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**Anti-Corruption Program**

Kyiv

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# Preamble (values)

With this Anti-corruption program (hereinafter - the Program) Joint-Stock Company commercial bank "PrivatBank" (hereinafter - the Bank), being aware of the responsibility for establishing the values of the rule of law and integrity, striving to ensure sustainable development, taking care of own business reputation, to encourage the use of honest commercial practices, and also taking into account the interests, in particular, but not exclusively, of employees, business partners, customers, declares that Management Board and employees during their activities, as well as in legal relations with business partners, state authorities, local self-government bodies, other legal entities and individuals, are guided by the principle of zero tolerance for corruption in any of its forms and manifestations and take (will take) all measures regarding the prevention, detection and counteraction of corruption, provided by the legislation and this Program.

The Bank declares its principled position and condemns corruption as an illegal and unethical way of conducting business.

The anti-corruption program was developed by the National Agency of Anti Corruption (NAZK) by Order dated 10.12.2021 No. 794/21 "On approval of the standard anti-corruption program of a legal entity" (Registered in the Ministry of Justice of Ukraine on December 31, 2021 No. 1702/37324), taking into account the Order of the National Agency of Anti Corruption from 15.01.2024 № 22/24 "On Amendments to the Order of the National Agency of Anti Corruption dated December 28, 2021 No. 830/21" (registered in the Ministry of Justice of Ukraine on January 19, 2024, No. 99/41444), and the Order of the National Agency of Anti Corruption dated January 22, 2024 No. 32/24" (registered in the Ministry of Justice of Ukraine January 25, 2024 No. 130/41475) On taking into account the comments made by the state registration body to the order of the National Agency of Anti Corruption as of January 15, 2024 No. 22/24 in accordance with Article 62 of the Law of Ukraine "On Anti Corruption", the principles of the UN Convention against Corruption (ratified by Ukraine Law N251-V (251-16) dated 18.10.2006).

## I. General provisions

### 1. Definitions

1.1. The following terms are used within this Program:

**charity** - voluntary personal and/or property help, aimed at promoting the legitimate interests of the charity recipients within charity defined by the law, which does not provide Bank's profit, as well as the payment of any remuneration or compensation to the Bank on behalf of or by charity recipient order;

**contribution to support a political party** - money or other property, advantages, benefits, services, loans (credits), intangible assets, any other benefits of an intangible or non-monetary nature, sponsorship by the Bank of events or other activities in support of the party, goods, works, services provided by the Bank free of charge or on preferential terms (at a price lower than the market value of identical or similar jobs, goods and services on the relevant market), obtained by a political party, its local organization, which acquired the status of a legal entity in accordance with the established procedure;

**business hospitality** - representative events (for example, business breakfasts, lunches, dinners, buffets, tastings, other events (conferences, cultural and sports events)), reimbursement of travel expenses,

accommodation, other types of expenses incurred by the Bank or in relation to the Bank for the purpose of creation or establishing of business relations or for another purpose related to the Bank's activities;

**business relations** - relations between the Bank and a business partner related to the Bank's business, professional or economic activities, which arose on the basis of a transaction or other activity by the Bank and provide for the duration of their existence after their establishment;

**business partners** - legal and/or natural persons with whom the Bank supports, enters or intends to enter into business relations;

**incentive payments** - unofficial and illegal payments to officials for the purpose of facilitating/accelerating/simplifying or, in certain cases, the proper execution of procedures established by law, which the Bank has the legal right to receive without making such payments;

**managers of the Bank** - the Chairman of the Supervisory Board, his deputies and members of the Bank's Supervisory Board, the CEO, his deputies and Management Board members, the Chief Accountant of the Bank;

**corruption risk** - the probability of committing a corruption or corruption-related offense, or other violation of the law, which will negatively affect the Bank's activities;

**undue advantage** - money or other property, advantages, benefits, services, intangible assets, any other benefits of an intangible or non-monetary nature that are offered, promised, given or received unlawfully;

**zero tolerance for corruption** - absolute intolerance to corruption in any of its manifestations;

**representative of the Bank** - a person authorized in accordance with the established procedure to act on behalf or in the interests of the Bank in relations with third parties;

**official person:**

a person authorized to perform the functions of the state or local self-government, in accordance with point 1 part one of Article 3 of the Law of Ukraine "On Prevention of Corruption";

a person who is equated to persons authorized to perform the functions of the state or local self-government, in accordance with point 2 part one of Article 3 of the Law of Ukraine "On Prevention of Corruption";

employee of the patronage service according to Article 92 Law of Ukraine "On Civil Service";

a candidate for the post of President of Ukraine and a candidate for People's Deputies of Ukraine, registered in accordance with the procedure established by law;

manager, other official of a business association in which the state or communal share exceeds 50 percent;

an official of a foreign state (a person who holds a position in a legislative, executive or judicial body of a foreign state, including jurors, another person who performs state functions for a foreign state, in particular for a state body or a state enterprise);

foreign arbitrator, a person authorized to resolve civil, commercial or labor disputes in a foreign country in an alternative to judicial procedure;

an official of an international organization (an employee of an international organization or any other person authorized by such organization to act on its behalf);

a member of the international parliamentary assembly, of which Ukraine is a member;

judge and official of the international court;

**sponsorship** - voluntary material, financial, organizational and other support by the Bank of any event or activity aimed at popularizing the name of the Bank, logos and Bank's services.

1.2. Other terms used in this Program have the meanings given in [Law of Ukraine](#) "On Prevention of Corruption".

## **2. Purpose and scope of application**

2.1. The purpose of this Program is to ensure the functioning of an effective system of preventing and countering corruption, compliance of the Bank's activities with the requirements of anti-corruption legislation, taking into account the best global practices.

2.2. This Program establishes a measures (rules, standards and procedures) for the prevention, detection and counteraction of corruption in the Bank's activities, no less in scope and content than provided for by the Law of Ukraine "On Prevention of Corruption" and the Model Anti-Corruption Program of a Legal Entity, approved by the National Anti-Corruption Agency (NAZK).

2.3. Measures to prevent, identify and eliminate or minimize corruption risks are priorities in the Bank's activities.

2.4. This Program is mandatory for implementation by the CEO, the Bank's Management Board, the Supervisory Board, employees, representatives of the Bank and Bank intern or perform certain job on the basis of civil law contracts concluded with the Bank.

2.5. This Program is mandatory for all business entities (subsidiaries, separate divisions, branches, representative offices) over which the Bank exercises control.

2.6. This Program is used in all spheres of the Bank's activities, including in relations with business partners, officials, state authorities and local self-government bodies, other legal entities and individuals.

2.7. Provisions regarding the mandatory observance and implementation of this Program are included in the Bank's internal regulations, provisions on structural divisions, all employment contracts, including contracts, and job instructions.

2.8. This Program was approved by the decision of the Supervisory Board after its discussion with Bank employees during the approval of the draft Program.

2.9. The text of this Program is available in permanent public access for employees, management bodies, representatives of the Bank, as well as for its business partners at the Bank's website.

## **3. Responsible leadership, business reputation and integrity**

3.1. CEO, Management Board members, Supervisory Board members commitment by a personal example of ethical behavior to form zero tolerance for corruption, which is the basis of the Bank's business culture, everyday business practices and business reputation within the Bank's employees.

3.2. CEO, Management Board members, Supervisory Board members commitment to demonstrate leadership and responsibility regarding:

- 3.2.1. compliance with the requirements of anti-corruption legislation;
- 3.2.2. ensuring the proper implementation, effective functioning, periodic analysis, timely review and improvement of the anti-corruption framework in the Bank in order to properly respond to corruption risks in the Bank's activities;
- 3.2.3. widening of zero tolerance for corruption in all Bank's activities;
  
- 3.2.4. appointment to the position of the person responsible for the implementation of this Program (hereinafter referred to as the ABC Officer), providing him with appropriate material and organizational working conditions, assisting the ABC Officer in the performance of tasks and functions provided by the Law of Ukraine "On Prevention of Corruption" and this Program, ensuring the independence of the ABC Officer's activities;
- 3.2.5 encouraging officials at all levels to demonstrate leadership in anti-corruption within the scope of their authorities;
  
- 3.2.6. directing employees to support the Bank's anti-corruption policy and making a personal contribution to the effectiveness of the anti-corruption framework;
- 3.2.7. informing about the anti-corruption policy within the Bank and in relations with business partners, officials, state authorities, local self-government bodies, other legal entities and individuals;
  
- 3.2.8. ensure, in accordance with the Law of Ukraine "On Prevention of Corruption", the conditions for reporting information on possible facts of corruption or corruption-related offenses, other violations of the Law of Ukraine "On Prevention of Corruption";
- 3.2.9. compliance with the rights and guarantees of protection of whistleblowers provided for by the Law of Ukraine "On Prevention of Corruption";
- 3.2.10. timely and proper response in accordance with the law to the facts of the commission (possible commission) of corruption or corruption-related offenses by the Bank's management bodies members, employees.

