

APPROVED  
by the Supervisory Board of  
Sberbank  
dated 11 Feb. 2022 Minutes No. 3

**11 February 2022**

**No. 3369-4**

**Conflict of Interest Management Policy of Sberbank Group**

## CONTENTS

1. GENERAL PROVISIONS.....	3
2. GOALS AND OBJECTIVES OF THE CONFLICT OF INTEREST MANAGEMENT SYSTEM.....	3
3. POTENTIAL RISKS IN MANAGING CONFLICT OF INTEREST, TYPES AND EXAMPLES OF CONFLICTS OF INTEREST .....	3
4. GENERAL PRINCIPLES OF CONFLICT OF INTEREST MANAGEMENT .....	4
5. MAIN PARTICIPANTS IN THE CONFLICT OF INTEREST MANAGEMENT SYSTEM, THEIR FUNCTIONS AND POWERS .....	5
6. CONFLICT OF INTEREST MANAGEMENT STAGES.....	8
7. SPECIFICS OF ORGANIZATION OF THE CONFLICT OF INTEREST MANAGEMENT SYSTEM AT THE GROUP MEMBERS AND THE BANK BRANCH ABROAD .....	18
8. LIABILITY .....	19
9. FINAL PROVISIONS .....	19
APPENDIX 1 .....	21
LIST OF TERMS AND DEFINITIONS .....	21
APPENDIX 2 .....	23
LIST OF REFERENCE DOCUMENTS .....	23
APPENDIX 3 .....	25
EXAMPLES OF TYPICAL CONFLICT OF INTEREST SITUATIONS.....	25

## **1. General Provisions**

1.1. The Conflict of Interest Management Policy of Sberbank Group (hereinafter, the “Policy”) defines the main goals, objectives, and general principles of the conflict of interest management system at the Bank and Group members, its main participants, their functions and powers, as well as the stages of conflict of interest management.

1.2. The Policy is part of the compliance risk management system and establishes the managerial and organizational framework for the prevention of a conflict of interest, including a potential conflict of interest (hereinafter referred to as "conflict of interest") and measures to minimize and/or eliminate its consequences.

1.3. The Policy has been developed in accordance with the requirements of the legislation of the Russian Federation, including /1/, /2/, /3/, /4/, Bank of Russia regulations, including /5/, international standards /6/ and /7/, recommendations /8/, /9/, /10/, as well as considering the best Russian and foreign principles and practices, including /11/.

1.4. The Policy is the basis for the creation and operation of the conflict of interest management system at the Bank and Group members, the development by the Bank and Group members of other internal regulatory documents (hereinafter, “IRD”) in the field of conflict of interest management.

## **2. Goals and objectives of the conflict of interest management system**

2.1. The main goals of the conflict of interest management system are to define procedures and mechanisms for prevention, timely detection, control, and resolution of conflicts of interest, to establish measures aimed at preventing their consequences, and to define rules of conduct for employees of the Bank/Group member in cases of conflict of interest.

2.2. The main objectives of the conflict of interest management system shall be as follows:

- to establish the standards for managing conflict of interest, that are mandatory for the Bank and the Group members;
- to comply with international standards and best practices for maintaining the Bank’s/Group member’s business reputation, including at the international level;
- to increase confidence in the Bank/Group member on the part of its customers, counterparties and partners, ensure customer service in compliance with high standards of corporate governance based on the principles of openness, transparency and predictability;
- to establish the principles for disclosing information on conflicts of interest, the mechanisms for making management decisions, and the standards of conduct for employees of the Bank/Group member in case of occurrence of a conflict of interest;
- to provide employees with information about the measures taken by the Bank to manage conflict of interest and assist them in determining the most appropriate ways to resolve such situations.

## **3. Potential risks in managing conflict of interest, types and examples of conflicts of interest**

3.1. A conflict of interest is inherent in any area, including banking and securities market activity. A conflict of interest itself will not be deemed to be a violation of the Bank’s internal procedures, provided that adequate measures have been taken in a timely manner to disclose, detect, assess and manage such a conflict.

A conflict of interest (or a perceived existence of such a conflict), in relation to which appropriate measures have not been taken, constitutes a threat to the Bank/Group member in the eyes of

its employees and other persons, including customers, counterparties, partners, shareholders/members, the State and government bodies, trade union organizations, professional associations, and securities market participants.

3.2. Inadequate management of a conflict of interest by the Bank/Group member may, among other things, result in the realization of the following risks:

- compliance risk;
- regulatory risk;
- reputational risk;
- legal risk;
- operational risk;
- risk of using unfair business practices (conduct risk);
- risk of errors in the staff management process.

3.3. There can be the following main types of a conflict of interest:

- between customers of the Bank/Group member, when interests of a customer (a group of customers) contradict interests of another customer (a group of customers);
- between a customer/counterparty and the Bank/Group member, including when transactions with a customer are carried out at nonmarket prices contravening investment goals or otherwise infringing a customer's interests to the benefit of the Bank/Group member;
- between a customer/counterparty and an employee of the Bank/Group member, including when an employee provides advantages to one customer/counterparty to the detriment of another customer's/counterparty's interests in order to obtain a personal benefit;
- between the Bank/Group member and its employee, including when an employee misuses his/her official position and/or confidential information in order to obtain a personal benefit.

3.4. A list of examples of typical conflict of interest situations is provided in Appendix 3 to this Policy. The specified situations are not exhaustive. Employees of the Bank/Group member shall independently assess if there is a conflict of interest in other situations too with subsequent communication of the information in accordance with the procedure established at the Bank/Group member.

## **4. General principles of conflict of interest management**

4.1. If a conflict of interest arises, the Bank and the Group members shall prioritize customers' interests. In case a conflict of interest arises between an employee and the Bank/Group member and it is impossible to eliminate such a conflict of interest, interests of the Bank/Group member shall prevail over the personal interests of its employees.

4.2. The Bank/Group member shall adhere to the following principles for managing conflicts of interest:

- equal and fair attitude towards all customers of the Bank/Group member within consultations provided for them or transactions carried out with them or on their behalf and/or on their instructions;
- delineation of authority: the Bank/Group member shall clearly delineate decision-making powers of the management bodies, collegial and working bodies, employees of the Bank/Group member so as to avoid conflicts of interest. Employees must exercise their powers and capabilities solely to the benefit of the Bank/Group member. Stakeholders whose

interests are or may be affected by a conflict of interest shall not decide on measures to resolve it;

- fair and independent assessment of possible risks for the Bank/Group member in case of detection of conflict of interest;
- maintenance by managers at all levels of the Bank/Group member of the appropriate culture of employees' behavior where they are aware of and understand their duties and freely notify the management of their doubts and problems ("tone from the top");
- involvement of all employees, regardless of their position with the Bank/Group member, in the processes of preventing, identifying and resolving conflicts of interest;
- development of measures to resolve a conflict of interest, comprising, among other things, acceptance, transfer, avoidance and mitigation of risk;
- compliance with information barriers and protection of nonpublic, confidential, and insider information and data received in the course of disclosure of information on a conflict of interest;
- creating an environment of open communication, including protection of employees of the Bank/Group member from sanctions and other adverse consequences in connection with their reporting of a conflict of interest timely disclosed by the employee, with appropriate measures taken to prevent/resolve it;
- ensuring adequacy of the regulatory framework, including establishment of the rules and restrictions to prevent and minimize the risk of a conflict of interest;
- organizing training events, including those with subsequent testing of employees for knowledge and understanding of the key regulations in the conflict of interest management area;
- ensuring of keeping customers' securities and funds separately from the assets owned by the Bank/Group member;
- open interaction with supervisory and regulatory authorities.

