

Reg. No 04-06/44 from September 10, 2020

**APPROVED BY
Supervisory Board of the
JSC «ANOR BANK»**

**dated September 10, 2020
(protocol No. 2)**

Chairman of the Supervisory Board
_____ Sh.K.Karimbaev

**POLICIES ON CONFLICT PREVENTION AND
RESOLUTION OF INTERESTS
JSC «ANOR BANK»**

Tashkent - 2020

CHAPTER 1. GENERAL PROVISIONS

1.1. This Policy for the prevention and resolution of conflicts of interest of ANOR BANK JSC (hereinafter referred to as the Policy) is a part of the compliance risk management system, establishes the management and organizational framework for preventing conflicts of interest, including potential ones, measures to minimize and/or eliminate its consequences, defines the main goals, objectives, and principles of managing conflicts of interest, including potential ones, in JSC "ANOR BANK" (hereinafter referred to as the "Bank").

1.2. This Policy has been developed in accordance with the requirements of Articles 34 and 37 of the Law of the Republic of Uzbekistan "On Banks and Banking Activities", the Regulation "On Corporate Governance in Commercial Banks" (reg. MJ №. 3254 dated June 30, 2020).

1.3. The Bank expects all its employees to agree with certain ethical principles, approaches, and requirements established by this Policy.

1.4. This Policy is the basis for the Bank's development of other internal regulatory documents in the field of conflict of interest management.

1.5. Terms and definitions used in this Policy:

Close relatives—spouses, children and parents, adoptive parents and adopted children, full and half siblings, grandparents, grandchildren.

Insider information—insider information means information that is related to both the insider information of the Bank and the insider information of customers and counterparties of the Bank, which is provided to the Bank. Insider information is accurate and specific information that has not been disseminated or provided (including information constituting commercial, official, banking secrets, communication secrets (in terms of information on postal money transfers) and other secrets protected by law), distribution or provision which may have a significant impact on the prices of financial instruments, foreign currency and (or) goods.

Client—an individual or legal entity serviced by the Bank.

Regulatory compliance—is a set of initiatives aimed at preventing actions of the Bank's employees that are contrary to the law and introducing corporate business ethics based on compliance with the letter of the law.

Counterparty—an individual or legal entity that is a party to the agreement with the Bank and is not a client.

Confidential information—information constituting a commercial secret, personal data and banking secrets. Confidential information also means private information that is not publicly available, or information provided by an external source (such as a Bank client or other third party) on the condition that this information should be kept confidential and used exclusively for the purposes for which it was provided. Confidential information can exist in any form (written, oral, electronic and other).

Conflict of interest—a direct or indirect contradiction between the property and other interests of the Bank and / or its employees and / or one or more customers and / or counterparties, as a result of which the actions (inaction) of one party may have adverse consequences for the other party, including:

- corporate conflict between the interests of the shareholders of the Bank, between the interests of the management and control bodies of the Bank and the shareholder (shareholders);
- conflict of interest between majority shareholders (shareholders owning large blocks of shares) and minority shareholders (shareholders owning a small block of shares).

A conflict of interest arises, including in a situation where the personal interest (direct or indirect) of an employee of the Bank affects or may affect the proper, objective and impartial performance of his official duties (exercise of powers).

The personal interest of an employee, which affects or may affect the proper performance of his official duties, is understood as the possibility for him to receive income from third parties in the performance of official duties in the form of monetary funds, valuables, other property or services of a property nature, other property rights or benefits for himself or for third parties.

Contradictions between the Bank's divisions, as well as contradictions arising during negotiations on commercial terms in the ordinary course of business, the terms of which are disclosed or should have been known to the negotiating party, are not considered a conflict of interest.

Competitor/competitor organization—an organization operating in the following areas: banking and investment banking, leasing, asset management, electronic payments, electronic trading platforms, digital companies and enterprises.

Gifts—any value in tangible or intangible form, for which there is no obligation to pay the regular price, including cash, securities and other property, benefits and services of a property nature (work, services, payment for entertainment, recreation, transportation costs, loans, discounts, provision of property for use, including housing, charitable contributions, donations, etc.) received or transferred in connection with work at the Bank. A gift can also be: business breakfast/lunch/dinner; entertainment event; educational event.

Security Division—General Security Department of the Bank.

Legal risk—the current or future risk of loss of income, capital or losses due to violations or non-compliance with internal and external legal norms, such as laws, by-laws of regulators, rules, regulations, prescriptions, constituent documents.

Employee—any individual who is in an employment relationship with the Bank.

