



## REPORT ON COMPLIANCE WITH THE PRINCIPLES AND RECOMMENDATIONS OF THE CODE OF CORPORATE GOVERNANCE

This Report on compliance with the principles and recommendations of the Code of Corporate Governance was reviewed by the Supervisory Board of Sberbank (the "Company", "Sberbank") at the meeting held on April 16, 2019, Minutes No.11.

The Supervisory Board confirms that the data contained in this Report represent the complete and credible information on Sberbank compliance with the principles and recommendations of the code of Corporate Governance (the "Code") in 2018.

No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
<b>1.1</b>	<b>The company shall provide for equal and fair treatment of all shareholders when they exercise their right to participate in the company's management.</b>			
1.1.1	The Company creates maximally favorable conditions for shareholder participation in the General Meeting and conditions for working out a well-founded position on General Meeting agenda items and coordinating their activities as well as the opportunity to express their views on the issues under consideration.	1. There exists a publicly available internal document of the company approved by the General Shareholders' Meeting and regulating the procedures for holding the General Meeting. 2. The Company provides an accessible way to communicate with the company, such as a hot line, e-mail, or forum on the Internet that allows shareholders to express their opinions and send in questions regarding the agenda during the preparation process for holding the General Meeting. The said steps were taken by the company before each General Meeting held in the reporting period.	Complied with	
1.1.2	The procedure for notification of the holding of the General Meeting and for the provision of materials for the General Meeting gives shareholders the opportunity to properly prepare for their participation in it.	1. Notification on the holding of a General Shareholders' Meeting is posted (published) on the website no later than 30 days before the date of the General Meeting. 2. Notification on the holding of the Meeting specifies the location of the meeting and the documents required for admission to the building. 3. Shareholders were provided access to information about who proposed agenda items and who proposed nominees to the Board of Directors and Audit Commission of the company.	Complied with	
1.1.3	During the course of preparation and the actual General Meeting, shareholders were able to receive information about the meeting and its related materials freely and in a timely manner, ask questions of the executive bodies and members of the Board of Directors of the company, and communicate with each other.	1. During the reporting period, shareholders were given the opportunity to ask questions to members of the executive bodies and to members of the Board of Directors of the company before and during the Annual General Meeting. 2. The positions of the Board of Directors (including special opinions included in the Minutes) on each item of the agenda of the General Meetings conducted during previous reporting periods was included in the materials for the General Shareholders' Meeting. 3. The Company provided the duly entitled shareholders with access to the list of people entitled to participate in the General Meeting starting from the date of its receipt by the company for every General Meeting held in the reporting period.	Complied with	
1.1.4	The exercise of a shareholder's right to demand convocation of the General Meeting, to nominate candidates to the governing bodies, and to submit proposals to be included in the agenda of the General Meeting did not involve undue difficulties.	1. During the reporting period, shareholders had the opportunity for at least 60 days following the end of the respective calendar year to submit proposals to be included in the agenda of the Annual General Meeting. 2. During the reporting period, the company did not reject any proposals for the agenda or candidates for the company's governing bodies due to typographical errors or other nonessential flaws present in the shareholder's proposal.	Complied with	



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
1.1.5	Each shareholder had the opportunity to freely exercise their right to vote using the easiest and most convenient means.	1. The internal document (internal policy) of the company contains provisions pursuant to which each participant of the General Meeting is entitled, before the completion of the meeting in question, to request a copy of their completed ballot certified by the Tally Commission.	Complied with	1. Since the annual General Meeting of Shareholders held at the end of 2014, the Bank provides its shareholders with the opportunity to participate in the meeting remotely. In particular, due to the increasingly active implementation of electronic voting, the number of participants in the 2018 meeting (compared to 2017) increased by more than 25%.
1.1.6	The General Meeting procedure established by the company provides equal opportunity for all people attending the meeting to express their opinions and ask any questions they want.	1. During the General Shareholders' Meetings held in the reporting period in the form of a meeting (collective attendance of shareholders), there was sufficient time provided for reports concerning the agenda issues and time to discuss such issues. 2. Candidates for the Company's governance and control bodies were available to answer questions asked by shareholders at the meeting where their nominations were voted upon. 3. The Board of Directors, when making decisions related to the preparation and holding of General Shareholders' Meetings, considered the use of telecommunications facilities to provide shareholders remote access for participation in General Meetings during the reporting period.	Complied with	
<b>1.2</b>	<b>Shareholders were given an equal and fair opportunity to participate in the company's profits by receiving dividends.</b>			
1.2.1	The Company has developed and implemented a transparent and clear mechanism for determining the amount of dividends and paying them.	1. The Bank's dividend policy has been developed, approved by the Board of Directors, and disclosed. 2. If the dividend policy of the company uses indicators from the company's reporting to determine the amount of dividends, the relevant dividend policy provisions shall take the indicators of consolidated financial statements into account.	Complied with	
1.2.2	The company shall not make a decision on the payment of dividends if such a decision, without constituting a formal violation of the restrictions imposed by law, is economically unreasonable and may lead to the formation of misconceptions about the company's activities.	1. The company's dividend policy provides clear guidance on the financial/ economic circumstances where the company should not pay dividends.	Partially complied with	The dividend policy does not provide clear guidance as to under which circumstances the Bank should not pay dividends, however, it provides a list of internal and external conditions that should be analyzed by the Bank when deciding on dividend payments (or non-payments): <ul style="list-style-type: none"> <li>· availability and amount of net profit of the Group;</li> <li>· the Bank's needs in capital;</li> <li>· achievement and maintaining at the middle-term perspective of the target level of adequacy of the Tier I capital of the Sberbank Group (Basel III);</li> <li>· state of the business environment;</li> <li>· other internal and external changes that have (or potentially may have) a significant negative impact on the operating activities of the Bank;</li> <li>· force majeure circumstances, including natural disasters, wars;</li> <li>· maintenance of the balance of interests of the Bank and its shareholders.</li> </ul> In practice, the Bank's operations are profitable and the Bank follows the policy of regular dividend payments on shares. From the moment Sberbank went public (in 1991) dividends were paid to the shareholders annually: in 1991-1993, 1996-2017 – in cash, in 1994 and 1995 – by capitalization of the dividends payable to new shares. Taking into account the profitable operations of the Bank and the Bank's adherence to the unconditional exercise of the shareholder's right to fair participation in its profit, the Bank's intention to increase (gradually during the next three years) the share of the dividend payments from 25% to 50% of the net profit of the Sberbank Group (subject to the limitation above) until the termination of the Dividend Policy (December 2020) the approach to compliance with this criterion will not be revised.