## **5. Main participants in the conflict of interest management system, their functions and powers**

### **5.1. The Supervisory Board of the Bank:**

- approves the Policy;
- exercises overall control over the process and measures taken in the conflict of interest management area.

### **5.2. The Executive Board of the Bank:**

- is responsible for the compliance of the Bank's operations with the applicable legislation, ensuring fulfillment of the requirements of the applicable legislation by organizing systems, processes, controls and necessary procedures to manage conflicts of interest;
- exercises control over compliance with this Policy, including efficient and prompt resolution of issues by other collegial bodies within the conflict of interest management system;
- determines the need for representatives of the Compliance Department of the Central Head Office to participate in work of the Bank's collegial bodies.

### **5.3. The Compliance Committee of the Bank:**

- reviews reports, considers and makes decisions on matters in the area of conflict of interest management in accordance with /12/.

#### 5.4. The Compliance Committee of the regional bank:

- considers matters and makes decisions on matters related to managing conflicts of interest within its competence and in accordance with /13/.

#### 5.5. The Compliance Unit:

- develops a general methodology in the conflict of interest management area, participates in the approval of documents issued by the Bank's units regarding the management of conflicts of interest, as well as supports a uniform approach in the Group members and, among other things, provides consulting and methodological support;
- carries out expert reviews of IRDs and organizational and executive documents, contracts and agreements of the Bank/Group member, including those under development and approval, as requested by relevant persons drafting them, in order to manage and minimize the risk of a conflict of interest
- carries out measures to identify, analyze and settle conflict of interest;
- takes part in the implementation of procedures and measures aimed at developing culture in the area of conflict of interest management, which includes provision of relevant information to employees, organization of trainings and consultations on implementation of this Policy/Group Member Policy, other standards and rules, as well as changes in the regulatory requirements
- initiates and/or participates in conducting internal investigations and audits in the of conflict of interest management area, and, if necessary, involves representatives of the Bank's/Group member's units within their competence, as well as the immediate manager of the employee against whom the internal investigation/audit is to be conducted/is conducted, in the official internal/audit;
- prepares training materials in the area of conflict of interest management;
- advises employees of the Bank/Group member on the management of conflicts of interest;
- submits to the Compliance Committee of the Bank/Compliance Committee of the regional bank matters related to the functions of the specified committees in accordance with /12/ and /13/.

#### 5.6. The Security Unit:

- prepares and implements measures aimed at detecting and suppressing any actions of the Bank's/Group member's employees that have caused/may cause a conflict of interest;
- initiates and takes part in internal investigations/audit reviews within their competence;
- cooperates with law enforcement authorities in terms of transferring materials on revealed facts of violations by employees of the Bank/Group member in order to hold them responsible in accordance with applicable law;
- cooperates with the Compliance Unit so as to reveal and check information on actions intended or committed by the Bank's/Group member's employees that have entailed/may entail a conflict of interest.

#### 5.7. The HR Unit:

- ensures that newly hired employees are acquainted with the Policy/the Group Member Policy at the time of their hiring;

- participates in the imposition of disciplinary penalties on employees for violations of the requirements of the IRD and organizational and executive documentation of the Bank/Group member in the conflict of interest management area.

5.8. Employees who are members of collegial and working bodies of the Bank/Group member and their substitutes:

- take into account the general principles of conflict of interest management and other provisions of the Policy/the Group Member Policy, as well as of other IRDs and organizational and executive documentation of the Bank/Group member in the field of conflict of interest management when making decisions on matters considered by the collegial/working body;
- do not take actions that will or could potentially lead to a conflict of interest;
- immediately inform the collegial/working body and the Compliance Unit of any conflict of interest in matters handled by the collegial/working body in accordance with the procedure set forth in the documents governing that body. Conflicts of interest must be disclosed in any case before a decision is made by the collegial/working body on the relevant matter;
- refrain from attending meetings of the collegial/working body when discussing matters in respect of which they have a conflict of interest;
- refrain from participating in a meeting of a collegial/working body on matters in respect of which they have a conflict of interest, remotely - by telephone conference call, video conferencing, or otherwise;
- refrain from discussing matters in respect of which they have a conflict of interest, from expressing their dissenting opinion on such matters, and from requesting that this be recorded in the minutes of a meeting of a collegial/working body;
- abstain from voting on matters in respect of which they have a conflict of interest.

5.9. Heads of the Bank's business units/the Group member's business units, immediate managers of employees:

- identify areas, activities and business processes with a risk of a conflict of interest based on the scope of authority and functionality of the business units;
- develop and take measures to prevent and minimize the risk of conflicts of interest, interacting with the Compliance Unit, if necessary;
- set an example of conscientious and ethical behavior;
- guide subordinate employees in the unconditional compliance with the provisions of the Policy/the Group Member Policy;
- ensure that subordinate employees comply with the provisions of the Policy/the Group Member Policy;
- ensure that subordinate employees complete mandatory conflict of interest training courses and programs in a timely manner;
- initiate disciplinary action against the subordinate employees for violation of the requirements of the IRD and organizational and executive documentation of the Bank/Group member in the conflict of interest management area in accordance with the procedure established in the Bank/Group member;
- take into account the results of the duration, flawlessness and effectiveness of subordinate employees' performance of their conflict of interest management duties when evaluating their personal performance for personnel motivation purposes.

