

The Supervisory Board

Role of the Supervisory Board

The Supervisory Board is responsible for the overall management of the Bank's activities, except for the resolution of issues falling under the competencies of the General Shareholders' Meeting under the law and the Charter of Sberbank. The Supervisory Board is elected annually by the General Shareholders' Meeting and is accountable to it.

The competencies of the Supervisory Board are determined by the Charter of Sberbank and the Regulations on the Supervisory Board, and are clearly separated from the competencies of the Bank's executive bodies. Issues falling within the competence of the Supervisory Board may not be transferred for resolution to the executive bodies. The Supervisory Board determines strategic goals and lines of development of the Bank, and also the basic principles for and approaches to the organization of the risk management and internal control system, monitors the activity of the executive bodies, including compliance of such activity with Sberbank's approved development strategy.

The Regulations on
the Supervisory Board



The Supervisory Board is responsible for the formation, development and monitoring of the effectiveness of the corporate governance system, and also for the information transparency of the Bank's activity.

Chairman of the Supervisory Board

A key role in the work of the Supervisory Board of Sberbank is played by its Chairman, who organizes and ensures the effective work of the Supervisory Board. The Chairman of the Supervisory Board is elected from the members of the Supervisory Board and may not hold the positions of CEO, Chairman of the Executive Board of the Bank at the same time.

The Chairman is in charge of the work of the Supervisory Board and organizes the preparation of the Work Plan of the board, approves the agenda of the meetings of the board, and chairs the General Shareholder's Meeting of the Bank.

At the meetings of the Supervisory Board the Chairman arranges for the free discussion of issues on the agenda, promotes the development of informed decisions, and maintains a constructive and friendly atmosphere.

Independent directors. Senior Independent Director

Independent directors are elected to the Supervisory Board to ensure the effectiveness of adopted decisions and to maintain a balance of interests of different shareholder groups. Independent directors are directors who possess sufficient professionalism, experience and independence to form their own opinion, and are also able to express unbiased and prudent judgments that are not influenced by the executive bodies, certain groups of shareholders, and other stakeholders. In accordance with the criteria determining the independence of directors of the Listing Rules of the Moscow Stock Exchange, directors are independent if they meet the following criteria:

- not related to the issuer or substantial shareholder of the issuer;
- not related to a substantial counterparty or competitor of the issuer;
- not related to the government or municipality.

Independent directors exert a significant influence on independence, objectivity and the constructive nature of adopted decisions. Significant importance is attached to the opinion of independent directors when considering issues of the strategy and the line of development of the Bank, reports on their implementation, assessment of the activity of the executive bodies, the effectiveness of the risk management and internal control system, the work of the Supervisory Board and its committees.

Structure of the Supervisory Board of Sberbank



The representative office of the independent directors complies in full with the requirements of the Listing Rules of the Moscow Stock Exchange (at least one-fifth), the recommendations of the Corporate Governance Code of the Bank of Russia (at least one-third) and the provisions of the internal regulations of Sberbank

Since 2015 a Senior Independent Director has been appointed from among the independent directors, whose main tasks are to assist the Chairman of the Supervisory Board, organize an assessment of its work, coordinate interaction between independent directors, and develop where necessary a consolidated opinion of independent directors on issues under consideration.

The Supervisory Board assesses the independence status of the Board members. Based on the results of the most recent assessment of the independence of members of the Board conducted

The decision on recognition of Members of the Supervisory Board of Sberbank as Independent Directors



by the Supervisory Board in 2017, it was declared that five directors – Esko Tapani Aho, Martin Gilman, Gennady Melikyan, Leonid Boguslavsky and Nadya Wells – fully met with the independence criteria established by the Corporate Governance Code of the Bank of Russia and the Listing Rules of the Moscow Stock Exchange.