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
1.2.3	The company does not allow the deterioration of dividend rights for existing shareholders.	1. During the reporting period, the company did not take any action leading to the deterioration of the dividend rights of existing shareholders.	Complied with	
1.2.4	The company is committed to excluding shareholders' use of other ways to make profit (income) at the expense of the company besides dividends and disposal value.	1. To exclude shareholders' use of other ways to earn profit (income) at the expense of the company besides dividends and disposal value, the company's internal documents establish control mechanisms that ensure the timely identification and procedure for the approval of transactions with persons affiliated (associated) with substantial shareholders (persons entitled to dispose of votes from voting shares) in cases where the law does not formally recognize such transactions as related-party transactions.	Complied with	
<b>1.3</b>	<b>The corporate governance system and its practices ensure equal conditions for all shareholders holding shares of one category (type), including minority (small) shareholders and foreign shareholders, as well as their equal treatment by the company.</b>			
1.3.1	The company has created conditions for the fair treatment of each shareholder by the company's governing and control bodies, including conditions that ensure the inadmissibility of major shareholder abuses in relation to minority shareholders.	1. During the reporting period, the procedures for managing potential conflicts of substantial shareholders' interests were effective, and conflicts between shareholders, if there were any, were given due attention by the Board of Directors.	Complied with	
1.3.2	The company takes no actions that lead or may lead to an artificial redistribution of corporate control.	1. Quasitresury shares are absent or did not vote during the reporting period.	Complied with	
<b>1.4</b>	<b>Shareholders are provided with reliable and effective methods of accounting for rights to shares as well as with the possibility for free and unhindered disposal of the shares they hold.</b>			
1.4.1	Shareholders are provided with reliable and effective methods of accounting for rights to shares as well as with the possibility for free and unhindered disposal of the shares they hold.	1. The quality and reliability of the company's registrar activities for maintaining the register of securities holders meet the needs of the company and its shareholders.	Complied with	
<b>2.1</b>	<b>The Board of Directors carries out the company's strategic management, defines the basic principles and approaches to the company's risk management and internal control system, controls the operations of executive bodies, and also exercises other key functions.</b>			
2.1.1	The Board of Directors is responsible for making decisions related to the appointment to and release from executive body offices, inter alia, due to a failure of members of such bodies to perform their duties properly. The Board of Directors also supervises to ensure that the company's executive bodies act in accordance with the approved development strategy and main lines of the company's activity.	1. The Board of Directors has statutory powers to appoint to and release from office and also to define the contract terms for executive body members. 2. The Board of Directors has reviewed the report(s) of the sole executive body and the members of the collegial executive body on the company's implementation of strategy.	Partially complied with	1. At the time of preparation of this report, the principle is partially complied with. Regarding the appointment and dismissal of the members of the collegial executive body (the Executive Board), the principle is fully complied with. The election of the sole executive body (CEO, Chairman of the Executive Board of the Bank) is still referred to the competence of the General Shareholders' Meeting. Relevant changes to the Bank's Charter are prepared in order to transfer the authority to appoint (dismiss) the CEO, Chairman of the Executive Board of the Bank from the competence of the General Shareholders' Meeting to the competence of the Supervisory Board. These changes will be submitted for the approval of the annual General Shareholders' Meeting in 2019. 2. is complied with.



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
2.1.2	The Board of Directors establishes the basic guidelines of the company's activities in the long term, evaluates and approves the key performance indicators and core business objectives of the company, and evaluates and approves the strategy and business plans for the company's core activities.	1. During the reporting period, the Board of Directors meetings discussed issues related to progress in the implementation and actualization of the strategy, the approval of the financial and economic plan (budget) of the company, and the consideration of criteria and indicators (including the interim ones) of the company's strategy and implementation of its business plan.	Partially complied with	In general, the principle 2.1.2 is complied with by Sberbank with respect to all applicable criteria. However, the approval of the business plan and budget and the monitoring of their implementation fall within the Executive Board's competence. Such segregation of duties has formed historically, as Sberbank is a multidivisional credit organization and the general business plan and budget of the Bank is formed by means of consolidation of business plans and budgets of the Banks' divisions (operating activities) that undergo an obligatory procedure of presentation and defense at the Executive Board of the Bank. The Executive Board also follows up the execution of the business plan and budget, including within regular reports of the heads of the Bank's divisions. This function is stipulated for the Executive Board in the internal document of the Bank – the Regulation on the Supervisory Board approved by the shareholders at the annual General Meeting in 2014. The Supervisory Board, in its turn, is regularly provided with the information on interim indicators of implementation of the Bank's Strategy, business plan and budget for the purpose of control of the implementation.
2.1.3	The Board of Directors determines the principles of and approaches to the organization of the risk management and internal control system of the company.	1. The Board of Directors has determined the principles of and approaches to the organization of the risk management and internal control system of the company. 2. The Board of Directors has assessed the risk management and internal control system of the company during the reporting period.	Complied with	
2.1.4	The Board of Directors determines the company's policy on the remuneration and/or reimbursement of expenditures (compensations) for the members of the Board of Directors, executive bodies, and other key executives of the company.	1. The company has developed and implemented a policy (policies) on the remuneration and/or reimbursement of expenditures (compensations) for members of the Board of Directors, executive bodies, and other key executives of the company approved by the Board of Directors. 2. Issues related to such policy (policies) were examined during the reporting period at the Board of Directors meetings.	Complied with	
2.1.5	The Board of Directors plays a key role in the prevention, detection, and resolution of internal conflicts between the company's bodies, the company's shareholders, and the company's employees.	1. The Board of Directors plays a key role in the prevention, detection, and resolution of internal conflicts. 2. The company has created a system for identifying transactions associated with conflicts of interests and a system of measures aimed at resolving such conflicts.	Complied with	
2.1.6	The Board of Directors plays a key role in ensuring the transparency of the company, the timeliness and completeness of the company's disclosure of information, and unhindered shareholder access to the company's documents.	1. The Board of Directors has approved the Regulation on Information Policy.	Complied with	Every year the Board of Directors reviews the status of the implementation of the information policy, and as a result (among others) the necessary changes to the provision are introduced.
2.1.7	The Board of Directors oversees the company's corporate governance practice and plays a key role in the company's significant corporate events.	1. During the reporting period, the Board of Directors examined the issue of corporate governance practices in the company and approved the main directions for improvement of the corporate governance system for the upcoming year.	Complied with	
<b>2.2</b>	<b>The Board of Directors is accountable to the company's shareholders.</b>			
2.2.1	Information about the operations of the Board of Directors is disclosed and submitted to shareholders.	1. The company's annual report for the reporting period includes information on the attendance of Board and Committee meetings by individual directors. 2. The "Shareholders and Investors" section of the corporate website contains current information on the activities of the Supervisory Board in the "Corporate Governance" tab.	Complied with	
2.2.2	The Chairman of the Board of Directors is available for communication with the company's shareholders.	1. The company has a transparent procedure that enables shareholders to submit questions to the Chairman of the Board of Directors and their own position regarding such questions.	Complied with	



