

Strategic Report



Sergey Ignatiev

Chairman of the Supervisory Board

Address of the Chairman of the Supervisory Board

Dear Shareholders:

Despite the economic problems of the previous two years, Sberbank continued to follow the path of stable development and completed the year 2016 keeping ahead in many aspects of the approved Strategy.

In the situation of continuing uncertainty, Sberbank demonstrated a high level of preparedness for the first signs of economic revival, having earned a record level profit in 2016. Such a result became possible due to a number of factors. The Bank continuously works on the growth of efficiency, creates and develops the best services for its multimillion client base in Russia and abroad, and improves business processes, thus making digital world opportunities more and more reliable and affordable for society. On behalf of the Supervisory Board of Sberbank, I would like to thank our team of many thousand employees for their commitment and devotion and congratulate them on the excellent results of the year.

In 2016, the Supervisory Board of the Bank took an active part in settling strategic issues of Sberbank activity. At the 60 meetings of the Board over 120 issues were addressed, including top priority areas, such as information technologies, cybersecurity, and risk and capital management strategy. It is vitally important that the international experience and strategic insight of the members of the Supervisory Board help Sberbank worthily face the challenges of the new time.

As a conclusion, I would like to note the success of the Bank in improving the corporate governance system. In 2016, the Russian Institute of Directors conducted an assessment of Sberbank corporate governance practices, and as a result the Bank was awarded the maximum rank among the Russian companies. Also, Sberbank became the owner of the ICA certificate that proves that the Bank compliance management systems meet the best international standards and practices.

I am very pleased that the largest bank in the country demonstrates excellent results in all spheres of its activity, puts maximum of resources into the development of successful up-to-date business with a high level of social responsibility, and each year continues to enhance the trust of investors, shareholders, and partners.

Yours sincerely,

S. M. Ignatiev

Chairman of the Supervisory Board