

# CODE ON CORPORATE GOVERNANCE OF PUBLIC JOINT STOCK COMPANY “PROCREDIT BANK”

«APPROVED»

by the General Shareholders' Meeting,  
Minutes of 30 September 2016

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Meeting

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**TABLE OF CONTENTS**

<b>1. GENERAL PROVISIONS .....</b>	<b>3</b>
<b>2. RIGHTS OF SHAREHOLDERS, GENERAL SHAREHOLDERS' MEETING.....</b>	<b>3</b>
<b>3. SUPERVISORY BOARD AND MANAGEMENT BOARD .....</b>	<b>4</b>
<b>4. EXECUTIVES OF THE BANK, CONFLICT OF INTEREST .....</b>	<b>6</b>
<b>5. RISK MANAGEMENT AND INTERNAL CONTROL .....</b>	<b>7</b>
<b>6. DISCLOSURE OF INFORMATION AND TRANSPARENCY .....</b>	<b>9</b>
<b>7. ENVIRONMENTAL COMPLIANCE .....</b>	<b>11</b>

## 1. GENERAL PROVISIONS

1.1. The Code on Corporate Governance of JSC "ProCredit Bank" (hereinafter referred to as the Code) has been developed in consideration of the provisions of the Civil Code of Ukraine, the Law of Ukraine on Banks and Banking Activities, the Law of Ukraine on Joint Stock Companies, the Law of Ukraine on Securities and Stock Market, Principles of Corporate Governance approved by Resolution of the National Securities and Stock Market Commission No. 955 as of 22 July 2014 December 2003, Recommended Practice for Enhancing Corporate Governance at Ukrainian Banks, approved by Resolution of the Board of the National Bank of Ukraine No. 98 as of 28 March 2007, the OECD Principles of Corporate Governance, Recommendations of the Basel Committee on Banking Supervision: Enhancing corporate governance for banking organisations, and the Charter of JSC "ProCredit Bank" (hereinafter referred to as the Charter).

1.2. This Code sets out the framework for corporate governance at JSC "ProCredit Bank" (hereinafter referred to as the Bank).

Corporate governance is the system of relations between equity investors, management bodies, executives and all parties concerned to increase the level investors, trust to provide for the equilibrium of influence and balance of interests of the parties to these relations, as well as cooperation between the Bank's management bodies in the process of development, approval, pursuit and control over the execution of the Bank's strategy and tasks to increase its profitability, sustainability and competitiveness.

1.3. This Code is approved by the Bank's General Shareholders' Meeting (hereinafter referred to as the General Meeting). Provision is also made for its regular review in view of the enhancement of the national and international corporate governance models as well as for further approval of respective amendments and additions thereto.

## 2. RIGHTS OF SHAREHOLDERS, GENERAL SHAREHOLDERS' MEETING

2.1. Shareholders holding the Bank's shares of one type (class) have equal rights under the applicable law and the Charter. The Supervisory Board of the Bank (hereinafter referred to as the Supervisory Board) and the Management Board of the Bank (hereinafter referred to as the Management Board) provide for the equality to all shareholders and bear responsibility for the protection of the Shareholder's rights and acting on their behalf. .

2.2. Shareholders have the right to obtain the necessary information from Members of the Supervisory Board and the Management Board and convene Extraordinary General Meetings in the manner prescribed by the applicable law.

2.3. The Bank shall provide equal possibilities for all the shareholders to exercise their rights, protect their rights, legitimate interests of the Shareholders and provide equal attitude to all shareholders regardless of its residential status in Ukraine, the number of share and other factors. To ensure provision of such possibility to the foreign shareholders, the Bank is obliged to use all reasonable efforts to eliminate circumstances that interfere with the exercise of such shareholders' rights. In particular, notices of convocation of the General Meetings and documents related to their agendas must be delivered in English or other respective foreign language. In addition to communication by letter, the Bank must send information to the shareholders via modern means of communication, i.e. by facsimile and/or e-mail.