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
<b>2.3 The Board of Directors is an effective and professional management body of the company capable of making objective independent judgments and decisions in the interest of the company and its shareholders.</b>				
2.3.1	Only persons who have an excellent business and personal reputation as well as the knowledge, skills, and experience required to make decisions within the competence of the Board of Directors and required for the effective performance of its functions shall be elected as Board of Directors members.	<ol style="list-style-type: none"> <li>The procedure for assessing the Board of Director's performance adopted by the company includes, inter alia, the assessment of the professional qualifications of Board of Directors members.</li> <li>During the reporting period, the Board of Directors (or its Nomination Committee) assessed candidates for the Board of Directors from the perspective of whether or not they have sufficient experience, knowledge, business reputation, no conflicts of interest, etc.</li> </ol>	Complied with	
2.3.2	The members of the Board of Directors are elected using a transparent procedure that allows shareholders to receive candidate-related information sufficient to provide insight into their personal and professional qualities.	1. In all cases of holding the General Shareholders' Meeting in the reporting period where the agenda included the issue of elections to the Board of Directors, the company submitted to shareholders biographical data on all candidates for the position, results of the assessment of candidates conducted by the Board of Directors (or the Nomination Committee), and information on a candidate's adherence to the criteria of independence in accordance with recommendations 102-107 of the Code, and the written consent of the candidates for election to the Board of Directors.	Complied with	
2.3.3	The composition of the Board of Directors is balanced, inter alia, in terms of the qualifications of its members and their experience, knowledge, and business qualities and enjoys the trust of shareholders.	1. Within the framework of the procedure for the Board of Directors performance assessment held in the reporting period, the Board of Directors has analyzed its own needs related to professional qualifications, experience, and business skills.	Complied with	
2.3.4	The number of members of the Board of Directors makes it possible to organize the activities of the Board of Directors in the most efficient manner, including the possibility of the formation of Board committees; it also enables a substantial minority of shareholders of the company to elect the candidate they vote for to the Board of Directors.	1. Within the framework of the procedure for the assessment of the Board of Directors held during the reporting period, the Board of Directors has examined the issue concerning whether the number of members of the Board of Directors meets the company's needs and shareholder interests.	Complied with	
<b>2.4 The membership of the Board of Directors includes an adequate number of independent directors.</b>				
2.4.1	An independent director is a person possessing enough professionalism, experience, and independence to form their own opinion and who is able to express unbiased and scrupulous judgments that do not depend on the influence of executive bodies of the company, particular groups of shareholders, or other stakeholders. In addition, it should be noted that a candidate (selected to be a member of the Board of Directors) normally cannot be considered independent if they are associated with the company or a major shareholder, contractor, or competitor thereof or is associated with the state.	1. During the reporting period, all independent members of the Board of Directors met all independence criteria set forth in recommendations 102-107 of the Code or were recognized as independent upon the decision of the Board of Directors.	Complied with	
2.4.2	An assessment of whether the candidates to the Board of Directors comply with independence criteria is carried out, and the regular analysis of whether independent members of the Board of Directors comply with the independence criteria is carried out. When carrying out this assessment, substance shall take precedence over form.	<ol style="list-style-type: none"> <li>During the reporting period, the Board of Directors (or the Nomination Committee of the Board of Directors) has formed an opinion on the independence of each candidate to the Board of Directors and has provided shareholders with a report to that effect.</li> <li>During the reporting period, the Board of Directors (or the Nomination Committee of the Board of Directors) has considered the independence of existing members of the Board of Directors whom the company states in the annual report as independent directors at least once.</li> <li>The company has developed procedures determining what a member of the Board of Directors must do if they cease to be independent, including the obligation to promptly report the fact to the Board of Directors.</li> </ol>	Complied with	



