

**Approved by
AO "ALFA-BANK"
Board of Directors
(Protocol No. 18-2019
dated 18.12.2019)**

**AO "ALFA-BANK"
ANTI-CORRUPTION POLICY**

Moscow 2019

1. TERMS AND ABBREVIATIONS

- 1.1. **Bank** – AO “ALFA-BANK”, including branches, operational, additional, and credit and cash offices, as well as other structural divisions of the Bank.
- 1.2. **Bank Hotline** – email address we_care@alfabank.ru used by the Bank for receipt of information about (1) violations of the principles and regulations laid down by the Policy, as well as other violations of laws and the Bank’s regulations (2) Gifts as prescribed by the Policy.
- 1.3. **Corrupt Practices** – actions described in Clause 4 hereof.
- 1.4. **Corruption Risk** – the probability of engagement of the Bank/Bank Employee in Corrupt Practices.
- 1.5. **Gifts** – business gifts, representation expenses, including hospitality expenses.
- 1.6. **Policy** – this AO “ALFA-BANK” Anti-Corruption Policy.
- 1.7. **Bank Employee** – any individual who enters into labor relations with the Bank, as well as members of the Bank’s Board of Directors.
- 1.8. **Management** – members of the Bank’s Executive Board and Board of Directors.
- 1.9. **Third Party** – any individual or legal entity which the Bank/Bank Employee interacts with while performing activities/duties thereof (including but not limited to, counterparties, clients, business partners, agents, intermediaries, contractors and other parties, including state authorities/ municipal bodies and their officials).

2. GENERAL PROVISIONS

The Policy has been drafted based on the existing anti-corruption legislation of the Russian Federation with due account of the Bank’s Code of Corporate Ethics and the world’s best practices¹.

The Policy has been approved and enforced in the Bank to implement the “zero tolerance” to corruption principle, *i.e.*, the commitment to oppose any manifestations of corruption irrespective of associated circumstances.

The primary goals of the Policy are:

- mitigation of the Corruption Risk;
- setting forth the principles and rules of conduct in specific areas prone to high Corruption Risk;
- developing a uniform understanding by Bank Employees and Third Parties of the Bank’s approach to Corrupt Practices.

3. SCOPE

The Policy contains rules and regulations binding on the Bank and all Bank Employees irrespective of their position, duties and tenure.

The Bank seeks to ensure by using reasonable efforts that the Third Parties comply with the Policy’s principles.

4. CORRUPT PRACTICES

- 4.1. The Policy identifies the following actions as “Corrupt Practices”:
 - 4.1.1. provision of or the promise to provide any property and/or other benefit/preference as a way to solicit a decision in favor of the party providing such benefit/preference or a party associated with it;
 - 4.1.2. acceptance, the agreement to accept, or the request to provide property and/or other benefit/preference as a way to solicit a decision in favor of the party providing such benefit/preference or a party associated with it;
 - 4.1.3. illegal use of powers contrary to lawful interests of the Bank, society or the state for

¹ The U.S. Foreign Corrupt Practices Act 1977 and associated recommendations, as well as the UK Bribery Act dated 08.04.2010 and associated recommendations

- the purposes of receiving financial or other benefit/preference;
- 4.1.4. any other action violating the applicable anti-corruption laws.

4.2. In accordance with the Policy actions indicated in Clause 4.1 will qualify as “Corrupt Practices” if taken:

- 4.2.1. directly or indirectly;
- 4.2.2. individually or through third parties;
- 4.2.3. by any means, including facilitation of administrative, bureaucratic and other formalities and by securing competitive and other advantages;
- 4.2.4. in any form, including receipt/provision of money, valuables, other property and/or services and other property and/or non-property rights.

5. CORRUPT PRACTICES PREVENTION MEASURES

5.1. Engagement of the Bank’s Management (“tone at the top”)

The Bank’s Management directly participates in the promotion of corporate culture of opposing any forms and manifestations of corruption, and declares its zero tolerance to any forms and manifestations of corruption at all levels.

5.2. Risk assessment

For the purposes of Corrupt Practices prevention, the Bank makes assessment of the Corruption Risk on an annual basis. Criteria for the Corruption Risk assessment may be linked to activities in jurisdictions with a high level of corruption, absence of duly-implemented anti-corruption laws, etc., as well as execution of certain transactions and implementation of certain projects.

Based on such assessment, the Bank takes Corruption Risk mitigation measures.

5.3. Ensuring due diligence in the daily operations, including in the course of Third Parties’ onboarding

The Bank implements necessary procedures and takes appropriate measures aimed at prevention of Corrupt Practices, including prevention of conflict of interests, as it is defined by the Code of Corporate Ethics and other Bank’s internal regulations.

While performing their duties Bank Employees shall:

- abstain from committing and/or participating in Corrupt Practices to the benefit or on behalf of the Bank;
- abstain from behavior which could be interpreted as the readiness to commit and/or participate in Corrupt Practices to the benefit or on behalf of the Bank;
- inform the Bank Hotline about:
 - cases of inducement of Bank Employees to Corrupt Practices;
 - cases of a Bank Employee becoming aware about Corrupt Practices of other Bank Employees;
 - other violations of the principles and regulations laid down by the Policy, as well as other violations of laws and the Bank’s regulations;
 - Gifts in the manner prescribed by the Policy.

5.4. Familiarization with the Policy. Communication

5.4.1. The Bank undertakes reasonable efforts to inform about the requirements and restrictions imposed by the Policy, including:

- ensuring familiarization of all Bank Employees with the Policy when they enter into labor contracts, and signing by Bank Employees of the Policy compliance commitment;
- annual training of Bank Employees on anti-corruption measures;
- publication of the Policy in the public domain on the Bank’s official website (<https://alfabank.ru/about/>).

