

**SBERBANK OF RUSSIA**

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APPROVED BY:  
General Shareholders' Meeting  
Minutes dated June 3, 2015 No. 28

**REGULATIONS  
on the Supervisory Board**

**Moscow  
2015**

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## **1. General Provisions**

1.1. The Regulations on the Supervisory Board of Sberbank of Russia (hereinafter the "Regulations" and "Bank", respectively) have been developed in accordance with the legislation of the Russian Federation (hereinafter the "effective legislation"), the Bank's Charter, with due account for the provisions of the Corporate Governance Code recommended by the Bank of Russia on April 10, 2014.

The Regulations determine the order of the appointment of the Supervisory Board of the Bank (hereinafter "Supervisory Board") and its functioning.

1.2. The activities of the Supervisory Board shall be governed by the current legislation, the Charter of the Bank, resolutions of the General Meeting of Shareholders, the Regulations and other internal documents of the Bank approved by the General Meeting of Shareholders or the Supervisory Board.

1.3. For the purposes of the performance of its functions, the Supervisory Board of the Bank may establish committees of the Supervisory Board responsible for specific areas of activity.

The committees shall be composed by the resolution of the Supervisory Board of the Bank from its number and operate on the basis of the Regulations of the Committees of the Supervisory Board of the Bank approved by the Supervisory Board.

1.4. Electronic document management system can be used to facilitate activities of the Supervisory Board.

## **2. The Competence of the Supervisory Board**

2.1. The Supervisory Board is responsible for the general management of the Bank, except for matters pertaining to the competence of the General Shareholders' Meeting.

2.2. The competence of the Supervisory Board is determined by the Charter of the Bank in accordance with the current legislation.

Issues relating to the competence of the Supervisory Board cannot be delegated to the executive bodies of the Bank.

## **3. The Procedure of the Appointment to the Supervisory Board**

3.1. The procedure of the appointment and the term of office of the Supervisory Board are stipulated for in the applicable legislation and the Charter of the Bank.

3.2. The number of the members of the Supervisory Board is stipulated for in the Charter of the Bank. Independent directors<sup>1</sup> shall make up at least one third of membership of the Supervisory Board of the Bank.

In certain cases, the Supervisory Board, when carrying out the assessment, can recognize a director (candidate for the members of the Supervisory Board) to be independent irrespective of whether there are any format criteria of association with the Bank, a material shareholder of the Bank, material contractor or competitor of the Bank if

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<sup>1</sup> The independence of a member / candidate member of the Supervisory Board is determined by the Supervisory Board pursuant to the recommendation of the Personnel and Remuneration Committee of the Supervisory Board in accordance with the provisions of the Corporate Governance Code recommended for use by the Bank of Russia on April 10, 2014, and is used for the purposes of the provisions hereof.

For the purposes of compliance with the current legislation, the independence of the members of the Supervisory Board is determined pursuant to the criteria stipulated for in Art. 83 of the Federal Law On Joint Stock Companies.

such association does not influence the possibility of the relevant person to take independent, objective decisions in good faith.

3.3. An Independent Director shall refrain from any action that could lead to a loss of his/her independence.

If, after the independent director's appointment to the Supervisory Board, any circumstances arise due to which the director ceases to be independent, such director must duly notify the Supervisory Board of such circumstances via the Corporate Secretary of the Bank.

In this case as well as in other cases when the Supervisory Board becomes aware of the loss of independence by an independent director, the Supervisory Board shall take measures for the disclosure of this fact on the official website of the Bank (hereinafter the "Bank's website").

3.4. Members of the Supervisory Board shall meet the qualification requirements and business reputation requirements established by the effective legislation.

Members of the Supervisory Board shall be the persons who are trusted by the shareholders, have a high professional, business and personal reputation, as well as knowledge and experience in the areas corresponding to the main areas of the Bank's activity (finance, banking operations and payment systems, banking regulations, strategic planning, corporate governance, risk management, internal control, audit and compliance, etc.) necessary for decision-making and overall management of the Bank.

3.5. The first meeting of the Supervisory Board after election of new members of the Supervisory Board at the annual General Shareholders' Meeting of the Bank can be convened by any member within one month from the date of the AGM.

At the first meeting after the election, the new members of the Supervisory Board shall elect the Chairman of the Supervisory Board, two deputy Chairmen of the Supervisory Board, Chairmen of the Committees of the Supervisory Board, Senior Independent Director, as well as determines the members of the Committees of the Supervisory Board.

The preliminary work schedule of the Supervisory Board until the next annual General Shareholders' Meeting shall be also approved at this meeting.

#### **4. Chairman of the Supervisory Board Senior Independent Director**

4.1. Chairman of the Supervisory Board shall be elected from the members of the Supervisory Board by a majority vote of all the members of the Supervisory Board.