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
2.4.3	Independent directors shall make up not less than one-third of the elected membership of the Board of Directors.	1. Independent directors shall make up not less than one-third of the membership of the Board of Directors.	Complied with	
2.4.4	Independent directors play a key role in preventing internal conflicts in the company and carrying out some of the company's significant corporate actions.	1. Independent directors (who have no conflicts of interest) preevaluate significant corporate actions related to possible conflict of interests and provide the Board of Directors with the results of this evaluation.	Complied with	
<b>2.5</b>	<b>The Chairman of the Board of Directors shall facilitate the most effective fulfillment of the functions entrusted to the Board of Directors.</b>			
2.5.1	The Chairman of the Board of Directors shall be an independent director, or a senior independent director shall be determined from among the selected independent directors who coordinates the work of the independent directors and cooperates with the Chairman of the Board of Directors.	1. The Chairman of the Board of Directors is an independent director, or a senior independent director has been determined from among the independent directors <sup>3</sup> . 2. The role, rights, and liabilities of the Chairman of the Board of Directors (and the senior independent director, if applicable) are appropriately defined in the internal documents of the company.	Complied with	<sup>3</sup> The Chairman of the Supervisory Board is a Nonexecutive Director (a representative of the majority shareholder). The position of senior independent director has been introduced to strengthen the role of independent directors and coordinate their interaction in the development of a consolidated opinion when necessary as well as to assist the Chairman of the Supervisory Board. The role, rights and obligations of the Chairman of the Supervisory Board and the Senior Independent Director are appropriately defined by the Regulations on the Supervisory Board of Sberbank.
2.5.2	The Chairman of the Board of Directors maintains a constructive atmosphere during meetings, ensures the free discussion of issues on the agenda, and supervises the execution of resolutions adopted by the Board of Directors.	1. The effectiveness of the Chairman of the Board of Directors has been evaluated within the procedure of evaluation for the Chairman of the Board's effectiveness in the reporting period.	Complied with	
2.5.3	The Chairman of the Board of Directors takes the necessary measures to provide the members of the Board of Directors in a timely manner with the necessary information to adopt decisions on Agenda items.	1. The internal documents of the company establish the obligation of the Chairman of the Board of Directors to take measures to provide the members of the Board of Directors in a timely manner with materials on the Agenda items of the Meeting of the Board of Directors.	Complied with	
<b>2.6</b>	<b>The members of the Board of Directors shall reasonably, in good faith, and with due care and discretion perform their duties in the interests of the Company.</b>			
2.6.1	The members of the Board of Directors shall make decisions taking into account all information, having no conflict of interests, and demonstrating equal treatment toward shareholders of the company within the framework of usual business risks.	1. The internal documents of the company establish that members of the Board of Directors are obligated to notify the Board of Directors if they have a conflict of interest regarding any item on the agenda of the meeting of the Board of Directors or the committee of the Board of Directors before starting discussion on the relevant agenda issue. 2. The internal documents of the company stipulate that members of the Board of Directors shall abstain from voting on any issue where there is a conflict of interest. 3. The company has established a procedure allowing the Board of Directors to obtain professional advice on issues related to its competence at the expense of the company.	Complied with	
2.6.2	The internal documents of the company establish and clearly set forth the rights and obligations of the members of the Board of Directors.	1. The company has adopted and released an internal document that clearly defines the rights and obligations of the members of the Board of Directors.	Complied with	



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
2.6.3	The members of the Board of Directors have enough time to fulfill their obligations.	<ol style="list-style-type: none"> <li>Individual attendance at the meetings of the Board and committees and the time allocated for the preparation of attendance at the meetings have been taken into account as part of the procedure of evaluation for the Board of Directors in the reporting period.</li> <li>In accordance with the internal documents of the company, members of the Board of Directors are obligated to notify the Board of Directors of their intention to be a member of the management bodies of other entities (besides subsidiaries and dependent entities of the company) and of the fact of such an appointment.</li> </ol>	Complied with	
2.6.4	All members of the Board of Directors have equal opportunities to access the documents and information of the company. Newly elected members of the Board of Directors are provided with sufficient information about the company and the activities of the Board of Directors within the shortest time possible.	<ol style="list-style-type: none"> <li>In accordance with the internal documents of the company, members of the Board of Directors have the right to obtain access to documents and to make a request concerning the company and its subsidiaries; the executive bodies of the company are obligated to provide the relevant information and documents.</li> <li>The company has a formal program of informational meetings for newly elected members of the Board of Directors.</li> </ol>	Complied with	
<b>2.7</b>	<b>The Meeting of the Board of Directors, the preparation for it, and the participation of the members of the Board of Directors in it shall ensure the effective operation of the Board of Directors.</b>			
2.7.1	Meetings of the Board of Directors are held as required, taking into account the scale of activities and challenges the company faces at the time.	<ol style="list-style-type: none"> <li>The Board of Directors held at least six meetings in the reporting year.</li> </ol>	Complied with	
2.7.2	The internal documents of the company establish the procedure for preparing and conducting meetings of the Board of Directors and provide for the opportunity of members of the Board of Directors to properly prepare for them.	<ol style="list-style-type: none"> <li>The company has approved an internal document defining the procedure for preparing and conducting meetings of the Board of Directors, which also establishes that notice of the meeting shall be given no less than 5 days before the date of the meeting.</li> </ol>	Complied with	
2.7.3	The form of the meeting of the Board of Directors is determined based on the importance of the agenda items. The most important issues are solved at meetings held by personal attendance.	<ol style="list-style-type: none"> <li>The Charter or internal documents of the company stipulate that the most important issues (according to the list provided in recommendation 168 of the Code) shall be considered at Board meetings held by personal attendance.</li> </ol>	Complied with	
2.7.4	Resolutions on the most important issues of the company's activities are adopted at a meeting of the Board of Directors by a qualified majority or a majority of votes of all elected members of the Board of Directors.	<ol style="list-style-type: none"> <li>The Charter of the company stipulates that resolutions on the most important issues stated in recommendation 170 of the Code shall be adopted at a meeting of the Board of Directors by a qualified majority (no less than three-quarters of the votes) or a majority of votes of all elected members of the Board of Directors.</li> </ol>	Complied with	
<b>2.8</b>	<b>The Board of Directors shall establish committees for preliminary consideration of the most important issues of the company's activities.</b>			
2.8.1	An Audit Committee consisting of independent directors has been created for the preliminary consideration of issues related to supervision of the financial and economic activities of the company.	<ol style="list-style-type: none"> <li>The Board of Directors has established an Audit Committee consisting solely of independent directors.</li> <li>The internal documents of the company determine the objectives of the Audit Committee, including objectives from recommendation 172 of the Code.</li> <li>At least one member of the Audit Committee who is an independent director has experience and knowledge in the preparation, analysis, assessment, and audit of accounting (financial) reports.</li> <li>Meetings of the Audit Committee were held at least once a quarter during the reporting period.</li> </ol>	Partially complied with	<ol style="list-style-type: none"> <li>Is partially complied with. Most of the Audit Committee members (three out of five) are independent directors. Two directors are non-executive (representatives of a majority shareholder). The Audit Committee is headed by an independent director. This practice complies with the requirements of the MOEX Listing Rules. However, complete execution of this recommendation by Sberbank to a great extent depends on the willingness of the majority shareholder to nominate and select a greater number of independent directors to the Supervisory Board of Sberbank, as well on its principal consent to replace its representatives in the Audit Committee with independent directors.</li> <li>Is complied with.</li> <li>Is complied with.</li> <li>Is complied with.</li> </ol>



