



**SBERBANK**



**CODE OF ETHICS**  
**Sberbank CZ, a.s.**

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# Introduction

## Introduction and Scope

Financial markets are, to a great extent, based on market participants' confidence. Business activities of Sberbank CZ, a.s. (hereinafter referred to as: SBCZ) therefore should be characterised by fairness towards other market participants. Sberbank's business success ultimately depends on a solid, trusting relationship between clients, credit institutions and employees. SBCZ is deeply committed to the preservation of its and Group's reputation and integrity and to reduce compliance risk by complying with all laws, regulations and ethical standards applicable to our business.

**Each employee must ensure that he/she adheres to all applicable national and supranational law and internal regulations.**

This Code applies to all employees of SBCZ, including temporary employees and contractors.

## Sberbank CZ Compliance Arrangement

The Compliance department of SBCZ assists the Management Board in controlling compliance risks. SBCZ has to appoint Chief Compliance Officer who reports to the Management Board. Ultimate collective responsibility for Compliance in Sberbank Europe group rests with the Sberbank Europe AG (hereinafter: SBAG) Management Board. The Management Board of SBCZ has ultimate responsibility for Compliance in the Czech Republic.

## Applicable Regulations of Sberbank CZ

The Code of Conduct implements the relevant provisions of Act No. 21/1992 Sb., governing activities of banks and related Decree No. 163/2014 Sb., governing further details of activities of banks, Act No. 262/2006 Sb., labor code, Act No. 418/2011 Sb., governing criminal reliability of legal persons, Ethical Code of Czech Banking Association, Ethical Code of Czech Capital Market Association, CBA Code of conduct between banks and clients, group Code of Conduct as well as the EU directives and regulations.

Ethical Code of Czech Banking Association, Ethical Code of Czech Capital Market Association represent Appendices of this Code are binding for all employees.

## Authority and Registration

Activities of SBCZ are primarily regulated by Act No. 21/1992 Sb., governing activities of banks and Act No. 256/2004 Sb., on activities on capital market. SBCZ is subject to supervision of the Czech National Bank.

**The Management Board must ensure any new areas of business or products are covered by existing approvals or licences, or appropriate new ones are obtained before commencing new activities.**

### What does it mean for me as an employee?

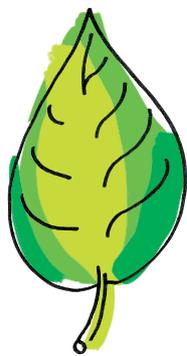
You should comply with any legal, regulatory and/or internal limitations on your authority to enter into any legally binding commitments on behalf of SBCZ. Amongst other, you should also understand the stipulated reporting lines and if applicable, supervisory responsibilities.

# Sberbank Business Principles

All SBCZ employees have a positive duty to know, understand and comply with Compliance guidelines and procedures. However, the most important rule employees should always have in the forefront of their mind: **never put the bank's or your integrity at risk, even if you think it would help our business, nor act in any way that might give the appearance to others that you may have acted in an improper manner.**

Our values are our guidance that helps us making right decisions in any situation.

## Sberbank CZ corporate values



I

AM A LEADER



WE

ARE A TEAM



ALL

FOR THE CUSTOMERS

### I am a Leader

- We take responsibility for our actions and for what is happening around us.
- We give our best effort.
- We continuously develop and improve ourselves, the bank and our environment.
- We are honest with each other and with our clients.

### We are a Team

- We gladly help each other, working to achieve a common goal.
- We are open and trust our colleagues.
- We respect each other.
- We help our colleagues grow and develop.

### All for the Customer

- All our activities are built around clients and are in their interests.
- We aim to surprise and delight clients with the quality of our services and attitude.
- We exceed client expectations.

# The Code of Conduct of Sberbank CZ

The Code of Conduct of Sberbank CZ contains both the Code of Corporate Ethics and the Compliance Code of Conduct and must be handled as one document (hereinafter referred to as the "Code").

## Code of Ethics

Sberbank Code of Corporate Ethics contains the standards of behaviour existing within the bank which are based on our mission and values, ensuring an honest and fair attitude to the members of our team, clients, partners, as well as compliance with laws and internal policies.

The Code will help you, as an employee, to promptly identify situations which contradict Sberbank's ethical principles. The Code will give you the information on what to do if you have doubts as to whether the behaviour is ethical or not.

Remember that daily work of each of you, your actions and decisions influence the attitude to the bank and its reputation.

## Compliance Code of Conduct

The Compliance Code of Conduct informs you about Sberbank's Compliance policies and procedures and the legal regulatory framework within which SBCZ is operating.

