

## Socially oriented products

### Service of pensioners

Today, over 30 million pensioners receive pension payments and other social benefits through Sberbank and hold deposits at Sberbank. Their number grows from year to year.

In recent years, in line with its development strategy the bank has introduced advanced technological products and service formats. They are not so easy to master, especially for elderly people. At the same time, we feel high responsibility for the confidence pensioners place on Sberbank. Therefore, we are particularly focused on raising financial literacy among this client category. New knowledge will make available to pensioners such banking products as a bank card, Sberbank OnLine, Mobile Bank, Autopayment, self-service machines.

Today, nearly 50% of our pensioner clients prefer convenient payments to Sberbank-Maestro Social card which provides freedom of choice of where and when to receive their pension. Free issue and service of this card enable pensioners to receive their pension round the clock at any Sberbank's ATM across the entire country without any commission. When Sberbank-Maestro Social card is used to pay for purchases, pensioners are offered discounts by more than 11,000 partner shops and obtain Thank You from Sberbank bonuses.

In 2012 the bank concluded cooperation agreements with regional divisions of the Russian Union of Pensioners and Council of Veterans nearly in all constituents of the Russian Federation. These agreements provide for:

- raising banking product awareness among pensioners;
- changing perception of banks and banking products by elderly people;
- obtaining skills in making informed financial decisions, involving pensioners in using financial products;
- raising financial security when using new banking technologies by preventing financial fraud and immunization referring to illegal methods and forms of raising such funds.

Programmes aimed to improve the financial literacy the bank implements in various forms.

Seminars are the most popular form whereon pensioners get additional knowledge about financial products, tools to manage personal savings using modern electronic technologies. The best banking experts conduct classes for pensioners in the bank's servicing points using theoretical training and practice.

Especially for the seniors on the bank's website designed the section [Service retirees](#) that reflects all banking products offered to the elderly, and posted a video about benefits to get pensions via Sberbank Maestro card Social.

In 2012, in all constituent territories of the Russian Federation were held federal

actions Victory Day, Heartwarming Get-Together, Bring your friend aimed to improve the financial literacy of seniors as well as actions of regional significance including those related to conducting seminars on computer literacy for senior citizens. Besides, persons of retirement age are actively involved as the bank's consultants as pensioners trust them more and come into contacts easier. Seniors willingly address for consultations and highly appreciate their practical relevance.

#### OPENING OF THE SCHOOL OF MODERN PENSIONER

All regional banks of Sberbank developed and implemented special training courses aimed to improve the financial literacy of seniors and disabled people.

For instance, since March 2012, subdivisions of Dalnevostochnyy bank held events with frequency not less than twice a month within the framework of the opened by the Bank School of Modern Pensioner. At School the bank's staff carried out mass training of seniors and disabled people in computer literacy and practical application skills in Sberbank Online@, Mobile bank self-services. Pensioners trained to use the bank services as well as computer and internet. School attendants were supplied with instruction booklets of the novice PC and Internet user, bank products' leaflets.

The training was organized at the bank sites, in Veterans' care facilities, Pensioners' Unions, Associations of elderly people, as well as at schools in the period of school vacation. Staff of the bank, upperclassmen of comprehensive schools and volunteers acted as tutors.

More than 39 thousand clients of retirement age were involved in this programme. School activities were held in Khabarovsk and Primorye territories, Amur and Sakhalin Regions and the Jewish Autonomous Region. The initiative was extensively covered by regional mass media and got positive response of elderly people.

Qualitative change in the level of financial literacy allows customers of retirement age actively use modern banking products. As a result of these activities in 2012, more than 3 million pensioners opened bank accounts in Sberbank for pensions.

In 2013, the implementation of programmes to improve the financial and computer literacy for senior citizens will be continued, including the participation of veterans' organizations under cooperation agreements.

#### Mortgage lending

Housing improvement issue is more or less over most Russian households. Value of this area is extremely important both for national economy, and for the social sphere. For the retail business of the bank it is also one of the key directions. At the end of 2012 the share of mortgage loans in the total retail loan portfolio of the bank amounted to about 40%, and the balance for the first time exceeded 1 trln RUB, 20% of which are loans to young families (see the table). Thanks to Sberbank's loans nearly 360 thousand Russian households could improve their housing conditions in 2012.

