESG assessment of suppliers, etc.)
- Creation of the ESG transformation management system (ESG policies development, ESG strategy formulation, ESG report preparation, etc.)
- Development of ESG practices (eco-insurance, training, corporate health, etc.)

ESG data mart

Sber uses an automated data collection system to assess and monitor ESG risks in the lending process. The data collected is systematized and used to create an internal legal entities' ESG data mart.
The mart includes:
- Results of the Bank's ESG risk assessment procedures.
- Assessment of external ESG ratings.
- ESG news.
- Publicly available and internal ESG indicators, such as violations of environmental and labor laws, availability of necessary permits.

ESG Risk Management System in Corporate Lending and Investment Processes

SASB FN-CB-410a.2

The Bank uses a systemic and comprehensive approach to managing ESG risks in its corporate lending and investment processes.
The Bank uses a differentiated set of procedures and tools to assess ESG risks by such components as the customer industry classification, customer activities risk assessment, etc.

Following the ESG risks assessment, Sber determines one of the five risk levels: unacceptable, very high, high, medium, low. Depending on the risk level, Sber identifies respective management tools.

Sber ESG risk management

Risk level	Unacceptable	Very high	High	Medium	Low
Risk factors	The type of borrower's business is illegal or significantly contradicts the sustainable development principles (pawnshops, microfinance institutions, political activity, drift net fishing, asbestos production, etc.)	• The borrower's business has a negative and/or destructive impact on the functioning of natural ecosystems, and damage to the environment is not compensated. • The borrower implements projects that may result in a decrease in the economic well-being of the population. • Executives and/or beneficiaries of the borrower are convicted of corruption on a large and especially large scale. • Executives and/or beneficiaries of the borrower are convicted of tax evasion on a large and especially large scale.	To be determined by the outcomes of applicable ESG risk assessment procedures: • Industry maps of ESG risk exposure. • An automated ESG risk assessment model. • An integrated ESG risk assessment tool. • ES due diligence of projects. • ESG screening of large-scale and significant transactions.		
Management tools	Limitation on financing	Decision-making escalation or inclusion of mitigating ESG conditions		Recommendations on inclusion of ESG conditions	
Transformation tools		Sustainable loan products			
	Non-loan ESG products				

ESG risk assessment procedures

Industry maps of ESG risk exposure	The Bank uses industry ESG risk maps to identify the necessity of conducting in-depth ESG expert reviews, and to configure transaction routing. Industry maps are regularly updated.
An automated ESG risk assessment model	In 2023, the Bank carried out the development of an AI-based automated system for predicting the probability of clients' ESG risk occurrence and for conducting inspections by regulatory authorities. The assessment relies on information from publicly available sources and data on inspections by regulatory authorities.
An integrated ESG risk assessment tool	The Bank applies this tool to customers with medium or high exposure to ESG risks as per the results of the assessment procedures described above. The tool includes: • A module of territorial sustainable development risks that contains data on the current state of the environment in the region and its social development indicators. • Industry guidelines for assessing an individual level of customer risk and drawing up a list of recommended and mandatory ESG conditions required to mitigate customer ESG risk. • ESG scoring: assessing the quality of customer ESG practices as compared to other industry participants.
ES due diligence of large-scale projects	The Bank carries out a two-stage due diligence procedure of large-scale projects in order to identify and assess the environmental and social risks and impacts inherent in the project under consideration for the purpose of financing. Following the results of the due diligence, a list of recommendations is drawn up to prevent and/or mitigate the identified ES risks and impacts. In 2023, the due diligence methodology was expanded to take into account social factors.
ESG screening	In 2023, the Bank carried out the ESG screening for its large-scale and most significant transactions with high and medium ESG risks that were not covered by other ESG risk assessment tools. This procedure includes the assessment of practices of managing counterparties' ESG risks and analysis of negative ESG events related to their activities. It covers such aspects as environmental protection, health and safety at work, corporate governance and public relations. ESG-скрининг применяется для тех сделок, которые не покрываются прочими инструментами оценки ESG-риска.

Sber improves its ESG risk assessment procedures. In 2023, Sber continued to integrate proprietary models for predicting customer losses due to natural phenomena into its corporate lending process.

For details on the climate risk management and disaster prediction models, please see the "Climate Agenda" section.

Also, the Bank has the ESG risk monitoring system in place that consists of two components:
- Monitoring of customer compliance with the ESG conditions.
- Control over the ESG risks occurrence through the use of an automated news monitoring model.

The results of ESG risks monitoring affect customer financing strategy.

Sustainable Loan Products

In addition to the ESG risk management system, the core way to support the ESG transformation of Sber's corporate customers relates to sustainable loan products that first appeared at the Bank in late 2020. Sber continued to offer its customers loan products that encourage or contribute to the ESG transformation and sustainable development.

In 2023, the Bank enhanced the methodology of such products and business processes at providing them, as well as adapted them to the changes in the external conditions, including the national taxonomy update.

The total portfolio of sustainable loan products by outstanding debt at year-end 2023 more than doubled against 2022 and amounted to RUB 2,891 bn.

Types of Sber's sustainable loan products

Green loan / Adaptation loan

Project financing, investment and contract loans, refinancing

Financing of green/adaptation project implementation according to the national taxonomy (up to 31 December 2021, in accordance with the VEB.RF methodological recommendations for green financing in the Russian Federation, and effective 1 January 2022, pursuant to Decree of the Government of the Russian Federation No. 1587[1])

Social loan

Project financing, investment and contract loans, refinancing

Financing of a social project implementation in accordance with the Bank's internal taxonomy[2]

ESG loan

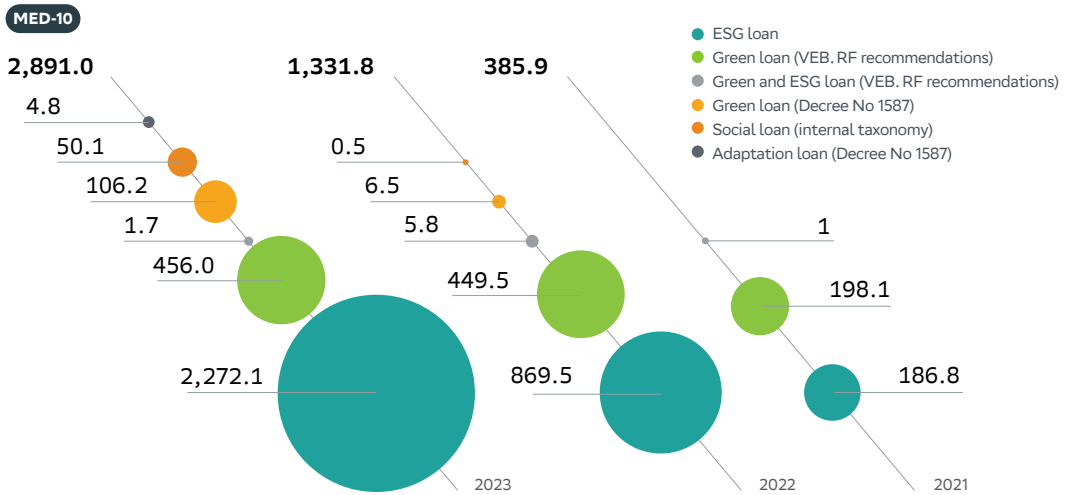
Project financing, investment and contract loans, working capital loans

Compliance with the internal criteria (based on the inclusion of an ESG condition in the transaction terms)

Features of the business processes for sustainable loan products:

- Verification of the compliance of transactions with the criteria of green, adaptation and social loans by the Bank's experts.
- Labeling the sustainable loan products in the internal accounting systems.
- Monitoring the ESG conditions implementation (for ESG loans).

Total scope of sustainable loan products provided, RUB bn



[1] In the case of changes in the national taxonomy, the Bank's internal regulations are promptly updated for synchronization. In 2023, Sber's taxonomy was amended in conformity with Decree of the Government of the Russian Federation No. 373 dated 11 March 2023 "On Amendments to Decree of the Government of the Russian Federation No. 1587 dated 21 September 2021".

[2] The taxonomy of social projects was approved within the framework of the Bank's internal documents in 2022 and included such areas as health care, affordable and comfortable housing, education, sports, basic infrastructure, culture, art, and tourism. On 30 December 2023, a new edition of Decree of the Government of the Russian Federation No. 1587 dated 21 September 2021 "On the Approval of the Criteria for Sustainable (including Green) Development Projects in the Russian Federation and the Requirements for the System for Verification of Sustainable (including Green) Development Projects in the Russian Federation" was approved that endorses the national taxonomy of social projects implemented by Sber in January 2024.

Non-Loan ESG Products

INVESTMENT PRODUCTS

ESG bonds are an effective financial instrument for ESG transformation. Sber offers its customers ESG bond placement services, including green, adaptation, social, sustainability bonds, sustainability-linked bonds and climate transition bonds.

In 2023, Sber took part in placing green and social bonds.
In 2022–2023, Sber participated in 86% of market offerings of ESG bonds issued by non-financial institutions in the Russian market.

In November 2023, Sber paid off in full volume own green bonds of the 002P-01 series (RU000A103YM3) worth a total of RUB 25 bn, that it issued in 2021. All proceeds from the placement were allocated for financing the loans for the construction of solar and wind power plants.

For more information on projects financed under the bond issuance, please see the "Responsible Financing and Non-Financial ESG Products" section of the Sber Group Annual Report for 2022.

Under the implementation of its ESG Strategy, Sber elaborated a methodology for identifying and classifying non-loan ESG products that include financial (e.g., environmental risk insurance and green factoring) and non-financial products (consulting, educational services, etc.).

ESG products in the B2B segment were created as part of the ESG Strategy and help customers build a system for ESG transformation (sustainable development) management. They meet the following three criteria:

- Goal setting — due regard for ESG factors at the product design stage, focus on customer ESG transformation.
- Performance — obtaining and assessing ESG impacts of the product use.
- Innovation — use of modern technologies for ESG transformation.

Sber also distinguishes a category of ESG impact products that are designated to satisfy customer needs not related to the systemic ESG transformation yet positively influence the environmental health, well-being of the society and governance quality.

Sber has an ESG product management system in place that includes:

- Methodology (definition and criteria) of ESG products and ESG impact products.
- A range of ESG products offered by the Sber Group companies.
- Product assessment procedure for compliance with the ESG product criteria.
- Methods of customer involvement in the ESG agenda.
- Factoring in the ESG product performance.

In 2023, Sber expanded and improved its ESG product line for corporate business. To date, there are over 20 products for various business segments. The revenue from the sales of ESG products amounted to more than RUB 1.6 bn in 2023.

Types of non-loan ESG products for Sber's corporate customers

Assessment of ESG risks and practices

- **ESG diagnostics.** Comprehensive assessment of the current level of development of ESG practices and ESG transformation management system.
- **ESG navigator.** Expert assessment of the quality of OHSE management, safety systems, and fire prevention measures.
- **Supplier ESG assessment (green supply chain).** Assistance to major corporate customers in assessing suppliers' ESG risks, and a tool for obtaining a supplier ESG score.

Development and implementation of ESG practices

- **Ecological insurance.** Environmental risk insurance product.
- **Educational programs.** ESG competence enhancement training for companies' employees and top managers.
- **Corporate health.** A product for setting up corporate employee health management system for customer companies.



Creation of an ESG transformation management system

Support in **the development of ESG documents,** such as:

- ESG strategy, ESG transformation roadmap.
- Sustainability policy.
- Sustainability reports.

ESG transformation of a large automotive plant

As part of its comprehensive cooperation efforts, Sber supports the ESG transformation of a major Russian car manufacturing plant. In 2023, Sber carried out the ESG diagnostics and held training sessions for the plant top management, identified the customer's key challenges, proposed sustainable development goals relevant to the industry and location. Following the results of the consultancy services rendered, the plant may be eligible for a higher ESG rating.

Free ESG self-diagnostics

The ESG self-diagnostic service is free of charge and is designated for large and medium-sized businesses. Based on artificial intelligence, the service allows to assess companies' ESG practices and gives recommendations on improvement in each sustainable development area, which helps the customers improve their ESG risk management and investment attractiveness of their business.

Developer's care for residents' health

The standard for the green residential building construction projects implies availability of bicycle lanes, children's playgrounds, and barrier-free environment. However, developers from among Sber's customers implement additional sustainable solutions and shape best practices in the market. In particular, owing to Sber's support, one of its customers hands over healthcare policies to apartment buyers as a present.

Sustainable development workshop

Sber set up the Sustainable Development Workshop resource that contains useful materials and findings of Sber's ESG transformation research in the following areas:

- ESG agenda in Russia — analyzing the ESG agenda of Russian business by segment and industry across individual practices.
- ESG risks — sustainability risk management issues.
- Climate strategies — analyzing the current climate agenda status in different industries and identifying its development opportunities.
- Cross-border carbon regulation — analyzing the cross-border carbon regulation impact on exports costs.

Regional ESG Agenda

In 2023, Sber continued its systemic work on the regional ESG agenda development. Sber's cooperation with regional authorities on ESG transformation is of a comprehensive and strategic nature. Through partnership with the regions, Sber contributes to addressing essential social and environmental challenges.

The first step towards a mutually beneficial partnership with regional communities is the conclusion of a cooperation agreement between Sber and a federal constituent entity of the Russian Federation for the ESG transformation purposes. In 2023, Sber signed 35 such agreements, and 61 cooperation agreements were signed with Russia's regions during the entire strategic cycle. The agreements cover the development and application of green technologies, exchange of best ESG practices under educational and industry-specific programs, development of volunteering and inclusive projects, improvement of the quality of life and financial and digital literacy of the population, development of AI technologies and digitalization, and cybersecurity.

To execute the agreements, Sber forms a roadmap of joint projects. In 2023, a total of 70 joint ESG projects were implemented and 25 joint events, including forums, summits, conferences, etc., were held in cooperation with regional authorities.

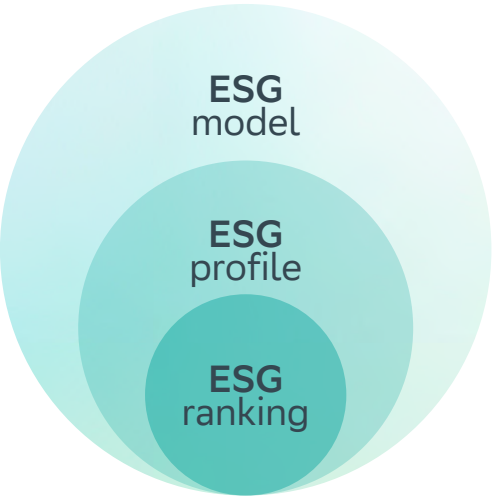
In general, cooperation with the regions is structured owing to Sber's interlinked ESG solutions, i.e., ESG ranking, ESG profile, and ESG model.

Sber's approach to its interaction with Russian regions is based on the ESG ranking that includes 16 factors and 50 indicators. The ESG index of Russia's cities and regions developed by Sber and VEB.RF and based on Sber's ESG assessment methodology was launched in 2023. It was presented at the 10th St. Petersburg International Economic Forum.

The ESG index covers 85 federal constituent entities of the Russian Federation[1] (the Region level) and 218 cities of Russia (the City level).

The ESG index consists of 16 factors that, in turn, form three sections for each ESG aspect.

ESG solutions for the regions in 2023



ESG model

Comprehensive strategy for ESG transformation of a region

- 300+ recommendations
- 100+ Sber's products

ESG profile

- Assessment of current ESG agenda in a region
- ESG profiles of Russia's 89 regions formed

ESG ranking

- Assessment of the ESG agenda level in a region by 16 factors and 50 metrics.
- The regions' ESG ranking serves as a basis for forming the so called regional part of the ESG index of Russia's cities and regions being developed by VEB.RF and Sber.

[1] Information will be updated after the official statistics for other regions are published.

Regional ESG index structure

Environment

- Water resources
- Protection of atmospheric air
- Production and consumption waste
- Forest resources
- Green energy and energy efficiency
- Environmental protection management

Social

- Demography
- Healthcare and healthy lifestyle
- Income and employment rate
- Education and culture
- Comfortable living environment and safety
- Inclusion

Governance

- Digitalization
- Anti-corruption activities
- Development level of small and medium business
- Investment environment

Depending on the target audience, the ESG index may have the following targeted application:

Federal authorities:
- A comprehensive tool for tracking systemic changes and achievements in the context of the ESG agenda and sustainable development of the cities and regions.

Local and regional authorities
- Identifying competitive advantages and areas for development.
- Ensuring comparison with other regions and cities.
- A tool for monitoring the changes in the ESG agenda of the cities and regions of Russia.

People:
- Selecting regions and cities with the most attractive urban and rural environment, infrastructure, state of the environment, education, culture, etc.

Business:
- Selecting cities and regions for investment.

Expert community:
- Getting an up-to-date review of ESG factors in the cities and regions of Russia for expert work.

The ESG profile complements the ESG ranking with high-quality region-specific information and is updated annually. In 2023, ESG profiles were formed for all 89 federal constituent entities of the Russian Federation.

The regional ESG model is Sber's consulting product for comprehensive ESG transformation of a region that allows a region to develop its own ESG strategy or update its social and economic development strategy. The ESG profile information is supplemented with in-depth interviews with stakeholders, and the obtained information is used to determine strategic priorities and form measures roadmaps. Sber's regional ESG model contains over 300 recommendations on sustainable development and over 100 Sber's products that can be used to implement these recommendations, which makes it a practical tool for transformation.

Examples of Sber's products for ESG transformation of the regions

Environmental: environmental solutions

Comprehensive waste management solution

Electric vehicle infrastructure development

Social: healthcare solutions

Implementation of AI technologies for remote monitoring of the condition of patients with chronic non-communicable diseases

e-Prescription service

Governance: security and IT solutions

Vizir face recognition system

Cybrarium library of knowledge on cybersecurity

Interaction with special economic zones on ESG transformation issues

Sber cooperates with special economic zones (SEZ) in Russia's regions and supports them in developing their ESG strategies. The Sustainable Development Strategy developed by Sber for the Orenburzhye SEZ in 2022 enabled Orenburg Region to increase the investment attractiveness with due regard to the ESG principles as at year-end 2023.

During the reporting period, Sber implemented a project for developing the ESG Strategy for the Titanium Valley SEZ in Sverdlovsk Region. The Strategy is based on the analysis of the current situation, ESG profiles of SEZ managing company and its residents, as well as the results of the strategic session attended by the key stakeholders, including representatives of the regional governmental bodies, expert community and industry unions.

The strategy identifies eight key topics in the following ESG areas:

- Ecology: reduction of pollutant and greenhouse gas emissions, efficient water resource management.
- Social responsibility: employee health and safety, employment and decent working conditions, human capital development.
- Corporate governance: science and technology development, digitalization and green technology implementation, data security.

On the environmental side, SEZ managing company aims to achieve carbon neutrality by 2030 for Scopes 1 and 2 and to assist SEZ residents in reducing the emissions.

ESG Products for Retail Customers and Private Investors

Sber takes a special approach to the work with retail customers and private investors on the sustainable development and responsible consumption issues. Sber focuses on educating its customers and the general public and raising their awareness of relevant social and environmental issues and opportunities, and develops special products and services for the B2C segment.

In its work with retail customers, Sber strives to comply with the ESG principles and ensure equal access to financial services.

For more information, please see the "Respect for Human Rights and Financial Inclusion" section.

Its efforts to improve the ESG risk management system in the retail lending processes enabled Sber to achieve the following results in 2023:

- Introduction of the comprehensive debt settlement product for the Bank's customers that helps resolve difficulties with loan repayment in several banks.
- Implementation of stress testing of physical climate-related risks for Sber's retail portfolio.
- Continuation of the work on improving the loans availability for target groups of customers through creating new products or altering the terms for the existing products:
  - New terms of products for the Youth 18+ segment were rolled out in consumer lending and credit cards.
  - The Educational Loan program was extended to secondary vocational education.
  - In POS lending, the Education segment was singled out to increase the loan availability for additional education and to develop customers' potential.
  - Islamic Mortgage, a pilot product of partner financing, was launched to enable customers to buy property by installments according to the Sharia Laws.

In 2023, within the framework of developing a methodology for sustainable practices for its retail customers, Sber held a series of thematic surveys to study such issues as customers' attitude to physical and mental health, care for other people, financial health and environmental concerns.

The Bank keeps offering the Gift of Life deposit with contributions to the charity foundation of the same name that raises funds for the treatment and rehabilitation of children with cancer and haematological diseases, assists clinics and promotes blood donation.

In 2023, Sber developed and implemented the following products and services to promote best sustainability practices in the B2C area:

- Green Digest – an e-mail newsletter to inform customers on the importance of developing useful habits and Sber's activities related to ESG transformation.
- An option to transfer, when opening SberDeposit in remote service channels, part of the interest income to one of the partner charity funds, including the Khabenskiy Foundation, Fragile People, Old Age in Joy, Second Breath, and Nicka.

In 2023, Sber attended to developing a new Green Mortgage product which will be launched in 2024.

ESG products of Sber partners, including products for responsible and Sharia-compliant investments, are available to private investors on the SberInvestments and SberBank Online platforms and in SberFirst branches. In 2023, 40 thsd customers purchased investment ESG products through the help of Sber.

For more information about the charity activities at Sber, please see the "Social Responsibility and Population Support" section.

Responsible Business Practices



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SBER'S APPROACH TO BUSINESS ETHICS, COMPLIANCE AND ANTI-CORRUPTION

ESG Policy Compliance

Action line VI. Improve practices of governance, security, and ESG risks management, including in the supply chain:

- ★ **Target 27.** Ensure the compliance of all Sber Group companies with requirements and best practices of corporate governance and business ethics
- ★ **Target 28.** Facilitate the application among suppliers and contractors of high standards in the areas of human rights, labor relations, social responsibility and protection of the environment
- ★ **Target 29.** Improve the integrated risk management system, including ESG risks
- ★ **Target 30.** Guarantee the information security and protection of client data, among others, from fraud
- ★ **Target 31.** Ensure compliance with the legal requirements on combating corruption and preventing financial crimes
- ★ **Target 32.** Assist with the development and distribution of ESG risks and sustainability management practices at the national and international level

UN Sustainable Development Goals



Internal regulatory documents

- Governance Code
- Code of Corporate Ethics and Business Conduct
- Anti-Corruption Policy of Sberbank Group
- Sberbank's Personal Data Processing Policy
- Conflict of Interest Management Policy of Sberbank Group
- Sberbank's Code of Corporate Social Responsibility in Procurement Activities
- Tax Strategy

Material topics

- Corporate governance and business ethics
- Responsible supply chain
- Contribution to economic development
- Security practices

Key results 2023

- **0 downtime** due to DDoS attacks
- **0 losses** from accounts due to cyberattacks
- **An open fraud database** accessible for other credit institutions was created
- **Over 67 thsd employees** underwent training on the Code of Corporate Ethics
- **41%** — share of purchases from SMEs of the total purchase volume
- **RUB 353 bn** — the Bank's accrued income tax

Business Ethics, Compliance and Anti-Corruption

Compliance with Business Ethics Standards

GRI 3-3, 2-23, 2-24, 2-25

Compliance with the business ethics standards and norms in the banking sector lays the foundation for maintaining customer confidence, business partners, suppliers and counterparties. This approach allows the Bank to build honest and transparent relations with them, ensure the financial stability and resilience of Sber, as well as maintain its reputation in the industry and the reliability of the financial system as a whole. The Bank is responsible for ensuring the security of customer funds, as well as for strict compliance with laws and regulatory requirements.

Sber's corporate values and business ethics standards are set out in the Code of Corporate Ethics and Business Conduct. The Code applies to all employees and members of the Supervisory Board. Sber employees shall study the provisions of the Code and follow them in their daily work, take training courses on corporate ethics and business conduct, assist the Bank in investigating and inspecting possible violations. Third parties working for Sber shall have proper reputation and share standards and values enshrined in the Code. Sber also expects the conduct that complies with ethical standards and business ethics principles from customers, business partners, suppliers and counterparties. The Code defines uniform standards and principles of corporate ethics for all Group members. The Group members operating in different locations may adapt the Code in accordance with their local legislation and cultural specifics.

> 67 thsd Sberbank employees

completed training on the provisions of the Code of Corporate Ethics in 2023

Awards and achievements

- **Sberbank Anti-Fraud System** (Anti-Fraud. AI Core[1]) **won in the** "For Development/ Implementation of Advanced Technologies" category at the International Stolypin Economics and Finance Award
- **The Blockchain Laboratory won** in the Partner of the Year category at the DFA Awards for its contribution to the digital financial asset market development
- **These three projects by Sber won in the "Best ESG Projects in Russia" program:**
  - the project "Counteracting Psychological Impact of Fraudsters on the Russian Population" in the category "Partnership for Sustainable Development. Strategic Partnership of Society and Business"
  - the project "Raising the Level of Cyberculture of the Population" in the "Quality Education" category
  - the My Business project for the self-employed in the "Decent Work and Economic Growth. Economic Growth Programs" category
- **The following project won the "Efficient Education" Award:** Cyberrium library of knowledge on cybersecurity

[1] AI means artificial intelligence.

Business ethics issues were also reflected in the Development Strategy, the Governance Code, the Group's Conflict of Interest Management Policy, the Compliance Risk Management Policy, the Group's Anti-Corruption Policy and other documents.

Responsibility for issues related to business ethics and compliance violations is distributed among the business units in accordance with the Code topics and is set out in relevant internal documents:

- The Compliance Division reviews queries to the Compliance Hotline on the issues related to corruption, conflict of interest, insider information, market manipulation, pseudo-trust management of customer assets. The Compliance Division reports to the Supervisory Board of the Bank.
- The HR units consider issues related to the team atmosphere and the unethical treatment between managers and employees or between colleagues.
- The Internal Banking Security Division considers issues related to fraud, extortion, theft and leakage of banking information.

Disputes shall be considered by the Corporate Ombudsman directly subordinate to the CEO, Chairman of the Executive Board of the Bank.

Adherence to the principles of artificial intelligence ethics

Since the Group includes innovative companies and Sberbank includes labs and centers developing AI-based digital solutions, Sber is aware that it is important to adhere to the principles of artificial intelligence ethics. Sber has the Code of AI Ethics that describes the ways to securely apply AI in business processes.

Observing ethical principles when using artificial intelligence is important for security, fairness and social responsibility, protecting privacy and mitigating the risk of abusing modern technologies.

Compliance Risk Management

Compliance risk management at Sberbank is carried out in accordance with the provisions of the Compliance Risk Management Policy of the Sberbank Group approved by the Supervisory Board of the Bank. The document defines compliance risk and describes the goals and objectives of the management system, as well as the functions of the main participants of the management system. The Policy also regulates the procedure for managing compliance functionality for the entire Sber ecosystem. The document complies with the recommendations of the Basel Committee on Banking Supervision, the provisions of the international standard ISO 37301:2021 – "Compliance Function Management", the requirements of the regulations of the Russian Federation, including regulations of the Bank of Russia, standards of self-regulatory organizations, and the best world practices.

In 2023, automated controls were introduced in the compliance risk management process in the areas of anti-corruption, conflict of interest control, protection of insider information, anti-money laundering, financing of terrorism and proliferation of weapons of mass destruction using modern and technological tools based on advanced algorithms and artificial intelligence.

Total amount of fines in the field of compliance risk management, RUB thsd

Indicator	2020	2021	2022	2023
Fine amount	300	0	0	0

Total number of non-financial sanctions (regulatory and supervisory authorities' orders) in the field of compliance risk management, pcs

Indicator	2020	2021	2022	2023
Number of non-financial sanctions	0	0	0	1[1]

[1] The Bank was brought to disciplinary responsibility by the Russian National Association of Securities Market Participants (NAUFOR) in the form of a written notice for violation of the requirements of the Baseline Standard for Investment Advisers' Transactions in the Financial Market and the Baseline Standard for the Protection of the Rights and Interests of Individual Receivers of Financial Services Provided by Members of SRO (Self-Regulatory Organization) in the Financial Market, combining brokers (the violations have been eliminated before the end of the inspection).

Anti-Corruption

FN-CB-510a.2

Sber does not tolerate any form or manifestation of corruption. An integral element of responsible business for Sber is an anti-corruption system that ensures zero level of corruption in all business processes. This anti-corruption system is aimed at prevention, detection and minimization of corrupt practices among employees. Sber uses different means to convey anti-corruption principles and standards for its current and future customers, counterparties and business partners. For example, the Bank inserts an anti-corruption clause in the documents it executes, posts important information and anti-corruption documentation on its official website.

Sber's main document in this field is the Anti-Corruption Policy of the Sberbank Group. The Policy provisions are applied to all Sber's employees. Regardless of their position, all employees are personally liable for compliance with the Policy provisions. Executives shall control the actions or omissions of their subordinates regarding compliance with the Policy provisions.

The Policy includes a description of the main goals, objectives, measures and sectors of the anti-corruption system, system participants, their functions and powers, as well as liability for corruption offenses. The document defines anti-corruption measures in the process of interaction with customers, counterparties and partners, the Bank's approach to managing conflicts of interest, handling gifts and business hospitality, charity, sponsorship, political and public activities.