The Code specifies the rules on personal transactions (employee transactions), the passing on of information between departments, the provisions and measures against insider trading and market manipulation, the notification obligations of the relevant persons, the acceptance and granting of personal benefits as well as measures in connection with conflicts of interest.

## Who is Covered by the Code?

The Code applies for each employee of SBCZ: for all the bank's employees regardless of their position and the members of the Management and Supervisory Board from the time of joining Sberbank or accepting a Sberbank mandate.

We welcome and encourage partners, counterparties and clients of Sberbank CZ who follow the ethical standards adopted in the bank. If you involve third parties in working with Sberbank CZ, make sure that the partner has a reputation of integrity and shares the business principles set out in the Code.

## Comply With the Code – Take the Right Actions

In our work we must comply with all applicable local laws and regulations in addition to the Code. Compliance with the provisions of the Code is mandatory for all employees of Sberbank, it is an essential condition of our work. If local legislation and the Code contradict each other, please comply with the requirements of the local legislation.

### What does it mean for me as an employee?

We aim to work with clients, counterparties, partners and colleagues in an honest and open manner. No employee is allowed to use his or her position for his or her benefit, as well as dishonestly gain an advantage to himself or herself or to other parties

## Responsibilities

### Employees

As a general rule, do speak up. As an employee, you are responsible for alerting your manager, the local Compliance department or Internal Audit about actual or potential violations of laws, regulations and internal guidelines that come to your attention. You should refer to the whistleblowing procedure out-lined in the internal guideline on Compliance Risk Management. As an employee you are individually responsible for exercising good judgement and applying high ethical standards to your daily work. You act within both the letter and spirit of the laws and regulations that govern Sberbank CZ's day-to-day business.

### **AS AN EMPLOYEE, YOU NEED TO:**

Comply with the legal requirements. If you notice that any legal requirement is not fulfilled or if you are asked

to do something that, in your opinion, may cause a violation, tell your immediate superior about it or report it to your local Compliance Officer.

In addition:

- Act in a way that will not create a criminal liability of the bank according to the Act No. 418/2011 Sb., on criminal liability of the legal persons;
- Familiarise yourself with the provisions of the Code and follow them in your everyday work avoiding in- appropriate behaviour;
- Complete training courses on issues of the Code organised by the bank;
- Comply with and know the provisions of internal regulations relating to your work. Of course, you may not know the provisions of all the bank's regulatory documents by heart, but you must understand the principles outlined in a document and know which document to use for reference, if necessary;
- Treat colleagues with respect and provide assistance to new employees;
- Perform duties well and in due time, aim to find an optimal solution, be responsible for the result of your work;
- Admit your mistakes, report them to executives and colleagues in order to minimise possible negative outcomes;
- Assist the bank in investigating possible violations;
- Ask for help from your line manager or from your local Compliance department if you have questions regarding the application of the Code or doubts as to whether ethical principles are being followed. If you asked your immediate superior but the issue was not resolved, you will find a detailed description of other ways to report the problem set out further in the Code.

## Management Board ("Tone of the Top")

As member of the Management Board, you should ask yourself:

**As an Executive, do I create an atmosphere of trust among the staff in which any ethical issues can be discussed?**

The bank's Executives have additional responsibility for creating and maintaining the culture and behaviour in which employees know and understand their duties and feel unhindered to report their doubts and problems.

### EXECUTIVES OF ANY LEVEL SHALL:

- Give an example of following Sberbank's ethical principles;
- Explain the provisions of the Code to the subordinates and ensure that they understand and follow the principles set out in it. Moreover, emphasize is put on the fact that commercial and financial results cannot be more important than ethical behaviour and complying with the set Compliance minimum standards;
- Create an atmosphere of open communication among the employees, where every employee feels comfortable to bring up any issue for discussion;
- Not give employees orders which do not meet the requirements of the legislation, the Code or other principles of business ethics and integrity;
- Ensure active cooperation of subordinates with the bank's subdivisions regarding ethical and Compliance issues, provide assistance for employees who act in good faith bringing ethical questions up for discussion;
- Take immediate measures to eliminate any violation of the business principles, including ethical principles and Compliance minimum standards;
- Consider employees' compliance with the Code and their contribution to developing a culture of ethical correctness in the bank, when assessing them.

**Q:** What does the term "atmosphere of open communication" mean?

**A:** An atmosphere of open communication among the employees is an atmosphere of openness and sincerity in which employees are encouraged to discuss any ethical issues and executives consider their opinion. At the same time, the term does not mean that one may disclose internal, business, confidential, insider, personal and other classified information of the bank, its clients and third parties.

## B-1 Managers

B-1 Managers are responsible for the effective day-to-day supervision of their team members or for whom they are responsible. They should follow the principles outlined for the Management Board.

