

Financing of projects of social significance

Sberbank finances major projects of social significance for individual regions and the country as a whole, thereby implementing the priority lines of its business in order to facilitate economic growth and support local communities. The Bank contributes to the development of society through the creation of new workplaces, an increase in tax revenues to the budget, the creation of infrastructure assets, the development of domestic production and reduction in consumer prices for products, and as a result an increase in living standards.

Projects of social significance are aimed at the construction of transport, power, production, and social infrastructure assets in the regions where Sberbank has a presence.

Examples of the financing of projects of social significance in 2017

Description of the project	Amount of financing	Significance of the project
Construction of the third launch complex of the Central Ring Road over 105 kilometers	RUB 38.5 billion	The Central Ring Road is one of the biggest infrastructure projects in the Russian Federation involving the construction of a toll road over a total distance of approximately 530 kilometers with the goal of alleviating the pressure on federal roads and the Moscow Ring Road through the redistribution of transit traffic.
Yamal LNG project – construction of a liquefied natural gas plant based on the South Tambeyskoe gas condensate field on the Yamal Peninsula	EUR 2.7 billion	The project is of strategic importance for the development of the Russian economy as a whole and is also a catalyst for economic growth in the region. The construction stage of the plant has already resulted in the creation of 23 thousand new workplaces.
Construction of the new passenger terminal of the Yemelyanovo International Airport in Krasnoyarsk	RUB 4.17 billion	The project is based on the establishment of a transcontinental aviation transfer hub (aviation hub) on the basis of Yemelyanovo International Airport in Krasnoyarsk. Implementation of the project is timed to coincide with the holding of the Universiade in 2019 and facilitates the development of the region's transport infrastructure.

Description of the project	Amount of financing	Significance of the project
Construction of new state-of-the-art airport terminal in Perm with a throughput capacity of 900 passengers per hour	RUB 2.2 billion	State-of-the-art terminal over a total area of 30 thousand m ² replaces the outmoded complex that had functioned for 50 years and will enable the airport to increase the number of passengers being served to 2 million a year.
Financing by Sberbank Leasing for the acquisition of electric trains for subsequent lease to Central Suburban Passenger Company (CSPC)	RUB 6.1 billion	The project will make it possible to upgrade the fleet of electric trains for the transportation of the general public by suburban trains in Moscow and Moscow Region, and also passengers during the holding of the 2018 FIFA World Cup. The electric trains meet all safety criteria for carriage and the comfort level of passengers, are equipped with a climate control and air conditioning system, and also provide Wi-Fi access.
Construction of off-site infrastructure facilities for the combined heat and power plant in Sovetskaya Gavan	RUB 5.6 billion (amount drawn down at the end of 2017 – less than RUB 2 billion)	The new infrastructure assets will make it possible to implement a structure for the supply of heat to Sovetskaya Gavan and neighboring districts, and also ensure the uninterrupted supply of power to the housing and industrial facilities of the Vanino-Sovetsko_Gavanskaya Energy Hub and the Special Port Economic Zone.

Investment projects in the housing and utilities sector for up to RUB 5-10 billion is significant from a social standpoint for the regions. This area is also relevant as costs on the correct preparation and support of projects, taking account of the requirements of financial institutions, could reach amounts commensurate to the investment budget of the project, rendering the financing of such projects unattractive. In addition, the regions lack the required competencies to support projects at the appropriate level. Only big concessionaires can afford to work once all the financing requirements of banks have been considered.

Accordingly, in order to simplify the procedures for preparing and supporting investment projects, Sberbank has developed jointly with the Ministry of Construction and Housing Utilities of the Russian Federation “out-of-the-box” investment solutions that include document templates for the preparation, support and financing of concession projects in the housing and utilities sector. Rights under a concession agreement are used exclusively as security, which is effectively a guarantee of revenue.