2.4. Unless otherwise provided by the applicable law, shareholders exercise their rights by participating in and voting at the General Meetings. The Supervisory Board and the Management Board provide for the holding of the General Meeting, securing productive and respectful relationships with the shareholders and facilitating participation of all the shareholders in the General Meeting at the same time.

2.5. The General Meeting adopts decisions on the all issues pertaining to the Bank's activities, including issues that have been transferred to Supervisory or Management board authorities, except for cases envisaged by the current legislation.

2.6. Shareholders are notified of the date, time and venue of the General Meeting, as well as registration and voting procedures.

Shareholders are given notice of the General Meeting and are furnished with its agenda, all necessary materials and recommendations of the Supervisory Board and the Management Board as to the items of the draft agenda and agenda in good time according to the current legislation, so that they are in a position for appropriate

familiarization and preparation. Notices of the General Meetings and Minutes of the General Meetings containing voting results are made available on the official website of the Bank.

2.7. Ordinary Shareholders are entitled to participate in any General Meetings and have the right to offer proposals for amendments to the draft agenda, be familiarised with the documents required to adopt decisions, report and vote on any item of the agenda of the General Meeting. Preference Shareholders have the right to vote at the General Meetings only in those instances and about those questions, which are envisaged by the Law of Ukraine on Joint Stock Companies and the Bank's Charter.

2.8. The General Meeting considers and adopts decisions only on those issues, which have been included in the agenda.

2.9. General Meetings are held in such a way so that each shareholder is in a position to express his or her will on all items put to vote. Tabulation of votes is transparent. All decisions are to be reflected clearly and credibly in the Minutes of the General Meeting and/or annexes thereto.

2.10. One ordinary share gives the shareholder one vote to resolve each item put to vote at the General Meeting, except where cumulative voting is held. The Bank has no shares giving to the Shareholders privileges in voting.

2.11. Shareholders can exercise their voting rights either by themselves or through a proxy. The procedure for appointing a proxy is subject to the applicable law and internal regulations on the General Meeting. The National Bank of Ukraine may impose restrictions on the shareholders' representation at the General Meeting to the extent required by the applicable law.

2.12. Upon formation of reserves required by the applicable law and payment of all necessary taxes and levies, due regard being had to the adequately assessed financial and liquidity position of the Bank, the General Meeting may approve a decision to distribute the Bank's profits in the form of payment of dividends to the shareholders in accordance with the applicable law and internal regulations of the Bank.

### 3. SUPERVISORY BOARD AND MANAGEMENT BOARD

3.1. The corporate governance provides the condition for timely exchange of information and effective interaction between Supervisory and Management boards that closely cooperate on the Bank's behalf and bears responsibility for its activities.

3.2. **The Management Board** coordinates and regularly reports to the Supervisory Board on the status of implementation of the Bank's strategy and tasks. The principle of due corporate governance envisages an open dialogue between the Management Board and the Supervisory Board, due regard being had to reasonable confidentiality.

3.3. According to the Charter, before the Bank gives effect to a major deal, its principal conditions are to be approved by the Supervisory Board.

3.4. The Management Board informs the Supervisory Board of any important issues in the operations of the Bank, in particular planning, development, operations involving substantial risk, risk management and compliance with applicable laws, regularly, to the full extent and in due course. The Management Board points out to deviations of actual results from plans and targets indicating the reasons for such deviation.

The Supervisory Board determines the Management Board's obligation to provide information and submit reports. Normally, the Management Board submits its reports to the Supervisory Board in writing. Documents as to which a decision is to be taken, i.e. annual financial statements, auditors' reports, etc, must be submitted to Members of the Supervisory Board as far in advance of the meeting as possible.

3.5. The Management Board and the Supervisory board follow the rules of due corporate governance. If Member of the Management Board or Member of the Supervisory Board infringes his or her duty to act in good faith, in a reasonable manner and with judgement, he or she will be held liable for any damage sustained by the Bank. As far as business decisions are concerned, there is no infringement of duty should Member of the Management Board or Member of the Supervisory Board has had reasonable grounds to believe that he or she acted in the best interests of the Bank.