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
2.8.2	A Remunerations Committee, consisting of independent directors and headed by an independent director (not the Chairman of the Board of Directors), has been created for the preliminary consideration of issues related to the formation of effective and transparent practices of remuneration.	<ol style="list-style-type: none"> <li>The Board of Directors has established a Remunerations Committee that consists only of independent directors.</li> <li>The Chairman of the Remunerations Committee is an independent director who is not the Chairman of the Board of Directors.</li> <li>The internal documents of the company define the objectives of the Remunerations Committee, including objectives from recommendation <u>180</u> of the Code.</li> </ol>	Partially complied with	Criteria 1-2 are partially complied with. There is a HR and Remunerations Committee set up under the Supervisory Board; the tasks of the Committee are described in the Regulation on the Supervisory Board Committees in accordance with the recommendations of the Code. To date, the HR and Remunerations Committee cannot be formed only out of independent directors. The majority of the members of the Committee (two out of three) are independent directors. The Committee is headed by the non-executive director other than the Chairman of the Supervisory Board. The practice complies with the requirements of the MOEX Listing Rules. However, complete execution of this recommendation by Sberbank to a great extent depends on the willingness of the majority shareholder to nominate and select a greater number of independent directors to the Supervisory Board of Sberbank, as well on the principal consent of the majority shareholder to replace its representatives in the HR and Remunerations Committee with independent directors. 3. is complied with.
2.8.3	A Nomination (HR, Appointment) Committee, the majority of whose members are independent directors, has been created for the preliminary consideration of issues related to staff planning (succession planning), occupational structure, and the performance of the Board of Directors.	<ol style="list-style-type: none"> <li>The Board of Directors has established a Nomination Committee (or its objectives as stated in recommendation <u>186</u> of the Code are carried out in another Committee<sup>4</sup>), the majority of whose members are independent directors.</li> <li>The internal documents of the company determine the objectives of the Nomination Committee (or the respective Committee with combined functions), including objectives from recommendation <u>186</u> of the Code.</li> </ol>	Partially complied with	Criteria 1-2 are partially complied with. No separate Nominations Committee shall be formed under the Supervisory Board as The tasks of the said Committee shall be implemented within the frames of the HR and Remunerations Committee, which combines the functions of the remunerations committee and the nominations committee. The majority of the members of the HR and Remunerations Committee (two out of three) are independent directors. The tasks of the HR and Remunerations Committee are described in the Regulation on the Supervisory Board Committees in accordance with the recommendations of the Code. Taking into account the availability of the HR and Remunerations Committee, which combines the functions of the remunerations committee and the nominations committee, it appears unreasonable to create a separate nominations committee.
2.8.4	Taking into account the scale of activities and the risk level, the Board of Directors has ascertained that the members of its committees fully comply with the goals of the company's activities. Additional committees have been either created or deemed unnecessary (Strategy Committee, Corporate Management Committee, Ethics Committee, Risk Management Committee, Budget Committee, Health, Safety and Environment Committee, etc.).	<ol style="list-style-type: none"> <li>During the reporting period, the Board of Directors of the company considered the issue of the appropriateness of the membership of its committees to the objectives of the Board of Directors and the goals of the company's activities. Additional committees have been either created or deemed unnecessary.</li> </ol>	Complied with	<sup>5</sup> The list of other committees created under the Supervisory Board: <ul style="list-style-type: none"> <li>Strategic Planning Committee;</li> <li>Risk Management Committee.</li> </ul>
2.8.5	The composition of the committees is determined such as to allow comprehensive discussion of preliminarily considered issues, taking into account all different opinions.	<ol style="list-style-type: none"> <li>The committees of the Board of Directors shall be headed by independent directors.</li> <li>The internal documents (policies) of the company include provisions under which persons who are not members of the Audit Committee, the Nomination Committee, or the Remunerations Committee can attend committee meetings only on invitation of the Chairman of the committee in question.</li> </ol>	Partially complied with	<ol style="list-style-type: none"> <li>is partially complied with. Despite of the fact that representation of independent directors in the Supervisory Board complies with the requirements of the MOEX Listing Rules and recommendations of the Code, at the moment there is no possibility to assign an independent director to the position of the Chairman of each Committee (four Committees have been created under the Supervisory Board, which have only six independent directors). Two Committees the Audit Committee and the Risk Management Committee, are headed by independent directors. The HR and Remunerations Committee and the Strategic Planning Committee are headed by non-executive directors. Sberbank encourages further increase of the representation of independent directors in the Supervisory Boards, however complete execution of this recommendation by Sberbank to a great extent depends on the willingness of the majority shareholder to nominate and select a greater number of independent directors to the Supervisory Board of Sberbank.</li> <li>Is complied with.</li> </ol>
2.8.6	Chairpersons shall regularly inform the Board of Directors and its Chairperson on the activities of their committees.	<ol style="list-style-type: none"> <li>During the reporting period, the chairpersons shall regularly report on the activities of their committees to the Board of Directors.</li> </ol>	Complied with	



