

## Motivation and Compensation of Employees

In 2012, we set ourselves the objective of further development of the financial and non-financial motivation system which should support the implementation of the large-scale transformation programme in Sberbank. Further improvement of the performance management system (PMS) and increase of the employees' engagement and satisfaction were also among our main 2012 objectives.

### Performance Management System

In 2012, Sberbank continued the performance management system (PMS) development which embraces all bank employees. Approaches to goal setting and goal fulfillment assessment differ depending on the category of staff. For top management objectives are set on the basis of the bank business-plan. Under PMS are assessed both the performance of formalized objectives and level of proficiency in professional and personal competences, which are the priority for this or that personnel category. For that the 5+ system operates which is comprehensive for all bank employees.

In 2012, a project was launched on automation of PMS for top managers on the basis of SAP HR Performance Management module. Today in SAP HR objectives' planning and the assessment of their fulfillment is carried out for more than 400 senior and mid-level managers at the bank subdivisions. The data on the goal fulfillment assessment automatically goes to the remuneration management module for bonus calculation. At the same time the performance management module is integrated with the business planning system.

### Personnel satisfaction in 2012

In 2012, was conducted the third annual survey of Sberbank employees' engagement and satisfaction. About 116,000 employees participated in it.

For the second consecutive year Sberbank employees' engagement and general satisfaction indicator grows testifying that changes that the bank undergoes are positively perceived by the employees. Satisfaction with the bank top management, organization of the workflow, harmonization of personal and corporate objectives and the motivation and remuneration system still remain the most important factors that influence the employees' engagement.

The majority of these factors showed positive dynamics. For example, the Motivation and remuneration system factor displayed better understanding of interrelation between the remuneration amount and the job performance, the transparency of the assessment system and bonus awards, competitiveness of Sberbank salaries at the external labor market. Considerable progress is noted in satisfaction with the career development, self-training opportunities, in confidence of one's value for the company (harmony of personal and corporate objectives).

Following the survey results for all top managers of the bank for 2013 were set objectives to increase employees engagement and were developed special improvement programmes, in particular on the processes causing the greatest complaints of employees.

THE BANK EMPLOYEES' ENGAGEMENT INDICATOR

max 100%

	2010	2011	2012
Senior Manager	78.2	76.8	77.6
Mid-level Manager	72.1	71.4	72.5
Junior Manager	64.5	64.2	64.3
Specialist	58.8	59.3	59.3
Common service staff	58.5	58.5	59.0



GENERAL JOB SATISFACTION IN THE BANK

max 100%

	2010	2011	2012
Senior Manager	73.9	71.8	74.9
Mid-level Manager	70.8	70.6	72.5
Junior Manager	65.1	65.3	66.0
Specialist	60.7	62.0	62.2
Common service staff	60.1	61.2	62.1