Reputation risk (risk of loss of business reputation)—the risk of a credit institution incurring losses due to an unfavorable perception of the bank's image by customers, counterparties, shareholders (participants), business partners, regulatory bodies, etc.

The risk of non-compliance with legislative and regulatory requirements - involves changes in legislation, or requirements of the regulator (Central Bank of the Republic of Uzbekistan) regulating the activities of the Bank, following which leads to increased costs and the need to transform the policies of firms. This risk is analogous to the so-called regulatory risk.

Relatives - close relatives, family members, as well as cousins, children of spouses, uncles and aunts, nephews, parents of spouses, spouses of children and parents.

Internal Audit Service - the Internal Audit Department, which carries out its activities in accordance with the Regulations on the Internal Audit Department of the Bank.

Family members of an employee - people who live together with the employee and maintain a joint household with him, regardless of the degree of relationship, as well as persons who are financially dependent on the employee or on whom the employee is financially dependent.

The terms and definitions given in this clause are applicable only in relation to this Policy and cannot serve as a basis for interpretation or clarifications in relation to other local acts of the Bank.

CHAPTER 2. GOALS AND OBJECTIVES OF CONFLICT OF INTEREST MANAGEMENT

2.1 The purpose of this Policy is to determine the procedures and mechanisms for the prevention, timely detection, control and settlement (elimination) of conflicts of interest, consolidation of measures aimed at preventing its consequences, determination of the rules of conduct for the Bank's employees in cases of conflicts of interest, including potential ones.

2.2 The main objectives of this Policy:

– establishing principles for disclosing information on potential conflicts of interest, mechanisms for making managerial decisions and norms of behavior for the Bank's employees in cases of a conflict of interest;

– providing employees with general information on the measures taken by the Bank to manage (prevent, identify and resolve) conflicts of interest, including potential ones, as well as assist in determining the most acceptable ways to resolve such situations;

- determination of the standards for managing conflicts of interest, including potential ones, binding on the Bank;
- maintaining the balance of interests of the management and control bodies of the Bank and its employees when resolving conflicts of interest.

CHAPTER 3. POTENTIAL RISKS IN CONFLICT OF INTEREST MANAGEMENT AND TYPES OF CONFLICT OF INTEREST

3.1 Conflicts of interest are inherent in any area, including banking and securities markets. The existence of a conflict of interest in itself will not constitute a violation of the Bank's internal procedures, if appropriate measures were taken in a timely manner to disclose, identify, assess and manage this conflict.

A conflict of interest (or the apparent existence of such a conflict), in respect of which no proper measures have been taken, constitutes a threat to the Bank in the eyes of employees and other persons, including customers, shareholders, counterparties, the state and government bodies, trade unions and professional associations, participants in the securities market.

As a result of improper management of the Bank's conflict of interests, the following types of risks may be realized:

- the risk of non-compliance with legal and regulatory requirements;
- reputational risk (risk of loss of business reputation);
- legal risk;
- the risk of material financial losses.

3.2 Conflicts of interest can be of the following types:

–between clients of the Bank, including in situations in which the interests of one of the clients (group of clients) are in conflict with the interests of another client;

–between the client and the Bank, including in cases of transactions with the client at non-market prices in violation of investment goals or other infringement of the client's interests in favor of the Bank;

–between a client and an employee of the Bank, including in the event that the employee provides benefits to one client to the detriment of the interests of another client in order to obtain personal benefit;

–between the Bank and its employee, including in cases of unlawful use by the employee of his official position / confidential information in order to derive personal benefit;

–inability of minority shareholders to exert significant influence on the Bank's activities and on decisions taken by the general meeting of shareholders and the Supervisory Board;

–conclusion of major transactions and transactions with affiliated persons, without observing the established procedure for concluding such transactions;

–making decisions by the management bodies that may lead to a deterioration in the financial condition of the Bank.

3.3 List of typical examples of conflicts of interest:

i. Excessive authority by the employee in the performance of his work duties in order to obtain personal gain to the detriment of the interests of the client.

ii. The employee's participation in making personnel decisions in relation to close relatives, family members and other persons with whom his personal interest is associated.

iii. Participation of the employee in making a decision on the purchase of goods, the rights to which are owned / controlled by him or other persons with whom the employee is personally interested.

iv. An employee checks the activities of the unit in which his relative works.

v. The use by the employee of information that has become known to him in the course of the performance of his labor (job) duties in order to obtain benefits or competitive advantages when making commercial transactions for himself or another person with whom the employee has a personal interest.

vi. Providing an employee with investment advice to clients on transactions exclusively with financial instruments issued by one participant, to the detriment of other participants in the financial market. Purchase into its own portfolio of assets based on non-public information in relation to a potential deal / deals.

vii. Participation of an employee in writing an analytical report on an issuer, in respect of whose securities the employee has an interest.

viii. The employee is part of a team advising a client on potential transactions with an issuer in whose securities the employee has a personal interest.

ix. Carrying out of personal transactions by the employee to the detriment of similar transactions of the client.

