

Management report

(MANAGEMENT REPORT)

of Joint-Stock Company "Ukrainian Bank for Reconstruction and Development"

for the year ended 31 December 2023

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1. General Information

Full name of the bank: Joint Stock Company "Ukrainian Bank for Reconstruction and Development" (hereinafter also the Bank).

Bank Location: house 4, Troitsko-Kyrylivska str. (formerly - Oleksiia Teriokhina), Kyiv, 04080, Ukraine.

The bank was registered in Ukraine on 17/12/2003 and is the legal successor of the Closed Joint Stock Company "Ukrainian Bank for Reconstruction and Development", the Open Joint Stock Company "Ukrainian Bank for Reconstruction and Development", the Public Joint Stock Company "Ukrainian Bank for Reconstruction and Development".

Closed joint-stock company "Ukrainian Bank for Reconstruction and Development" was registered by the National Bank of Ukraine on 19/03/2004, which was reorganized on 01/10/2007 into Open Joint-Stock Company "Ukrainian Bank for Reconstruction and Development", on 28/08/2009, in order to bring the name of the Bank into compliance with the requirements of the Law of Ukraine "On Joint-Stock Companies", the name of the Bank was changed to Public Joint-Stock Company "Ukrainian Bank for Reconstruction and Development", on 01/11/2018, in connection with the introduction of amendments to the Law of Ukraine "On Joint-Stock Companies", the type of joint-stock company was changed to the private joint-stock company, and the name of the Bank to Joint Stock Company "Ukrainian Bank for Reconstruction and Development".

The Bank is the only bank in Ukraine with the Chinese capital, which is 100% owned by the ultimate beneficial owners - citizens of the People's Republic of China.

The Bank is a member of the Association of Ukrainian Banks, the Association "Ukrainian National Group of Members and Users of SWIFT "UkrSWIFT", a member of the Professional Association of Capital and Derivatives Market Participants, as well as a member of the Individual Deposit Guarantee Fund.

The Bank carries out its activities under the Banking License No. 216, which was issued by the National Bank of Ukraine on 15/03/2011, and thereby is entitled to provide banking services defined by the third part of Article 47 of the Law of Ukraine "On Banks and Banking Activities".

The Bank is entitled to provide financial services provided within the scope of professional activity on the capital markets, namely:

- from trading in financial instruments, which involves dealer activity (license 185464 dated 12/03/2013, the validity period of the license is unlimited);
- activity with trade in financial instruments, namely brokerage activity (license 1330 dated 28/11/2023, the term of validity of the license is unlimited);
- depository activity, namely depository activity of a depository institution (license 1331 dated 28/11/2023, the term of validity of the license is unlimited).

This Management Report of the Joint-Stock Company "Ukrainian Bank for Reconstruction and Development" for 2023 is drafted and provided in accordance with the Law of Ukraine "On Joint-Stock Companies", the Law of Ukraine "On Capital Markets and Organized Commodity Markets", Instructions on the Procedure for Compiling and Publishing the Financial reporting of banks of Ukraine, approved by Resolution of the Board of the National Bank of Ukraine No. 373 dated 24/10/2011 (as amended).

2. Nature of business

Description of the external environment in which the Bank operates

Despite the continuation of the Russian aggression, last year the inflationary pressure decreased significantly. In November, inflation slowed to 5.1% in annual terms and remained at this level in December. The weakening of price pressure was largely facilitated by high harvests and a decrease in global energy prices. An important role was played by the moratorium on raising tariffs for certain housing and communal services. At the same time, the slowdown in core inflation to 4.9% at the end of the year also shows the significant impact of the NBU's consistent monetary policy, in particular, measures to ensure exchange rate stability and the attractiveness of UAH assets. They contributed to the improvement of exchange rate and inflation expectations.

The economy recovered throughout last year thanks to the high adaptability of business and the population to the conditions of the war and soft fiscal policy supported by large-scale international financing. In the IV quarter of 2023, real GDP growth exceeded expectations primarily due to higher yields of late crops and the development of alternative export routes. This became the basis for improving the estimate of real GDP growth in general for 2023 - up to 5.7%.

Owing to external support and the consistent policy of the NBU, Ukraine's international reserves increased by 42% in 2023 and reached USD 40.5 billion. International aid will continue to be the main source of capital inflows into the country. Despite delays in the arrival of international aid at the beginning of the year, it is expected that its rhythm will be restored in the coming months. According to the basic scenario of the NBU forecast, Ukraine will receive about USD 37 billion in 2024 in the form of external loans and grants.