In certain instances the Supervisory Board may recognize a director to be independent even if some formal criteria imply that he is a related party. For example, it was decided to recognize Vladimir Mau in 2017 as an independent director, notwithstanding the formal criteria that he is related to Sberbank, the Russian Federation, and substantial counterparties of Sberbank. This decision was made by the Supervisory Board because the related party nature on these criteria is not material and does not influence the ability of Mr. Mau to act in good faith and reasonably in the interests of the bank and its shareholders, and also to form objective and independent opinions and judgments.

Structure of the Supervisory Board

In accordance with the Charter of Sberbank, the Supervisory Board is elected by the General Shareholders' Meeting with 14 members. The Supervisory Board is headed by the Chairman, who has two deputies.

An executive director (representative of management), independent and non-executive directors (external directors who are not employees of the Bank) are elected to the Supervisory Board, with the Senior independent director elected from the number of independent directors.

As of December 31, 2017 the Supervisory Board of Sberbank consisted of six independent directors, seven non-executive directors and one executive director. After the annual General Shareholders' Meeting in 2017, the structure of the Supervisory Board did not undergo significant changes. The Bank's shareholders elected to the board for the first time Maksim Oreshkin – Minister of Economic Development of the Russian Federation (non-executive director), Olga Skorobogatova – First Deputy Governor of the Bank of Russia (non-executive director), Leonid Boguslavsky – founder of the international investment company ru-Net Limited (independent director).

Anton Siluanov – Minister of Finance of the Russian Federation (non-executive director), Dmitry Tulin – First Deputy Governor of the Bank of Russia (non-executive director), and Alessandro Profumo – Chairman of the Board of Directors of Equita Sim S.P.A. (Italy) (independent director) – left the Supervisory Board.

For Sberbank the stability of the work of the Supervisory Board is one of the most important tasks. In connection with this fact, in 2017 the Succession Policy for Members of the Supervisory Board of Sberbank was approved, which defines the underlying principles and procedures that would guarantee the formation and maintenance of a professional and effective structure of the Supervisory Board of Sberbank. In addition, the Policy regulates the following operating issues of the Supervisory Board:

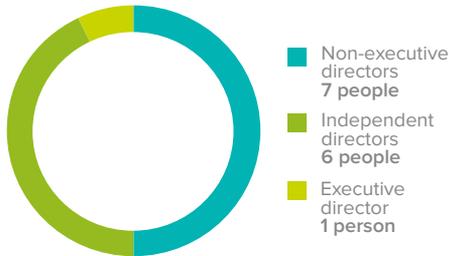
- Identification of HR needs and succession planning;
- Development and implementation of a transparent candidate nomination system to the Supervisory Board;
- Assessment of candidates as members of the Supervisory Board;
- Assessment of the operating efficiency of the Supervisory Board;
- Communications of the Bank with shareholders on the issue of nominating candidates to the Supervisory Board;
- Organization of onboarding programs for the position and professional development of members of the Supervisory Board.

The Succession Policy for Members of the Supervisory Board of Sberbank

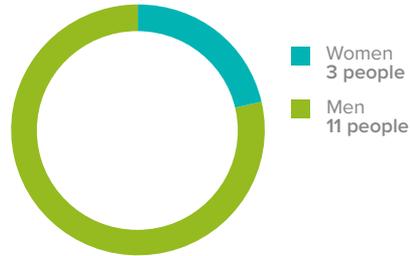


The structure of the Supervisory Board is balanced in terms of skills, experience and independence, which allows Board members to effectively perform their functions. The members of the Supervisory Board meet the qualification and business reputation requirements imposed by the legislation of the Russian Federation, possess the knowledge and experience in areas corresponding to the main lines of business of the Bank, are of different ages, genders and nationalities.

