

## Anticorruption

MKB regularly takes measures aimed against corruption. Anticorruption activities form an integral component of the compliance control system.

Key documents governing the anticorruption actions in the Bank:

- Anticorruption Policy of CREDIT BANK OF MOSCOW
- Code of Corporate Ethics of CREDIT BANK OF MOSCOW
- Regulation on the Hotline of the Audit and Risk Committee of the Supervisory Board of CREDIT BANK OF MOSCOW

The compliance environment is an integral part of the MKB internal governance control system and corporate culture, which helps create conditions for fair and transparent business in the Bank.

Within the frame of its compliance procedures, the Bank implements the necessary measures and procedures; thus, the Bank:

- 1 • Identifies areas, activities and business processes in the Bank with a high level of corruption risks
- 2 • Participates in development of the general anti-corruption methodology, and renders consultancy support
- 3 • Initiates and participates in official anti-corruption audits and investigations, and engages employees of other Bank divisions, if necessary
- 4 • Prepares learning materials on countering corruption
- 5 • Develops recommendations on the elimination of causes and conditions of corrupt practices among Bank employees for presentation to the Bank management
- 6 • Monitors and controls compliance with the anti-corruption standards and procedures
- 7 • Accepts queries from Bank employees in case they have any doubts as to the rightfulness or conformity of their actions, inaction, or offers of other employees, counterparties, or other persons interacting with the Bank to the goals, principles and requirements of the Anti-Corruption Policy, as well as queries from individuals and legal entities

The main goals of the anticorruption system in the Bank:

- To identify, prevent, and minimize cases of illegal, unethical, corruption conduct of the Bank's employees
- To identify, prevent, and minimize cases of involvement of the Bank as a financial institution in the corruption schemes

The main objectives of the anticorruption system in the Bank:

- To establish the principles and rules of countering corruption in the Bank
- To create efficient mechanisms, procedures, control, and other activities aimed at countering corruption and mitigating the risk of involvement of the Bank and its employees in corrupt practices
- To build the culture of ethical conduct and zero tolerance to all demonstrations of corrupt practices, including the uniform standard of anticorruption conduct among the Bank's employees
- To integrate anticorruption principles into the strategic and operational governance at all operating levels of the Bank
- To ensure liability measures for corruption offenses
- To inform the management bodies of the Bank and competent government bodies of the corruption offenses and measures taken to counter corruption

For the purpose of protecting interests of shareholders, customers, creditors, investors, and society at large as well as supporting stability of the Russian and international financial markets, the Bank's employees shall adhere in their work to high ethical norms and professional standards, comply with requirements of internal regulations, Bank of Russia regulations, and other legal regulations in accordance with the legislation of the Russian Federation and international anticorruption legal acts.

Regardless of their position, the Bank's employees shall be personally liable for compliance with the anticorruption principles and for actions (omission) of their subordinates who violate these principles and requirements.

**The anticorruption activity of the Bank is based on the following main principles:**

-  Personal example of management
-  Involvement of the Bank's employees
-  Liability and inevitability of punishment
-  Business openness
-  Adequacy of anticorruption procedures for the corruption risk
-  Continuous control and regular monitoring of corruption risks
-  Due circumspection

## Compliance Control

The Bank takes an active position in the development of compliance control functions and in this regard takes a number of measures under the supervision of senior management to optimize and develop the compliance system:

- It regularly validates the internal control system through audits (internal and external, including control and inspection activities of the Bank of Russia).
- It develops internal regulatory documents in all areas of compliance control, which define the goals, objectives, and processes of regulatory (compliance) risk management, and updates them on a regular basis.
- It improves the standards and principles of compliance with due regard to the international experience and with a focus on the international and industry-specific standards.
- It contributes to the creation of an effective system of identification, registration, and management of compliance risks on the basis of Russian and international requirements and standards.
- It implements automated compliance control systems.
- It holds compliance training for employees.

The Bank has a collective body under the Supervisory Board of the Bank, which is intended to prevent conflicts of interests and misconduct and to manage operational and regulatory (compliance) risks—that is **the Audit and Risk Committee of the Supervisory Board of the Bank**.