



 **MKB**

**CREDIT BANK OF MOSCOW's
Human Rights Policy**

CREDIT BANK OF MOSCOW's HUMAN RIGHTS POLICY

11.01.2022

CREDIT BANK OF MOSCOW (the "Bank" or "MKB") makes every effort to respect human rights and strives to create a work environment that provides equal opportunities for all employees. Respect for honour and dignity, fundamental freedoms and human rights is a key priority for the Bank.

1. Scope

MKB's Human Rights Policy applies to the relationships between MKB and its stakeholders¹, including employees, suppliers and contractors, customers, local communities and other persons influencing and/or influenced by the Bank.

2. Human rights compliance obligations

MKB undertakes to act in strict compliance with social and labour laws of the Russian Federation, taking into account constitutional human rights and freedoms and striving to comply with international agreements and conventions. MKB identifies a number of international principles and documents in respect of human rights to which it adheres in its activities or which it takes into account, including, but not limited to:

- The International Bill of Human Rights (including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights)
- The European Convention on Human Rights
- The United Nations Guiding Principles on Business and Human Rights

MKB shares the United Nations Global Compact principles and the Children's Rights and Business Principles (UNICEF).

3. Principles

The Bank, taking into account the context of its activities, strives to implement applicable human rights protection measures, including compensatory measures aimed at eliminating negative consequences in case of human rights violations. The Bank undertakes to incorporate the principles of social responsibility, human rights criteria in risk assessment, audits of its activities and audits of its counterparties. The Bank undertakes to monitor human rights violations and reflect them in its sustainability reporting, subject to the principles of confidentiality. The Bank strives to inform stakeholders about the importance of respecting human rights. Special human rights training sessions are provided to inform employees.

3.1. Discrimination and violence

The Bank does not tolerate any form of discrimination and strives to ensure respectful treatment and equal opportunities for all its current and potential employees, customers and other counterparties. In relation to its employees, MKB does not tolerate discrimination on gender, race, religion or other grounds, including in hiring and determining the amount and terms of salaries and bonuses. The Bank does not tolerate any form of physical punishment or violence, including sexual, physical, emotional and other forms.

3.2. Diversity² and inclusion

Diversity among all employees, including the Bank's management team, is monitored on a regular basis, taking into account indicators such as gender, age diversity, diversity of work experience and others. MKB strives to ensure inclusion of its employees through targeted recruitment on the basis of quotas allocated for the recruitment of people with disabilities.

3.3. Child labour

National laws, and therefore the Bank itself, establish age limits for hiring employees. The Bank does not welcome and avoids child labour practices. All employment of persons under the age of 18, if any, is subject to appropriate assessment to ensure that such persons have sufficient specialised training or professional preparation in the relevant branch of activity, that risks exist, and is accompanied by ongoing monitoring of health, working conditions and working hours to ensure that there is no negative impact on health and development.

3.4. General working conditions

MKB does not tolerate the use of forced labour among both employees and counterparties, strives to create favourable conditions to enable each employee to contribute to the Bank's performance and realise their potential, and encourages sufficient rest and leisure time, creating conditions to maintain a work-life balance. The Bank respects employees' right to freedom of association. MKB sets competitive salaries and does not engage in hard labour practices. The Bank strictly observes contractual working and employment conditions, including salaries and benefits, deductions from salaries, working hours, overtime conditions and compensation for overtime work. When MKB provides employees with accommodation, including as part of business trips, the living conditions are acceptable and meet hygiene standards. The Bank has a system of fringe benefits, including compensation for loss of income due to employee illness, financial aid for childbirth, death of a close relative, emergencies, special offers and discounts for employees from partners, and New Year gifts for employees' children. The Bank adheres to the principle of hiring employees from the local community as a matter of priority, provided that the candidates have sufficient competence.

3.5. Health and safety

MKB strives to ensure the health and safety of its employees, customers and other counterparties through the assessment of health and safety risks, assessment of working conditions and control over compliance with sanitary, epidemiological and hygienic requirements, and through ensuring the implementation of a hierarchy of organisational and technical measures to improve working conditions.

¹ Individuals and legal entities or groups influencing and/or influenced by an organisation and its operations. For example, shareholders and investors, employees, customers, local communities and community councils, financial institutions, suppliers, contractors, state supervision, control bodies and representatives of state authorities, mass media, non-governmental organizations and expert communities.

² Employee diversity implies hiring regardless of race, ethnicity, gender, sexual orientation, socioeconomic status, age, physical ability, religious beliefs, political beliefs or other ideologies, but only on the basis of the competencies a person possesses.

The Bank supports the strengthening of the corporate safety culture by developing internal health, safety and security documents, as well as by providing relevant briefings, training and information lectures to employees. The Bank has an extensive voluntary health insurance scheme. Particular attention is paid to preventing the spread of COVID-19 and the Bank undertakes to do everything possible and appropriate for the well-being of its employees and counterparties in this respect.

3.6. Privacy and confidentiality

MKB complies with the principle of confidentiality, respects the privacy of its employees and other stakeholders and strives to ensure information security. The Bank strictly complies with requirements of Russian laws and international legislative acts regarding the due use of the information and data provided. MKB continuously takes measures to ensure confidentiality.

3.7. Grievance mechanism

The Bank has developed a mechanism for submitting and handling appeals and complaints from external and internal stakeholders, through which anyone may report concerns about human rights violations at MKB or at its counterparties. Employees may use the online form on the Bank's internal portal or send an email to hot_line@mkb.ru. The appeal may be left anonymously. External stakeholders may leave messages via the feedback form at mkb.ru/about/feedback/appeal, either by contacting via e-mail, by telephone or in person at MKB branches. All appeals will be reviewed and, if necessary, investigated and action will be taken to resolve the situation.

The Bank strives to ensure that no employee or other stakeholder is subjected to retaliation as a result of good faith reporting of human rights concerns or suspicions.

4. Applicable guiding documents

The Bank's human rights expectations for various stakeholders are set out in the following guiding documents:

Guiding documents	Stakeholders
CREDIT BANK OF MOSCOW's Code of Corporate Ethics, CREDIT BANK OF MOSCOW's HR Policy, CREDIT BANK OF MOSCOW's Rules of Employment	Employees
CREDIT BANK OF MOSCOW's Manual for Managing Environmental and Social Impact of Proposed Financing	Customers
CREDIT BANK OF MOSCOW's Supplier and Contractor Code of Conduct	Suppliers, contractors

5. Final provision

The Policy shall be made known to each of the Bank's employees and external stakeholders. The Policy should serve as a point of reference for any and all partners of the Bank.

The responsibility for implementing, monitoring and updating the policy lies with the Chairman of the Management Board.

Any questions concerning the content and application of this Policy may be sent to MKB's Sustainable Development Division at ESG@mkb.ru.



**Chairman of the Supervisory Board
of CREDIT BANK OF MOSCOW
William Forrester Owens**