Practically double increase of the outstanding debt in mortgage lending for the past three years became possible due to the application of the new technology for application approvals — The Credit Factory. In 2012, this technology gained the distribution in all regional subdivisions of the bank. As a result, in December 2012, already 82,1% of all residential loans were granted on this technology.

As of December 2012, the number of sale points of mortgage loans amounted to 3 479. Since the beginning of 2012 are gradually emerging centres specialized mortgage lending in the network of customer service points of the new format.

## DYNAMICS OF LOAN GRANTING AND CHANGES IN HOUSING LOANS' BALANCE IN 2009–2012

<b>Residential Loans</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Granted, mln RUB	107,359	220,706	345,722	455,522
Closing balance, mln RUB	514,148	599,960	762,161	1,000,186
including The Young Family programme				
Granted, mln RUB	32,554	61,657	66,958	95,908
Closing balance, mln RUB	96,465	128,127	157,221	206,447
Granted (loans)	128,365	240,905	320,529	357,737
Closing balance (loans)	838,426	962,559	1,121,797	1,286,736
including The Young Family programme				
Granted (loans)	42,334	72,047	61,863	77,018
Closing balance (loans)	163,783	209,573	234,897	274,082



However, to date, the majority of Russian households do not have, unfortunately, the opportunity to acquire housing or to take a mortgage loan on standard conditions. High real estate value and low income are the main constraining reasons. In order to increase the availability of housing loans the bank for several years implementing a number of products with additional preferential terms for certain social groups.

## MAIN SOCIALLY ORIENTED PRODUCTS IN THE MORTGAGE LENDING SEGMENT AND THE 2012 RESULTS

<b>Product/programme</b>	<b>Preferential Terms</b>	<b>Results</b>
Young Family	<ul style="list-style-type: none"> <li>■ Reduced amount of the first payment (from 10%) for a young family with a child/children</li> <li>■ Deferral of the principal debt repayment</li> <li>■ Revenue recognition of up to six co-borrowers simultaneously (spouses and their parents)</li> </ul>	77,000 loans were granted to the amount of 96 billion roubles
Military Mortgage	<ul style="list-style-type: none"> <li>■ Fixed preferential rate</li> <li>■ The first payment amount is 10% of the value of immovable property item</li> </ul>	674 loans were granted to the amount of 1,2 billion roubles
Mortgage + Maternity capital	<ul style="list-style-type: none"> <li>■ Possibility to use the maternity capital as the first payment or to repay part of the debt</li> <li>■ The loan amount can reach 100% of the immovable property value</li> </ul>	2,797 loans were granted to the amount of 2,69 billion roubles 100,581 loans were repaid by maternity capital to the amount of 35,2 billion roubles
Regional programmes	<ul style="list-style-type: none"> <li>■ Preferential interest rates</li> <li>■ Accounting housing and other certificates confirming the possibility of getting by the citizens of monetary funds for the improvement of housing conditions</li> </ul>	14,013 loans were granted to the amount of 23,3 billion roubles

- Funding from regional and local budgets

Mortgage with State support (in partnership with Vnesheconombank)	<ul style="list-style-type: none"> <li>■ Reduced interest rate</li> <li>■ Compliance with the standards of mortgage securities' issuing</li> </ul>	29,316 loans were granted to the amount of 43,9 billion roubles
Building-and-Loan Associations (pilot)	<ul style="list-style-type: none"> <li>■ Depending on the saving term the loan rate is from 6 to 8%</li> <li>■ Regional budget funds up to 30% of the participants' savings</li> </ul>	As of 01.01.2013, 3,997 accumulation deposits were opened to the amount of 61mln roubles. The first loan was granted in January 2013
Mortgage for young teachers	<ul style="list-style-type: none"> <li>■ Reduced interest rate</li> <li>■ Funding from regional and local budgets</li> </ul>	Applicable only in specific regions 154 loans were granted to the total amount of 166 mln roubles