3.4 The situations given are not exhaustive. The Bank's employees must independently assess the presence of a conflict of interest, including potential, and in other situations similar in meaning, with the subsequent communication of information to the immediate supervisor and / or the compliance control department.

CHAPTER 4. GENERAL CONFLICT OF INTEREST MANAGEMENT PRINCIPLES

4.1. In a situation where a conflict of interest arises, the Bank puts the interests of its clients first. In the event of a conflict of interest between an employee and the Bank, if it is impossible to eliminate the said conflict of interest, the interests of the Bank have priority over the personal interests of employees.

4.2. The Bank adheres to the following principles for managing conflicts of interest, including potential ones:

- equal and fair treatment of all clients of the Bank when consulting them and / or making transactions with them or on their behalf and / or on their behalf;

- delineation of powers: The Bank clearly delineates the powers of the management bodies and employees of the Bank to make decisions in such a way as to exclude a conflict of interest. Employees are obliged to use their official powers and capabilities exclusively in the interests of the Bank. Interested parties whose interests are or may be affected by a conflict of interest should not take part in resolving it;

- carrying out a fair and independent assessment of possible risks for the Bank in identifying cases of conflict of interest, including potential;

- ensuring that the Bank's managers maintain an appropriate culture of employee behavior, in which they know and understand their responsibilities and freely inform about doubts and problems (“Tone from above”);

- participation of all employees, regardless of their position in the Bank, in the processes of identifying and resolving conflicts of interest, including potential ones;

- development of measures to resolve conflicts of interest, including potential ones, including, but not limited to, acceptance, avoidance, and risk minimization;

- ensuring the protection of non-public, confidential, insider information and information obtained in the course of disclosing information about a conflict of interest, including potential;

- creating an environment of open communication, including the protection of the Bank's employees from sanctions / harassment in connection with their reporting of information about a conflict of interest, including a potential one, which was disclosed by the employee in a timely manner, and measures were taken to resolve (prevent) it;

- ensuring the sufficiency of the regulatory framework, including the establishment of rules and restrictions in order to minimize the risk of a conflict of interest, including potential;

- conducting training events, including with the subsequent testing of employees for knowledge and understanding of the main provisions in the field of conflict of interest management;

- provision of storage of client securities and clients' funds, detached from their own assets;

- open interaction with supervisory authorities and the regulator.

CHAPTER 5. PARTICIPANTS IN THE CONFLICT OF INTEREST MANAGEMENT PROCESS, THEIR FUNCTIONS AND AUTHORITIES

5.1 The Bank's Supervisory Board:

- approves this Policy;
- exercises general control over the process and the measures taken in the field of managing conflicts of interest, including potential ones;
- makes decisions on issues and activities carried out in the framework of managing conflicts of interest, including potential.

5.2 Bank Management Board:

- bears responsibility for the compliance of the Bank's activities with legal requirements, ensuring compliance with legal requirements through the organization of systems, processes, controls and procedures necessary to manage conflicts of interest, including potential ones;
- monitors compliance with the provisions of this Policy, including ensuring effective and prompt resolution of issues by other collegial bodies in the system for managing conflicts of interest, including potential ones;
- determines the need for representatives of the compliance control department to participate in the work of the collegial bodies of the Bank.

5.3 Employees of the Compliance Control Department of the Bank in accordance with the authority and competence granted:

- participate in the development of a common methodology in the field of managing conflicts of interest, including potential ones, and support the uniformity of approaches, including the provision of consulting support;
- conduct an examination of internal regulatory documents and organizational and administrative documents, contracts and agreements, including at the stage of their development and approval, at the request of the relevant developers, in order to manage and minimize the risk of a conflict of interest;
- take measures to identify, analyze and resolve conflicts of interest, including potential ones;
- take part in the implementation of procedures and measures for the development of culture in the field of conflict of interest management, including informing employees, training and consulting on the implementation of this Policy, other standards and rules, as well as changes in regulatory requirements;
- submit issues for consideration by the Bank's Supervisory Board;
- initiate and / or take part in conducting official checks on the management of conflicts of interest, including potential ones, and can also involve, if necessary, employees of other divisions of the Bank;
- notify the security department of the Bank about the facts or intentions to commit actions that have entailed / may lead to a conflict of interest;
- prepare training materials in the field of conflict of interest management;
- advise the Bank's employees on the management of conflicts of interest, including potential ones.

