

Extract from the Anti-Corruption Policy and Mechanism for Confidential Reporting of Unacceptable Behaviour at JSC «CRYSTALBANK», approved by the Resolution of the Supervisory Board of JSC «CRYSTALBANK» No. 41 dated October 31, 2024

GENERAL PROVISIONS

The Anti-Corruption Policy and Mechanism for Confidential Reporting of Unacceptable Behaviour at JSC «CRYSTALBANK» (hereinafter referred to as the Policy) is an internal document of JSC «CRYSTALBANK».

The Policy defines the principles and requirements aimed at implementing effective measures to prevent unacceptable behaviour, fraud, abuse, violations, corruption and bribery at JSC «CRYSTALBANK» (hereinafter referred to as the Bank).

The Policy defines the participants in the procedures for preventing unacceptable behaviour and combating corruption (including in relations with third parties, including individuals, legal entities, public authorities and their representatives), their tasks, functions, powers and responsibilities.

The Policy is a key element of anti-corruption efforts, together with other related documents and procedures designed to effectively manage the risk of corruption at the Bank.

The Bank cares about its reputation and conducts its activities in strict compliance with the current legislation of Ukraine, regulatory acts of the National Bank of Ukraine and internal documents of the Bank. The Bank emphasises that all its employees and managers in legal relations with state authorities, regulatory bodies and their officials, officials of customers and counterparties, and business partners, are guided by the principle of “zero tolerance” for any manifestations of corruption and bribery and take all measures provided for by law to prevent, detect and counteract corruption and related activities.

The Policy provides for procedures through which Bank employees (indirectly¹, regardless of the internal hierarchy) and Bank customers or other interested parties will be able to confidentially² report their substantial suspicions (reasonable concerns and observations) regarding potential or actual fraud, abuse, corruption, or corruption-related offences of bribery, unacceptable behaviour and violations by Bank employees to the Supervisory Board of the Bank through the Compliance Control Department.

Confidential reporting concerns unacceptable behaviour (including illegal actions), in particular fraud or corruption and bribery at the Bank, violations of current Ukrainian legislation, regulatory acts of the National Bank of Ukraine and internal documents of the Bank, waste or improper management of the Bank’s resources, abuse of official position,

¹ The method of indirect reporting ensures that conflicts of interest are avoided, i.e. reporting is not carried out through the usual hierarchical channels of information exchange.

² Confidentiality – preventing the disclosure of information to persons who are not authorized to receive it.

behaviour that causes or contributes to significant harm, may impair the Bank's operations or management, as well as attempts to commit such acts (hereinafter referred to as unacceptable behaviour, fraud, abuse, corruption and violations). Fraud and any misleading behaviour are prohibited. This applies to words, promises, failure to provide material information (even simple omissions, advice and statements). It is also prohibited to mislead about the characteristics of a product or service, such as its standards and quality, price, profitability, cost, advantages, exclusions, etc.

This Policy uses the names of the Bank's structural units/internal documents that are in effect at the time of approval of this Policy. In the Bank's future activities, these names may change, so priority is given to the functions performed by the units/processes described in the documents, rather than their names. Changes in the names of the Bank's structural units/internal documents do not require amendments to this Policy.

In the event of any part of this Policy being inconsistent with the current legislation of Ukraine, regulatory acts of the National Bank of Ukraine, including in connection with amendments and additions to legislative and regulatory acts, the adoption of new legislative and regulatory acts, Bank employees shall be guided by this Policy insofar as it does not conflict with current legislation.

All issues not covered by this Policy shall be resolved in accordance with other internal documents of the Bank, in compliance with the requirements of the current legislation of Ukraine.

This Policy is binding on all managers and employees of the Bank. All Bank employees (regardless of their position) are required to adhere to the ethical principles, approaches and requirements of this Policy. Managers and employees of the Bank are not entitled to circumvent the requirements of this Policy through the activities of counterparties, business partners, including consultants, agents or other third parties.

The general principles of the Policy also apply to persons who perform work or provide services under a contract with the Bank, counterparties, business partners (agents, consultants, other third parties) acting on behalf of the Bank.

The Policy is also applied by the Bank in its legal relations with business partners, including state authorities and local self-government bodies.

The Policy is permanently available to the Bank's managers and employees on a network drive accessible to all employees. An extract from the Policy is posted on the Bank's official website.

DEFINITIONS AND ABBREVIATIONS

Bank – JSC «CRYSTALBANK» consists of structural divisions of the Bank's Head Office and its separate divisions.

Separate divisions – separate divisions of the Bank (directorates and branches) not having legal entity status, carrying out banking activities on behalf of the Bank, not having a separate balance sheet and operating in accordance with the Regulations on Directorates and Branches. The operations of separate

divisions are carried out through the Bank's correspondent account and are reflected in the Bank's balance sheet.

Internal document/intra-bank document – policy on specific areas of the Bank's activities, regulations, instructions, methodologies, rules, orders, decisions, directives, job descriptions, description of procedures and operational processes, or documents developed by the Bank in another form, which, among other things, include a description of procedures/processes, the responsibility of Bank employees for the performance of their internal control functions, the distribution of responsibilities, the procedure for interaction between Bank divisions and employees, and other issues related to the organisation and functioning of the internal control system and the functioning of the risk management system.

Chief Compliance Officer (CCO) – the Bank's chief officer responsible for monitoring compliance with regulations. The functions of the Chief Compliance Officer are assigned by the Decision of the Bank's Supervisory Board to the Head of the Compliance Control Service. The Chief Compliance Officer is responsible for the performance of the functions assigned to the Compliance Control Department.

Ethics – a set of rules of conduct and moral principles of a particular social or professional group (banking ethics).

Abuse – intentional violation of the current legislation of Ukraine, regulatory acts of the National Bank of Ukraine and internal documents of the Bank, exceeding of their official powers and/or powers by Bank employees when performing banking operations.

Bank managers/managers – the Chairman, his deputies and members of the Bank's Supervisory Board, the Chairman, his deputies and members of the Bank's Management Board, the Bank's Chief Accountant.

Collegial bodies of the Bank – the Supervisory Board of the Bank, the Management Board of the Bank, committees of the Bank, which operate on a permanent basis in the form of meetings or in working order (without holding meetings) and make decisions regarding the Bank's activities within their competence in accordance with the provisions on collegial bodies and the Bank's Articles of Association.

Customer – any individual or legal entity using the Bank's services.

Conflict of interest is an actual or potential conflict between a person's personal interests and their official or professional duties that may affect the conscientious performance of their duties, objectivity and impartiality in decision-making.

Corruption – the use by a Bank manager and/or other Bank employee of their official powers or related opportunities to obtain unlawful benefits or accept such benefits or accept a promise/offer of such benefits for themselves or other persons, or, accordingly, a promise/offer or provision of an unlawful benefit to the Bank's manager and/or Bank employee, or at their request to other individuals or legal entities, with the aim of persuading that person to misuse their official powers or related opportunities.

Corruption offence – an act containing signs of corruption, committed by the Head/manager of a structural/separate unit or an employee of the Bank, for which criminal, disciplinary and/or civil liability is established by law.

Unlawful benefit – cash or other property, advantages, privileges, services, intangible assets, any other benefits of an intangible or non-monetary nature that are promised, offered, provided or received without legal grounds.

Unacceptable behaviour includes the submission of inaccurate financial, statistical and management reports, crimes in the field of official activities, crimes in the field of economic activities (fraud), violation of sanctions, legalization (laundering) of proceeds from crime, financing of terrorism and financing of the proliferation of weapons of mass destruction, anti-competitive practices, bribery, including giving/receiving gifts, corruption, violation of consumer rights, violation of Ukrainian legislation, internal documents of the Bank.