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
<b>2.9 The Board of Directors shall provide a quality assessment of the activities of the Board of Directors along with its Committees and members.</b>				
2.9.1	The quality assessment of the activities of the Board of Directors aims to define the performance of the Board of Directors, committees, and members of the Board of Directors and the conformity of their activities with the developmental needs of the company as well as to intensify the activities of the Board of Directors to detect areas where such activities may be improved.	1. Self-assessment or external assessment of the Board of Directors conducted during the reporting period included a performance assessment of committees, members of the Board of Directors, and the Board of Directors as a whole.	Complied with	
2.9.2	Performance of the Board of Directors and the committees and members of the Board of Directors shall be assessed regularly at least once annually. A third-party organization (consultant) shall be engaged to conduct an independent performance assessment of the Board of Directors at least once every three years).	1. To conduct an independent performance assessment of the Board of Directors, the company engaged a third-party organization (consultant) at least once in the last three reporting periods.	Complied with	
<b>3.1 The Corporate Secretary of the company shall ensure current effective interaction with shareholders and the coordination of company activities to protect the rights and interests of its shareholders as well as provide support for the effective performance of the Board of Directors.</b>				
3.1.1	The Corporate Secretary shall have sufficient knowledge, experience, qualifications to perform the obligations imposed on them, an impeccable reputation and also enjoy the confidence of shareholders.	1. The company has adopted and disclosed an internal document, the Regulations on the Corporate Secretary. 2. The company website and annual report shall contain the biography of the Corporate Secretary with the same level of detail as that of members of the Board of Directors and the executive management of the company.	Complied with	
3.1.2	The Corporate Secretary shall have sufficient independence from executive bodies of the company as well as the authorities and resources required to perform their tasks.	1. The Board of Directors shall approve the assignment, dismissal, and additional remuneration of the Corporate Secretary.	Complied with	
<b>4.1 The amount of remuneration paid by the company shall be sufficient to engage, motivate, and retain persons with the competencies and skills necessary for the company. Members of the Board of Directors, executive bodies, and other key executive employees of the company shall be remunerated in accordance with the remuneration policy accepted in the company.</b>				
4.1.1	The amount of remuneration paid by the company to members of the -Board of Directors, executive bodies, and other key managers shall create sufficient motivation for them to work effectively, thus allowing the company to attract and retain competent and qualified specialists. At the same time, the company avoids remuneration exceeding the necessary level as well as an unreasonably large gap between the remuneration amounts of said managers and the employees of the company.	1. The company has adopted an internal document (documents) or a remuneration policy (policies) for members of the Board of Directors, executive bodies, and other key managers that clearly defines approaches to the remuneration of said officers.	Complied with	
4.1.2	The remuneration policy of the company was drafted by the Remunerations Committee and approved by the Board of Directors. The Board of Directors, assisted by the Remunerations Committee, shall provide supervision over the introduction and implementation of the remuneration policy and, if needed, review and make amendments thereto.	1. During the reporting period, the Remunerations Committee considered the remuneration policy (policies) and implementation practices and submitted appropriate recommendations to the Board of Directors where applicable.	Complied with	



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
4.1.3	The company's Remuneration Policy contains transparent mechanisms for determining the amount of remuneration for members of the Board of Directors, executive bodies, and for other key managers of the company and also regulates all payments, benefits, and privileges provided to the officers mentioned above.	1. The company's Remuneration Policy (Policies) contain(s) transparent mechanisms for determining the amount of remuneration for members of the Board of Directors, executive bodies, and other key managers of the company and also regulate(s) all payments, benefits, and privileges provided to the officers mentioned above.	Complied with	
4.1.4	The company shall define its reimbursement (compensation) policy specifying the list of expenses subject to compensation and the service level to which members of the Board of Directors, executive bodies, and other key managers of the company are entitled. Such policy may be a part of the company's remuneration policy.	1. The company's remuneration policy (policies) or other internal documents establish(es) the compensation rules for members of the Board of Directors, executive bodies, and for other key managers of the company.	Complied with	
<b>4.2</b>	<b>The system for remuneration of the members of the Board of Directors shall ensure that the financial interests of the directors are brought closer to the long-term financial interests of the shareholders.</b>			
4.2.1	The company shall pay fixed annual remuneration to the members of the Board of Directors. The company shall not pay remuneration for participation in individual meetings of the Board of Directors or committees thereof.	1. Fixed annual remuneration was the only monetary remuneration provided to members of the Board of Directors for their activities therein during the reporting period.	Complied with	
4.2.2	The company shall not use short-term motivation or additional material incentives in relation to members of the Board of Directors.	1. If the internal document(s) on the remuneration policy (policies) stipulate(s) provision of the company's shares to the members of the Board of Directors, the company shall set forth and disclose clear rules for shareholding by the members of the Board of Directors aimed at encouraging long-term possession of such shares.	Complied with	
4.2.3	Long-term possession of shares best facilitates bringing the financial interests of the directors closer to the long-term financial interests of the shareholders. At the same time, the company shall not attach the condition of achievement of a certain level of performance to the right to sell shares, and the members of the Board of Directors shall not participate in option programs.	1. The company shall not provide any additional payments or compensations in the case of the early termination of powers of members of the Board of Directors due to a change of control over the company or other circumstances.	Complied with	
<b>4.3</b>	<b>The system for remuneration of members of executive bodies and other key executive employees of the company shall provide for the dependence of the amount of remuneration on the performance results of the company and their personal contribution to achieving these results.</b>			
4.3.1	Remuneration for members of executive bodies and other key executive employees shall be determined in such a way as to ensure a reasonable and justified ratio between the fixed part of remuneration and the variable part thereof, which depends on company performance results and the personal (individual) contribution of the employee to the final result.	1. During the reporting period, annual performance indicators approved by the Board of Directors were used to determine the amount of variable remuneration for members of executive bodies and other key executive employees. In the course of the last assessment of the system for the remuneration of the members of executive bodies and other key executive employees, the Board of Directors (Remunerations Committee) ascertained that the company uses an effective ratio between the fixed and variable parts of remuneration. 3. The company applies a procedure that ensures the return of bonuses wrongly obtained by members of executive bodies and other key executive employees.	Complied with	



