

APPROVED

by annual General Shareholders' Meeting of  
CREDIT BANK OF MOSCOW  
(Minutes No. 03 dated 29.09.2022)

**REGULATION  
ON THE MANAGEMENT BOARD AND CHAIRMAN OF THE MANAGEMENT BOARD  
OF CREDIT BANK OF MOSCOW (public joint-stock company)**

**1. GENERAL PROVISIONS**

1.1. This Regulation sets forth the status, formation and competence of the Management Board, which is the collective executive body of CREDIT BANK OF MOSCOW (public joint-stock company) (the "Bank"), and the Chairman of the Management Board, which is the sole executive body of the Bank, powers and responsibility of the Chairman of the Management Board and members of the Management Board, and the procedure for calling and holding meetings and recording resolutions of the latter.

1.2. The Supervisory Board shall by its resolution appoint the Chairman of the Management Board, approve members of the Management Board, remove all of the foregoing before term and determine remunerations and compensations to be paid to them.

1.3. The Chairman of the Management Board and the Management Board shall report to the General Shareholders' Meeting and the Supervisory Board.

1.4. The Chairman of the Management Board and the Management Board shall act subject to the legislation of the Russian Federation, regulations of the Bank of Russia, the Bank's Charter, this Regulation and resolutions of the General Shareholders' Meeting and the Supervisory Board.

**2 MANAGEMENT BOARD**

**2.1. Formation of the Management Board**

2.1.1. The Management Board shall be formed of at least 5 (five) persons by resolution of the Supervisory Board and shall act under the Charter and this Regulation.

2.1.2. Candidates to the Management Board (including any proposed Chairman or Deputy Chairmen) must satisfy the qualification and business reputation requirements set forth by federal laws and implementing regulations of the Bank of Russia and as long as they hold the relevant offices after their appointment (election).

2.1.3. Members of the Management Board shall be approved by the Supervisory Board as recommended by the Chairman of the Management Board. A candidate shall be deemed inducted into the Management Board if voted for by a majority of Supervisory Board members attending the relevant meeting.

2.1.4. The Bank must notify the Bank of Russia in writing of any proposed appointments as Chairman of the Management Board, his deputies (First Deputy Chairmen of the Management Board, Deputy Chairmen of the Management Board) or members of the Management Board as contemplated by legislation of the Russian Federation.

2.1.5. Management Board members shall hold their offices indefinitely under contracts signed on behalf of the Bank by the Chairman of, or by a person authorised by, the Supervisory Board. The Supervisory Board may remove any or all Management Board members before term.

Management Board members are discharged from the date stated in the resolution of the Supervisory Board or, if no date is stated therein, from the date thereof.

Any Management Board member intending to resign and terminate his employment, shall give notice thereof to the Chairman of the Management Board in such manner and time as set forth in article 280 of the Labour Code of the Russian Federation.

2.1.6. The Bank must notify the Bank of Russia in writing of any removal of the Chairman of the Management Board, his deputies (First Deputy Chairmen of the Management Board, Deputy Chairmen of the Management Board) or members of the Management Board not later than the business day following the day the relevant decision is made.

2.1.7. According to the Bank's Charter, no Audit Panel members may also be Management Board members.

## **2.2. Authority of the Management Board**

The following matters shall be reserved to the Management Board:

- ensuring implementation of any resolutions of the General Shareholders' Meeting and the Supervisory Board, and any recommendations of the Audit Panel;
- approving interest rates and charges for banking services, excluding preferential interest rates and preferential tariffs, the approval of which is reserved by the Bank's Charter to the Chairman of the Management Board;
- setting out the Bank's organisational structure and total headcount (save for its branches, representative offices, and Internal Audit Department), and reviewing its staffing table;
- forming committees for any activities of the Bank and delegating thereto some of the powers of the Management Board under respective committee regulations approved by the Management Board,
- delegating some of its authorities to officers of subdivisions;
- resolving matters related to the opening and closing of the Bank's branches,
- approving and amending bylaws: credit, accounting and other policies, instructions, regulations, procedures, manuals, guidelines and rules,
- approving and amending bylaws setting out the procedures for managing the Bank's and banking group's material risks, including risk and capital management procedures, stress test procedures, and controlling the execution of such procedures;
- approving and amending the regulations on, and deciding on the renaming of, the Bank's branches and representative offices;
- approving the emission securities issuer reports;
- reviewing reports on the Bank's (its banking group's and its members') compliance with, and efficiency of, the ICAAP, on material risk stress test results, on material risks, on compliance with mandatory ratios, on the Bank's, its banking group's and its group members' capital size and capital adequacy assessment;
- deciding whether to submit to the Supervisory Board proposed amendments to ICAAP bylaws;
- defining the types and the list of information constituting the Bank's commercial secrets;
- deciding on acquisition or disposal by the Bank of any interest in the authorised (or joint) capital (or unit fund) of another commercial organisation or any block of ordinary shares in another joint-stock company, if the resulting interest or block of ordinary shares exceeds, or falls below, 20 (twenty) percent or 50 (fifty) percent;
- considering and transacting any other matters referred to the Management Board by the Chairman of the Management Board.