## Risk Management Functions

Independent control functions such as local representatives of Audit, Legal, Compliance department, Operational Risk Management, Credit Risk Management and Market Risk Management are responsible for assisting the Top Management in establishing an efficient and effective control environment as well as a disciplined business operation. These functions are not, and are not intended to be, a substitute for effective managerial supervision within individual businesses.

## The Three Lines of Defence

The measures and responsibilities of Compliance risks are organized around the Three Lines of Defence: Business Management, the Compliance Risk Management function and internal Audit. The Three Lines of Defence model distinguishes among functions that own and manage risks, functions that oversee risks and functions that provide independent assurance.

1. Business Management: the first line of defence develops and implements mitigation activities, including monitoring and reporting, for managing Compliance risks in business activities. Business line managers have primary responsibility for day-to-day risk management and bear the consequences of losses.
2. Compliance as a Risk Management function: the second line of defence partners with Legal department to identify relevant Compliance Risk related to legislation, regulations and standards. It translates the relevant legislation into compliance obligations and assists Management to identify its Compliance Risks. It works with other second line of defence functions to provide objective challenge and support, escalating matters when necessary to help optimise the trade-off between risk and reward.

3. Internal Audit: the third line of defence provides Top Management with independent, objective assurance on the overall effectiveness of the design and operation of internal controls (mitigation activities and tracking and monitoring activities performed by the first and second lines of defence).

## General Compliance Terms

### Money Laundering, Client Onboarding

By laundering money, criminals try to conceal the true nature, origin and ownership of the proceeds of their criminal activities and to disguise it in order to hide all traces of its criminal origin, e.g. by passing them through the legitimate banking and financial services system. If undertaken successfully, it allows criminals to maintain control over those proceeds providing them with a legitimate cover for the source of their income. SBCZ shall implement policies and procedures according to the Group Guideline Prevention of Money Laundering and Terrorism Financing.

### Fraud

Fraud is defined within SBCZ as the deliberate abuse of procedures, systems, assets, products and/or services in SBCZ by those who intend to deceitfully or unlawfully benefit themselves or others in and outside the organization. SBCZ has to appoint a local Anti-Fraud Officer, and implement the Group Regulation for Fraud Prevention.

### Sanctions

SBCZ must not knowingly structure transactions for its clients in a way that would result in the avoidance of sanction prohibitions or restrictions, or result in the concealment of (potential) sanction breaching activities. SBCZ must follow the Group Regulation for Sanctions. As an employee, always contact the Compliance department in case of any doubts regarding sanctions during your daily work.

## International Payments

All incoming and outgoing international payments have to be screened against all applicable lists. All transactions and related information (screening evidence) must be archived to secure full and sufficient audit trail.

Adequate control has to be in place at the points of all manual interventions to prevent that payment information is altered/deleted for the purpose of concealing information.

## Documentary Trade

SBCZ must ensure transparency in transaction structures. In the daily business SBCZ must prevent a possible use of transaction structures by preventing a filtering hit or otherwise circumvent sanctions systems, e.g. by not including the ultimate destination or the origin of the goods.

## Securities Compliance

Capital Market Compliance specifies the rules on "Chinese Wall structures", investment advice, personal transactions (employee transactions), the passing on of information within SBCZ, the provisions and measures against insider trading and market manipulation, the notification obligations of the relevant persons, the acceptance and granting of personal benefits as well as measures in connection with conflicts of interest.

Complaint management is described in the Complaints Management Guideline.

Rules regarding granting or acceptance of personal benefits as well as for preventing corruption is detailed in the Conflicts of Interest Guideline.



# Outsourcing

Regarding outsourced activities it has to be ensured that the Outsourcing Agreement is in place containing the minimum standards of SBCZ Outsourcing Regulation, the Service Level Agreement defining the service standards is drawn up with the service provider and the performance of the outsourced activities is continuously reviewed.

The Outsourcing Regulation stipulates all rules that have to be followed.



# Data Protection

The protection of natural persons in relation to the processing of personal data is a fundamental right. The right to the protection of personal data is not an absolute right; it must be considered in relation to its function in society and be balanced against other fundamental rights, in accordance with the principle of proportionality.

All applicable data protection laws and regulations shall be followed in addition and in accordance with other applicable local laws, EU directives and regulations.

In SBCZ the Data Protection Regulation lays down rules, roles and responsibilities relating to the rights and freedoms of natural persons and in particular their right to the protection of personal data with regards to processing.