AML/CFT – preventing and counteracting the legalization (laundering) of proceeds of crime, financing of terrorism and the financing of the proliferation of weapons of mass destruction.

Control Units – Risk Management Unit, Compliance Unit and Internal Audit Unit.

Compliance Control Department – a department headed by the Chief Compliance Officer, which performs compliance risk management functions as defined by Ukrainian legislation, NBU Resolution No. 64 and the Bank’s internal documents (hereinafter referred to as the Compliance Department).

Persons related to the Bank – persons defined as related to the Bank in accordance with Article 52 of the Law of Ukraine “On Banks and Banking Activities”.

Potential conflict of interest – a person having a private interest in the area in which they perform their official or representative powers, which may affect the objectivity or impartiality of their decision-making, or the performance or non-performance of actions in the exercise of those powers.

Gift³ – cash or other property, benefits, privileges, services, intangible assets provided/received free of charge or at a price lower than the minimum market price.

Gifts corresponding to generally accepted notions of hospitality – a gift the value of which does not exceed two subsistence minimums for able-bodied persons, established on the day of receipt of the gift, and the total value of such gifts received from one person (group of persons) during the year may not exceed four subsistence minimums established for an able-bodied person as of January 1 of the year in which the gift was received, provided that they were received in the absence of a conflict of interest.

Violation – failure to comply with the requirements of the current legislation of Ukraine, regulatory acts of the National Bank of Ukraine or internal documents of the Bank, which regulate the activities of the Bank in general and individual employees in particular.

Corruption-related offence – an act that does not contain signs of corruption but violates the requirements, prohibitions and restrictions established by the Law “On Prevention of Corruption”, for which criminal, administrative, disciplinary and/or civil liability is established by law.

Private interest – any property or non-property interest of a person, including that arising from personal, family, friendly or other non-official relationships with individuals or legal entities, including those arising in connection with membership or activities in public, political, religious or other organizations.

Unlawful actions – deliberate actions or inaction related to violations of Ukrainian legislation, regulatory acts of the National Bank of Ukraine, internal documents and regulatory documents of the Bank, or fraudulent cases, actions of Bank employees, provided that they show signs of abuse of their rights and duties, suspicion of fraud, or actions of counterparties, which may result in the loss of assets or damage to the Bank’s image.

Direct subordination – a relationship of direct organizational or legal dependence of a subordinate on their manager, including through decisions (participation in decisions) on hiring, dismissal, application of incentives, disciplinary penalties, giving instructions, assignments, etc., and control over their implementation.

Factual conflict of interest – a conflict between a person’s private interests and their official or representative powers, which affects the objectivity or impartiality of decision-making, or the performance or non-performance of actions in the exercise of those powers.

³ A gift is not considered to be a gift if its value does not exceed 25% of one minimum wage established on January 1 of the reporting tax year.

Structural unit of the Bank – a structural unit of the Bank (department, division, section, service, sector, etc.) that specializes in performing homogeneous functions defined by the Bank in accordance with the Regulations on the structural units of the Bank.

Subordination – a system of official relations determined by the hierarchy of the organization (organizational structure), official subordination of a junior to a senior, based on the rules of official discipline.

Fraud – unlawful actions aimed at acquiring bank property, financial resources or assets through deception or abuse of trust.

All definitions of terms used in this Policy are used solely for the convenience of presenting information and are used exclusively for its application and interpretation.

All other terms used in this Policy are applied in the meanings defined by the legislative and regulatory acts of Ukraine.

POLICY OBJECTIVES AND TASKS

The objective of the Policy is to establish an effective system for preventing and combating corruption and bribery at the Bank based on the principles of forming and implementing an anti-corruption policy, eliminating the preconditions for corruption in business, and fostering intolerance of corruption among the Bank's managers and employees.

The Policy reflects the commitment of the Bank, its managers and all employees to high ethical standards of open and honest business conduct, ensuring fair customer service, compliance with corporate governance standards, maintaining the Bank's business reputation at an appropriate level and avoiding reputational risk that may arise in the Bank's activities.

The main objectives of this Policy are:

- to establish a uniform policy on unacceptable behaviour, fraud, abuse, corruption and violations;
- to minimize the risks of the Bank and its employees becoming involved in corrupt practices;
- to effectively prevent unacceptable behaviour, fraud, abuse, corruption and violations by managers and other employees of the Bank;
- to create and maintain a culture of intolerance towards unacceptable behaviour, fraud, abuse, corruption and violations within the Bank;
- to ensure a high level of trust in the Bank on the part of customers, counterparties and business partners;
- to ensure equal and transparent customer service, compliance with corporate governance standards and legislation;
- to create an atmosphere of comprehensive control within the Bank;
- to establish effective communication with Bank employees on issues of preventing unacceptable behaviour, fraud, abuse, corruption and violations.

The Bank's corporate values recognize the critical importance of timely, open discussion of unacceptable behaviour, signs of corruption or other violations. In this regard, Bank employees are required to immediately provide the Compliance Control Department with information (including anonymously) regarding unacceptable behaviour, signs of corruption or other violations in the Bank's activities, and are encouraged by the Bank to do so without fear of possible punishment.

Bank employees may also additionally report to the Bank's Responsible Employee for Financial Monitoring (including employees of the Financial Monitoring Department)

about violations of the requirements of the legislation or internal procedures of the Bank in the field of AML/CFT, including anonymously. The procedure for employees to report violations and the procedure for their consideration is regulated by the Financial Monitoring Rules of JSC «CRYSTALBANK».

The Bank informs all employees about the mechanism by which they can anonymously report unacceptable behaviour, corrupt practices and violations in the Bank's activities, in particular by familiarizing themselves with the procedures of this Policy against signature before the appointment of Bank employees to positions and annually before February 1, as well as in the event of an update of the Policy/amendments. It is strictly prohibited to punish any Bank employee who has conscientiously reported suspicions (reasonable concerns and observations) signs of corrupt practices, even if the results of the investigation of this employee's report conclude that there is no evidence of unacceptable behaviour, fraud, abuse, corruption or violations (including in the area of AML/CFT).

Such an employee shall not be subject to retaliation, discrimination, sanctions in accordance with the Bank's disciplinary procedures, or other negative consequences, namely: the employee cannot be dismissed or forced to resign, denied the conclusion or renewal of an employment contract (agreement), brought to disciplinary responsibility, or subjected to other negative measures of influence by the Bank's management (transfer, certification, change of working conditions, refusal to appoint to a higher position, reduction in salary, etc.) or the threat of such measures, denied services in connection with reporting possible facts of unacceptable behaviour, corruption or corruption-related offences, or other violations in the Bank's activities (including in the area of AML/CFT).

PROCEDURES FOR PREVENTING CORRUPTION AND BRIBERY

The Bank ensures the development and implementation of measures that are necessary and sufficient to prevent, detect and counteract corruption and bribery in its activities.