## **2.3. Proceedings of the Management Board**

2.3.1. Management Board meetings shall be prepared and held as set out in this Regulation.

2.3.2. Management Board proceedings shall be directed by the Chairman of the Management Board.

2.3.3. Management Board meetings shall be called and held by the Chairman of the Management Board or a substitute, as often as necessary, whether in person or not.

2.3.4. A notice of any forthcoming Management Board meeting, setting out its agenda, draft resolutions on the items thereof, materials and information necessary for Management Board members to make well-founded decisions on such items, must be given to them at least 1 (one) business day in advance.

Any such notice shall be given by e-mail or, for an absentee meeting, may be given through the electronic document flow system utilised in the Bank as at the date thereof.

2.3.5. The agenda of Management Board meetings shall be drawn by the Chairman of the Management Board in consultation with all members thereof.

In exceptional cases, in-person Management Board meetings may transact business which was not on their agenda, if all Management Board members present thereat unanimously agree to do so.

2.3.6. A meeting of the Management Board shall be quorate if attended by at least a half of its members approved by the Supervisory Board. If there are fewer Management Board members than required for such quorum, the Supervisory Board shall approve a new membership of the Management Board.

2.3.7. Any resolutions on the items of agenda of any Management Board meetings shall be passed by a simple majority of the votes of its members present thereat.

2.3.8. Each Management Board member shall have one vote in respect of any item of agenda of any Management Board meeting. No Management Board member may transfer his voting right to any other person including any fellow Management Board member.

In order to exclude any conflict of interest, the Management Board member who heads the Risk Management Directorate or supervises the Security Department may abstain from voting on resolutions approving, and/or amending the terms and structure of, counterparty limits and/or credit or security transactions.

Renaming of any subdivisions of the Bank shall not require amending this Regulation.

2.3.9. In case of any voting tie, the chairman of the meeting shall have a casting vote.

Any Management Board member disagreeing with any resolution passed on any item(s) of agenda of a Management Board meeting in which he participated may submit his position thereon in writing. Any such dissenting opinion shall be attached to such meeting's minutes.

2.3.10. Management Board meetings shall be minuted, and votes shall be counted, by the Management Board secretary appointed by the Management Board out of the Bank's employees.

Any Management Board meetings held to consider and transact matters related to setting out terms of lending for specific customers (in the case of large exposures) may be minuted separately. Minuting any such Management Board meetings shall be a responsibility of the Credit Committee secretary.

The Credit Committee secretary shall annually prepare and deliver to the Management Board duly executed books of such minutes for the previous year.

2.3.11. Original documents related to the Management Board proceedings shall be kept in the General Unit of the Document Administration Division.

2.3.12. Management Board minutes shall, upon request and in a manner adopted in the Bank, be provided to the Supervisory Board, the Audit Panel, the head of the subdivision responsible for internal audit and internal control, and the audit firm approved by the General Shareholders' Meeting.

### **3. CHAIRMAN OF THE MANAGEMENT BOARD**

3.1. The Chairman of the Management Board is the sole executive body of the Bank directing the day-to-day activities of the Bank.

3.2. The Chairman of the Management Board shall be appointed by the Supervisory Board after the Bank of Russia's approval is duly obtained for the relevant candidacy. The Chairman of the Management Board shall hold his office indefinitely. The Chairman of the Management Board may

be removed by resolution of the Supervisory Board. If the Chairman of the Management Board proposes to resign, he shall give notice thereof to the Supervisory Board. The Chairman of the Management Board shall be deemed removed as soon as the Supervisory Board adopts the relevant resolution.

First Deputy Chairmen of the Management Board and Deputy Chairmen of the Management Board (collectively, "Deputy Chairmen of the Management Board") shall be appointed and removed by an order of the Chairman of the Management Board.