## Information Security

**All employees of Sberbank keep all clients' and bank's information strictly confidential even after termination of the employment contract.**

All employees have to protect the privacy of our clients and ensure the confidentiality of our internal information sets. Within their job responsibilities, employees may have an access to non-public (confidential) information related to the Bank, their colleagues, customers, or counterparties. Be it in electronic format or contained in paper documents, information has become an important asset for every bank and therefore it must be properly protected.

Every employee is an information owner as he/she develops and processes pieces of information for the purposes of his/her professional activity. All employees must apply the "need-to-know" principle and control access to data and regularly review access permissions to allow use of and access to relevant data only where strictly necessary. It is strictly forbidden to send or carry out from the bank's premises, or anyhow misuse, data about clients, employees and bank's interests. The employees are hereby informed that SBCZ may take relevant measures to monitor, evaluate and block electronic messages of its employees. Also SBCZ is monitor the way an employee uses the internal bank's applications.

Every employee is responsible for the classification of information, on the basis of Sberbank CZ's internal guidelines and the necessity to protect the bank's reputation.

# Disputes Related to Ethics and Reports of Violations

If you are in any doubt about what to do in certain situations, Please ask yourself the following questions:

1.	Does this decision or action (inaction) comply with the law, the Ethics Code and other internal policies of the bank?	<b>YES</b>	<b>NO</b>	<b>ASK FOR ADVICE</b>
2.	Is this decision or action (inaction) logical and reasonable in terms of the bank's interests?	<b>YES</b>	<b>NO</b>	<b>ASK FOR ADVICE</b>
3.	Have the interests of all persons who may be affected by the decision, action or inaction been considered when making or taking it?	<b>YES</b>	<b>NO</b>	<b>ASK FOR ADVICE</b>
4.	Are you sure that this decision or action (inaction) will not have a negative impact on the bank's reputation?	<b>YES</b>	<b>NO</b>	<b>ASK FOR ADVICE</b>
5.	Will you be able to explain this decision or action (inaction) to colleagues and/or regulators and give reasons for it, including some time after making or taking it?	<b>YES</b>	<b>NO</b>	<b>ASK FOR ADVICE</b>

If you answered "No" to any of these questions, or if you are not sure that you have made the right choice, please discuss possible actions with your superior who will provide you with support.

If you consider that your superior is involved in illegal activities, please consult your local Compliance Officer.

Any employee who asks questions, or would like to have a consultation, or reports a violation in good faith, acts in compliance with the Code. The bank ensures that an employee will not be punished in any way reporting a violation in good faith.

All information received from an employee is verified confidentially and the identified violations are investigated in accordance with the procedures established by the bank. An employee has the right to remain anonymous when giving information in a verbal and/or written form.

If an employee was involved in activities which violate the Code but voluntarily admitted this, such actions will be taken into account by the bank when considering liability.

However, the employee who deliberately provided misleading, false information, could be subjected to measures under applicable law.

**It can sometimes be difficult to make the right choice, this is why we call on everybody to discuss ethical issues openly.**

## Violations to be Reported Immediately

The bank and its Top Management supports an atmosphere of trust among the staff so that they can discuss any ethical issues. However, there are violations which must be reported immediately:

- Offering or accepting a bribe or the promise to give it, or any other violations listed in Conflicts of Interest Guideline.
- Cases of fraud;
- Actions aimed at misreporting;
- Actions involving significant risks of damaging SBCZ reputation or actions which might cause legal risks to the bank such as the infringement of the rights of clients, employees and investors, operations involving the use of insider information, money laundering and financing terrorism;
- Unethical behaviour which causes actual or possible harm to an employee or the bank, under the condition that the information is provided only to prevent the harm or stop it.

The reporting of violations can be done via the BKMS<sup>®</sup> System (Business Keeper Monitoring system) or by addressing the local Compliance officer/Fraud officer.

**Q:** I think that my colleague's actions violate the Code and could damage the bank's reputation. The colleague gives an evasive response to my recommendations of following the principles and complying with the Code. I am going to report my suspicions anonymously via the BKMS<sup>®</sup> System. Can I do this?

**A:** Yes, you must report any incident or possible violations of the Code via the BKMS<sup>®</sup> System or by addressing the local Compliance officer/ Fraud officer: by phone or email. In case of an anonymous report a sufficient amount of information should be provided in order to verify the situation in due time.



# Compliance with Ethical Principles at the Workplace

As employees of Sberbank CZ, we treasure our reputation, we follow ethical principles and discharge the obligations we assumed at all times and under all circumstances. We treat our colleagues, clients, partners and any other persons with whom we come into contact with respect and good will. We bear the responsibility for the outcomes of our work and for the surrounding work environment.

## Customer Relationship

Clients are the foundation of our business. We work to provide our clients with a service based on honesty, transparency and fairness. The key condition for developing the bank's activities is developing our clients' business.