5.10. All employees of the Bank and of the Group members shall:

- identify situations that could lead to a conflict of interest;
- take reasonable measures to prevent occurrence of a conflict of interest;
- put the interests of the Bank/Group member and its customers above their own ones and avoid violating the rights and legitimate interests of the Bank/Group member and its customers;
- strictly comply with the requirements of the applicable legislation in the field of conflict of interest management, provisions of the Policy/the Group Member Policy and of other IRDs and organizational and executive documentation of the Bank/Group member in this area, principles of professional ethics and ethical business standards, as well as obligations/guidelines established by the Compliance Unit;
- when performing their employment duties or carrying out their activities on behalf of the Bank/Group member in any countries of the world, comply with national legislation (local foreign laws) and applicable rules of international law in the field of conflict of interest management, as well as the provisions of the Policy/the Group Member Policy, of other IRDs and organizational and executive documentation of the Bank/Group member in this area;
- refrain from committing acts and making decisions that may entail a conflict of interest;
- in a timely manner, report any conflict of interest and situations that may entail a conflict of interest for their mandatory assessment by the Compliance Unit;
- complete mandatory conflict of interest training and programs in a timely manner;
- interact with the Compliance Unit on all matters related to the implementation of the provisions of the Policy/the Group Member Policy and, among other things, assist the Compliance Unit in obtaining the necessary, objective and reliable documents, materials and information, including providing them at the request of the Compliance Unit within the prescribed deadlines;
- inform the Compliance Unit about each known/potential case of violation of the provisions of the Policy<sup>1</sup>/the Group Member Policy;
- in case of any doubt with respect to the permissibility of certain actions or other matters relating to the provisions of the Policy/the Group Member Policy, apply to the immediate manager and/or to the Compliance Unit for clarifications;
- comply with the rules established by the Bank/Group member for handling confidential and insider information;
- perform transactions with financial instruments in their personal interests, taking into account the requirements of /15/.

## **6. Conflict of interest management stages**

To more efficiently manage conflict of interest, as well as to clearly align actions of the management bodies and employees of the Bank/Group member, the conflict of interest management process comprises the following stages:

- conflict of interest prevention – implementation of measures to avoid a conflict of interest;
- detection and assessment of a conflict of interest – continuous monitoring and assessment of potential situations that may entail a conflict of interest;

---

<sup>1</sup> For the Bank, the priority channel for reporting such violations is the Compliance Hotline which is regulated by /14/.



- settlement of a conflict of interest – implementation of a set of measures aimed at full and prompt resolution of a conflict of interest.

### **6.1. Conflict of interest prevention**

The main measures to prevent a conflict of interest in the course of operations of the Bank/Group member are as follows:

- strict compliance by the management bodies and employees of the Bank/Group member with the procedures established by the applicable legislation, the Charter, IRDs and organizational and executive documentation of the Bank/Group member, and job descriptions, including when carrying out banking operations and transactions;
- building the organizational structure of the Bank/Group member that would clearly delineate the areas of responsibility, authority and reports;
- forming the membership of the collegial and working bodies of the Bank/Group member and holding meetings of the relevant bodies in accordance with the principle of preventing a conflict of interest, as well as independence of decision-making;
- implementation of the practice of making collective decisions on the most critical and large-scale issues;
- implementation of the double control practice (the four eyes principle aka the two-man rule);
- reviews by the Internal Audit Service;
- implementation of a multi-level internal control system at the Bank/Group member;
- establishment of information barriers;
- maintaining checklists;
- adherence to the principles of independence of business units and the “need to know” principle in distribution of information flows;
- establishment of the rules on how employees shall perform transactions with securities and related derivative financial instruments;
- establishment of restrictions on using mobile phones for certain categories of employees;
- disclosure of information about conflicts of interests.

In order to prevent, minimize and resolve a conflict of interest, the Bank/Group member may require its employees to fulfill additional (individual) compliance obligations imposed by the Compliance Unit.

#### **6.1.1. Information Barriers**

Information barrier principle refers to the principle of organizing a process or interaction of several processes to separate information for each stage of the process or the several processes and to allow information transfer only in accordance with the rules established in /16/.

According to the information barrier principle, employees of the Bank/Group member are divided into two categories by the information possession parameter:

- "private side" - employees of the Bank/Group member who, due to their employment duties, have access to insider/material non-public information with respect to third parties;
- "public side" - employees of the Bank/Group member who, due to their employment duties, do not have access to insider/material non-public information with respect to third parties.

Access to material non-public information can be provided to a “public side” employee after approval of such access by the Compliance Unit, provided that such access has been approved by the head of the business unit of the employee and by the head of the “private side” business unit.

To maintain the information barriers, the Bank/Group member shall use the following methods:

- limitation of information availability within certain facilities of the buildings of the Bank/Group member with ensuring physical and information-and-technological safety of the said information;
- differentiation of access to various data categories in information systems among users of various business units;
- use of code words when transferring insider/material non-public information;
- adequate supervision over the Bank’s/Group member’s employees having access to insider/material non-public information, as well as employees' training in how to use and abide by the information barriers;
- assignment of certain confidentiality obligations to the persons having access to insider information;
- restriction of access to confidential information when its disclosure is not required;
- use of the need-to-know principle in distribution of information flows (according to clause 6.1.3 of the Policy);
- monitoring of transactions with securities for personal purposes carried out by insiders of the Bank/Group member;
- prohibition of negotiations as a result of which insider/material non-public information may be transferred/obtained between the employees of the public and the private sides, including by means of telephone conversations;
- maintaining checklists.

#### **6.1.2. Independence of Business Unit’ Operations**

In resolving a conflict of interest, the Bank/Group member shall ensure an appropriate and reasonable extent of independence in operations of all business units of the Bank/Group member.

In view of simultaneous execution of transactions for different customers, additional measures may also include:

- separation of managers responsible for carrying out customers’ transactions;
- full separation of the teams that participate in execution carrying out customers’ transactions;
- establishment of information barriers (in accordance with clause 6.1.1 of the Policy).

#### **6.1.3. “Need-to-know” principle of information flow distribution**

Measures being implemented to prevent disclosure of confidential, material non-public and insider information include the “need to know” principle. It must be observed by all employees of the Bank/Group member and prohibits disclosure of information to employees who do not need access to such information to perform their employment duties and who do not have the appropriate status of an insider or “private side”.

#### **6.1.4. Rules for financial instrument transactions performed by employees for personal advantage**

The Bank/Group members encourage long-term investment and do not encourage speculative securities trading.

Within control over financial instrument transactions carried out by employees of the Bank/Group member for personal advantage, the following general rules and restrictions are applicable:

- employees of the Bank/Group member shall rely on common sense and avoid personal investments that can jeopardize the reputation of the Bank/Group member or entail a conflict of interest; among other things, employees may not conduct personal operations/transactions to the detriment of performance of their employment duties;
- employees of the Bank/Group member are prohibited from carrying out financial instrument transactions for personal advantage violating the effective legislation, the internal procedures and restrictions established at the Bank/Group member, including transactions in financial instruments of the Bank during a blackout period<sup>2</sup>, transactions deemed to be market manipulation or illegal use of insider information, material non-public information, and other information protected by law;
- in cases stipulated by IRDs and organizational and executive documentation of the Bank/Group member, employees shall disclose information on brokerage and investment accounts used to carry out personal transactions with financial instruments, obtain approval from the Bank/Group member prior to carrying out such transactions, and submit relevant reports upon performance of financial instrument transactions<sup>3</sup>.