In order to prevent corruption or corruption-related offences, the Bank's managers and other employees are required to:

- act only within the limits of their authority and, when representing the Bank to third parties, behave in such a way as not to damage their own business reputation, the business reputation of other officials and the Bank as a whole;
- perform their official duties, fulfil their job and professional responsibilities, and carry out the decisions and instructions of the Bank's management bodies of the Bank, managers to whom they are subordinate, accountable or controlled;
- not to disclose or otherwise use confidential information that has become known to them in connection with the performance of their functional duties, except in cases established by law;
- to act objectively, regardless of personal interests or personal attitudes towards any third parties;
- not to allow personal views to adversely affect the objectivity and impartiality of decision-making or the implementation of decisions taken;
- refrain from behaviour that could be construed as a willingness to commit a corruption offence;
- avoid any actions that could violate the principle of zero tolerance for corruption and expose the Bank to activities that do not comply with applicable law;

- not to commit or participate in the commission of corruption offences related to the Bank’s activities if, in the performance of their official duties, Bank employees knew or could have known that a corruption offence was being committed;
- not to allow abuse and inefficient use of the Bank’s property;
- to immediately inform the Bank’s Supervisory Board and/or Compliance Control Department about cases of incitement to commit a corruption offence related to the Bank’s activities, as well as cases of corruption or corruption-related offences committed by other Bank employees or other persons associated with the Bank;
- comply with the requirements of this Policy.

Managers and other employees of the Bank are prohibited from:

- using their official powers or their official position and related opportunities to obtain unlawful benefits for themselves or others;
- demanding or receiving any material or non-material benefit for themselves or other persons not provided for in the employment or other contract between the Bank and the manager/other employee of the Bank;
- making or organizing settlements or payments with the Bank’s customers/counterparties in violation of the requirements of current legislation, internal documents, concluded agreements, etc.;
- directly or indirectly influencing the decision-making process, the implementation of decisions made by managers and/or other employees, with the aim of obtaining material benefits for themselves or other persons that are not provided for in the employment or other contract between the Bank and the manager/other employee of the Bank;
- taking any actions that incite other Bank employees to violate the requirements of the law or internal documents of the Bank;
- using any property of the Bank for private interests;
- directly or through other persons, demanding, requesting or receiving gifts for themselves or other persons, including relatives, from legal entities or individuals for decisions, actions or inaction in the interests of the donor, which are taken/committed either directly by such a person or with their assistance by other officials of the Bank;
- violate the Bank’s internal documents.

The main anti-corruption procedures and measures are:

- familiarizing new Bank employees with the content of this Policy and conducting training events for Bank employees on the prevention of corruption;
- restrictions on gifts and control over entertainment expenses;
- restrictions on charitable activities;
- a mechanism for monitoring compliance by Bank managers and other Bank employees with the requirements of legislation on the prevention and counteraction of corruption in the performance of their functional duties;
- mechanisms for preventing abuse by Bank managers and other Bank employees when interacting with government and regulatory authorities and their officials, as well as officials of customers and counterparties;
- introduction of a mechanism for confidential, including anonymous, reporting of unacceptable behaviour, signs of corruption offences or

bribery, as well as ensuring the confidentiality of such reports and the protection of employees who report such actions/offences;

- a procedure for reviewing reports of unacceptable behaviour, corruption offences , including internal investigations and the imposition of disciplinary sanctions;
- a mechanism for preventing and resolving conflicts of interest;
- corporate ethics standards and obligations and prohibitions for Bank employees;
- the provision of explanations and advice by the Compliance Control Department to managers and other Bank employees on compliance with the provisions of this Policy.

The Bank does not single out the risk associated with corruption offences and bribery as a separate type of risk and manages anti-corruption activities within the framework of compliance risk management in accordance with the three lines of defence system implemented by the Bank, namely:

- first line of defence – at the level of business units and support units of the Bank – by collecting and analysing information, monitoring the current activities of subordinate units and employees, monitoring compliance with approved processes and procedures, etc.;
- second line of defence – at the level of the Chief Compliance Officer and the Compliance Control Unit in terms of monitoring compliance with applicable legislation and internal processes and procedures, analysing information received regarding unacceptable behaviour, including violations of anti-corruption legislation, processing of the information received, analysis of the causes and conditions that led to their occurrence, development/approval of measures to eliminate/minimize the identified violations, reporting to the Bank’s Management Board and Supervisory Board on identified violations of anti-corruption legislation to ensure that the Bank’s management is promptly aware of the identified violations, making the necessary management decisions to respond adequately to the established facts, developing and approving preventive measures to prevent such cases in the future;
- third line of defence – at the level of the Internal Audit Department, which conducts an independent assessment of the effectiveness of the first and second lines of defence and an overall assessment of the effectiveness of the internal control system and the effectiveness of the risk management system.

In order to avoid/reduce/minimize/mitigate risks related to anti-corruption and anti-corruption measures, the following entities participate in the management of anti-corruption activities within the limits of their powers:

- the Bank’s Supervisory Board;
- the Bank’s Management Board;
- Internal Audit Department;
 - Chief Compliance Officer (CCO) and Compliance Control Department;
- Managers and other employees of the Bank.

The Bank’s Supervisory Board must be aware of anti-corruption management, potential/confirmed cases of corruption, including through the confidential reporting mechanism for Bank employees/counterparties.

The Bank’s Supervisory Board takes measures to prevent unacceptable behaviour, fraud, abuse, corruption and violations at the Bank and facilitates their resolution, including by:

- defining and monitoring compliance with the Bank's corporate values, which are based on conducting business in accordance with legal and ethical principles, and continuously maintaining a high culture of risk management;
- creating and integrating into the Bank's corporate culture and continuously maintaining a high level of risk management culture, including in terms of anti-corruption management to avoid compliance risk;
- ensuring the functioning and control of the effectiveness of the system for preventing and combating corruption and bribery;
- approving the Bank's internal documents on corporate behaviour (ethics); reporting on unacceptable behaviour, fraud, abuse, corruption and violations; managing the risks to which the Bank is exposed in its activities; managing conflicts of interest; identifying persons related to the Bank and the procedure for conducting transactions with them; organizing the internal control system and other measures aimed at ensuring proper corporate governance by the Bank;
- ensuring control over the implementation of and compliance with internal documents on risk management culture, including but not limited to anti-corruption management, conflict of interest prevention, etc.;
- ensuring the creation and maintenance of an organizational structure and internal controls at an appropriate level to ensure effective management of anti-corruption activities;
- establishing the obligation for Bank managers, heads of control departments, heads and members of the Bank's collegial bodies, managers and other Bank employees not to use their position and authority for personal gain;
- making decisions (within the powers defined by the Bank's Articles of Association) on conducting transactions with persons related to the Bank in accordance with the requirements of the Regulation on the determination of persons related to JSC «CRYSTALBANK» and the procedure for conducting transactions with them;
- introducing a mechanism for confidential reporting of unacceptable behaviour at the Bank and monitoring its functioning;
- promoting the creation of regular and transparent communication mechanisms at the Bank;
- introducing a mechanism for confidential, including anonymous, reporting of unacceptable behaviour and monitoring its functioning;
- reviewing management reports on compliance risk, which disclose, among other things, information on identified cases of corruption or corruption-related offences, with a view to making management decisions on the application of appropriate measures to eliminate the risk.

The Bank's Management Board takes measures to prevent unacceptable behaviour, fraud, abuse, corruption and violations at the Bank and facilitates their resolution, including by:

- organizing the development of internal documents on corporate governance and conduct (ethics), on preventing unacceptable behaviour, risk management and conflict of interest management, on working with related parties, on organizing an internal control system, on procedures governing the activities of the Bank's structural and separate divisions;
- approving the Bank's rules, procedures and other internal documents;
- making decisions (within the powers defined by the Bank's Articles of Association) on conducting transactions with persons related to the Bank in accordance with the requirements of the Regulation on the determination of persons related to JSC «CRYSTALBANK» and the procedure for conducting transactions with them;

- ensuring the implementation of the tasks and decisions of the Bank's Supervisory Board regarding the introduction of a risk management system, risk management culture, procedures, methods and other measures for effective risk management, including counteracting and preventing corruption;
- daily management and control of the Bank's operations;
- developing measures for the prompt elimination of deficiencies in the functioning of the risk management system, implementation of recommendations and comments based on the results of risk assessments, internal audit unit checks, external auditors and supervisory bodies.