In 2023, the Bank implemented the following anti-corruption measures:

- Developing an electronic service for assessment of corruption risks.
- Updating the methodological framework for handling gifts and business hospitality.
- Inspecting the Bank's business units and processes for compliance with the requirements of the legislation and the Bank's documents in the field of anti-corruption and conflict of interest management, including the Bank's activities in the financial markets; presenting the results to the Bank's executives and the Bank's Compliance Committee.
- Implementing the process for controlling conflicts of interest during internal transfers of the Bank's employees, with the percentage of automatic decisions exceeding 80%.
- Introducing a new process for assessing corruption risks in the Bank's processes.
- Achieving the satisfaction index of employees as internal customers (CSI) of 99% regarding the compliance services monitoring conflicts of interest.
- Implementing the mechanism of automated compliance opinions in every second case regarding the employees' applications about conflicts of interest.
- Implementing a service for handling queries to the Compliance Hotline with automated transcribing of voice to text and auto-determination of the query subject.

GRI 205-3

In 2023, there were no criminal cases initiated against the employees for corruption-related crimes. There were no fines and penalties related to corrupt practices during the reporting year.

MONITORING AND ASSESSMENT OF CORRUPTION RISKS

GRI 205-1, 205-3

Sber regularly monitors and identifies potential corrupt practices and conducts inspections and investigations if necessary. The Bank regularly assesses corruption risks in accordance with the compliance management system assessment methodology. Based on the assessment results, the Bank prepares a plan of measures to improve processes; the results are submitted to the Compliance Committee. Under the order of the Bank's Compliance Committee, in 2023, the Bank modeled and approved a continuous process of assessing corruption risks in the context of the Bank's processes.

There were no high corruption risks detected during the reporting period.

GRI 205-3

In 2023, the Bank noted 57 violations with signs of corruption, which is 8% lower than in 2022.

Total number of confirmed cases of violations with signs of corruption committed by Sberbank employees, pcs

Indicator	2020	2021	2022	2023
Number of cases	50	60	62	57

MED-41

Total number of employees subject to disciplinary liability for violations of the Bank's anti-corruption documents, pcs

Indicator	2020	2021	2022	2023
Number of dismissals	37	46	51	23
Number of disciplinary actions	44	51	15	21

GRI 2-27, 206-1, MED-43

There were no incidents during the reporting year when contracts with business partners were terminated or not renewed due to corruption-related violations.

Employee Training and Communication on Compliance and Anti-Corruption Issues

GRI 205-2, MED-42

Regular employee training and communication on anti-corruption issues is an important component of Sberbank's corporate culture. The Bank provides seminars and trainings aimed at preventing corrupt practices and raising awareness among employees.

As part of professional development in anti-corruption, employees take the Anti-Corruption training course and various multimedia compliance courses at corporate university. All courses and programs are updated in a timely manner to reflect changes in the legislation and the Bank's own practices. For example, the Anti-Corruption professional development program was updated in 2023 before a new employee group started the training.

Sber also provides employee training on compliance issues. The Bank has developed programs that explain the legal requirements and internal documents in the field of compliance risk management, as well as the special course "Acquaintance with the Code of Corporate Ethics and Business Conduct". The course was included in the onboarding program for newly hired Bank employees. All employees of the Bank were informed that it was necessary to take that course. In 2023, more than 67 thsd people completed the program and course, and the employee satisfaction score was 4.9 out of 5. Sber also created the Compliance e-course, consisting of five thematic modules and a business simulation as a test task, which can be completed by all Bank's employees.

The annual educational session on compliance is held for members of the Supervisory Board of the Bank, which covers anti-corruption and conflict of interest management issues.

Sber ensures promotion of the compliance brand and culture for all Group employees by issuing news digests and publications in the Compliance community. Subsidiaries operating in accordance with the principles of the Code of Corporate Ethics of the Bank independently develop the employee training plans.

Sber holds the Compliance Day and the Anti-Corruption Day for all Group employees every year. Employees take part in thematic contests and quizzes, and the winners receive corporate promotional gifts with the compliance logo.

Sberbank invites compliance experts to attend its business events and raise the Bank's level of compliance culture. Compliance, an internal online community, attracts more and more new employees every year: the number of followers at the end of 2023 exceeded 170 thsd.

Total number and percentage of employees who received anti-corruption training at Sberbank

Indicator	2020	2021	2022	2023
Number of employees who received anti-corruption training, thsd employees	> 148	> 40.5	> 83	> 50
Proportion of employees who received training in the total intended audience, %	95	97	97	96

Communication Channels for the Employees and Customers

GRI 205-2

Efficient internal communication channels for the Bank's employees ensure transparency of processes and timely resolution of arising issues. Such channels contribute to improving internal communications and compliance with regulatory standards, as well as minimizing the risks of violation of employees' rights.

Communication channels	Issues under consideration	Communication contacts
24/7 Internal Security Wistleblowing Hotline	Fraud, extortion, theft, leakage of confidential information through the fault of the Bank's employees	hotlineuvb@sberbank.ru 8 800 555–13–35
HR Unit	Improper conduct	culture_code@sberbank.ru You can also contact the department head
CyberSecurity Support Center	Cybersecurity	SCST@sberbank.ru You can also use the "Your Cybersecurity" section on the official website or the "Report a Fraudster" form in the mobile app
Corporate Ombudsman (in cases when a query was not resolved via the abovementioned channels)	All the abovementioned issues	corp_ombudsman@sberbank.ru

COMPLIANCE HOTLINE

GRI 2-23, 2-24,2-25, 2-26

The Bank has its own 24/7 Compliance Hotline. It is intended for the employees of the Bank and any third parties (including customers, counterparties and partners). The Compliance Hotline is regulated by the Anti-Corruption Policy of the Sberbank Group and the Process Chart for Setting Up the Compliance Hotline. The Policy is a publically available document posted on the official website of the Bank.

The applicant can contact the Compliance Hotline anonymously or under their own name. The Bank guarantees that all queries, including anonymous ones, will be considered.

All queries are classified into the following categories:

- Anti-corruption.
- Conflict of interest management.
- Counteracting illegal use of insider information and market manipulation.
- Counteracting unfair practices regarding pseudo-trust management of customer assets.
- Violations of the Code of Corporate Ethics and Business Conduct in respect of the abovementioned issues.

Ways of contacting the Sberbank Compliance Hotline:

- On the website in the "Compliance" section.
- By email ethics@sberbank.ru.
- By mobile phone +7 495 665–86–09.
- By means of an ordinary mail message to: 117997, Moscow, Vavilova Str., 19, Sberbank Compliance Division, marked "Compliance Hotline".

The main provisions for setting up the Compliance Hotline can be found on the website.

GRI 2–24, 2–25, 2–26

Summary information on the compliance queries received by the Compliance Hotline is brought to the attention of the Supervisory Board and the Compliance Committee.
If the fact of violation is confirmed, disciplinary measures are taken in relation to the person who committed the violation in accordance with the personnel decision matrix. In the reporting year, the Bank automated processing of queries received by the Compliance Hotline.

The Bank guarantees protection of the whistleblower and that no sanctions will be applied to them. The whistleblower receives a reply based on results of the query consideration.

Number of queries to the Sberbank Compliance Hotline

Indicator	2020	2021	2022	2023
Total number of the Compliance Hotline queries	971	1,544	2,145	2,432
Number of employees' queries to the Compliance Hotline related to violation of business ethics	n/a[1]	96	4	21
Number of queries to the Compliance Hotline related to other issues: • Conflict of interest management • Anti-corruption • Protection of insider information • Countering market manipulation • Pseudo-trust management	971	1,448	2,141	2,411

PARTICIPATION IN PROFESSIONAL COMMUNITIES

The Bank's participation in professional communities facilitates experience exchange and promotes relations with other participants of the banking industry. In addition, participation provides the Bank with an opportunity to act as an expert, share its experience, contribute to the development of industry standards and formation of the regulatory policy.

At the meetings, professional communities discuss relevant issues of countering money laundering, financing of terrorism and proliferation of weapons of mass destruction; updating the legal requirements and regulations in the sphere of finance; improving anti-corruption practices and implementing special economic measures to reduce the number of corrupt practices.

For more details, please see the "Compliance and Internal Controls in Sber in 2023" section of the Management Report

[1] There were no separate statistics.

Cybersecurity

Cyberthreat Control in 2023

GRI 3-3, 418-1, FN-CB-230a.1

In 2023, the cyberthreat landscape was affected by geopolitical conflicts. Criminal groups typically acted for political and religious reasons. The primary objectives of cyberattacks were public response, espionage, and fraud.

Key Cyberthreats of 2023:
- Denial of IT services (DDoS).
- Information extortion and theft.
- Disruption of the IT infrastructure operation.

Today, large Russian companies have a sufficiently high level of protection. Attackers take this into account when planning attacks, so to attack large companies, they target less protected companies first – suppliers and contractors. In this case, attackers target providers and technology companies that offer services or software and its components to large companies. For example, for the first time, there were cases of compromising the infrastructure of telecom providers to deliver spyware to specific users. More than 80 high-profile data leaks from Russian companies were recorded in 2023 (more than 100 – in 2022). The most popular target was e-commerce companies; the next popular target was financial institutions: predominantly insurance companies (70%) and banks (23%)[1].

In 2023, AI-based tools were actively used to run attacks. To prepare and run phishing campaigns, attackers started using machine learning and neural network technologies (ChatGPT and others).

Sberbank performs continuous monitoring of threats. For these purposes, the Bank created and has been developing the Threat Intelligence Platform (TIP). The number of open sources connected to the cyberthreat and vulnerability analysis system is over 600. This allows the Bank to constantly increase the scope of information about cyberthreats. The platform helped reduce the average time of cyberthreat analysis to 15 minutes. Information about attacker groups, their tactics, techniques and procedures is updated on a continuous basis. The platform provides context for detecting malicious traces in the company infrastructure: compromise indicators, rules for security event monitoring systems.

The DarkNet monitoring module, which is a part of the Platform, finds the company's digital artifacts (domain addresses, keywords relevant to the company, etc.) in shadow forums and channels, while the Brand Protection technology detects phishing websites. The platform processes 1.5 mn cybersecurity events daily.

Based on its Threat Intelligence Platform (TIP), Sberbank developed the X-TI system for exchanging extended information about cyberthreats between Russian entities. The platform was presented to the professional community at the SOC Forum 2023.

Access to the Platform is free for Russian companies. The X-TI platform contains:
- Description of more than 290 thsd vulnerabilities enriched with extended Sberbank analytics.
- 1.5 thsd historical cases processed by Sberbank analysts.
- 30 thsd instances of malicious code.

Sberbank's Cybersecurity Team monitors when new threats appear and takes all necessary measures to mitigate risks, including control of supply chains – 100% of software components (libraries, open-source tools) are checked for vulnerabilities.

Smart Cyberthreat Management Platform

[1] According to Sberbank's internal data from the SberTIP system

Main Areas of Protection against Cyberthreats

IT INFRASTRUCTURE SECURITY. SECURITY OPERATIONS CENTRE

FN-CB-230a.2

Sberbank's Cybersecurity Center ensures protection of the Bank's infrastructure on the 24/7/365 basis. The Center is based on the Security Operations Centre (SOC) technological core built on proprietary products – cybersecurity event processing systems (RTCE) and the threat intelligence platform (TIP).

In 2023, the Cybersecurity Centre processed:

- **145 tn** security events (398 bn events per day)
- **107 thsd suspected** cybersecurity incidents

The Center ensures

- **0 downtime** due to DDoS attacks
- **RUB 0** losses from accounts as a result of cyberattacks

Virtual SOC

Statistics: how cyberattacks on Sberbank changed in 2023

Threat type	Number of attacks in 2023	Comments
DDoS	124	The number of DDoS attacks decreased by 75%, as the focus of attackers shifted to less secure companies: software providers and developers. The following record-breaking attacks on sberbank.ru were repelled among others: • **1 mn requests per second** — record-high number of requests • **192 mn packages per second** record-high number of packages
Phishing (brand protection)	14.4 thsd	The number of phishing resources forging the Bank's brand decreased by 53%
Phishing (emails to employees)	180.6 thsd	The number of phishing emails increased by 29%
Web attacks	48 thsd	The number of web attacks increased by 320%
Malware	6 thsd	The number of attempts to deliver malware decreased by 74%
Perimeter scanning	68 thsd	The number of perimeter scans decreased by 33%
Threat indicators	134 thsd	As part of the Bank's proactive protection, SOC independently identified and added new cyberthreat indicators to the monitoring
Unrealized cybersecurity incidents	41.8 thsd	The number of incidents that represented a potential threat to the Bank increased by 90%. Due to the timely response, there is no impact on Sberbank's services

SBER PERSONNEL SECURITY. RAISING CYBERSECURITY AWARENESS AMONG SBERBANK EMPLOYEES

To counter social engineering threats and phishing attacks against employees, Sberbank carries out a regular program to increase employee awareness and provide cyber training. Key training topics: Sberbank's cybersecurity requirements, countering social engineering and telephone fraud, protecting confidential information and personal data, and countering phishing. Training is provided for all Sberbank employees. When hired, each employee completes the cybersecurity training — the courses "Cybersecurity Agent" or "Cybersecurity Agent for Line 1 Employees".

In 2023 **more than 300 intrabank communications** were conducted on various cybersecurity topics. The Bank held **more than 50 in-person and online cybersecurity events** for employees. Counteracting phishing, telephone fraud and social engineering were the most popular topics of the events.

Since 2016, Sberbank has been regularly launching simulated attacks against its employees to improve phishing countering. In 2023, 99.7% of Sberbank employees successfully repelled the simulated attacks, which is 2.2% more than in the previous year. **16 simulated attacks** were launched (6 of them – in 2022), of which 14 were phishing attacks (via email and messengers) and 2 were vishing attacks (via phone calls from fraudsters).

Last year, the Bank implemented a standard centralized process for independent launch of simulated attacks by the Sber Group subsidiaries and affiliated companies, similar to that at Sberbank. The key goals are to reduce the number of incidents by increasing cyber literacy and awareness of employees. At the end of 2023, **the average success rate of repelling simulated attacks across the Group was 96.4%, and the overall level of cybersecurity maturity of ecosystem companies reached 98%.**

For more details, please see the "Sales Network" section of the Management Report

Anti-Fraud and Customer Fraud Protection

The anti-fraud system provides reliable online protection of all financial transactions of Sberbank customers.

Key Indicators of the Anti-Fraud System:

- **10 bn** financial transactions and **20 bn** non-financial operations are analyzed per month by the fraud monitoring system.
- 100% of the customer base (**100+** mn customers) are protected.
- The Bank has developed and is now using over **20 various AI models** for effective fraud management and customer protection.
- The Bank integrated the transaction scoring platform with similar platforms of telecom operators, which processes about **18,500 transactions** per second (TPS).
- Over 9 mn events for 50 different types of risk events are received from external partners on a daily basis.

Perimeter	2016	2021	2022	2023	International payment system indicators
Efficiency, (%)	85.8	99	99.3	99.6	70
Fraud Basis Points, (bps)	0.51	0.13	0.11	0.05	6.75

Sberbank	2016	2021	2022	2023
Saved, (RUB bn)	41.0	112	173.1	276

Sberbank's operational anti-fraud performance consistently exceeds the level of international systems, while the Bank is constantly improving the anti-fraud system and processes, which allowed the Bank to achieve the following results in 2023:

- The Bank introduced special processes to confirm risky transactions for customers under the influence of fraudsters, which allowed the Bank to protect branches from attempted attacks and customers from telephone fraud.
- The Bank "saved" two years of life for customers by entering SMS: the share of transactions without SMS in e-commerce has increased (15% → 25%) the Bank saved RUB 65 mn per year.
- In addition, the Bank saved **RUB 520 mn** by arranging prompt exchange of information about fraudsters with other Russian banks.
- The Bank returned **RUB 190 mn** of stolen funds to customers from money mules' accounts[1] thanks to the interaction with the Ministry of Internal Affairs of Russia.
- The share of fraudsters using Sberbank's details to withdraw stolen money decreased from **20% to 12%**.
- Losses of customers of 65+ were reduced **by 60%**: they were transferred from digital channels confirming risk transactions to the employees of the fraud management group.
- The Bank **achieved 76%** reduction of fraud using loan funds and 37% reduction of fraud in transfers due to the introduction of a temporary ban on granting loans and transfers for customers affected by fraudsters.
- The number of users of the Security section services in the mobile Sberbank Online app **grew 2.5** times (up to 7+ mn active users per month).
- **93%** was the customer satisfaction index with fraud monitoring processes in 2023.
- The number of Sber customers' queries on cyberfraud decreased **by 35%**.

[1] Money mules are strawmen involved in fraud schemes who act as intermediaries in a series of manipulations with stolen money.

Personal Data Protection

GRI 418-1, FN-CB-230a.2

Sberbank has fully implemented the requirements of the personal data legislation, including the legislative amendments in 2023. For the reporting period, the DPO (Data Protection Office) Center, in accordance with the requirements of the legislation on personal data:

- Ensured control over **2,400** banking processes and **800** automated systems processing personal data, as well as **2,500** information flows between Sberbank and its counterparties.
- Performed **over 8,500** expert reviews of processes and documents;
- Launched **150** key and image-building projects of Sberbank.

In accordance with the generally acknowledged principles of privacy by design and privacy by default, the expertise covers all Sberbank processes and services from the idea stage to the moment of their deployment and/or termination of processing and destruction of personal data.

To increase the maturity level of the Sber Group focus companies, the Center:

- Regularly conducts audits of the Sber Group focus companies for compliance with the requirements to personal data processing and protection.
- Developed and implemented a centralized methodology and standards for personal data processing and protection.
- Regularly provides webinars, trainings and methodological assistance.

Compliance with International and Russian Standards

External audits confirmed the compliance of the following Sberbank's systems and processes with the following requirements:

- The acquiring and issuance processes for compliance with the new version of the international **PCI DSS** standard.
- The center for issuance of bank cards — with the **PCI CPP** standard requirements.
- With the requirements of the Bank of Russia for information protection.
- The Bank passed the audit for compliance with the international standard that defines the requirements for the information security management system **(GOST R ISO IEC 27001)**.

Sberbank's cybersecurity management system takes into account the best relevant international practices, including **ISO/IEC 27001:2022 Information Security, Cybersecurity and Personal Data Protection – Information Security Management Systems**.

Sberbank's experience in infrastructure protection is recognized and extended by regulators in the field of information protection to other entities, including subjects of the critical information infrastructure of the Russian Federation.

Development of Cybersecurity Services and Products

In 2023, Sberbank continued to develop its own cybersecurity solutions. It also created a framework for the nationwide use of its technologies and solutions.

Sber products provide effective comprehensive protection against cyberthreats, including the following:

- Infrastructure protection.
- Leakage protection.
- Cryptography.

INFRASTRUCTURE PROTECTION

Most systems that ensure the infrastructure security and have been replaced as part of the import substitution program have significantly increased their technological maturity to the level of domestic analogues and higher.

Import Substitution Projects Implemented in 2023:

- Incorporated a solution detecting intrusions in the proprietary development network, Sber Network Detect&Response (SberNDR).
- Incorporated a solution controlling invariability of key components of information systems.
- A server antivirus software was substituted with a domestic solution.
- Developed a proprietary visualization system for operational data in the Security Operations Centre.

LEAKAGE PROTECTION

Sber IRM, a solution for protection of confidential documents and emails using encryption and differentiation of access rights to information, is now fully technologically independent.

The Bank built its proprietary GOST SDK developer toolkit to use certified encryption algorithms and control user access to a document in domestic office applications and services.

In addition, to protect confidential documents, the Bank introduced the watermarking function — the use of watermarks with information about the user and their device.

CRYPTOGRAPHY

The services of the Microsoft CA certification center were completely replaced for the first time in Russia. The Bank transitioned the systems to more efficient and secure proprietary services, SberCA.

The risk of unavailability of all information systems and services of the Bank in the context of revocation of security certificates by international certification centers in the event of sanction pressure is eliminated. Sber prepared its systems and services to use certificates issued by the National Certification Center of the Ministry of Digital Development, Communications and Mass Media.

The Bank ensured continuity of its payment equipment operation during import substitution of foreign hardware and software security modules used in Sberbank for secure encryption and electronic signature operations (the hardware security module, HSM). This was possible thanks to participation in the development and testing of interoperable domestic HSMs.

Authentication of Sberbank employees when issuing unqualified electronic signature validation key certificates was strengthened through integration of Sberbank's certification center with ESIA services.

The focus of attention for 2024 is on developing in-house solutions, increasing their technological maturity, and further scaling Sberbank's products for the entire country.

Improving Citizens' Cyberliteracy

GRI 404-2

The most vulnerable link in the information security cycle is still a human. Improving cyberliteracy of employees, customers and those who are not yet Sberbank's customers helps not only protect people, but also make it more difficult for attackers to prepare and launch attacks on companies.

In 2023, Sberbank continued to develop the Cybrarium portal, the largest Russian cybersecurity knowledge library. The objective of this portal is to raise the level of Russian citizens' knowledge and practical skills in cybersecurity. At the end of 2023, Cybrarium:

- Had **3.5 mn** views and more than **1.5 mn** unique users.
- Contained over **350** cybersecurity materials for various age groups (including exclusive investigations by Sberbank experts).

Cybrarium is represented at major educational forums and training events: the Russia International Exhibition and Forum at the Exhibition of Economic Achievements (VDNKh) in Moscow, in the federal territory "Sirius" as part of the 3rd International Financial Literacy Olympiad, at the festival of financial literacy and entrepreneurial culture of the Moscow Urban Forum, etc.

To help people develop fraud prevention skills, Sberbank created the Virtual Assistant for Cybersecurity Issues on the basis of Salute, a virtual assistant. It includes 14 interactive cybersecurity simulators. At the end of 2023, almost 1 mn unique users used the skills. Statistics show that the use of virtual cybersecurity assistants reduces in half the number of realized fraud cases for those customers who were trained on simulators. The Virtual Assistant for Cybersecurity Issues project won the Digital Leaders Awards 2023 and became the nominee of the Stolypin Award 2023.

- Sberbank's website contains the Sber Bank Privacy page that describes how Sberbank processes and protects customer personal data. The objective of the page is to increase transparency in the processing of customer personal data and developing a conscious attitude towards personal data. **Over 2.3 mn** users viewed the resource, and the number of visitors reached **1.5 mn**.

Cybrarium

Awards and achievements

- **The Cybrarium project won** in the "Best ESG Projects in Russia" and "Efficient Education" categories at the all-Russian competition in the field of education and Digital Leaders Awards 2023
- **Sber Bank Privacy was awarded the diploma** of the National Banking Award 2023 in the "Social Project" category

Sustainable Supply Chain

GRI 3-3, 2-6

Sber builds a responsible procurement system and develops a sustainable supply chain, collaborating with suppliers in accordance with the sustainable development principles. Sber itself follows high standards in human rights, labor relations, social responsibility and environmental protection and expects its partners to comply with them. Sber interacts with suppliers on the basis of long-term contracts and primarily gives preference to local suppliers.

GRI 407-1, 408-1, 409-1

As part of the risk management system, Sber assesses supply chain risks. In the event of suppliers' unethical behavior and violation of established rules, Sber reserves the right to terminate any business relations with an unfair supplier. Sber does not cooperate with suppliers that violate the right of free association and collective bargaining agreements, and those with a high risk of child or forced labor.

Procurement Procedures

GRI 204-1, MED-8, MED-9

Sber's requirements for ESG suppliers are set forth in the Code of Corporate Ethics and Business Conduct and Sberbank's Code of Corporate Social Responsibility in Procurement Activities.

The Code of Corporate Ethics and Business Conduct regulates the basic approach to the interaction with suppliers, which includes:

- Compliance with applicable legislation, the Bank's Procurement Regulations and business ethics.
- Fair competition, equality and justice.
- Fair and responsible partnership.
- Quality and safety of goods, works and services.

For more details, please see the "Business Ethics, Compliance and Anti-Corruption" subsection

The Code of Corporate Social Responsibility for Procurement Activities establishes a list of requirements in the following areas

- Labor safety.
- Environment protection.
- Anti-corruption.
- Prevention of conflicts of interest.
- Compliance with ethical standards when using confidential information and intellectual property.

When selecting suppliers, the Bank is guided by the norms of the procurement legislation, the Procurement Regulation of Sberbank developed in accordance with Federal Law No. 223-FZ dated 18 July 2011 On Procurement of Goods, Work and Services by Certain Types of Legal Entities, as well as the Methodology for Assessing the Financial Stability of Partner Companies. Similar procurement regulations are adopted in other Sber Group companies.

To ensure compliance with the ESG requirements throughout the supply chain, the Bank signs an Agreement for the Use of Corporate Social Responsibility Principles with all suppliers. Other companies of the Sber Group sign a similar document with their partners and suppliers.

Sber holds training events for the Supply Center employees, whose duties include preparation, implementation and support of procurement activities. The Supply Center specialists regularly discuss the specifics of communication with counterparties on the importance of compliance with the sustainable development principles.

The Bank also has the practice of interacting with local suppliers on implementing the ESG principles in companies' activities. For example, the discussion of cooperation with one of the counterparties resulted in an additional potential opportunity for its business development. As a result, the supplier was able not only to create an additional line of work and attract new customers, but also to introduce more sustainable approaches in its operations, thereby reducing the negative environmental impact.

By interacting with local suppliers, whose purchase share has not decreased compared to the previous year, Sber continues to be active in working with small and medium-sized enterprises (SMEs). In 2023, the annual procurement volume from SMEs amounted to 41.2% of the total procurement volume.

ESG Assessment of Suppliers

Sber's Green Supply Chain service is an effective tool for assessing the integration of the ESG practices into companies' activities because it helps:

- Large companies assess ESG risks related to existing and potential suppliers using a methodology specially developed for the Russian market, and analyze whether they comply with the legal requirements and principles in the field of sustainability.
- Suppliers learn the basic ESG criteria to further improve their practices, what is necessary to position themselves as socially and environmentally responsible companies, as well as obtain an ESG certificate and get included in the list of responsible suppliers.

The service conducts a supplier questionnaire, which consists of five blocks and covers general information about the company, its actions along the Environmental, Social and Governance tracks, as well as the company's sustainability management system. Based on the assessment, the supplier receives a certificate that is valid for one year. The certificate will be included in the open database containing a list of the ESG suppliers and can be the basis for participating in green procurement.

The Green Supply Chain is one of the most popular non-lending ESG products offered by Sber for business in the market. Since the service launch, over 800 companies have received ESG assessments.



Tax
Strategy

Observance of Tax Liabilities

GRI 207–1, GRI 207–2

Sber is a responsible taxpayer that pays taxes in a timely manner and in full, conducts transparent activities and maintains an open dialogue with tax authorities. These principles are integrated into all business processes of the Group and are observed at all levels of activity. This allows the Group to successfully minimize risks of tax disputes. Sber annually discloses tax information on the activities of the Group companies in its financial reports, which is independently certified by an external auditor.

Sber is one of the largest taxpayers in the Russian Federation. In the reporting year, the amount of tax accrued on the Bank's income amounted to RUB 353 bn.

Regular Dialogue with Tax Authorities

GRI 207–3

Interaction with tax authorities, including reporting, passing of mandatory tax audits and tax control, is an important part of the activities of the Sber Group. The Group adheres to the principle of maximum transparency. Since Sberbank uses the tax monitoring mode as a tax control method, the Banks communicates with the controlling tax authorities online. Sber provides access to the data mart, where tax authorities can process tax and accounting data in real time, which significantly improves the quality of interaction in the tax monitoring mode, and also exempts the Bank from additional tax control measures.

Together with industry associations, Sberbank participates in discussions of legislative initiatives, development of the Russian national tax system, and in projects aimed at introducing new progressive tax regimes.

In addition, the Bank continues to participate in the Federal Tax Service project on implementation of the automated simplified taxation system (ASTS), where tax liabilities are calculated at the level of tax authorities based on the data on client taxpayer transactions. When switching to the ASTS, it is no longer necessary to calculate taxes, submit tax returns and reports on employees on your own: these functions are taken over by the Bank. Sber offers the ASTS service to its customers in four federal entities of the Russian Federation: Moscow, Moscow and Kaluga Regions, and the Republic of Tatarstan. For more details, please visit the website.

Institutions Sber interacts with on tax matters

- Federal Tax Service
- Ministry of Finance of the Russian Federation
- State Duma Committee on Budget and Taxes
- Chamber of Commerce and Industry of the Russian Federation
- Russian Union of Industrialists and Entrepreneurs
- Association of Banks of Russia
- National Finance Association

Tax Risk Management

GRI 207–2

Sberbank has adopted the automated Tax Risk Management System being a part of the Risk and Capital Management System and connected with the Internal Control System. The Bank takes efforts to increase the employees' awareness of potential tax risks and continuously controls the procedure for implementation of measures with regard to such risks.

Provision of Tax Services to Customers

In close cooperation with the Federal Tax Service, Sberbank is implementing the following projects to provide tax services to its customers:

TAX PAYMENT

To facilitate the tax payment process, the Bank offers its customers to pay their taxes online via Sberbank Online for individuals and the SberBusiness online bank for legal entities in the web version or mobile app using UIN[1] or INN. Customers can also pay by scanning a QR code in the app or via self-service terminals.

The online tax payment feature is also available to the self-employed through the My Business service. Customer can use the service and get support free of charge. My Business also allows customers to register as self-employed from scratch: they do not need to download a new app; the relevant option is already available in Sberbank Online.