The balance of directors as at December 31, 2017



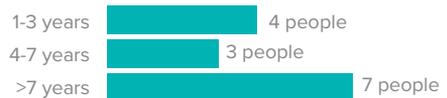
Ratio of men and women as at December 31, 2017



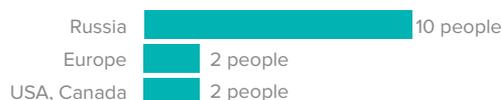
Structure of the Supervisory Board broken down by age as at December 31, 2017



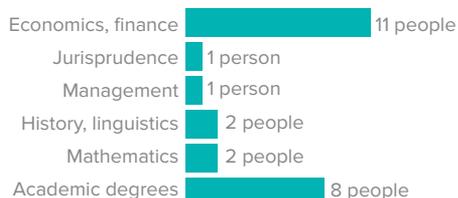
Duration of the time spent in the position as at December 31, 2017



Geographical breakdown as at December 31, 2017



Education as at December 31, 2017¹



Industry experience and other skills of the members of the Supervisory Board as at December 31, 2017

Full name	Banking	Economics, finance investments	IT	Corporate governance	Audit, consulting, law	Securities market, exchange activities,	International financial institutions	Public service experience	Teaching activities
S.M. Ignatiev	✓	✓		✓	✓			✓	✓
A.L. Kudrin	✓	✓		✓	✓	✓		✓	✓
G.I. Luntovsky	✓	✓		✓	✓				
E.T. Aho		✓		✓	✓		✓	✓	✓
L.B. Boguslavsky		✓	✓	✓	✓				
M.G. Gilman	✓	✓		✓	✓		✓		✓
G.O. Gref	✓	✓		✓	✓		✓	✓	✓
N.Yu. Ivanova	✓	✓		✓	✓				
V.A. Mau	✓	✓		✓	✓			✓	✓
G.G. Melikyan	✓	✓		✓	✓			✓	
M.S. Oreshkin		✓		✓	✓	✓	✓	✓	
O.N. Skorobogatova	✓	✓	✓	✓	✓				
N. Wells	✓	✓		✓	✓	✓	✓		
S.A. Shvetsov	✓	✓		✓	✓	✓			

¹ Some directors have education in different fields.

Structure of the Supervisory Board and participation in the meetings of the Supervisory Board and its committees

Full name	Status	Non-Executive	Independent	Executive	Length of service at the Supervisory Board	Participation in the meetings/number of meetings				
						Supervisory Board	Audit Committee	HR and Remuneration Committee	Strategic Planning Committee	Risk Management Committee
<i>Directors leaving the Supervisory Board on May 26, 2017</i>										
A.G. Siluanov		✓			2 years	2/7	-	-	-	-
D.V. Tulin		✓			7 years	0/7	-	-	-	-
A. Profumo			✓		6 years	3/7	1/4	-	1/5	2/12
<i>Directors elected to the Supervisory Board on May 26, 2017</i>										
M.S. Oreshkin		✓			1 year	3/7	-	-	1/5	-
O.N. Skorobogatova		✓			1 year	3/7	-	-	2/5	-
L.B. Boguslavsky			✓		1 year	4/7	-	-	3/5	-
<i>Directors re-elected to the Supervisory Board on May 26, 2017</i>										
S.M. Ignatiev	Chairman of the Supervisory Board	✓			18 years	7/7	-	-	-	-
A.L. Kudrin	Deputy Chairman of the Supervisory Board, Chairman of the Strategic Planning Committee	✓			16 years	7/7	-	-	5/5	-
G.I. Luntovsky	Deputy Chairman of the Supervisory Board, Chairman of the HR and Remuneration Committee	✓			18 years	7/7	-	7/7	-	-
E.T. Aho			✓		2 years	7/7	-	-	5/5	10/12
M.G. Gilman			✓		4 years	7/7	-	-	5/5	9/12
G.O. Gref				✓	13 years	7/7	-	-	5/5	-
N.Yu. Ivanova		✓			16 years	7/7	4/4	-	-	11/12
V.A. Mau	Chairman of the Audit Committee		✓		10 years	7/7	4/4	7/7	-	-
G.G. Melikyan	Senior Independent Director, Chairman of the Risk Management Committee		✓		4 years	7/7	-	7/7	5/5	12/12
N. Wells			✓		4 years	7/7	4/4	-	5/5	8/12
S.A. Shvetsov		✓			8 years	6/7	-	--	3/5	-