5.4.2. If Bank Employees become aware of a violation/ risk of violation of the Policy, they shall

contact the Bank Hotline immediately enclosing the description of the relevant violations.

5.4.3. If Third Parties become aware of a violation/ risk of violation of the Policy, the Bank encourages and urges Third Parties to send a message to the Bank Hotline enclosing a free-form description of the relevant violations.

5.4.4. The Bank ensures confidential processing of all reports (messages) to the Bank Hotline and guarantees, protection from negative consequences of such reports (messages) to all parties which provide information on violations in good faith.

5.5. Gifts

5.5.1. Bank Employees shall not offer, promise, present, provide, demand, ask for, accept any Gifts which:

- have a direct or indirect goal of selective influence on decisions affecting the continuation, expansion or optimization of the Bank's activities or securing any advantage or benefit for the Bank provided that in absence of the above, favorable outcome for the Bank would be unlikely;
- do not comply with provisions of the applicable laws and/or the Bank's internal documents;
- would create reputational or other risks for the Bank and/or Bank Employee if such Gifts were to be disclosed;
- are in the form of cash or non-cash funds, securities, precious metals or other types or equivalents of cash and/or luxury goods;
- could not be reasonably justified from the standpoint of subject matter, cost, and occasion for the respective Gift.

5.5.2. If a Bank Employee becomes aware of a performed / planned action of a Bank Employee or a Third Party, which has led/may lead to a breach of Cause 5.5.1 hereof (as the Bank Employee believes/has reasons to believe), such Bank Employee shall send to the Bank Hotline a signed scanned copy of a notice in the form of Appendix No. 1.

5.5.3. Any Bank Employee who receives / plans to receive a Gift from a Third Party, exceeding RUB 10,000 (as the Bank Employee believes / has reasons to believe) in value, or becomes aware of such Gift being received by another Bank Employee, shall send to the Bank Hotline a signed scanned copy of a notice in the form of Appendix No. 1.

5.5.4. The Bank maintains a register of Gifts received by Bank Employees, which includes description, name of recipient and giver, the approximate cost, and justification of the respective Gifts.

5.6. Charity and other financial aid, sponsorship

The Bank does not donate to charity or provide other financial aid, as well as engage in sponsorship, with an aim to influence, directly or indirectly, the decisions (which are essential for the continuation, expansion, or optimization of the Bank's activities) of public officials, representatives of non-governmental organizations or other parties, or if such aid could be reasonably interpreted as an attempt of such influence.

5.7. Participation in political activities, interaction with public officials

5.7.1. A Bank Employee has the right to participate in the political life of society, provided that he/she is off duty and acts in his/her personal capacity.

5.7.2. When interacting with public officials, representatives of non-governmental organizations, and politicians the Bank acts in accordance with the applicable anti-corruption laws.

5.7.3. The Bank abstains from funding any expenses of state officials or representatives of non-governmental organizations, as well as their close relatives, or in their favor, including receipt by such persons of financial and/or other benefits at the Bank's expense, with the direct or indirect aim of receiving any commercial and/or competitive advantages.

5.7.4. Bank Employees who held state or municipal service positions during a period of two years prior to their recruitment by the Bank shall declare that at the start of their employment with the Bank.

5.8. **Control and audit**

The Bank ensures monitoring of efficiency of the implemented anti-corruption procedures, as well as regular internal and external audits of compliance with the Policy.

6. **REVISION PROCEDURE**

The Policy may be revised by the Bank's Board of Directors as a result of audits, as well as in case of amendments to labor, anti-corruption laws, or changes in the Bank's approach to anti-corruption issues.

7. **RESPONSIBILITY**

Bank Employees shall be responsible for failure to comply with the Policy. Violations of the Policy may be construed as actions incompatible with the status of a Bank Employee and serve as grounds for disciplinary sanctions against the Bank Employee.

A violation of the Policy by Bank Employees may lead to them being held responsible (including criminal liability) for breach of anti-corruption laws of the Russian Federation, international law and applicable anti-corruption laws of foreign states.

The Compliance Department is the Bank's division responsible for corrupt practices prevention.

Appendix No. 1 to the Policy

DISCOVERY OF PRESENTATION / RECEIPT / PLANNED PRESENTATION / PLANNED RECEIPT OF A GIFT / REPRESENTATION EXPENSES / HOSPITALITY EXPENSES REPORTING FORM

I, [first name, middle name (patronymic) and last name], holding a position of [...], hereby report [presentation/receipt/planned presentation/planned receipt of a gift/representation expenses /hospitality expenses], in particular:

1. **Description of the gift/representation expenses /hospitality expenses:**
2. **Approximate cost:**
3. **Information about the giver:**
4. **Information about the recipient:**
5. **Date:**
6. **Place:**
7. **Justification for presentation/receipt of a gift/ representation expenses /hospitality expenses:**
8. **Other details:**

- I believe/have reasons to believe that the aforementioned action/ gift:
- 1. has a direct or indirect goal of selective influence on decisions affecting the continuation, expansion or optimization of the Bank's activities or securing advantage or benefit for the Bank provided that in absence of the above, favorable outcome for the Bank would be unlikely;
 - 2. does not comply with provisions of the applicable laws and/or the Bank's internal documents;
 - 3. would create reputational or other risks for the Bank and/or Bank Employee if it were to be disclosed;
 - 4. is in the form of cash or non-cash funds, securities, precious metals or other types or equivalents of cash and/or luxury goods;
 - 5. could not be reasonably justified from the standpoint of subject matter, cost, and occasion for the respective action/gift.
- I believe/have grounds to believe that the cost of the received/planned to be received gift/representation expenses /hospitality expenses exceeds RUB 10,000.

(date)

(signature)