TAXES AND TAX DEDUCTIONS FOR THE POPULATION

Sberbank helps claim tax deductions, including when purchasing real estate and paying mortgage interest, as well as investment deductions, without submitting a tax return or supporting documents to the tax authorities. Sberbank's automated system analyzes the Bank's information on customer transactions and files this information to the Federal Tax Service. Based on the data received, the Federal Tax Service generates a pre-filled application for deduction in the personal account of the individual taxpayer. Then, the Bank's customer verifies that the application is filled in correctly and signs it. This approach saves taxpayers' time and reduces the time it takes to verify deduction statements. Thanks to the automated system, the average duration of the on-site tax audit is one month.

Course "What taxes we pay and how to do it smartly"

On the SberSova platform, every Sber user can take a free training course "What taxes we pay and how to do it smartly". Experts explain the tax system structure in Russia and examine existing types of taxes, primarily personal income tax, and tax deductions.

The course includes four lessons:
- Tax system structure.
- Personal income tax.
- Tax deductions: how to save on personal income tax payments.
- Taxes and insurance.

[1] UIN is a unique accrual identifier, a unique sequence of 20 or 25 digits assigned to each payment to identify its sender and recipient.

Government and Industry Relations

The Bank strives to take a proactive stance in interaction with public authorities, respond not only to formalized changes in legislation prepared by authorized public authorities, but also to legislative trends in the legal field at the stage of discussion and development of changes. The Bank also submits its suggestions for improving the legal regulation at the stage of the initiative development (before the formalization of the regulatory legal act), the promotion of which, on the one hand, will allow the Bank to implement more efficiently the objectives set out in the Development Strategy of the Bank, and, on the other hand, will contribute to the development of the financial market in general.

GRI 2–28

Sber builds long-term relations with public authorities and industry associations on the issues of legal regulation, discussion and development of events within the framework of working and expert groups.

As part of proactive interaction with public authorities, the Bank approves an annual Regulatory Initiative Plan (hereinafter, the Plan), which serves as a tool for promoting Sber's interests in key regulatory areas. In 2023, the Plan included 145 regulatory initiatives.

As part of the reactive GR direction, the Bank's dedicated business units conduct regular monitoring and analysis of draft regulatory acts developed by public authorities (more than 100 projects annually). The consolidated position resulting from such analysis is communicated to public authorities at all stages of the process until adoption in order to minimize the negative effect on Sber's business.

Projects under the Regulatory Initiative Plan

Indicator	2020	2021	2022	2023
Projects under the Regulatory Initiative Plan, pcs	176	179	150	145

Improvement of Legal Regulation

Sberbank regularly participates in the development and improvement of legislative regulation both for the achievement of its strategic goals and for the development of the country's financial market. Sberbank has the Work Team for Improvement of Legislative Regulation and Development of Enabling Legal Environment (hereinafter, the Work Team for GR[1]). Its objectives include development of the Bank's consolidated position on regulatory initiatives and draft laws bearing regulatory risks.

In 2023, specialists from the Bank's dedicated units conducted regular monitoring, control and assessment of draft regulatory acts developed by public authorities to minimize negative impact on the Bank's business. Based on the monitoring and analysis, the Bank, at the meetings of the Work Team for GR, formed its position with regard to the draft regulatory documents reviewed for communicating it to public authorities.

As part of its standard-setting activities, in the reporting year, Sberbank actively interacted with the following public authorities and commercial banks, and participated in expert and advisory boards, workshops and meetings.

Government of the Russian Federation	Federation Council	State Duma of the Russian Federation
Central Bank of the Russian Federation	Ministry of Finance of the Russian Federation	Ministry of Economic Development of the Russian Federation
Ministry of Digital Development, Communications and Mass Media of the Russian Federation	Ministry of Science and Higher Education of the Russian Federation	Ministry of Labor and Social Protection of the Russian Federation
Association of Banks of Russia	Autonomous Non-Profit Organization Digital Economy	Social Fund of Russia
DOM.RF	All-Russian Union of Insurers and many others	

[1] Government relations are the interaction with public authorities.

Climate Agenda



Image generated by Kandinsky 3.0

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SBER'S APPROACH TO THE CLIMATE AGENDA MANAGEMENT

ESG Policy compliance

Action line II. Develop climate-related risks and opportunities management practices:

- ★ **Target 7.** Develop a climate strategy for effective management of climate-related risks and opportunities
- ★ **Target 8.** Implement a plan for the assessment, reduction and offsetting of greenhouse gas emissions, including carbon footprint of the portfolio
- ★ **Target 9.** Create an effective climate change risk management system
- ★ **Target 10.** Support clients with the development of a climate risk and opportunity management system
- ★ **Target 11.** Provide financial products and services to facilitate the low-carbon transition, adapt to climate change and implement innovative technologies and projects
- ★ **Target 12.** Assist with the establishment of a climate risk management and climate change adaptation system at the national and international level

UN Sustainable Development Goals



Internal regulatory documents

- Climate Strategy
- Methodology for Calculating Direct and Indirect Greenhouse Gas Emissions from the Sberbank Activities (Scopes 1, 2 and 3) in CO_2 -equivalent
- Standard for Accounting and Quantitative Assessment of Emissions for the Sber Group Companies
- ESG Risks Management Policy
- Risk and Equity Management Strategy

Material topics

- Climate agenda

Key results 2023[1]

- **22%** — reduction in Scope 1 emissions in 2023 against the 2019 base year
- **25%** — reduction in Scope 2 emissions in 2023 against the 2019 base year
- The share of green energy in the electricity consumption structure reached **12%**
- **The Climate Strategy 2026** was developed and approved
- **AI-enabled models** for predicting climate risk events and their economic consequences were implemented
- **The first voluntary low-carbon energy certification system** and low-carbon energy register was launched in Russia
- **Sber took part in the COP28 UN Climate Change Conference** to contribute to the discussions on the climate agenda development in Russia and BRICS countries

[1] Data is provided for Sberbank.

GRI 3-3

Sber carries out comprehensive work on reducing the emissions associated with its activities and value chain, managing the climate-related risks and developing the climate agenda at the national and international level.

Sber's Climate Strategy establishes the general approach, strategic directions and goals in climate change that are relevant for the business cycle duration. The Climate Strategy 2023 goals were fully achieved. In 2023, the Group developed and approved its new Climate Strategy through to 2026 within the framework of which it will continue to implement measures for achieving the Scope 1 and Scope 2 carbon neutrality by 2030.

Sber is involved in the implementation of the climate-related national decarbonization strategy and international cooperation. In particular, Sber develops new AI-enabled technologies and solutions to assist the state, regions and businesses in managing climate risks in the most efficient way.

Climate Agenda Management

Sber adheres to a systemic approach to managing the climate aspects. The climate change issues are taken into account in strategic and operational planning, budgeting, and the implemented activities are evaluated in terms of their efficiency. In addition, Sber extensively interacts with stakeholders on the climate-related issues and relies on the results of this interaction in decision-making.

The Group maintains a multi-level organizational climate governance structure that involves senior management. The issues related to the development of the ESG risk management system, including climate-related risks, are submitted to the Supervisory Board, the Executive Board and the Group Risk Committee for reviewing at least once a year. Reports on the Climate Strategy progress are heard at meetings of the Supervisory Board, the Strategic Planning and Sustainable Development Committee of the Supervisory Board, the Executive Board and the ESG Committee at least once a year (including as part of the reports on the development of the ESG direction at Sber and the ESG Strategy implementation).

The Climate Strategy goals along with the ESG Strategy goals are integrated into the executives and employee remuneration system as KPIs. The Supervisory Board's HR and Remuneration Committee regularly evaluates the performance of the members of the Bank's executive bodies, factoring in the ESG target values.

Climate management model at Sber

1. Strategizing and goal setting

- Developing and approving the Climate Strategy in business cycles (every three years)

2. Planning and budgeting

- Developing the annual plans for the Climate Strategy implementation, planning and allocating budgets for the activities

3. Implementing initiatives

- Implementation of activities, projects, and programs by responsible business units and regional banks

4. Monitoring and reporting

- Quantifying the greenhouse gas emissions; verifying with the involvement of an independent third party
- Forming regular internal and annual publicly available climate-related reporting
- Communicating with investors and other stakeholders

5. Assessing performance efficiency and enhancing the Strategy

- Reviewing the results, plans, and strategies of the management bodies
- Assessing performance efficiency and introducing changes for enhancing the Climate Strategy

Climate agenda management at Sber

Supervisory Board

- Strategic Planning and Sustainable Development Committee
- Risk Management Committee

Strategic level
- Determining strategic climate priorities and goals
- Approving internal regulatory and strategic documents on climate
- Managing ESG risks, including climate risks

Executive Board

- First Deputy Chairman of the Executive Board
- Group Risk Committee

Management Level
- Monitoring the Climate Strategy
- Approving internal regulatory and strategic documents on climate

ESG Committee[1]

- ESG Directorate
- Risks Block
- Services Block

Operation Level
- Formulating recommendations for the higher management bodies regarding the Climate Strategy
- Quantifying carbon footprint
- Coordinating the Climate Strategy measures, monitoring and reporting

- Other units and regional blocks

Performance Level
- Implementing the Climate Strategy measures
- Providing data and information

For more information, please see the "ESG Transformation Management Strategy and System" section

[1] ESG Committee is an advisory body consisting of members of the Executive Board, executives of Sberbank functional blocks and regional banks. The Committee reports to the First Deputy Chairman of the Executive Board.

Climate-related Risks and Opportunities

Sber operates the integrated risk management system that regularly identifies and assesses risks and opportunities related to climate change. Sber pays special attention to the analysis of climate-related risks within its loan portfolio for managing the credit and insurance risks.

Sber's approach to climate-related risks and opportunities is based on:

- Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)[1].
- Recommendations of the Bank of Russia
- Other regulatory legal acts of the Russian Federation.
- IPCC scenario analyses on the atmospheric greenhouse gas concentrations.

Climate Risk Identification, Assessment and Management

According to the ESG Risk Management Policy, Sber identifies climate-related risks as part of environmental risks. By climate-related risks, Sber understands the risks of adverse physical changes in the environment, behavioral patterns and socioeconomic relations caused by climate change. Sber analyzes the climate-related risks in the context of physical and transition risks[2].

The Group identifies and assesses these risks in the short- (1–5 years), medium- (5–10 years) and long-term (10–30 years) horizons.

Climate management process at Sber

Risk Identification

- climate factors affecting credit, operational and liquidity risks
- regulatory and legal risks
- technological risks
- market risks
- reputational risks
- acute and chronic physical risks

Risk Assessment

- assessing the economic impact of risks
- assessing the strategic importance of risks based on the scale of risk materialization impacts and time horizons

Material Risk Definition

Risks shall be recognized as material if it is impossible to manage them without changing credit and investment processes and products

Material Risk Management

Measures are developed to manage each material risk

[1] These recommendations are at the core of IFRS S2 on climate-related financial disclosures issued in 2023 that Sber also takes into account in its activities.

[2] Physical climate risks are characterized by direct damage to infrastructure assets as a result of hazardous weather events and other climate change impacts, while transition risks are characterized by losses due to long-term climate change and societal adaptation to it. Physical risks are divided into acute and chronic. Acute risks relate to increased intensity of extreme weather events (e.g., cyclones, droughts, floods, and fires), and chronic risks relate to longer-term changes in the precipitation amount and temperature (e.g., sea level rise).

The material climate-related risks are managed under the close control by Sber's management bodies, such as the ESG Committee and the Loans and Investments Committee. Where the Executive Board recognizes, following the voting, a risk to be a strategic one, such risk is to be further considered at the Executive Board and Supervisory Board meetings.

Sber is significantly exposed to transitional risks that are associated with changes in the national and international carbon regulation and affect the credit risk in the short and medium term. Sber is also aware of the long-term relevance of physical risks and elaborates the tools to assess and manage these risks. Comprehensive management of transition and physical risks is to improve the resilience of Sber's business strategy and business model to climate risks in general.

To manage the climate-related risks in the lending process, Sber implements the following measures:

- Identification of the climate risks at the transaction and customer levels as part of the ESG risk assessment.
- Assessment of physical and transitional climate risks for large-scale projects as part of ESG due diligence.
- Regular assessment of the loan portfolio for carbon intensity and review of the reports based on its results by the members of the Executive Board.
- Climate stress testing of the loan portfolio subject to the approval by the Group Risk Committee.

For more information on managing the ESG risks, including climate-related risks, in the lending process, please see the "Responsible Financing and Non-Financial ESG Products" section.

Climate Stress Testing

SASB FN-CB-550a.2

Sber regularly conducts climate-related stress testing of its loan portfolio that covers transitional and physical climate-related risks. Such stress tests make it possible to quantify the Bank's financial stability in the case of occurrence of climate change consequences (stress scenarios).

At stress testing, Sber relies on proprietary scenarios and models as well as on internationally recognized scenarios.

In 2023, the Bank's retail loan portfolio was stress tested to assess the damage caused by physical climate-related risks by region with a forecast period of one year. The climate stress testing is based on a comprehensive climate scenario. The atmospheric greenhouse gas concentration scenarios (RCP2.6-8.5) developed by the Intergovernmental Panel on Climate Change are used as a basis for calculating the stress test.

The scenarios use historical data on climate change, probability and level of damage that might be caused by climate-related risks by region and are supported with international research data. The standard for determining the severity of internal scenarios is, in particular, represented by stress scenarios developed by the local banking regulation and supervisory authority (Bank of Russia) and by institutions that determine international standards and ensure global financial stability (e.g., World Bank, European Central Bank, Basel Committee on Banking Supervision) and institutions engaged in national-level studies of climate change dynamics e.g., IPCC, NGFS[1]).

[1] NGFS stands for Central Banks and Supervisors Network for Greening the Financial System.

Scenarios and models used by Sber for climate stress testing

Stress testing of transitional risks	Comprehensive scenario for the stress testing of transitional risks at the level of national economy, industries and the Bank's portfolio[1] (developed by Sber using the Net Zero 2050 scenario of the International Energy Agency and scenarios of the European Commission under the EU's Green Deal[2])
	Scenarios finalized based on model estimates to regularly carry out stress tests
Stress testing of physical risks	Own models to assess physical risks using artificial intelligence
	Network for Greening the Financial System scenarios
	IPCC's main scenarios

The Group develops its own models for predicting climate risk events, which are practical and useful both for the Bank and real economy companies.

[1] This scenario is part of the Long-Term Development Strategy of the Russian Federation with Low Greenhouse Gas Emissions through to 2050.
[2] Zero Pollution Plan and Chemical Strategy aimed at zero toxic pollution in EU countries, reducing the use of inorganic fertilizers by 50%, increasing the transparency of environmental footprint of supplies; Farm to Fork Strategy suggesting no carbon-intensive imports of agricultural products.

Models for predicting natural disasters and their damage

In 2023, Sber continued to integrate its own models for predicting climate risk events and their economic consequences into the lending process. AI technologies are used to improve the prediction quality, increase the granularity of prediction and manage such risks efficiently at the regional level. The models mark the territory of the Russian Federation according to the level of exposure to climate-related risks at a resolution of 25 km by 25 km.

There are models to predict fire hazards, storm winds, hail, flood, and permafrost degradation. The models make it possible to predict the probability of hazardous weather events on the basis of various climate scenarios where the key indicator is an average temperature change. Prediction is performed quarterly.

The implemented models allow Sber to automate the assessment of a customer's physical climate risks and reduce the assessment uncertainty, for example, to accurately predict the risk of a customer's default and assess potential losses.

The models not only help reduce the Bank's credit and insurance risks, but also allow real economy companies to form their development strategy with due regard to climate risk events.

In particular, they enable customers to quickly manage physical risks and reduce the costs as the model prediction horizon ranges from six to twelve months. They also identify new opportunities related to climate change, e.g., to determine where favorable conditions for agriculture and forestry may arise.

In the future, Sber will continue its research in terms of elaborating new climate models to fully cover physical climate-related risks. These models will be used to assess the economic effect of their implementation on gross domestic product and economic agents directly.

Climate Opportunities

Sber identifies the following high-impact opportunities arising from the global energy transition and the national low-carbon development strategy:

- Expand the set of responsible financing services[1]:
  - Increased issuance of green, adaptation and ESG loans.
  - Preparation and offering of green, adaptation and climate bonds.
  - Consulting services to help customers choose a responsible financing strategy and instruments, participation in customers' placement of bonds.
- Facilitate the development and deployment of advanced decarbonization technologies.
- Participate in green certificates trading (low-carbon energy certificates).

SBER'S CLIMATE-RELATED RESEARCH

In 2023, Sber continued to publish its study on climate change as part of the Sustainable Development Workshop project. Sber's analytical materials reflect climate challenges and opportunities for companies in the banking sector and real economy. In 2023, the Group released two studies:

- Future of the Climate Agenda in Banks, in which Sber considered the main directions, drivers, barriers to development of the climate agenda for the banking sector in Russia and ways to overcome them.
- Myths and Truth about Climate Change and Agriculture, in which Sber analyzed the impact of Russian agriculture on climate and of climate on agriculture.

ECO4CAST - A SOLUTION TO REDUCE EMISSIONS WHEN TRAINING AI MODELS

In 2023, AIRI supported by Sber developed the Eco4cast open library to reduce carbon emissions when training neural networks. The service was created using the tool for monitoring the energy consumption and carbon footprint of AI models (Eco2AI); the tool was jointly developed by AIRI and Sber in 2022. In 2023, Eco2AI was placed in the Climate Technologies and Digital Initiatives Bank under the EAEU Eurasian Economic Commission.

Eco4cast predicts carbon intensity per day in a number of regions of the world and, based on the prediction, offers intervals or regions with the lowest CO_2 emissions with resource-intensive computing and AI model training. Eco4cast reduces greenhouse gas emissions by an average of 25% and in some cases by up to 77%.

For more information, please see the "ESG Transformation Management Strategy and System" section.

[1] For more details, please see the "Responsible Financing and Non-Financial ESG Products" section.

GREEN CERTIFICATES

Sber contributes to the achievement of the goals of international treaties and national programs in the field of climate and stimulates the transition to low-carbon energy through developing a register and a system for voluntary low-carbon energy certification in Russia, sharing related experience and partner projects on the global stage.

Sber is not limited to the national agenda and plans to scale the green certification system beyond Russia. In 2023, at the Partnership for Sustainable Energy Promotion: Russian Regions and Business session of the Third Asia-Pacific Energy Forum, Sber proposed to create a unified system of green certificates for Asia-Pacific countries to enable mutual verification. Furthermore, at the Russia-China Energy Business Forum the Group proposed to consider recognizing its certification system in the Chinese market and to become a provider of a similar Chinese certification system in the Russian market.

Launch and development of a low-carbon energy certification system in Russia

In 2023, Sber registered the first Russian voluntary low-carbon energy certification system with Rosstandard and, also, created a low-carbon energy register that provides services to businesses within this system.

That certification is to confirm that power plants generate energy from low-carbon sources, including renewable ones. Companies certified in the Sber system can offset greenhouse gas emissions and reduce their contribution to climate change.

Sber's system is in line with the trend towards developing national carbon regulatory instruments and significantly increases the number of low-carbon electricity consumers.

To simplify and accelerate the verification of users' registration data in the low-carbon energy register, Sber also enabled the authorization of legal entities through SberBusiness ID.

Sber's system was successfully validated by TÜV Austria, a leading international certification expert organization, that certified the system conformity with the stated objectives, the transparency and reliability of operations, and equal access to information in respect of transactions made using the system.

The system enabled Russian companies to reduce their Scope 2 carbon footprint by 22.5 thsd tonnes of CO_2 equivalent within the first few months of platform operation[2].

Sber's low-carbon energy certification system in figures[1]

7
green energy suppliers

39 participants

~170 thsd
green certificates issued

~70 thsd
green certificates repaid

[1] As at year-end 2023.
[2] Calculations were made using the methodology developed by Sber for calculating direct and indirect greenhouse gas emissions in CO_2eq.

Carbon Footprint Methodology and Calculation

The implementation of Sber's Climate Strategy and its measures to reduce the carbon footprint are based on a quantitative assessment of greenhouse gas emissions. To ensure the correct implementation thereof, Sber uses the Methodology for calculating direct and indirect greenhouse gas emissions (Scopes 1, 2 and 3) for the Group that takes into account international and national methodologies, including the GHG Protocol, ISO 14 064, IPCC National Greenhouse Gas Inventory Guidelines, Orders of the Russian Ministry of Natural Resources and Environment of the Russian Federation No. 371 dated 27 May 2022 and No. 330 dated 29 June 2017.

Calculations of Sberbank's Scope 1 and Scope 2 emissions are verified by independent experts.

In 2023, direct greenhouse gas emissions by Sberbank (Scope 1) amounted to 105 thsd tonnes of CO_2 equivalent[1], which is 1% (1.2 thsd tonnes of CO_2 equivalent) less than in 2022.

Indirect energy emissions of Sberbank (Scope 2) decreased by 8% against 2022 due to the purchase of green energy and redemption of green certificates.

GRI 305-1, 305-2, MED-20

Sber greenhouse gas emissions in Scopes 1 and 2, tonnes of CO_2 equivalent[2]

Indicator	Perimeter	2020	2021	2022	2023
Scope 1[3,4]	Sberbank	121,241	113,247	106,530	105,238
	Sber Group companies	–	13,360	21,623	24,976
	Total	**–**	**126,607**	**128,153**	**130,214**
Scope 2	Sberbank	463,620	400,999	422,674	389,291
	Sber Group companies	–	4,229	3,090	48,942
	Total	**–**	**405,228**	**425,764**	**438,233**
Scopes 1 and 2	Sberbank	584,861	514,246	529,204	494,529
	Sber Group companies	–	17,589	24,713	73,918
	Total	**–**	**531,835**	**553,917**	**568,447**

[1] Hereinafter, the absolute and relative indicators of greenhouse gas emissions of Scope 1 and 2 were verified within the Sberbank boundaries.

[2] Hereinafter, the greenhouse gas emissions of the Sber Group companies (and the total amount within the Sber Group, respectively) are disclosed for three years due to adjustments in the Group's perimeter and the lack of retrospective data. Hereinafter, the data for the Sber Group companies for 2021–2022 are disclosed in accordance with the disclosure in the 2022 Annual Report, the data for 2023 includes a wider perimeter of the Sber Group companies compared to the perimeter in 2022.

[3] The indicated calculation of Scope 1 emissions is performed in accordance with the IPCC guidelines, the calculated greenhouse gases include CO_2, CH_4, N_2O. Biogenic emissions of CO_2 are non-material. The base year is 2019.

[4] The calculation of Scope 1 emissions is also performed according to Order of the Ministry of Natural Resources and Environment of the Russian Federation dated 27 May 2022, No. 371; the calculated greenhouse gas is CO_2. According to the methodology of Order No. 371, the value of Scope 1 emissions for Sberbank in 2023 was 102,591 tonnes of CO_2 equivalent, for the Sber Group companies — 24,220 tonnes of CO_2 equivalent, for the Sber Group — 126,811 tonnes of CO_2 equivalent.

GRI 305-3, MED-20

Sber's greenhouse gas emissions in Scope 3, tonnes of CO_2 equivalent

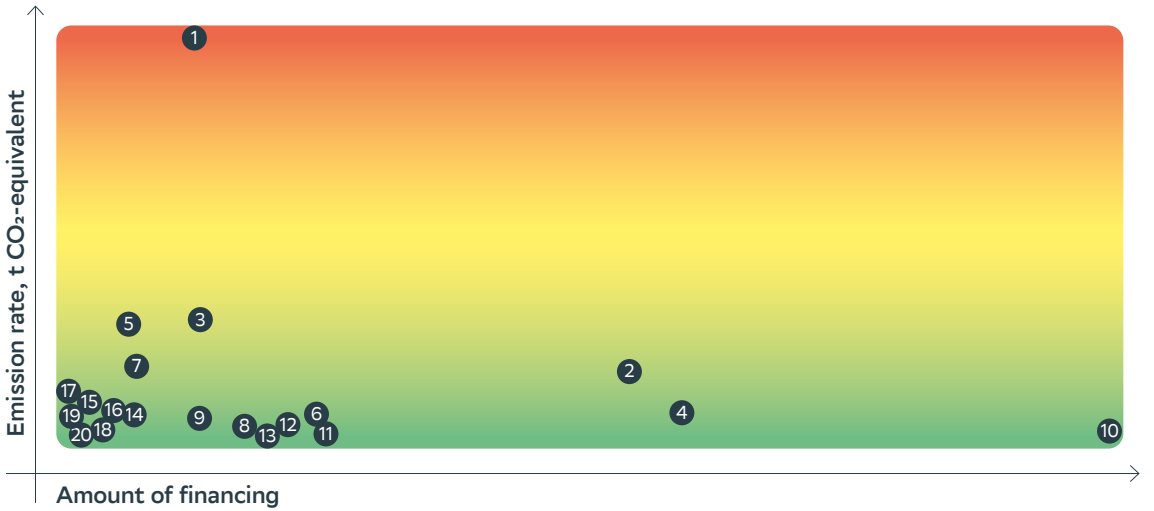
Indicator	Perimeter	2020	2021	2022	2023
Emissions from employee commuting[1]	Sberbank	92,840	88,236	83,268	81,470
	Sber Group companies	–	2,712	4,666	7,219
	Total	**–**	**90,948**	**87,934**	**88,689**
Emissions from power consumption at leased facilities[2]	Sberbank	136,947	136,042	134,067	142,652
	Sber Group companies	–	37,406	32,192	55,993
	Total	**–**	**173,448**	**166,259**	**198,645**
Emissions from waste generated[3]	Sberbank[4]	31,709	31,482	31,001	30,292

GRI 305-4

Sberbank's greenhouse gas emissions[5], tonnes of CO_2 equivalent per employee

Scope	2020	2021	2022	2023
Scope 1	0.52	0.51	0.51	0.51
Scope 2	1.97	1.80	2.01	1.89
Scopes 1 and 2	2.49	2.30	2.51	2.40
Scopes 1, 2 and 3	4.10	3.45	3.69	3.63

Industry-specific structure of the climate-related risk of the corporate loan portfolio and corporate bonds[6]



1 Energy
2 Metals and mining
3 Chemicals
4 Oil and gas
5 Construction materials
6 Transport
7 Forest industry
8 Mechanical engineering
9 Food
10 Real estate
11 Agriculture
12 Retail
13 Telecom
14 Services
15 Housing and utilities
16 Materials
17 Consumer loans
18 Pharmaceuticals
19 Apparel and textiles
20 Construction contractors

1 The ratio for calculating the emissions of this category (395 kg of CO_2 equivalent) was derived from a survey with the Bank's employees regarding their commute to and from work.
2 For the Leased Buildings and Structures category, emissions are calculated based on available input data on the leased object premises, as well as relative and reference values from the industry standards. To assess the energy consumption of a building in the absence of data on the actual consumption of thermal energy and power, available initial data for the premises of leased properties, as well as relative and reference values given from the industry standards are used.
3 For the Waste Generated as a Result of the Bank's Activities category, emissions are calculated on the basis of data on the volume of waste sent for disposal and the dates of the establishment of the Bank's branches. The calculation is based on the mass of decomposable degradable organic carbon (DDOCm). DDOCm is a part of the organic carbon that will degrade under anaerobic conditions. The calculation is based on the equation of decomposable degradable organic carbon (DDOCm).
4 Emissions in this category are calculated for Sberbank only.
5 For the relative indicator of Scope 1, the calculated greenhouse gases are CO_2, CH_4, N_2O, and for the indicator of Scope 2 — CO_2. The average headcount of Sberbank's employees was used as the denominator.
6 According to the Partnership for Carbon Accounting Financials (PCAF) methodology.

Climate Strategy

The Group's Climate Strategy sets strategic goals, focus areas and activities to respond to climate change and adapt to its consequences. Sber's Climate Strategy takes into account the requirements of international documents[1] and best practices, the national climate agenda and global trends, as well as the results of assessment of climate-related risks and opportunities.

The assessment of greenhouse gas emissions allows the Group to monitor the efficiency of the measures implemented under the Climate Strategy and, where necessary, adjust it as appropriate to achieve the targets.

Climate Strategy 2023

Status of KPI achievement under the Climate Strategy 2023

Strategic goal	KPI within the goal	Status
Promote the development of innovative technologies aimed to improve the quality of the environment, including at the international level	Developing innovative ESG-related AI solutions	Completed
Elaborate a climate strategy for the efficient climate-related risks and opportunities management	Setting corporate-wide goals related to climate change	Completed
	Approving a methodology for quantifying the greenhouse gas emissions of Scopes 1, 2 and 3 in accordance with the international standard GHG Protocol	Completed
	Implementing annual quantification and verification of Scope 1 and Scope 2 GHG emissions	Completed
	Reducing Scope 1 and Scope 2 emissions by 5% and 15%, respectively, through to 2023	Completed
Implement a plan to assess, reduce and offset greenhouse gas emissions, including the portfolio's carbon footprint	Assessing Sber's carbon footprint and the carbon intensity of Sberbank's portfolio	Completed

The targets of the Climate Strategy 2023 to reduce emissions in Scope 1 and Scope 2 by 2023 were overachieved by 17 and 10 pp accordingly. The emission reduction targets were achieved owing to improved energy saving and increased energy efficiency, the use of green energy, and improved assessment of emissions.