#### **6.1.5 Rules for using the telephone**

In order to prevent abuses, as well as to ensure that the employees fulfill customer service fairness requirements, the Bank/Group member imposes restrictions on the use of mobile phones by certain categories of employees when performing their employment duties. The Bank/Group member may use technologies allowing recording and control of conversations held by such categories of employees using landline phones, in accordance with the applicable legislation.

The Bank's/Group member's employees dealing with acceptance and coordination of customer orders for transactions in securities must hold such conversations using the recordable phone line.

#### **6.1.6. Measures aimed at identification, control and mitigation of consequences of conflicts of interest when carrying out professional activities in the securities market**

When servicing customers as a professional participant of the securities market, the Bank/Group member shall:

- identify a conflict of interest that may arise when providing services to a customer, before rendering relevant services (in the course of development of products, marketing materials, in agreeing on transactions, etc.);
- take measures aimed at avoiding identified conflicts of interest (e.g. decline one of transactions entailing a conflict, create information barriers between business units, delineate project teams, etc.);
- give priority to the interests of the customer over the interests of the Bank in resolving conflicts of interest;

---

<sup>2</sup>The provision shall be applicable to the employees included in the list of insiders on the basis of "issuer of securities" attribute.

<sup>3</sup>The provision shall be applicable to the employees included in the list of insiders on the basis of any insider attribute.

- perform financial instrument transactions to the benefit of a customer based on their orders. Transactions without relevant orders are only allowed within the powers provided for by the effective legislation and the contract with a customer;
- execute customer's orders pursuant to the requirements set therein on the best conditions available in particular circumstances and as soon as possible, with appropriate competence, accuracy and commitment;
- not allow the customer's incompetence (lack of information) to be used for its own benefit, and shall not give preference to one customer over others, including taking into account their nationality, gender, political, religious beliefs, etc.;
- inform the customer about the risks associated with the execution of transactions (operations) carried out in the interests of the customer, bring to the customer other information in accordance with the requirements of applicable law and the agreement with the customer;
- ensure implementation of information barriers between business units (employees) involved in different activities (including brokerage and dealer activities), when absence of such barriers entails a conflict of interests, including between the Bank/Group member and its employees and customers;
- ensure the maintenance of checklists;
- limit the number of employees having access to non-public, confidential and/or insider information of a customer (issuer), as well as implement, among other things, the "need to know" principle stipulated by clause 6.1.3 of the Policy;
- place in different rooms the employees of the analytical departments of the Bank/Group member and the employees whose duties involve direct communication with customers on the execution of transactions (operations), and employees providing financial advisor services in the securities market;
- implement other measures provided for by the Policy that are necessary to detect and eliminate conflicts of interest in the Bank's professional activities in the securities market;
- record information on conflicts of interest;
- prepare a report on the adoption of measures to identify conflicts of interest, measures to prevent the emergence and realization of conflicts of interest, as well as to manage them<sup>4</sup>.

If mitigation measures have not enabled to completely eliminate a conflict of interest involving the Bank/Group member or its employee, prior to performance of a transaction affected by the conflict of interest the Bank/Group member shall notify a customer/issuer of the conflict of interest and of measures being implemented to resolve it, as well as provide any other information to the customer required by the applicable legislation and by the contract with the customer.

Employees of the Bank/Group member shall notify the Compliance Unit of all cases that may give rise to a conflict of interest in the performance of professional activities in the securities market by the end of the business day during which such cases have become known.

#### **6.1.7. Prohibitions in respect of certain actions of employees of the Bank/Group member as part of brokerage activities, the implementation of which indicates the realization of a conflict of interest**

Employees of the Bank/Group member who have access to unexecuted customer orders shall not perform the following actions indicating the realization of a conflict of interest:

---

<sup>4</sup>The provision shall apply from 01/04/2022.

- carry out at their own expense a transaction with a security and/or conclude at their own expense an agreement that is a derivative financial instrument (DFI), after receiving the broker's order to conduct the transaction with this security and/or to conclude this agreement that is a DFI, and before the execution of the broker's order, if the execution at the broker's own expense of the transaction with this security and/or conclusion at the broker's own expense of this agreement that is a DFI results in the execution of the broker's order on less favorable terms than if the said transaction would not be executed and/or the said agreement would not have been concluded, except if the conditions for execution of the broker's order to conduct the transaction with a security and/or to conclude the agreement, which is a DFI, if they are contained in the said order, have not occurred;
- carry out, at the broker's expense, transactions in securities and/or enter into agreements that are DFIs, with a frequency greater than the frequency necessary for the broker to execute the customer's order on the most favorable terms for the customer in accordance with the customer's instructions.

#### **6.1.8 Disclosure of information about conflict of interests**

The Bank/Group member shall minimize and prevent the risk of a conflict of interest through disclosure of information on such a conflict of interest by employees, including:

- when an employee is hired;
- in case of the occurrence of situations that have caused and/or may cause a conflict of interest;
- on an annual basis;
- in other cases, prior to certain events and/or receipt of a certain kind of information.

Information that must be disclosed to the Compliance Unit covers the following:

- on participation in the establishment (creation) of legal entities;
- on participation in authorized (joint) capitals (except for organizations whose shares are traded on organized markets, if such participation does not exceed 2% of the authorized capital) and/or in management bodies and/or audit commissions of third parties;
- about the engagement in entrepreneurial activities;
- about the combined job;
- on combining positions;
- on conclusion of an independent contractor agreement for performance of work or provision of services that overlap with the employee's employment duties at the Bank/Group member;
- on the conclusion of an agency/sub-agency agreement;
- on being nominated as a candidate for deputy of a legislative (representative) body or local self-government body;
- about the engagement in paid activities financed solely out of funds of foreign states, international and foreign organizations, foreign citizens and stateless persons;
- on carrying out activities as self-employed<sup>5</sup> in cases where such activities overlap with the employee's employment duties at the Bank/Group member;
- on the work of the employee's relatives in the Bank and/or the Group members, including on joint participation of relatives in projects, business processes and/or collegial/working bodies

---

<sup>5</sup>Activities under Federal Law No. 422-ФЗ (422-FZ) dated 27/11/2018 "On Experimental Introduction of the Special Tax Regime, Tax On Occupational Income"

(including cases when one of the relatives represents the interests of the Bank and the other - the interests of the Group member);

- on the participation of the employee's close relatives in the establishment (creation) of legal entities, authorized (joint) capital (except for organizations whose shares are traded on the organized securities market, if such participation does not exceed 2% of the authorized capital) and/or management bodies of legal entities - competitors, customers and/or counterparties of the Bank/Group member;
- on the employee's close relative carrying out entrepreneurial activities in cases where the individual entrepreneur is a competitor, customer and/or counterparty of the Bank/Group member;
- on any change of circumstances of the employee and/or his/her relatives, including transfer and other change of employment duties performed at the Bank/Group member;
- on other cases that may give rise to a conflict of interest.