5.4 Employees of the General Security Department of the Bank, in accordance with their competence:

- prepare and carry out measures aimed at identifying and suppressing the actions of the Bank's employees that have entailed / may lead to a conflict of interest;
- initiate official investigations, and also participate in conducting official investigations within their competence;
- interact with law enforcement agencies regarding the transfer of materials on the revealed facts of violations of the Bank's employees, if necessary, in order to bring them to justice in accordance with the current legislation of the Republic of Uzbekistan;

- interact with the Compliance Control Department to identify information about the intentions or facts of actions by the Bank's employees that have entailed / may lead to a conflict of interest.

5.5 Employees who are members of collegial bodies and their substitutes:

- take into account the principles of conflict of interest management, the requirements of this Policy, as well as other internal regulatory documents when making decisions on issues considered at a meeting of a collegial body;

- ensure that there is no conflict of interest (personal interest), including that of their relatives, in relation to the issue discussed at a meeting of the Bank's collegial body;

- ensure that information on the existence of a conflict of interest (personal interest) or the risk of its occurrence concerning the issue discussed at a meeting of the Bank's collegial body is communicated to the other members of the Bank's collegial body, as well as the Bank's compliance control department to assess the level of risk of such a conflict of interest, and ways to minimize it. Information about a conflict of interest (personal interest), including potential, must be provided before a decision is made by a collegial body on the relevant issue;

- are responsible for the timely and complete provision of the above information;

- do not participate in the discussion and voting on issues considered at the collegial body of the Bank, if they have a conflict of interest (personal interest), including a potential one;

- comply with the rules for disclosing information on the presence of a conflict of interest (personal interest), including a potential one.

5.6 Heads of structural divisions of the Bank:

- orient employees towards the unconditional fulfillment of the requirements of this Policy and ethical standards of conduct, set an example of conscientious behavior;

- identify areas, activities and business processes with the risk of a conflict of interest, including potential, based on the scope of powers and functionality of independent structural units;

- develop and take measures to minimize the risk of a conflict of interest, including a potential one; if necessary, interact with the compliance control department;

- familiarize employees with this Policy and other internal regulatory documents developed in the development of the provisions and principles of this Policy;

- ensure compliance with the principles and requirements of this Policy by employees who are directly subordinate to them;

- take into account the impeccability and efficiency of employees' fulfillment of the requirements of this Policy when assessing their personal effectiveness for the purposes of staff motivation.

5.7 All employees of the Bank, regardless of their job position:

- identify situations that may lead to a conflict of interest, and interact with the Compliance Control Department on all issues related to the implementation of the requirements of this Policy;

- take reasonable measures to prevent the emergence of a conflict of interest, including potential;

- put the interests of the Bank / the Bank's customers above their own and avoid violations of the rights and legitimate interests of the Bank and its customers;

- strictly comply with the requirements of the legislation in the field of conflict of interest management, this Policy and other internal regulatory documents of the Bank in the field of compliance, the principles of professional ethics and ethical standards of business conduct, as well as the obligations established by the Compliance Control Department;

- when performing their functional duties or carrying out activities on behalf of the Bank in any country of the world, comply with the national legislation of that country and the norms of international law in the field of conflict of interest management, as well as the requirements of this Policy and other internal regulatory documents of the Bank in the area of compliance;

- refrain from taking actions and making decisions that may lead to a conflict of interest;

- promptly disclose information about each case of a conflict of interest and situations that may lead to a conflict of interest, for their mandatory assessment by the compliance control department;
- timely pass training programs on conflict of interest management;
- inform the Compliance Control Department about each known / potential / detected case of violation of this Policy and other internal regulatory documents of the Bank in the field of compliance;
- assist colleagues and the compliance control department in resolving arisen / potential conflicts of interest;
- comply with the rules for working with confidential, insider information;
- comply with the ethical principles, approaches and requirements specified in the Bank, established by this Policy;
- if there are doubts about the admissibility of taking actions or other issues related to the provisions of this Policy, seek clarification from the immediate supervisor and / or the Compliance Control Department.