3.6. **The Supervisory Board** provides strategic management of the Bank and define the Bank's development

strategy, controls implementation of the efficient systems of risk management, internal control, exercises control over the Management Board activities on the shareholders and investors behalf. The **Supervisory Board** bears main responsibility for activities and financial situation of the Bank

3.7. The **Supervisory Board** exercises control and provides implementation of the corporate governance and corporate values in the Bank by demonstrating the corporate culture with its own example, setting the professional standards and corporate values for itself, Management Board and all employees

3.8. The Charter and Regulations on the Supervisory Board determine the status, election procedure, powers, rights and obligations of the Supervisory Board.

3.9. Principal duties of the Supervisory Board are as follows:

3.9.1. approval and supervision of implementation of the Bank's strategy based on long-term financial performance in view of the Bank's capacity to assume risks and ability to effectively manage them. 3.9.2. approval and supervision of implementation of:

- overall risk strategy; risk and risk management policies and their compliance with internal documentation and applicable law;
- system of internal control;
- fundamentals of corporate governance and corporate values, including the Code of Conduct;
- incentive and compensation systems;

3.9.3. selection and approval of candidates seeking offices of the General Manager and Members of the Management Board, approval of their wage conditions;

3.9.4. determination of the forms of control over the Management Board's activities;

3.9.5. prevention and arrangement of corporate conflicts;

3.9.6. provision for transparency of own activities before shareholders;

3.9.7. provision for a mechanism to exercise and protect shareholders' rights;

3.9.8. approval the plan of the Bank's renewal;

3.9.9. identifying the sources for the capitalization and financing;

3.9.10. defining of the Bank's credit policy.

Performing its duties, the Supervisory Board takes account of legitimate interests of the Bank's shareholders, depositors and other respective parties concerned. It also provides for effective relationships and active cooperation between the Bank and its controlling bodies.

3.9. The Supervisory Board ensures that the Bank's operations with related parties (including transactions within the group) are based solely in the legislative measures and on results of the analysis of potential risks involved and taking account of the specified limitations, so that corporate or financial resources of the Bank are not misappropriated.

3.10. The Supervisory Board is composed of individuals, whose number is defined by the Charter of the Bank, possessing the necessary knowledge, qualification, experience as well as business acumen and moral qualities to perform their duties, and complying with the requirements of the National Bank of Ukraine.

3.11. Each shareholder has the right to nominate candidates to the Supervisory Board, but the number of candidates nominated may not exceed quantitative composition of the Supervisory Board.

Each shareholder has the right to propose recalling any Member of the Supervisory Board, who has been proposed as candidate to the Supervisory Board by such shareholder, and to have other candidate(s) to the Supervisory Board proposed. Such proposal to have Member of the Supervisory Board nominated or recalled has

to be made in writing and addressed to the Management Board and the Chairperson of the Supervisory Board.

Members of the Supervisory Board shall be elected by cumulative voting.

3.12. In performing their duties Members of the Supervisory Board act in a reasonable manner and in good faith, exert loyalty to the Bank and comply with the applicable law and international standards of supervision. This includes taking an active part in the most important issues pertaining to the Bank, awareness of its operations and external environment and protection of its interests.

The Supervisory Board regularly checks efficiency of its performance and fulfilment of its duties.

3.13. **The Management Board** is the collective executive body of the Bank, which organises and manages its operating performance. The Management Board bears responsibility for efficiency of its activities according to the rules set up by Charter, General Shareholders' meeting and Supervisory Board decision, and Regulation on the Management Board. The Management Board reports to the Supervisory Board and General Shareholders' Meeting.

3.14. The Management Board is responsible for duly managing the Bank in the best interests of all shareholders, depositors, creditors as well as the Bank itself within the scope of values, instructions and strategies approved by the Supervisory Board.