Compliance Control Department, with the aim of ensuring that managers and other employees of the Bank adhere to corporate values:

- ensures the processing (review, analysis) of reports of unacceptable behaviour, including anonymous reports;
- provides explanations and advice on issues related to the prevention of corruption, unacceptable behaviour, etc.;
- monitors compliance with the procedure for investigating cases of unacceptable behaviour at the Bank/violations in the Bank's activities;
- monitors compliance with legal requirements, including issues related to the prevention and combating of corruption in the performance of their official duties;
- reports to the Management Board and Supervisory Board of the Bank on identified incidents containing signs of corruption/facts of unacceptable behaviour as part of compliance risk reporting.

The Internal Audit Department identifies and investigates cases of abuse of authority by Bank officials and instances of unacceptable behaviour, fraud, abuse, corruption and violations.

Heads of structural and separate divisions of the Bank:

- strictly comply with the requirements of the current legislation of Ukraine, regulatory acts of the National Bank of Ukraine, internal documents of the Bank, including in the field of anti-corruption, and their job descriptions;
- refrain from actions and decisions that may lead to unacceptable behaviour, including fraud, abuse, corruption and violations, conflict situations, including receiving material and/or other benefits from customers served by the Bank, as well as from actions that are contrary to the interests of customers;
- adhere to the norms of business communication and the principles of professional and corporate ethics;
- inform their immediate supervisor/department manager or the head of the Compliance Control Department in person or via the "Hotline" about any violations and errors that may cause adverse consequences for the Bank;
- monitor compliance by subordinate employees with the requirements for the prevention of unacceptable behaviour, fraud, abuse, corruption and violations contained in this Policy, in the Conflict-of-Interest Management Policy of JSC «CRYSTALBANK», in the rules for conducting banking operations and in job descriptions;
- identify events that show signs of corruption or other cases of unacceptable behaviour in the Bank's relations with customers/counterparties, during interaction with state authorities and regulatory bodies and their officials, and immediately report such events to the Compliance Control Department;

- initiate an official investigation, take measures to bring to justice persons guilty of fraud, abuse, corruption, unacceptable behaviour and violations, and provide materials evidencing such facts;
- implement measures to prevent possible corruption offences in the activities of subordinate units.

Other Bank employees:

- strictly comply with the requirements of the current legislation of Ukraine, regulatory acts of the National Bank of Ukraine, internal documents of the Bank, including in the field of anti-corruption, and their job descriptions;
- refrain from actions that may lead to unacceptable behaviour, including fraud, abuse, corruption and violations, conflict situations, including receiving material and/or other benefits from customers served by the Bank, as well as from actions that are contrary to the interests of customers;
- carry out transactions within the established powers (limits) in compliance with the procedure established by the Bank;
- charge customers commissions, fees and other payments in accordance with the Bank's current tariffs or the agreement reached by the parties;
- adhere to the norms of business communication and the principles of corporate ethics;
- inform their immediate supervisor and/or the head of the Compliance Control Department in person, via the "Hotline" or anonymously, about any violations and errors that may cause adverse consequences for the Bank.

MECHANISM FOR PREVENTING ABUSE BY BANK MANAGERS AND OTHER BANK EMPLOYEES WHEN INTERACTING WITH STATE AUTHORITIES, REGULATORY AUTHORITIES AND THEIR OFFICIALS, OFFICIALS OF CUSTOMERS AND COUNTERPARTIES

The Bank's interaction with state authorities and regulatory bodies is based on the principles of mutual responsibility, openness and transparency. The Bank's managers and employees are prohibited from offering unlawful benefits to representatives of state authorities and/or regulatory authorities, persons associated with them, or any other persons with the aim of influencing their decisions.

The Bank's managers and employees, as well as persons acting on behalf of the Bank, are required to refrain from offering gifts to civil servants, members of the Ukrainian Parliament, members of local councils, their relatives, actual or potential business partners, their employees or representatives, as well as from any other behaviour that may be construed as a willingness to commit a corruption offence related to the Bank's activities. Gifts may only be offered if they correspond to generally accepted notions of hospitality, their value does not exceed the amounts established by law, and they are received in circumstances where there is no conflict of interest.

The main mechanisms for preventing abuse by the Bank's managers and employees when interacting with state authorities and regulatory bodies and their officials, as well as officials of customers and counterparties, are as follows:

Separation of functions and powers of managers, employees, and collegial bodies of the Bank, taking into account the principles of collegiality and personal responsibility, which are defined by

internal documents of the Bank, in particular: regulations on collegial bodies, regulations on structural units, job descriptions, decisions of the Supervisory Board and the Management Board, orders, instructions and/or other documents regulating banking activities. This separation makes it impossible to make decisions that could have negative consequences for the Bank's activities.

Implementation of an internal control system, including a risk management system – banking operations are carried out in compliance with the requirements established by the legislative and regulatory acts of Ukraine, the Bank's internal documents within the limits of the powers granted, the limits set, etc.

Collegial decision-making on banking operations, provision of services, conclusion of contracts and ensuring cooperation with the Bank's customers and counterparties. Such decisions are made in several stages with the preparation of relevant conclusions by the Bank's specialized departments (within the limits of their defined duties and powers), which analyse the possibility of conducting relevant operations/providing services/concluding contracts and assess risks in accordance with the procedure defined by the Bank's internal documents.

Pricing approaches and tariff proposals are established based on the cost of the Bank's services and in accordance with an analysis of market offers for similar products or services for the Bank's customers/counterparties. The pricing policy and procedure for setting tariffs for banking products/services, as well as the procedure for their approval, are determined by the Bank's Tariff Policy.

Establishing business relationships with customers/counterparties in agreement with the Financial Monitoring Department in accordance with the Bank's internal documents regulating financial monitoring issues.

Recording the process of customer service by Bank employees using video surveillance systems, in accordance with the requirements of current legislation.

Analysing enquiries from customers/counterparties/state authorities/regulatory bodies and responding to them in a timely and appropriate manner.

Monitoring the implementation of decisions made by the Bank's collegial bodies, including those relating to charitable assistance.

Managers and/or other Bank employees must exercise caution when working with the Bank's customers and counterparties.

All Bank employees, within the scope of their official duties, must ensure that third parties are not able to influence the decisions of the Bank's managers/employees. Bank employees may not use their official position to obtain unlawful benefits for themselves or third parties.

The Bank seeks to do business with business partners who have a positive reputation, engage in lawful business activities, are reliable partners, and whose interaction does not pose a risk to the Bank.

The Bank's counterparties are selected in accordance with the principles of transparency, competitiveness, and quality of goods, works, and services.

Employees and persons acting on behalf of the Bank shall take comprehensive measures to minimize the risk of establishing business relationships with counterparties who have been or may be involved in corrupt activities.

Bank employees must exercise caution when cooperating with customers, partners of the Bank and counterparties.

When interacting with business partners/counterparties, managers and other employees of the Bank are prohibited from:

- performing actions that are classified by law as offering, promising or providing unlawful benefits, bribery, corruption or incitement to bribery, or actions that violate the requirements of Ukrainian legislation in the field of preventing and combating the legalization (laundering) of proceeds from crime, financing of terrorism and financing of the proliferation of weapons of mass destruction, anti-corruption legislation, market standards, including standards of fair competition;
- establishing business relations with persons subject to economic sanctions or any other restrictive measures;
- establishing contractual relations in the presence of a real conflict of interest;
- committing actions that may lead to the application of restrictive measures (sanctions) to the Bank or the occurrence of financial losses, reputational losses, etc.