3.3. The Chairman of the Management Board may not also be the Chairman of the Supervisory Board.

3.4. All matters related to the day-to-day management of the Bank's activities shall be reserved to the Chairman of the Management Board, unless reserved to the General Shareholders' Meeting or the Supervisory Board.

The Chairman of the Management Board shall:

- without any power of attorney, represent the Bank in any institutions, enterprises and organisations in the Russian Federation and abroad, and make any agreements whatsoever and any other transactions on behalf of the Bank;

- dispose of the Bank's property to the extent permitted by the effective legislation of the Russian Federation;

- approve preferential interest rates and preferential tariffs for banking services;

- open correspondent and any other accounts with other banks including foreign banks;

- ensure accounting and reporting in the Bank, and compliance of banking operations with the effective legislation of the Russian Federation, and be liable for the performance of the said duties imposed on him by federal laws;

- set limits for the operations of the Bank's branches;

- decide on requesting the Bank of Russia's approval for the proposed heads and chief accountants of the Bank's branches and officers acting as such under applicable laws;

- approve the staffing table of the Bank, including its branches, representative offices and other subdivisions, define the organisational structure and total headcount of its branches and representative offices, Internal Audit Department, hire and dismiss its employees (in particular, appoint and dismiss the Bank's Chief Accountant and the heads of the Bank's branches and representative offices), grant incentives to and impose sanctions on the Bank's staff under the effective legislation of the Russian Federation;

- approve the Bank's staff chart, hire and dismiss its employees (in particular, appoint and dismiss the Bank's Chief Accountant), grant incentives to and impose sanctions on the Bank's staff under the effective legislation of the Russian Federation;

- issue orders and directions binding on all of the Bank's employees on any issues of the Bank's activities;

- issue powers of attorney to the Bank's employees, whether sub-delegable or not;

- exercise internal control powers defined in clause 15.2. of the Bank's Charter;

- set the coupon rate for (coupon income on) the Bank's bonds;

- resolve to appoint a representative of bondholders where required by federal laws, and to make/amend/terminate the contract with any such representative.

- resolve to convene a general bondholders' meeting in such manner and time as set out by applicable laws.

- sign securities issue closing reports;

- enact risk and capital management procedures and stress test procedures based on the Bank's (its banking group's) Risk and Capital Management Strategy approved by the Supervisory Board;

- arrange for the preparation of proposals on amending ICAAP bylaws;

- resolve that the Bank joins or leaves other organisations, except where the Charter reserves such matter to other governing bodies of the Bank;

- approve the Bank's own insider information lists;

- review and approve reports contemplated in the internal control rules for preventing, detecting and obstructing insider information abuse and/or market manipulation;

– review and approve reports and other documents contemplated in the stock market professional participant internal control rules;

– resolve any other issues arising out of the Bank’s day-to-day activities.

3.5. In case of temporary absence of the Chairman of the Management Board, his functions shall be performed by a First Deputy Chairman of the Management Board or by a Deputy Chairman of the Management Board appointed Acting Chairman of the Management Board by an order of the Bank.

While the Chairman of the Management Board is absent, the Acting Chairman of the Management Board shall exercise the rights and perform the duties of the Chairman of the Management Board stipulated by the Bank’s Charter and by legislation of the Russian Federation.

3.6. Deputy Chairmen of the Management Board shall oversee activities of the Bank’s organisational units within certain business areas according to the split of responsibilities adopted in the Bank. Deputy Chairmen of the Management Board shall act on behalf of the Bank within their competence under powers of attorney issued by the Chairman of the Management Board.

#### **4. INTERNAL CONTROL POWERS THE MANAGEMENT BOARD AND THE CHAIRMAN OF THE MANAGEMENT BOARD**

4.1. The Management Board, the Chairman of the Management Board and Deputy Chairmen of the Management Board shall carry out internal control within the powers defined by the Bank’s and its banking group’s constituent and internal documents.

4.2. In relation to internal control, the Chairman of the Management Board is authorised to:

- ensure the fulfilment of any resolutions of the General Shareholders’ Meeting and the Supervisory Board, and any recommendations of the Audit Panel;
- form committees for any activities of the Bank and delegate thereto some of the powers of the Management Board under respective committee regulations approved by the latter,
- delegate some of its authorities to officers of subdivisions;
- approve and amend bylaws: credit, accounting and other policies, instructions, regulations, procedures, manuals, guidelines and rules;
- approve and amend bylaws setting out the procedures for managing the Bank's and banking group's material risks, including risk and capital management procedures, stress test procedures, and control the execution of such procedures;
- define the types and the list of information constituting the Bank’s commercial secrets;
- consider and transact any other matters referred to the Management Board by the Chairman of the Management Board.