3.15. The Management Board develops the Bank's strategy, agrees it with the Supervisory Board and provides for its implementation. The Management Board ensures proper risk management and control.

3.16. The Charter and the Policy on the Management Board determine the Management Board's status, composition, assignment procedure, powers, rights and obligations.

3.17. The Management Board's reports on the Bank's business and financial performance as well as performance of the Management Board itself are considered by the Supervisory Board and the General Meeting on a quarterly and annual basis respectively.

The Supervisory Board shall have

a) the following information submitted quarterly:

- quarterly financial statements of the Bank drawn up in accordance with Ukrainian National Accounting Standards and/or International Financial Reporting Standards – as possible but no later than within 30 days after the close of each calendar quarter;
- performance statement with a comparison of actual results against the approved budget and a statement on related parties' financing – as possible but no later than within 45 days after the close of each calendar quarter;
- risk management report in form and substance satisfactory to the shareholders – as possible but no later than within 45 days after the close of each calendar quarter;
- business performance statistics in form and substance satisfactory to the shareholders – within 15 days after the end of each month.

Where required, the Supervisory Board may request the Management Board's report any time and for any period. Reports must be in-depth and in line with the latest bank management trends.

#### **4. EXECUTIVES OF THE BANK, CONFLICT OF INTEREST**

**Executives of the Bank** (hereinafter referred to as the Executives) are the Chairperson, their deputies and Members of the Supervisory Board, the General Manager, their deputies and members of the Management Board, Chief Accountant and their Deputies, the managers of subdivisions, as well as their acting.

4.1. The Executives exercise their powers in line with the vested tasks, within their terms of reference and in reliance upon applicable laws, the Charter and the internal regulations of the Bank.

4.2. The Executive acts on the basis of an employment agreement (contract) or a civil law agreement entered

into with the Bank and stipulating for rights, obligations, responsibility of the parties, labour and wage conditions, reasons for early termination of the labour contract and circumstances thereof, etc.

4.3. The Executives must perform their duty to act in the best interests of and be loyal to the Bank in accordance with the applicable laws of Ukraine and international banking supervisory standards. The Executives must act fair and clever in the best interests of in accordance with the applicable laws of Ukraine and international banking supervisory standards, look after and look ahead, not to perform the action that contradicts or not comply with Bank's interests. Particularly, the Executives shall not to obtain the rewards (directly or indirectly) for exerting the influence in the decision making process by The Management Board, using the Bank's property on their own behalf or on the behalf of the third persons, disclose the information with limited access.

4.4. The Executives must fully reveal their conflicts of interest and must not abuse their official position for personal advantage.

The conflicts of interest is a discrepancy between officer's personal interests or their related persons with their professional duties to act on the Bank's behalf. It means situation when under the duty to be loyal to the Bank, the Executives must fully reveal their and must not abuse their official position for personal advantage.

Related party transactions save for those on arm's length terms are regarded as conflict of interest. The Bank has internal rules in place to regulate third party identification process, third party transaction process as well as procedure for the supervision of such transactions.

4.5. In performing their functions, the Executives have no right to obtain payments or other benefits from third parties either for themselves or for the benefit of any other parties, or wrongfully endow third parties with wealth, material and non-material alike.

4.6. The Executives ensure that the Bank has adequate rules and procedures in place aimed at avoiding conflict of interest when performing their functions. If nonetheless a conflict of interest occurs, the Executive must reveal thereof and abstain from being involved in a respective decision-making process.

4.7. Conflict of interest takes place when an employee of the Bank makes a decision pertaining to a certain operation, such employee or a party related to such employee being a contracting party in this operation. Own self-interest must not form the basis for any decision pertaining to the Bank, managerial or business alike. In the event of a potential threat or occurrence of a conflict of interest, an employee of the Bank must reveal information about such conflict to the Management Board.