Information on activities and/or participation of employees of the Bank/Group member and/or their close relatives in management of housing, housing and construction, garage cooperative, real estate owners' association, including homeowners association, allotment and home gardening non-profit association, trade union organization on a voluntary basis shall not be subject to disclosure.

The Bank's employees shall disclose information according to the procedure and within the period stipulated by /17/.

All reported information on situations that have caused and/or may cause a conflict of interest shall be checked by an authorized employee of the Compliance Unit in order to assess risks arising for the Bank/Group member and to choose the most appropriate way to settle such situations.

Disclosure of information on a conflict of interest shall not release the Bank/Group member and its employees from the obligation to implement and maintain efficient organizational and administrative measures aimed at settling and preventing similar situations in the future. Employees of the Bank/Group member must suggest ways to resolve a conflict of interest pursuant to their employment responsibilities and level of competence.

The Bank/Group member shall disclose information on a real or potential conflict of interest in relation to a customer prior to concluding a transaction with such a customer, if the procedure and measures implemented to resolve such a conflict of interest do not enable prevention of the risk.

#### **6.1.9. Checklists**

In the course of its operations in financial markets, the Bank shall maintain and monitor checklists in accordance with /16/, which are key instruments for conflict of interest management and enable monitoring of the Bank's activities, identifying potential conflicts of interest in a timely manner, and promptly settling them.

The checklists shall include:

- a list of the Bank's transactions (deal pipeline), including potential transactions that the Bank's departments are working on and in the course of which insider/material non-public information of corporate customers is or may be transferred;
- the Bank's watch list, which includes information on issuers/customers - legal entities, in respect of which the Bank has insider/material non-public information on the proposed credit and investment transactions that have not been announced;
- the Bank's list of restrictions on issuers or financial instruments (the "restricted list"), in respect of which the Bank is subject to certain restrictions related to the execution of

transactions on the securities market, including trading on its own position. It is allowed to set restrictions on the issuer and/or financial instrument;

- the blackout list of the Bank's research bans on issuers/financial instruments and/or industries, for which research is temporarily prohibited (the period is specified in the list), as well as it is prohibited to provide recommendations to investors;
- the register of analytical coverage containing, among other things, information on the legal entities and/or industries covered therein, with references to analysts preparing relevant reports.

#### **6.1.10. Handling of gifts, business hospitality tokens and hospitality expenses**

The Bank and the Group members consider gifts received by employees of the Bank/Group member in connection with their work and provided on behalf of and at the expense of the Bank/Group member, business hospitality tokens and hospitality expenses as a potential source of conflict of interest.

The Bank/Group member shall determine the rules and establish restrictions in the field of receiving/giving gifts and business hospitality tokens in the process of business interaction, including the list of prohibited gifts and business hospitality tokens, as well as criteria of possibility to receive and give gifts and business hospitality tokens, including the reasons for receiving and giving gifts.

The prohibited gifts, as well as the gifts that do not meet the eligibility criteria must be politely rejected by the employees of the Bank/Group member at the time of being presented with them.

The Bank/Group member has established special rules and restrictions on gifts and business hospitality tokens when interacting with officials, as well as on receipt of gifts by the President, the Chairman of the Bank Executive Board, First Deputy Chairmen of the Bank Executive Board, Deputy Chairmen of the Bank Executive Board, the Chief Accountant of the Bank (hereinafter, the "Bank Management") in accordance with the legislation of the Russian Federation.

The Bank's procedure for dealing with gifts and business hospitality tokens is set forth in /18/.

#### **6.2. Conflict of interest identification and assessment**

All employees of the Bank/Group members, regardless of their job positions, shall identify conflicts of interest in all processes of the Bank/Group members, including development of new products and new business processes.

Conflicts of interest shall also be identified and assessed during inspections carried out by business units of the Bank/Group member, including by the Security Unit and the Internal Audit Service.

The Bank operates the Compliance Hotline - a safe and confidential 24/7 channel for Bank employees and third parties (including customers, counterparties, partners of the Bank) to report compliance violations in accordance with /14/, including situations in which a conflict of interest may be realized or related to other Bank employees having an unresolved conflict of interest or hiding information about such conflict of interest.

The Compliance Hotline is operated on a continuous basis using technical means of automated receipt of appeals and methods of obtaining information specified on the Bank's official website in the Compliance section, on the Bank's internal electronic resources, as well as on the work desks of employees' computers.

If an employee reveals any information on an existing conflict of interest or probability of its occurrence, the employee shall immediately notify his/her immediate manager and/or the Compliance Unit in the manner prescribed by the Bank/Group member. In case the employee has notified his/her immediate manager, but the latter has not taken adequate measures to prevent or resolve the identified conflict of interest, or if implemented measures have not eliminated a conflict of interest, the employee shall report this to the Compliance Unit.

Heads of business units of the Bank/Group member are required to take reasonable and sufficient measures to resolve conflicts of interest.

If an employee of the Bank/Group member and/or his/her manager have any doubts whether a conflict of interest exists or regarding how to mitigate the risk of a conflict of interest and/or its consequences, the employee should seek help from the Compliance Unit.

### **6.3. Conflict of interest resolution**

The measures taken to resolve conflicts of interest depend on, among other things:

- scope of a conflict of interest;
- nature of a conflict of interest;
- conditions of occurrence of a conflict of interest;
- the damage that may be caused to the Bank/Group member, to employees of the Bank/Group member, its customers, counterparties, partners and other third parties in the event that a conflict of interest occurs.

In order to manage a conflict of interest, the Bank/Group member shall adopt the following main methods of its settlement:

- change or abandonment of a process/transaction/service/product that results in the creation or realization of the conflict of interest;
- providing information about the conflict of interest that has not been excluded,

and in respect of an employee:

- restricting an employee's access to specific information that may be associated with such employee's personal interests
- voluntary refusal or (permanent or temporary) removal of an employee from a discussion, a decision-making process or other actions that may influence the subject of a conflict of interest
- changes in the employee's employment duties as agreed by the employee and/or the employee's authority, including changes in the range of tasks and specific assignments performed by the employee as part of his or her employment duties;
- transfer by an employee of his/her securities being the cause of a conflict of interest into trust management;
- the employee's renunciation of the benefit (advantage) that caused the conflict of interest;
- banning an employee's access to relevant information when a high probability of occurrence of a conflict of interest is identified;
- termination of the employment contract with the employee by agreement of the parties or dismissal of the employee from the organization at the initiative of the employee;
- employer-initiated dismissal of an employee for a breach of discipline, including failure to perform or improper performance of his/her job duties, in accordance with the labor legislation and employment contract with an employee.