CHAPTER 6. STAGES OF CONFLICT OF INTEREST MANAGEMENT

6.1 In order to improve the efficiency of work on the management of conflicts of interest, including potential ones, as well as clear coordination of actions of the management bodies and employees of the Bank, the process of managing a conflict of interest includes the following stages:

- prevention of a conflict of interest - taking measures to prevent the emergence of a conflict of interest;
- identification and assessment of conflicts of interest - constant monitoring and assessment of potential situations that may lead to a conflict of interest;
- settlement of a conflict of interest - a set of measures aimed at a complete and prompt resolution of a conflict of interest.

6.2 Avoiding conflicts of interest:

6.2.1. The main measures to prevent conflicts of interest in the course of the Bank's activities are:

- strict observance by the governing bodies and employees of the Bank of the procedures established by the current legislation, the charter, internal regulations of the Bank, job descriptions, including when performing banking operations and transactions;
- creation of the organizational structure of the Bank, which clearly delineates the areas of responsibility, authority and reporting;
- formation of the composition of the Bank's collegial bodies and holding meetings of the relevant collegial bodies, taking into account the principle of avoiding conflicts of interest, including potential ones, as well as independence in decision-making;
- introduction of the practice of making collegial decisions on the most responsible and large-scale issues;
- introduction of double control practice;
- implementation of audits by the internal audit department;
- implementation of a multilevel internal control system in the Bank;
- establishment of information barriers;
- ensuring the principles of the independence of subdivisions and the "need for service" in the distribution of information flows;
- setting restrictions on the use of mobile communications for certain categories of employees;
- disclosure of information on conflicts of interest, including potential ones.

6.2.2. In order to prevent, minimize and resolve conflicts of interest, including potential ones, the Bank may require employees to comply with additional (individual) obligations established by the Compliance Control Department.

6.2.3. Information barriers:

Organization of a business process or the interaction of several business processes, in which information is delimited for each stage of a business process or for several business processes and the transfer of information is possible only according to established rules.

The Bank's subdivisions are divided into two categories based on their possession of information:

- divisions that, due to functional responsibilities, gain access to non-public information that can create advantages for its owner;
- divisions that, due to their functional responsibilities, do not get access to non-public information that can create advantages for its owner.

Some employees of the Bank, due to their job duties, must have access to both public information and information that is not public.

6.2.4. To maintain information barriers, the Bank uses the following methods:

- restriction of the location of information inside certain objects of the buildings of the Bank, ensuring the physical and information technology security of the specified information;
- delimitation of access to various categories of data in information systems between users of different departments;
- exercising proper supervision over the Bank's employees who have access to price-determining information, as well as training employees on the use and observance of information barriers;
- imposition of certain obligations to maintain confidentiality on persons with access to insider information;
- restriction of access to confidential information in the case when its disclosure is not necessary;
- use of the principle of "need-to-know" in the distribution of information flows (in accordance with clause 6.2.6.);
- monitoring of transactions with securities for personal purposes carried out by employees who have access to non-public information.

6.2.5. Independence of the work of departments:

When resolving conflicts of interest, including potential ones, the Bank ensures the necessary and reasonable degree of independence in the work of all divisions of the Bank.

Due to the simultaneous execution of transactions for different clients, additional measures may also include:

- separation of managers responsible for the execution of clients' transactions;
- complete separation of teams involved in the execution of clients' transactions;
- establishment of a prohibited period for performing operations (transactions);
- establishment of information barriers (in accordance with clause 6.2.3).

6.2.6. The principle of "need-to-know" in the distribution of information flows:

In order to prevent the dissemination of confidential, non-public and insider information, the "need-to-know principle" is introduced, which is mandatory for all employees of the Bank, and prohibits the provision of information to employees for whom access to such information is not necessary for the performance of their direct official duties.

6.2.7. Mobile communications rules:

To prevent abuse, as well as to ensure that employees comply with requirements related to fair treatment of customers, the Bank imposes restrictions on certain categories of employees on the use of mobile communications in the performance of their official and functional duties. The Bank may use technologies that provide for the recording and control of conversations of such categories of employees, carried out using landline telephone communications, in accordance with the current legislation.

Bank employees participating in the acceptance and approval of clients' applications for transactions with securities, as well as other applications (applications, complaints, proposals from

individuals and legal entities), in particular the contact center management, the secretariat management, should negotiate only using the file recorded by the Bank telephone line.