4.8. Members of the Management Board and the Bank's bodies exercising their powers based on civil law agreements are to reveal all relevant information about conflicts of interest, whether existing or identified, to the Supervisory Board.

4.9. Instances of occurrence of conflicts of interest are revealed in the Bank's public annual report.

4.10. Standards of professional behaviour, honesty and integrity for all employees of the Bank are reflected in its Code of Conduct, and every employee annually confirms his or her adherence to its requirements in person.

## **5. RISK MANAGEMENT AND INTERNAL CONTROL**

5.1. The Supervisory Board controls and provides for the functioning of efficient systems of internal control and risk management that have due authority, independence, resources and access to the Management and the Supervisory Board.

5.2. The system of internal control is functioning in the Bank. The subjects of the internal control are Supervisory Board, Management Board, the internal audit unit, the risk- management unit, controlling unit and all managers of divisions and all employees.

5.3. The Supervisory Board at least annually assesses the systems of internal control and risk management and furnishes the General Shareholders' Meeting with respective information.

5.4. The system of internal control includes;

- Clear, unambiguous allocation of duties, powers and responsibility among the Bank's management bodies, structural units and employees to avoid overlapping.

- Double control, which implies following the 'two hands' rule in the execution of the Bank's operations, whereby their execution, accounting and reporting may not fall within the remit of one person. If relevant software ensuring appropriate levels of control is in place, certain banking operations can be executed by one person all the way from initiation to making respective accounting entries to the extent that such operations are subject to further control.
- An in-depth analysis of the Bank's operations before and after they have been conducted to prevent any unauthorised transactions or transactions non-compliant with respective process or procedure.
- Organisation of the Bank's operating activities and accounting for transactions in accordance with the regulations of the National Bank of Ukraine.
- Compliance with the requirements to the protection of data in software and hardware suites imposed by regulations of the National Bank of Ukraine.
- Introduction and functioning of the information security management system in accordance with information security standards of the National Bank of Ukraine.
- Protection against intended and unintended acts of staff.
- Improvement in staff qualification levels.

5.5. The order of organization and control over the functioning of the internal control system is defined in the Bank's internal regulations.

5.6. The Management Board develops and implements the risk management strategy. Risk management strategy defines principles and rules of managing major risks inherent to the operations of the Bank.

5.7. The Bank's risk management system has been built in accordance with the regulations of the National Bank of Ukraine and in compliance with the requirements imposed by the Basel Committee on Banking Supervision and Minimum Requirements for Risk Management imposed by the German Federal Financial Supervisory Authority (BaFin). These requirements are mandatory for all banks of the ProCredit group.

5.8. **Risk management system** is responsible for identification, assessment, monitoring, control or reduction and reporting of the influence of risks on the operations of the Bank.

5.9. The overall management of risks includes:

- 5.9.1. determination of the major risks for the Bank;
- 5.9.2. assessment of such risks and possibilities of the Bank to influence such risks;
- 5.9.3. monitoring of the impact of risks and estimation of the capital needs on this basis (capital planning);
- 5.9.4. monitoring and assessment of decisions to accept certain risks, risk mitigation measures and compliance of the adopted decisions with the risk management policy approved by the Supervisory Board;
- 5.9.5. reporting to the senior management and the Supervisory Board on all the above matters.

5.10. Risk management process covers all types of the Bank's operations. Risk management decisions may pertain to risk avoidance, risk minimisation (in particular by means of mitigating effects and/or allocation of risks to other parties through insurance or derivative instruments), setting of the limits for risk acceptance and other methods to influence risks.

5.11. The Bank has the **Internal Audit Service** in place, whose major task is to check and assess the efficiency of the system of internal control and managerial processes in order to assist the management in achieving the Bank's goals and objectives.

5.12. Internal audit operations must be independent, adequately financed and well-staffed with professionals acting in accordance with International Standards for the Professional Practice of Internal Auditing and national standards.

5.13. Status, functions, tasks and powers of Internal Audit Service are determined in the Regulation on the Internal Audit Service of the Bank.