In order to avoid a conflict of interest, an employee of the Bank/Group member may not:

- represent the Bank/Group member in relations with individuals<sup>6</sup>, organizations and individual entrepreneurs, in whose activities the employee has a personal interest other than the interests

---

<sup>6</sup>With the exception of cases of servicing customers - individuals on standard terms without applying any additional or individual rates privileges, benefits and other deviations from these terms.



of the Bank/Group member, including (but not limited to) cases of participation in the authorized (joint) capital or management bodies of such organizations, entrepreneurial activities of the employee and/or his/her close relatives;

- be involved in preparing, settling/concluding, performing transactions/agreements/contracts with the participation of the Bank/Group member or any customers or counterparties, if the employee and/or his/her relatives are interested in the transaction/agreement/contract or can directly or indirectly benefit from such transaction, unless information about a transaction/agreement/contract, potential benefit and interest have been disclosed to the Compliance Unit in the manner prescribed by the Bank/Group member and permitted by the Compliance Unit in writing;
- use, for himself/herself or for the benefit of third parties, opportunities related to his/her official position and/or authority in order to obtain/provide financial or other benefits/advantages not provided for by the applicable law and/or the IRD of the Bank/Group member;
- use confidential information, which has been received by (become known to) the employee in the course of performing his/her employment duties, for personal purposes;
- perform, during working hours, activities related to participation in the management bodies of third parties<sup>7</sup>, the performance of entrepreneurial activities, the provision of services or the performance of work for third parties, work on an external job, as well as activities as a self-employed person;
- engage in entrepreneurial activities, participate in the authorized (joint) capital or management of legal entities in cases when it became available given the position held in the Bank/Group member, including using business connections and opportunities of the Bank/Group member, except for cases when such activities or participation is directly assigned by the Bank/Group member to the employee in accordance with the established procedure, that is, it is carried out for the purpose of performance of the employee's employment duties;
- work together with relatives in cases when one of relatives reports to or is functionally subordinate to another relative<sup>8</sup>;
- carry out internal investigations and checks in relation to a relative who is also employed at the Bank/Group member;
- perform as an authorized employee of the Bank/Group member checks and approve operations, where his/her relative is responsible for them;
- carry out control procedures, checks and audit of operations of a business unit where such employee's relative is employed;
- have any role in a project when its implementation is the responsibility of an employee's relative and/or an employee's relative is authorized to make key decisions on such project.

The Bank Management is additionally subject to the following prohibitions and restrictions:

---

<sup>7</sup>Except for the cases of participation in management bodies, when such participation is directly assigned by the Bank/Group member to the employee in accordance with the established procedure (on the basis of an order, instructions, decision, resolution, minutes of a collegial body, etc.), i.e. is carried out for the purpose of performance of the employee's employment duties.

<sup>8</sup>Administrative or functional subordination of one relative to another may be allowed in exceptional cases and only by decision Compliance Committee of the Bank/Compliance Committee of the regional bank /authorized body of the Group member.

- they are prohibited to accept from foreign states, international organizations awards, honorary and special titles (except for scientific titles), if their employment duties include interaction with these organizations without obtaining written permission<sup>9</sup>;
- being a member of governing bodies, trustee or supervisory boards, other bodies of foreign non-profit nongovernmental organizations and their structural units acting in the territory of the Russian Federation, unless otherwise provided for by an international treaty of the Russian Federation or the legislation of the Russian Federation;
- being engaged in paid activities financed solely by funds of foreign states, international and foreign organizations, foreign citizens and stateless persons, unless otherwise provided for by an international treaty of the Russian Federation or the legislation of the Russian Federation, without obtaining a written authorization<sup>6</sup>;
- working at the Bank in case of immediate or in-law relationship (parents, spouses, children, brothers, sisters, as well as brothers, sisters, parents and children of spouses, and children's spouses) with an employee of the Bank, when work at the Bank involves direct subordination or accountability of one of them to another.

The Bank's Management is also additionally obliged to transfer their securities (stakes, shares in authorized (joint) capitals of organizations) into trust management in accordance with the civil legislation of the Russian Federation in order to prevent conflicts of interest.

The list of restrictions and ways of resolving conflicts of interest provided in this Section is not exhaustive. Other measures may be taken in each particular case in order to settle a conflict of interest, provided that they comply with the effective legislation.

When a conflict of interest cannot be resolved by methods available in existing circumstances, the Bank/Group member may make a decision to decline a particular transaction with a customer/counterparty or refuse to provide services to a particular customer, in order to prevent occurrence of regulatory risk, compliance risk, conduct risk, and other risks for the Bank/Group member.

## **7. Specifics of organization of the conflict of interest management system at the Group members and the Bank branch abroad**

7.1. Group members shall develop and approve their own Group Member Policies in accordance with the procedure established in the Group member<sup>10</sup>. The provisions hereof shall be applicable to the Group members and the system for managing conflicts of interest, shall be organized with account of the assumptions and provisions of /15/, as well as the scope, nature and area of operations of the Group member.

7.2. The Bank, through its representatives in the management bodies of the Group members, shall contribute to the approval of the Group Member Policy by having it approved by the management body of the Group member.

7.3. A branch of the Bank abroad may have a separate conflict of interest management policy (hereinafter, the "Branch Policy"), if it is necessary to take into account the national legislation of the country where the Bank branch is located.

7.4. If, during the development or updating by the Group members/the Bank branch abroad of Group Member Policy/Branch Policy, they admit a discrepancy(-s) with the provisions hereof or with other regulatory documents on compliance that are mandatory for implementation by the Group

---

<sup>9</sup>This permission shall be granted to the President, the Chairman of the Executive Board of the Bank - by the Supervisory Board of the Bank, to First Deputy Chairmen of the Executive Board of the Bank, Deputy Chairmen of the Executive Board of the Bank and the Chief Accountant - by the President, the Chairman of the Executive Board of the Bank.

<sup>10</sup>The existence of such a document follows from the provisions of the documents referred to in clause 1.3 of the Policy.

members, the drafts of such documents are subject to approval by the Compliance Division of the Bank's Central Head Office.

7.5. Functions and powers shall be distributed among participants in the conflict of interest management process within Group member/Bank branch in compliance with the distribution and approaches stipulated in Sections 5 and 6 hereof.

## **8. Liability**

8.1. All employees of the Bank/Group member, regardless of their position, are personally responsible for compliance with the provisions of the Policy/the Group Member Policy, and managers are also responsible for exercising proper control over the actions (inaction) of their subordinate employees in terms of compliance with the Policy/the Group Member Policy.

8.2. Any action to circumvent the Policy/the Group Member Policy by employees of the Bank/Group member is prohibited and shall be deemed a violation of the Policy/the Group Member Policy.

8.3. The Bank/Group member may be subjected to sanctions for violations committed by its employees that have entailed a conflict of interest. Therefore, internal investigations/checks shall be carried out in case of any reasonable suspicion or revealed fact of such violation within the scope permitted by the effective legislation.

8.4. Employees of the Bank/Group member who are found guilty of violating the provisions of the Policy/the Group Member Policy as a result of the internal investigation/inspection may be subject to disciplinary liability, up to and including termination of contract, in accordance with applicable law and the procedure established by the Bank/Group member.