[1] The key documents underlying Sber's Climate Strategy were developed as part of the UNEP FI, Net-Zero Banking Alliance, CDP, and TCFD initiatives.

Initiatives implemented to achieve the Climate Strategy 2023 targets

Focus area	Implemented measures
Energy saving and energy efficiency at facilities	• Reconstruction of heating and boiler stations • Organizational measures for energy saving • Implementing the Andromeda system to automatically control the operating modes of utility systems based on microclimate parameters, utility metering, etc. • Using energy efficient equipment of at least A level energy class and green real estate standards titled LEED and BREEAM at new facilities
Green energy	• Purchasing green energy through the wholesale electricity and capacity market • Purchasing and redeeming green certificates
Improving emission assessment	• Developing a methodology to calculate carbon footprint

For more information on energy saving and energy efficiency activities, please see the "Energy Management" subsection

Climate Strategy 2026

Sber continues to develop in this direction — it approved the Climate Strategy for the next business cycle (2024–2026) in 2023, setting new targets through to 2026.

According to its Climate Strategy, Sber's key areas of focus include:

- Reduction of its negative impact on the climate change (Scope 1 and 2 emissions).
- Assessment and monitoring of Scope 3 emissions as well as emissions under Sberbank's portfolio.
- Climate-related risks monitoring and management.

Sber's goals under the Climate Strategy

	by 2023[1]	by 2026[2]	by 2030
Scope 1	Reduction by **22%** (vs the 5% target)	Reduction by **30%**	**Net zero**
Scope 2	Reduction by **25%** (vs the 15% target)	Reduction by **40%**	
		Developing climate agenda approaches for the Bank's international branches Launching automated data collection on SACs' emissions	Implementing models to assess credit and insurance risks in the Bank's core and insurance businesses, sharing Sber's climate risk expertise

The Climate Strategy 2026 takes into account the relevant external context, namely setting the national goal to reach carbon neutrality by 2060 at the latest, the importance of building cooperation on the climate agenda within BRICS, ESA, SCO, improving approaches to assessing the climate-related risks and disclosing the Scope 3 emissions.

The consistent achievement of the targets of the new Climate Strategy will enable the Group to meet its commitment to achieve the Scope 1 and Scope 2 carbon neutrality by 2030.

[1] Targets and results of 2023 are compared to a 2019 baseline.
[2] Targets by 2026 are compared to a 2019 baseline and cover facilities commissioned by 2023.

Participation in the National and International Climate Agenda

Sber interacts with stakeholders and partners to develop the climate agenda in Russia and worldwide. It participates in regulatory matters and promotion of the low-carbon economy within the framework of national and global events, and provides responsible financing tools for decarbonization projects.

In 2023, the Government of the Russian Federation approved the action plan for the second phase of adaptation to climate change through to 2025. Sber is the sole commercial company co-implementing the plan. To contribute to the implementation of adaptation measures, Sber plans to apply its developments at the federal level, e.g., to use a climate risk events prediction model for setting up a national model for physical climate-related risks assessment.

In addition, in 2023, Sber continued to participate in the state project for the development of the Russian climate monitoring system (most important innovative project of national importance). The system allows to monitor greenhouse gas emissions in natural and urban ecosystems and, on the basis of the obtained data, to shape efficient low-carbon development strategies for businesses, regions, and the country generally. Sber provides expert and technological support under the project.

COOPERATION WITH THE REGIONS ON THE CLIMATE AGENDA

In the reporting year, the Group continued to develop cooperation with Russian regions in implementing regional programs for sustainable development and transition to a low-carbon economy.

Following the VIII Eastern Economic Forum held in 2023, Sber entered into strategic partnership agreements with the governments of the Altai Republic and Sakhalin Region. As part of this cooperation, Sber provides the regions with responsible financing tools to attract investments in decarbonization projects and digital services for addressing climate-related issues, and renders methodological and expert support.

Sber possesses extensive experience in the efficient cooperation with the Government of Sakhalin Region in running the Sakhalin Experiment aimed at limiting the greenhouse gas emissions and forming a carbon unit market. Pursuant to the agreement concluded in 2023, Sber will elaborate individual financial solutions and digital products for promoting the low-carbon generation in the region. In addition, the parties consider the possibility of using Sber's voluntary low-carbon energy certification system at Sakhalin Region's power generation facilities for the issuance of green certificates.

Sber develops a line of solutions to implement the regions' climate agenda. For instance, Sber's first fast electric charging station was launched in Lipetsk in 2023. Sber and Lipetsk Region intend to further expand the charging network in the region.

Sber carries on cooperation with the Government of Moscow in implementing climate-related initiatives in the Moscow public transport structure. In December 2023, Sber signed the Partnership Agreement on the low-carbon electricity use, under which the parties undertook to work jointly on the greenhouse gas emissions reduction and to expand the use of electricity from low-carbon and renewable sources on the public transport. The first transaction under the Agreement was a sales contract for over 57 thsd green certificates issued within Sber's voluntary low-carbon energy certification system.

Throughout the reporting period, Sber participated in the following events aimed to address climate-related issues essential for Russian companies and the national economy in general:

- Climate Goals of Business: Boundaries of Opportunities session at the VIII Eastern Economic Forum, where the speakers studied the opportunities and challenges that Russian exporting companies face and that relate to climate cooperation and regulation in the context of geopolitical changes. At the Forum, Sber also held a session dedicated to sustainable development of the BRICS countries to confirm its willingness to foster cooperation between the countries in achieving common goals on the way to a more sustainable world, and proposed ideas on potential partnerships.
- Energy Transition and Its Prospects: Future of Low-Carbon Energy in Russia plenary session held under Russian Energy Week forum where its participants discussed the key drivers of energy transition in Russia.
- The National Oil and Gas Forum, where Sber spoke on the importance of adapting the Russian economy to climate change and the role of fuel and energy companies in this process.

PARTICIPATION IN THE UN CLIMATE CHANGE CONFERENCE COP28

Sber organized and held the Responsible Financing Day in the Russian pavilion at the 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28). The sessions were attended by the representatives of governments, businesses and expert communities of Russia, India, China, and Brazil. The audience of the online broadcasts of Sber's sessions at COP28 exceeded 1.8 thsd people, which is 54% higher than the average number of views of sessions broadcast from the Russian pavilion.

The Group took part in the discussions on the climate agenda in cities, green finance and green procurement as decarbonization tools, monitoring the climate change in Russia and international cooperation in achieving the goals of the Paris Agreement.

During the sessions, the Group delegation spoke on Sber's climate-related projects and achievements, and presented proposals for international partnership development, namely:

- Practical AI-enabled solutions to address climate change issues.
- The initiative on establishing the BRICS Climate Council to synchronize the climate agenda of the participating countries; the proposal received support from the expert community.
- Discussion on the impact of climate change on the Russian economy; support to the introduction of the Russian climate monitoring system.

At the conference, Sber maintained an extensive internal communication via corporate portals sending out updates on the COP28 events, hence involving its employees in the climate agenda.

Environmental Aspects

338 Environmental Management
339 Efficient Use of Resources
341 Responsible Waste Treatment
343 Energy Management

Image generated by Kandinsky 3.0

KEY RESULTS 2023[1]

105.4 mn kWh
of green energy in the energy mix

18%
reduction in the total waste generation against 2022

The Energy Policy was approved

44%
reduction in the paper consumption against 2020

26%
of the generated waste transferred for disposal and neutralization

12%
reduction in the water consumption against 2022

13%
reduction in the waste transferred for disposal against 2022

[1] Data is provided for Sberbank.

SBER'S APPROACH TO ENVIRONMENTAL MANAGEMENT

ESG Policy compliance

Action line I. Minimize the environmental impact:
- ★ **Target 1.** Increase the effective use of materials, energy, and waste management
- ★ **Target 2.** Ensure the compliance of Sber buildings and offices with green standards
- ★ **Target 3.** Contribute to the distribution of high environmental standards among clients and partners
- ★ **Target 4.** Finance green projects and the implementation of best available technologies
- ★ **Target 5.** Contribute, including on the international level, to the development of innovative technologies aimed at improving the quality of the environment
- ★ **Target 6.** Assist with the achievement of environmental protection goals at the national level

UN Sustainable Development Goals



Internal regulatory documents

- Regulation of Environmental Management

Material topics

- Environmental aspects

Environmental Management

GRI 3-3

To minimize the negative environmental impact, Sber implements measures for ensuring the efficient use of natural resources (materials, water and energy) and responsible waste management, implementing environmentally efficient solutions under the concept of green office.

Reduction of its impact is one of the priority areas of Sber's ESG Strategy 2023 and new ESG Strategy 2026. In accordance with them, the Group set environmental KPIs, achievement of which is controlled by Sber's Executive Board.

For more information on the implementation of the ESG Strategy 2023 and the ESG Strategy 2026 goals, please see the "ESG Transformation Management Strategy and System" section

The principal internal document regulating the Group's environmental activities is the Regulation of Environmental Management. It sets forth general requirements for planning and implementing the measures on environmental protection and industrial environmental control. Also, Sberbank has applied its own internal standards for industrial environmental control at certain facilities, and air protection and waste management standards.

Observance of environmental legislation is an integral element of Sber's approach to environmental issues. In 2023, environmental authorities did not impose any orders, fines or non-financial sanctions on Sber. The Bank paid all the charges for environmental impact in due time and in full.

GRI 2-27

Environmental legislation observance indicators of Sberbank, RUB

Indicator	2020	2021	2022	2023
Amount of the environmental impact fee	1,200,000	1,400,000	846,362	161,656[1]
Amount of fines paid for non-observance of environmental legislation	0	43,643	20,000	0

Sber not only reduces its own environmental impact, but also manages environmental risks in lending, introduces requirements for suppliers and promotes the implementation of environmentally efficient technologies and implementation of environmental projects through the development of sustainable loan products and work under partnership agreements.

[1] Include payments for the waste disposal (of non-SMW) and air pollution emissions from stationary sources.

Efficient Use of Resources

To use the material and water resources in a rational way, Sber optimizes its business processes and implements environmentally efficient technologies. However, the Group carries out the work on improving the level of employee knowledge and skills in responsible use of natural resources.

Paper Consumption

Paper is a key material used by Sber in its operating activities. To reduce its consumption and subsequent waste generation, Sber increases the processes' efficiency and applies digital solutions, in particular, develops its system of internal (applicable to employees) and external (applicable to contractors) electronic document exchange within Sberbank and the Sber Group companies.

The above measures led to a 44% reduction in the Bank's paper consumption in 2023 compared to 2020.

GRI 301-1

Actual paper consumption at Sberbank•

Indicator	2020	2021	2022	2023
Amount of office paper used, A4 packs	2,050,000	1,544,054	1,175,838	1,137,948
Weight of A4 office paper used, kg[1]	5,125,000	3,860,135	2,939,595	2,844,870

For more statistics on the actual paper consumption at Sberbank and Sber, see the "ESG Data Book: Ecology" appendix

Along with reducing the paper consumption, Sber develops paper recycling practice. To that end, Sber attends to introducing separate paper waste collection and encourages its employees to follow the separate waste practice.

Amount of paper used by Sberbank and sent for processing

Indicator	2020	2021	2022	2023
Amount of paper used and sent for recycling, tonnes	1,160	1,410	1,990	1,438

• Indicators were verified within the Sberbank boundaries.
[1] In calculating the weight of the consumed paper, a ratio based on the average weight of one A4 paper package was used, i.e., 2.5 kg.

Sber's victory in the BoomBattle campaign

In the fall of 2023, Sber traditionally took part in the All-Russia Environmental Campaign BoomBattle and became its partner. The missions of the campaign are to reduce paper consumption, arrange a paper recycling system, and promote environmental consciousness among the population.

In the course of this event, Sber employees and customers collected 280 tonnes of waste paper, which secured Sber's win in the Business category.

Use of Water Resources

GRI 303-1

Sber's activities do not imply significant impact on water bodies as the Group does not use water resources on an industrial scale, does not take water from natural water bodies or discharge wastewater to these, and does not use water in water-stressed regions. Sber acquires water for household and drinking needs from third parties and discharges wastewater to municipal sewerage systems.

Nevertheless, following the principle of careful attitude to natural resources, Sber implements water accounting and consumption reduction solutions.

In 2023, Sberbank's water intake decreased by 12% against the previous year, which was driven by Sber's rational water use measures.

GRI 303-3, 303-4, 303-5, MED-13

Indicators of water resources use at Sberbank[1], m³

Indicator	2020	2021	2022	2023
Total water intake (water from third-party companies)	2,457,327	2,435,381	2,345,597	2,075,540
Volume of water disposed to municipal sewerage systems	2,457,327	2,435,381	2,345,597	2,075,540
Total water consumption	2,457,327	2,435,381	2,345,597	2,075,540

Volume of drinking water consumption at Sberbank

Indicator	2020	2021	2022	2023
By volume, m³	2,199,550	2,146,903	2,120,014	1,902,838
By value, RUB thsd	83,743	89,890	88,840	84,278

[1] Sberbank carries out only freshwater intake. Sber's wastewater also belongs to the category of freshwater with a total mineralization of less than 1,000 mg/l.

Tribute to Volga on the Volga Day campaign

On the Volga Day celebrated on 20 May, Sber for the third time in a row held a number of eco events aimed at preserving the Volga River and its ecosystem and improving environmental awareness among the Volga Region residents.

The central event was the Tribute to Volga on the Volga Day campaign organized by Sber and Clean Hands, Clean Rivers non-profit foundation. In 15 cities located along the river, volunteers simultaneously took multiple water samples, so that scientists could assess the impact of various factors on the quality of the Volga waters as well as understand the origin of potential sources of water pollution. Owing to regular samples, the scientists' reports help monitor the dynamics of the river ecosystem status.

A total of over 30 thsd people took part in Sber's activities on the Volga Day. The campaign also included eco quizzes, lectures at schools, topic-specific drawing competitions, master classes, trainings and environmental games. In Samara, Sber's Community Center held an eco festival.

Responsible Waste Treatment

GRI 306-1, 306-2

Waste generation related to Sber's activities, and waste treatment operations do not have a material negative environmental impact as almost 100% of the Group's waste belong to IV and V hazard classes, i.e., low-hazard and virtually non-hazardous waste.

The Group carries out systemic work on to reducing the amount of waste generation and increasing the share of waste sent for disposal (recycling) and neutralization. It includes communication with employees regarding the importance and rules of separate waste collection.

Key measures in responsible treatment of waste generated from Sber's own activities

Reduced waste generation

- Replacing fluorescent bulbs with energy-saving ones to minimize waste of hazard class I
- Introducing electronic document management
- Using stationary water filters
- Skipping bottled water
- Using returnable containers when purchasing water for coolers
- Purchasing reusable and rejecting disposable dishware

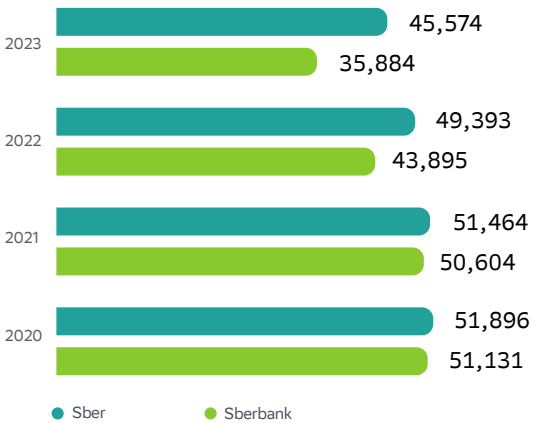
Recycling

- Further disposal and neutralization of end-of-life equipment
- Implementing waste sorting in offices, in particular paper, plastic and battery waste
- Centalized purchasing of containers for sorted waste
- Pilot initiative for compacting sorted paper and plastic waste
- Producing eco-friendly pens from plastic cups used in Sberbank offices
- Disposal of ATMs and information and payment terminals
- Making facilities switch to commercial accounting of solid municipal waste as far as such waste is generated
- Adjusting contracts with regional operators

GRI 306-3

Following the implemented measures, the amount of waste generated by the Bank in 2023 decreased by 18% against 2022, and its SMW generation decreased by 13%.

Dynamics of waste generation at Sber and Sberbank, tonnes



GRI 306-1, 306-3

Waste generation structure by hazard class and type at Sberbank, tonnes[1]

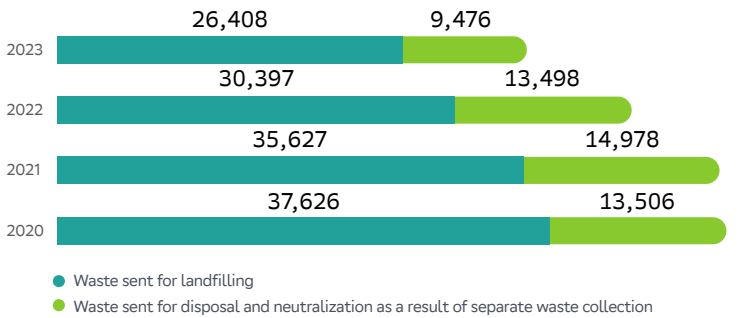
Hazard category / waste type	Hazard class	2021	2022	2023
Total mass of generated waste	–	50,604	43,895	35,884
Total mass of generated hazardous waste, including:	1, 2, 3	145	53	15
• mercury lamps	1	14	5	4
• batteries, uninterruptible power supply	2	83	40	9
• office equipment waste of hazard class III	3	40	0	0
• other hazardous waste	1, 2, 3	8	8	2
Total mass of generated low-hazard waste, including:	4, 5	50,459	43,842	35,870
• office equipment waste of hazard class IV	4	2,203	1,804	1,424
• waste resulting from collection and treatment of wastewater, wastewater from water recirculation systems	4	12	8	10
• rubber and plastic waste	4, 5	339	335	321
• information-and-payment terminals	4	1,102	934	193
• ATMs	4	4,774	4,533	864
• waste paper	5	1,409	1,990	1,438
• solid municipal waste and other waste for landfills	4, 5	37,320	30,397	26,408
• other low-hazard waste	4, 5	3,300	3,841	5,212

GRI 306-4, 306-5

The Group does not autonomously dispose of, neutralize, or bury waste. To carry out waste treatment operations, Sber uses the services of third-party companies that have licenses and permits for waste treatment.

At Sberbank, the rate of separate waste collection for its subsequent transfer for disposal and neutralization reached 26% in 2023.

Volume of waste by type of treatment at Sberbank, tonnes



Separate waste collection rate at Sberbank

Indicator	2020	2021	2022	2023
Separate waste collection rate	26%	30%	31%	26%

For more statistics on waste treatment types at Sberbank and Sber, see the "ESG Data Book: Ecology" appendix

Also, Sber contributes to the development of the waste treatment infrastructure in Russia by:

- Participating in discussions on draft laws, in particular on the extended producer responsibility.
- Financing projects for developing the infrastructure for SMW separation and recycling.
- Using artificial intelligence to solve the problem of unauthorized landfills.
- Contributing to the expert discussion and solutions search in waste treatment and circular economy development.

Extension of the validity period of Bank cards and payment stickers

In 2023, Sberbank doubled the validity period of all debit and credit cards as well as the Bank's payment stickers powered by the MIR payment system from five to ten years. These products are wear-proof and designed for a minimum of ten years of uninterrupted operation. Extension of their validity period reduces the volume of plastic waste.

The Clean Games competition

For the second year in a row, Sber became the general partner of Clean Games, a team competition in cleaning up local areas with separate waste collection. In 2023, the Clean Games united more than 29 thsd participants who collected 463 tonnes of waste.

[1] Indicators were verified within the Sberbank boundaries.
• Values for waste types are disclosed for three years due to changes in the data accounting system.

Energy Management

Improving energy efficiency of Sberbank and the Sber Group companies is an important sector of Sber's work on the rational use of natural resources and reduction of greenhouse gas emissions.

Approval of the Energy Policy

To develop its approach to energy consumption management, in 2023, Sber approved the Energy Policy that reflects the Bank's official position and key liabilities in energy saving.

In particular, the Policy states the liability to improve the energy management system and increase the energy efficiency, carry out procurement factoring in the energy efficiency requirements, inform customers, contractors and the Sber Group companies about the Bank's energy management activities. In addition, in this Policy, Sber specifies the use of renewable energy sources as one of its priorities.

Sberbank has the energy management system in place that allows the Bank to analyze energy consumption of the Bank's facilities in real time, reduce losses, and improve energy efficiency. In 2023, Sberbank successfully passed the GOST R ISO 50001-2012[1] voluntary certification performed by an external independent organization and obtained a conformity certificate valid until 2026.

Sber implements the following main measures to reduce the consumption of fuel and energy resources (FER) and improve the energy efficiency:

- FER consumption regular monitoring and control.
- Introducing the tools that automatically switch devices on and off, in particular motion sensors.
- Replacing fluorescent lamps with energy efficient light sources.
- Maintaining optimal modes of operation of energy-consuming equipment, carrying out its maintenance and repair in a timely manner.
- Using equipment with a high class of energy efficiency (not lower than Level A) at new facilities.
- Enhancing energy conservation culture through training and informing of employees, developing the motivation system.

Sber introduces its initiatives on implementing energy-saving technologies, among other things, as part of voluntary certification of buildings under green standards. For example, Sberbank's Data Processing Center in Skolkovo received the LEED certificate in 2019, and Sberbank offices in Moscow City received the BREEAM certificate in 2021. The BREEAM certificate was also granted to the VIP eco-office in the Leader Tower business centre in St. Petersburg. In 2022, Sber's Community Center in Samara and its adjacent office were certified for compliance with the requirements of the standard of ecological offices of the voluntary certification system facilities Green Office. Ecogreenoffice No. ROSS RU. 31963.043ОФ0, and the same year these office premises won the national Green Office Awards 2022.

GRI 302-4

In 2023, the energy consumption at Sberbank decreased by 6% against 2022 due to implementation of the initiatives on energy saving and efficiency, and development of the energy management system.

GRI 302-1

Volume of energy consumption at Sberbank, GJ•



In addition to the measures aimed at saving and increasing the efficiency of non-renewable fuel and energy resources, Sber reduces its carbon footprint by using green energy. The key measures taken by Sber to increase the rate of green energy in the energy balance are as follows:

- Using the non-regulated bilateral contract mechanism in the wholesale electricity and power market (WEPM) with renewable energy generators.
- Purchasing and redeeming green certificates through the voluntary low-carbon energy certification system.

[1] GOST R ISO 50001 Energy management systems. Requirements with guidance for use.
• Indicators were verified within the Sberbank boundaries.

MED-22

In 2023, the Bank purchased 77.2 mn kWh of renewable energy for the Bank's facilities (69.7 mn kWh in 2022) through WEPM. In addition, 28.2 mn kWh of electricity was provided by renewables, which is confirmed by the purchase of green certificates of the Low Carbon Energy Register system. The total rate of green energy in the electricity consumption structure of Sberbank amounted to 12% (8% in 2022).

For more statistics on energy consumption at Sberbank and Sber, see the "ESG Data Book: Ecology" appendix

Volume of fuel and energy consumption[1] at Sberbank

	By volume				By value, RUB thsd, including VAT			
Energy/fuel type	**2020**	**2021**	**2022**	**2023**	**2020**	**2021**	**2022**	**2023**
At the Bank's facilities[2]								
Power (purchased), kWh	900,754,042	900,810,969	877,232,278	846,489,270	5,288,982	5,662,127	5,616,686	5,943,534
Thermal energy (purchased), Gcal	543,224	542,442	498,287	441,226	1,162,121	1,216,280	1,175,611	1,199,594
Diesel fuel, l	13,346,483	10,979,051	10,486,611	11,495,578	640,474	540,538	557,343	672,060
Gasoline, l	1,713,859	1,419,619	1,280,708	1,427,452	78,350	59,651	63,921	73,659
Natural gas, m³	12,755,637	12,778,389	11,502,492	9,583,041	89,062	94,928	90,266	86,422
Coal, t	365	82	23	22	2,097	817	234	253
Woodfuel, m³	1,379	823	633	478	2,303	1,556	1,801	1,395
Kerosene, l	54,475	42,030	32,926	39,133	2,963	2,080	2,634	3,931
By corporate vehicles								
Diesel fuel, l	18,949,224	18,606,134	17,750,623	17,613,097	903,439	881,046	904,363	955,672
Gasoline, l	2,149,816	2,374,953	2,277,806	2,097,755	102,830	117,502	114,731	104,284

[1] Due to the lack of production facilities, Sberbank does not use energy in the form of steam and cooling.
[2] Thermal energy and power consumption at the leased real estate facilities of Sberbank is not accounted for.

Biodiversity conservation

Sber contributes to biodiversity conservation by implementing partner projects and developing new technologies for nature protection.

In 2023, to conserve and efficiently record rare and endangered animal species, Sber signed a memorandum with partners on the development of a digital Amur tiger recognition system. The document is aimed at creating a solution to identify Amur tigers from camera traps images. The technology was implemented using computer vision algorithms and the biometric approach. In the reporting year, a pilot version of the solution with basic functionality was developed and dispatched to the customer.

For more details on the wild animal identification system, see the "Artificial Intelligence for Sustainable Development" subsection

In addition, Sber supports local projects that contribute to biodiversity conservation. For example, in 2023, The Inhabitants of the Lake Kaban ornithological route was opened in Kazan. The Kaban is the largest lake system in Tatarstan, its inhabitants count 20 species of birds. Some of them are included on the Red List of Threatened Species.

The twelve-kilometer-long nature trail The Source of Angara was opened in the Pribaikalsky National Park in Irkutsk Region with support from Sber. The infrastructure created there serves to preserve the natural complexes and improve the tourism quality and safety.

The bat research and conservation center was founded and opened in Samara Region with support from Sber and the Ministry of Tourism of Samara Region. Its objective is to study the largest population of bats in Europe that inhabits adits within the territory of the Zhigulev Reserve.

With the participation of Sber, in 2023, the project for monitoring the Red Book species of saiga received its continuation. The GPS transmitters purchased through the help of Sber collect the data to introduce the most efficient measures for restoring the saiga population of the North-Western Pre-Caspian, the sole population inhabiting the territory of the Russian Federation only.

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ESG Data Book: Ecology

Paper Consumption

GRI 301–1

Actual paper consumption at Sberbank•

Indicator	2020	2021	2022	2023
Copy paper used, A4 packs	2,050,000	1,544,054	1,175,838	1,137,948
Weight of used A4 packs, t	5,125	3,860	2,940	2,845
Waste paper sent for recycling, t	1,160	1,410	1,990	1,438

Actual paper consumption at Sber[1]

Indicator	2020	2021	2022	2023
Copy paper used, A4 packs	2,086,361	1,591,524	1,249,854	1,268,553
Weight of used A4 packs, t	5,216	3,979	3,125	3,171
Waste paper sent for recycling, t	1,301	1,516	2,542	2,910

Use of Water Resources

GRI 303–3, 303–4, 303–5

Indicators of the use of water resources at Sberbank, m^3

Indicator	2020	2021	2022	2023
Total water intake (involving third-party organizations)	2,457,327	2,435,381	2,345,597	2,075,540
Wastewater disposed to municipal sewerage systems	2,457,327	2,435,381	2,345,597	2,075,540
Total water consumption	2,457,327	2,435,381	2,345,597	2,075,540
• including drinking water	2,199,550	2,146,903	2,120,014	1,902,838

• Indicators were verified within the Sberbank boundaries.
[1] Hereinafter, the values of the Sber Group for 2020–2022 correspond to the Annual Report for 2022. As part of the 2023 disclosures, the perimeter of the Sber Group companies was extended.

Responsible Waste Treatment

GRI 306–3, 306–4, 306–5, MED-17, MED-18

Waste generation and treatment structure of Sberbank, t •

	Waste generated				Waste sent for disposal				Waste sent for recycling and decontamination			
Waste hazard class	**2020**	**2021**	**2022**	**2023**	**2020**	**2021**	**2022**	**2023**	**2020**	**2021**	**2022**	**2023**
Hazardous waste (hazard classes I, II, III)	**71**	**145**	**53**	**15**	**0**	**0**	**0**	**0**	**71**	**145**	**53**	**15**
• Hazard class I	18	13	5	3	0	0	0	0	18	13	5	3
• Hazard class II	21	84	40	10	0	0	0	0	21	84	40	10
• Hazard class III	32	48	8	2	0	0	0	0	32	48	8	2
Low-hazard waste (hazard classes IV, V)	**51,060**	**50,459**	**43,842**	**35,869**	**37,626**	**35,627**	**30,397**	**26,408**	**13,435**	**14,833**	**13,445**	**9,461**
• Hazard class IV	35,678	34,730	34,915	30,438	23,754	24,930	24,537	23,297	11,924	9,803	10,378	7,141
• Hazard class V	15,382	15,729	8,927	5,431	13,872	10,697	5,860	3,111	1,511	5,030	3,067	2,320
Total	**51,131**	**50,604**	**43,895**	**35,884**	**37,626**	**35,627**	**30,397**	**26,408**	**13,506**	**14,978**	**13,498**	**9,476**

Waste generation and treatment structure at Sber, t

	Waste generated				Waste sent for disposal				Waste sent for recycling and decontamination			
Waste hazard class	**2020**	**2021**	**2022**	**2023**	**2020**	**2021**	**2022**	**2023**	**2020**	**2021**	**2022**	**2023**
Hazardous waste (hazard classes I, II, III)	**73**	**147**	**57**	**19**	**0**	**0**	**6**	**0**	**73**	**147**	**57**	**19**
• Hazard class I	18	13	5	4	0	0	0	0	18	13	6	4
• Hazard class II	21	84	40	10	0	0	0	0	21	84	40	10
• Hazard class III	34	50	12	5	0	0	6	0	34	50	11	5
Low-hazard waste (hazard classes IV, V)	**51,823**	**51,317**	**49,335**	**45,554**	**37,963**	**36,013**	**32,896**	**28,345**	**13,783**	**15,159**	**13,798**	**11,276**
• Hazard class IV	36,164	35,241	36,419	39,102	24,042	25,271	25,100	25,014	12,077	9,899	10,472	8,154
• Hazard class V	15,659	16,076	12,916	6,452	13,921	10,742	7,796	3,331	1,706	5,260	3,326	3,122
Total	**51,896**	**51,464**	**49,392**	**45,574**	**37,963**	**36,013**	**32,902**	**28,345**	**13,856**	**15,306**	**13,855**	**11,295**

• Indicators were verified within the Sberbank boundaries.