Ukraine's banking sector demonstrated considerable resilience during the war, aided by supportive monetary policy and lenient regulation.

Considering the expected acceleration of inflation in 2024 and the upwardly shifted balance of risks, the NBU considers it appropriate to keep the discount rate as well as other interest rates for its operations unchanged. This will make it possible to maintain the attractiveness of UAH instruments, which will limit demand on the foreign exchange market and contribute to the NBU's task of ensuring exchange rate stability.

Throughout 2023, the NBU discount rate changed 4 times: July 27 – reduced from 25% to 22%; September 14 – reduced from 22% to 20%; October 26 – reduced from 20% to 16%; December 14 - reduced from 16% to 15%.

On October 2, 2023, the National Bank announced the transition to a regime of exchange rate flexibility. The interbank foreign exchange market has returned to full operation. As of December 1, 2023, all restrictions for banks and non-bank financial institutions regarding the volume of their possible sale of cash foreign currency to the public have been abolished. The process of converging the official and real (market) dollar exchange rate has begun.

As of December 31, 2023, the banking system of Ukraine included 63 banks, including:

- ✓ with state capital – 5 banks;
- ✓ with foreign capital - 28 banks, in particular, with 100% foreign capital - 20 banks.

Interest rates on UAH instruments decreased moderately during July–December 2023 in response to the softening of the NBU's interest rate policy. Preservation of incentives for banks in the form of three-month deposit certificates restrained the reduction of rates on household UAH term deposits. The yield of UAH instruments was higher than the current and expected inflation. As a result, public investment in UAH time

deposits and bonds of domestic state loans of Ukraine (DSLB) continued to grow, which corresponded to the NBU's tasks.

The share of non-performing loans (NPL) in the banking sector on January 1, 2024 was 37.4%, which is 0.8 percentage points lower than on January 1, 2023. The volume of non-performing loans for the year decreased by UAH 9.7 billion to UAH 422.4 billion. The key factor in reducing the share of NPL was the growth of the loan portfolio, because lending continues even in conditions of a full-scale war. In 2023, thanks to the improvement in demand for UAH loans due to the recovery of business activity, the portfolio of net corporate loans grew for seven months in a row, including outside state programs. Retail unsecured consumer and mortgage loans are growing.

Other reasons for the reduction in the share of non-performing loans are the restructuring and subsequent resumption of problem debt servicing by corporate clients, which took place mainly in state banks, as well as the write-off of non-performing loans to individuals.

In 2023, banks received the highest net profit after tax of all years - UAH 86.5 billion, which is four times and 12% more than in 2022 and 2021, respectively.

The return on capital of the banking system for 11 months of 2023 is 52.8% (compared to 9.3% for 11 months of 2022 and 32.9% for the same period of 2021).

The key risk in 2024 remains the development of the security situation, in particular, the duration of hostilities, their nature and intensity. In case of intensification of hostilities or long-term preservation of high security risks on the forecast horizon, the loss of the potential of the Ukrainian economy will be greater, and the inflationary pressure will be stronger.

Moreover, the risks of insufficient rhythm and a decrease in the volume of international financing are increasing, which can worsen macroeconomic stability.

Information on the Bank's managers as of 31/12/2023

Composition of the Supervisory Board:

1. Yan Dongsheng – Chairman of the Supervisory Board of the Bank (representative of BOCE (HONG KONG) CO., LIMITED) (approved by the National Bank of Ukraine on 07/09/2018).
2. Wen Yuanhua - Deputy Chairman of the Supervisory Board - independent member of the Bank's Supervisory Board - (approved by the National Bank of Ukraine on 07/09/2018).
3. Zha Zhongmin - member of the Supervisory Board - an independent member of the Supervisory Board of the Bank (approved by the Decision of the Committee on Supervision and Regulation of the Activities of Banks of the National Bank of Ukraine No. 20/1373-rk dated October 24, 2022).
4. Xu Honghong - member of the Bank's Supervisory Board (representative of BOCE (HONG KONG) CO., LIMITED) - (approved by the Decision of the Committee on Supervision and Regulation of the Activities of Banks of the National Bank of Ukraine No. 20/1374-rk dated 24/10/2022).
5. Ruslan Anatoliiovych OSYPENKO - member of the Supervisory Board of the Bank - independent member of the Supervisory Board of the Bank - (approved by the National Bank of Ukraine on 27/06/2018).