We always aim to meet the highest standards of service and provide services in a professional manner. We take an individual approach to everyone because it is important for us to gain the trust and confidence of our clients. Each employee of the bank fulfils promises given to clients and immediately responds to requests; bears personal responsibility for the results of work; admits the mistakes, learns from them and takes measures to perform his or her duties well; he/she also provides accurate information that is not misleading for clients and informs them on the possible risks.

Feedback from our clients is essential for our development and improvement. Working with enquiries, we immediately take measures to solve the problems quickly and prevent similar situations from happening in the future. We greatly appreciate feedback on our work and carefully review all comments, as this improves the quality of our products and services and helps to maintain client loyalty.

When working with our clients' information, we take all necessary measures to protect this information. Access to such data is provided only to a limited number of the bank's authorised employees if it is necessary for business operations.

## The Bank as an Employer

The employees of Sberbank CZ are our main competitive advantage, hence we strive to make the bank a desirable place of employment for people of various backgrounds.

The bank strictly abides by the labour law, aims to support a reasonable work-life balance of employees, and respects their commitments outside the remit of their work responsibilities. As we stand on the principles of fairness and meritocracy (where under employees advance primarily through capacity and dedication), we guarantee to our team members equal opportunities to develop their careers based on the assessment of their productivity and commitment as well as their personal aspirations.

In the course of such assessment, not only the personal performance, but also the adherence of our employees to our basic values shall be taken into account. These values are: "All for the client", "We are a team", "I am a leader".

We also foster our core competencies: strategic thinking, driving change, leadership, responsibility, collaboration/teamwork, flexibility, customer orientation and accuracy/quality.

At Sberbank CZ Executives and Managers give regular feedback to their subordinates, taking into account the aforementioned criteria. To improve the social well-being of our employees, we are continuously strengthening our system of corporate benefits. Continuous development is a mandatory precondition to our success, hence we are placing great significance on professional and personal development of our employees. The bank's aim is to provide a wide array of opportunities for training and development of professional, leadership and managerial competencies of its team members.

We encourage employees to work on their self-improvement and to strive towards high performance.

## Working Environment

We aim to create and maintain a working environment which allows each member of our team to unlock his or her potential. Our employees express their opinions openly, they are not afraid of talking about their problems. We admit our mistakes, learn from them and take action.

We appreciate working as a team where everyone's opinion will be taken into account. We respect the views of other people and share knowledge and resources to achieve brilliant results, ensure high quality of operations and support personal and collective growth. Members of our team treat each other as clients within the company – we are open and have confidence in each other.

Creating an atmosphere of understanding and trust, as well as maintaining the productivity of the working environment is our common duty. Obscene, vulgar, rude, cruel, discriminatory, aggressive or offensive words, gestures or behaviour are not allowed in our team. We appreciate diversity in the membership of our team. The bank strictly prohibits any form of discrimination, including those based on beliefs, age, gender and other characteristics.

## Occupational Safety and Health

We take care of the health and well-being of our team members, hence ensuring their safety and comfortable work environment, maintaining a healthy lifestyle are all our priorities.

SBCZ carries out work to evaluate the employees' work environment and take a range of steps to maintain security on a high level. That said, security in the workplace depends on the competencies of each employee as well as on the steps taken by the bank to ensure it. Even the most important and urgent business must be done with strict adherence to the security and safety rules.

We believe that a healthy lifestyle is the basis of a harmonious development of our employees. For us, sports are means of fostering team spirit and a positive attitude. Hence, the Sberbank CZ supports the efforts of employees to strengthen their own health and conduct a healthy lifestyle.

**As an employee, please pay attention to issues related to workplace and occupational safety. Participate in the relevant training courses organised by the bank.**



## Dress Code

All employees shall dress up comfortably yet professionally. Employees that are not dealing with clients on a daily basis are allowed to wear smart casual dress code on Fridays. More information about dress code can be found in internal guideline labour code.

## Protection of the Bank's Assets and Thrift

We firmly believe that all employees of SBCZ must act in good faith and not allow improper use or waste of the bank's property, business information, funds allocated for travel and hospitality expenses.

### What does it mean for me as an employee?

Always ask yourself these questions: Am I careful with the bank's resources? Do I avoid using the Bank's resources for personal purposes? Didn't I forget the rules of proper use of resources? Do I turn off the water supply, lighting and electrical equipment when appropriate?

First of all, our employees are guided by the bank's funds and cover costs as if we are using our own money.

In exceptional cases it is allowed to use the phone, fax machine, copy machine, computer, email or similar bank's equipment for personal purposes if it is not an abuse, does not hinder the performance of duties and does not involve illegal activity. We take care of the bank's property as if it were our own.