PROCEDURES FOR CONTROLLING REPRESENTATIONAL EXPENSES AND THE GIVING/RECEIVING OF GIFTS BY MANAGERS AND OTHER EMPLOYEES OF THE BANK WHILE PERFORMING THEIR JOB DUTIES

Managers and employees of the Bank shall not accept or offer gifts from customers, suppliers or partners of the Bank that could:

- lead to informal obligations towards that customer or supplier;
- cause a conflict of interest;
- affect the quality of an employee's performance of their official duties, impartiality and independence in decision-making.

It is not permitted to give or receive gifts and invitations from business partners and other third parties that do not comply with the requirements of the law, may be interpreted as payment for specific services, and may influence the objectivity of the decision-making process or encourage the display of favouritism.

Therefore, it is prohibited to:

- distribute gifts, promise or provide benefits of any kind that may be interpreted as exceeding normal commercial and/or corporate courtesy or as a means of obtaining favourable treatment in the performance of any function and/or activity related to the Bank;
- accept for themselves or other Bank employees any gifts whose value exceeds the gift limits specified in the Bank's Code of Corporate Ethics, or any other benefits that go beyond normal commercial and/or corporate courtesy or are otherwise intended to compromise independence and objectivity of judgement.

The Bank does not prohibit the exchange of corporate gifts with customers and partners/counterparties accepted in business practice:

- giving and receiving gifts/presents that correspond to generally accepted notions of hospitality, within the framework of establishing or maintaining business relations, is permitted if it meets the following criteria: they are not intended to influence the objectivity of any decision regarding the conclusion/extension of legal transactions, the provision or receipt of services, confidential information, or any other benefits for the Bank;
- they are not a hidden unlawful benefit (for example, in order to obtain or continue to receive commercial orders or an undue advantage);
- the gift complies with generally accepted notions of hospitality;
- gifts must be directly related to the legitimate purpose of the gift and must not create the impression that unlawful actions are required; disclosure of information about the gift or business hospitality will not create a risk to the business reputation of the Bank or the recipient of the gift or business hospitality.

The prohibition on giving/receiving gifts and rewards does not apply to accepting invitations to informal events (dinners, concerts, receptions) and gifts that are in line with generally accepted notions of hospitality, or that are related to advertising the organization and are not of great value (e.g. souvenirs that are accepted in business society) and do not compromise Bank employees/create a risk to the Bank's reputation.

It is not permitted to receive cash or gifts in cash or equivalent form, or other types of benefits in relations with competitors, business partners or customers. Bank employees do not demand, offer or accept such payments or gifts.

From the date of the introduction of martial law in Ukraine for the period until its termination or cancellation, as well as within one month from the date of its termination or cancellation, the requirement for gifts to comply with generally accepted notions of hospitality and restrictions on the value of gifts established by law shall not apply to actions taken to support the Armed Forces of Ukraine and/or to provide humanitarian assistance to persons affected by armed aggression against Ukraine.

Gifts to the Bank's customers, suppliers and partners are made within the framework of the budget process in compliance with the requirements established by law.

When offered a gift whose value exceeds 25% of the minimum wage established on January 1 of the reporting tax year from customers, business partners, competitors and other third parties, Bank employees must refuse such a gift.

In cases where refusal of a gift may lead to negative consequences for the Bank, Bank employees are required to report the acceptance of gifts to their immediate supervisor and the Compliance Control Department no later than the next business day from the date of acceptance of the gift in the form specified in Annex 1 to this Policy.

The Compliance Control Department shall forward the information received regarding the employee's notification to the Chairman of the Management Board within two business days of the date of receipt of such notification. The Chairman of the Bank's Management Board has the right to make a decision on further actions on his own or to submit the relevant issue for consideration by the Bank's Management

Board (a copy of the decision shall be sent to the Compliance Control Department for the purpose of monitoring the implementation of the decision).

Based on the results of the decision, the Bank employee shall take all necessary measures to implement the decision and, using corporate e-mail, shall notify the Compliance Control Department thereof within 5 business days from the date of receipt of the decision of the Chairman of the Management Board / Management Board of the Bank.

The Compliance Officer, based on all documents received, shall, if necessary, register the fact in the Compliance Incident Database within 2 business days from the date of receipt of all supporting documents.

Control over the giving/receiving of gifts by Bank employees is exercised by:

- the Finance and Budget Department – with regard to the cost of purchasing corporate gifts;
- immediate supervisors of departments – with regard to the process of giving/receiving gifts;
- Bank managers – department supervisors – by controlling the activities of subordinate employees.

Bank employees must adhere to the principles of reasonableness and acceptability with regard to entertainment expenses.

The Bank has the right to incur entertainment expenses or expenses for other purposes related to expressing business hospitality/maintaining a positive image of the Bank in connection with events/holidays. The cost and list of events/gifts are determined within the budget approved by the Bank's Supervisory Board for these purposes.

Entertainment expenses and gifts may be made on behalf of the Bank only if they meet the following criteria:

- entertainment expenses and/or gifts are in line with accepted business practice and do not exceed the norms of business communication (flowers, promotional or image-related items, etc.);
- entertainment expenses and/or gifts are not a hidden reward for a service, action or inaction, the adoption of a certain decision, etc.;
- entertainment expenses and/or gifts do not contradict the principles and requirements of the Bank's Code of Corporate Ethics, this Policy and other internal documents of the Bank;
- entertainment expenses and/or gifts do not damage the Bank's business reputation.

The Bank has implemented the following procedures for controlling entertainment expenses:

- limiting the amount of entertainment expenses within the approved budget of the Bank;
- approval (prior approval) of payment by the Head of the Finance and Budget Department and/or a collegial body of the Bank within the limits of its authority;
- expenses are considered entertainment expenses if there are supporting documents (acts of work performed/services provided, reports on the event, tickets, receipts, etc.);
- control functions over the reflection of entertainment expenses in the Bank's balance sheet are entrusted to the Chief Accountant of the Bank and the Internal Banking Operations and Tax Accounting Department.

The Bank's charitable activities are carried out in accordance with general rules (in the absence of legislative and other prohibitions) in accordance with the current legislation of Ukraine. The Bank has the right to make charitable contributions in the form of goods or services, technical assistance, training or financial support, provided that the Bank has no reason to believe that

the assistance is being provided for the purpose of obtaining benefits (including by a civil servant or his or her relatives).

Decisions on the provision of charitable assistance are made by a collegial body of the Bank within the framework of the Bank's approved budget, provided that charitable contributions are made in a transparent manner.

Charitable activities are not permitted if:

- their implementation is a condition for the conclusion of any contract, the adoption of a decision by a state authority or local government body, or is carried out for the purpose of obtaining advantages in business activities;
- a customer/counterparty/business partner or representative of a state authority/supervisory body insists on carrying out a particular type of charitable activity through a specific charitable organization.

MECHANISM FOR MONITORING COMPLIANCE BY BANK MANAGERS AND EMPLOYEES WITH LEGISLATIVE REQUIREMENTS ON PREVENTING AND COMBATING CORRUPTION IN THE PERFORMANCE OF THEIR FUNCTIONAL DUTIES

The Bank does not accept or carry out illegal transactions in any form, does not use unethical and unfair methods to influence partners, competitors or customers, nor does it threaten to use them.

The Bank does not allow illegal activities, official crimes, economic crimes (fraud), violations of sanctions, legalization (laundering) of proceeds of crime, financing of terrorism and financing of the proliferation of weapons of mass destruction, anti-competitive practices, corruption or violation of consumer rights, etc.