The Supervisory Board shall be entitled at any time to re-elect its Chairman or deputy chairmen by a majority of the total number of votes of the members of the Supervisory Board.

Chairman of the (Executive) Board & CEO shall not be elected Chairman of the Supervisory Board.

##### **4.2. Chairman of the Supervisory Board**

- organizes the work of the Supervisory Board and its Committees and ensures its efficiency;
- organizes drafting of the Activity Plan of the Supervisory Board;
- convenes meetings of the Supervisory Board (including the approval of the agenda and the date of the meeting) and preside over them;
- makes arrangements for the minutes taking during the meeting;

- takes all necessary measures to provide timely information to the members of the Supervisory Board and the materials necessary for making decisions on the agenda of the meeting;
- facilitates unimpeded discussion of the issues on the agenda;
- signs the minutes of the meeting of the Supervisory Board;
- preside at the general meeting of shareholders of the Bank, unless otherwise stipulated by the Supervisory Board;
- signs the agreement with the Chairman of the Board & CEO on behalf of the Bank;
- makes arrangements for the control over the execution of the decisions of the Supervisory Board.

Chairman of the Supervisory Board also performs other functions provided by the effective legislation, the Charter of the Bank and other internal documents of the Bank approved by the General Meeting of Shareholders or the Supervisory Board.

4.3. In temporary absence of the Chairman of the Bank's Supervisory Board, one of his/her deputies, or one of the members of the Supervisory Board appointed by the Bank's Supervisory Board will preside over the meeting.

4.4. Senior Independent Director shall be elected from the independent directors by a majority of the total number of votes of the members of the Supervisory Board.

At the suggestion of independent directors, the Supervisory Board shall be entitled at any time to re-elect the Senior Independent Director by a majority of the total number of votes of the members of the Supervisory Board.

4.5. The main objective of Senior Independent Director is to coordinate the interaction between the independent directors and to act as an advisor of the Chairman of the Supervisory Board facilitating efficient workflow management of the Supervisory Board and its Committees.

Senior Independent Director shall:

- ensure effective contribution of the independent directors to the work of the Supervisory Board, and also, as necessary, call meetings of the independent directors and take the chair;
- in case of material disagreements within the Supervisory Board – take conflict resolution efforts by interacting with the Chairman of the Supervisory Board, other members of the Supervisory Board, and the shareholders of the Bank in order to ensure an efficient and steady workflow of the Supervisory Board.

4.6. Corporate Secretary of the Bank shall ensure interaction between the shareholders of the Bank and Senior Independent Director.

## **5.1 Corporate Secretary and Secretary of the Supervisory Board**

5.1. Corporate Secretary of the Bank shall bring the procedures performed by the Supervisory Board into compliance with the requirements of the current legislation and the provisions of the internal documents of the Bank which guarantee exercise of rights and legal interests of the shareholders, support the effective work of the Supervisory Board, disclose information about the Supervisory Board's activities, as well as prepare proposals concerning improvement of the corporate governance practices in the Bank.

Corporate Secretary shall be appointed by and be functionally accountable to the Supervisory Board.

Corporate Secretary shall act in accordance with the Regulations on the Corporate Secretary of the Bank approved by the Supervisory Board.

5.2. Technical support of the activities of the Supervisory Board during its meetings and between meetings is provided by the Secretary of the Supervisory Board appointed by the Supervisory Board.

In the absence of the Secretary of the Supervisory Board of the Bank his/her functions shall be performed by an employee who is appointed at such meeting of the Supervisory Board.

## **6. Meetings of the Supervisory Board**

6.1. Meetings of the Supervisory Board shall be convened by the Chairman of the Supervisory Board at his own initiative or at the request of a member of the Supervisory Board, the Audit Commission, the audit organization of the Bank, the Executive Board and the CEO, Chairman of the Executive Board.

6.2. Meetings of the Supervisory Board may be held in the form of a meeting (in praesentia - joint attendance of the Supervisory Board members, hereinafter "praesentia meeting") or in absentia - without holding a meeting – in the form of absentee voting.

The form of the meeting of the Supervisory Board shall be determined by the Chairman of the Supervisory Board depending on the nature and / or the need for timely decision on the issues to be considered by the Supervisory Board.

The form of the meeting of the Supervisory Board shall be chosen with due consideration of the opinion of the persons requesting that the meeting of the Supervisory Board be convened, subject to the provisions of cl. 6.1 hereof.

6.3. The quorum for a meeting of the Supervisory Board is at least half of the elected members of the Supervisory Board.

6.4. Decisions on the agenda of the meeting of the Supervisory Board shall be taken by the majority vote of its members participating in the meeting, except as permitted by the applicable law and the Charter of the Bank.