Energy Management

GRI 302–1, 302–2

Consumption of fuel and energy resources at Sberbank in kind •

Energy/fuel type	2020	2021	2022	2023
At the facilities				
Power (purchased), kWh	900,754,042	900,810,969	877,232,278	846,489,270
Thermal energy (purchased), Gcal	543,224	542,442	498,287	441,226
Diesel fuel, l	13,346,483	10,979,051	10,486,611	11,495,578
Gasoline, l	1,713,859	1,419,619	1,280,708	1,427,452
Natural gas, m^3	12,755,637	12,778,389	11,502,492	9,583,041
Coal, t	365	82	23	22
Woodfuel, m^3	1,379	823	633	478
Kerosene, l	54,475	42,030	32,926	39,133
By corporate vehicles				
Diesel fuel, l	18,949,224	18,606,134	17,750,623	17,613,097
Gasoline, l	2,149,816	2,374,953	2,277,806	2,097,755

Consumption of fuel and energy resources at Sber in kind

Energy/fuel type	2020	2021	2022	2023
At the facilities				
Power (purchased), kWh	906,491,284	908,889,416	885,237,094	926,514,332
Thermal energy (purchased), Gcal	548,914	549,597	504,386	496,863
Diesel fuel, l	13,366,579	11,059,673	10,596,611	11,593,773
Gasoline, l	1,713,859	1,419,619	1,280,708	1,430,710
Natural gas, m^3	16,202,777	16,464,354	15,323,433	13,343,917
Coal, t	365	82	23	22
Woodfuel, m^3	1,379	823	633	478
Kerosene, l	54,475	42,030	32,926	43,268
At the leased facilities				
Power, kWh	7,867,962	9,163,077	27,294,122	35,299,256
Thermal energy, Gcal	8,182	961,541	84,652	511,309
By corporate vehicles				
Diesel fuel, l	19,033,172	18,704,374	17,859,909	19,726,035
Gasoline, l	4,644,014	4,884,145	8,193,222	7,233,640

• Indicators were verified within the Sberbank boundaries.

Calculation of total energy consumption at Sberbank •, GJ

Energy/fuel type	2020	2021	2022	2023
Power	3,242,715	3,242,919	3,158,036	3,047,361
Thermal energy	2,274,479	2,271,205	2,086,330	1,847,414
Fuel from non-renewable sources (total)	1,759,761	1,644,108	1,539,258	1,501,709
• Diesel fuel	1,162,645	1,065,067	1,016,540	1,047,912
• Gasoline	127,501	125,221	117,431	116,332
• Natural gas	436,243	437,021	393,385	327,740
• Coal	9,490	2,132	598	572
• Woodfuel	21,512	12,839	9,872	7,451
• Kerosene	2,370	1,828	1,432	1,702
Total energy consumption	**7,276,955**	**7,158,232**	**6,783,624**	**6,396,485**

Calculation of total energy consumption at Sber, GJ

Energy/fuel type	2020	2021	2022	2023
Power	3,291,693	3,304,989	3,285,112	3,462,529
Thermal energy	2,332,562	6,327,138	2,466,303	4,221,216
Fuel from non-renewable sources (total)	1,963,708	1,859,410	1,873,038	1,879,704
• Diesel fuel	1,166,391	1,071,506	1,024,435	1,127,513
• Gasoline	209,810	208,024	312,640	285,924
• Natural gas	554,135	563,081	524,061	456,362
• Coal	9,490	2,132	598	572
• Woodfuel	21,512	12,839	9,872	7,451
• Kerosene	2,370	1,828	1,432	1,882
Total energy consumption	**7,587,963**	**11,491,537**	**7,624,453**	**9,563,449**

• Indicators were verified within the Sberbank boundaries.

ESG Data Book: Climate

GRI 305–1, 305–2, 305–3, MED-20

Scope 1, 2 and 3 GHG emissions at Sberbank, t CO_2-equivalent

Scope	Source of emissions/Category	2020	2021	2022	2023
Scope 1	Emissions from fuel combustion in mobile sources	56,664	56,249	53,691	52,899
	Emissions from fuel combustion in stationary sources	64,577	56,997	52,839	52,339
	Total	**121,241**	**113,247**	**106,530**	**105,238**
Scope 2[1]	Emissions from heating energy consumption	167,042	165,973	150,160	133,976
	Emissions from electric power consumption (location-based method)[2]	296,656	298,651	294,897	290,824
	Emissions from electric power consumption (including green energy consumption)	296,578	235,026	272,514	255,315
	Total (location-based method)	**463,698**	**464,624**	**445,057**	**424,800**
	Total (including green energy consumption)	**463,620**	**400,999**	**422,674**	**389,291**
Scope 3	Greenhouse gas emissions from employee commuting from home and back	92,840	88,236	83,268	81,470
	Greenhouse gas emissions from power consumption at leased facilities	136,947	136,042	134,067	142,652
	Greenhouse gas emissions from waste generated in operations	31,709	31,482	31,001	30,292

Scope 1, 2 and 3 GHG emissions at Sber Group companies, t CO_2-equivalent

Scope	Source of emissions	2021	2022	2023
Scope 1	Emissions from fuel combustion in mobile sources	6,275	14,205	17,683
	Emissions from fuel combustion in stationary sources	7,086	7,418	7,292
	Total	**13,360**	**21,623**	**24,976**
Scope 2	Emissions from heating energy consumption	1,832	1,444	17,003
	Emissions from electric power consumption (location-based method)	2,397	1,646	31,939
	Total	**4,229**	**3,090**	**48,942**
Scope 3	Greenhouse gas emissions from employee commuting from home and back	2,712	4,666	7,219
	Greenhouse gas emissions from power consumption at leased facilities	37,406	32,192	55,993

[1] This Scope 2 emissions calculation is made using the coefficients of indirect GHG energy emissions determined based on Rosstat's up-to-date data for 2020 on fuel consumption for thermal and electric power generation available as of the date of this Report, the forecast data of the Ministry of Energy of the Russian Federation and using the coefficients given in Order of the Ministry of Natural Resources of the Russian Federation No. 371 dated 27 May 2022. The greenhouse gas included in the calculation is CO_2. Data is given taking into account green energy purchase and redemption of green certificates.

[2] The 2020 data differs from the previous disclosure made in the 2022 Annual Report due to accounting for green energy purchases.

Scope 1, 2 and 3 GHG emissions at Sber Group, t CO_2- equivalent

Scope	Source of emissions	2021	2022	2023
Scope 1	Emissions from fuel combustion in mobile sources	62,524	67,896	70,582
	Emissions from fuel combustion in stationary sources	64,083	60,257	59,631
	Total	**126,607**	**128,153**	**130,213**
Scope 2	Emissions from heating energy consumption	167,805	151,604	150,979
	Emissions from electric power consumption (location-based method)	301,048	296,543	322,763
	Emissions from electric power consumption (including green energy consumption)	237,423	274,160	287,254
	Total (location-based method)	**468,853**	**448,147**	**473,742**
	Total (including green energy consumption)	**405,228**	**425,764**	**438,503**
Scope 3	Greenhouse gas emissions from employee commuting from home and back	90,760	87,745	88,690
	Greenhouse gas emissions from power consumption at leased facilities	173,373	177,611	198,645

Sberbank GHG emission intensity[1], t CO_2- equivalent per employee

Scope	2020	2021	2022	2023
Scope 1	0.52	0.51	0.51	0.51
Scope 2 (location-based method)	1.97	2.08	2.11	2.06
Scope 2 (including green energy consumption)	1.97	1.80	2.01	1.89
Scopes 1 and 2 (location-based method)	2.49	2.59	2.62	2.57
Scopes 1 and 2 (including green energy consumption)	2.49	2.30	2.51	2.39
Scopes 1, 2 and 3 (location-based method)	4.10	3.73	3.80	3.81
Scopes 1, 2 and 3 (including green energy consumption)	3.60	3.45	3.69	3.63

[1] For Scope 1 emission intensity greenhouse gases included in calculations are CO_2, CH_4, N_2O, for Scope 2 emission intensity – CO_2. Average staffing table headcount of Sberbank was used as a denominator.

ESG Data Book: Personnel

Personnel structure

Personnel structure by gender as of 31.12, persons

Perimeter		2020	2021	2022	2023
Sberbank	Male	72,391	73,835	71,431	73,751
	Female	162,680	149,616	139,230	137,002
Group (total)	Male	81,157	85,274	85,997	92,436
	Female	170,212	163,361	153,240	158,428

Personnel structure by age as of 31.12•, persons

Perimeter		2020	2021	2022	2023
Sberbank	Under 30 years	66,424	50,057	48,898	49,639
	30–50 years	149,587	150,318	141,203	138,749
	50+ years	19,060	23,076	20,560	22,365
Group (total)	Under 30 years	71,576	67,427	59,088	63,960
	30–50 years	159,214	159,954	153,664	161,896
	50+ years	20,435	21,092	26,453	25,008

Personnel structure by category as of 31.12•

		2020		2021		2022		2023	
Perimeter		persons	%	persons	%	persons	%	persons	%
Sberbank	Executives	22,809	10	22,183	10	22,067	10	21,468	10
	Specialists	212,262	90	201,268	90	188,594	90	189,285	90
Total (Group)	Executives	24,944	10	25,515	10	25,516	11	26,063	10
	Specialists	225,842	90	223,117	90	213,711	89	224,801	90

• Indicators were verified within the Sberbank boundaries.

GRI 405-1, MED-44

Headcount of executives by age and gender•, %

Perimeter		2020	2021	2022	2023
By gender					
Sberbank	Male	32	33	34	36
	Female	68	67	66	64
Sber Group companies	Male	61	58	57	57
	Female	39	42	43	43
Group (total)	Male	33	36	37	40
	Female	67	64	63	60
By age					
Sberbank	Under 30 years	12	5	6	5
	30-50 years	79	83	83	82
	50+ years	9	12	11	13
Sber Group companies	Under 30 years	9	14	12	13
	30-50 years	82	81	81	79
	50+ years	8	5	7	8
Group (total)	Under 30 years	9	7	7	7
	30-50 years	82	83	82	81
	50+ years	9	10	11	12

Headcount of specialists by age and gender•, %

Perimeter		2020	2021	2022	2023
By gender					
Sberbank	Male	31	33	34	35
	Female	69	67	66	65
Sber Group companies	Male	49	47	49	45
	Female	51	53	51	55
Group (total)	Male	31	34	36	37
	Female	69	66	64	63
By age					
Sberbank	Under 30 years	30	24	25	26
	30–50 years	62	66	65	64
	50+ years	8	10	10	10
Sber Group companies	Under 30 years	30	38	36	38
	30–50 years	60	54	57	56
	50+ years	10	8	7	6
Group (total)	Under 30 years	25	23	27	27
	30-50 years	62	63	64	63
	50+ years	13	14	9	10

• Indicators were verified within the Sberbank boundaries.

Number of employees in IT specialist positions

Perimeter		2020	2021	2022	2023
By gender					
Sberbank	Total, persons	20,364	26,339	27,711	30,555
	Male, %	76	76	75	75
	Female, %	24	24	25	25
Sber Group companies	Total, persons	1,597	3,433	7,738	10,438
	Male, %	75	78	80	80
	Female, %	25	22	20	20
Group (total)	Total, persons	21,961	29,772	35,449	40,993
	Male, %	76	76	76	76
	Female, %	24	24	24	24
By age					
Sberbank	Under 30 years, %	29	30	28	27
	30–50 years, %	66	65	67	67
	50+ years, %	5	5	5	6
Sber Group companies	Under 30 years, %	39	42	39	38
	30-50 years, %	60	57	58	59
	50+ years, %	1	1	3	3
Group (total)	Under 30 years, %	29	32	30	30
	30–50 years, %	66	64	65	65
	50+ years, %	5	4	5	5

Number of employees in science, technology, engineering, and mathematics (STEM) positions

Perimeter		2020	2021	2022	2023
Sberbank	**Total, persons**	**1,384**	**2,222**	**2,332**	**2,332**
	Male, %	86	82	81	78
	Female, %	14	18	19	22
	Under 30 years, %	22	25	25	27
	30–50 years, %	70	68	67	66
	50+ years, %	8	7	8	7

MED-25

Average staffing table headcount of employees, persons

Perimeter	2020	2021	2022	2023
Sberbank	233,125	221,414	211,936	206,114
Group (total)	248,883	246,657	246,259	245,582

GRI 2-7

Structure of employees with open-term employment contracts•, persons

Perimeter		2020	2021	2022	2023
Sberbank	Male	66,257	68,353	66,654	69,162
	Female	131,782	121,195	114,584	115,004
	Total	**198,039**	**189,548**	**181,238**	**184,166**
Group (total)	Male	69,876	78,171	79,602	85,511
	Female	136,390	131,424	127,630	133,247
	Total	**206,266**	**209,595**	**207,232**	**218,758**

Structure of employees with fixed-term employment contracts•, persons

Perimeter		2020	2021	2022	2023
Sberbank	Male	6,134	5,504	4,777	4,589
	Female	30,898	28,447	24,646	21,998
	Total	**37,032**	**33,951**	**29,423**	**26,587**
Group (total)	Male	7,916	7,442	6,842	6,829
	Female	32,877	31,152	27,258	25,144
	Total	**40,793**	**38,594**	**34,100**	**31,973**

Ratio of employees working under fixed-term employment contracts to employees working under open-term employment contracts

Perimeter	2020	2021	2022	2023
Sberbank	0.19	0.18	0.16	0.14
Sber Group companies	0.41	0.22	0.17	0.14
Group (total)	0.20	0.18	0.16	0.14

• Indicators were verified within the Sberbank boundaries.

Structure of full-time employees•, persons

Perimeter		2020	2021	2022	2023
Sberbank	Male	72,002	73,265	71,019	73,358
	Female	162,016	148,964	138,418	136,384
	Total	**234,018**	**222,211**	**209,437**	**209,742**
Group (total)	Male	77,076	83,178	83,986	90,880
	Female	168,383	160,044	151,804	155,708
	Total	**245,459**	**243,222**	**235,790**	**246,588**

Structure of part-time employees•, persons

Perimeter		2020	2021	2022	2023
Sberbank	Male	389	572	412	393
	Female	664	711	812	618
	Total	**1,053**	**1,283**	**1,224**	**1,011**
Group (total)	Male	589	964	977	1,429
	Female	882	1,352	1,572	2,614
	Total	**1,471**	**2,316**	**2,549**	**4,043**

GRI 2-8

Structure of employees with civil law contracts, persons

Perimeter	2020	2021	2022	2023
Sberbank	991	656	322	329
Group (total)	3,392	4,190	4,974	4,358

• Indicators were verified within the Sberbank boundaries.

New Employees

GRI 401-1

Number of employees hired•, persons

Perimeter	2020	2021	2022	2023
Sberbank	35,030	46,692	33,582	44,124
Group (total)	43,457	61,872	47,853	66,252

New employees by gender•, persons

Perimeter		2020	2021	2022	2023
Sberbank	Male	13,488	18,442	13,285	15,634
	Female	21,542	28,250	20,297	28,490
Group (total)	Male	17,691	25,490	20,041	25,551
	Female	25,766	36,382	27,812	41,701

New employees by age•, persons

Perimeter		2020	2021	2022	2023
Sberbank	Under 30 years	22,950	25,670	19,088	26,798
	30–50 years	11,553	20,019	13,790	16,519
	50+ years	527	1,003	704	807
Group (total)	Under 30 years	26,686	32,911	25,062	37,398
	30–50 years	15,472	26,828	20,090	27,055
	50+ years	994	1,780	1,366	1,711

Hirings turnover, 2023•, %

Perimeter	Total	Male	Female	Under 30 years	30-50 years	50+ years
Sberbank	20.9	21.2	20.8	54.0	11.9	3.6
Sber Group companies	62.1	47.7	61.7	28.3	38.9	52.8
Group (total)	27.5	26.6	26.3	58.5	16.7	6.8

• Indicators were verified within the Sberbank boundaries.

Employee Turnover

GRI 401-1

Dismissed employees by gender•, persons

Perimeter		2020	2021	2022	2023
Sberbank	Male	8,023	11,727	11,771	9,636
	Female	14,840	21,853	16,679	17,658
Group (total)	Male	11,261	16,590	18,151	16,231
	Female	18,500	27,614	24,551	25,843

Employee turnover•, %

Perimeter	2020	2021	2022	2023
Sberbank	9.7	15.0	13.5	13.0
Sber Group companies	53.2	48.1	46.4	42.1
Group (total)	13.4	20.7	16.5	17.4

Dismissed employees by age•, persons

Perimeter		2020	2021	2022	2023
Sberbank	Under 30 years	11,458	13,593	11,873	11,943
	30–50 years	10,556	18,642	15,526	14,372
	50+ years	849	1,345	1,051	979
Group (total)	Under 30 years	14,107	18,400	18,365	18,558
	30–50 years	14,129	23,763	22,126	21,695
	50+ years	1,410	1,870	1,838	1,735

Dismissals turnover, 2023•, %

Perimeter	Total	Male	Female	Under 30 years	30-50 years	50+ years
Sberbank	13	13.1	12.9	24.1	10.4	4.4
Sber Group companies	36.8	35.3	38.2	46.2	31.6	28.6
Group (total)	16.8	17.6	16.3	29.0	13.4	6.9

• Indicators were verified within the Sberbank boundaries.

Training and Development

GRI 404-1

Average number of training hours per employee by gender•, hours

Perimeter		2020	2021	2022	2023
Sberbank	Average number of training hours for each male employee per year	86.6	52.5	52.4	55.4
	Average number of training hours for each female employee per year	24.1	78.1	37.7	46.6
	Average number of training hours for each employee per year	84.5	69.9	42.6	49.7
Sber Group companies	Average number of training hours for each male employee per year	5.6	5.8	6.0	30.2
	Average number of training hours for each female employee per year	12.3	11.8	11.5	42.2
	Average number of training hours for each employee per year	8.9	8.9	8.8	36.6
Group (total)	Average number of training hours for each male employee per year	83.3	23.8	60.2	50.3
	Average number of training hours for each female employee per year	71.5	142	38.5	46.0
	Average number of training hours for each employee per year	71.4	59.6	47.5	47.6

MED-31

Average number of training hours per employee by category•, hours

Perimeter		2020	2021	2022	2023
Sberbank	Average number of training hours for each executive per year	191.6	138.4	98.1	149.3
	Average number of training hours for each specialist per year	72.8	62.3	44.8	38.4
Sber Group companies	Average number of training hours for each executive per year	14.0	13.9	16.6	61.3
	Average number of training hours for each specialist per year	8.7	8.3	7.8	34.8
Group (total)	Average number of training hours for each executive per year	175.1	125.8	93.1	138.8
	Average number of training hours for each specialist per year	69.7	58.2	40.7	37.8

• Indicators were verified within the Sberbank boundaries

Average number of training hours per employee by age•, hours

Perimeter		2020	2021	2022	2023
Sberbank	Under 30 years	73.1	64.9	42.5	51.9
	30—50 years	89.4	70.8	56.3	49.1
	50+ years	87.2	78.4	33.1	48.7

GRI 404-3

Number of employees that regularly underwent the performance assessment and received support in their career development by gender, persons

Perimeter		2020	2021	2022	2023
Sberbank	Male	44,717	50,933	35,839	81,921
	Female	244,449	246,513	173,459	162,751
Group (total)	Male	45,704	52,175	40,620	87,650
	Female	245,517	244,815	177,831	169,028

Number of employees that regularly underwent the performance assessment and received support in their career development by category, persons

Perimeter		2020	2021	2022	2023
Sberbank	Executives	84,831	91,227	64,192	47,871
	Specialists	204,335	206,219	145,106	196,801
Group (total)	Executives	85,071	91,449	65,444	49,715
	Specialists	206,150	208,029	151,647	206,963

Involvement

Employee involvement level, %

Perimeter		2020	2021	2022	2023
By gender					
Sberbank	Male	-	77	-	-
	Female	-	79	-	-
	Total	-	78	-	73
Sber Group companies	Total	21	36	31	34
Group (total)	Total	2	73	4	66
By age					
Sberbank	Under 30 years	-	75	-	71
	30—50 years	-	80	-	74
	50+ years	-	80	-	75

• Indicators were verified within the Sberbank boundaries.

Labor Compensation

GRI 405-2, MED-26

Median salary per month, RUB

Perimeter		2020	2021	2022	2023
Sberbank	Executives	118,530	136,364	150,371	197,101
	Specialists	59,896	67,519	75,334	79,029
	Companywide results	63,959	73,404	81,634	99,053

Average monthly salary per employee by category, RUB

Perimeter		2020	2021	2022	2023
Sberbank	Executives	226,671	281,841	285,231	383,972
	Specialists	89,608	106,485	115,359	145,057
	Average salary per employee	109,159	131,842	139,524	177,691
Sber Group companies	Executives	170,031	214,651	301,384	328,708
	Specialists	63,324	77,635	109,748	109,765
	Average salary per employee	67,497	85,789	125,226	132,910

Ratio of average salary per female employee to average salary per male employee at Sberbank[1]

Perimeter		2022	2023
All regions	Executives	0.97	0.98
	Specialists	0.96	0.96
	Total	0.96	0.97
Moscow	Executives	0.99	1.00
	Specialists	1.00	0.98
	Total	0.99	0.99
Largest taxpayers[2]	Executives	0.94	0.92
	Specialists	0.97	0.96
	Total	0.97	0.95
Other taxpayers[3]	Executives	1.01	1.00
	Specialists	0.95	0.95
	Total	0.95	0.95

MED-24

Total payroll, RUB bn[4]

Perimeter	2020	2021	2022	2023
Sberbank	305.9	351.0	355.6	440.4
Group (total)	321.9	380.6	407.0	507.8

1 The methodology for indicator calculation was reviewed in the reporting year.
2 10 largest cities one of the largest cities from each Regional Bank. Excluding Moscow.
3 All other settlements included in the calculation, except for Moscow and the largest taxpayers.
4 Payroll fund accrued to employees during the reporting period.

Childcare Leave

GRI 401-3

Number of employees eligible for childcare leave, persons

Perimeter		2020	2021	2022	2023
Sberbank	Male	72,278	73,675	71,431	73,751
	Female	162,601	149,556	139,230	137,002
Group (total)	Male	73,973	75,959	74,745	77,474
	Female	165,340	152,924	143,454	142,241

Number of employees who have taken childcare leave, persons

Perimeter		2020	2021	2022	2023
Sberbank	Male	130	166	175	157
	Female	15,372	15,130	13,281	11,438
Group (total)	Male	132	179	183	167
	Female	15,663	15,514	14,014	12,450

Number of employees who returned from childcare leave in the reporting period (both early and on schedule), persons

Perimeter		2020	2021	2022	2023
Sberbank	Male	108	93	90	80
	Female	7,440	6,883	5,726	5,017
Group (total)	Male	94	94	92	84
	Female	7,540	7,033	5,975	5,399

Number of employees who returned from childcare leave upon expiry and continued to work 12 months after return, persons

Perimeter		2020	2021	2022	2023
Sberbank	Male	125	86	79	74
	Female	8,543	6,197	5,748	4,622
Group (total)	Male	125	87	80	84
	Female	8,610	6,323	5,945	4,880

Retention rate of employees who took parental leave, %

Perimeter	2020	2021	2022	2023
Sberbank	n/d	83	84	81
Group (total)	n/d	84	85	82

Labor Safety

GRI 403-9, MED-29

Indicators of employee injury rate

Perimeter		2020	2021	2022	2023
Sberbank	Number of fatalities due to occupational injuries	0	0	0	0
	Number of serious injuries (excluding fatal ones)	5	2	8	5
	Number of occupational injuries	95	97	84	82
	Total injury rate	13.60	15.71	14.09	16
	Injury frequency rate	0.32	0.42	0.38	0.39
	Injury severity rate	42.51	37.40	37.08	42.02
	Total hours worked	386,845,763	370,673,370	360,420,125	357,035,781
Group (total)	Number of fatalities due to occupational injuries	0	0	0	0
	Number of serious injuries (excluding fatal ones)	5	2	10	5
	Number of occupational injuries	95	99	86	86
	Total injury rate	31.95	108.42	236.93	23.33
	Injury frequency rate	0.37	0.39	0.35	0.35
	Injury severity rate	85.65	278.66	682.66	66.33
	Total hours worked	401,888,341	395,574,428	395,726,357	396,117,717

Compliance with the UNEP Finance Initiative Principles for Responsible Banking

Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Response

Sber constantly strives to create value for all stakeholders and provides products and services that meet individuals' needs and society's goals, while ensuring high financial performance.

Sberbank operates in all regions of the Russian Federation, serves more than 3.2 mn corporate and 108.5 mn retail customers and is a systemically important institution of the Russian economy.

Sber Group includes subsidiary banks, branches and representative offices in other countries.

For more information on the main customer segments, types of products and services provided, please see the Sber in Facts and Figures section.

Links and References[1]

Sber in Facts and Figures, p. 11

Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

- (●) Yes
- ( ) No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

- (●) UN Guiding Principles on Business and Human Rights
- (●) International Labour Organization fundamental conventions
- (●) UN Global Compact
- ( ) UN Declaration on the Rights of Indigenous Peoples
- (●) Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones: Federal Law No. 7-FZ dated 10 January 2002 "On Environmental Protection"; Federal Law No. 296-FZ dated 02 July 2021 "On the Limitation of Greenhouse Gas Emissions".
- ( ) Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones:
- ( ) None of the above

[1] The information in the Links and References field is provided as additional information to better understand the provisions given in the Response field.

Response

In 2023, Sber analyzed the achievement of the ESG Strategy goals for 2023 and defined new strategic priorities for its development until 2026.

The priority of the new Strategy was the idea of transforming Sber into a human-centric company, where the core is a person with his/her interests and aspirations. The one of the main strategic tasks is the development of digital technologies, and artificial intelligence to solve the society's needs. Elaboration and launch of AI-based sustainable development solutions are part of the ESG Strategy 2026.

While developing the new Strategy, both global and national sustainable development trends were analyzed from the perspective of relevance to Sber and potential to contribute to various areas of the ESG agenda.

Sber identifies 13 priority UN SDGs for own operations and, as a party to the UN Global Compact, constantly strives to improve its contribution to the achievement of each of the goals.

Sber supports the provisions of the Paris Climate Agreement. The Agreement is one of the key benchmarks for achieving Sber's strategic goal of carbon neutrality in its operating activities.

Alignment with the UN Global Compact Principles and the UN Sustainable Development Goals (SDGs), topics and indicators of GRI standards and SASB, the TCFD guidelines and elements of Environmental, Social,

Governance and Sustainability Policy are disclosed in respective appendices to the ESG Report

Links and References

GRI, SASB and MED Core Metrics Table, p. 381

Disclosure of Climate Risks and Opportunities, p. 392

Compliance with the UN Global Compact Principles, p. 394

Contribution to the Achievement of the UN Sustainable Development Goals, p. 395

Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis (Key Step 1)

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly and fulfil the following requirements/elements (a-d):

a) Scope: What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

Response

Sber annually develops the practice of impact analysis and expands the assessment scope using the methodology and tools of the UNEP Finance Initiative. In the reporting period, in addition to the corporate and retail portfolio, the scope of impact analysis included the investment banking. To perform the analysis, Sber used the updated Portfolio Impact Analysis Tool for Banks (Version 3). The analysis considers the needs and context of the main region of operations, i.e., the Russian Federation.

In 2023, the analysis covered the key areas of Sber's activity in terms of net income, including:

- Corporate banking (corporate loans).
- Investment banking (bonds).
- Retail banking (credit cards, consumer loans and overdraft, mortgage loans, current and savings accounts).

Other assets and activities (e.g., asset management) were excluded from the assessment scope since the available UNEP Finance Initiative tools do not support other business lines.

Materiality Assessment

Materiality assessment is an integral element in analyzing Sber's portfolio and operational impacts and identifying priority areas for setting strategic goals. Sber's approach to determining materiality is based on the requirements of international and national standards, including the requirements of the UNEP Finance Initiative.

Following the results of the 2023 assessment, Sber identifies 16 material topics. The assessment scope included both the impact of products and services and the impact of the Bank's operating activities. As part of its materiality assessment, Sber identified priority areas and topics of impact that materially affect the economy, society and environment in general.