8.5. The Bank/Group member has the right to apply to the court with civil claims against the employee who has violated the provisions of the Policy/the Group Member Policy in the event of damage to the Bank/Group member as a result of such a violation.

8.6. Persons found guilty of violating the applicable laws in the field of conflict of interest management by court may be held liable for administrative or criminal offence in the manner and on the grounds stipulated by applicable law.

## **9. Final provisions**

9.1. This Policy may be amended in the event of any changes in the legislation of the Russian Federation or applicable rules of international law, as well as in order to incorporate new trends in the Russian and global corporate behavior practices. If any changes are made to the laws of the Russian Federation before the adoption of a new version of this Policy, this document will apply in as much as it is not contrary thereto. Should certain provisions hereof come into conflict with the national legislation of a country where the Bank/Group member is established and/or conducts its business, the national legislation shall be applied. Should any provisions of this Policy come into conflict with the traditions, practices or someone's understanding of the relevant rules of conduct, the provisions of this Policy shall apply.

9.2. In case of any doubts regarding interpretation of the provisions hereof and their applicability to particular situations, the Compliance Division of Central Head Office of the Bank shall be the only authorized business unit entitled to make the final decision regarding their proper interpretation.

9.3. All employees of the Bank/Group member shall familiarize themselves with the Policy/the Group Member Policy in accordance with the procedure in force at the Bank/Group member. Each head of an independent structural unit of the Bank/Group member shall be responsible for organizing familiarization with the Policy/the Group Member Policy.



## List of Terms and Definitions

**Bank** means Public Joint-Stock Company Sberbank of Russia; Sberbank.

**Close relatives** mean a spouse, children and parents, adoptive parents and adopted children, full- and half-blood (sharing only one parent) siblings, grandparents, grandchildren.

**Broker** - a professional participant of the securities market engaged in brokerage activities.

**Brokerage activity** - activity involving execution of the customer's order (including the order of the issuer of mass-issue securities at their placement) for civil law transactions with securities and/or conclusion of contracts, which are DFI, carried out on the basis of fee-based contracts with the customer.

**Group** means Sberbank together with credit and non-credit institutions as defined in Federal Law No. 395-1 dated 02/12/1990 "On Banks and Banking", IFRS standards (IAS28, IFRS10), Bank of Russia Ordinance dated 08/10/2018 No. 4927-U (4927-Y) "Procedure for the Preparation and Submission of Form No. 0409801 Reports "Report on the structure of banking group participants and credit institution's investments in the units of unit investment funds".

**Dealer activity** is the execution of transactions of purchase and sale of securities on its own behalf and at its own expense by publicly announcing the prices of purchase and/or sale of certain securities with the obligation to purchase and/or sell these securities at the prices announced by the person engaged in such activity.

**Insider information** – as defined in /3/.

**Customer** means an individual or a legal entity serviced by the Bank/Group member.

**Compliance risk** – as defined in /19/.

**Counterparty** means an individual or a legal entity being a party to a contract with the Bank/Group member and not being its customer.

**Conflict of interest** means a direct or indirect contradiction between property and other interests of the Bank/Group member and/or its employees and/or one or more of its customers and/or counterparties, as a result of which actions (omissions) of one party may entail adverse consequences for the other party.

A conflict of interest arises also in a situation where (direct or indirect) personal interest of an employee influences or can influence proper, fair and unbiased performance of his/her employment duties (exercising of his/her powers).

Contradictions between the Bank's/Group member's business units and contradictions arising during negotiations on commercial conditions in the normal course of business, the terms of which have been disclosed or should have been known to a negotiating party, shall not be deemed a conflict of interest.

Competitor – an organization/individual entrepreneur doing business in the following areas: banking and investment banking, insurance, lease, valuation, asset management, electronic payments, organization of electronic trading platforms, services for compilation, processing and storage of credit histories.

**Personal interest** - the possibility of the employee receiving income in the form of money, other property, including proprietary rights, property services, the results of work performed or any benefits (advantages) (including intangible benefits, regardless of whether their value can be established or not) for themselves or third parties.

**Operational risk** – as defined in /20/.

**Partner** means an individual or a legal entity having an intention to become the Bank/Group member's counterparty or customer, but not being the Bank/Group member's counterparty nor customer at the moment, or cooperating with the Bank/Group member without entering into contractual relationships.

**Gift** means any item of value in tangible or intangible form, which is delivered by the presenter to the receiver voluntarily and at no cost, and for which it is not mandatory to pay a usual price, received/delivered by an employee in relation to work in the Bank/Group member or delivered on behalf and at the expense of the Bank/Group member. Gifts may include cash and cash equivalents, securities, other property, property rights, property-related benefits and services (works, services, payments for entertainment, recreation, education, transportation, loans, discounts, allowing the use of property, including accommodation, deposits, donations, etc.).

**Security unit** means the Intrabank Security Division of the Bank or a corresponding unit of Group member.

**Compliance unit** means the Compliance Division of Central Head Office of the Bank, or the Compliance Division of a regional bank, or a corresponding unit/authorized officer of Group member.

**HR unit** means the HR Competencies Department of Central Head Office of the Bank/HR Administration Center (centrally subordinated unit), or an HR unit of a regional bank, or a corresponding unit of Group member.

**Group Member Policy** – Conflict of Interest Management Policy of the Group member or other document of the Group member with provisions similar to those set forth in the Policy, to the extent not inconsistent with the national legislation of the country of the Group member.

**Legal risk** – as defined in /21/.

**Employee** – an individual having employment relations with the Bank or the Group member.

**Regulatory risk** – as defined in /22/.

**Risk of human resource management process errors** - as defined in /20/.

**Conduct risk** – as defined in /23/.

**Relatives** mean close relatives, family members, cousins, uncles and aunts, nephews and nieces, parents-in-law and stepchildren, spouses of children and parents.

**Internal Audit Service** – a complex of the Bank's structural units (the Internal Audit Division ("the IAD") of the Bank's Central Head Office and the IADs for the regional banks) carrying out their activities in accordance with /24/.

**Material non-public information (MNPI)** - confidential and/or other non-public information, precise and specific information received by the Bank/Group member from non-issuer customers and/or from issuers that have not included the Bank/Group member in their insider list, which, if disclosed, would most likely have a significant impact on the customer's financial position.

**Employment duties** mean official and/or functional duties.

**Group member** means an organization being a part of the Group, other than the Bank.

**Family members** mean persons who lives together with an employee and maintain with him/her a joint household, irrespective of the degree of kin, as well as persons, who are financially dependent on the employee or who the employee is financially dependent on.