Brief biographical data on members of the Supervisory Board



SERGEY IGNATIEV

**Chairman of the Supervisory Board,
Nonexecutive director**

Date of birth: 10.01.1948

Current place of employment (position): Advisor to the Governor of the Central Bank of the Russian Federation

Education:
1975 – Postgraduate student at Lomonosov Moscow State University
Candidate of Sciences in Economics, Assistant Professor

Membership in Committees: no membership in Committees



GEORGY LUNTOVSKIY

**Deputy Chairman of the Supervisory Board,
Nonexecutive director**

Date of birth: 12.04.1950

Current place of employment (position): President of the Association of Banks of Russia

Education:
1978 – All-Union Correspondence Financial and Economic Institute with a specialization in Finance and Credit;
1997 – Russian Presidential Academy of National Economy and Public Administration with a specialization in Management in Market Conditions;
1998 – Moscow State University of Economics, Statistics, and Informatics, Candidate of Economic Sciences

Membership in Committees: Chairman of the HR and Remunerations Committee



ALEKSEY KUDRIN

**Deputy Chairman of the Supervisory Board,
Nonexecutive director**

Date of birth: 12.10.1960

Current place of employment (position): The Dean of the Department of Free Arts and Sciences of Saint Petersburg State University

Education:
1983 – Zhdanov Leningrad State University With a specialization in Political Economy;
1987 – Postgraduate student of the Institute of Economics, USSR Academy of Sciences, Candidate of Sciences in Economics

Membership in Committees: Chairman of the Strategic Planning Committee



NADEZHDA IVANOVA

**Member of the Supervisory Board,
Nonexecutive director**

Date of birth: 13.06.1953

Current place of employment (position): Adviser to the Chairman of the Central Bank of Russia

Education:

1975 – Moscow Financial Institute with a specialization in Finance & Credit

Membership in Committees: member of the Audit Committee, member of the Risk Management Committee



MAKSIM ORESHKIN

**Member of the Supervisory Board,
Nonexecutive director**

Date of birth: 21.07.1982

Current place of employment (position): Minister of Economic Development of the Russian Federation

Education:

2004 – Master's degree in Economics from the Higher School of Economics (Moscow, Russia)

Membership in Committees: member of the Strategic Planning Committee



OLGA SKOROBOGATOVA

**Member of the Supervisory Board,
Nonexecutive director**

Date of birth: 04.06.1969

Current place of employment (position): First Deputy Chairman of the Central Bank of Russia

Education:

1990 – Plekhanov Russian University of Economics (with Honors);

1995 – California State University (USA), MBA in Economics

Membership in Committees: Member of the Strategic Planning Committee



SERGEY SHVETSOV

**Member of the Supervisory Board,
Nonexecutive director**

Date of birth: 27.12.1970

Current place of employment (position): Deputy Governor of the Central Bank of the Russian Federation

Education:
1993 – Lomonosov Moscow State University with a specialization in Economic Cybernetics

Membership in Committees: member of the Strategic Planning Committee



HERMAN GREF

**Member of the Supervisory Board,
Executive Director**

Date of birth: 08.02.1964

Current place of employment (position): CEO, Chairman of the Executive Board of Sberbank

Education:
1990 – Dostoyevsky Omsk State University with a specialization in Legal studies;
1993 – Postgraduate student in the Law Department, Saint Petersburg State University;
2011 – Candidate of Sciences in Economics

Membership in Committees: member of the Strategic Planning Committee



MARTIN GRANT GILMAN

**Member of the Supervisory Board,
Independent Director**

Date of birth: 11.08.1948

Current place of employment (position): Advisor to the Rector of National Research University – Higher School of Economics (Moscow, Russia)

Education:
1970 – University of Pennsylvania, Bachelor of Science (BS) in Economics (Wharton School) and Bachelor of Arts (BA) in Political Science (College of Liberal Arts);
1971 – Certificate of International Studies at the School of International Studies at Johns Hopkins University in Bologna;
1972 – London School of Economics, MSc (Econ.);
1981 – London School of Economics, PhD in Economics.

