

PERFORMANCE EVALUATION AND MOTIVATION OF EMPLOYEES

EMPLOYEE PERFORMANCE ASSESSMENT

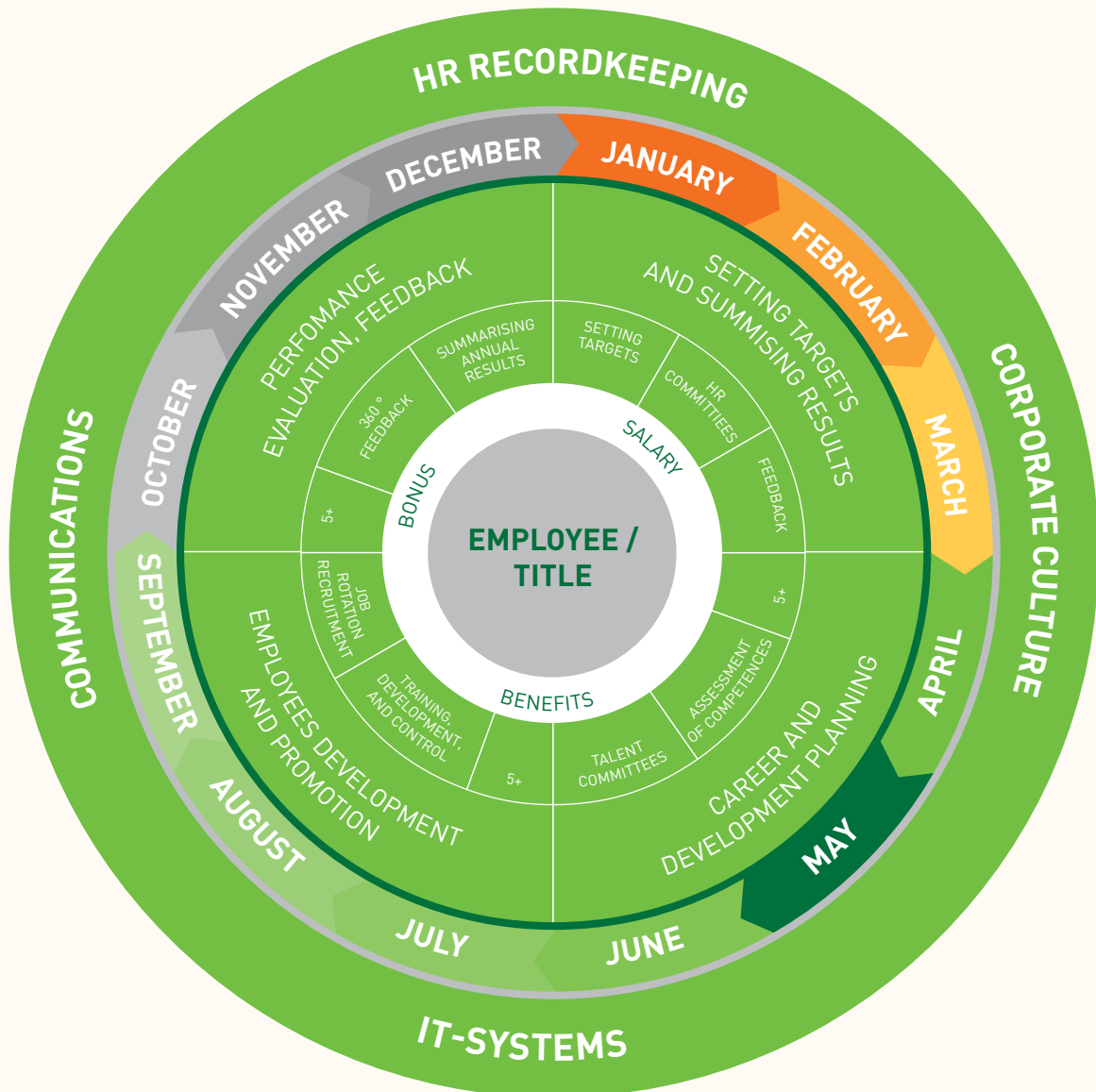
Sberbank has a unified annual cycle for setting targets, assessment of employee performance and potential, and career planning and development (HR-cycle). Quarterly and annual targets for the senior management are set at the beginning of the year based on the Development Strategy, and these targets are then transferred down to lower management levels and territorial banks.

Personal performance of employees is evaluated using the 5+ System. In 2015, the important decision was taken to change the motivation system and revise the assessment methodology. The methodology was divided into two components: assessment of employee performance and assessment of conformance to corporate values. Separate assessment of personal performance allowed managers and employees to focus on achievement of set targets, and the importance of this component was increased. The second component (assessment of value competences based on conformance to Sberbank values) enables development of unified standards of team behaviour.

