

Issue No. 5 on the agenda of the AGM: **Granting consent to a related-party transaction**

Decision wording: In accordance with Clause 1, Article 81, and Clauses 3.1 and 4, Article 83, of Federal Law No. 208-FZ "On Joint Stock Companies" dated 26 December 1995, a resolution shall be passed on approving a related-party transaction.

Insurance Policy

Parties to the transaction: Insured – Sberbank of Russia (Sberbank); Insurer – insurance company (to be determined after a tender).

Subject matter of the transaction: The Insurer undertakes to pay the insurance coverage (indemnification) under the Insurance Policy to (as the case may be) the relevant Insured and/or any third party entitled to such indemnification, should any of the insured events described in the Insurance Policy occur.

Insured parties:

- 1) any Company (the Insured and/or any Subsidiary of the Insured); and/or
- 2) any Insured Person: any individual who (a) at any time prior to the Insured Period was; and/or (b) at the time when the Insured Period opens, is; and/or (c) at any time during the Insured Period will become:
 - a) a Director (a member of the Supervisory Board or the Board of Directors)/Officer (including the sole executive body, a deputy of the sole executive body, a member of a collegial executive body, a senior vice-president, a vice-president, the chief accountant, etc.)/other Company Employee as stated in the Insurance Policy; and/or
 - b) any other person indicated in the Insurance Policy.

Beneficiaries: with reference to covering the Company's and Insured Persons' liability for any financial losses incurred by third parties: third parties incurring such financial losses; with reference to covering any costs and expenses borne by the Insured Companies and persons: the Insured Companies and Persons.

Insured objects

Coverage A: Material interests of the Insured Person related to (1) an obligation to indemnify a financial loss sustained by a third party in relation to a legal claim; (2) the incurrence of and/or the necessity to incur any costs in association with a legal claim.

Coverage B: Material interests of any Company related to such Company's indemnification of any losses associated with a legal claim filed against an Insured Person.

Coverage C: Material interests of any Company related to (1) their obligation to indemnify financial losses sustained by a third party in relation to a securities claim; (2) the incurrence of and/or the necessity to incur any costs in association with a securities claim.

Insured events

Coverage A: (1) the onset of all of the following circumstances: the incurrence of an obligation of any Insured Person to indemnify any financial losses sustained by third parties through any wrongful act of that Insured Person and the filing of any legal claim related to such financial losses against that Insured Person; (2) the filing of any legal claim against an Insured Person that may result in any expenses for that Insured Person or the necessity to incur such expenses in relation to that claim.

Coverage B: any costs expenses borne by any Company exclusively in relation to the indemnification by that Company of any damages to any Insured Person and/or another party in the interests of any Insured Person in association with any claim filed against any Insured Person and/or the liability of any Insured Person for any financial losses sustained by third parties.

Coverage C: (1) the onset of all of the following circumstances: the incurrence of an obligation of any Company to indemnify any financial losses caused to any third parties in connection with any wrongful act of the Company, and any securities claims made against such Company in connection with the financial losses; (2) any securities claims made against such Company, which may result in any expenses for such Company or the necessity to bear such expenses in connection with the securities claims.

Insurance Policy term/Insured Period: 01/07/2022–30/06/2023 with the extension option for the next period from 01/07/2023 until 30/06/2024, with the material terms of the Policy preserved.

Transaction price: the insurance premium cannot exceed RUB 155,000,000 (One hundred and fifty-five million) for each Insured Period.

Coverage amount

Total for all insurance coverages and additional limits other than the additional limits for Independent Directors: RUB 6,000,000,000 (Six billion).

- Additional limit per Independent Director: RUB 30,000,000 (Thirty million). Total additional limits for Independent Directors: RUB 150,000,000 (One hundred and fifty million).

Deductibles (for each Insured Event)

Coverage A: Not applicable

Coverage B: not more than RUB 15,000,000 (Fifteen million)

Coverage C: not more than RUB 30,000,000 (Thirty million)

Free-of-charge discovery period: 60 (sixty) calendar days.