For detailed information on the materiality assessment, please see the Identification of Material Topics section of the ESG Report 2022.

Links and References

Portfolio Impact Analysis Tool for Banks, available on the UNEP Finance Initiative website

ESG Transformation Management System and Strategy – Stakeholder Engagement and Identification of Material Topics, p. 211

Identification of Material Topics, ESG Report 2022, p. 164

b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope

i) by sectors & industries for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or

ii) by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

Response

i) Corporate and Investment banking

In 2023, Sber expanded the assessment scope and analyzed the investment banking structure in addition to the analysis of its corporate loan portfolio. To analyze the impacts, Sber used the data on the outstanding principal debt as of 31 December 2023 as well as the NACE Economic Activities Classification according to consolidated and detailed codes. The total volume and share of the corporate loan portfolio analyzed was 100%. The investment banking portfolio coverage was 99% (industry classification codes are not available for 1% of the portfolio). The portfolio industry structure is detailed in the table below.

Portfolio Structure: Corporate and Investment banking,%

Corporate banking	
Real estate activities	16
Wholesale and retail trade	14
Construction	7
Transportation and storage	7
Manufacture of basic metals	6
Extraction of crude petroleum and natural gas	6
Financial service activities	5
Professional, scientific and technical activities	5
Mining of metal ores	4
Crop and animal production, hunting and related activities	4
Energy	3
Manufacture of chemicals and chemical products	3
Manufacture of coke and refined petroleum products	2
Information and communications	2
Other	16
Total	**100**

Investment banking	
Manufacture of basic metals	23
Public administration activities	18
Information and communications	15
Land transportation and transportation via pipelines	12
Financial service activities	11
Retail trade	8
Manufacture of chemicals and chemical products	4
Other	8
Total	**99**

ii) Retail banking

In 2023, the analysis of the retail banking structure included 100% of the loan and deposit portfolios. To perform it, the data on the balance of the term principal debt as of 31.12.2023 was used.

For detailed information on the key products and customer types, please see the table below.

Portfolio Structure: Retail banking,%

Loan portfolio	
Home loans / mortgages	64
Consumer loans and overdrafts, including car loans and education loans	26
Credit cards	10
Total	**100**
Male	46
Female	44
Unspecified	10
Youth	3
Middle-age	56
Senior	1
Unspecified	40

Deposit portfolio	
Savings accounts	53
Current accounts without payment services	26
Current accounts with payment services (cheques, debit cards)	21
Total	**100**
Male	-
Female	-
Unspecified	100
Youth	2
Middle-age	23
Senior	17
Unspecified	58

Links and References

Portfolio Impact Analysis Tool for Banks, available on the UNEP Finance Initiative website

c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

Response

To identify the most important national-specific topics, Sber applied the updated version of the UNEP FI Impact Analysis Tool for Banks (V3) Context module. Sber also considered the following national strategic documents to assess the priorities of its main region of presence, i.e., the Russian Federation:

- Decree of the President of the Russian Federation dated 21 July 2020 No. 474 On National Development Goals of the Russian Federation until 2030.
- Decree of the President of the Russian Federation dated 4 November 2020 No. 666 On Reduction of Greenhouse Gas Emissions.
- Strategy for Improving Financial Literacy and Building Financial Culture through to 2030 approved by Executive Order of the Government of the Russian Federation dated 24 October 2023 No. 2958-r (2958-p).

According to the international sources of UNEP FI Context module, Climate stability, Availability, accessibility, affordability, quality of resources and services (including the following topics: Water, Food, Healthcare and sanitation, Information, Culture and heritage), Integrity and security of person , Health and Safety, Infrastructure, Strong Institutions, Peace and Stability, Circularity represent the main priority areas for Russia

Livelihood, Healthy economies, Biodiversity and healthy ecosystems, (in terms of air and water body quality) as well as Housing, Education, Communication and Finance within the Availability, accessibility, affordability, quality of resources & services area are the priorities considering the national strategic documents.

Areas with a high level of needs for the country were considered when identifying the priority areas of impact for setting targets.

The needs and priorities of the country were reviewed by Sber's key internal stakeholders as part of identifying and approving the strategic development areas through to 2026.

Links and References

Portfolio Impact Analysis Tool for Banks, available on the UNEP Finance Initiative website.

Decree of the President of the Russian Federation dated 21 July 2020 No. 474 On National Development Goals of the Russian Federation through to 2030

Decree of the President of the Russian Federation dated 4 November 2020 No. 666 On Reduction of Greenhouse Gas Emissions

Strategy for Improving Financial Literacy and Building Financial Culture through to 2030 approved by Executive Order of the Government of the Russian Federation dated 24 October 2023 No. 2958-r (2958-p)

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy.

Following the results of the portfolio impacts analysis in 2023, the allocation of material areas/topics of positive and negative impact remained at the previous year level, i.e., Availability, accessibility, affordability, quality of resources and services, Circularity , Climate Stability, and Finance.

Taking into account the portfolio structure, the country's needs and the materiality assessment results, Sber identified two material impact areas as its priority areas.

- **Climate stability**, as this area is significant in the context of the country and, also, has a negative impact due to the volume of carbon-intensive corporate and investment portfolio sectors. 93% of the corporate and 97% of the investment portfolio and 89% of retail products have a negative impact on the Climate stability area.
- The **Finance** impact topic within the Availability, accessibility, affordability, quality of resources and services area has a 99% negative impact in the retail portfolio structure and is therefore chosen as a priority. This topic is also identified by the UNEP as a default impact area in the analysis of the retail portfolio impacts.

Links and References

Portfolio Impact Analysis Tool for Banks, available on the UNEP Finance Initiative website.

Identification of Material Topics, ESG Report 2022, p. 164

Compliance with the UNEP Finance Initiative Principles for Responsible Banking, ESG Report 2022, p. 248

d) For these (min. two prioritized impact areas):
Performance measurement: Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services.

Response

To analyze the portfolio structure in 2023, Sber used the updated version of Portfolio Impact Analysis Tool for Banks (Version 3).

Climate stability

Sectors and industries with a positive impact:

Corporate banking, %	
Wholesale and retail trade	14
Construction of buildings	6
Financial service activities	5
Professional, scientific and technical activities	5
Land transportation and transportation via pipelines	5
Energy	3
Other	3
Total	**41**

Investment banking, %	
Public administration activities	18
Land transportation and transportation via pipelines	12
Financial service activities	11
Retail trade	8
Other	5
Total	**54**

Retail banking does not have a positive impact on the Climate stability.

Sectors and industries with a negative impact:

Corporate banking, %	
Real estate activities	16
Wholesale and retail trade	14
Construction	7
Transportation and storage	7
Manufacture of basic metals	6
Extraction of crude petroleum and natural gas	6
Financial service activities	5
Crop and animal production, hunting and related activities	4
Mining of metal ores	4
Energy	3
Manufacture of chemicals and chemical products	3
Manufacture of coke and refined petroleum products	2
Information and communications	2
Other	13
Total	**93**

Investment banking, %	
Manufacture of basic metals	23
Public administration activities	18
Information and communications	15
Land transportation and transportation via pipelines	12
Financial service activities	11
Retail trade	8
Manufacture of chemicals and chemical products	4
Other	6
Total	**97**

Retail banking, %	
Home loans / mortgages	64
Consumer loans and overdraft	25
Total	**89**

The **Finance** impact topic is positively and negatively affected by the products of the corporate and retail loan portfolio in equal shares:

Corporate banking, %	
Financial service activities	5

Investment banking, %	
Financial service activities	11

Retail banking, %	
Home loans / mortgages	64
Consumer loans and overdraft	25
Credit cards	10

Products of the deposit portfolio of the retail banking have a 100% positive impact on the **Finance** topic.

Links and References

Portfolio Impact Analysis Tool for Banks, available on the UNEP Finance Initiative website.

Climate Strategy 2026, p. 333

Sber applies quantitative and qualitative indicators to monitor impacts in the prioritized impact areas.

With respect to the **Climate stability** impact area, Sber is guided by the strategic goals approved under the new ESG and Climate Strategy for 2024–2026:

Portfolio composition:

- Increase in the responsible finance portfolio, including decarbonization and climate adaptation projects.
- Supporting the national transition to a low-carbon economy.
- Assessement and monitoring of Scope 3 emissions as well as emissions under Sberbank's portfolio.
- Climate-related risks monitoring and management.

Operating activities:

- Reduction of its negative impact on the climate change (Scope 1 and 2 emissions).

To assess the **Finance** impact topic, Sber selected the following target indicators:

- Number of products per customer. The indicator measures the number of financial products, from different categories, with the bank, and helps assess the level of financial inclusion.
- Number of customers actively using the online/mobile banking platform/tools. The indicator measures the presence or absence of digital skills that shows the level of financial health and inclusion.

In the current reporting period, we have substituted the previously stated indicator of the **Finance** topic due to the revision of the internal system of financial indicators at the Bank. We have also added KPIs for the target impact indicators as required by the UNEP Finance Initiative. For more details, please see 2.2c.

Self-assessment summary

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?

Scope:	Portfolio composition:	Context:	Performance measurement:
(●) Yes ( ) In progress ( ) No	(●) Yes ( ) In progress ( ) No	(●) Yes ( ) In progress ( ) No	(●) Yes ( ) In progress ( ) No

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

Climate stability, finance

How recent is the data used for and disclosed in the impact analysis?

- (●) Up to 6 months prior to publication
- ( ) Up to 12 months prior to publication
- ( ) Up to 18 months prior to publication
- ( ) Longer than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc.: (optional)

2.2 Target Setting (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) Alignment: Which international, regional or national policy frameworks to align your bank's portfolio with have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

Response

Climate stability impact area

In 2023, Sber developed and approved its new Climate strategy through to 2026 under which it will continue to implement the measures for achieving the Scope 1 and 2 carbon neutrality by 2030. The Climate strategy goals for 2023 were fully achieved. The Climate strategy through to 2026 takes into account the national and international priorities outlined by the provisions of the Paris Climate Agreement and by the national documents, such as Decree of the President of the Russian Federation dated 4 November 2020 No. 666 On Reduction of Greenhouse Gas Emissions; Federal Law dated 2 July 2021 No. 296-FZ On Limitation of Greenhouse Gas Emissions; Strategy of Social and Economic Development of the Russian Federation with Low Greenhouse Gas Emissions through to 2050 approved by Executive Order of the Government of the Russian Federation dated 29 October 2021 No. 3052-r (3052-p). In setting the Climate stability targets, Sber also took into account the UNEP FI Guidelines for Climate Target Setting for Banks.

For setting the targets within the **Finance** impact topic, the Strategy for Improving Financial Literacy and Building Financial Culture through to 2030 approved by Executive Order of the Government of the Russian Federation dated 24 October 2023 No. 2958-r (2958-p) was taken into account as a national policy framework.

Sber's strategic goals are also aimed at achieving the UN Sustainable Development Goals. Sber annually contributes to the achievement of the SDGs by implementing special programs and projects in sustainable development of the financed activities.

Links and References

Climate Strategy through to 2026, p. 333

Contribution to the Achievement of the UN Sustainable Development Goals, p. 395

b) Baseline: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

Response

While determining the baseline for selected indicators for the two identified most significant impact areas and topics, Sber takes into account country needs and context as well as the indicators recommended by the UNEP Finance Initiative specified in the Appendix to the Self-Assessment Report and in the UNEP FI Indicator Library.

The table below reflects the baseline of the target impact indicators (as specified under 2.1d) and additional indicators aimed at reducing the impact in the respective impact area.

Impact area	Indicator code	Response
Climate stability	A.3.1[1]	The responsible finance portfolio amounts to RUB 2.9 tn, including decarbonization and climate adaptation projects; baseline set in 2023.
	A.1.5[2]	Yes; The responsible finance portfolio amounts to RUB 2.9 tn, including decarbonization and climate adaptation projects.
	A.1.1[2]	Yes; the Climate strategy goals for 2023 were fully achieved. The Climate strategy through 2026 was approved.
	A.2.1[2] A.1.3[2]	Yes; For detailed information, please see 3.1.
	A.1.2[2]	In progress; the Climate strategy through to 2026 takes into account the relevant external context, i.e., setting a national goal to reach carbon neutrality by 2060 at the latest.
	A.1.4[2]	Please see the Carbon Footprint Methodology and Calculation section for the industry structure of the corporate portfolio climate risk, p. 329.
	A.2.3[2]	In progress
	C7.9 (CDP)[3]	• 22% reduction in Scope 1 emissions in 2023 against the 2019 base year. • 25% reduction in Scope 2 emissions in 2023 against the 2019 base year.

Links and References

Sber's ESG Strategy: 2023 Results and 2026 Goals, p. 202–204

Climate Agenda, p. 321, pp. 329–333

Corporate Customers' ESG Transformation, p. 293

[1] The indicator is recommended by UNEP in the Appendix to the Reporting and Self-Assessment Template and Guidelines for Climate Target Setting for Banks. The indicator is selected as a basic target. The indicator metric is based on the KPI system adopted in Sber.
[2] The indicator is recommended by UNEP in the Appendix to the Reporting and Self-Assessment Template and is used as an additional indicator to disclose the current level of alignment in the respective impact area.
[3] The indicator is included in the UNEP FI Indicator Library in the impact category. The indicator decrease is considered as a positive change.

Finance	C.4.1[1] C.2.2[1]	5.54 products per customer; baseline set in 2023.	B2C Ecosystem, pp. 40, 52 Respect for Human Rights and Financial Inclusion, pp. 279–286 Employee Care — Employee Diversity and Inclusion, p. 254
	B.2.2[1] C.3.3[1]	76 mn customers (73%); baseline set in 2021.	
	B.2.1[2] C.2.1[2]	Sber develops and implements projects aimed at financial literacy improvement, personal finance management, investment, fraud protection, and business conduct. For more details on the initiatives proposed by Sber, refer to 2.3 and the Financial Literacy Improvement section.	
	B.1.2[2] C.1.2[2]	Sber organizes employee training in diversity and inclusion issues. The programs in this segment include the Sber for Everyone course designated to help employees interact with people with disabilities. In 2023, the course covered 147.8 thsd employees.	
	B.3.2[2] C.3.2[2]	94.0% of SberBank Online customers use personal financial planning service.	
	B.1.3[2] C.1.3[2]	• In 2023, Sber supported the Financial Test, a co-project of the Bank of Russia and the Agency for Strategic Initiatives aimed at improving financial literacy. • In 2023, the Government of the Russian Federation, in consultation with the expert community, including Sber specialists, approved the Strategy for Improving Financial Literacy and Building Financial Culture through to 2030. For more details, refer to 2.3 and the Financial Literacy Improvement section.	

c) SMART targets (incl. key performance indicators (KPIs)): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place).
Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

Response

Climate stability

Under the new ESG Strategy and the Climate strategy through to 2026, the following target indicators were approved:

Portfolio structure:

- 3.4 tn is the size of a responsible finance portfolio, including decarbonization and climate adaptation projects.
- Assessement and monitoring of Scope 3 emissions as well as emissions under Sberbank's portfolio.
- Climate-related risks monitoring and management.

Operating activities:

- 30% reduction of Scope 1 emissions; 40% reduction of Scope 2 emissions.

Target indicators for the **Finance** impact topic for 2024 are shown below:

- 7 products per customer.
- 84 mn customers actively using online/mobile banking platform/tools.

Sber believes that the efforts set at this stage to achieve the targets do not have any material adverse impacts on other sustainable development goals.

Links and References

Sber's ESG Strategy: 2023 results and 2026 goals, p. 204.

Sber's ESG profile – Climate Agenda, p. 333.

B2C Ecosystem, p. 35

d) Action plan: which actions including milestones have you defined to meet the set targets? Please describe.

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

Response

The **Climate stability** targets and measures to achieve them are set out in the Climate strategy and Action plan for implementing the ESG strategic priorities and goals through to 2026.

The **Finance** topic targets and respective measures are set out in the plans of B2C structural units for 2024.

Links and References

Sber's ESG Strategy: 2023 Results and 2026 Goals, pp. 202–204.

Sber's ESG Profile – Climate Agenda, p. 333

[1] The indicator is recommended by UNEP in the Appendix to the Reporting and Self-Assessment Template and Guidance on Financial Health & Inclusion Target Setting. The indicator is selected as a basic target. The metric is an absolute value of the indicator rather than a relative one, which is due to the KPI system adopted in Sber.
[2] The indicator is recommended by UNEP in the Appendix to the Reporting and Self-Assessment Template and is used as an additional indicator to disclose the current level of alignment in the respective impact area.

Self-assessment summary

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...

	... first area of most significant impact: **Climate stability**			... second area of most significant impact: **Finance**		
Alignment	● Yes	○ In progress	○ No	● Yes	○ In progress	○ No
Baseline	● Yes	○ In progress	○ No	● Yes	○ In progress	○ No
SMART targets	● Yes	○ In progress	○ No	● Yes	○ In progress	○ No
Action plan	● Yes	○ In progress	○ No	● Yes	○ In progress	○ No

2.3 Target implementation and monitoring (Key Step 2)

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary

Response

The key initiatives implemented by Sber and the results achieved in the **Climate stability** impact area in 2023 are presented below.

Portfolio composition and financial flows

- In 2023, the responsible finance portfolio, including green and adaptational loans, renewable energy, sustainable mobility and construction projects, amounted to RUB 2.9 tn.

Internal policies and processes

- The Climate strategy through to 2026 approved. The Climate strategy goals for 2023 were fully achieved. For more details, refer to 2.2 of the Climate Agenda section.
- Sber manages corporate customers' climate risks in accordance with the approved responsible finance policy by implementing the following measures:
  - Identification of climate risks at the transaction and customer levels as part of ESG risk assessment.
  - Assessment of physical and transitional climate risks for major transactions as part of ES expert review.
  - Regular assessment of the loan portfolio for carbon intensity and review of reporting based on its results by top management.
  - Climate stress testing of the loan portfolio.

Links and References

Sber's ESG Strategy: 2023 results and 2026 goals, p. 202

Climate Agenda, pp. 321–334

Responsible financing and non-financial ESG products, pp. 293–299

Client engagement

- Assessment of the companies' existing climate practices and assistance in managing the climate-related risks as part of the consulting ESG products. The range of comprehensive ESG programs includes more than 20 non-loan ESG products for corporate business, including ESG Navigator, EHS Consulting, ESG Policy Package, Green Supply Chain product, etc.
- Collection of data on the volume and intensity of corporate clients GHG emissions.
- Development and implementation of AI-based climate models. The models allow corporate clients to build their development strategy with due account of climate risk events:
  - Eco4cast model for low-carbon calculation in AI training.
  - AI-based models for predicting climate risk events.
- The voluntary low-carbon energy certification system developed with the participation of Sber was registered with Rosstandard in 2023. A low-carbon energy register was also developed to render services to businesses as part of this system. By acquiring certificates in the Sber system, companies may offset greenhouse gas emissions and reduce their contribution to climate change. The system allowed Russian companies to reduce their Scope 2 carbon footprint by 22.5 thsd tonnes of CO_2 equivalent within the first few months of platform operation.
  - ~ 170 thsd green certificates issued
  - ~ 70 thsd green certificates repaid

For details refer to 3.1.

Advocacy and partnerships

- Cooperation in the development of low-carbon hydrogen energy in Russia.
- In 2023, Sber entered into ESG transformation agreements with governments of 61 regions and developed roadmaps jointly with 35 federal entities of the Russian Federation.

For the **Finance** impact topic, the key initiatives implemented by Sber under its current strategic priorities and the results achieved in 2023 are presented below.

FINANCIAL HEALTH

Portfolio composition and financial flows

- Sberbank provides banking products aimed to improve financial health of people of different ages and status, including those supporting the target vulnerable categories of customers. For more details, refer to the Respect for Human Rights and Financial Inclusion section.

Client engagement

Financial health is closely related to financial literacy of the population, and its improvement is one of Sber's strategic tasks for 2023:

- Financial literacy and security training is available for all customers in Sberbank Online, on the website of SberUniversity and in SberSova. It is focused on different target audiences: children, youth, parents, adults and pensioners.
- The new financial literacy improvement services implemented in 2023 include:
  - Financial Health in the mobile Sberbank Online app that helps users comprehensively assess their cash management efficiency and prompts which areas are fault-free and which, on the contrary, require more attention.
  - The Financial Adviser based on the Salute virtual assistant has learned to analyze customer spending on a more granular level. This service allows to quickly obtain information on personal expenditures in a certain store or under a certain transaction. Other new features included contextual prompts on how to receive a tax deduction and more prompts regarding available refunds via Spasibo bonuses on public utilities, mobile and loan expenses.
  - A section displaying the nearest payments forthcoming in a current month was also added to the Financial Analysis service. It prompts the user for the date and amount of payment on loans, credit cards, autopayments and other mandatory expenditures.
- The financial literacy index is calculated for all Sber's customers on the basis of an internationally recognized methodology of the Organization for Economic Cooperation and Development. The study results are disclosed in the B2C Ecosystem section, p. 40.

Internal policies and processes

- Sber monitors debt load of consumer customers, which helps to develop a joint action plan with a customer at early stages of financial problems.
- Sberbank's antifraud system consistently surpasses international systems in operational performance, and continuous improvement of the antifraud system and processes made it possible to reach the efficiency of 99.6% in 2023.

Links and References

B2C Ecosystem, p. 40

Respect for Human Rights and Financial Inclusion, pp. 279–286

Cybersecurity, p. 310

Advocacy and partnerships

- Sber regards public education in money management as one of its objectives. Experts develop projects for financial literacy improvement, personal finance management, investment, fraud protection, and business conduct projects for various age and social groups.
- In October 2023, the Government of the Russian Federation approved the Strategy for Improving Financial Literacy and Building Financial Culture through to 2030 (in continuation of the Strategy for 2017–2023). The document was prepared by the Ministry of Finance of the Russian Federation and the Bank of Russia in consultation with the expert community, including Sberbank specialists.
- In 2023, Sber supported the Financial Test, a co-project of the Bank of Russia and the Agency for Strategic Initiatives aimed to improve financial literacy of the population (by providing participants with explanations on each issue and reference to additional materials). By building knowledge and skills, people can make informed financial decisions that promote financial well-being and minimize financial risks. About 45 mn customers in three segments (youth, active age population and pensioners) received invitations to participate, and each participant got an individual link. This resulted in 2.5 mn clicks on the Test page; 50 thsd customers passed the Test and received certificates from the Bank of Russia.

Links and References

Provision of Equal Access to Financial Services, p. 279

FINANCIAL INCLUSION

Portfolio composition and financial flows

- The maintained technical availability of the network of Sber's self-service terminals is over 96%. Sber maintained cardless ATMs for its customers: as an alternative to SberPay mobile wallets Sber offers QR codes that allow both cash withdrawal and cash depositing without cards.
- In furtherance of field service development, Sber extended its geography of credit card delivery (from 18 to 60 cities) and corporate card delivery (from 71 to 119 cities) in 2023. Field service managers can deliver 24 Sber's financial products to individuals and legal entities in more than 200 cities of Russia.
- Sber offers preferential products for vulnerable and special categories of customers. For more details, refer to the Provision of Equal Access to Financial Services section, p. 279.
- Sber realizes the importance of full-scope access to independence tools and strives to make its services convenient for everyone regardless of their health status:
  - Blind customers can now receive services independently at 43 thsd ATMs (98% of the fleet). Headphones and audio tips allow checking card balance, withdrawing and depositing cash. Audio scripts are launched at Linux ATMs. No loss of service was caused by transition to Linux. To increase accessibility of digital services for visually impaired people, an educational course for website and app developers was updated and made publicly accessible.
  - For hearing impaired customers, over 5 thsd video consultations were held in Russian sign language (hereinafter, RSL), the search for video call with RSL was simplified in the mobile Sberbank Online app, and AI Journey was translated into RSL for the first time.
  - For wheelchair users, free-access depositories were made available on the website, and the adaptation of branches is underway: 5.8 thsd branches are accessible for customers in wheelchairs.
  - Adaptation of services for people with mental disabilities is also in progress. An easy-to-read user guide was developed and made publicly available. Simple language is currently in use at Sber, namely in materials for disabled people.
  - For all disabled customers:
    - Financial exploitation of disabled people was studied followed by the development of the guidelines for customers (first ever in Russia)
    - Two AI models developed and launched to identify special needs and customize service scenarios.
- During 2023, compensatory measures developed to support refugees, including reduction of debit card fees, were introduced. During the year, Sber promptly took social support measures for those affected by emergencies and natural disasters.
- For the self-employed registered in Sber's My Business, a reduced rate on consumer loans was set and an opportunity to work under a franchise was implemented.

Internal policies and processes

- Ensuring the observance and protection of human rights, an inclusive environment and equal access to products and services is one of eight areas of Sber's Environmental, Social, Governance and Sustainability Policy (ESG).
- Protection of socially vulnerable categories of citizens, i.e., the elderly, incapacitated citizens, children, etc., is carried out through additional control of operations both in Sberbank Online application and in the branch network; special procedures for verification of suspicious transactions; Closer to Loved Ones service to confirm or reject relatives' transactions.
- Sber works on the introduction of an anti-discrimination approach in retail risk models based on the study results.

Advocacy and partnerships

- Sber continues to develop products and services to improve financial literacy of various customer categories. Thus, educational materials on finance for disabled people are being developed as part of Special Bank. The Active Age portal is available for pensioners. Special apps and podcasts were developed in a simple format for children and teenagers to master money management. A special financial literacy course implemented by volunteers was developed for orphan children. For more details, refer to the Financial Literacy and Well-being section, p. 283.
- As a socially responsible company Sber annually implements many projects for improving the quality of life. Sber allocates funds for federal and regional projects as well as implements own initiatives in such areas as the development and renewal of infrastructure, support for vulnerable groups, broader accessibility of educational and healthcare services, development and implementation of new technologies, including those using artificial intelligence.

Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers in place to encourage sustainable practices?

(●) Yes ( ) In progress ( ) No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

(●) Yes ( ) In progress ( ) No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

Response

As a leader in sustainable development systemic changes Sber contributes to the development of the national ESG agenda and expansion of best practices of ESG management aimed at increasing the positive impact on the society, economy and environment and reducing the negative ones. Using own experience and expertise, Sber works side by side with customers, business associations, financial institutions, and public authorities, and participates in the formation of industry-specific and nationwide approaches, methodologies, and strategies in responsible finance.

One of Sber's top priorities is to support customers in their ESG transformation process, which promotes responsible finance practices within the country and contributes to reducing the negative impact of the Bank's portfolio in priority impact areas.

Sber's approaches to responsible finance are set out in the Responsible Finance Policy of Sberbank PJSC for 2023. Sber's signing the Principles for Responsible Banking finance initiative was among other prerequisites for the implementation of this Policy. The Responsible Finance Policy is developed in accordance with the ESG Policy, ESG Strategy, Lending Policy, and other internal documents of Sber, as well as national and international industry standards, initiatives and recommendations, and Russian legislation in effect. Sber implements the Responsible Finance Policy by providing ESG products and considering environmental, social, and governance factors along with financial ones in the process of financial decision-making.

For more details on the size of the responsible finance portfolio and sustainable products and services provided, refer to 2.3 and the Responsible Financing and Non-Financial ESG Products section.

Sber also implements a number of educational products for customers, recognizing the importance of special knowledge and competencies for sustainable development practices and ESG transformation.

The range of educational programs on ESG transformation developed by Sber in 2023 is described in the Education and Training for ESG Transformation section, p. 218

Links and References

Responsible Financing and Non-Financial ESG Products, pp. 288-299

Responsible Finance Policy of Sberbank

3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services , information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

Response

Sber actively leverages its business opportunities to increase the positive and reduce the negative impact in priority areas/topics to achieve its strategic goals through the implementation of current plans. The key results for 2023 are as follows::

- The range of ESG products includes more than 20 products.
- Responsible finance amounted to RUB 2.9 tn.

Sber's contribution to the achievement of the UN Sustainable Development Goals is disclosed in the Appendix to the ESC Report.

Links and References

ESG Transformation of Corporate Customers, p. 290

ESG Products for Retail Customers and Private Investors, p. 299

Contribution to the Achievement of the UN Sustainable Development Goals, p. 395

[1] The client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customers relationship channels.
[2] Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups) you have identified as relevant in relation to the impact analysis and target setting process?

(●) Yes ( ) In progress ( ) No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Response

Sber's stakeholder engagement principles are defined in the Environmental, Social, Governance and Sustainability Policy.

Sber's approach to stakeholder engagement is based on the requirements and recommendations of the Technical Committee on Sustainable Finance of the International Organization for Standardization ISO/TC 322 Sustainable Finance, the AA1000SES (AccountAbility Stakeholder Engagement Standard) and includes identification of stakeholder groups, engagement channels and persons responsible for engagement.

In 2023, as part of the identification of material topics, Sber distinguished 11 stakeholder groups dedicating individual engagement channels for each of them, which allows the Bank to obtain relevant information about its impact on the economy, society and environment and to adjust its actions to the society's requests.

Links and References

Stakeholder Engagement and Identification of Material Topics, p. 211

Environmental, Social, Governance and Sustainability Policy

Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

(●) Yes ( ) In progress ( ) No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to);
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

[1] Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations.