6.2.8. Measures aimed at identifying, monitoring and preventing the consequences of conflicts of interest in the implementation of professional activities in the securities market:

When providing services to clients within the framework of professional activities in the securities market, the Bank:

- reveals the presence of a conflict of interest that may arise in the provision of services to the client, prior to the provision of the relevant services (in the development of products, marketing materials, negotiation of transactions, etc.);
- takes measures aimed at eliminating identified conflicts of interest (for example, rejection of one of the transactions that leads to a conflict, creation of information barriers between departments, separation of project teams, etc.);
- observes the priority of the client's interests over the interests of the Bank when resolving conflicts of interest;
- performs operations (transactions) with financial instruments in the interests of the client on the basis of orders from clients. Conducting operations (transactions) without appropriate instructions is allowed within the framework of the powers established by the applicable law and the agreement with the client;
- executes orders of clients in accordance with the requirements contained therein on the best conditions under the given circumstances and as soon as possible, with the required professionalism, thoroughness and conscientiousness;
- ensures the implementation of information barriers between departments (employees) that carry out various types of activities, if the absence of such barriers leads to a conflict of interest, including between the Bank (its employees) and customers;
- restricts the range of employees who have access to non-public, confidential and / or insider information of the client (issuer), including the principle of "need-to-know" provided for in this Policy (in accordance with clause 6.2.6.);
- implements other measures provided for by this Policy, necessary to identify and exclude conflicts of interest in the Bank's professional activities in the securities market.

If the measures to minimize (exclude) did not lead to the complete elimination of the conflict of interests of the Bank or its employee, the Bank notifies the client, including the issuer of securities, of the conflict of interest, as well as of the measures taken to resolve it, prior to the transaction (transactions) in relation to which there is a conflict of interest, brings other information to the client in accordance with the requirements of applicable law and the agreement with the client.

6.2.9. Disclosure of Conflicts of Interest:

Minimization and prevention of the risk of a conflict of interest, including a potential one, is implemented in the Bank through the mechanism for disclosing information about such a conflict of interest by employees, including:

- when applying for a job;
- as situations arise that have entailed and / or are capable of entailing the emergence of a conflict of interest, including potential;
- on an annual basis;
- in other cases, prior to the occurrence of events and / or the receipt of a certain type of information.

The following information is subject to mandatory disclosure to the Compliance Control Department:

- on the implementation by employees of activities outside the Bank, including participation in the authorized capital (except for organizations whose shares are traded at organized auctions, if such participation does not exceed 5% of the authorized capital) of third parties, participation in management bodies of third parties, including audit commissions, business activities, part-time work;

- on the receipt of proposals to the employee about participation in management bodies and / or authorized capital (except for organizations whose shares are traded at organized auctions, if such participation does not exceed 5% of the authorized capital) of third parties or part-time work;
- on the joint work of relatives in the Bank, including on the joint participation of relatives in business processes and / or collegial bodies (including cases of participation of relatives in a joint business process);
- about cases of changes in the circumstances of the employee and / or his relatives, including when changing the official or functional duties performed at the Bank;
- on the participation of close relatives of the employee in the authorized capital (with the exception of organizations whose shares are traded on the organized securities market, if such participation does not exceed 5% of the authorized capital) and management bodies of third parties, their entrepreneurial activities in cases where these organizations are competitors, customers and / or counterparties of the Bank, and if these circumstances change;
- about other cases that can lead to the emergence of a conflict of interest, including potential one.

The information received about situations that have led and / or may lead to a conflict of interest, including a potential one, is subject to verification by an authorized employee of the Compliance Control Department in order to assess the risks arising for the Bank and select the most appropriate form of their settlement.

Disclosure of information about a conflict of interest, including a potential one, does not relieve the Bank and its employees from the obligation to maintain and ensure effective organizational and administrative measures to resolve it and prevent similar situations in the future. Bank employees should propose ways to resolve conflicts of interest, including potential ones, depending on their job responsibilities and level of competence.

The bank must disclose information about an actual or potential conflict of interest in relation to a client before entering into a transaction with him if the procedure and measures taken to resolve this conflict of interest do not prevent the risk.

Information on the activities and/or participation of the Bank's employees and / or their relatives in homeowners' associations, garage cooperatives, horticultural, vegetable gardening, dacha consumer cooperatives, trade union organizations on a gratuitous basis is not subject to disclosure.

An affiliate of the Bank is obliged to inform about its affiliation in the manner and terms established in accordance with the Law "On Joint Stock Companies and Protection of Shareholders' Rights" by providing relevant information.