#### **4. Professional ethics**

- 4.1. CEO, Management Board members, Supervisory Board members, ABC Officer, employees and representatives of the Bank during their official (contractual) duties:
  - 4.1.1. strictly adhere the ethical standards of conduct and the requirements of the Code of Conduct (ethics) of the Bank;
  - 4.1.2. To be tolerant and respectful of other people's political views, ideological and religious beliefs;
  - 4.1.3. act regardless of personal interests, personal attitude towards to any persons, their political, ideological, religious or other personal views or convictions;
  - 4.1.4. do not disclose or use confidential information that has become known to them in connection with their official (contractual) duties, except for cases established by law;

4.1.5. competently, timely, effectively and responsibly perform official (contractual) duties, decisions and commissions of the bodies, persons to whom they are subordinate, accountable or under control, and do not allow abuse and inefficient use of the Bank's funds and property.

4.2. CEO, Management Board members, Supervisory Board members, ABC Officer, employees, representatives of the Bank refrain from clearly criminal actions, decisions and instructions and take measures to cancel such decisions and instructions.

4.3. The ABC Officer, employees, representatives of the Bank are obliged to refrain from implementing decisions or instructions of the management that are clearly criminal.

4.4. In the case of receiving decisions or instructions for execution that the Bank employee considers illegal or that pose a threat to the rights, freedoms or interests of individual persons, legal entities, state or public interests protected by law, he must immediately notify his functional or line manager, or a Member of the Management Board (Chief Compliance Officer) and the ABC Officer.

Such notice can be given either in writing, or using the electronic document management system "PrivatDoc", or by sending an email to the addressee's corporate email box.

4.5. An ABC Officer, an employee, cannot be fired or forced to fire, brought to disciplinary liability or subjected to other negative influence measures by the management or the threat of such influence measures in connection with the refusal to carry out decisions or assignments that are clearly criminal.

4.6. Employees, ABC Officer, may not be held disciplinary measures for refusing to participate in corrupt practices, even if such refusal may lead to the Bank losing a competitive advantage or potential benefit.

## **II. Rights, obligations, prohibitions**

### **1. CEO, Management Board, employees (except ABC Officer) and representatives of the Bank rights and responsibilities**

1.1. The CEO, Management Board, employees and representatives of the Bank have the right:

1.1.1. provide proposals for improving this Program;

1.1.2. to ask the ABC Officer for consultations and clarifications within the implementation of this Program, other internal documents of the Bank regarding the prevention of corruption, anti-corruption legislation;

1.1.3. to receive recommendations from ABC Officer regarding further actions when the planned actions or decisions (deeds) may be a source of corruption risks.

1.1.4. on the confidentiality of their reports to the shareholder(s), the CEO, a Member of the Management Board (Chief Compliance Officer) or ABC Officer about detected violations of the Anti-corruption program, corruption or corruption-related offenses in the activities of other Bank employees, and reports about the facts of inciting Bank employees to commit corruption or corruption-related offenses;

1.1.5. for an objective and unbiased internal investigation or official audit aimed to confirm or refute information about a potential violation of the Anti-Corruption Program or a corruption or corruption-related offense.

1.2. CEO, Management Board, employees and representatives of the Bank are obliged to:

1.2.1. comply with the requirements of the Law of Ukraine "On Prevention of Corruption", this Program and internal documents adopted for its implementation, as well as ensure the implementation of this Program;

1.2.2. perform their official (contractual) responsibilities taking into account the legal interests of the Bank;

1.2.3. immediately inform the ABC Officer, the Member of the Management Board (Chief Compliance Officer) as required this Program about cases of violation of this Program (or about cases of incitement to such actions), corruption actions or corruption-related offenses, other violations of the Law of Ukraine "On Prevention of Corruption" by the CEO, Management Board, Supervisory Board, employees or existing or potential business partners;

1.2.4. immediately inform as required this Program, about the occurrence of a real, potential conflict of interests; take measures to prevent and resolve real or potential conflicts of interest; not to take actions and not to make decisions with real conflict of interests;

1.2.5. to refrain from behavior that can be regarded as readiness to commit a corruption or corruption-related offense related to the Bank's activities;

1.2.6. to inform the ABC Officer about the implementation and acceptance of business hospitality, giving and receiving gifts in the manner determined by the Bank;

1.2.7. take into account and use the recommendations of the ABC Officer.

## **2. Prohibited corrupt practices**

2.1. To CEO, Management Board, Supervisory Board, ABC Officer, employees and representatives of the Bank directly or through other persons prohibited:

2.1.1. accept an offer, promise or receive an improper benefit, as well as ask to provide such a benefit for themselves or another person or legal entity for the performance or non-performance of any actions using the position they hold in the Bank or in connection with their activities in favor of the Bank, in the interests of the person who offers, promises or provides such a benefit, or in the interests of a third party;

2.1.2. to abuse their power of authority, i.e. intentionally, with the aim of obtaining an unlawful benefit for themselves or another person or legal entity, to use their power of authority contrary to the interests of the Bank;

2.1.3. to offer, promise or provide (directly or through a third party) to officials and/or their close persons, other persons an unlawful benefit for the commission or omission of any actions/inaction by them using the power of authority, official position, to receive or preservation of any advantages for the Bank;

2.1.4. take actions and make decisions within a real conflict of interests;



2.1.5. use any property of the Bank or funds of the Bank in personal interests;

2.1.6. organize, be an intermediary or personally make any cash or non-cash payments or settlements with the Bank's business partners, other persons or legal entities, if such payments or settlements are not provided by legislation or transactions concluded by the Bank;

2.1.7. directly or indirectly influence on decisions of the Bank's employees in order to obtain an unlawful benefit for themselves or other persons;

2.1.8. commit any actions that directly or indirectly incite other employees to violate the requirements of the Law of Ukraine "On Prevention of Corruption" or this Program;

2.1.9. to give and receive gifts in violation of the legislation and this Program regarding the provision and acceptance of business hospitality and gifts;

2.1.10. deny persons or legal entities information that is required by law to be provided to these persons or legal entities or provide untimely, inaccurate or incomplete information that is required to be provided in accordance with the law, if the employee is authorized by the Bank to provide such information.

2.1.11. after dismissal or other termination of cooperation with the Bank, to disclose or otherwise use in their own interests information, including confidential information, which became known to them within performance of their power of authority and contractual obligations, except for cases established by law.

2.2. The Bank prohibits the incentive payments to officials, in particular for the purpose of speeding up any formal procedures related to obtaining permits, or making relevant decisions in favor of the Bank, or obtaining other advantages for the Bank.

A payment for accelerated consideration paid to the state authority or local self-government body, enterprise, institution, organization, official person, state/local budget, the amount and necessity provided by law (for example, payment for accelerated patent registration) is not an incentive payment.

An employee or representative of the Bank who requested for an incentive payment must inform the person making such a request of the prohibition to make such a payment, refuse to make such a payment, and also immediately inform his direct head and the ABC Officer of the received request.

In case if employee or representative of the Bank has any doubts about whether the payment belongs to the incentive payment and is prohibited from making it, such an employee or representative of the Bank should ask advice from the ABC Officer.

2.3. The prohibitions apply without any territorial restrictions, in the territory of any state, regardless of national traditions, local practices or conditions of competition in force in that state.

### **III. Legal status of the ABC Officer and employees subordinate to him**

#### **1. General provisions**

1.1. The legal status of the ABC Officer is determined by the Law of Ukraine "On Prevention of Corruption" and this Program.

The ABC Officer is appointed by the CEO to a separate position in accordance with the labor legislation and the founding documents of the Bank.

The ABC Officer is subordinate, accountable and controlled to the Member of the Management Board (Chief Compliance Officer).

The requirements for a person who can be appointed as the ABC Officer are established by the Law of Ukraine "On Prevention of Corruption".

The ABC Officer is the Head of the Anti-Corruption Office, controls and coordinates its activities, ensures compliance and implementation of the Anti-corruption program by the Bank's employees.

1.2. The ABC Officer may be dismissed from his position in the cases stipulated by the Law of Ukraine "On Prevention of Corruption".

The ABC Officer may be dismissed from his position by the CEO initiative, with the approval of the National Anti-Corruption Agency (NAZK) in accordance with the established procedure.

1.3. For performance of his functions, the ABC Officer may involve employees of his subordinate structural unit, as well as (with the manager's consent) other employees of the Bank by giving them oral and written instructions and exercising control over their implementation.

Employees of the Anti-Corruption Office are appointed to positions and dismissed from their positions in case of termination the employment contract by the CEO initiative with the consent of the ABC Officer.