Response

Sber has a sustainable development management system in place integrated into the multi-level governance system. The system provides for the allocation of powers and responsibilities, monitoring and accountability for the achievement of the sustainable development and ESG targets at all structural levels of management, which provides for the efficient management of the Bank's material impacts and achievement of strategic priorities.

There were no significant changes in the organizational structure of ESG management in the reporting period. The Executive Board, the Supervisory Board and the ESG Committee are the main management bodies of the Bank administering the ESG issues. The Supervisory Board defines the Bank's strategic guidelines and goals in ESG, and the Executive Board monitors implementation of the ESG strategy. In 2023, the Supervisory Board considered a wide range of issues, including the ESG and responsible banking issues, in particular the outcomes of the development of the ESG risk management system and future lines of work, HR issues, cybersecurity and information technology, internal control and governance issues.

The ESG Committee ensures compliance with the sustainable development principles at the operational level. It coordinates the activities of business units, regional banks and companies of the Sber Group.

The ESG Directorate provides expert support to Sber Group's divisions and companies in ESG management, including implementation of the Principles for Responsible Banking, and is in charge of monitoring and reporting.

The existing organizational structure of ESG management and sustainable development is described on page 158 in the Organizational Structure of ESG and Sustainable Development Management section of the Sber Group Annual Report for 2022.

ESG targets are incorporated in the ESG Policy Implementation Plan, assigned to the members of the Executive Board and heads of the blocks, and then cascaded into responsible units. In 2023, Sber achieved all the KPIs set for 2023 under the ESG strategy goals.

Sber's governance instruments provide for alignment of remuneration for the Executive Board and top management with the ESG KPIs stipulated in the ESG Policy Implementation Plan. Sber established an HR and Remuneration Committee comprised of independent directors acting in accordance with the Company's remuneration policy in order to promote efficient and transparent remuneration practice. The HR and Remuneration Committee regularly assesses the performance of members of the Bank's executive bodies and other key executives, including in terms of ESG indicators

Links and References

ESG Transformation Management System, p. 208

Governance – About the Supervisory Board in 2023, p. 129

Organizational Structure of ESG and Sustainable Development Management, Sber Group Annual Report for 2022, p. 158

Environmental, Social, Governance and Sustainability Policy

5.2 Promoting a culture of responsible banking

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Response

Efficient implementation of the ESG Strategy implies the involvement of all Sber employees. The Bank's employees are offered a multi-level corporate training program, along with the elaborated target model of ESG competences. In the reporting period, 75% of employees were involved in the ESG issues, and 60% of employees received training in ESG and sustainable development.

The range of educational programs on ESG transformation developed by Sber in 2023 is described in the Education and Training for ESG Transformation section

Links and References

ESG Transformation Management System and Strategy – Education and Training for ESG Transformation, p. 218

5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio?[1] Please describe.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

Response

The Bank administers the ESG risk management system integrated into its overall risk management system. The Group's integrated risk management system involves risk identification and risk significance assessment.

The ESG risks are managed at the operational level by business units responsible for credit analysis and by methodology units that develop methodologies and processes. Sber has a set of tools and procedures in place to manage the ESG risks as part of lending and other business processes.

The principles and approaches to identifying and managing the ESG risks associated with the portfolio, as well as the tools and procedures are set out in Sber's public and internal regulatory documents. The key documents are as follows:

- Environmental, Social, Governance and Sustainability Policy.
- Responsible Finance Policy of Sberbank PJSC.
- ESG Risk Management Policy.
- Lending Policy, including ESG requirements to customers and transactions, as well as ESG risk assessment and management procedures.

For details on Sber's tools and procedures of ESG risk assessment and management, refer to the Risk Report and the ESG-Risk Management System Applied in Corporate Lending and Investment Processes sections.

Links and References

ESG-Risk Management System Applied in Corporate Lending and Investment Processes, p. 291

Risk Report, pp. 104–107

Environmental, Social, Governance and Sustainability Policy

Responsible Finance Policy of PJSC Sberbank

[1] Applicable examples of types of policies are: exclusion policies for certain sectors/activities; zero-deforestation policies; zero-tolerance policies; gender-related policies; social due diligence policies; stakeholder engagement policies; whistle-blower policies etc., or any applicable national guidelines related to social risks.

Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

● Yes ○ No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

● Yes ○ No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

● Yes ○ In progress ○ No

Principle 6: Transparency & Accountability



We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

● Yes ○ Partially ○ No

If applicable, please include the link or description of the assurance statement.

Response

Self-Assessment PRB report for 2023 was assured by FBK LLC.

Independent certification of the Sber Group Annual Report for 2023 was performed by FBK LLC.

Links and References

Opinion of an Independent Practitioner, p. 380

Opinion of an Independent Practitioner, p. 391

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

● GRI ○ CDP ● TCFD

● SASB ○ IFRS Sustainability Disclosure Standards (to be published) ● Other: UN Global Compact, UN Sustainable Development Goals

Response

In addition to the guiding programs related to implementation of the Principles for Responsible Banking, Sber takes into account the provisions of such ESG initiatives as the UN Global Compact, the UN SDGs, topics and indicators of the GRI and SASB standards, TCFD recommendations

Links and References

GRI, SASB and MED Core Metrics Table, p. 381

Disclosure of Climate Risks and Opportunities, p. 392

Compliance with the UN Global Compact Principles, p. 394

Contribution to the Achievement of the UN Sustainable Development Goals, p. 395

6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis[1], target setting[2] and governance structure for implementing the PRB)? Please describe briefly.

Response

In 2024, Sber will continue its work in the priority areas of ESG transformation stipulated by the Bank in its ESG Strategy through to 2026.

Within the framework of implementation of the Principles for Responsible Banking, Sber's work will be aimed at achieving the quantitative and qualitative targets specified under 2.2.

Links and References

ESG Transformation Management System and Strategy, p. 204

6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

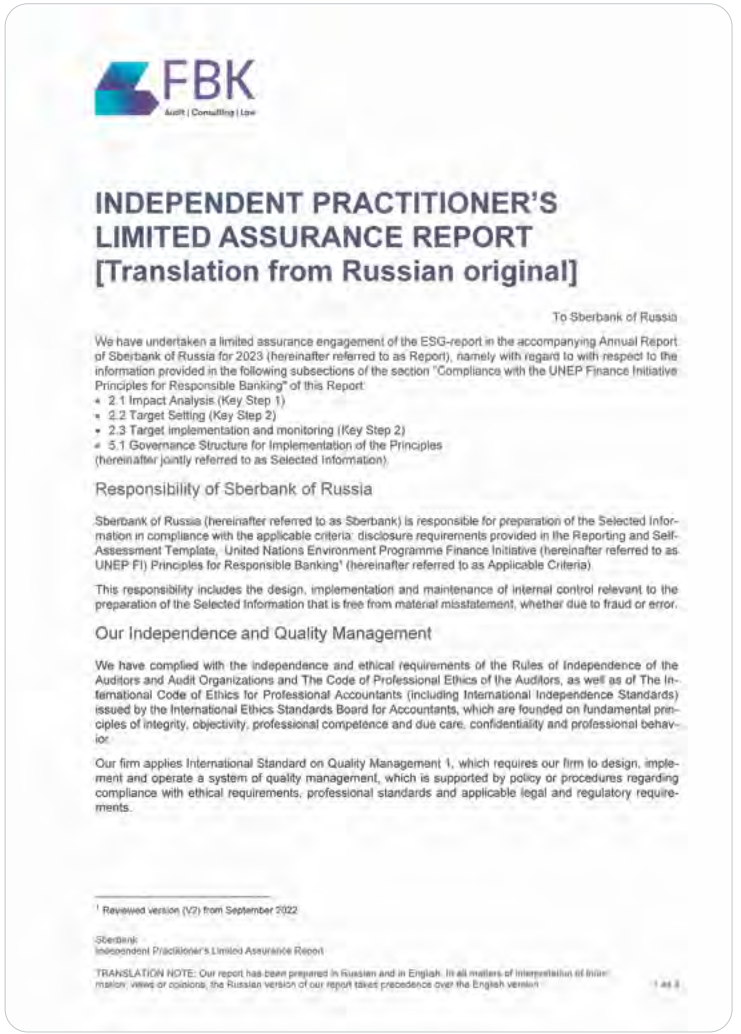
- ○ Embedding PRB oversight into governance
- ○ Gaining or maintaining momentum in the bank
- ○ Getting started: where to start and what to focus on in the beginning
- ○ Conducting an impact analysis
- ○ Assessing negative environmental and social impacts
- ● Choosing the right performance measurement methodology/ies
- ○ Setting targets
- ○ Customer engagement
- ○ Stakeholder engagement
- ● Data availability
- ● Data quality
- ○ Access to resources
- ○ Reporting
- ○ Assurance
- ○ Prioritizing actions internall
- ○ Other: ...

If desired, you can elaborate on challenges and how you are tackling these:

[1] For example, outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement

[2] For example, outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

Independent Practitioner's Assurance Report



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INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT [Translation from Russian original]

To Sberbank of Russia

We have undertaken a limited assurance engagement of the ESG-report in the accompanying Annual Report of Sberbank of Russia for 2023 (hereinafter referred to as Report), namely with regard to with respect to the information provided in the following subsections of the section "Compliance with the UNEP Finance Initiative Principles for Responsible Banking" of this Report:

- 2.1 Impact Analysis (Key Step 1)
- 2.2 Target Setting (Key Step 2)
- 2.3 Target implementation and monitoring (Key Step 2)
- 5.1 Governance Structure for Implementation of the Principles

(hereinafter jointly referred to as Selected Information).

Responsibility of Sberbank of Russia

Sberbank of Russia (hereinafter referred to as Sberbank) is responsible for preparation of the Selected Information in compliance with the applicable criteria: disclosure requirements provided in the Reporting and Self-Assessment Template, United Nations Environment Programme Finance Initiative (hereinafter referred to as UNEP FI) Principles for Responsible Banking[1] (hereinafter referred to as Applicable Criteria).

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Selected Information that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Management

We have complied with the independence and ethical requirements of the Rules of Independence of the Auditors and Audit Organizations and The Code of Professional Ethics of the Auditors, as well as of The International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Management 1, which requires our firm to design, implement and operate a system of quality management, which is supported by policy or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

[1] Reviewed version (V2) from September 2022

Sberbank
Independent Practitioner's Limited Assurance Report

TRANSLATION NOTE: Our report has been prepared in Russian and in English. In all matters of interpretation of information, views or opinions, the Russian version of our report takes precedence over the English version

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Our Responsibility

Our responsibility is to express a limited assurance conclusion on compliance of the Selected Information with the Applicable Criteria based on the procedures we have performed and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (hereinafter referred to as ISAE 3000) as well as in accordance with Guidance for assurance providers "Providing Limited Assurance for Reporting" issued by UNEP FI[1].

ISAE 3000 requires that we plan and perform this engagement to obtain limited assurance about whether the Selected Information is free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 involves assessing the suitability in the circumstances of Sberbank use of Applicable Criteria as the basis for the preparation of the Selected Information, assessing the risks of material misstatement of the Report whether due to fraud or error, responding to assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Selected Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, inspections of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we have undertaken the following activities:

- Interviewing the management and employees of Sberbank and obtaining documentary evidence.
- Study of information available on the website of Sberbank related to the Selected Information.
- Selective review of documents and data on the performance of management systems related to the Selected Information in Sberbank.
- Study of the existing processes of collection, processing, documenting, verification, analysis and selection of data related to the Selected Information to be included into the Report.
- Assessment of conformity of the Selected Information to the documents provided to us, including external and internal reporting documents.
- Analysis of the Selected Information for compliance with the Applicable Criteria.

The procedures were not performed in relation to forward-looking statements; statements expressing the opinions, beliefs and intentions of Sberbank to take any action related to the future, as well as statements based on expert opinion.

The procedures were performed in relation to the Russian version of the Report that is subject to be preliminary approved by the Supervisory Board.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about compliance of the Selected Information, in all material respects, with the Applicable Criteria.

[1] Version 2, updated in October 2022, published in November 2022

Sberbank
Independent Practitioner's Limited Assurance Report

TRANSLATION NOTE: Our report has been prepared in Russian and in English. In all matters of interpretation of information, views or opinions, the Russian version of our report takes precedence over the English version

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Limited Assurance Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Selected Information has not complied, in all material respects, with the Applicable Criteria.

Restriction on Use

Selected Information is intended solely for the Report users' purposes and as a result may not be suitable for other parties or other purposes. Our assurance report is intended for Sberbank.

FBK, LLC
Practitioner

Vladimir Yulianovich Skobarev
(registration number 21606080523)

Partner
acting under Power of Attorney No. 130/21 of September 09, 2021

March 28, 2024

The Russian Federation, 101000, Moscow,
44 Myasnitskaya St, Bldg 2

Sberbank
Independent Practitioner's Limited Assurance Report

TRANSLATION NOTE: Our report has been prepared in Russian and in English. In all matters of interpretation of information, views or opinions, the Russian version of our report takes precedence over the English version

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Table of GRI, SASB and MED Indicators

The consolidated table contains the main indicators of GRI[1], SASB reporting and key (basic) indicators[2] in accordance with the methodological guidelines of the Ministry for Economic Development of the Russian Federation.

Indicator		Disclosures in the Report/Comment	Page
General disclosures			
Reporting organization and practices			
GRI 2-1	Organizational details	About this Report	2
GRI 2-2	Entities included in the organisation's sustainability reporting	According to Sber's approach to the disclosures, the indicator shall not be disclosed in the reporting period	
GRI 2-3	Reporting period, frequency and contact person	About this Report	2
GRI 2-4	Restatements of information	Not applicable (unless otherwise stated herein)	
GRI 2-5	External assurance	Independent practitioner's assurance report	397
MED-1	Revenue (indicator similar to revenue)	Summary consolidated financial statements	179
Activities and employees			
GRI 2-6	Activities, value chain and other business relationships	Sber in facts and figures	10

Indicator		Disclosures in the Report/Comment	Page
GRI 2-7	Employees	Employee diversity and inclusion	256
		ESG Data Book: Personnel	355
		The indicator was verified within the Sberbank boundaries*	
		The indicator represents the staffing table headcount as of 31 December 2023. The indicator is not broken down by region of presence. The actual number does not include the employees working under a civil law contract	
MED-25	Average staffing table headcount of employees, total, including people with disabilities	Employee diversity and inclusion	254
		ESG Data Book: Personnel	354
GRI 2-8	Workers who are not employees	ESG Data Book: Personnel	356
Governance			
GRI 2-9	Governance structure and composition	Corporate governance system	118
		Supervisory Board	126
		Supervisory Board Committees	134

[1] All GRI indicators disclosed in this Report are based on the versions of general and thematic GRI Standards specified in the Consolidated Set of the GRI Standards issued by the GRI organization on 5 February 2024. The 2020 Version of GRI 306: Waste Standard is applied.
[2] A number of key (base) indicators from the Sustainability Reporting Guidelines approved by Order of the Ministry of Economic Development of the Russian Federation No. 764 dated 1 November 2020 "On Approval of Sustainability Reporting Guidelines" are not disclosed due to their inapplicability to the Company.
* The task ensures limited assurance of 16 material ESG indicators. For more information, please see the Appendix "Independent practitioner's limited assurance report".

Indicator		Disclosures in the Report/Comment	Page
MED-37	Total number of directors, including by age	Supervisory Board Composition of the Supervisory Board of Sberbank as of 31 December 2023: • persons under 30 – none; • persons 30–50 years old – 21%; • persons 51 years old and over – 79%.	126
GRI 2-10	Nomination and selection of the highest governance body	Supervisory Board	126
GRI 2-11	Chair of the highest governance body	Supervisory Board	126
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	ESG transformation management system	208
GRI 2-13	Delegation of responsibility for managing impacts	ESG transformation management system	208
GRI 2-14	Role of the highest governance body in sustainability reporting	ESG transformation management system	208
GRI 2-15	Conflicts of interest	Supervisory Board	126
GRI 2-16	Communication of critical concerns	Supervisory Board	126
GRI 2-17	Collective knowledge of the highest governance body	Supervisory Board	126
GRI 2-18	Evaluation of the performance of the highest governance body	Supervisory Board	126
GRI 2-19	Remuneration policies	According to Sber's approach to disclosures in the reporting period, the indicator shall not be disclosed	
GRI 2-20	Process to determine remuneration	According to Sber's approach to disclosures in the reporting period, the indicator shall not be disclosed	
GRI 2-21	Annual total compensation ratio	The indicators are not disclosed as there is no data in the accounting systems	
MED-36	Number of the Board of directors' meetings and attendance rate	Supervisory Board	126
MED-38	Number of the Audit committee's meetings and attendance rate	Supervisory Board Committees	134
Strategy, policies and practices			
GRI 2-22	Statement on the sustainable development strategy	Sber's ESG strategy: results 2023 and goals 2026	202
MED-35	Availability of the sustainable development policy and/or other strategic documents in this area	Sber's ESG strategy: results 2023 and goals 2026 ESG transformation management system	202 208
GRI 2-23	Policy commitments	From HR management to unlocking human potential Respect for human rights Business ethics, compliance and anti-corruption	253 277 302
GRI 2-24	Embedding policy commitments	From HR management to unlocking human potential Respect for human rights Business ethics, compliance and anti-corruption	253 277 302
GRI 2-25	Processes to remediate negative impacts	Business ethics, compliance and anti-corruption	302

Indicator		Disclosures in the Report/Comment	Page
GRI 2-26	Mechanisms for seeking advice and raising concerns	ESG transformation management system Business ethics, compliance and anti-corruption	208 302
GRI 2-27	Compliance with laws and regulations	Business ethics, compliance and anti-corruption Environmental management	302 338
GRI 2-28	Membership associations	ESG transformation management system Government and industry relations	208 318
MED-39	Participation in ESG indices and ratings	Sber's ESG strategy: results 2023 and goals 2026	202
Stakeholder engagement			
GRI 2-29	Approach to stakeholder engagement	ESG transformation management system	208
GRI 2-30 MED-32	Collective bargaining agreements	Employee diversity and inclusion	254
Material topics			
Climate agenda			
GRI 3-3	Management of material topics	Climate agenda management	322
GRI 305-1 MED-20	Direct (Scope 1) GHG emissions	Carbon footprint methodology and calculations ESG Data Book: Climate The indicator was verified within the Sberbank boundaries*	329 350
GRI 305-2 MED-20	Energy indirect (Scope 2) GHG emissions	Carbon footprint methodology and calculations ESG Data Book: Climate The indicator was verified within the Sberbank boundaries*	329 350
GRI 305-3 MED-20	Other indirect (Scope 3) GHG emissions	Carbon footprint methodology and calculations ESG Data Book: Climate	329 350
GRI 305-4	GHG emissions intensity (Specific greenhouse gas emissions under Scopes 1 and 2 per employee, t CO_2-eq/1 employee)	Carbon footprint methodology and calculations ESG Data Book: Climate Sberbank has disclosed indicators for specific Scope 1 and 2 GHG emissions in CO_2-eq per employee The indicator was verified within the Sberbank boundaries*	330 351
SASB FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Climate-related risks and opportunities	324
Environmental aspects			
GRI 3-3	Management of material topics	Environmental management	338

Indicator		Disclosures in the Report/Comment	Page
GRI 301-1	Materials used by weight or volume	Efficient use of resources ESG Data Book: Ecology The indicator was verified within the Sberbank boundaries* Sberbank has disclosed the weight of A4 packs used. Information on the weight or volume of other materials used by Sberbank is not disclosed, since the relevant information is not available due to the lack of a unified consolidated methodology to account for various categories of materials used in kind (by weight or volume). Such accounting type will be considered in the medium term	339 346
GRI 302-1	Energy consumption within the organization	Energy management ESG Data Book: Ecology The indicator was verified within the Sberbank boundaries* The Bank does not sell thermal or electric energy to the third-party organizations. The total consumption of thermal energy and the total consumption of electric energy are not disclosed due to the unavailability of data, as the Bank does not keep records of thermal/electric energy produced on its own. Conversion ratios: • 1 Gcal = 4.187 GJ • 1,000 kW·h = 3.60 GJ • 1 t of diesel fuel = 42.5 GJ • 1,000 m^3 of natural gas = 33.8 GJ	343 348
GRI 302-2	Energy consumption outside the organization	ESG Data Book: Ecology	348
GRI 302-4	Reduction of energy consumption	Energy management	343

Indicator		Disclosures in the Report/Comment	Page
GRI 303-1	Interactions with water as a shared resource	Efficient use of resources	339
GRI 303-3	Water withdrawal	Efficient use of resources ESG Data Book: Ecology	339 346
GRI 303-4	Water discharge	Efficient use of resources ESG Data Book: Ecology	339 346
GRI 303-5	Water consumption	Efficient use of resources ESG Data Book: Ecology	339 346
MED-13	Water used from all water supply sources	Efficient use of resources	339
GRI 306-1	Waste generation and significant waste-related impacts	Responsible waste treatment	341
GRI 306-2	Management of significant waste-related impacts	Responsible waste treatment	341
GRI 306-3 MED-17	Waste generated	Responsible waste treatment ESG Data Book: Ecology The indicator was verified within the Sberbank boundaries*	341, 342 347

Indicator		Disclosures in the Report/Comment	Page
GRI 306-4 MED-18	Waste diverted from disposal	Responsible waste treatment ESG Data Book: Ecology	342 347
GRI 306-5 MED-18	Waste directed for disposal	The indicator was verified within the Sberbank boundaries* The indicator is not broken down by waste treatment method as provided for in the GRI Standards. Information is unavailable. The Bank keeps records of waste generation and waste treatment in accordance with the Russian law, completes and transfers statistical reporting forms to local authorities. Being a non-manufacturing company, the Bank does not carry out waste management at its facilities. All waste is transferred to the third-party specialized organizations licensed for all types of waste treatment. Solid municipal waste is transferred to the regional SMW operator and sent to specialized landfills for disposal. The Bank receives no data about what waste treatment methods are applied and in what extent. Nor the Bank plans to obtain such information	
–	Share of separate waste collection	Responsible waste treatment The share of waste not sent to landfills (disposal, reuse) in the total weight of generated wastes has been disclosed. The indicator was verified within the Sberbank boundaries*	342
Contribution to green and low-carbon development			
GRI 3-3	Management of material topics	Climate agenda management Environmental management	322 338

Indicator		Disclosures in the Report/Comment	Page
MED-22	Renewable and low-carbon energy consumption (Share of energy from renewable energy sources in the energy consumption structure)	Energy management Volume and overall share of green electricity in elergy consumption structure are disclosed The indicator was verified within the Sberbank boundaries*	344
Health and safety			
GRI 3-3	Management of material topics	From HR management to unlocking human potential	253
GRI 403-1	Occupational health and safety management system	Decent working conditions	257
GRI 403-2	Hazard identification, risk assessment, and incident investigation	Decent working conditions	257
GRI 403-3	Occupational health services	Decent working conditions	257
GRI 403-4	Worker participation, consultation and communication on occupational health and safety	Decent working conditions	257
GRI 403-5	Worker training on occupational health and safety	Decent working conditions	257
GRI 403-6	Promotion of worker health	Decent working conditions	257

Indicator		Disclosures in the Report/Comment	Page
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Decent working conditions	257
GRI 403-8	Workers covered by an occupational health and safety management system	Decent working conditions	257
GRI 403-9	Work-related injuries	Decent working conditions	257
MED-29		ESG Data Book: Personnel	363
GRI 403-10	Work-related ill health	There are no occupational diseases	
MED-27	Total costs of occupational health and safety measures, including average per employee	Decent working conditions	257
Labor relations and employment			
GRI 3-3	Management of material topics	From HR management to unlocking human potential	253
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Decent working conditions	257
GRI 401-1	New employee hires and employee turnover	Decent working conditions	264
MED-33		ESG Data Book: Personnel	357, 358
		The indicator was verified within the Sberbank boundaries*	
		The indicator is not broken down by region as provided for in the GRI Standard.	
		Sberbank has disclosed the number of employees with employment contracts terminated under Clauses 1, 3 and 5 of Article 77 of the Labor Code of the Russian Federation, as well as the relevant attrition ratio. According to the internal methodology and record-keeping system, the attrition is calculated based on the above contract termination grounds. Therefore, the indicator includes neither the total number of employees having left the organization for other reasons, nor the relevant attrition ratio.	
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Decent working conditions	257
GRI 401-3	Parental leave	Decent working conditions	257
		ESG Data Book: Personnel	361
GRI 402-1	Minimum notice periods regarding operational changes	The minimum notice period about significant changes in labor conditions in accordance with Russian law is eight weeks.	
GRI 405-1	Diversity of governance bodies and employees	Diversity and inclusion	353
MED-44		ESG Data Book: Personnel	254
		The indicator was verified within the Sberbank boundaries*	
		Structure of Sberbank's Supervisory Board as of 31 December 2023: • male – 86%, female – 14%; • persons under 30 – no, persons aged 30 to 50–21%, persons aged 51 and over – 79%	

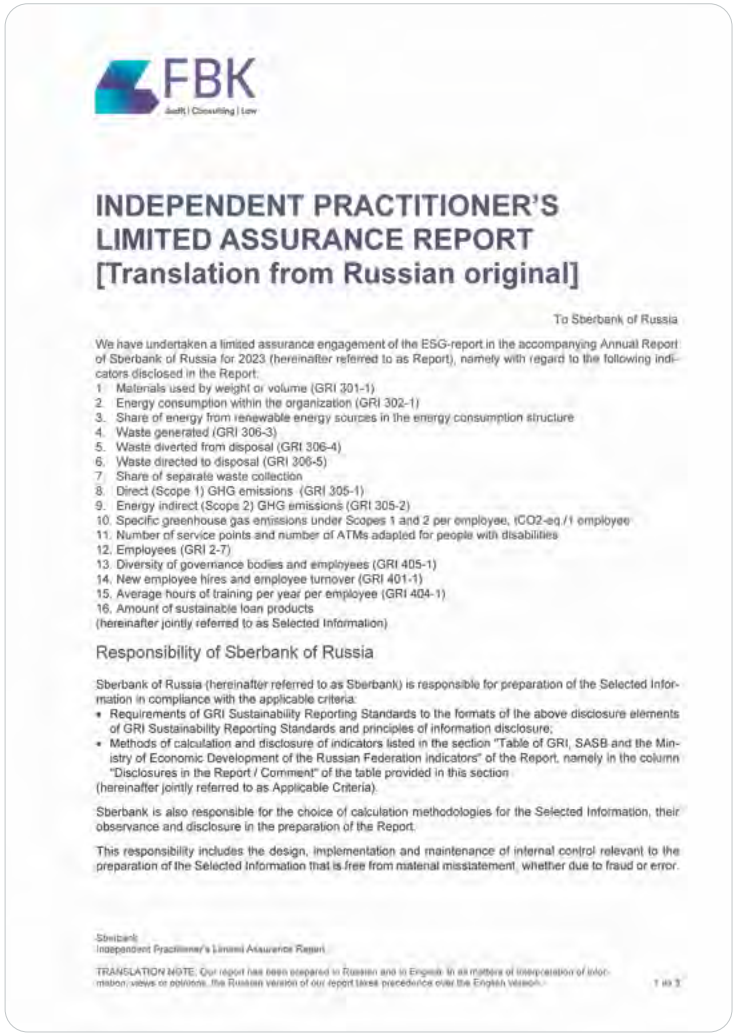
Indicator		Disclosures in the Report/Comment	Page
GRI 405-2 MED-26	Ratio of basic salary and remuneration of women to men	Employee diversity and inclusion ESG Data Book: Personnel	254 361
MED-24	Labor remuneration expenses	ESG Data Book: Personnel	361
GRI 406-1	Incidents of discrimination and corrective actions taken	Employee diversity and inclusion	254
Human capital development			
GRI 3-3	Management of material topics	Training and development	265
GRI 404-1 MED-31	Average hours of training per year per employee	Training and development Cybersecurity ESG Data Book: Personnel The indicator was verified within the Sberbank boundaries* The average number of training hours is calculated as a ratio of the total number of training hours and the staffing table headcount as of 31 December 2023	267 359
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Training and development Cybersecurity	265 313
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Training and development ESG Data Book: Personnel	265 360
MED-30	Total costs of employee training, including on average per employee	Training and development	265
Financial inclusion			
GRI 3-3	Management of material topics	Respect for human rights and financial inclusion	279
–	Number of service points and number of ATMs adapted for people with disabilities	Provision of equal access to financial services The indicator was verified within the Sberbank boundaries* Sberbank has disclosed the number of points of service equipped with special devices to assist disabled people and other persons with reduced mobility under the SNIP 35-01-2001 “Accessibility of Buildings and Structures for Persons with Reduced Mobility”.	279
SASB FN-CB-240a.1	Number and amount of loans outstanding qualified to programs designed to promote small business and community development	B2B ecosystem Provision of equal access to financial services	61 279
SASB FN-CB-240a.4	Number of participants of financial literacy initiatives for unbanked, underbanked, or underserved customers	Financial literacy and well-being	279
Contribution to social development			
GRI 3-3	Management of material topics	Support of national and regional socially important projects	228
GRI 203-1	Infrastructure investments and services supported Projects to support local communities	Support of national and regional socially important projects	228
MED-34	Total expenses for support of social programs, other than those covering employees and their family members, including: • housing charity programs • healthcare programs • education programs • supporting citizens in need of social assistance	Support of national and regional socially important projects Charitable, sponsorship and social activities	228 231
GRI 203-2	Significant indirect economic impacts	Support of national and regional socially important projects	228