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
4.3.2	The company has implemented a long-term incentive program for members of executive bodies and other key executive employees using company shares (options or other derivative financial instruments whose underlying asset is company shares).	1. The company has implemented a long-term incentive program for members of executive bodies and other key executive employees using company shares (financial instruments based on company shares). 2. The long-term incentive program for members of executive bodies and other key executive employees stipulates that the right to sell the shares or other financial instruments used in such program may be exercised not earlier than three years from the provision thereof. At the same time, the right to sell them is conditional upon the company's achievement of certain performance indicators.	Complied with	
4.3.3	The amount of compensation (golden parachute) paid to the members of executive bodies or key executive employees in the case of the early termination of their powers at the initiative of the company, provided there have been no unethical acts on the part of the officers mentioned, shall not exceed double the amount of the fixed part of their annual remuneration.	1. The amount of compensation (golden parachute) paid to the members of executive bodies or key executive employees during the reporting period in the case of the early termination of their powers at the initiative of the company, provided there have been no unethical acts on the part of the officers mentioned, did not exceed double the amount of the fixed part of their annual remuneration.	Complied with	Compensation to the members of executive bodies or key executive employees in the case of early termination of their powers at the initiative of the Bank, provided there have been no unethical acts on the part of the officers mentioned, is not provided for. The cases set forth in the Labor Code of Russia in relation to the executives of the company and reflected in labor contracts with members of the Executive Board constitute an exception. Such cases include: termination of labor contracts due to a change of ownership of the bank (Art. 181 of the RF Labor Code) or due to a decision to terminate the labor contract made by an authorized body of the bank's Executive Board, provided there have been no unethical acts on the part of the employee (Art. 279 of the RF Labor Code). In the said cases, the RF Labor Code stipulates that the compensation shall constitute at least triple the amount of the average monthly wage of the employee. Labor contracts define the minimum possible size, which is triple the amount. In the 2018 reporting year, no such cases occurred.
<b>5.1</b>	<b>The company has established an effective risk management and internal control system aimed at providing reasonable confidence in achieving the objectives set by the company.</b>			
5.1.1	The Board of Directors has defined principles and approaches to the organization of risk management and the internal control system in the company.	1. The functions of the Company's various executive bodies and units in the risk management system and internal control have been clearly defined in the internal documents/relevant policy approved by the Board of Directors.	Complied with	
5.1.2	The executive bodies of the company shall ensure the creation and maintenance of an effective risk management and internal control system.	1. The executive bodies of the company have ensured the distribution of functions and powers for risk management and internal control between subordinate managers (heads) of units and departments.	Complied with	
5.1.3	The risk management and internal control system of the company shall ensure an objective, fair and clear vision of the current condition and perspectives of the company, reporting integrity and transparency, and the reasonableness and admissibility of the risks accepted by the company.	1. The company has approved an anticorruption policy. 2. The company has established an accessible means of informing the Board of Directors or the Audit Committee thereof about violations of the law, internal procedures, or the Code of Ethics of the company.	Complied with	
5.1.4	The Board of Directors of the company shall take the measures necessary to ensure that the current risk management and internal control system complies with the organizational principles and approaches defined by the Board of Directors and functions effectively.	1. During the reporting period, the Board of Directors or the Audit Committee thereof has assessed the effectiveness of the risk management and internal control system applied in the company. Information on the main results of such assessment has been included in the annual report.	Complied with	



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
<b>5.2 To conduct a systematic independent assessment of the reliability and effectiveness of the risk management and internal control system and corporate management practices, the company shall arrange for internal auditing.</b>				
5.2.1	To conduct internal auditing, the company has established a separate structural unit or engaged an independent external organization. The functional and administrative accountability of the internal audit unit shall be clearly delineated. The internal audit unit shall functionally report to the Board of Directors.	1. To conduct internal auditing, the company has established a separate structural unit functionally subordinate to the Board of Directors or the Audit Committee or engaged an independent external organization following the same accountability principle.	Complied with	
5.2.2	The internal audit unit shall conduct an assessment of the effectiveness of the internal control system, the risk management system, and the corporate governance system. The company shall apply generally accepted internal auditing standards.	1. During the reporting period, an internal audit provided an assessment of the effectiveness of the internal control and risk management system. 2. The company uses generally accepted approaches to internal control and risk management.	Complied with	
<b>6.1 The company and its activities are transparent to the shareholders, investors, and other stakeholders.</b>				
6.1.1	The company has elaborated and introduced an information policy that ensures effective information exchange between the company, shareholders, investors, and other stakeholders.	1. The Board of Directors of the company has approved an information policy based on the Code's recommendations. 2. The Board of Directors (or one of its committees) considered issues related to the company's compliance with its information policy at least once during the reporting period.	Complied with	
6.1.2	The company discloses information on the system and practice of corporate governance, including detailed information on compliance with the principles and recommendations set forth in the Code.	1. The company discloses information on its corporate governance system and the general principles of corporate governance applied in the company, including on its website. 2. The company discloses information on the membership of executive bodies and the Board of Directors, the independence of the members of the Board, and their membership in committees of the Board of Directors (as defined in the Code). 3. If there is an entity that controls the company, the latter shall publish a memorandum of the controlling entity on the plans of such entity related to corporate governance in the company.	Complied with	The memorandum will be published if prepared by the controlling entity.
<b>6.2 The company shall disclose full, relevant, and reliable information on the company in a timely manner to provide the shareholders of the company and investors with the opportunity to make sound decisions.</b>				
6.2.1	The company shall disclose information in accordance with the principles of regularity, consistency, and promptness as well as the accessibility, reliability, fullness, and comparability of the data disclosed.	1. The information policy of the company shall define approaches and criteria for defining information that can significantly influence the assessment of the company and the cost of its securities as well as procedures for ensuring the timely disclosure of such information. 2. If the securities of the company are traded in foreign organized markets, essential information shall be disclosed simultaneously and equivalently in Russia and in such markets during the reporting year. 3. If foreign shareholders hold a significant number of the company's shares, during the reporting period information was disclosed both in Russian and in one of the most widespread foreign languages.	Complied with	
6.2.2	The company avoids a formal approach to information disclosure and divulges essential information on its activities even if the disclosure of such information is not stipulated by the law.	1. During the reporting period, the company disclosed annual and semiannual financial statements prepared as per IFRS. The annual report for the reporting period includes summarized consolidated financial statements prepared as per audited consolidated financial statements along with the independent auditor's report. 2. The company discloses full information on the capital structure as per Recommendation 290 of the Code both in the annual report and on its website.	Complied with	
6.2.3	The annual report, as one of the most important instruments of information exchange with shareholders and other stakeholders, shall contain information making it possible to evaluate the results of the company's activities for the year.	1. The annual report of the company contains information about the key aspects of its operations and financial results. 2. The annual report contains information about environmental and social aspects of the company's activities.	Complied with	