### List of Reference Documents

1. Federal Law No.273-Φ3 (273-FZ) dated 25/12/2008 “On Countering Corruption”.
2. Federal Law No. 395-1 dated 02/12/1990 “On Banks and Banking”.
3. Federal Law No.224-Φ3 (224-FZ) dated 27/07/2010 “On Counteracting the Illegitimate Use of Insider Information and Manipulation of the Market, and on Making Amendments to Certain Legislative Acts of the Russian Federation”.
4. Federal Law No. 39-Φ3 (39-FZ) dated 22/04/1996 “On the securities market”.
5. Bank of Russia Regulation No. 242-II (242-P) dated 16/12/2003 “On Organization of Internal Controls in Credit Institutions and Banking Groups”.
6. International standard ISO 37001:2016 “Anti-bribery management systems - Requirements with guidance for use”.
7. International standard ISO 37301:2021 “Compliance management systems - Requirements with guidance for use”.
8. Program of anti-corruption ethical norms and ensuring compliance with anti-corruption requirements for businesses. Practice guidelines developed by the United Nations Office on Drugs and Crime.
9. Guidelines on developing and taking anti-corruption measures by organizations, developed by the Russian Ministry of Labor and Social Protection.
10. Measures to prevent corruption in organizations, developed by the Russian Ministry of Labor and Social Protection.
11. Internal Control System in Banks: Basics of Organization, developed by the Basel Committee on Banking Supervision in September 1998 (Letter of the Bank of Russia No. 87-T "On Recommendations of the Basel Committee on Banking Supervision" dated 10/07/2001).
12. Regulation on the Compliance Committee of Sberbank No.2886 (as amended).
13. Regulation on the Compliance Committee of a regional bank of Sberbank No. 2887 (as amended).
14. Process Chart for Organization of Sberbank Compliance Hotline Work No. 3974 (as amended).
15. Rules for Carrying out Transactions with Financial Instruments at Sberbank No. 5008 (as amended).
16. Standard on authorizing access to material non-public information of Sberbank Group (Part 12 of Sberbank Book of Standards for Compliance Risk Management Standards No. 4403) (as amended).
17. Sberbank Group Standard on Employees’ Disclosure of Conflicts of Interest (Part 1 of Sberbank Book of Standards for Compliance Risk Management No. 4403) (as amended).
18. Sberbank Group Standard for the Procedure of Handling Gifts and Business Hospitality Tokens (Part 2 of Sberbank Book of Standards for Compliance Risk Management No. 4403) (as amended).
19. Sberbank Group’s Compliance Risk Management Policy No. 2885 (as amended).
20. Sberbank Policy on Operational Risk Management No. 1302 (as amended).
21. Sberbank Group Policy on Legal Risk Management No. 3205 (as amended).

22. Sberbank Group Policy on Regulatory Risk Management No. 5122 (as amended).
23. Sberbank Group Conduct Risk Management Policy No. 5057 (as amended).
24. Regulation on the Internal Audit Service of Sberbank No. 3502 (as amended).



**Examples of typical conflict of interest situations**

1. An employee abuses his/her powers when performing his/her job duties for personal advantage and to the detriment of a customer's interests.
2. An employee of the Bank, who makes decisions to grant a loan, makes such a decision with respect to his/her friend or relative.
3. An employee takes part in making HR decisions in relation to his/her relatives, friends and other persons whom his/her personal interest is associated with.
4. The employee responsible for the purchase of tangible means of production selects from a limited number of suppliers. The sales manager of one of the potential suppliers is a relative of the employee.
5. An employee of the Bank has combined job at the Group member when his/her job duties at the Bank involve control powers in relation to such Group member.
6. Participation of an employee in making a decision on the procurement of goods that are the results of intellectual activity, the exclusive rights to which belong to him or her or to another person to whom the employee's personal interest relates.
7. Participation of an employee in making a decision on investing funds of the Bank/Group member in an organization whose securities are owned by the employee.
8. An employee has credit obligations to another organization, and it is the employee's job responsibility to make decisions to borrow funds.
9. Participation of an employee in making a decision to establish (maintain) business relations of the Bank/Group member with another organization, which has financial or property obligations to the employee or another person to whom the employee's personal interest relates.
10. An employee of a Bank/Group member, whose job duties include monitoring the quality of goods, works and services provided by counterparties of the Bank/Group member, receives a significant discount on goods from one of the counterparties of the Bank/Group member.
11. The head of a business unit receives an expensive birthday gift from his/her subordinate, and it is within the executive's authority to make decisions to raise the salaries of subordinate employees and to appoint them to higher positions.
12. An organization interested in entering into a long-term lease of offices with the Bank/Group member offers a job to an employee of the Bank/Group member authorized to decide on entering into the lease agreement, or to any other person to whom the employee's personal interest relates.
13. An employee uses information that has become known to him/her within his/her employment duties in order to obtain benefits or competitive advantages when concluding transactions for himself/herself or another person whom his/her personal interest is associated with.
14. An employee checks/audits/inspects operations of a business unit where his/her relative is employed.

15. An employee provides investment advice to customers on transactions solely in financial instruments issued by the Group members to the detriment of other financial market participants. Assets are purchased into one's portfolio relying on nonpublic information related to the potential transaction(s).

16. An employee participates in preparing an analytical report on an issuer whose securities are associated with an employee's personal interest.

17. An employee is part of a team advising any customer on potential investment transactions, as well as transactions with an issuer, and the employee is a holder of securities of such issuer and/or has another personal interest.

18. Personal transactions are executed by an employee who has access to unexecuted customer's orders to the detriment of similar transactions of the customer who submitted the order to execute a brokerage operation.

19. Provision of financial consulting to several customers at the same time that are competitors or that are in conflict with one another

20. Simultaneous provision of financial/investment advisory services to two customers from the same sector or industry.

21. Provision of advisory services to a customer in respect of the purchase of the business owned by a third party, which is a borrower from Group member, with repayment of its debt through payments under the business purchase transaction (the Group member does not provide advisory services to the third party in respect of the sale of the business).

22. The Group member has made its own investment in the securities of an issuer (over 2% of the placed issue), and at the same time provides to its customer investment consulting services regarding the same issuer.

23. Provision of services to a legal entity (intermediary) that is the Group member and acts on behalf of a third party where the Bank/Group member is able to provide the requested services directly to the third party.

24. Providing financial/investment advice to the customer with the involvement of an employee of the analytical department to work on the transaction.

25. Purchase/sale of assets on the own position of the Bank/Group member, in case there is insider / material non-public information regarding the potential transaction / transactions.

26. An employee of the Bank/Group member carries out a personal transaction on the purchase / sale of financial instruments where there is insider / material non-public information with respect to the issuer.

27. Simultaneous provision of consulting services for the benefit of the customer being the seller and the customer being the buyer.

28. Execution of transactions in financial instruments between members of the Group by one trader/employee who trades in financial instruments and simultaneously represents the interests of all members of the Group between which the transaction is executed.

29. Employees trading in financial instruments for the own position of the Bank/Group member within the scope of their employment duties simultaneously trade in similar financial instruments or their underlying assets in the interests of the customers of the Bank/Group member.