5.14. For the purpose of performing its functions, the Internal Audit Service has full, direct and unrestricted



access to all structural units, documents, property and information systems of the Bank.

5.15. The Supervisory Board and the Management Board make sure that the Internal Audit Service has all the required resources and access to information in place to enable it to adequately discharge its functions in line with the professional standards of internal auditing.

5.16. The Supervisory Board and the Management Board are to demand an unbiased assessment and advice on risk management and adequacy of the system of internal control from the Internal Audit Service.

5.17. Annual financial statements of the Bank are subject to mandatory audit by an independent auditor (audit firm) enjoying an impeccable international reputation and holding a certificate of the National Bank of Ukraine, under which it is authorised to audit banking institutions, so that to have an audit opinion expressed that such financial statements are drawn up in accordance with International Financial Reporting Standards and fairly present (or do not present) actual financial position of the Bank in all material aspects.

5.18. The Supervisory Board and the Management Board contribute to the efficiency of external auditors' performance in order to ensure fairness and credibility of the Bank's financial statements that reflect its financial position and performance.

5.19. The Supervisory Board is the authority to supervise relationships between the Bank and its external auditor.

5.20. The Supervisory Board approves the external auditors for the Bank, terms of the auditing working conditions and remuneration of external auditors for the audit services rendered.

5.21. Form, content and procedure of expression of audit opinions must comply with International Financial Reporting Standards.

5.22. The Bank's external auditor is changed periodically in order to preserve audit independence.

5.23. The Supervisory Board and the Management Board make full use of information obtained following an independent, competent and qualified performance of Internal Audit Service, system of internal control and external auditor.

5.24. The Bank continuously maintains the said systems of control including an effective compliance function, which, among other things, involves an ongoing supervision over observance of the applicable law, corporate governance principles, regulations and policies governing the Bank's operations, and ensures that the management at the respective level is notified of deviations from applicable law requirements and the Supervisory Board and the shareholders are notified of material deviations from applicable law requirements should such material deviations occur.

5.25. The Bank shall provide the functioning of the compliance risk management that intends to identify the significant compliance risk, to provide efficient fulfillment of the current legislation, market's standards, internal regulations and Bank's standards, forming and functioning of the efficient controls mechanisms in the Bank. The Bank provides efficient and permanent functioning of compliance whose principles and functions are envisaged in the internal regulations.

5.26. The Bank's Executives are to facilitate effective internal control and refrain from any actions that impair its effectiveness.

## **6. DISCLOSURE OF INFORMATION AND TRANSPARENCY**

6.1. The Bank regularly, to the full extent and in a timely manner discloses information about all material aspects of Bank's activities, so that investors, depositors, customers, shareholders, creditors and other parties concerned are kept aware and has enough information of its operations including its risks and efficiency of risk management processes.

6.2. The Management Board is responsible for completeness, credibility and timeliness of disclosure of information concerning the Bank, except in instances where it has been released from responsibility to disclose information.

6.3. To disclose information, the Bank shall use such means of communication that are acceptable for investors, depositors, customers, shareholders, creditors and other parties concerned, providing due, timely and non-costly access to information. The Supervisory Board controls compliance with the information transparency procedures at the Bank.

6.4. The Bank regularly makes information public, including:

6.4.1 its goals, objectives and development strategy;

6.4.2 structure of shareholding and related parties;

6.4.3 annual financial statements drawn up in accordance with International Financial Reporting Standards, including independent auditors' reports, which are to be submitted within 120 days after the end of respective financial year;

6.4.4 quarterly financial statements and issuer reports;

6.4.5 structures of the Management Board and the Supervisory Board respectively;

6.4.6 notice of the General Shareholders' Meetings, as well as Agenda and Minutes thereof;

6.4.7 internal documents including the Charter, Regulations on the General Shareholders' Meeting, Regulations on the Supervisory Board, Policy on the Management Board, this Code on Corporate Governance, etc.;

6.4.8 ratings obtained by the Bank;

6.4.9 details of securities issues;

6.4.10 other information.

