

Business Ethics and Anti-Corruption

Maintaining high standards of business ethics and transparency and preventing and combating corruption are integral parts of the VTB Group's corporate culture.

The Bank has a Code of Ethics and Anti-Corruption Policy, which establish ethical standards of operation and provide for the principles and rules of business conduct and ethics mandatory for all employees and members of the Supervisory Council, including the prevention of corruption in the performance of official duties.

Adherence to the Bank's Code of Ethics is mandatory and unconditional for all employees. In cases where the ethical standards and principles set out in the Code of Ethics are higher than those defined by business practice and applicable law, the Bank observes the standards and principles of the Code of Ethics.

VTB also participates in anti-corruption partnerships. In particular, in 2020, projects were implemented jointly with the Anti-Corruption Centre of the Higher School of Economics to develop a regulatory framework for combating corruption, including the creation of e-courses on foreign anti-corruption legislation applicable to Russian organisations and the creation of a database of court practice on the application of liability for corruption offences.

Also with the support of VTB, the Institute of Legislation and Comparative Law under the Government of the Russian Federation has held a number of scientific, practical and educational events aimed at creating an atmosphere of intolerance to corrupt practices in society and increasing the effectiveness of anti-corruption education.

Internal control and business ethics training of personnel

In order to maintain the highest ethical standards of VTB Group operations, mandatory training has been arranged for all employees.

All newly hired employees are obligated to familiarise themselves with the internal regulations that stipulate principles and standards of ethical conduct and terms of employment with the Bank or any other company of the VTB Group. Employee adaptation includes required introductory training courses that explain the Code of Ethics to all categories of new employees. Training programmes are available as remote learning sessions on the Bank's employee education portal and on VTB Group companies' internal corporate platforms.

The system of mandatory training creates uniform standards of compliance for all VTB Group employees and provides general corporate knowledge on the following matters:

- Compliance control;
- AML/CFT and FPWMD;
- Preventing the improper use of insider information and market manipulation;
- Data security;
- Operational risk management.

All Bank employees also receive anti-corruption training.

10.1

thousand of the Bank's employees

received anti-corruption training in 2020

2.5
million RUB

expenditures on supporting partner anti-corruption projects

System for receiving employees' reports on violations and abuses

The Bank has a multi-channel system for receiving employee reports of violations and abuses, including those related to conflicts of interest, corruption and business ethics. Responsible functional areas of the Bank regularly analyse information, identify causes and make recommendations on how to resolve the situations that have arisen and prevent their occurrence in the future.

Part of this system is the Whistleblower hotline where employees can address issues of violations of Russian law and the Bank's regulatory and organisational and administrative documents, including reporting cases of corruption.

A total of 49 reports were made by employees to the whistleblower hotline in 2020. Each request was investigated, and appropriate measures were taken as a result.

Responsible procurement approach

VTB adheres to a responsible approach to procurement and consistently works to create a transparent and efficient procurement infrastructure and improve cooperation with suppliers.

VTB Bank's procurement activities are aimed at ensuring that the Bank's needs for high-quality products are met in a timely and complete manner, subject to the following conditions:

- Procurement transparency;
- Efficient use of funds;
- Expanding the opportunities for legal entities and individuals, including small and medium businesses, to participate in procurement;
- Development of fair competition.

The Bank is guided by basic procurement activity principles and ensures the transparency of procurement processes, equal rights, non-discrimination and the absence of unjustified restrictions on competition towards participants. VTB adheres to the principle of targeted and cost-effective spending of funds and does not limit access to procurement opportunities by setting biased requirements for participants.

317.2
billion RUB

volume of procurement activities in 2020