## **2. Responsibilities and rights of the ABC Officer**

2.1. Responsibilities of the ABC Officer:

2.1.1. perform responsibilities impartially;

2.1.2. organize preparation, develop and submit for approval to the Member of the Management Board (Chief Compliance Officer), the Management Board / Supervisory Board) internal documents regarding the formation and implementation of this Program;

2.1.3. organize periodic assessment of corruption risks within the Bank's activities;

2.1.4. to ensure interaction and coordination between the Bank's structural divisions regarding the preparation, implementation and monitoring of measures implementation requested by this Program;

2.1.5. to provide clarifications and individual consultations to the CEO, Management Board, employees related to the implementation of this Program and compliance with the requirements of anti-corruption legislation;

2.1.6. to provide employees or the Bank interns or persons who perform certain work on the basis of civil law contracts concluded with the Bank, methodological assistance and consultations regarding the notification of possible facts of corruption or corruption-related offenses, other violations of the Law of Ukraine "On prevention of corruption" and protection of whistleblowers, conduct training on these issues;

2.1.7. to provide information to the public about the Bank's anti-corruption measures;

2.1.8. to organize activities to improve the qualifications of the Bank's employees about prevention and anti- corruption;

2.1.9. regularly, at least once every 2 years, improve qualifications, initiate questions regarding professional training (improvement of qualifications) with Member of the Management Board (Chief Compliance Officer);

2.1.10. take measures to identify a conflict of interest and contribute to its settlement, inform the Member of the Management Board (Chief Compliance Officer) about the identification of a conflict of interest and the measures taken to settle it;

2.1.11. organize and coordinate investigations of the Bank's business partners, investigations in merger and acquisition (accession) procedures;

2.1.12. To participate in the Bank's personnel selection process, in particular by initiating, organizing, conducting inspections of candidates for positions;

2.1.13. Coordinate checks for the corruption risks and in cases of suspected corruption risks agree payments and expenses related to charity and sponsorship activities, making contributions to support political parties;

2.1.14. Coordinate checks for the corruption risks in projects of organizational and administrative documents, transactions of the Bank;

2.1.15. to organize the work of internal channels of notification of possible facts of corruption or corruption-related offenses, other violations of the Law of Ukraine "On Prevention of Corruption";

2.1.16. receive and organize consideration and verification of alerts about possible facts of corruption or corruption-related offenses, other violations of the Law of Ukraine "On Prevention of Corruption";

2.1.17. participate in internal investigations conducted under this Program;

2.1.18. to inform the Member of the Management Board (Chief Compliance Officer), the CEO about facts that may indicate the commission of corruption or corruption-related offenses and other violations of the requirements of the Law of Ukraine "On Prevention of Corruption" by members of the Management Board, representatives of the Bank;

2.1.19. in the case of detection of a corruption or corruption-related offense or receive an alert about commission of such offense by the Management Board, employees to take measures to stop such an offense and, in the presence of confirmed facts, immediately, within 24 hours, notify in writing of its commission to a specially authorized person in anti-corruption;

2.1.20. organize process and participate in official investigations, which is conducted aimed to identify the reasons and conditions that led to the commission of a corruption or corruption-related offense or violation of the requirements of the Law of Ukraine "On Prevention of Corruption" in another way, at the request of a specially authorized person in anti-corruption;

2.1.21. to cooperate with whistleblowers, to ensure compliance with their rights and guarantees of protection provided by the Law of Ukraine "On Prevention of Corruption";

2.1.22. to inform whistleblowers about their rights and obligations provided by the Law of Ukraine "On Prevention of Corruption", as well as about the status and results of the analysis, verification and/or investigation of the information reported by them;

2.1.23. inform the National Anti-corruption Agency (NAZK) in case of the Interaction with the Workforce Unit, Human Resources Department does not send a certified paper copy of the administrative document about taken disciplinary measures and an information card to the administrative document about the imposition (cancellation of the administrative document on the imposition) of a disciplinary measures to a person for committing corrupt or of corruption-related offenses for entering information into the Unified State Register of persons who have committed corruption or corruption-related offenses;

2.1.24. ensure the formation and maintenance of registers:

- Bank employees prosecuted for violating the requirements of this Program, committing a corruption offense or an offense related to corruption, or other violations of the Law of Ukraine "On Prevention of Corruption";
- verifications of business partners, verifications of job candidates, verifications in merger and acquisition (accession) processes carried out in accordance with this Program;
- internal investigations conducted in accordance with this Program;
- committing a corruption offense or an offense related to corruption, other violation of the Law of Ukraine "On Prevention of Corruption", violation of the requirements of this Program;
- conflict of interest alerts;
- business hospitality and gifts;

Keeping registers of alerts about conflict of interests and business hospitality and gifts is ensured by the Compliance Department as part of Register of Compliance-risk incidents, ABC Officer has access to them.

2.1.25. to ensure supervision, control and monitoring of compliance with this Program and anti-corruption legislation;

2.1.26. evaluate the results of these inputs transmitted by the Program;

2.1.27. ensure the preparation of a report about implementation of this Program;

2.1.28. participate in cooperation with state authorities, local self-government bodies, other legal entities, non-governmental and/or international organizations on anti-corruption issues;

2.1.29. perform other official responsibilities stipulated by the Law of Ukraine "On Prevention of Corruption", this Program, internal documents of the Bank, implemented as requested by the Law of Ukraine "On Prevention of Corruption" and this Program, in particular those aimed at considering whistleblowers alerts and ensure compliance with their rights and protection guarantees.

2.2. ABC Officer rights:

2.2.1. to receive oral and written explanations from the Management Board Members, employees and representatives of the Bank regarding circumstances that may indicate a violation of the requirements of the Law of Ukraine "On Prevention of Corruption" and this Program on the prevention and settlement of conflicts of interest and other stipulated requirements, restrictions and prohibitions, and also on other issues related to the implementation of this Program;

2.2.2. summon and interview persons whose actions or inactions relate to the facts reported by the whistleblower;

2.2.3. to have, taking into account the restrictions established by law, access to Bank's documents and information, which are necessary for the performance of the duties assigned, to make or receive their copies;

2.2.4. to demand from other structural divisions of the Bank information, documents or their copies, including those containing information with limited access (except for state secrets), which are necessary for the performance of the duties assigned;

2.2.5. to process information, including personal data, in compliance with the legislation on access to personal data;

2.2.6. to get access to warehouse, production and other premises of the Bank in case of need for anti-corruption measures;

2.2.7. to get access to the electronic data storages and data processing systems available at the Bank, which are necessary for the performance of the duties assigned, and, if necessary, to request the the relevant data copies on a paper;

2.2.8. to sign and send information requests to state authorities, local self-government bodies, enterprises, institutions, organizations of all forms of ownership in order to receive from them information and materials directly related to the responsibilities of the ABC Officer;

2.2.9. to sign and send letters to the National Anti-Corruption Agency (NAZK) or other specially authorized entities within anti-corruption topics with informing about the corruption or corruption-related offenses, other violations of the Law of Ukraine "On Prevention of Corruption";

2.2.11. communicate with the National Anti-Corruption Agency (NAZK) regarding the violated rights of the whistleblower and his relatives;

2.2.12. to nominate within employees subordinate to him a separate person responsible for the implementation of the ABC Officer responsibilities for the Protection of Whistleblowers;

2.2.13. perform other powers defined by the Law of Ukraine "On Prevention of Corruption", aimed at comprehensive consideration of alerts about corruption or corruption-related offenses and other violations of the requirements of the Law of Ukraine "On Prevention of Corruption", including alerts of whistleblowers, protection of their rights and freedoms ;

2.2.14. to initiate inspections aimed by the Law of Ukraine "On Prevention of Corruption" and this Program;

2.2.15. initiate internal investigations when a possible violation of the Law of Ukraine "On Prevention of Corruption" and this Program;

2.2.16. submit to the CEO a submission on disciplinary measures to employees violated the Law of Ukraine "On Prevention of Corruption", this Program;

2.2.17. to participate in the meetings and Bank Committees on cases that belong to the ABC Officer competence;

2.2.18. to initiate the meetings on anti-corruption topics, implementation of this Program;

2.2.19. to involve employees of the Bank with the consent of the CEO;

2.2.20. to submit proposals for improvement of the ABC Officer work / ABC Office for the consideration of the Member of the Management Board (Chief Compliance Officer);

2.2.21. communicate to the Member of the Management Board (Chief Compliance Officer) regarding the implementation of ABC Officer powers and duties;

2.2.22. other rights stipulated by the Law of Ukraine "On Prevention of Corruption", this Program, the employment contract, the ABC Officer's job description, other internal documents of the Bank.

### **3. Guarantees of independence**

3.1. The ABC Officer performs his functions in the Bank independently. The CEO, the Management Board and the Management Board members, employees, representatives, business partners of the Bank, as well as other persons may not interfere in the activities of the ABC Officer..

3.2. Intervention should mean:

3.2.1. refusal to provide the ABC Officer with information, documents, access to information and documents, which the ABC Officer has the right to receive;

3.2.2. any influence on decision-making and actions by the ABC Officer, which is carried out outside the powers of the management body / person exerting influence, provided for by legislation, the Bank's charter, decisions of management bodies or internal documents of the Bank (for example, providing instructions on the content of conclusions that have to be carried out by the ABC Officer based on the results of the verification of business partners; regarding the circle of persons - subjects of declaration, notifications about the facts of untimely submission of declarations which cannot be sent to the National Anti-Corruption Agency (NAZK), etc.);

3.2.3. actions/inactions that lead to restrictions or violations of the rights of the ABC Officer (for example, unjustified refusal to grant annual vacation according to the schedule; unjustified refusal to send for training / professional development provided for by the relevant schedule plan; unjustified limitation of the size or non-payment of incentive and compensation payments, stipulated by labor and collective agreements, etc.);

3.2.4. actions/inactions that prevent the performing of official responsibilities by the ABC Officer (for example, unjustified business trip away from the workplace of the ABC Officer; unjustified deprivation of the ABC Officer access to the workplace, personal computer; unjustified seizure of documents stored in the ABC Officer possession; failure to secure the ABC Officer material resources necessary to perform the tasks assigned to him, not providing access to the Bank's record keeping system, means of communication, etc.);

3.2.5. assigning responsibilities to the ABC Officer, giving instructions on issues that do not belong to or beyond his powers, defined by the Law of Ukraine "On Prevention of Corruption" and this Program, and limit his performance of official duties.