Information about transactions with affiliated persons, including their written notifications and full wording of decisions made on transactions, information about the people who made the decision, and information about conflicts of interest when concluding transactions with affiliated individuals, are part of the Bank's annual report.

6.2.10. Checklists:

The Bank, operating in the financial markets, maintains and monitors control lists, which are key mechanisms for managing conflicts of interest and allow monitoring the Bank's activities, promptly identifying potential conflicts of interest and promptly resolving them.

6.2.11. Handling gifts and hospitality:

The Bank considers gifts received/given by the Bank's employees, as well as entertainment expenses, as a potential source of conflict of interest.

When establishing and maintaining business relationships with clients/partners, including potential ones, Bank employees must not violate the restrictions on anti-corruption measures publicly disclosed by such clients / counterparties on their official websites.

6.3. Identification and assessment of conflicts of interest

6.3.1. Conflicts of interest, including potential ones, are identified by all employees of the Bank in the course of their current activities, regardless of their position, using those listed in

Section 6.2. measures to prevent conflicts of interest in all processes of the Bank, including the development of new products and the formation of new business processes.

6.3.2. Potential conflicts of interest are also identified and assessed during audits, including with the involvement of security and internal audit departments.

6.3.3. The Bank operates a "Helpline" - a safe and confidential channel for informing about any cases of personal interest and / or abuse by employees of the Bank, as well as situations related to the presence of an unresolved conflict of interest among employees of the Bank, or their concealment of information about such a conflict of interest. The work of the "Helpline" is carried out on a continuous basis using all available channels for obtaining information and technical means of automated receipt of requests, the details of which are posted on the official website of the Bank on the Internet.

6.3.4. If the employee reveals information about a conflict of interest that has arisen or about the possibility of its occurrence, the employee is obliged to immediately notify his immediate supervisor and / or the compliance control department. In case of contacting the immediate supervisor and in the absence of further measures on his part aimed at preventing or eliminating the identified conflict of interest, or if the measures taken did not lead to the elimination of the conflict of interest, the employee is obliged to inform the Compliance Control Department about this.

6.3.5. The heads of the Bank's structural divisions are obliged to take reasonable and sufficient measures to resolve conflicts of interest, including potential ones.

6.3.6. In the event that an employee of the Bank and / or his manager doubts the existence of a conflict of interest, or doubts how to minimize the risk of a conflict of interest and / or its consequences, the employee should seek assistance from the Compliance Control Department of the Bank.

6.4. Settlement of conflicts of interest

6.4.1. In order to manage conflicts of interest, including potential conflicts, the Bank adopts the following mechanisms for resolving it:

- restricting the employee's access to specific information that may affect the employee's personal interests;
- voluntary refusal of the employee or his suspension (permanent or temporary) from participation in the discussion, decision-making process or other influence in relation to the subject of the conflict of interest;
- change of labor (official) duties and powers of the employee;
- the transfer by the employee of the securities belonging to him, which are the basis for the emergence of a conflict of interest, in trust management;
- refusal of the employee from the subject of personal interest, giving rise to a conflict of interest, including potential;
- removal of an employee from access to relevant information in the event of a high degree of probability of a conflict of interest being realized;
- dismissal of an employee from the organization at the initiative of the employee;
- the dismissal of an employee at the initiative of the employer for a disciplinary offense, including that entailed non-performance or improper performance of the labor duties assigned to him, in accordance with labor legislation and the terms of the employment contract with the employee.

6.4.2. The measures taken to manage and resolve conflicts of interest, including potential ones, depend in particular on:

- the scale of the conflict of interest;
- the nature of the conflict of interest;
- conditions for its occurrence;
- damage that may be caused to the Bank, employees of the Bank, their customers, counterparties and other third parties in the event of a conflict of interest.

6.4.3. In order to avoid a conflict of interest, it is prohibited to:

- represent the Bank in relations with organizations in which the employee has a significant personal interest other than the interests of the Bank, including (but not limited to) cases of predominant participation in the authorized capital or management bodies of such organizations of the employee and/or his relatives;

- be involved in the execution / conclusion of transactions / agreements / contracts with the participation of the Bank or any of the customers or suppliers, if the employee and / or his relative have an interest in the transaction / agreement / contract or can directly or indirectly benefit from such a transaction if only information about the transaction / agreement / contract, potential benefit and interest were not disclosed to the Compliance Department and were allowed in writing;

- use for personal purposes confidential information received (became known) by the employee in the course of the performance of official duties;

- carry out during working hours' activities related to participation in the management bodies of third parties, the implementation of entrepreneurial activities, the provision of consulting or agency services, part-time work;

