


Volga-Dnepr Group President


A.I. Isaykin

"16" 08 2012

ANTI-CORRUPTION POLICY

This Anti-Corruption Policy (the "Policy") of Volga-Dnepr Group (the "Company") sets forth the Company's and its management's commitment to uphold the highest ethical standards of transparent and fair business practices, and to continuously improve corporate culture and responsibility.

This Policy defines the fundamental principles and requirements for prevention of corruption and ensuring compliance with applicable anti-corruption regulations by the Company, its directors, officers, employees, agents, professional advisors, contractors, suppliers, vendors and other persons acting on behalf and in the interests of the Company.

FUNDAMENTAL PRINCIPLES AND REQUIREMENTS

1. The Company does not tolerate any form of bribery or corruption, and specifically prohibits its employees from:

(1) demanding and/or receiving, personally or through third parties, any compensation, reward or other valuables or benefits from suppliers, vendors, customers, competitors and other persons in return for granting any commercial advantage;

(2) paying, promising, offering, or authorizing a payment or the transfer of other valuables directly or indirectly to a government official, political party, private person or private entity for the purpose of obtaining or retaining business or securing commercial advantage for the Company.

The term "government official" includes any person acting in an official capacity for or on behalf of a government or governmental agency or municipal body at any level, a public international organization or a political party or candidate for political or party office.

2. The Company does not finance any political party, organization or movement for the purpose of obtaining or retaining business or securing its commercial advantage.

3. The Company requires and expects that all its employees will comply with all legal requirements pertaining to giving and receiving gifts and entertaining business partners and government officials. The Company prohibits its employees from accepting, giving or offering gifts of cash, cash equivalents, stock or other securities.

All business meetings must be for legitimate business reasons.

4. The Company prohibits its employees from engaging or using intermediaries, partners, agents, joint ventures or other persons to take or attempt to take any action that violates the principles and requirements of this Policy, the Company's Code of Ethics or applicable laws.

In order to minimize corruption risks, the Company has systems in place to conduct due diligence of its business partners, assess their zero tolerance to corruption and bribery and analyze their business reputation. The Company also includes special anti-corruption provisions in contracts with its business partners.

5. The Company conducts its charity, social and sponsor activities in conformance with the following criteria:

- compliance with applicable laws and internal regulations of the Company;
- direct or indirect connection with serving business interests and/or achieving charter goals of the Company;
- positive effect on reputation and image of the Company, and real effectiveness in achieving socially significant purposes.

6. The Company uses regular monitoring and audit processes to identify, analyze and assess corruption risks specific to its business activities. The Company recognizes the importance of managing corruption risks and develops and implements adequate procedures for their prevention with continuous control over due observance and monitoring of efficiency of such procedures to ensure their sufficiency, relevance and adequacy to existing risks.

7. For creating and maintaining the appropriate level of anti-corruption culture, all new employees of the Company are required to receive training with respect to this Policy and other associated regulations, and recurrent/refresher training workshops, in person and/or distant, are regularly organized for employees.

8. Failure to comply with the principles and requirements outlined with this Policy may lead to disciplinary, administrative, civil and/or criminal action in accordance with applicable laws and regulations.

Group Senior Vice President

S.I. Shklyanik

Executive President, Volga-Dnepr Airlines

A.A. Sidorin

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