3.3. The ABC Officer cannot be dismissed or forced to resign, brought to disciplinary liability or subjected to other negative influence measures by the head, the Bank's management bodies (transfer, certification, change of working conditions, refusal to be appointed to a higher position, reduction of salary, refusal to extend employment contract, etc.) or the threat of such influence measures in connection with the implementation of anti-corruption measures, detection and reporting of possible facts of corruption or corruption-related offenses, other violations of the Law of Ukraine "On Prevention of Corruption".

Negative measures of influence also include formally legitimate decisions and actions of the CEO, Member of the Management Board (Chief Compliance Officer), Management Board, which are of a selective nature, in particular, are not applied to other employees, managers in similar situations and/or were not applied to the ABC Officer in similar situations (under similar circumstances) earlier.

3.4. Disciplinary sanctions are applied to the ABC Officer with the prior consent of the Supervisory Board.

3.5. Suspension by the Member of the Management Board (Chief Compliance Officer) of the ABC Officer from the performance of official duties is carried out with the prior consent of the Supervisory Board.

3.6. In case of violation of guarantees of independence, the ABC Officer shall notify the Supervisory Management Board and, if necessary, the National Anti-Corruption Agency.

3.7. The CEO, Management Board members, the Supervisory Board, employees of all levels are obliged to:

3.7.1. to ensure the independence of the ABC Officer;

3.7.2. to provide the ABC Officer with appropriate material and organizational working conditions (a separate office, a safe for storing documents, a workplace equipped with office furniture, computer equipment and organizational equipment, access to the Internet, office supplies, means of communication, an electronic mailbox account) and sufficient resources to perform the tasks assigned to him;

3.7.3. to facilitate the fulfillment by the ABC Officer of the tasks provided for by the Law of Ukraine "On Prevention of Corruption" and this Program; at the request of the ABC Officer to provide information and documents necessary for the fulfillment of the duties assigned to him, to facilitate the conduct of internal investigations, to ensure the involvement of employees/resources for the fulfillment by the ABC Officer and employees subordinate to him of their duties;

3.7.4. to respond in a reasonable time to written and oral appeals, proposals and recommendations of the ABC Officer, provided by them within the framework of the implementation of this Program.

## **IV. Assessment and management of corruption risks**

1. In order to effectively prevent corruption in its activities, the Bank applies a risk-oriented approach and creates a risk management system, which provides for the regular assessment of corruption risks that may affect the Bank's activities, the adoption of measures necessary and sufficient for their elimination or minimization, their further monitoring and control, as well as updating existing anti-corruption measures in accordance with changes in the internal and external environment of the Bank's activities.

2. The Bank periodically assesses corruption risks in its activities, the purpose of which is to:

- 2.1. identification of internal and external corruption risks in the Bank's business processes;
  - 2.2. assessment of the sufficiency, appropriateness and effectiveness of existing measures for proper prevention, elimination or minimization of identified corruption risks;
  - 2.3. analysis and assessment (determination of levels) of identified corruption risks;
  - 2.4. determination by priority of high-risk business processes, taking into account the nature and degree of vulnerability of business processes to corruption risks, levels of assessed corruption risks;
  - 2.5. development of measures aimed at effective elimination or minimization of corruption risks in the Bank's activities.
3. organization of periodic assessment of corruption risks in the Bank's activities is carried out by the ABC Officer.
  4. the Bank may carry out internal and/or external assessment of corruption risks.

The internal assessment of corruption risks is carried out by a working group consisting of representatives of the Bank's structural units.

External assessment of corruption risks is carried out by the Bank's audit, legal, consulting or independent experts.

5. The Bank assesses corruption risks in its activities at least once every 2 years.
6. The Bank may make a decision regarding the assessment of corruption risks according to the procedure defined by the legislation<sup>1</sup>.
7. Based on the results of the assessment of corruption risks in the Bank's activities, a risk register is formed.
8. The risk register must contain:
  - 8.1. identified corruption risks, areas (directions) of the Bank's activity in which they are identified, their descriptions, sources, existing control measures, assessment of their sufficiency, compliance and effectiveness;
  - 8.2. levels of identified corruption risks;
  - 8.3. proposals for measures to eliminate or minimize identified corruption risks (including updated/new anti-corruption measures at the level of the Bank and/or at the level of business processes), terms (terms) of their implementation, responsible units/executors, necessary resources, performance indicators ).
9. The register of risks after its registration based on the results of the assessment of corruption risks is submitted for approval by the Management Board.
10. The Management Board approves the risk register and ensures the implementation of the measures provided for by it, including by updating existing anti-corruption measures, and allocates the necessary resources for this.
11. At the request of the Supervisory Board, the register of risks is brought to its attention.
12. The risk register is provided to the responsible units/executors for implementation, and may also be posted on the Bank's website for review by all interested parties.

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<sup>1</sup> In order to assess corruption risks, a legal entity can also apply international and national risk management standards.



13. The ABC Officer monitors the implementation of measures to eliminate or minimize the identified corruption risks, prepares and submits reports on the state of implementation of the measures in accordance with the procedure and deadlines determined by this Program.

## **V. Educational activities**

### **1. Periodic training on prevention and detection of corruption**

1.1. In order to form an appropriate level of anti-corruption culture, the ABC Officer ensures the organization of mandatory familiarization with the provisions of the Law of Ukraine "On Prevention of Corruption", this Program and the internal documents of the Bank adopted for its implementation of newly appointed employees, representatives of the Bank and persons undergoing training at the Bank or performing a certain work

1.2. The Bank ensures proper and sufficient proof of the provisions of this Program and the Bank's internal documents in the field of preventing and countering corruption, changes in anti-corruption legislation and the practice of its application to all employees, representatives and business partners of the Bank through information (communications).

1.3. The ABC Officer is responsible for providing information on the prevention and detection of corruption.

1.4. The Bank provides periodic professional development (training) of Management Board Members, Supervisory Board Members, employees, the ABC Officer and, if necessary, - representatives of the Bank.

1.5. The CEO, Management Board members and the ABC Officer undergo advanced training (training) on the prevention and detection of corruption at least once every 2 years.

1.6. Anti-corruption training programs (basic and advanced) are implemented both remotely and face-to-face.

1.7. The topic and form of educational events (seminars, lectures, workshops, trainings, individual classes, webinars, etc.) are determined taking into account:

1.7.1. changes in legislation;

1.7.2. proposals of the manager, management bodies, employees of the Bank;

1.7.3. results of monitoring/evaluation of the implementation of this Program;

1.7.4. the results of periodic assessment of corruption risks in the Bank's activities;

1.7.5. results of inspections and internal investigations;

1.7.6. results of inspections of compliance with anti-corruption legislation conducted by the National Anti-Corruption Agency (NAZK).

1.8. In the case of detection of corruption offenses in the Bank's activities, the ABC Officer forms a list of employees who participate in the implementation of high-risk business processes and must undergo mandatory extra-ordinary training, and also forms and implements the relevant training program.

1.9. The training is completed by testing the persons who participated in it on the level of assimilation of educational information or by another method of initial control of knowledge.

1.10. The ABC Officer keeps records of training activities in the field of prevention and detection of corruption, records those present at such events and evaluates their effectiveness.

### **2. Explanations and consultations to employees by the ABC Officer**

2.1. In case of questions regarding the clarification of certain provisions of this Program, the CEO, Management Board, employees and representatives of the Bank may contact the ABC Officer for oral or written clarification or consultation.

2.2. The ABC Officer shall provide clarification or consultation within a reasonable time, but not more than 10 days from the date of receipt of the appeal. If it is not possible to provide an explanation or consultation within the specified period, the ABC Officer may extend the period for consideration of the appeal, which must be notified to the person who requested clarification or consultation. The total period of consideration of the appeal cannot exceed 30 days from the date of its receipt by the ABC Officer.

2.3. The ABC Officer summarizes the most common questions addressed to him, the answers to them, and places the generalized clarifications (consultations, etc.) of an informational nature on publicly available resources for Bank employees and/or distributes them in another way (for example, by e-mail).

2.4. The ABC Officer may choose other forms of providing clarifications and consultations on issues related to the implementation of this Program and anti-corruption legislation (memoirs, guidelines, video messages, etc.).

## **VI. Prevention and control measures**

### **1. Prevention and settlement of conflicts of interest**

1.1. The Bank strives to ensure that conflicts of interest do not adversely affect the interests of the Bank, as well as the interests of its clients/customers by preventing, identifying and resolving conflicts of interest. Prevention and settlement of conflicts of interest in the Bank are regulated Conflict of interest prevention policy and this Program in terms of corruption risks.