Furthermore, we started working on methods to inform the personnel about the personal achievements of employees who received top marks for both components based on quarterly and annual results. We would like employees to be aware of which of their colleagues achieved the best performance results and who therefore could be used as a role model in their daily operations.

ANNUAL HR MANAGEMENT CYCLE IN SBERBANK

To assess the performance of Sberbank management, special HR committees are engaged to consider the potential and achievements of each senior manager. Proceeding from the results of this discussion, individual development plans are developed for each manager and the best employees are recommended for membership of the personnel pool for leadership positions in the Bank. In 2015, 20,000 managers (63% of all managers) passed the HR Committees. In 2016, all managers will pass through this evaluation process.

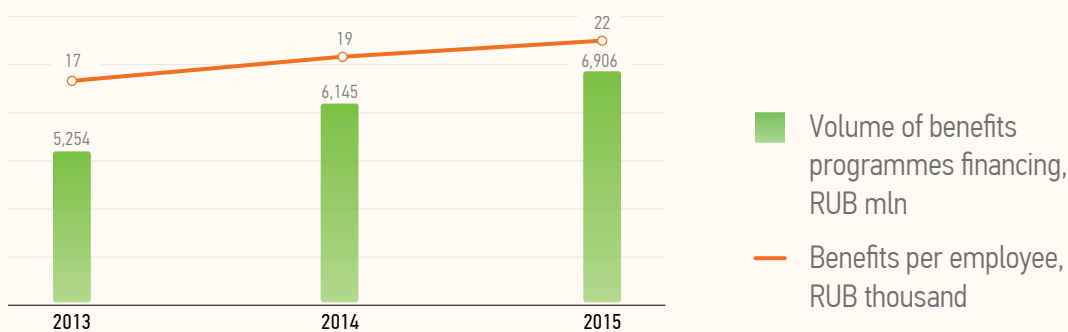


EMPLOYEE MOTIVATION SYSTEM

We are committed to improving the motivation and loyalty of our employees by ensuring a highly competitive salary level and a great social benefits package. In particular, we perform a study of our competitors' salary levels every year and, based on these results, increase our salary rate in the units where our salary is below market level. In 2015, the salary costs of the Group increased by 3.7% compared with the previous year.

Employees of the Group are provided with a package of corporate benefits which, depending on the company, may include voluntary medical insurance, a corporate pension plan, preferential mortgage and consumer credit terms, etc. In 2015, financing of the Group's benefits programme increased by 12%.

| FINANCING THE GROUP'S BENEFIT PROGRAMMES



We strive to improve the Sberbank corporate benefits system. In 2015, for the first time, the best employees received holiday packages to health centres. Over 1,500 employees and their families made use of this opportunity during the reporting period.

OPERATOR WITH DISABILITIES OF THE YEAR

In 2015, there were 94 persons with disabilities working in the Unified Distribution Contact Centre (UDCC) of Sberbank. The majority were working in the department for call servicing, consulting customers about Sberbank products and services. Already for the second year our employees participated in the prestigious "Crystal Headset" competition in the category "Operator with disabilities of the Year," which awards the best specialists with disabilities who work in contact centres. The prize in this category in 2015 went to Alexander Sokolov, who is an employee of the telemarketing department of the Volgograd contact centre.

| CORPORATE BENEFITS SYSTEM OF SBERBANK

Name of Programmeme	2013	2014	2015
Voluntary medical insurance			
Number of participants, persons	77,000	276,000	271,000
Volume of financing, RUB mln	850	1,581	1,917
Corporate pension plan			
Number of participants, persons	117,000	136,000	155,000
Volume of financing, RUB mln	2,138	2,611	2,660
Accident and critical illness insurance			
Number of participants, persons	255,000	276,000	271,000
Volume of financing, RUB mln	785	760	677
Preferential mortgage credit terms			
Number of participants, persons	14,024	20,070	13,349
Volume of financing, RUB mln	25,452	38,833	24,864
Preferential consumer credit terms			
Number of participants, persons	132,359	147,016	106,373
Volume of financing, RUB mln	27,961	32,188	20,047

OCCUPATIONAL HEALTH AND SAFETY

APPROACH TO OCCUPATIONAL SAFETY

The Group's key activities associated with occupational safety include assessment of work places, safety induction for new employees, occupational safety training for employees and managers, and updating the internal documents. In 2015, 206 accidents occurred in the Group (14% less than in 2014).

In 2015, 54,200 workplaces in Sberbank were evaluated and assigned the category of an acceptable workplace environment. Regular on-site inspections of occupational safety in regional banks and safety workshops and trainings for employees of units are provided. The accident rate and injury severity was reduced during the reporting period.