4.3. In relation to internal control, the Management Board is authorised to review and transact any matters referred to it by the Chairman of the Management Board.

4.4. The Deputy Chairmen of the Management Board (First Deputy Chairmen of the Management Board or Deputy Chairmen of the Management Board) shall act in relation to the internal control arrangements as directed by the Chairman of the Management Board.

#### **5. RIGHTS, DUTIES AND RESPONSIBILITIES OF MANAGEMENT BOARD MEMBERS AND THE CHAIRMAN OF THE MANAGEMENT BOARD**

5.1. The Chairman of the Management Board, Deputy Chairmen of the Management Board and Management Board members shall exercise their rights and perform their duties acting in the Bank’s and its banking group’s interests, in good faith and reasonably. They shall be liable for any losses caused to the Bank by their guilty actions (omission) as provided for by applicable Russian laws, and for any losses caused to the Bank or its shareholders by their guilty actions (omission) breaching the share purchase rules set forth in chapter XI.1 of the Federal Law "On Joint-Stock Companies". Any Management Board members who voted against, or did not vote on, a resolution which resulted in losses for the Bank shall not be liable therefor.

5.2. The Chairman of the Management Board, Deputy Chairmen of the Management Board and Management Board members may not be the CEO or Chief Accountant in any other credit

institutions, foreign banks, insurance or clearing organisations, stock market professional participants, commodity and/or financial market trading facilities, joint-stock investment funds, specialised depositories or asset management companies of investment, mutual or private pension funds, pension arrangement and pension insurance organisations, microfinance companies, leasing companies or any affiliates of the Bank. This does not apply to a foreign bank which is the parent or a subsidiary of the Bank nor to any affiliate which is a nonprofit organisation (other than a state corporation).

The Chairman of the Management Board, Deputy Chairmen of the Management Board and Management Board members may only hold offices in management bodies of any other entities subject to consent of the Supervisory Board.

5.3. The Chairman of the Management Board, Deputy Chairmen of the Management Board and Management Board members must notify the Bank immediately of any event disqualifying their business reputation under applicable laws and provide documentary evidence thereof within reasonable time.

5.4. Rights and duties of the Chairman of the Management Board, Deputy Chairmen of the Management Board and Management Board members shall be as set out by the effective legislation of the Russian Federation, the Bank's Charter, this Regulation and a contract which can be made between each such person and the Bank. Any such contract shall be signed on behalf of the Bank by the Chairman of, or by a person authorised by, the Supervisory Board.

The Chairman of the Management Board and Management Board members shall provide any information or access to documents on the Bank and its controlled entities to Supervisory Board members upon written request.

5.5. The Chairman of the Management Board shall bear responsibility for the truth of any information contained in the Bank's statements.

5.6. The Chairman of the Management Board, Deputy Chairmen of the Management Board and Management Board members may:

- initiate the calling of Supervisory Board meetings;
- obtain information regarding the Bank's/its banking group's business subject to limitations set by applicable laws (within their competence).

5.7. The Chairman of the Management Board, Deputy Chairmen of the Management Board and Management Board members may not disclose any confidential information about the Bank's business coming to their notice, including any information constituting the Bank's banking or commercial secrets.

5.8. The Chairman of the Management Board, Deputy Chairmen of the Management Board or Management Board members may be removed if they:

- cease to have business reputation and/or qualification eligible under applicable laws;
- cause material losses to the Bank;
- cause damage to the Bank's business reputation;
- commit a wilful criminal offence;
- negligently perform their duties;
- breach any provision of the Bank's Charter or Russian laws on joint-stock companies, including those concerning circulation of securities issued by the Bank;
- obtain personal benefit from disposal of any property of the Bank, except where permitted by legislation of the Russian Federation, the Charter, other documents, or resolutions of management bodies, of the Bank;
- found business companies or other commercial organisations competing with the Bank (members of its group) while serving on the Bank's Management Board.

The Chairman of the Management Board, Deputy Chairmen of the Management Board and Management Board members may be also removed by other reasons stipulated by the Bank's Charter and the effective legislation of the Russian Federation.

5.9. Provisions of labour laws of the Russian Federation shall apply to the Chairman of the Management Board, Deputy Chairmen of the Management Board and Management Board members to the extent consistent with the provisions of the Federal Law "On Joint-Stock Companies".

Management Board members working under employment contracts are covered by the provisions of chapter 43 of the Labour Code of the Russian Federation.