Composition of the Board:

1. Chairman of the Board - Oleh Yuriiiovych Laktionov;
2. Deputy Chairman of the Management Board - Vasyl Valeriiiovych Tretiakov;
3. Deputy Chairman of the Management Board - Olha Petrivna Usenko;
4. Chief Accountant, Member of the Management Board - Tetiana Lvivna Sylenko.

Information on the Organizational Structure

In the reporting year, the Bank's organizational structure was updated due to the need to make changes taking into account the development of the Bank's activities and activation of business processes. Changes were made to the organizational structure of the Bank: an appointment and remuneration committee was established under the Supervisory Board.

In the future, the improvement of the organizational structure of the Bank will be carried out with clear functional specialization and close coordination of the activities of divisions, using the principles of competitiveness and economic stimulation of achieving results, preventing conflicts of interests.

Availability of structural subdivisions

There are no separate structural subdivisions.

Information on the purchase of shares

In the reporting period, the Bank did not issue shares, redeem its own shares from existing shareholders. There is no management interest in the shares of the Bank.

Nature of the Bank's activity

The bank is a universal institution that can provide the full range of banking services in accordance with the current legislation of Ukraine and in accordance with the existing licenses of the National Bank of Ukraine and the State Commission for Securities and the Stock Market.

In the reporting year 2023, the Bank's main areas of activity were the following banking operations:

- opening and maintaining customer current accounts (in national and foreign currencies);
- attracting funds of legal entities and individuals to deposit accounts;
- placement of funds on correspondent accounts in other banks;
- operations on the securities market on its own behalf;
- purchase/sale of foreign currency on the interbank foreign exchange market of Ukraine in one's own name and on behalf of clients;
- purchase/sale of cash foreign currency through the Bank's cash desks.

In 2023, the Bank carried out its activities on the territory of one region (regionally).

3. Management goals and strategies for achieving these goals

The Bank's mission is to promote business cooperation between Ukrainian and Chinese businesses through the provision of corporate banking services while maintaining an optimal balance of interests of clients, shareholders and the Bank itself.

The Bank aims to improve the quality of financial services and create a digital management system using technology to expand innovation in financial services, and to provide more efficient and intelligent financial services and solutions for corporations, small and micro enterprises, platforms and other users of banking services, thereby making finance more accessible, safer and more convenient.

The Bank's vision: becoming a reliable financial partner not only for Ukrainian and Chinese businesses, but also a bank that provides quality assistance in the implementation of simple financial solutions to meet the needs of clients, offering them a wide range of industry products and services, professional complex

financial support. In the future, the Bank sees itself as a regional Bank - a boutique with a narrow specialization "Financial and consulting bridge between China and Ukraine".

In 2023, the Bank carried out its activities within the framework of the implementation of the "Strategy of JSC "Ukrainian Bank for Reconstruction and Development". The Bank's Road Map for 2022-2024" (hereinafter - the Strategy), which was approved by the Decision of the Supervisory Board No. 16/2021 dated 15/11/2021. The Strategy in the reporting year provided for the implementation of the second stage of the Strategy, namely:

Stage 2. Search and attraction of an investor. Deadline: 2023. Objectives of Stage 2:

- Obtaining a strategic asset
- Reaching the profitable activity
- Obtaining a financial cushion for own capital
- Development of a new Strategy together with a new investor based on the Bank's vision described in "Strategy of JSC "Ukrainian Bank for Reconstruction and Development". Bank's Road Map for 2022-2024"

At the end of the implementation of Stage 1 of the Strategy, the Bank had already started the search for an investor, but the beginning of a full-scale war in Ukraine and the increase in the country's risks made it practically impossible to attract new investments. Before attracting a new investor, the main task of the Bank is to minimize losses and preserve equity. At this time, the Bank will try to reduce its costs to a minimum. During the period of searching for and attracting a business partner and investor, the Bank chooses a strategy of conducting low-risk operations, such as operations with domestic state loan bonds and certificates of deposit of the National Bank of Ukraine. These operations will be the main activity of the Bank for the specified period.

The main tasks for Stage 3 of the Strategy will be finally agreed upon, approved and described in the Bank's new Strategy after attracting a new investor.