Each member of the Supervisory Board shall have one vote.

In case of a tie, the casting vote is that of the Chairman of the Supervisory Board.

Members of the Supervisory Board are not entitled to transfer their right to vote to another person, including another member of the Supervisory Board.

6.5. If the agenda of the meeting of the Supervisory Board includes items for which the required quorum and the number of votes for decision making is set differently than for other items, quorum shall be determined for each item on the agenda. A meeting of the Supervisory Board considers those items on the agenda for which the quorum is present.

6.6. The following questions concerning the Bank's activities, including those presented for consideration of the General Shareholders' Meeting of the Bank shall be subject to consideration, as well as to preliminary discussion at the meetings in praesentia of the Supervisory Board.

- convening the annual and extraordinary general meetings of shareholders, except in cases when it is stipulated otherwise by the applicable legislation;
- issues related to the preparation and holding of AGM which are within the competence of the Supervisory Board based on the effective legislation and the Charter of the Bank (including approval of the agenda, determination of the list of persons entitled to participate in the meeting, recommendations on the amount of dividends on the shares of the Bank);

- election of Chairman of the Supervisory Board and of Senior Independent Director;
- the composition of the (Executive) Board of the Bank, the appointment of the Deputy-Chairpersons of the Board and early termination of their powers;
- the decision to suspend the powers of the CEO, Chairman of the Executive Board and the establishment of the temporary sole executive body of the Bank;
- the approval of the Registrar of the Bank and the essential terms of the contract with him and the termination of such contract;
- issues related to the increase in the authorized capital of the Bank as defined by the Charter;
- approval of the Development Strategy of the Bank;
- approval of the Bank's risk management and capital management strategies;
- review of the financial results of the Bank's activities in the reporting period;
- filing an application for listing of the shares of the Bank and / or issue-grade securities of the Bank that are convertible into shares of the Bank;
- approval of the terms of the agreements between the Bank and the CEO, Chairman of the Executive Board, members of the Executive Board, including the determination of the size of their bonuses and remuneration;
- consideration of the results of the self-assessment and external assessment of the performance of the Bank's Supervisory Board and its Committees;
- approval of the Dividend Policy of the Bank;
- approval of the personnel policy and remuneration policy in respect of the employees of the Bank;
- approval of major transactions.

Other issues related to the activities of the Bank may be submitted for consideration or preliminary discussion at an in praesentia meeting of the Supervisory Board if such items are proposed by the persons referred to in cl. 6.1 hereof.

6.7. The written opinion of a member of the Supervisory Board absent from the meeting shall be taken into consideration by the Supervisory Board for the purposes of determining the quorum at an in praesentia meeting of the Supervisory Board and the count of results of voting. If a copy of such opinion in writing was not included in the information pack (the materials) provided to the members of the Supervisory Board for the meeting, the opinion shall be announced by the chairman of the meeting before the vote on the agenda of the meeting.

6.8. When a member of the Supervisory Board whose written opinion was received by the Chairman of the Supervisory Board prior to the meeting is present at such meeting of the Supervisory Board, his / her opinion shall not be announced at the meeting and shall not be taken into account in the determination of quorum and the voting results.

6.9. The written opinion of a member of the Supervisory Board is not taken into consideration for the purposes of determination of the quorum and the results of the voting if such written opinion:

- was received after the announcement of the results of voting on the agenda of the meeting;
- is not signed by a member of the Supervisory Board;

- it is not possible to determine conclusively what the decision of the member of the Supervisory Board was on the agenda of the meeting (on the draft decision).

6.10. The procedures of the preparation, convening and holding of the Supervisory Board meetings are determined by the Rules of the Meetings of the Supervisory Board approved by the Supervisory Board.

6.11. The agenda of a meeting of the Supervisory Board of the Bank may be amended subject to the presence of a quorum for the meeting and in case of the unanimous decision of the members of the Supervisory Board of the Bank to make such amendments.

## **7. Rights and Obligations of the Members of the Supervisory Board**

7.1. Members of the Supervisory Board are entitled to:

- require to convene a meeting of the Supervisory Board;
- propose items for the agenda of the meeting of the Supervisory Board;
- discuss the activities of the Bank at the meetings of the Supervisory Board, make suggestions and vote on all the items on the agenda of the meeting of the Supervisory Board (except the issues in respect of which such member of the Supervisory Board is considered to be an interested party pursuant to the effective legislation);
- demand that his or her dissenting opinion in respect of the decision on the issues involved is recorded in the minutes of the meeting of the Supervisory Board;
- obtain professional advice of experts on the issues considered at the meetings, request the involvement of experts to the issues if this is necessary for making the decision;
- in case it is impossible to participate personally in the meeting of the Supervisory Board held in praesentia, to participate in such meeting with the use of video conferencing or telephone, as well as to send a written opinion on the issues under consideration;
- receive documents and information necessary for the performance of their duties from the Bank's executive bodies and the Audit Commission, request the provision of additional information when it is necessary for decision-making;
- review the regulations of the Bank, financial statements and other financial documents of the Bank, as well as the auditor's opinions and resolutions of the executive bodies of the Bank;
- receive remuneration for their work and reimbursement for the expenses related to the performance of their duties as members of the Supervisory Board in the amount and manner determined by the general meeting of shareholders of the Bank or the Bank's internal document approved by the General Meeting of Shareholders.