1.2. The Bank prevents and resolves conflict of interest situations based on the following principles:

1.2.1. obligation to inform employees about situations that have signs of a conflict of interests;

1.2.2. prevention of conflict of interests;

1.2.3. an individual approach when considering and evaluating each individual case that has signs of a conflict of interest.

1.3. Employees of the Bank are obliged not later than the next working day from the day when they learned or should have learned about the existence of a real or potential conflict of interest, to notify their immediate supervisor and the Authorized Officer about it in writing, not to take actions and not to make decisions in conditions of a real conflict interests and take measures to resolve real or potential conflicts of interest.

1.4. In case of a real or potential conflict of interest among the Bank's managers, notify the ABC Officer and the body (including a collegial body), whose authority it is to dismiss/initiate the dismissal from the position of the person who made the notification .

1.5. In case of a real or potential conflict of interests with the Bank's representative, he shall notify the ABC Officer in writing.

1.6. In case of a real or potential conflict of interests with the ABC Officer, he shall notify the Member of the Management Board (Chief Compliance Officer) in writing.

1.7. Within two working days after receiving notification that a subordinate has a real or potential conflict of interest, the person's direct manager makes a decision on the way to resolve the conflict of interest, taking into account the recommendations of the ABC Officer, and notifies the employee.

1.8. A direct manager who has become aware of a conflict of interest in a subordinate employee (including in the case of independent detection of a conflict of interest in a person subordinate to him, without making a corresponding notification), is obliged to inform the ABC Officer and take the measures provided for in this Program to prevent and conflict of interest settlement.

1.9. Conflict of interest is resolved using one of the following measures (separately or in combination):

1.9.1. removing an employee from performing a task, taking actions, making a decision or participating in its adoption in conditions of real or potential conflict of interests;

1.9.2. the application of external control over the person's performance of the relevant task, his performance of certain actions or decision-making;

1.9.3. limiting the employee's access to certain information;

1.9.4. review the scope of job (functional) responsibilities of the employee;

1.9.5. transfer of the employee to another position (provided there is an employee application or other legal grounds for transfer);

1.9.6. dismissal of the employee (if there is an employee approval or other legal grounds for transfer).

1.10. The Conflict of interest Policy settlement measures and its features for different categories of persons shall be established by the ABC Officer, taking into account the following requirements:

1.10.1. the transfer of an employee to another position is applied only with his consent in case that a real or potential conflict of interest in the employee's activities is of a permanent nature and cannot be settled in any other way and if there is a vacant position, which by its characteristics corresponds to the personal and professional qualities of the employee;

1.10.2. dismissal of an employee from his position due to the presence of a conflict of interest is carried out in case that the real or potential conflict of interest in his activity is of a permanent nature and cannot be settled in another way, including due to the lack of the employee's consent to transfer or to deprivation private interest;

1.10.3. in case of a potential or actual conflict of interests with the representative, the Bank terminates legal relations with him. If the conflict of interests of the Bank representative is of a permanent nature, the Bank representative shall be entered in the list of persons whose services cannot be used and/or in whose favor payments are not made.

1.11. The decision to settle the conflict of interests in the activities of the managers of the Bank is taken by a person or body (including a collegial body) whose authority is to dismiss / initiate the dismissal from the position of the head of the Bank, within two working days after receiving the notification. The person to whom it concerns and the ABC Officer are immediately notified of the adopted decision.

1.12. Employees of the Bank can independently take measures to resolve the conflict of interests by removing the relevant private interest with the provision of supporting documents to the immediate supervisor, the Authorized or to the head of the body whose powers include the dismissal/initiation of dismissal from the position (template 8418 in the "PrivatDok" SED).

Deprivation of a private interest should exclude any possibility of its concealment.

The Bank adheres to the principle of limiting cases of work in direct or functional subordination of close relatives, and also prohibits protectionism on the basis of family relations. In case of a relationship of direct or functional subordination between close relatives, they must be regulated in the manner determined by the Policy for the Prevention of Conflicts of Interest.

1.13. A Member of the Management Board (Chief Compliance Officer) and/or the CEO can independently take measures to resolve the conflict of interests by depriving the relevant private interest with the provision of supporting documents to the ABC Officer, as well as to a person or body (including a collegial body) under whose authority there is a dismissal / initiation of dismissal from the position of the head of the Bank.

1.14. In case of a real or potential conflict of interests of a person who is part of a collegial body (the Bank's Management Board, Supervisory Board, commission, working group, tender committee, etc.), during the resolution of the issue by this body, such a person shall notify the relevant collegial body in writing and Authorized.

1.15. The specified person is prohibited from:

1.15.1. to participate in the preparation of documents for decision-making by the collegial body on the relevant issue;

1.15.2. participate in consideration (discussion) of the relevant issue;

1.15.3. vote on the relevant issue.

1.16. If the non-participation of a member of the collegial body of the Bank leads to the loss of the authority of this body, the participation of such a person in decision-making must be carried out under external control. The decision to carry out external control is made by the relevant collegial body.

1.17. External control is carried out through the participation of the ABC Officer in the meeting of the collegial body in the status of an observer without the right to vote.

1.18. Typical situations of conflict of interest can be:

1.18.1. participation in the adoption or adoption of a decision on the conclusion of an employment contract, promotion at work, determination of terms of payment of work and application of financial incentives, imposition of fines against a close person;

1.18.2. conclusion of transactions with close persons on behalf of the Bank;

1.18.3. the participation of a person subject to the requirements of this Program in the adoption or adoption of a decision that may affect the receipt of benefits by another economic entity, over whose business decisions such a person or his close person exercises actual control, in which such a person or his close the person is an employee, receives or has received remuneration or gifts, has undergone or is undergoing training;

1.18.4. registration by a person to whom the requirements of this Program apply, by a natural person - an entrepreneur, or the creation by such a person of a legal entity that provides services / performs works identical to those provided / performed by the Bank;

1.18.5. performing the functions of a senior manager in another legal entity whose interests may conflict with the interests of the Bank;

1.18.6. making or participating in the making by a person subject to the requirements of this Program of decisions regarding himself, in particular regarding remuneration, providing any benefit of a material or immaterial nature, conducting an internal/official investigation.

## **2. Interaction with business partners**

2.1. The Bank strives to cooperate with business partners who carry out their activities legally and ethically, interaction with which does not carry corruption risks for the Bank.

2.2. The Bank informs business partners before creation business relations about the principles and requirements of the Bank in the field of prevention and countering corruption, which are provided for by this Program, other policies developed for its implementation, including the procedure for verification business partners.

2.3. The Bank checks potential business partners (before the date of conclusion of transactions) and existing business partners (after establishing legal relations with them).

2.4. Verification of potential or existing business partners of the Bank is carried out by the ABC Officer. Other structural subdivisions of the Bank may also be involved in the verification.

2.5. The criteria, grounds, procedure and periodicity of the verification of the Bank's business partners are defined in the Bank's internal documents.

2.6. Inspection procedures, frequency of inspections and criteria for selecting business partners are determined depending on the scope and place of activity, the structure of the Bank, the nature and level of corruption risks that may arise in relations with a business partner.

2.7. The verification of the Bank's business partners is carried out for the purpose of:

2.7.1. checking the business partner's business reputation for corruption tolerance, namely: whether the business partner has the reputation of an entity whose activities are related to corruption (even in the absence of relevant court decisions), and whether the business partner will not act as an intermediary for transfer to third parties to persons (or to obtain from third persons) an unlawful benefit;

2.7.2. checking whether the business partner has an anti-corruption program (or other anti-corruption policies), the state of its (their) actual implementation, readiness (or refusal) to comply with the Bank's principles and requirements, as well as anti-corruption legislation;

2.7.3. identification of possible corruption risks in connection with the conclusion (execution) of the deed;

2.7.4. minimizing the probability of committing or verifying possible facts of committing a corruption or corruption-related offense, other violation of anti-corruption legislation during the establishment and/or implementation of legal relations with a business partner.

2.8. In case of justified doubts about the business reputation of a business partner, which may lead to corruption risks for the Bank, the Bank reserves the right to refuse the business partner to establish/continue business relations, taking into account the requirements of the law, in particular the Law of Ukraine "On Public Procurement".

2.9. Business partner verification materials are kept for at least 5 years.

2.10. The agreements (contracts) that the Bank concludes with business partners may include anti-corruption clauses. The purpose of the anti-corruption clause is for the Bank to provide guarantees of compliance with the anti-corruption legislation that applies to it, and to obtain similar guarantees from the business partner.

Anti-corruption clauses are drafted by the ABC Officer taking into account the Bank's areas of activity.

## **3. Business Hospitality Policy and Procedures. Gifts**

3.1. Taking into account the requirements of the law, the Bank determines the general policy and procedures for providing and accepting business hospitality and gifts.

Business hospitality and business gifts must not influence or oblige employees to make business decisions, take actions or inaction for the benefit of donors in violation of current legislation, internal regulatory documents of the Bank, the interests of PrivatBank or its clients.