Coverage territory: worldwide.

Other material terms: in line with the Insurance Policy.

Persons interested in the transaction and the grounds on which they are deemed as such: Members of the Executive Board of Sberbank. The said persons are insured under the Insurance Policy.

Explanatory note on the item

The Annual General Meeting of Shareholders of Sberbank (hereinafter, the AGM and the Bank respectively) is invited to pass a resolution to approve the related-party transaction between the Bank and an insurance company (to be determined after a tender) for insuring the liability of executives of the Bank and Group companies on the terms and conditions described in the AGM draft resolution.

Legal aspects of liability insurance:

- According to the Civil Code of the Russian Federation and Federal Law No. 208-FZ "On Joint Stock Companies" dated 26 December 1995, members of management bodies are liable to the company for damages caused to the company by their wrongful acts (omissions)

- According to the Corporate Governance Code (recommended by the Bank of Russia to public companies [letter No. 06-52/2463 dated 10 April 2014]), joint stock companies are advised to insure the liability of the board of directors and executive management bodies at their own expense, so that if any actions of the members of such bodies cause any damages to the company or third parties, such damages may be reimbursed with the funds of the insurance company

Rationale for liability insurance:

- Risk of liability for damages caused
- Personal liability of an officer, unlike that of the Bank, is not limited
- Personal assets may be claimed
- Defense and case handling costs may be rather significant

Main reasons for the higher insurance premium (higher tariffs):

- Persisting high loss ratio of D&O insurance in Russia
- Refusal of western re-insurers from participating in D&O re-insurance in Russia
- Statutory limitations on re-insurance in unfriendly states after the enactment of Federal Law No. 55-FZ "On Amending Certain Legislative Acts of the Russian Federation" dated 14 March 2022
- Certain industries significantly increased franchises and reduced limits

D&O Policy:

- Provides for indemnification of losses and defense costs incurred by the insured persons (members of the Supervisory Board [Board of Directors] and officers of the Bank/subsidiaries) in the event of a claim relating to any Wrongful Act¹ in performance of their duties, including any Securities Claims²

¹“Wrongful Act” in the D&O Policy with regard to an Insured Person means, inter alia, any non-deliberate error, omission, carelessness, negligence, misstatement, incomplete and/or misleading information or any other non-deliberate act or omission committed by such Insured Person in their job/position covered by the D&O Policy

²“Securities Claim” in the D&O Policy means, in particular, any Claim (other than in an administrative/regulatory proceeding and administrative/regulatory investigation made in respect of the Insured Company, alleging violation of securities laws of any country), brought by any person (including any competent authority/organization), alleging, arising out of, or based upon any violation of any laws governing relations in respect of securities of the relevant Insured Company in any jurisdiction brought by any holder of any securities of any Insured Company or arising out of, based upon or relating to the SPO

- Commission of any intentional criminal offense or deliberate fraudulent actions will not be covered by the D&O Policy

- The limit of liability shall be RUB 6 bn, the excess limit of liability for an independent member of the Supervisory Board – RUB 30 mn, the aggregate excess limit of liability for all independent directors – RUB 150 mn

- Policy period: 1 July 2022–30 June 2023 with the ability of renewal for the next period running from 1 July 2023 to 30 June 2024 with material terms and conditions of the D&O Policy remaining in place

- Insurance premium: the insurance premium does not exceed RUB 155,000,000 for each insurance period.

In accordance with Articles 81 and 83 of Federal Law No. 208-FZ "On Joint Stock Companies" dated 26 December 1995, the D&O Policy is a related-party transaction.

As the CEO, Chairman of the Executive Board, and members of the Executive Board and the Supervisory Board of the Bank are insured under this transaction and deemed interested in the same, the decision to approve the D&O Policy must be taken by the AGM upon the suggestion of the Supervisory Board.

The Supervisory Board of the Bank has reviewed the terms and conditions of the D&O Policy and, taking into account the opinion of the Supervisory Board Risk Management Committee, recommends the AGM of the Bank to approve the related-party transaction.