We maintain confidentiality of the information received in the course of our business activities and understand the difference between issues which can be discussed with colleagues only and information which can be shared with relatives and friends.

## Work with Close Relatives

Collaborative work between close relatives who are in the direct or functional subordination is prohibited, as well as in other cases of potential conflict of interest is permitted only by the decision of the Chief Compliance Officer.

It is, therefore, important to inform the local Compliance and HR department in case close relatives would work for Sberbank CZ in order to define any possible conflicts of interest with regards to their positions.

**Q:** Do I need to disclose that my relatives are working for the bank and I collaborate with them?

**A:** In most cases, work with close relatives is not prohibited. However, in order to minimise the risk of a conflict of interest, the bank adheres to the principle of limiting collaborative work between close relatives, and prohibits protectionism based on family relations.

## Outside Employment, Participation in Third Parties

**Q:** Am I allowed to hold a secondary occupation, besides my employment at Sberbank CZ?

**A:** An occupation outside of your business activity may be allowed under certain conditions, after you have followed the predefined procedure and obtained the necessary written permissions.

### THE FOLLOWING RULES SHOULD BE KEPT IN MIND:

- Only engage in outside business activities when you are free from performing your employment duties at the bank;
- You have to get prior permission from your superior. In a second step approval from the Compliance department is needed;
- Make sure that the other work does not affect your employment duties at the bank, and does not damage the image or the interests of the bank;

- Obey the rules of maintaining confidentiality of non-public information entrusted to you or learned in the process of performing your job duties, as established by the bank.
- In doubt, you can ask the local Compliance department.

All topics related to possible conflicts of interest, such as outside business activities or participation in third parties are covered by the provisions in Conflicts of Interest Guideline.

## Use of the Services of the Bank and Counterparties

Employees and members of their families are recommended to address the bank to get private financial services. Services granted to the employees should not damage the bank or discriminate against other clients.

Accordingly, employees of the bank should not use privileges granted by counterparties, if such privileges are not available to other employees of the bank under the same terms and conditions within corporate programmes.

Special conditions of granting services to employees as clients may only be applied within special programmes of development and motivation, approved by the management bodies of the bank.

**Q:** One of the bank's suppliers with whom I work on a day-to-day basis offered me a discount on their goods. May I use this discount?

**A:** You may use this discount only if a similar discount has been granted to all SBCZ employees. Otherwise, you should thank the supplier and refuse the offer politely.

## Risk Culture

Did I receive training in Risk Management related to my work?

Can I manage risks related to my work? Do I recognise my mistakes on time?

Do I review the planned decisions in relation to risks?

Do I understand the essence of the rules related to my work and do I follow not only in letter, but also their spirit?

We are continuously improving our Risk Management system, so that the bank can be run successfully in a constantly changing environment. Therefore, each employee should know about the Risk Management rules adopted in the bank and act according to the principles of risk culture. In particular, you should:

- Identify risks related to your activity, analyse them and assess them using available tools given the limits of tolerable risk established by the bank;
- Openly speak and report any situations related to risks even if it seems irrelevant to your job, because timely detection of potential problems and recognition of mistakes help to minimise possible negative outcomes;
- Aim for collaboration and follow the general objectives of the bank, including those formulated in its Strategy;
- Follow not only the letter, but also the spirit of the rules.

# Adherence to Ethical Business Practices

We categorically reject non-ethical practices of doing business in any form and require that all members of our team follow exactly both the law and the bank's guidelines.

## Fair Competition

When choosing partners for the provision of services, performance of works or delivery of goods, the bank follows the principles of equality, justice and non-discrimination. We collect and use information about partners and competitors only in a legitimate and ethical manner.

**Q:** Do I receive and use information about competitors and partners legitimately?

**A:** In relations with our partners and competitors, we act according to the standards of fair competition and best business practices. The bank complies with competition laws in all countries of doing business.

## Counteracting Corruption

**Q:** Is the gift or benefit proposed to me by a bank's partner acceptable or is it a concealed payment?

**A:** In its work, the bank adheres to the principle of not accepting corruption in any of its forms and manifestations (the "zero tolerance" principle) and is committed to promoting an anti-corruption culture in society.

Under no circumstances may SBCZ employees directly or indirectly, personally or via third persons, give, promise, ask for and receive bribes or make payments for the facilitation of administrative, bureaucratic, or other procedures in any form. The bank expects that its clients, counterparties and partners will observe their duties to counteract corruption.

Our common goal is to maintain the high business reputation of SBCZ, so each employee of the bank in their day-to-day work shall make a reasonable effort to minimise the risk of business relations with counterparties, which were or may be involved in corrupt activity.

