Risk Managment

Risk management of the Group

The risk management system is part of the Group's general management system that is focused on ensuring sustainable development under the Development Strategy approved by the Supervisory Board of the Bank. The Group's risk management system[1] is formed with due regard to the requirements of Bank of Russia and regulations of Russia as well as recommendations of the Basel Committee on Banking Supervision.

The Group is continually improving its risk management system to be in line with the best practices and recommendations of the regulatory authorities. Therefore, the Group performs consistent implementation and improvement of the risk management methods and processes both at the integrated level and at the level of management systems designed for individual kinds of risks.

“Following the best global practices, we continue to improve the risk management system and instruments. In 2016, we implemented fundamentally new transaction models of assessment of small business entities, developed a branch-specific portfolio management strategy, and in cooperation with colleagues from the designated unit optimized the approach toward collection troubled debts on bad debts. The main area of further development is to enrich the risk assessment instruments with new sources of information and to implement new tools specializing handling in big data.

Alexander Vedyakhin

Senior Vice President, Head of the Risks Block

[1] A risk management system has been implemented across the Group, and as Sberbank is the parent company of the Group, certain information on risk management is disclosed in relation to the Group.