- engage in entrepreneurial activities (including participation in the authorized capital or management of legal entities), which has become available taking into account the position in the Bank, including using the business relationships and opportunities of the Bank, except for cases when such activities or participation are directly entrusted by the Bank to an employee in in the prescribed manner, that is, carried out in order to fulfill the professional duties of the employee;

- joint work of relatives in the case of administrative or functional subordination of one of the relatives to another;

- performance of official checks by an employee in relation to his relative - an employee of the Bank;

- inspections and coordination of operations by an employee of the Bank's subdivision performing control functions, the person responsible for which is his relative;

- the performance by the Bank employee of control procedures and audit of the activities of the unit in which his relative works;

- performance by a Bank employee of any role in a project for the implementation of which his relative is responsible and / or for which his relative is authorized to make key decisions.

6.4.4. Given in clause 6.4.3. the list of restrictions and methods for resolving conflicts of interest is not exhaustive. In each specific case, other measures may be taken to resolve the conflict of interest that do not contradict the applicable law.

6.4.5. If it is impossible to resolve a conflict of interest, including a potential one, in a way available in the current circumstances, to prevent the Bank from reputational risk, legal risk, risk of non-compliance with legislative and regulatory requirements and other risks, the Bank may decide to refuse to carry out a specific transaction or service. specific client.

6.5. The Bank's corporate consultant is responsible for accounting for conflicts of interest between shareholders, between the Bank's management bodies and shareholders. The corporate consultant of the Bank gives a preliminary assessment of the conflict, prepares the necessary documents on the merits of the issue, and submits them to the body of the Bank, which is responsible for the consideration of this conflict.

To resolve conflicts of interest between shareholders, between the management bodies of the Bank and shareholders:

- an independent member of the Supervisory Board can act as an intermediary in resolving conflicts of interest between the Bank's shareholders;

- a corporate consultant or an authorized body of the Bank can participate in negotiations between shareholders, provide shareholders with information and documents at their disposal and related to a conflict of interest, explain the norms of legislation, the charter and internal documents of the Bank.

6.6. In cases where there is no dispute between the party to the conflict of interest and the Bank on the merits of their obligations, but disagreements have arisen about the procedure, method, timing and other conditions for their implementation, the Bank must invite the party to

the conflict of interest to resolve the disagreements that have arisen and set out the conditions on which the Bank is ready to satisfy shareholder demand.

CHAPTER 7. RESPONSIBILITY OF THE BANK AND EMPLOYEES

7.1. All employees of the Bank, regardless of their position, are personally responsible for compliance with the principles and requirements of this Policy, as well as for the actions (inaction) of persons subordinate to them that violate these principles and requirements.

7.2. The bank may be subject to sanctions for violations committed by their employees, which led to a conflict of interest, in connection with which, for each reasonably justified suspicion or established fact, official checks are carried out within the framework allowed by applicable law.

7.3. Employees found guilty of violating the requirements of this Policy and other internal regulatory documents in the field of conflict of interest management as a result of an official audit may be brought to disciplinary, up to and including termination of employment, as well as civil liability in accordance with applicable law.

7.4. Persons found guilty by a court decision may be brought to administrative or criminal liability in the manner and on the grounds provided for by applicable law.

CHAPTER 8. FINAL PROVISIONS

8.1. In the event of a change in the applicable national and international legislation before the adoption of the new version of the Policy, this document is valid to the extent that it does not contradict them.

8.2. If there are doubts about the interpretation of the provisions and requirements of this Policy, their applicability to certain situations, the only authorized division that can decide on their interpretation is the Compliance Department of the Bank.

8.3. All employees of the Bank must be familiar with the provisions of this Policy in accordance with the current procedure in the Bank.

8.4. The Compliance Control Department constantly monitors the effectiveness of the Bank's compliance control system, taking into account changing internal and external circumstances. The results are reported to the Bank's Supervisory Board, which assesses the effectiveness of the bank's compliance control system, and also strengthens it as necessary to ensure efficient operation.

8.5. Changes and additions to this Policy are made by the Compliance Control Department of the Bank and come into force after their approval by the Supervisory Board of the Bank.

Introduced:

Head of Legal Department

T. Zanakhov

Agreed:

Chairman of the Board

Sh. Akramov

Deputy Chairman of the Board

E. Nadjimitdinov

Deputy Chairman of the Board

M. Nurutdinova

Chief Accountant

B. Shamansurova

Head of Internal Audit Department

U. Babaev