Corruption may include abuse of official position, abuse of authority, giving or receiving bribes, mediation in bribery, unjustified purchases of goods, works and services, including at prices higher than market prices, illegal offers or promises of remuneration on behalf of or in the interests of the Bank.

Corruption is also considered to be the illegal use by a manager and/or other employee of the Bank of their official position contrary to the legitimate interests of the Bank in order to obtain an undue advantage in the form of cash, valuables or other property or property rights, benefits, privileges, services, any intangible or non-monetary benefits, which are promised, offered, provided or received without legal grounds for themselves or third parties, the illegal provision or imposition of such benefits on other persons, as well as the commission of such actions on behalf of or in the interests of the Bank.

The Bank is categorically opposed to any manifestations of corruption, attempts at bribery and bribe-taking, including for the purpose of obtaining additional competitive advantages/benefits for the Bank.

The Bank's managers and employees are required to refrain from behaviour that could be construed as a willingness to commit a corruption offence related to the Bank's activities.

Bank employees are prohibited from engaging or using counterparties or other persons to perform actions that contradict the requirements of Ukrainian anti-corruption legislation.

All Bank employees comply with applicable laws, regulations of the National Bank of Ukraine and internal Bank documents (including requirements for the prevention and counteraction of legalization (laundering) of proceeds from crime, financing of terrorism and financing of the proliferation of weapons of mass destruction). The Bank strives to build and implement business projects with customers and business partners who have an impeccable reputation and are engaged in lawful activities, whose financial income comes from legitimate sources. When establishing a relationship with a new business partner, the Bank conducts an appropriate check, as required by law, to ensure that it meets the above criteria.

The main mechanisms for monitoring compliance by the Bank's managers and other employees with the requirements of the law on preventing and combating corruption in the performance of their functional duties are:

Implementation of a corporate governance system, an internal control system and a risk management system.

Approval and maintenance of the Bank's organizational structure, which clearly delineates the areas of authority, responsibility, subordination and accountability.

Separation of powers between collegial bodies involved in making management decisions regarding the Bank's activities (the Bank's Supervisory Board and its Committees, the Bank's Management Board and its Committees), which prevents unacceptable behaviour, fraud, abuse, corruption and violations.

Defining in the regulations on collegial bodies, structural/separate divisions, and job descriptions of Bank employees the control functions performed by each of them.

Regulating in the Bank's internal documents the procedures for conducting banking operations and concluding/supporting legal transactions, which excludes the grounds/possibility of unacceptable behaviour, fraud, abuse, corruption and violations, and obliges managers and other employees of the Bank to strictly adhere to these procedures, as well as the requirements established by the legislation of Ukraine, regulatory acts of the National Bank of Ukraine and internal documents of the Bank.

Prohibition of disclosure and use for personal purposes of information constituting commercial and banking secrets, personal data of customers, counterparties, partners, Bank employees (hereinafter referred to as confidential information), as well as the transfer of such information to third parties, except in cases provided for by the legislation of Ukraine.

Establishment of information barriers (restriction of access to confidential information, as well as control over its transfer or dissemination).

Identification and analysis/investigation of cases of unacceptable behaviour (corruption offences and bribery), development and implementation of preventive measures to prevent such cases in the future.

Analysing enquiries from customers/counterparties/state authorities/regulatory bodies and responding to them in a timely and appropriate manner.

Conducting training for managers and other Bank employees on anti-corruption legislation and the Bank's requirements for combating corruption and bribery.

TYPES AND EXAMPLES OF UNACCEPTABLE BEHAVIOUR

List (incomplete, non-exhaustive) of typical examples of unacceptable behaviour:

- violation of the current legislation of Ukraine, regulatory acts of the National Bank of Ukraine, principles and requirements of this Policy, the Code of Corporate Ethics of JSC «CRYSTALBANK», the Policy for the Prevention of Conflicts of Interest of JSC «CRYSTALBANK», other internal documents of the Bank;
- failure or improper performance of official duties by managers and other employees of the Bank, exceeding their powers;
- taking actions and making decisions in conditions of actual conflict of interest, failure to report a potential conflict of interest;
- use or disclosure of restricted information and banking secrecy that has become known in connection with the performance of official powers and professional duties;
- concealment and distortion of information (including the deliberate submission of inaccurate financial, statistical and management reports);
- actions having signs of corruption;
- using any property or funds of the Bank for private interests;
- deliberately damaging, harming, or threatening to damage the property of the Bank or its employees;
- carrying out transactions and/or making decisions employees are not authorized to do;
- crimes in the field of official activities;
- abuse of official position for personal gain;
- use of the position of Bank manager to achieve personal (private) interests or the interests of persons associated with the Bank through this manager;
- actions violating consumer rights;
- encouraging the achievement of planned results at the expense of violating the current legislation of Ukraine, regulatory acts of the National Bank of Ukraine and internal documents of the Bank;
- transferring a work computer to third parties for use (including transferring information about passwords to anyone);
- making threatening calls or sending threatening messages to customers/employees of the Bank;
- directly supervising and promoting their related persons, including relatives and close friends;
- lobbying for own interests, the interests of relatives or affiliates in order to conclude agreements or contracts with the Bank on terms that differ from market conditions;
- offering or accepting bribes or other unlawful rewards;
- demanding, requesting or receiving gifts or other benefits from customers (including those participating in tenders organised by the Bank);
- demanding or receiving any material or immaterial benefits (for themselves or their relatives) in connection with the performance of their official duties, which are not provided for in the employment contract;
- assisting relatives in establishing business relations with the Bank without prior disclosure of information about family ties;

- crime in the field of economic activity (fraud);
- having an economic or financial interest in the activities of suppliers, customers, interested parties or competitors of the Bank, assisting individuals or legal entities in carrying out their economic activities, obtaining loans, concluding contracts/agreements, etc.;
- unfair practices;
- violation of sanctions, legalization (laundering) of proceeds from crime, financing of terrorism and financing of the proliferation of weapons of mass destruction.

BASIC PRINCIPLES OF THE MECHANISM FOR CONFIDENTIAL REPORTING OF UNACCEPTABLE BEHAVIOUR AT THE BANK/VIOLATIONS IN THE BANK'S ACTIVITIES

The mechanism for confidential reporting of unacceptable behaviour in the Bank/violations in the Bank's activities (hereinafter referred to as the Mechanism) is introduced with the aim of ensuring that managers and other employees of the Bank comply with the Bank's corporate values, as defined in the Corporate Governance Code of JSC «CRYSTALBANK», the Code of Corporate Ethics of JSC «CRYSTALBANK» and is an integral part of the system of corporate values established at the Bank.

The Mechanism is designed to enable Bank employees to report incidents of inappropriate behaviour, including fraud or corruption at the Bank, violations of banking policies or rules, waste or mismanagement of the Bank's resources, abuse of official position, behaviour that causes or contributes to significant harm to society, may harm the Bank's operations or management, as well as attempts to commit such actions that may cause damage and/or lead to a deterioration/loss of the Bank's reputation.

The mechanism applies to all Bank employees, including Bank managers, as well as other persons providing services to the Bank under concluded agreements, including, but not limited to, auditors, experts, lawyers, and management consultants.

The Bank adheres to the principle of encouraging Bank employees to cooperate and fulfil their duty to report cases of unacceptable behaviour by creating an atmosphere of trust and guaranteeing employees maximum protection from direct and indirect disciplinary sanctions and other negative consequences of actions taken in accordance with this Mechanism.