The issue of receiving and giving gifts and other valuables by employees of the Bank, exceptions to the general ban on accepting valuables in connection with the Bank's business, is regulated by the Policy for the Prevention of Conflicts of Interest and the Code of Conduct (Ethics). If, in the area of restrictions on receiving gifts by Bank employees, certain provisions of this program conflict with the provisions of the Policy for the Prevention of Conflicts of Interest and the Code of Conduct (Ethics), the Policy for the Prevention of Conflicts of Interest and the Code of Conduct (Ethics) should be used to regulate such relations. This Anti-corruption program regulates issues related to the risk of corruption

3.2. The CEO, Members of the Board, employees, representatives of the Bank are obliged to refrain from offering business hospitality, gifts to officials, their relatives, actual or potential business partners, their employees or representatives, if such business hospitality, gifts can be considered as an inducement or readiness to commit a corruption offense related to the Bank's activities.

3.3. Giving and receiving gifts, as well as providing and accepting business hospitality within the framework of establishing or maintaining business relations or to achieve another goal of the Bank's activity, are allowed if they meet the following criteria:

3.3.1. are not intended to influence the objectivity of any decision regarding the conclusion of transactions, provision or receipt of services, information, or any other benefits for the Bank;

3.3.2. is not a disguised improper advantage (for example, to obtain or continue to obtain commercial orders or an undue advantage);

3.3.3. correspond to generally accepted notions of hospitality (for example, a gift is a souvenir product);

3.3.4. are not prohibited by the legislation of the country in which they are provided and/or received;

3.3.5. the value does not exceed the limits established by the legislation and the Bank;

3.3.6. are not prohibited according to the internal documents of the recipient's organization and do not exceed the value established by such documents;

3.3.7. disclosure of a gift or business hospitality will not create a risk for the business reputation of the Bank or the person who received the gift or business hospitality;

3.3.8. gifts, business hospitality are justified, not excessive and appropriate in the context of establishing/maintaining business relations.

3.4. Giving and receiving gifts in the form of cash (cash or non-cash), cash equivalents (gift cards or gift vouchers), with and excluding official, joint shares with partners, the value of which does not exceed the limits stipulated in the Bank's documents, which are specified in clause 3.1 of this Program).

3.5. In case of doubt regarding the acceptability of a gift or business hospitality, employees should contact the ABC Officer as specified by this Program for consultation and/or clarification.

3.6. About the facts of giving (making) or receiving a gift / business hospitality within the framework of generally accepted ideas about hospitality (with the exception of flowers, delicacies, books, the value of which does not exceed the limits stipulated in the Bank's documents, which are specified in clause 3.1 of this Program) The CEO, Management Board members, employees, representatives of the Bank shall notify the ABC Officer within one working day in accordance with the procedure established by the Bank.

#### **4. Charity and sponsorship**

4.1. The Bank may carry out charity and sponsorship in the absence of prohibitions established by legislation and internal documents of the Bank.

4.2. The Bank carries out charity and sponsoring in accordance with the legislation and in the absence of a substantiated conclusion of the ABC Officer on the presence of corruption risks.

The ABC Officer approves the conclusion that there are no corruption risks when providing charity within 10 working days after receiving all documents related to the provision of charity. The said conclusion is reported by the ABC Officer to the responsible employee of the Bank, who accompanies the process of providing charitable assistance, using the "PrivatDoc" electronic document management system. In case that the amount of charitable assistance planned to be provided by the Bank exceeds the equivalent of 100 minimum wages as of January 1 of the current year in which the corresponding assistance is planned to be provided, the conclusion that there are no corruption risks in the provision of this assistance shall be submitted to the Chairman of the Bank's Management Board.

4.3. The ABC Officer coordinates the preliminary inspection of the planned charity and sponsoring and approves the drafts of acts regarding the implementation of the charitable and sponsoring activity in order to make sure that the charitable and sponsoring assistance is not used as an illegal benefit or for another illegal purpose.

4.4. The procedure for preliminary verification of planned charity and sponsorship activity is determined by the Bank in a separate document.

4.5. Charity and sponsoring by the Bank are not allowed if:

4.5.1. its implementation is a condition for concluding any transaction, making a decision by a state authority or a local self-government body, or it is carried out for the purpose of obtaining illegal advantages in business activity;

4.5.2. the business partner / officials insists on carrying out this or that type of charity and/or sponsorship exclusively through a specific organization;

4.5.3. it is carried out aimed to influence an official person or in exchange for any improper benefit for the Bank from business partners.

4.6. The main instruments of the Bank's control over charitable and sponsoring activities can be:

4.6.1. verification of potential recipients of charitable and sponsorship assistance in the manner used for verification of business partners, or in another manner established by the Bank;

4.6.2. prior agreement with the ABC Officer of charity and sponsorship projects and transactions;

4.6.3. procedures for monitoring the targeted use of charity and sponsorship, which the Bank determines independently;

4.6.4. public disclosure, in accordance with the procedure provided by the Bank, of information on the implementation of charity and sponsorship in order to ensure public control (if prohibitions established by law are absent).

4.7. The Bank maintains registers of contributions made by the Bank to charity and sponsorship. Such registers, as well as financial reporting on operations for the implementation of charity, sponsoring, their recipients (beneficiaries) are subject to storage for at least 5 years.

## **5. Support of political parties**

5.1. The Bank does not provide support to political parties, if this is expressly prohibited by law or the Bank's policy.

5.2. In the absence of prohibitions established by legislation and the Bank's policy, the Bank may make contributions to support political parties in accordance with the procedure established by the Law of Ukraine "On Political Parties in Ukraine".

5.3. The total amount (amount) of contribution(s) to support a political party from the Bank during the year cannot exceed the amount established by the Law of Ukraine "On Political Parties in Ukraine".

5.4. Contributions to support political parties are made in the absence of a substantiated conclusion of the ABC Officer on the presence of corruption risks.

5.5. In addition to the ABC Officer, other structural units of the Bank may be involved in the verification of compliance with the requirements of the legislation, including anti-corruption, and this Program when making contributions to support political parties, in accordance with the Bank's policy on supporting political parties.

5.6. The bank keeps a register of contributions made in support of political parties. Such a register, as well as financial reporting on transactions involving contributions to support political parties and their recipients, shall be kept for at least 5 years.

5.7. The Bank applies the rules specified in this section when supporting political parties in the territory of any state, taking into account the restrictions on support of political parties established by the legislation of the relevant state.

## **6. Verification during the conclusion of merger or acquisition transactions**

6.1. When planning and executing merger or takeover transactions, the Bank performs an inspection of a legal entity - a potential merger or takeover target - in order to identify corruption risks, verify the purpose and procedure of such transaction for compliance with anti-corruption legislation and this Program.

6.2. The inspection is carried out before and after the execution of the transaction.

6.3. The scope of the inspection is determined by the Bank depending on the nature and level of corruption risks that may arise in connection with the execution of a transaction regarding a specific object of merger or acquisition.

6.4. The ABC Officer and other persons may be involved in the inspection.



6.5. Before committing the transaction, the check includes:

6.5.1. study of the history and activities of the object of merger or acquisition, the structure of its founders / participants / ultimate beneficial owners;

6.5.2. determination of possible connections of the object of merger or acquisition with officials and the nature of interaction with them;

6.5.3. research of the main elements of the system of preventing and countering corruption (anti-corruption program, etc., corruption risk management system) of the object of merger or acquisition;

6.5.4. detection of cases of corruption in which the object of the merger or acquisition may be involved (information about ongoing investigations / court proceedings);

6.5.5. verification of the presence of current sanctions applied to the object of merger or acquisition;

6.5.6. establishment of the circle of counterparties of the object of merger or acquisition (clients, suppliers, intermediaries) with high corruption risks and the nature of contractual relations with them;

6.5.7. study of the mechanisms of internal control of the object of merger or acquisition (control over the execution of transactions with high corruption risks, gift giving, business hospitality, charity and sponsorship activities, etc.);

6.5.8. study of the existence and state of operation of the notification system on the commission of corruption or corruption-related offenses, other violations of the Law of Ukraine "On Prevention of Corruption";

6.5.9. determination of the scope and nature of issues to which attention should be paid after the transaction has been committed.

6.6. The CEO (Management Board) takes into account the results of the inspection when making the final decision on the execution of the transaction.

6.7. After the transaction, the inspection includes:

6.7.1. detection of inconsistencies in the system of anti-corruption measures of the object of merger or acquisition;

6.7.2. ensuring compliance of the system of anti-corruption measures of the object of merger or acquisition with the nature and level of corruption risks inherent in it;

6.7.3. determination of corrective measures to bring the system of anti-corruption measures into compliance with the requirements of anti-corruption legislation.

6.8. If facts of corruption are discovered during the anti-corruption inspection, the Bank takes measures to stop them, inform in the prescribed manner specially authorized entities in the field of anti-corruption and prevent similar practices in the future.

## **7. Verification of candidates**

7.1. In order to implement this Program, as part of personnel selection procedures, the Bank conducts checks on candidates for positions that are vulnerable to corruption risks.