7.2. Documents and information that the members of the Supervisory Board require for the performance of their duties shall be provided to them within five (5) working days from the date of the receipt of the request by the Secretary of the Supervisory Board of the Bank.

7.3. Members of the Supervisory Board shall:



- be proactive in the participation in the work of the Supervisory Board
- exercise their rights and perform their duties reasonably and in good faith in the interests of the Bank as a whole and of its shareholders;
- act in the interests of the Bank, refrain from taking actions and making decisions for the benefit of individual shareholders, employees of the Bank or other persons;
- promptly notify the Supervisory Board on the interest or any conflict of interest in decision-making on a particular issue and the grounds of such interest or conflict of interest;
- refrain from actions that will or may lead to a conflict between their interests and the interests of the Bank;
- refrain from voting on the matters if there is personal interest in taking decisions on them, and when the nature of the matter to be discussed or the specific nature of the conflict of interest requires so, upon the recommendation of the Chairman of the Supervisory Board refrain from being present at the meeting when such matter is discussed;
- not to disclose and not to use for personal ends or in the interests of any third parties the information that they became aware of if such information is confidential (information subject to bank secrecy, a commercial secret of the Bank or its partners, insider information, personal data);
- undergo further training as recommended by the Chairman of the Supervisory Board or the Committee of the Supervisory Board;
- bring the following information to the attention of the Supervisory Board, in the form of a notice:
  - on the actual possession<sup>2</sup> of the Bank's securities, as well as on every new purchase and / or disposal thereof by the member of the Supervisory Board and / or his/her close relatives;
  - on legal entities in which a member of the Supervisory Board and / or his / her close relatives own independently or jointly 20 percent or more of the authorized capital and /or voting stocks (shares, equity interest);
  - on legal entities in whose management / executive bodies a member of the Supervisory Board and / or his / her close relatives hold office (plan to take office) or to participate on the basis of election (are members of such body);
  - on the transactions known to the member of the Supervisory Board as prepared for execution or proposed in which such member can be recognized as an interested party;
  - on the qualifications and expertise of the members of the Supervisory Board, to the extent required by the effective legislation.

Notice shall be given to the Supervisory Board by the Corporate Secretary of the Bank within 10 days after the election and within 10 days after changes of any kind.

In cases stipulated by the effective legislation the Corporate Secretary of the Bank shall notify the Audit Commission and the Audit Organization of the Bank on the above events.

7.4. Members of the Supervisory Board shall not accept gifts from persons interested in the decisions related to the execution of the duties of such members, as well as use any other direct or indirect benefits provided by such individuals (except for

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<sup>2</sup> The term “close relatives” means spouse, parents, children, full and half-brothers and sisters, adoptive parents and adoptive children.

symbolic courtesies in accordance with the generally accepted rules of courtesy or souvenirs given during official events).

## **8. Liability of Members of the Supervisory Board**

8.1. When requested to do so by the Bank or its shareholders acting in the interests of the Bank, members of the Supervisory Board are obliged to reimburse the Bank for the losses incurred by the Bank due to a fault of the members of the Supervisory Board of the Bank.

The members of the Supervisory Board who voted against the decision that resulted in the loss for the Bank or the Bank's shareholders or, acting in good faith, did not participate in the vote, shall not be liable for such loss.

8.2. The grounds and the extent of liability of the members of the Supervisory Board should be determined with due account for normal terms and conditions of doing business and other circumstances relevant to the case.

8.3. If in accordance with the applicable legislation liability is borne by several members of the Supervisory Board, their liability to the Bank shall be joint and several.

## **9. Final Provisions**

9.1. These Regulations shall be approved by the general meeting of shareholders of the Bank and are subject to regular revision for the purposes of ensuring its compliance with the effective legislation, the Charter of the Bank and the best practices of corporate governance.

9.2. If any amendments are introduced into the legislation and / or the Charter of the Bank which result in the conflict of such legislation and / or the Charter of the Bank with any provisions hereof, these articles shall be deemed invalid, and the Bank shall be governed by the current provisions of the legislation and / or the Charter of the Bank until the necessary amendments are introduced hereto.