Membership in Committees: member of the Strategic Planning Committee, member of the Risk Management Committee



VLADIMIR MAU

**Member of the Supervisory Board,
Independent Director**

Date of birth: 29.12.1959

Current place of employment (position): Rector of the Russian Federation Presidential Academy of the National Economy and Public Administration

Education:

1981 – Plekhanov Moscow National Economic Institute Department of Economics;

1987 – Institute of Economics of the USSR Academy of Sciences, Candidate of Sciences in Economics;

1994 – Institute of Economics of the USSR Academy of Sciences, Doctor of Economics;

1999 – Pierre Mendès-France University, Grenoble (France), PhD in Economics

Membership in Committees: Chairman of the Audit Committee, member of the HR and Remunerations Committee



GENNADY MELIKYAN

**Member of the Supervisory Board,
Senior Independent Director**

Date of birth: 27.11.1947

Currently holds no office.

Education:

1974 – Lomonosov Moscow State University With a specialization in Political Economy;

1977 – Postgraduate student at Lomonosov Moscow State University Candidate of Sciences in Economics

Membership in Committees: Chairman of the Risk Management Committee, member of the Strategic Planning Committee, member of the HR and Remunerations Committee.



LEONID BOGUSLAVSKIY

**Member of the Supervisory Board,
Independent Director**

Date of birth: 17.06.1951

Current place of employment (position): Member of the Board of Directors of “Ivi.ru” Limited Liability Company

Education:

1973 – Moscow State University of Railway Engineering, “Applied Mathematics”;

1996 – Doctor of Technical Sciences

Membership in Committees: member of the Strategic Planning Committee



ESKO TAPANI AHO

**Member of the Supervisory Board,
Independent Director**

Date of birth: 20.05.1954

Current place of employment (position): Executive Chairman of the Board of Directors, East Office of the Finnish Industries

Education:

1980 – University of Helsinki (Finland), Political History, Master of Social Sciences

Membership in Committees: member of the Strategic Planning Committee, member of the Risk Management Committee



NADYA WELLS

**Member of the Supervisory Board,
Independent Director**

Date of birth: 24.12.1970

Current place of employment (position): independent professional investment and corporate governance advisor

Education:

1993 – MA graduate of Oxford University (with Honors) with a specialization in Modern History and Modern Languages;
2000 – INSEAD Business School (France), MBA

Membership in Committees: member of the Audit Committee, member of the Strategic Planning Committee, member of the Risk Management Committee

More detailed
information on members
of the Supervisory Board



Ownership of shares by members of the Supervisory Board

Full name	Participation interest in the authorized capital of Sberbank, %	Percentage of ordinary shares owned, %	Information on the conclusion of transactions with Sberbank shares in 2017
S.M. Ignatiev	-	-	Did not conclude any transactions
G.I. Luntovsky	-	-	Did not conclude any transactions
A.L. Kudrin	-	-	Did not conclude any transactions
N.Yu. Ivanova	-	-	Did not conclude any transactions
M.S. Oreshkin	-	-	Did not conclude any transactions
O.N. Skorobogatova	-	-	Did not conclude any transactions
S.A. Shvetsov	-	-	Did not conclude any transactions
G.O. Gref	0.0031	0.003	Did not conclude any transactions
G.G. Melikyan	0.0001	0.0001	Did not conclude any transactions
E.T. Aho	-	-	Did not conclude any transactions
L.B. Boguslavsky	-	-	Did not conclude any transactions
M.G. Gilman	0.00018	0.00019	Did not conclude any transactions
V.A. May	-	-	Did not conclude any transactions
N. Wells	-	-	Did not conclude any transactions
Directors who left the Supervisory Board on May 26, 2017:			
A.G. Siluanova	-	-	Did not conclude any transactions
D.V. Tulin	-	-	Did not conclude any transactions
A. Profumo	-	-	Did not conclude any transactions