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
<b>6.3</b>	<b>The company provides information and documents at the request of shareholders in accordance with the principles of equal and unhindered access.</b>			
6.3.1	Provision of information and documents by the company at the request of shareholders in accordance with the principles of equal and unhindered access.	1. The company's information policy defines the procedure for providing shareholders with unhindered access to information, including information about controlled legal entities, at the shareholders' request.	Complied with	
6.3.2	Provision of information to shareholders ensures a reasonable balance between the interests of certain shareholders and the interests of the company itself, which is concerned with the confidentiality of important -commercial information that could significantly influence its competitiveness.	1. During the reporting period, the company did not refuse to satisfy shareholders' information requests, or such refusals were reasonable. 2. In cases defined by the Company's Information Policy, shareholders are informed about the confidential nature of information and undertake to keep it in secret.	Complied with	
<b>7.1</b>	<b>Actions that significantly impact or could significantly impact the share capital structure and financial state of the company and, consequently, the position of the shareholders (significant corporate actions) shall be taken in a fair manner, ensuring the observation of the rights and interests of the shareholders and other stakeholders.</b>			
7.1.1	Reorganization of the Company, acquisition of 30 percent or more of its voting shares (takeover), performance of significant transactions, an increase or decrease in the Company's share capital, listing or delisting of shares, and other actions that could result in significant changes to the shareholders' rights or violations of their interests shall be deemed significant corporate actions. The Charter of the company defines the list (criteria) of transactions or other actions that are significant corporate actions, and such matters are reserved to the Board of Directors of the company.	1. The Charter of the Company defines the list of transactions or other actions that are significant corporate actions and the criteria for defining such actions. The making of decisions on significant corporate actions is reserved to the competence of the Board of Directors. In cases when such corporate actions are expressly reserved by law to the competence of the General Shareholders' Meeting, the Board of Directors shall provide shareholders with appropriate recommendations. 2. The Charter of the company deems at least the following actions to be significant corporate actions: reorganization of the company, acquisition of 30 percent or more of its voting shares (takeover), performance of significant transactions by the company, an increase or decrease in the company's share capital, and listing and delisting of its shares.	Partially complied with	Criteria 1–2 are complied with partially. The Banks' Charter does not provide a list of transactions or actions that are deemed significant or criteria for their identification. The list of significant corporate actions is provided in the Code of Corporate Management of Sberbank. Significant corporate actions include: reorganization of the Bank, acquisition of 30 percent or more of its voting shares (takeover) by one shareholder, performance of significant transactions (including major transactions, mergers and acquisitions), an increase or decrease in the Company's share capital, listing or delisting of shares, and other actions that could result in significant changes to the shareholders' rights or violations of their interests. The making of decisions on significant corporate actions is reserved by law and by the Bank's Charter to the competence of the General Shareholders' Meeting or the Supervisory Board. In case an issue falls under authority of the Supervisory Board, decisions on significant corporate actions, in accordance with the Charter of Sberbank, shall be made by qualified majority vote (at least three quarters of the votes). During the period of validity of the Code of Corporate Management of Sberbank (from April 2015) there were no significant corporate actions. At the moment the applied approach meets the needs of the Bank, it appears unreasonable to change it in the next few years.
7.1.2	The Board of Directors plays a key role in decision making or preparation of recommendations on significant corporate actions; the Board of Directors relies on the position of the Company's independent directors.	1. The company provides for a procedure for the independent directors to declare their position on significant corporate actions before the approval thereof.	Complied with	The Supervisory Board plays an important role in decision making as regards significant corporate actions. Sberbank's Code of Corporate Governance provides for the possibility of establishing an ad hoc interim committee for preliminary consideration of issues regarding significant corporate actions.
7.1.3	When performing significant corporate actions relating to the rights and legal interests of shareholders, the company ensures equal terms for all the shareholders of the company, and if legislation provides insufficient mechanisms for the protection of shareholders' rights, the company takes additional measures to protect the rights and legal interests of its shareholders. In this case, the company relies both on compliance with the formal requirements of the law and the principles of corporate governance set forth in the Code.	1. Considering particular aspects of the company's activities, the Charter determines criteria for classifying the company's transactions as significant corporate transactions that are lower than the minimal criteria determined by the law. 2. During the reporting period, all significant corporate actions underwent the approval procedure before they were taken.	Partially complied with	1. is complied with partially. The Charter of Sberbank does not provide criteria for classifying the Banks's transactions as significant corporate transactions that are lower than the minimal criteria determined by the law. When performing significant corporate actions, the Bank relies both on the requirements of the law and the provisions of the Bank's charter on making the decisions related to significant corporate actions by qualified majority vote of the members of the Supervisory Committee (at least three quarters of the votes), which to a great extent increases corporate control over transactions and at the moment meets the needs of the Bank. It appears unreasonable to change the existing approach in the next few years. 2. During 2018 there were no significant corporate actions.



No.	CORPORATE GOVERNANCE PRINCIPLES	CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	STATUS <sup>1</sup> COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES	EXPLANATIONS <sup>2</sup> DEVIATIONS FROM THE CRITERIA FOR ASSESSING COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES
<b>7.2</b>	<b>The company ensures a procedure for taking significant corporate actions that enables shareholders to obtain full information on such actions in a timely manner, provides them with the opportunity to influence such actions, and guarantees the observation and adequate protection of their rights when such actions are taken.</b>			
7.2.1	Information on significant corporate actions includes the reasons, conditions, and results of such actions.	1. During the reporting period, the company promptly disclosed detailed information on its significant corporate actions, including the grounds and terms thereof.	Complied with	
7.2.2	Rules and procedures related to significant corporate actions taken by the company are defined in its internal documents.	1. The internal documents of the company stipulate the procedure for engagement of an independent appraiser to determine the value of property alienated or acquired under a major transaction or an interested party transaction. 2. The internal documents of the company -stipulate the procedure for engagement of an independent appraiser to determine the value of share acquisition and repurchase. 3. The company's internal documents -stipulate an extended list of grounds for deeming members of its Board of Directors and other persons specified by the law to be parties interested in the company's transactions.	Complied with	

1 The status "complied with" is indicated only if the company complies with all the criteria for assessment of compliance with the corporate governance principle. Otherwise the status "partially complied with" or "not complied with" shall be indicated.

2 Specified for each criterion for assessing compliance with corporate governance principles if the company complies only with a part of the criteria or with none of the criteria for assessment of compliance with the principle. If the company indicates the status "complied with," no explanation is required.

3 Indicate which of the two alternative approaches admitted by the principle is being implemented in the company and give reasons for the approach chosen.

4 If the objectives of the Nomination Committee are fulfilled by another committee, indicate its name.

5 Indicate the list of additionally established committees.