All Bank employees, regardless of their position, must be vigilant about possible signs of fraud and be aware of unusual actions or transactions that may indicate fraud or attempted fraud. Fraud may also be detected as a result of special management-initiated audits conducted by third parties or as a result of audits conducted by both internal and external auditors.

All Bank employees must report any instances (suspected or actual) of unacceptable behaviour that they become aware of in the course of their work, including serious violations of discipline, rules, policies or internal regulatory and/or organizational and administrative documents of the Bank, as well as any actions that harm or may harm the Bank's staff, mission or reputation.

No manager or employee of the Bank may use their position to prevent other employees from exercising their rights or fulfilling their obligations under the Mechanism.

PROCEDURE FOR REPORTING UNACCEPTABLE BEHAVIOUR/VIOLATIONS IN THE BANK'S ACTIVITIES

The basic principles of reporting include:

- **freedom of choice** – the ability of employees to use various channels/methods of their choice to report unacceptable behaviour to the Supervisory Board and/or the Management Board of the Bank, about their substantial suspicions (fair concerns and observations), regardless of the internal system of subordination;
- **protection** – the Supervisory Board and the Management Board of the Bank guarantee that no measures of influence will be applied to employees for reporting in good faith;
- **confidentiality** – employees who report unacceptable behaviour in good faith are guaranteed protection and confidentiality of the report and non-disclosure of information about the person who made the report, except in cases provided for by law. The Bank treats all reports received through the Mechanism as strictly confidential;
- **awareness** – all reports are registered and reviewed by the Compliance Control Department;
- **prompt response** – all registered incidents must be properly investigated, and if unacceptable behaviour is confirmed, the Supervisory Board and the Management Board of the Bank shall take appropriate measures to protect the Bank from negative consequences and prevent such incidents from recurring in the future.

All reports are treated as confidential information.

An employee who reports unacceptable behaviour has the right to request that his/her name be kept confidential. In this case, information about the initiator of the report will only be known to the employees who review and analyse the report.

Anonymity is protected. Although anonymous reporting is not desirable, anonymous reports are accepted, but they are usually less informative for an effective investigation.

If the initiator of the report sends a report anonymously, he/she agrees that their report may not be processed if it is impossible to clarify additional information regarding the content of the report that could confirm or refute the fact of unacceptable behaviour.

An important aspect of the Bank's transparency and accountability is the existence of an effective mechanism allowing Bank employees, Bank customers or other interested parties about violations of the current legislation of Ukraine, regulatory acts of the National Bank of Ukraine and internal documents of the Bank, non-compliance with the norms and standards of the Code of Corporate Ethics of JSC «CRYSTALBANK» and this Policy.

The Bank supports the right of any employee, customer or other interested party to express their concerns about the results of joint activities and to report inappropriate (unacceptable) behaviour. To this end, the Bank has established a "Hotline" (for Bank employees) and a "Compliance" service (for both

employees and Bank customers or other interested parties) as direct channels of communication that provide additional guarantees of the Bank's compliance with the highest ethical standards.

Each Bank employee can report information about violations by other employees.

In addition to reporting violations, in order to prevent corruption and bribery, each Bank employee is required to report cases (attempts) of corruption or corruption-related offences, including:

- offering, demanding, providing (or suspicion of) unlawful benefits;
- incitement to commit corrupt acts;
- receiving information about intentions or facts that may indicate the use of the Bank or its employees in activities with signs of corruption.

Any Bank employee may choose one of the following methods of reporting: personally contact the employees of the Compliance Control Department;

- send a report of suspected fraud, abuse, corruption, unacceptable behaviour or other violations to the Hotline via e-mail: Dovira@crystalbank.com.ua;
- use the anonymous reporting form "Reporting Improper Conduct" available on the Bank's official website: <https://crystalbank.com.ua/ua/improper/> ;
- inform the head of the structural unit within the limits of his or her authority;
- inform all or any of the members of the Management Board and/or Supervisory Board of the Bank by corporate e-mail, telephone, letter or in person.

The main principles of the Whistleblowing Hotline are:

- *the principle of non-disclosure* – the details of the employee who provided the information shall remain confidential;
- *the principle of mandatory follow-up on all reports* – all reports are mandatorily followed up and recorded;
- *the principle of confidentiality of the information received* – the content of the report is not disclosed.

The confidential reporting mechanism allows for both anonymous and personalized reports to be sent.

If desired, Bank employees may submit reports anonymously using the anonymous reporting form "**Reporting Improper Conduct**" on the Bank's website. Anonymous reports registered by the Compliance Control Department are processed in the same way as other reports, provided there is sufficient information to respond to the report.

If a report of unacceptable behaviour/violation of the Bank's activities is submitted anonymously, without providing information about a surname, first name, and patronymic, the author of the report agrees that his/her report may not be processed if it is impossible to obtain additional information that could confirm or refute the information contained in the report.

To ensure anonymity, Bank employees adhere to the following simple rules:

- DO NOT send reports from a work computer;

- DO NOT sign reports;
- DO NOT provide details that could help identify them.

A personalized report must include:

- the nature of the violation and its possible consequences;
- the date of the violation;
- the surname, first name, patronymic and position of the Bank employee responsible for the violation;
- the surname, first name, patronymic and position of the Bank employee who reported the violation;
- the channel for receiving a response.

Anonymous reports must contain the information specified in clause 11.15 of this Policy, with the exception of information that could help identify the Bank employee who reported the violation.

Each of the Bank's customers or other interested parties has the opportunity to confidentially, including anonymously, report their concerns about illegal, unethical or questionable practices, or facts of abuse, fraud, bribery or corruption, unacceptable behaviour, consumer rights violations and other violations by Bank employees, as well as attempts to commit such actions. For this purpose, a "Compliance" service has been created on the Bank's official website.

Any customer of the Bank or other interested party may send a report of unacceptable behaviour, violations in the Bank's activities and other actions of Bank employees that may harm the interests of the Bank and its reputation, using one of the following convenient options:

- by email: Compliance@crystalbank.com.ua;
- using the anonymous reporting form on the Bank's website "**Reporting Improper Conduct**";
- by post marked "For the Compliance Service" to the following address: **2 Kudriavsky Uzviz Street, Kyiv, 04053.**

All reports from the Bank's customers or other interested parties are reviewed by the Compliance Control Department if the information contained therein:

- relates to a specific person and contains the surname, first name, patronymic and position of the employee whose actions, in the opinion of the Bank's customer, are inappropriate, and the date of the incident;
- contains the subject of the report and justification of the inappropriate actions of the Bank employee based on facts that can be reliably verified.

The Whistleblowing Hotline channel and the Compliance service are organized by the Bank and are independent of any direct control by the Bank's management and Security Department.

Responsibility for the confidentiality of reports (written from Bank customers and verbal from Bank employees) lies with the employees of the Compliance Control Department.

Responsibility for the confidentiality of reports through the Hotline channel and the "Compliance" service lies with the employees of the Compliance Control Department and the employee of the Information Technology Department who is the responsible administrator of the mail service.

PROCEDURE FOR CONSIDERING REPORTS OF UNACCEPTABLE BEHAVIOUR/VIOLATIONS IN THE BANK'S ACTIVITIES

All reports submitted in accordance with the Mechanism are reviewed by the Bank's Compliance Control Department, which is a structural unit of the Bank subordinate to and reporting to the Bank's Supervisory Board.

All reports received personally by the Compliance Control Department and/or via the Whistleblowing Hotline, Compliance service, are registered by the Compliance Control Department in the "Reports of Improper Conduct by Employees" database.