7.2. Examination of candidates for positions is carried out for the purpose of:

7.2.1. establish whether the conclusion of an employment contract with the candidate does not cause corruption risks for the Bank;

7.2.2. establish whether the conclusion of an employment contract with the candidate will not lead to a violation of anti-corruption legislation;

7.2.3. ensure that the candidate undertakes to comply with the requirements of this Program.

7.3. The decision to conclude an employment contract is made taking into account the requirements of anti-corruption legislation.

7.4. Inspections of candidates for positions vulnerable to corruption risks are coordinated by the ABC Officer. Based on the results of the inspection, the ABC Officer prepares a substantiated conclusion on the presence or absence of corruption risks for the Member of the Management Board (on Compliance issues) and/or the CEO. The list of such positions is approved by Procedure.

7.5. The procedure for checking candidates for positions and the list of positions vulnerable to corruption risks is determined by the relevant order of the Bank.

7.6. Materials for checking candidates for positions vulnerable to corruption risks are stored in the Bank's software complexes for the entire period of their storage.

## **VII. Alerts, their verification and responsibility**

### **1. Alerts of possible facts of corruption or corruption-related offenses, other violations of the Law of Ukraine "On Prevention of Corruption"**

1.1. The Bank creates favorable conditions for whistleblowers and respects whistleblowers as part of the Bank's business culture.

1.2. The Bank provides whistleblowers with the conditions for alerts of possible facts of corruption or corruption-related offenses, other violations of the Law of Ukraine "On Prevention of Corruption" (hereinafter - Notification) by:

1.2.1. mandatory creation and operation of channels through which a person can make an Alert, guaranteed to maintain their anonymity (hereinafter - Alert Channels), if necessary - through the Unified whistleblower reporting portal;

1.2.2. determination in accordance with the Law of Ukraine "On Prevention of Corruption" of internal procedures and mechanisms for receiving and considering Notifications, checking and responding appropriately to them;

1.2.3. provision of methodological assistance and consultations regarding the implementation of the Notice to potential whistleblowers;

1.2.4. implementation of mechanisms of encouragement and formation of the message culture;

1.2.5. compliance with the rights and guarantees of protection of whistleblowers.

1.3. Whistleblowers independently determine which Alert Channels to use for reporting.

1.4. Whistleblowers are guaranteed confidentiality within the conditions specified by the Law of Ukraine "On Prevention of Corruption".

1.5. A person can make an Alert without indicating authorship (anonymously).

1.6. Information about the Alert Channels is brought to the attention of all employees, including at the time of hiring, and is posted on the Bank's website.

The ABC Officer posts relevant information either on the Bank's internal information resources and portals (including the Guidebook), or on information stands (information monitors) in the Bank's premises or on the Bank's official website.

The ABC Officer develops a standard form of notification.

In addition, the Bank operates the "Stop Corruption" channel (the corresponding button is located on the internal information resource "Guide, and the link to the electronic mailbox of the office of the Anti-corruption ABC Officer is located on the Bank's official website) through which Bank employees and third parties individuals may report violations of the Anti-Corruption Program.

The ABC Officer keeps a register of alerts on violations of the Anti-Corruption Program or corruption or corruption-related offenses.

The terms and procedure for consideration by the ABC Officer of alerts on the facts of violation of the Anti-corruption program, the commission of corruption or corruption-related offenses are established in the provision approved in the prescribed manner at the request of the ABC Officer.

1.7. The Bank encourages business partners to report through the Notification Channels any known facts of corruption or corruption-related offenses, other violations of the Law of Ukraine "On Prevention of Corruption" by the CEO, Management Board members, Supervisory Board members, employees and representatives of the Bank.

1.8. The Alert is subject to consideration if the information contained in it contains factual data indicating the possible commission of a corruption or corruption-related offense or other violations of the Law that can be verified.

1.9. An anonymous Alert is subject to consideration if the information provided in it relates to a specific person, contains factual data that can be verified.

1.10. Implementation of incentive mechanisms Alerts are implemented by the Bank through:

1.10.1. approval of the internal documents of the Bank, which determine the forms of incentives, the organizational principles of the functioning of the incentive mechanism;

1.10.2. moral and material encouragement of whistleblowers.

1.11. Implementation of culture of Alerts is implemented by the Bank through:

1.11.1. approval of the Bank's internal documents regarding ethical behavior in the Bank, in particular the formation of respect for whistleblowers as responsible citizens;

1.11.2. conducting internal trainings on issues of Alerts culture formation;

1.11.3. systematic implementation of educational and communication activities.

## **2. Rights and guarantees of whistleblower protection**

2.1. Disclosure is the right of every employee of the Bank.

2.2. The whistleblower has the rights and guarantees of protection provided for in Articles 53<sup>3</sup> - 53<sup>8</sup> The Law of Ukraine "On Prevention of Corruption", in particular:

2.2.1. submit evidence in support of his Alert;

2.2.2. receive confirmation of acceptance and registration of the Alert;

2.2.3. on confidentiality;

2.2.4. to receive information about the status and results of the review, verification and/or investigation of information based on the fact of the information reported by him;

2.2.5. to release from legal responsibility for the implementation of the Alert, distribution of the information specified in the Alert, despite the possible violation of their labor, civil or other duties or obligations by such an Alert;

2.2.6. for exemption from civil liability for property and/or moral damage caused as a result of the Alert, except in the case of knowingly false notification.

2.3. The rights of the whistleblower arise from the moment of making the Alert, which contains factual data confirming the possible commission of a corruption or corruption-related offense, other violation of the Law of Ukraine "On Prevention of Corruption", and which can be verified.

2.4. The whistleblower is guaranteed the protection of his rights in the manner and under the conditions established in the Law of Ukraine "On Prevention of Corruption".

2.5. It is forbidden to disclose information about the identity of the whistleblower, his relatives or other data that can identify the identity of the whistleblower, his relatives, to third parties who are not involved in the review, verification and/or investigation of the facts reported by him, as well as to persons whose actions or inactions apply to the facts reported by him, except for cases established by law.

2.6. Only the CEO, Member of the Management Board (Chief Compliance Officer), ABC Officer and employees designated by him, who are involved in the process of accepting and considering Alerts in the Bank, have access to information about whistleblowers. Providing access to information about whistleblowers should not lead to a conflict of interest.

2.7. In case of a leak of confidential information about a whistleblower, the ABC Officer, CEO (Board) of the Bank, upon the application of such a person or on his own initiative, must immediately take all measures to avoid the occurrence of negative consequences for the whistleblower related to such disclosure.

2.8. The Bank prohibits intimidation, humiliation or persecution of whistleblowers, the use of other negative measures of influence on them (refusal to hire; dismissal or forced dismissal; disciplinary action; other measures, including formally valid decisions and actions that are selective in nature, in particular, are not applied to other employees in similar situations and/or have not been applied to the employee in similar situations before) or threats to apply such influence measures.

2.9. The Whistleblower may not be fired or forced to fire, be subject to disciplinary action, be subjected to other negative measures of influence or the threat of such measures of influence in connection with the Alert.

2.10. The CEO, Management Board, and the ABC Officer provide conditions for the protection of whistleblowers within their powers.

2.11. The rights and guarantees of protection of whistleblowers extend to relatives of the whistleblower.

### **3. Alerts of possible violations of this Program**

3.1. Employees and persons who study at the Bank or perform certain work, representatives, as well as business partners of the Bank may report detected signs of violations of this Program, facts of incitement of employees, the CEO, Management Board members to commit corrupt or corruption-related acts violations, other violations of the Law of Ukraine "On Prevention of Corruption" directly to the CEO, Member of the Management Board (Chief Compliance Officer), the ABC Officer, or by sending an electronic message to the Bank's e-mail address [stop.corruption@privatbank.ua](mailto:stop.corruption@privatbank.ua). Additionally in The bank operates the "Stop corruption" channel (the corresponding button is placed on the internal information resource "Guide". The Bank may provide for other methods of transmitting and receiving information.

3.2. The procedure for considering such messages, interaction with the applicant, guarantees of ensuring confidentiality of information about the applicant and protection of his rights are determined by an internal document of the Bank.

### **4. Conducting internal investigations<sup>2</sup>**

4.1. In case of receiving a Alert or detecting signs of a corruption or corruption-related offense or other violation of the Law of Ukraine "On Prevention of Corruption" or this Program by a member of the management body, official, employee or representative of the Bank, the ABC Officer shall carry out a preliminary check of the received (identified) information in accordance with the requirements of the Law of Ukraine "On Prevention of Corruption" and internal documents of the Bank.

4.2. In case that the received (discovered) information about the commission of a corruption or corruption-related offense or other violation of the Law of Ukraine "On the Prevention of Corruption" relates to the actions or inaction of the managers of the Bank, the ABC Officer shall send such information to the subject within three days without conducting a preliminary check , authorized to carry out its review or investigation, taking into account the liability determined by Article 216 of the Criminal Procedure Code of Ukraine and the provisions provided for by Article 255 of the Code of Ukraine on Administrative Offenses, and sends a copy of the relevant letter to the National Anti-Corruption Agency (NAZK), in case that it is not an entity authorized to review the information.