**Q:** A partner of SBCZ proposed a service to me if I inform them of the parameters of the new products which the bank plans to launch in the near future. How should I react?

**A:** You should refuse this proposal and explain to the partner that the bank does not provide such information prior to its official announcement.

More information on the principles of corruption prevention and counteraction established by the bank is set out in the Conflicts of Interest Guideline and Anti-Bribery Policy.

# Information Disclosure

We want our clients, employees, partners, shareholders and investors to have full and balanced information on our activities. We aspire to be open and active in our communications. We protect confidential information about clients, other information protected by law, and other data which can influence our competitive advantage.

## Business Transparency

We ensure transparency of our actions, open interaction with all different stakeholders and the publication of accurate, reliable and timely information, both financial and non-financial.

When disclosing information, we are guided by the principles of regularity, consistency, efficiency, availability, authenticity, completeness and comparability of the disclosed data. Belonging to Sberbank of Russia, a publicly listed company, we fully comply with the requirements of the regulators and stock exchanges to disclose information, and publish additional information needed by our shareholders and all stakeholders in order to make investment or other decisions, creating a full and objective picture of the SBCZ business activities.

More information on the bank's standards and rules for information disclosure can be found in the SBCZ's internal guidelines.

## Public Communications

There are few people who represent the bank towards the public and the media. If a journalist asks you as an employee to comment on a question, you shall advise them to refer to the Communications department.

Authorised individuals, when communicating with media representatives, investors, and analysts, or when performing any other public communications, are responsible for adhering to the bank's requirements, applicable legislation, and for ensuring authenticity and integrity of the transferred information.

**Q:** I have recently been invited to the university I graduated from to talk about my working life. Can I talk about my work at SBCZ?

**A:** You may talk at any external events (conferences, forums, roundtables) about your work experience in the bank after approval from your immediate supervisor and the Communications department.

## Social Networking

Employees should remember that communication via social networks is public by nature. Employees are prohibited to spread or discuss on social media platforms information related to the bank's activity, including the use of logos, trademarks and branding of the bank without the bank's permission, place photos and videos not reflecting the actual situation and/or discrediting the business reputation of the bank.

**Q:** May I answer the questions and respond to the claims towards SBCZ received on social networks?

**A:** Remember that whenever you communicate on the official pages of the bank on social networks, you are perceived as a bank representative, and the information provided by you may be understood incorrectly. Answers to the questions and comments on the bank's official pages in social networks need therefore to be prepared by authorised employees of the bank (Communications department).

## Record Keeping – Retention Obligations

SBCZ has to take into consideration the local regulatory requirements and legislation related to the process of documents retention. Documents must be kept for a minimum of 5 years, or for a longer term in case regulation requires.

# Responsible Leadership

Sberbank Group is one of the largest global financial institutions. Our shareholders have thousands of employees, and several million clients in various countries worldwide. As a result, Sberbank and its network banks bear special responsibility for the manner in which their actions may influence the economic, social and ecological development of the regions of their presence and local communities.

## Participation in Social and Political Activities, Charity and Sponsorship

Good deeds are an integral part of our corporate culture. Therefore, SBCZ actively contributes to socially important projects related to sports, culture and art, science and education, charity and volunteer programmes. Sberbank CZ considers it its duty to help child welfare organisations, health in- institutions and non-profit organisations.

SBCZ does not participate in the activities of political and religious organisations and does not finance their activities. Employees participating in political, religious or other public activities in their leisure time should act only as individuals and not as bank representatives.

Campaigning in favour of any political party or candidate is prohibited on the bank's premises, and employees should not promote their religious views or beliefs.

Employees are prohibited to present gifts, donate to political parties or candidates or run entertainment events for political parties or candidates for political positions, acting on behalf of SBCZ.

## Relations with Government Authorities

SBCZ's relations with state authorities and local governments, bodies of bank regulation and bank supervision are based on the principles of compliance with the law, transparency and cooperation. Bank employees should be polite and professional, express only the official position of the bank and should not prevent authorities from conducting formal investigations, if any.

## Human Rights

SBCZ respects human rights and recognises their importance and universality. We fully support the fundamental principles established in the Universal Declaration of Human Rights, the Convention for the Protection of Human Rights and Fundamental Freedoms, Declarations and Conventions of the International Labour Organisation and other international documents in the field of human rights.

Our agreement with those principles is reflected in our policies and actions towards our colleagues, clients, partners and other parties with which we cooperate.

## Environmental Protection

We manage our ecological effectiveness – by carefully using our natural resources. We aim to reduce the usage of electric and thermal energy, water, paper and other resources. We also treat our waste carefully, take measures to sort it, recycle it and make it safe.