The "Reporting Improper Conduct by Employees" database contains information on:

- the date and time the report was received;
- the full name and position of the Bank employee to whom the report relates;
- the date of the improper conduct/violation in the Bank's activities;
- the subject of the report (unacceptable behaviour (improper conduct of employees), fraud, abuse, corruption or violation);
- information justifying the improper conduct;
- the results of the investigation (measures taken);
- data on the official investigation (if conducted);
- facts confirming unacceptable behaviour, fraud, abuse, corruption or violations.

Reports written for the purpose of resolving personal conflicts with Bank officials and customer complaints regarding service quality that do not fall under the definition of unacceptable behaviour and should be considered in the context of the Law of Ukraine "On Citizens' Appeals" are not considered.

The Compliance Control Department analyses reports in detail and pays particular attention to those reports that can and should be considered by the Bank without delay and informs the Chairman of the Bank's Management Board.

Reports are analysed in accordance with the following principles:

- confidentiality;
- objectivity;
- impartiality;
- independence from the position held by the employee who is the subject of the report.

In order to ensure an objective and comprehensive review of the report, the Compliance Control Department, in accordance with the principle of confidentiality, has the right to send requests to the Bank's structural units for information/documents/explanations regarding the facts set out in the report. Responses to such requests shall be provided to the Compliance Control Department within three working days.

If violations of the relevant requirements of Ukrainian legislation, regulatory acts of the National Bank of Ukraine or internal documents of the Bank are detected by Bank employees, the Compliance Control Department may contact the Internal Audit Department, the Bank Security Department, the Human Resources Management Department, the Legal Department and other structural units of the Bank for consultation, as well as the Chairman of the Bank's Management Board

with a proposal to conduct an official investigation of such a situation and study its possible consequences for the Bank.

In cases where Bank employees commit (attempt to commit) acts of unacceptable behaviour, including fraud, corruption, or other crimes that may lead to criminal liability, the head of the Compliance Control Department is obliged to immediately report to the Chairman of the Bank's Management Board and initiate an official investigation. The decision to conduct an official investigation in cases where acts (attempts) of unacceptable behaviour by managers or front-line employees are established shall be made by the Chairman of the Bank's Management Board or the person performing his duties, and in cases where facts (attempts) of unacceptable behaviour by managers or employees of the second or third line of defence are established, by the Chairman of the Bank's Supervisory Board. An internal investigation is appointed by order, specifying the chairperson and members of the commission. The results of the official investigation are submitted to the Chairman of the Bank's Management Board and the Compliance Control Department.

The procedure for conducting official investigations is regulated by the Bank's internal documents and in compliance with the requirements of the current legislation of Ukraine.

If the fact of unacceptable behaviour, including fraud, abuse, corruption or violations (based on the results of the internal investigation), the Report on the internal investigation, approved by the Chairman of the Bank's Management Board/Chairman of the Supervisory Board, is submitted to the Bank's Management Board and Supervisory Board for consideration and, if necessary, with the hearing of the heads of the relevant structural/separate divisions of the Bank, the activities of the employees to whom the report relates.

Reports not requiring an internal investigation are summarized and analysed by the Compliance Control Department.

If, during the analysis of reports, the Compliance Control Department **identifies** violations of legal requirements or the Bank's internal documents (including the Code of Corporate Ethics), includes such incidents in the quarterly compliance risk report, and if situations requiring urgent notification of the Supervisory Board are identified, no later than the next business day.

If, during the analysis of reports, **no violations** of legislative requirements or internal documents of the Bank (including the Code of Corporate Ethics), the Chief Compliance Officer shall inform the Bank's Supervisory Board at least once a year about the absence of such reports by including it in the Report on the implementation of the annual Compliance and Compliance Risk Management Plan (Program).

The Bank's Supervisory Board monitors the functioning of the confidential, including anonymous, reporting mechanism through the Compliance Control Department.

PROTECTION OF EMPLOYEES WHO REPORT UNACCEPTABLE BEHAVIOUR

The Bank takes all necessary measures to protect employees who report their suspicions from any harassment as a result of providing information, provided that the information is provided in good faith and complies with the provisions of this Policy.

The term “in good faith” means that the employee believes that the information he/she is reporting is true. In addition, this term means that such an employee provides information without seeking personal gain.

The Bank guarantees protection for employees who report unacceptable behaviour from unlawful measures. If employees believe that they are being harassed or are at risk of abuse, they may report such cases to an employee of the Compliance Control Department.

No penalties and/or restrictions may be applied to the whistleblower if, as a result of the investigation of such a report, the violation was not confirmed and the report was not made with the intention of deliberately providing false information by the employee (the initiator of the report).

The protection of such employees consists in prohibiting dismissal or coercion to resign, bringing them to disciplinary responsibility or applying other measures of influence in connection with such a report.

Employees who provide information in bad faith, especially if it is knowingly false, are not protected. Such behaviour is considered a violation and disciplinary measures may be applied to them.

The Bank may apply disciplinary measures to Bank employees who influence or attempt to influence the whistleblower.

PROTECTION OF EMPLOYEES AGAINST WHOM A REPORT OF UNACCEPTABLE BEHAVIOR HAS BEEN FILED

The Bank ensures that reports are reviewed/verified on the basis of objectivity, impartiality and fairness. At the same time, the verification is as independent as possible from all persons involved in it and there is no pressure or influence on its results. Conclusions based on the results of investigations must be based on confirmed facts, analysis results and reasoned judgements.

An employee who has been reported for unacceptable behaviour is considered innocent from the moment the report is received until the employee’s actions are confirmed to constitute unacceptable behaviour.

If, based on the results of the review/verification of the information contained in the report, the fact of unacceptable behaviour is not established/confirmed, the Bank shall protect such employee from negative consequences.

The protection of the employee consists in prohibiting dismissal or coercion to resign, disciplinary action or other forms of influence (deterioration of working conditions, refusal to promote to a higher position without objective reasons, reduction of salary, etc.) in connection with the receipt of a report concerning such an employee.

RESPONSIBILITY AND CONTROL

All Bank managers and employees are aware of their responsibility to make the right decisions and report their concerns if they witness actions that could harm the Bank, or at least suspect that such actions may be taking place. Managers and employees of the Bank must promptly report any actions they believe may lead to a violation.

The Bank's managers, control department managers, managers and employees of the Bank's structural and separate divisions are responsible for strict compliance with the requirements of the current legislation of Ukraine, regulatory acts of the National Bank of Ukraine, internal documents of the Bank that regulate the Bank's activities and determine its policy, and job descriptions when carrying out activities at the Bank.

The Bank's Management Board oversees the Bank's implementation of principles for preventing unacceptable behaviour, fraud, abuse, corruption, and violations at the Bank.

The Bank's Supervisory Board monitors compliance with this Policy and the effectiveness of the principles for preventing unacceptable behaviour/violations at the Bank.



CERTIFICATE OF TRANSLATION ACCURACY

This is to certify that the following translation services were provided:

- Certified Translation
- Translation of Changes/Updates
- Back-Translation
- Editing and Proofreading
- Verification/Quality Assurance
- Other: _____

Certification of Accuracy

I, Mariia Nazarko, hereby certify that the attached document is a true and accurate translation of the original document(s) provided in Ukrainian Language into English Language. The translation has been performed by a qualified professional who meets the necessary standards of language proficiency and subject matter expertise required for the project.

- I further certify that the translation was reviewed and proofread for quality, accuracy, and clarity.
- The translation conforms to the client's terminology preferences and guidelines.
- All reasonable efforts were made to ensure the translation is free of errors or omissions.

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Mariia Nazarko, Certified Translator