The received (discovered) information is also sent to the subject whose powers include the appointment (election) and dismissal from the position of the head of the Bank (the body to which the Bank belongs / the Supervisory Board).

4.3. In the case of receiving a Alert or detecting signs of a corruption or corruption-related offense, other violation of the Law of Ukraine "On Prevention of Corruption" or this Program by the ABC Officer, preliminary verification of such information is carried out in accordance with the Bank's internal documents.

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<sup>2</sup> In accordance with Article 63 of the Law of Ukraine "On Prevention of Corruption", the anti-corruption program of legal entities specified in the second part of Article 62 of this Law may contain provisions on the procedure for conducting internal investigations.

4.4. Based on the results of the preliminary inspection, the following decision(s) is made:

4.4.1. take measures to stop the detected violation;

4.4.2. to appoint an internal investigation in the case of confirmation of the facts stated in the Alert (discovered) or the need for further clarification of their authenticity;

4.4.3. in the case of detection of signs of a corruption or corruption-related offense, immediately, within 24 hours, notify a specially authorized subject in the field of anti-corruption in writing about its commission;

4.4.4. close the proceedings in case of non-confirmation of the (discovered) facts stated in the Notice.

4.5. The purpose of the internal investigation is to check factual data about the possible commission of a corruption or corruption-related offense, other violation of the Law of Ukraine "On Prevention of Corruption" or this Program.

4.6. An internal investigation is conducted by a commission.

4.7. The ABC Officer must be included in the commission, except for cases when the investigation is ordered as a result of discovering facts or receiving information about the ABC Officer's commission of a corruption or corruption-related offense, other violation of the Law of Ukraine "On Prevention of Corruption" or this Program.

4.8. All employees of the Bank, regardless of their position, are obliged to contribute to the internal investigation, as well as to provide the necessary available documents and materials.

4.9. An employee of the Bank who is subject to an internal investigation may be temporarily suspended from work (if there are grounds provided for by law) or otherwise restricted in access to material, information and other resources of the Bank for the duration of the internal investigation based on the decision of the managers of the Bank or, if the investigation concerns the head of the Bank, based on the decision of the CEO.

4.10. Based on the results of the internal investigation, the following decision(s) is made:

4.10.1. take measures to stop the detected violation;

4.10.2. apply disciplinary sanctions to guilty persons;

4.10.3. to determine ways to eliminate the causes and conditions of committing a violation, the consequences caused by it, to take measures to prevent such violations in the future;

4.10.4. to take measures to restore the rights and legitimate interests of individuals and to compensate for losses and damage caused to individuals and legal entities as a result of committed violations;

4.10.5. to transfer materials to the pre-trial investigation body in the case of establishing signs of a criminal offense or to other bodies authorized to respond to detected offenses.

4.11. The term of the internal investigation should not exceed 30 (thirty) calendar days from the date of completion of the preliminary inspection. If it is impossible to check the reported (discovered) information within the specified period, the Member of the Management Board (Chief Compliance Officer) or CEO extends the term of the internal investigation to 45 days.

4.12. The procedure for conducting internal investigations is determined by the Bank.

4.13. The ABC Officer has access to the materials of the conducted internal investigations, which are kept for at least 5 years.

## **5. Disciplinary measures for violation of this Program**

5.1. For violation of the provisions of this Program, disciplinary measures are applied to the employees of the Bank in accordance with the legislation, the rules of the internal labor regulations of the Bank, provisions of labor contracts.

5.2. The Office for Interaction with the Employees sends to the National Anti-Corruption Agency (NAZK) a certified paper copy of the decision (order) of the CEO on the imposition of a disciplinary penalty and an information card to the administrative document on the imposition (cancellation of the administrative document on the imposition) of a disciplinary penalty on a person for committing corruption or corruption-related offenses for the purpose of entering information on the imposition of a disciplinary penalty for the commission of a corruption or corruption-related offense in the Unified State Register of persons who have committed corruption or corruption-related offenses.

5.3. The Member of the Management Board (Chief Compliance Officer) ensures that measures are taken for the commission of a corruption or corruption-related offense.

# **VIII. Monitoring, evaluation of implementation and review of this Program**

## **1. Supervision and control**

1.1. The ABC Officer supervises and constantly monitors compliance with this Program by the CEO, Management Board members, the Supervisory Board, employees and representatives of the Bank.

1.2. Supervision and control over compliance with this Program is carried out by the ABC Officer by:

1.2.1. consideration and response to Alerts;

1.2.2. carrying out inspections of the Bank's employees regarding the implementation of this Program;

1.2.3. carrying out checks of organizational and administrative documents, deeds, other documents of the Bank provided for by this Program (with the exception of documents developed by the the Office of Anti-corruption), as well as their projects for the presence of corruption risks;

1.2.4. periodic monitoring of the implementation of this Program.

The Bank may determine the procedure for scheduled and unscheduled inspections of the Bank's employees, the procedure for document inspections, as well as additional forms of supervision and control over compliance with this Program, taking into account the specifics of its activities.

1.3. If, during supervision or control over compliance with this Program, the ABC Officer detects signs of a corruption or corruption-related offense, he initiates an internal investigation before the Member of the Management Board (Chief Compliance Officer) and/or the CEO in accordance with the procedure provided by this Program and internal documents of the Bank.

1.4. The ABC Officer prepares a report on the results of monitoring the implementation of this Program (hereinafter referred to as the Report) at least once every 6 months in the terms and in the order determined by the Member of the Management Board (Chief Compliance Officer). An annual assessment of the results of the implementation of measures provided for by this Program is equated to such a Report.

If there are Responsible persons in separate divisions of the Bank to whom the powers of the ABC Officer are delegated, authorized persons in economic entities - subsidiaries over which the Bank exercises control, the ABC Officer ensures the preparation of a consolidated Report.

1.5. The report should include the following information:

- 1.5.1. the status of implementation of measures defined by this Program;
- 1.5.2. the results of the implementation of measures defined by this Program;
- 1.5.3. detected violations of the requirements of the Law of Ukraine "On Prevention of Corruption", this Program, measures taken to eliminate such violations and prevent them from being committed in the future;
- 1.5.4. the number of conducted inspections, internal investigations, their results;
- 1.5.5. facts of violations of guarantees of independence of the ABC Officer;
- 1.5.6. the state of implementation of measures aimed at eliminating or minimizing corruption risks;
- 1.5.7. conducted training events on the prevention and detection of corruption and the state of assimilation of the acquired knowledge;
- 1.5.8. cooperation with whistleblowers;
- 1.5.9. newly discovered corruption risks;
  
- 1.5.10. suggestions and recommendations.

1.6. The report may contain other information related to the implementation of this Program.

1.7. The summarized results of monitoring the implementation of this Program are placed in general public access for Bank employees, as well as on the Bank's official website.

1.8. The ABC Officer ensures at least once a year the organization of the evaluation of the results of the implementation of measures provided for by this Program.

1.9. The results of the assessment are summarized by the ABC Officer in a written report, which he submits to the Member of the Management Board (Chief Compliance Officer) and the Bank's Supervisory Board.

1.10. The assessment of the results of the implementation of the measures provided for by this Program is carried out according to the criteria determined by the ABC Officer, and must contain information in an amount not less than that provided for the Report.

## **2. Amendments to this Program**

2.1. ABC Officer with the assistance of the Member of the Management Board (Chief Compliance Officer) withensures the organization of feedback mechanisms and other internal processes aimed at the support and continuous improvement of this Program.

2.2. This Program is reviewed in the following cases:

2.2.1. according to the results:

assessment of corruption risks in the Bank's activities;

implementation of supervision and control over compliance with this Program, as well as evaluation of the results of the implementation of the measures provided for by it;



2.2.2. in case of changes to the legislation, including anti-corruption legislation, which affect the Bank's activities;

2.2.3. in case of changes in the organizational structure and business processes of the Bank (if necessary).

2.3. The initiator of making changes to this Program can be the ABC Officer, the CEO and Management Board members, the Supervisory Board, and employees of the Bank.

2.4. Proposals for making changes to this Program are submitted to the ABC Officer, who studies and systematizes them.

2.5. Once a year, the ABC Officer provides to Member of the Management Board (Chief Compliance Officer) a summary of proposals for making changes to this Program and provides his recommendations regarding their consideration or rejection.

2.6. Member of the Management Board (Chief Compliance Officer), having received from ABC Officer a summary of proposals regarding amendments to this Program, initiates their approval and discussion by responsible employees, Management Board members, during the approval of the Program draft.

2.7. In cases where the ABC Officer insists on the urgent introduction of certain changes to this Program, the Member of the Management Board (Chief Compliance Officer) shall initiate the relevant discussion and approval as soon as possible, but no later than 10 days from the date of receipt of such proposals.

2.8. In case of approval of proposals for changes to this Program by employees, the Supervisory Board, by its decision, approves the corresponding changes, which are an integral part of this Program.

2.9. Changes to this Program cannot set standards and requirements lower than those stipulated by the Law of Ukraine "On Prevention of Corruption" and the Model Anti-Corruption Program of a Legal Entity, approved by order of the National Anti-Corruption Agency (NAZK).

Information sheet:

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