**Q:** Do I contribute to protection of the environment? Do I assess the environmental impact of the bank's investment projects?

**A:** SBCZ is proactive in relation to environmental protection. The bank's effort in environmental protection aims to consistently improve all the environmentally important aspects with strict adherence to the law and the limitations on negative impact on the environment.

# Final Provisions

We are confident that if all SBCZ employees closely follow the principles and norms of the Code it will increase the bank's work efficiency, strengthen its reputation, and promote the development of solid business relations with clients and partners.

It is impossible to describe the right behaviour in all situations which may occur during our work. As an employee, use your common sense and adopt a responsible attitude to the bank's reputation when you make any decisions.

For more detailed information on the rules of SBCZ described in the Code, please see the bank's internal guidelines aligned with the Code.

## Responsibility for the Violation of the Code

Remember that adhering to the provisions of the Code is taken into account during performance reviews. If there are legal grounds for this, disciplinary measures may be applied to employees who are not fulfilling their commitments, according to the procedure established in the labour legislation.

Moreover, non-compliance with legal requirements such as counteracting corruption, AML, preserving insider information and banking secrecy, can incur legal liability, including criminal liability.

## Amendments to the Code

The Code may be amended by the approval of a new edition in order to correspond to new legal requirements and ethical standards used in international practice. The new edition of the Code should be approved by the Management Board of the bank.

The Code is available on the SBCZ's intranet and corporate website: [www.sberbank.cz](http://www.sberbank.cz)

## Appendices

Ethical Code of Czech Banking Association

Ethical Code of Czech Capital Market Association



# Terms and Abbreviations

Abbreviation	Description
<b>SBCZ</b>	Sberbank CZ, a.s.; Holding as a legal entity
<b>SBEU</b>	'Sberbank Europe AG and all its subsidiaries'; Holding & legal entities
<b>EMPLOYEE</b>	All employees (regular, contracted, temporary) of the bank
<b>WHISTLEBLOWING LINE</b>	A special communication channel ( <a href="https://www.bkms-system.net/sberbank">https://www.bkms-system.net/sberbank</a> ) designated for anonymous reporting of fraudulent, illegal and unfair activities within the bank. Anyone (internal employee, client or any stakeholder) can use this channel to anonymously report any suspicious activity she/he faces in relation to the bank activities.
<b>DRESS CODE</b>	Set of rules that stipulates how an employee should be dressed when performing its duties for the bank.
<b>CONFIDENTIAL INFORMATION</b>	Information which is a commercial, banking or securities secret, personal data, and any other information which is not public, or information provided by an external source (e.g. bank client or any other third party) on conditions that this information would be kept in secret and used only for the purposes for which it was granted. Confidential information may exist in any form (written, spoken, electronic, etc.).
<b>CONFLICT OF INTEREST</b>	A direct or indirect clash between property and other interests of the bank and/or employees and/or one or more client(s) thereof which results in a situation when actions (omission) of one party may have an adverse effect on the other party.
<b>CLOSE RELATIVES</b>	Spouses, common law spouses, children, parents, adoptive parents, adopted children, foster parents, foster children, siblings, half-brothers and sisters, grandparents and grandchildren.
<b>ETHICAL CONFLICT</b>	A situation of moral choice, when following one value would require a breach of another one that is just as important.
<b>GIFT</b>	Any material or non-material item of value for which there is no liability to pay its usual price, including cash, securities, other property, benefits and services of a material nature (works, services, payment for entertainment, vacation, transport, loans, discounts, granting property for use, including residential spaces, donations, charity and so on), granted or given in relation to the work in the bank.
<b>INSIDER INFORMATION</b>	Insider information shall mean specific information which was not distributed or provided (including data constituting a trade, official or banking secret, a communication secret, e.g. with regard to money mail order information, and other legally protected secrets) and which, if distributed or provided, may have a significant impact on prices for financial instruments, foreign currency and/or commodities.
<b>INTERNAL GUIDELINES</b>	For the purposes of the Code, internal guidelines shall mean any internal documents (including policies, regulations, working instructions etc.) of Sberbank CZ.
<b>MARKET MANIPULATION</b>	Actions taken in order to create the illusion of an increase and/or decrease in prices and/or trading activity on the securities market compared to the actual price level and/or actual trading activity on the securities market, in order to manipulate market participants to sell or buy publicly placed and/or floating securities.
<b>RISK CULTURE</b>	A set of knowledge and principles of behaviour in the risk management sphere, shared and used by all bank employees for timely identification, analysis, information and reaction to existing and future risks.
<b>THE CODE</b>	Contains both the Code of Corporate Ethics and the Compliance Code of Conduct and must be handled as one document.