Liability insurance

The liability of all the members of the Supervisory Board related to the exercise of their duties at the Bank is insured under the Liability Insurance Contract of Directors, Officials and Companies. Insurance is required, as the members of the Supervisory Board aren't guaranteed the ability to cover losses that may be caused to the Bank by their mistaken actions.

The D&O liability insurance represents insurance of the damage from the illegal action of decision-makers and represents best practice recommended by the Development Strategy of the Financial Market of the Russian Federation to 2020 approved by the Government of the Russian Federation, the Corporate Governance Code of the Bank of Russia, and stipulated by the Corporate Governance Code of Sberbank.

Main terms of the D&O Liability Insurance Contract

Parameters	Existing D&O Contract	Previous D&O Contract
Insurer	Sogaz	Sogaz
Insurance Period	July 2017 – June 2018	October 2015 – June 2017
Insurance Premium	RUB 36.6 million	RUB 50.4 million
Insured Amount	RUB 4.6 billion	RUB 4.6 billion
Additional insured amount for the independent director	RUB 30 million	RUB 30 million

Adaptation and professional development of the Supervisory Board members

Sberbank has a practice of introducing newly elected members of the Supervisory Board by organizing a special introductory briefing for them, the Introductory Course for Members of the Supervisory Board, with the participation of key top managers of the Bank, the curators of functional blocks, and other key employees of the Bank.

The main goal of this event is to reduce the time required for the onboarding of newly elected members of the Supervisory Board, enabling them to play most active role in the work of the Supervisory Board immediately from the time of election. During the Introductory Course, the newly elected members of the Supervisory Board study the Sberbank Strategy, its corporate governance system, the allocation of duties between the executive bodies, the risk management and internal control system and other material information on the activity of the Bank.

The Bank also publishes a special interactive Directory as an aide to newly elected members of the Supervisory Board containing the main up-to-date information on the Bank, its organizational structure, the corporate governance system, the main rights and obligations of the members of the Supervisory Board and other useful information.

Significant attention is also paid to further development of professional skills of members of the Supervisory Board. The organization of special programs on raising qualifications, exchanging experience and obtaining required knowledge, which take into consideration the individual requirements of each member of the Supervisory Board is stipulated at the Bank.

In 2017 specialized seminars in Risk Management and IT Technologies were organized for members of the Supervisory Board, and also a strategic session “Evolution of the Board of Directors in the Digital Era” was conducted for the first time in the format of an interactive round table. Within the framework of the program “Evolution of the Board of Directors in the Digital Era”, issues on how to improve the efficiency of the activity of the Board of Directors were discussed:

- Use of cutting-edge communications approaches at meetings, application of Agile methods in work;
- Use of information technologies to form meeting agendas;
- Analysis of the most topical items on the agenda of the meetings, which are considered by the Boards of Directors of global banks and companies.

Performance assessment

The performance assessment of the Supervisory Board is performed according to the following scheme: an external performance evaluation is performed once every three years, engaging an independent consultant, while the rest of the time the Supervisory Board performs its own annual quality performance assessment of its work (through questionnaire). The most recent external performance evaluation was performed in 2016 following the results of 2015.