6.5. As soon as the Bank becomes aware of the fact that 10, 25, 50 or 75 percent of the votes in the Bank's supreme management body has been acquired, exceeded or decreased, the Management Board is to disclose such information immediately.

6.6. The Bank discloses special information in the manner prescribed by the State Commission on Securities and Stock Market of Ukraine. Such special information includes:

6.6.1 decision to place securities in excess of 10 percent of the Bank's authorised capital;

6.6.2 decision to redeem own shares;

6.6.3 facts of listing/delisting of securities on a stock exchange;

6.6.4 decision about preliminary approval of the major agreement, decision about approval of the major agreement, decision about approval of the agreement regarding which the counterparties have certain interest. ;

6.6.5 changes in the composition of the Bank's executives;

6.6.6 changes in the composition of shareholders holding 10 and more percent of the voting shares;

6.6.7 decision to establish or terminate the Bank's branches or representative offices;

6.6.8 decision to decrease the Bank's authorised capital;

6.6.9 file a case reading the remuneration for losses inflicted by the emitent's officials;

6.6.10 decision regarding the payment of dividends;

6.6.11 decision to change the guarantee which ensures the issuance of the debt securities;

6.6.12 initiation of a bankruptcy case against/filing of a petition in bankruptcy by the Bank, court approval of the Bank's financial rehabilitation;

6.6.13 Resolution of the General Meeting or a court order to have the Bank wound up or reorganised;

6.6.14 Other information defined by State Commission on Securities and Stock Market of Ukraine.

6.7. Information about the Bank can also be made available on its official website, through media and advertising campaigns, at press conferences, during public speeches and events, etc. Information, which is subject to disclosure, must also be available on the Bank's website accompanied by an English translation.

6.8. The Bank is obliged to provide for storage and protection of information that constitutes banking secrecy in order to prevent illegal disclosure of such information and thus its shareholders, depositors, creditors, customers and other parties concerned from sustaining material and moral damages as a result of such illegal disclosure.

## **7. ENVIRONMENTAL COMPLIANCE.**

7.1. The Bank and its economic activities, operations, assets, equipment, property and other means comply with international standards and provisions of the applicable law as to environmental protection in all material aspects. The Bank has implemented an environmental management system that provides for continuous assessment of loan portfolio according to environmental criteria, an in-depth analysis of all economic activities, which potentially involve environmental risks, and rejection of loan applications from companies engaged in activities, which are deemed environmentally hazardous and appear on the Bank's exclusion list.

7.2. Six essential principles guide the operations and business ethics of the Bank. These are transparency, culture of open communication, social responsibility and tolerance, service orientation, high professional standards and high degree of personal commitment.

7.3. The Bank supports social, cultural and educational initiatives aimed at building up a broader understanding of financial services, enhancing public understanding of the price of financial services and how these services can be used, developing the economy and raising living standards of the people.

7.4. In credit operations, the Bank's target groups are small and medium-sized enterprises with a strong commitment to economic development objectives such as job creation, economic institutionalisation, promotion of export products, energy efficiency and increased food production, since these businesses make a vital contribution to the country's economy. Compliance with the standards of business ethics is also a principal criterion when considering loan applications. No loans are issued to enterprises or if it is suspected that they are making use of unsafe or morally objectionable forms of labour, in particular child labour.

7.5. Adhering to the highest ethical standards, the Bank consistently applies best practice systems and procedures to protect the Bank from being used as a vehicle for money laundering or other illegal activities such as financing of terrorist activities. An important focus here is to "know your customer", and, in line with this principle, to carry out sound reporting and comply with the applicable regulations.

7.6. The Bank is not associated with any kind of political activity. It is prohibited to use the Bank's name, image and material resources during election campaigns and other practical politics. The Bank supports no political party, association of citizens or trade union, materially or otherwise.