Indicator		Disclosures in the Report/Comment	Page
Responsible financing			
GRI 3-3	Management of material topics	Responsible financing and non-financial ESG products	289
–	Amount of sustainable loan products	ESG transformation of corporate customers The indicator was verified within the Sberbank boundaries* Sustainable loan products include those that promote or contribute to the ESG transformation of the customer. Sberbank offers 4 types of sustainable loan products: green, ESG, adaptation and social loans. For details on loan products see the Report	293
MED-10	Sustainable, including green, investments	ESG transformation of corporate customers	290
SASB FN-CB-410a.2	Description of the approach to inclusion of environmental, social, and governance factors into credit analysis	ESG transformation of corporate customers	290
Assisting customers in ESG transformation			
GRI 3-3	Management of material topics	ESG transformation of corporate customers	290
–	Revenues from selling non-financial ESG products	ESG transformation of corporate customers	290
Sustainable supply chain			
GRI 3-3	Management of material topics	Sustainable supply chain	314
GRI 204-1 MED-8	Share of spending on local suppliers	Sustainable supply chain	314
MED-9	Share of purchases of goods, work, services from small and medium enterprises in the total volume of purchases from the Russian companies	Sustainable supply chain	314
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Sustainable supply chain	314
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	Sustainable supply chain	314
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Sustainable supply chain	314
Security practices			
GRI 3-3	Management of material topics	Cybersecurity	308

Indicator		Disclosures in the Report/Comment	Page
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity	308
SASB FN-CB-230a.1	Number of data breaches, percentage involving personally identifiable information (PII), number of customers affected	Cybersecurity	308
SASB FN-CB-230a.2	Description of the approach to identifying and addressing data security risks	Cybersecurity	308
Customer satisfaction			
GRI 3-3	Management of material topics	B2B ecosystem	27
		B2C ecosystem	58
		Sales network	76
Contribution to economic development			
GRI 3-3	Management of material topics	Financial performance	93
GRI 207-1	Approach to tax	Tax strategy	316
GRI 207-2	Tax management, control and related risks	Tax strategy	316
GRI 207-3	Stakeholder engagement and management of concerns related to tax	Tax strategy	316
MED-6	Total accrued mandatory payments (excluding fines and penalties), including: • taxes and levies. • insurance premiums. • other mandatory payments.	Tax strategy	316
MED-7	Total mandatory payments made (excluding fines, penalties), including: • taxes and levies. • insurance premiums. • other mandatory payments.	Summary consolidated financial statements in accordance with IFRS	177
Governance and business ethics			
GRI 3-3	Management of material topics	Corporate governance	118
		Business ethics, compliance and anti-corruption	302
GRI 205-1	Operations assessed for risks related to corruption	Business ethics, compliance and anti-corruption	302

Indicator		Disclosures in the Report/Comment	Page
GRI 205-2	Communication and training about anti-corruption policies and procedures	Business ethics, compliance and anti-corruption	302
GRI 205-3	Confirmed incidents of corruption and actions taken	Business ethics, compliance and anti-corruption	302
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business ethics, compliance and anti-corruption	302
SASB FN-CB-510a.2	Description of whistleblower policies and procedures	Business ethics, compliance and anti-corruption	302
MED-43	Number of administrative proceedings commenced against the companies, its subsidiaries and affiliates in connection with corruption offenses	Business ethics, compliance and anti-corruption	302
Development of technology and innovation; digitalization			
GRI 3-3	Management of material topics	Technology leadership	82
Risk management			
GRI 3-3	Management of material topics	Risk report	104

Independent Practitioner's Assurance Report



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INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT [Translation from Russian original]

To Sberbank of Russia

We have undertaken a limited assurance engagement of the ESG-report in the accompanying Annual Report of Sberbank of Russia for 2023 (hereinafter referred to as Report), namely with regard to the following indicators disclosed in the Report:

1. Materials used by weight or volume (GRI 301-1)
2. Energy consumption within the organization (GRI 302-1)
3. Share of energy from renewable energy sources in the energy consumption structure
4. Waste generated (GRI 306-3)
5. Waste diverted from disposal (GRI 306-4)
6. Waste directed to disposal (GRI 306-5)
7. Share of separate waste collection
8. Direct (Scope 1) GHG emissions (GRI 305-1)
9. Energy indirect (Scope 2) GHG emissions (GRI 305-2)
10. Specific greenhouse gas emissions under Scopes 1 and 2 per employee, tCO2-eq./1 employee
11. Number of service points and number of ATMs adapted for people with disabilities
12. Employees (GRI 2-7)
13. Diversity of governance bodies and employees (GRI 405-1)
14. New employee hires and employee turnover (GRI 401-1)
15. Average hours of training per year per employee (GRI 404-1)
16. Amount of sustainable loan products

(hereinafter jointly referred to as Selected Information)

Responsibility of Sberbank of Russia

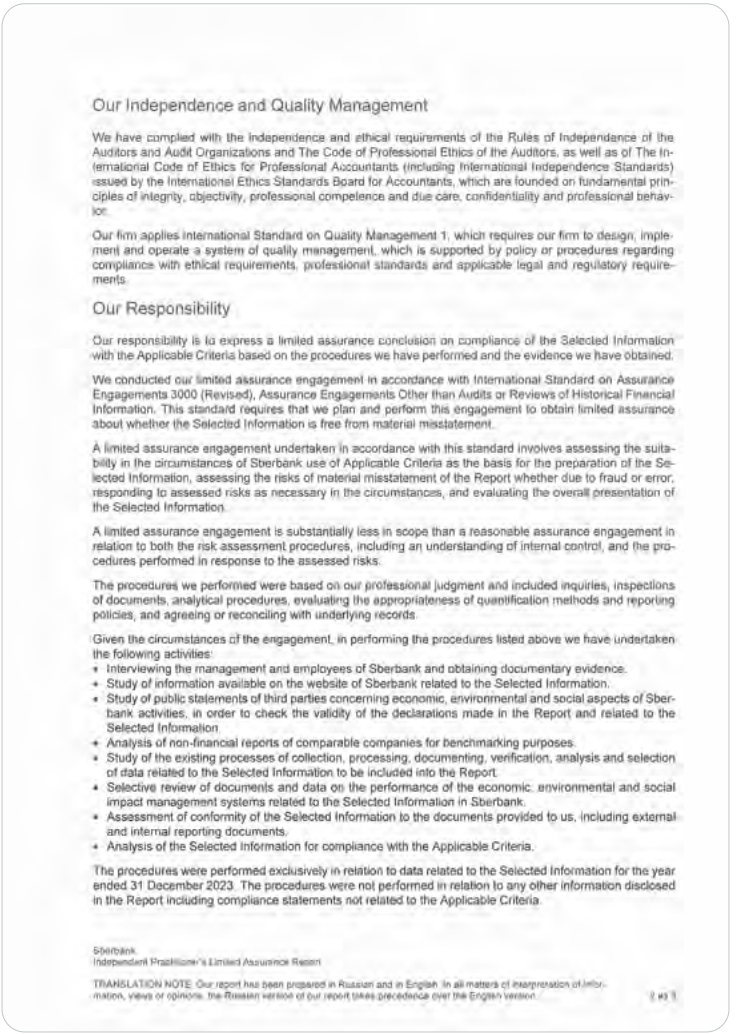
Sberbank of Russia (hereinafter referred to as Sberbank) is responsible for preparation of the Selected Information in compliance with the applicable criteria:

- Requirements of GRI Sustainability Reporting Standards to the formats of the above disclosure elements of GRI Sustainability Reporting Standards and principles of information disclosure;
- Methods of calculation and disclosure of indicators listed in the section "Table of GRI, SASB and the Ministry of Economic Development of the Russian Federation indicators" of the Report, namely in the column "Disclosures in the Report / Comment" of the table provided in this section

(hereinafter jointly referred to as Applicable Criteria).

Sberbank is also responsible for the choice of calculation methodologies for the Selected Information, their observance and disclosure in the preparation of the Report.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Selected Information that is free from material misstatement, whether due to fraud or error.



Our Independence and Quality Management

We have complied with the independence and ethical requirements of the Rules of Independance of the Auditors and Audit Organizations and The Code of Professional Ethics of the Auditors, as well as of The International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Management 1, which requires our firm to design, implement and operate a system of quality management, which is supported by policy or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on compliance of the Selected Information with the Applicable Criteria based on the procedures we have performed and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Selected Information is free from material misstatement.

A limited assurance engagement undertaken in accordance with this standard involves assessing the suitability in the circumstances of Sberbank use of Applicable Criteria as the basis for the preparation of the Selected Information, assessing the risks of material misstatement of the Report whether due to fraud or error, responding to assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Selected Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, inspections of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we have undertaken the following activities:

- Interviewing the management and employees of Sberbank and obtaining documentary evidence.
- Study of information available on the website of Sberbank related to the Selected Information.
- Study of public statements of third parties concerning economic, environmental and social aspects of Sberbank activities, in order to check the validity of the declarations made in the Report and related to the Selected Information.
- Analysis of non-financial reports of comparable companies for benchmarking purposes.
- Study of the existing processes of collection, processing, documenting, verification, analysis and selection of data related to the Selected Information to be included into the Report.
- Selective review of documents and data on the performance of the economic, environmental and social impact management systems related to the Selected Information in Sberbank.
- Assessment of conformity of the Selected Information to the documents provided to us, including external and internal reporting documents.
- Analysis of the Selected Information for compliance with the Applicable Criteria.

The procedures were performed exclusively in relation to data related to the Selected Information for the year ended 31 December 2023. The procedures were not performed in relation to any other information disclosed in the Report including compliance statements not related to the Applicable Criteria.



The procedures were not performed in relation to forward-looking statements, statements expressing the opinions, beliefs and intentions of Sberbank to take any action related to the future, as well as statements based on expert opinion.

The procedures were performed in relation to the Russian version of the Report that:

- is subject to be preliminary approved by the Supervisory Board;
- is to be published;
- is the version of the Report regarding which GRI is to be notified on the use of the GRI Sustainability Reporting Standards in the report preparation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about compliance of the Selected Information, in all material respects, with the Applicable Criteria.

Limited Assurance Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Selected Information has not complied, in all material respects, with the Applicable Criteria.

Restriction on Use

Selected Information is intended solely for the Report users' purposes and as a result may not be suitable for other parties or other purposes. Our assurance report is intended for Sberbank.

FBK, LLC
Practitioner

Vladimir Yulianovich Skobarev
(registration number 21606080523)

Partner
acting under Power of Attorney No. 130/21 of September 09, 2021

March 28, 2024

The Russian Federation, 101000, Moscow,
44 Myasnitskaya St, Bldg 2

Disclosure of Climate-Related Risks and Opportunities

Sber is guided by the best practices and takes into account the guidelines of the Task Force on Climate-Related Financial Disclosures (TCFD), as well as the requirements of IFRS S2 when disclosing information on the topic of climate change.

Sber uses the structure proposed in the documents, including the Governance, Strategy, Risk Management, Metrics and Targets sections, to reflect the activities related to the climate agenda.

Section	Disclosure	Disclosure in the Report
Governance Information on management of climate-related risks and opportunities	Description of the board's oversight of climate-related risks and opportunities	Climate agenda management Climate-related risks and opportunities Corporate Governance
	Description of the management's role in assessing and managing climate-related risks and opportunities	Climate agenda management ESG transformation management system
	Description of climate-related responsibilities of governance bodies and individual employees; controls with respect to management of the climate agenda; documents setting out responsibility of bodies/employees; reporting on integration of climate-related issues into the remuneration system; description of other issues relating to allocation of climate-related responsibilities	Climate agenda management Climate-related risks and opportunities Corporate Governance ESG transformation management system
Strategy Information on the actual and potential impacts of climate-related risks and opportunities on the company's businesses, strategy, and financial planning	Description of climate-related risks and opportunities that has been set over the short, medium, and long term	Climate-related risks and opportunities
	Description of the impact of climate-related risks and opportunities on the company's business, strategy, and financial planning	Climate-related risks and opportunities Climate agenda management
	Description of resilience of the company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Climate agenda management
	Description of the way industry specifics is taken into consideration when identifying climate-related risks and opportunities, where climate-related risks and opportunities are concentrated in the company's business model and value chain	Climate-related risks and opportunities
	Description of the transition plan and planned activities to achieve the climate-related goals and the impact of key risks and opportunities on the company's financial performance (description of qualitative and quantitative assessments of key risks and opportunities)	Climate-related risks and opportunities Climate strategy
	Description of processes and results of scenario analysis application	Climate-related risks and opportunities

Section	Disclosure	Disclosure in the Report
Risk Management Information on the way the company identifies, assesses, and manages climate-related risks	Description of the company's processes for identifying and assessing climate-related risks	Climate-related risks and opportunities
	Description of the company's processes for managing climate-related risks	Climate-related risks and opportunities
	Description of the way the processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management	Climate-related risks and opportunities
	Description of initial data used when identifying climate-related risks, changes in the procedures for identification, analysis, and monitoring of risks compared to the previous year	Climate-related risks and opportunities
	Description of the company's processes for identifying, analyzing, monitoring, and prioritizing climate-related opportunities	Climate-related risks and opportunities
Metrics and Targets Quantitative indicators and targets used to assess and manage relevant climate-related risks and opportunities	Information about the indicators used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process	Climate strategy
	Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks	Carbon footprint methodology and calculations ESG Data Book: Climate
	Description of the targets used by the company to manage climate-related risks and opportunities and the performance against targets	Climate strategy
	Information on industry-specific climate indicators related to the company's activities, Scope 3 emissions by category	Carbon footprint methodology and calculations ESG Data Book: Climate
	Information on investments made to manage key risks and opportunities	Climate strategy
	Description of approach to setting and updating goals, plans in terms of use of carbon credits to achieve goals, monitoring of progress in achieving goals	Climate agenda management Climate strategy

Compliance with the UN Global Compact Principles

Sber carries out its activities strictly observing the ten principles set by the UN Global Compact and relating to human rights, labor relations, environmental protection and anti-corruption activities based on the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and United Nations Convention against Corruption.

Principle	Disclosure in the Report
Human Rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	Respect for human rights
Principle 2: Businesses should make sure that they are not complicit in human rights abuses	Respect for human rights
Labor	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Respect for human rights Employee diversity and inclusion
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor	Respect for human rights From HR management to unlocking human potential
Principle 5: Businesses should uphold the effective abolition of child labor	Respect for human rights From HR management to unlocking human potential
Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation	Respect for human rights Employee diversity and inclusion
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges	Environmental management
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	Environmental management
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies	ESG transformation of corporate customers Environmental management
Anti-Corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	Business ethics, compliance and anti-corruption Sustainable supply chain

Contribution to the Achievement of the UN Sustainable Development Goals

Sber carries out its activities subject to the UN Sustainable Development Goals (SDGs) and takes them into account when formulating its strategic goals and objectives. Having identified 13 most prioritized targets, the Group strives to contribute to the achievement of all UN SDGs.

Priority UN SDGs



SDG 1

End poverty in all its forms everywhere

Sber's contribution

- Increase of the availability of socially important financial and non-financial products and services, including for vulnerable population
- Improvement of financial literacy of the population
- Educating customers in digital services and personal finance management
- Development of service channels in hard-to-access and remote areas
- Increase of inclusion across the supply chain and among the customers

Disclosure in the Report

- Respect for human rights and financial inclusion



SDG 3

Ensure healthy lives and promote well-being for all at all ages

Sber's contribution

- Promotion of health and dissemination of healthy lifestyles among employees and their families
- Implementation of voluntary health insurance program for employees and provision of life insurance services to the population
- Development and implementation of technologies to expand access to healthcare services
- Development of high-tech medical services using artificial intelligence
- Development of proprietary medical equipment that is applied in hospitals and reduces the load on doctors
- Implementation of charitable and socially oriented programs and projects

Disclosure in the Report

- Social responsibility and population support
- Care for employees



SDG 4

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Sber's contribution

- High-quality training and development of employees using a wide range of tools and resources
- Provision of employees with wide opportunities for both professional and personal growth
- Development of technology to expand access to education for everyone
- Partnership with universities and secondary specialized educational institutions
- Implementation of charitable programs aimed at education promotion among children and youth
- Launch of educational projects (including AI and IT) and support of partners' educational initiatives
- Creation of educational spaces together with regional authorities

Disclosure in the Report

- Social responsibility and population support
- Care for employees

Priority UN SDGs



SDG 5

Achieve gender equality and empower all women and girls

Sber's contribution

- Creation of equal opportunities for career and personal development of all employees
- Gender equality and overcoming gender stereotypes
- Creation of a fair system of hiring, performance assessment and remuneration, including observation of the principle of equal pay to men and women for equal work
- Support of employees on maternity leave and readaptation after their return from childcare leave, as well as provision of additional earnings opportunities for employees on parental leave

Disclosure in the Report

- Care for employees
- Respect for human rights and financial inclusion



SDG 7

Ensure access to affordable, reliable, sustainable and modern energy for all

Sber's contribution

- Improvement of energy consumption efficiency
- Financing of renewables development projects
- Offering of ESG bonds, including green and climate transition bonds, to customers
- Increase of green energy purchases for own needs and green certificates
- Active participation in the development of the climate agenda at the national and international levels

Disclosure in the Report

- Climate agenda
- Environmental aspects



SDG 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Sber's contribution

- Creation and maintenance of decent working conditions and provision of employees with opportunities for development
- Inclusive employment and support for employees older than 55
- Promotion of high standards for ensuring decent working conditions and human development among customers and partners
- Provision of financial and non-financial services to promote economic development of large, medium, small, and microbusinesses, as well as self-employed persons
- Participation in regional and local economic development

Disclosure in the Report

- Social responsibility and population support
- Care for employees
- Responsible business practices



SDG 9

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Sber's contribution

- Promotion and support of recent R&Ds, including those in artificial intelligence, to solve significant challenges in sustainable development
- Participation in the ESG transformation of the Russian regions
- Development of green, adaptation and social financing
- Participation in meetings of government agencies regulating transition to a green economy
- Promotion of social and public infrastructure development, including renewal of urban transport and utilities infrastructure

Disclosure in the Report

- Social responsibility and population support
- Responsible financing and non-financial ESG products



SDG 10

Reduce inequality within and among countries

Sber's contribution

- Expanding access to finance
- Responsible financing, offering of inclusive solutions
- Promotion of socially important financial products and services
- Implementation of charitable and sponsor projects
- Development of inclusive environment for Sber's employees, customers and partners

Disclosure in the Report

- Respect for human rights and financial inclusion

Priority UN SDGs



SDG 11

Make cities and human settlements inclusive, safe, resilient and sustainable

Sber's contribution

- Creation and modernization of infrastructure in cities of presence
- Participation in the ESG transformation of the Russian regions
- Expanding access to clean energy for the population
- Participation in discussions on the climate agenda in cities, green financing and environmentally responsible purchases as decarbonization tools

Disclosure in the Report

- Social responsibility and population support
- Responsible financing and non-financial ESG products
- Environmental aspects



SDG 12

Ensure sustainable consumption and production patterns

Sber's contribution

- Implementation of programs for increasing the efficiency of using materials, energy and water, as well as responsible waste treatment programs
- Participation in the development of waste management infrastructure and use of electric transport in Russia
- Financing of customers aimed at reducing environmental impacts

Disclosure in the Report

- Responsible financing and non-financial ESG products
- Responsible business practices
- Environmental aspects



SDG 13

Take urgent action to combat climate change and its impacts

Sber's contribution

- Development and implementation of the revised Climate Strategy
- Defining, assessing and management of climate-related risks and opportunities
- Measurement of carbon footprint and implementation of measures for carbon neutrality
- Financing of low-carbon economy transition projects
- Participation in the implementation of the national decarbonization strategy and development of international cooperation in climate issues
- Development of new AI technologies and solutions to assist governments, regions, and businesses in more efficient management of climate-related risks

Disclosure in the Report

- Responsible financing and non-financial ESG products
- Climate agenda



SDG 16

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Sber's contribution

- Compliance with the requirements of the applicable law and international rules
- Compliance with governance and business ethics standards
- Promotion of high standards of human rights, labor relations, social responsibility and environmental protection among suppliers and contractors
- Anti-corruption and countering financial crime
- Ensuring reliable protection of information and financial assets and increase of cybersecurity
- Development of the culture of inclusion, respect for and protection of human rights at the national level
- Contribution to the improvement of financial regulation
- Development of feedback mechanisms

Disclosure in the Report

- ESG transformation management strategy and system
- Respect for human rights and financial inclusion
- Responsible business practices

Priority UN SDGs



SDG 17

Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Sber's contribution

- Open stakeholder engagement
- Due regard to ESG-related standards and recommendations of international organizations, improvement of publishing practice of non-financial reports
- Interaction with government authorities, businesses and international organizations on sustainable development issues at the national and international levels
- Participation in the ESG transformation of the Russian regions

Disclosure in the Report

- ESG transformation management strategy and system
- Responsible financing and non-financial ESG products

Other UN SDGs



SDG 2

End hunger, achieve food security and improved nutrition, promote sustainable agriculture

Sber's contribution

- Expanding of access to financial services for vulnerable population
- Development of service channels in rural and remote areas



SDG 6

Ensure availability and sustainable management of water and sanitation for all

Sber's contribution

- Efficient use of water resources in operating activities
- Financing of infrastructure development projects
- Participation in water conservation projects and programs

Disclosure in the Report

- Environmental aspects



SDG 14

Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Sber's contribution

- Fostering the fishing sector



SDG 15

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat deforestation, and halt and reverse land degradation and halt biodiversity loss

Sber's contribution

- Implementation of environmental measures for reduction of the environmental impacts of operations
- Participation in environmental campaigns and environmental education, improvement of the population's environmental literacy
- Volunteering development
- Development of green and adaptation financing

Disclosure in the Report

- Environmental aspects
- Responsible financing and non-financial ESG products

Glossary

Accelerator
A support program for startups and new technologies through mentoring, training, financial and expert assistance.

Adaptation project
A project, the implementation of which contributes to the achievement of one or more of the goals related to a positive impact on the environment, in accordance with the Decree of the Government of the Russian Federation dated September 21, 2021 No. 1587 “On Approval of criteria for Sustainable (including Green) development projects in the Russian Federation and requirements for the verification system of sustainable development financing Instruments in the Russian Federation”.

Audio description
Description of objects, actions, characters and space made for the blind and visually impaired viewers to imagine what is happening on the stage.

Blockchain
A distributed database that contains information about all transactions made by system participants. Information is stored in the form of a blockchain.

Business cashback
A program for corporate customers who use the Bank’s business cards.

Certificates of the Ministry of Digital Development of Russia
Certificates of the National Certification Center (NCC) of the Ministry of Digital Development, Communications and Mass Media of the Russian Federation.

Cloud technologies
Technologies that enable protected online storage of data arrays.

Currency risk in the banking book
A risk of financial losses or a decrease in capital or capital adequacy because of changes in foreign exchange rates or precious metal prices on banking book positions.

Customer Success Manager
A customer manager in DTaaS.

Employee involvement
An emotional and intellectual state of the employee that makes him or her strive to do his or her job in the most efficient way and causes the desire to contribute to the development and success of the company.

ESG products
Financial and non-financial products that focus on customer’s ESG transformation and sustainable development.

Fraud Basis Points
Base fraud indicators.

Unified tax account
A customer account of an individual entrepreneur (IE) or a company with the Federal Treasury.

Green certificates
Low-carbon energy certificates.

Green technologies
Technologies whose manufacturing processes and supply chains are environmentally friendly or less harmful than traditional production methods.

GigaChat
A large language model interacting with the users in a dialogue format. Creates texts, images, and writes codes.

GigaCode
An AI assistant for the developers, which accelerates the code writing process and offers the most likely and relevant options for continuing the code in the development environment in real time.

Hackathon
A forum of specialists from different software development fields solving a challenge.

Kandinsky Video
The first Russian model for creating videos from text.

Kandinsky 3.0
A model, which allows generating high-quality images in different styles based on text, mix images and edit them. The model understands queries in 101 languages, including Russian and English.

Lin lab (process factory)
An advanced learning center that offers practical training in lean manufacturing principles and tools to improve operational efficiency.

Local community
One or more individuals or entities and their associations interested in the area where the service is provided.

Local suppliers
The Group considers local suppliers as the suppliers registered in the Russian Federation.

Metaverse
A virtual space where people can interact with each other through digital technologies.

Non-life insurance
Insurance, other than life insurance.

Responsible financing
A policy of a financial institution, which involves the accouting of the ESG requirements and risks when making decisions on financing projects and companies, as well as monitoring compliance with these requirements.

SberORM
Automated system SberORM. In-house automated solution of Sber for operational risk management.

Sber OS
A proprietary operating system of Sber for Linux-based workstations.

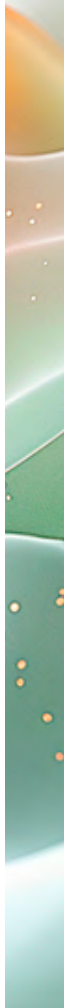
SberPay
One of Sber's solutions developed for cardless payment for purchases.

SberMR
Sber's electronic Mortgage Registration for Corporate Clients.

Stakeholders
Private and corporate customers or groups of persons who influence the Bank and its activities and/or are influenced by the Bank: customers, employees, shareholders, government bodies, public organizations, etc.

Sustainable development
A global concept of the development of states and all humankind in order to preserve the planet resources for future generations. The UN Sustainable Development Goals adopted in 2015 form a strategy for solving global environmental, economic and social problems.

Sustainable loan products
Loan products promoting or contributing to the ESG transformation of the customer.



Abbreviations

ENG

AGMS is an Annual General Meeting of Shareholders

AI is artificial intelligence

AIRI is the Artificial Intelligence Research Institute

AML/CFT is anti-money laundering and countering terrorism financing

API is an application-programming interface

AS is an automated system

ASD is an autism spectrum disorder

ASTS is an automated simplified taxation system

B2B is business-to-business

B2C is business-to-consumer

B2C2B2G is an integrated business model designated by the combination of B2C (business-to-consumer) and B2G (business-to-government), where "2" means "to"

BNPL is a buy now, pay later service

BREEAM is a building research establishment environmental assessment method

CAC is customer acquisition cost

CDO/CDTO is the Chief Data Officer/Chief Digital Transformation Officer

CIB is corporate and investment business

COP is the conference of the parties

CRM is a customer relationship management

CSI is a customer satisfaction index

CX is customer experience

D&O is liability insurance for directors and officers

DAU are daily active users

DAU/MAU is the ratio of daily active users and monthly active users in digital channels

DCM is the debt capital markets

DDoS attack is a distributed denial-of-service attack

DFA are digital financial assets

DFI is a derivative financial instrument

ENG

DtaaS is Digital Transformation as a Service

EAD is exposure at default

ECM is the equity capital market

ELI is endowment life insurance

ESCAP is the Economic and Social Commission for Asia and the Pacific

ESG are sustainable development factors including Environmental, Social, Governance

FER are fuel and energy resources

FPS is the Faster Payments System

HBSB is a Head Branch of Sberbank

IRB is internal ratings-based approach

IRCRBB are interest rate and currency risks in the banking book

IT is information technology

KYC is Know your Customer, a requirement to obtain reasonably complete information about the counterparties for making financial transactions

LGD is a loss given default

LLM is a large language model

LTV is a loan-to-value ratio

MAU are monthly active users

ML is machine learning

MPI is mandatory pension insurance

MVP is a minimum viable product

N12 means the ratio of a bank's equity (capital) utilization for acquisition of shares (interests) in other legal entities

N23 means the ratio of a banking group's equity (capital) utilization for acquisition by the parent credit institution of the banking group and by members of the banking group of shares (interests) in other legal entities

NAUFOR is the Russian National Association of Securities Market Participants

NCSA is the Russian National Corporate Secretaries Association

NFA is the Russian National Fund Association

NII is net interest income

NPF is a non-state pension fund

NPS is a net promoter score

NSPP is non-state pension provision

OFXP is an open foreign exchange position

PB is a petabyte. Unit of information equal to 1,015 (quadillion) bytes

PCI DSS is the Payment Card Industry Data Security Standard developed by the Payment Card Industry Security Standards Council

PD is a probability of default

PII is personal identification information

POS is a point of sale

POS lending is a type of consumer loan granted directly at the points of sale

PP is personal property

PWA is as a progressive web application

ENG

R&D is research and development

RB are regional banks

REPO is a transaction for the purchase of securities with an obligation to sell them back after a certain period at a price predetermined in the agreement

ROE is return on equity

RSL is the Russian sign language

RWA density is risk-weighted assets

SMB is small and micro business

SMS is a smart management system

SOC is a security operation center responsible for cybersecurity incident monitoring and response

STEM is an integration of science, technology, engineering and mathematics

UIN is a unique accrual identifier, a unique sequence of 20 or 25 digits assigned to each payment to identify its sender and recipient

UN SDGs are United Nations Sustainable Development Goals

UNEP FI is the United Nations Environment Programme Finance Initiative

UX/CX is user experience, customer experience

VaR is value-at-risk

VR/AR technologies are virtual reality/added reality technologies

WEPM is a wholesale electricity and power market