Timeline of the performance assessment of the Supervisory Board



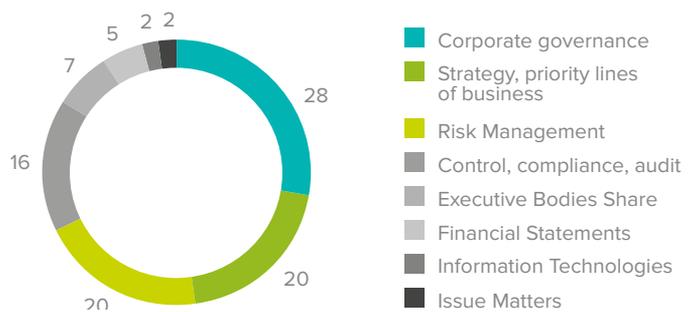
At the start of 2018 the Supervisory Board conducted an independent performance appraisal of its activity following the results of 2017. The results of the appraisal demonstrated the high level of organization of the work of the Supervisory Board and its committees, internal effectiveness and interaction between the board and bank, the performance by the Supervisory Board of the set objectives. Members of the Supervisory Board rated positively the quality of the preparation of materials submitted for consideration of the Supervisory Board, including: financial and management reports, risk management reports, state of corporate governance reports. The joint work of the Executive Board and the Supervisory Board during the drafting of the Development Strategy of Sberbank 2020 was highlighted as the main achievement of 2017. A material improvement in corporate governance practices was also highlighted regarding the professional development of members of the Supervisory Board (delivery of training programs), including the onboarding program of newly elected directors.

Based on the results of the appraisal, the focus of attention was determined in the work of the Supervisory Board: control and management of the costs of the Bank, development of the candidate pool, management and control of risks/risk appetite, crisis management.

On the work of the Supervisory Board in 2017

In 2017 the Supervisory Board held 52 meetings, seven of which were held in person, and 45 through distance voting. In total more than 120 issues were considered at the meetings. During the year the Supervisory Board approved the Sberbank Development Strategy 2020, the new Dividend Policy, the Succession Policy for Members of the Supervisory Board of Sberbank, considered the priority lines of business of the Bank – information technologies, cyber security, risk and capital management strategies, corporate governance, issues of the appointments and termination of the powers of members of the Executive Board, heard management reports on the financial performance of the Bank, on the submission of approval on the conclusion of interested-party transactions and other issues.

Issues considered by the Supervisory Board in 2017, %



Corporate Secretary

The position of corporate secretary was introduced at the Bank to ensure compliance with the requirements of the effective legislation, the Charter and internal regulations of the bank guaranteeing exercise of the rights and legal interests of shareholders, assistance with the development of corporate governance practices.

The Corporate Secretary is appointed to the position by the Supervisory Board, and is accountable to and under the control of the board. The Corporate Secretary reports administratively to the CEO, Chairman of the Executive Board of the Bank.

The activity of the corporate secretary is governed by the Regulations on the Corporate Secretary approved by the Supervisory Board of the Bank.



OLEG TSVETKOV

*The Corporate Secretary of Sberbank
Managing Director – Head, Corporate Secretary Function*

Date of birth: 01.12.1973

Work experience:

From 12.09.2014 to present – Corporate Secretary of Sberbank– Head of the Corporate Secretary Function

From January 2014 - September 2014 – Head of the Corporate Secretary Function, Sberbank of Russia

From July 2011 to present – Chairman of the Board of the Russian National Association of Corporate Secretaries

2000 – 2014 – Department of Corporate Relations at Severstal Corporate Secretary, Severstal

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Education:

2000 – Moscow State Law Academy (Faculty of Jurisprudence)

2002 – Candidate of Sciences in Philology (English language)

2008 – Business School of the University of Northumbria (UK), MBA

2017 – Training under the International Certification Program of Members of the Board of Directors of IoD Chartered Director (Institute of Directors of Great Britain), Certificate Dip IoD

Awards:

2008 – Winner in the category Corporate Secretary, National Prize Director of the Year

2016 – Winner in the nomination Best Corporate Governance Director national prize TOP-1000 Russian Managers