The Bank's main services planned by the Bank at Stage 3 of the Strategy:

Commercial Bank

- Service of international trade agreements
- Provision of trade financing
- Examination (at the request of the country's legislation) for the purposes of trade circulation
- International settlements
- Currency exchange

Investment Bank

- Raising capital to finance growth
- Bond underwriting
- Asset management
- Strategic investments of wealthy clients (private investments)
- Sale of business

Consulting

- Financial consulting
- Legal consulting on foreign economic legislation
- Trade consulting

The Bank's target group of clients:

- Corporate clients with experience in business between Ukraine and China
- Natural persons – citizens of Ukraine and residents of China with a need for international financial services

Main sales channels:

- Own mobile application and other software with management capabilities.
- Payment channel in RMB: provision of currency financial services for payment and settlement in the process of international trade between China and Ukraine through direct correspondent accounts.
- Tianjin Bohai Commodity Exchange

On December 30, 2022, the decision of the sole shareholder of the Bank approved the document "Main areas of activity of JSC "Ukrainian Bank for Reconstruction and Development" for 2023-2025", according to which the main goal of the Bank and the management for the coming years 2024-2025 is to ensure fast, reliable and comprehensive growth of the Bank.

4. Resources, risks, and relationships

Resources

The key financial resources of the Bank, which are at the disposal of the Bank and are used for active operations, are:

- ✓ funds raised from legal entities (including funds raised on the terms of subordinated debt);
- ✓ funds raised from individuals;
- ✓ own bank funds (equity).

JSC "Ukrainian Bank for Reconstruction and Development" operates in its own premises, which fully meets the requirements of the National Bank of Ukraine, has a certified cash centre, a storage.

The Bank constantly follows the updating of the material and technical base, purchases and integrates new server and network equipment.

For remote customer service, the Bank operates a modern client-bank with a mobile application for legal entities, which provides the possibility of conducting foreign economic activities.

To counteract modern threats to information security, the Bank ensures the constant implementation of new processes and means of protection in accordance with the best practices and requirements of the legislation of Ukraine and the acquisition of appropriate software and hardware.

Liquidity and liabilities

According to the Bank's financial statements, the book value of the funds involved is UAH 197,393 thousand, including:

- Funds at the request of legal entities - UAH 97,640 thousand. (49% of all funds raised)
- Term funds of legal entities - UAH 25,627 thousand. (13% of all funds raised, repayment term: up to 1 month)
- Funds at the request of individuals - UAH 3,750 thousand. (2% of all funds raised)
- Fixed-term funds of individuals - UAH 60,188 thousand. (30% of all funds raised, repayment term: UAH 18,870 thousand up to 1 month, 36,276 thousand UAH - up to 3 months, 5,047 thousand UAH - up to 6 months)

- Subordinated debt – UAH 10,188 thousand (6% of the funds raised, repayment term: up to 5 years)

The total amount of highly liquid assets, which ensure timely fulfilment of obligations, as of the reporting date, amounted to UAH 371,769 thousand and consisted of:

- cash in the Bank's cash register in the amount of UAH 13,304 thousand
- funds on a correspondent account at the NBU in the amount of UAH 14 thousand.
- funds on correspondent accounts in other banks in the amount of UAH 23,701 thousand (UAH 24,877 thousand without taking into account the provision for impairment)
- investment in domestic state loan bonds in the amount of UAH 82,449 thousand (UAH 83,353 thousand excluding the impairment reserve) repayment terms: up to 3 months in the amount of 436 thousand UAH, up to 6 months in the amount of 2,658 thousand UAH, up to 9 months in the amount of 914 thousand UAH, up to 1 year - 2,709 thousand UAH, up to 2 years - UAH 2,930 thousand, up to 4 years - UAH 72,802 thousand.
- investment in NBU certificates of deposit in the amount of UAH 252,301 thousand. (repayment terms: overnight - 79,097 thousand UAH, up to 1 month - UAH 53,221 thousand, up to 3 months - UAH 119,892 thousand)

During the reporting year, the Bank had excess liquidity and not only fulfilled all regulatory requirements regarding the liquidity coverage ratio (LCR) and net stable funding ratio (NSFR), established by the National Bank of Ukraine, but also had a significant margin of compliance. Thus, as of 31/12/2023, the coefficient of LCR_v was 1041.2529% (with a normative value of 100), LCRs - 335.3043% (with a normative value of 100), coefficients of net stable financing of _{NSFR_{VV}} - 847.55% (with a normative value values of at least 100%).

Environmental aspects

The Bank is responsible for the direct and indirect impact on the ecological system in which it operates.

One of the key directions of the Bank's initiatives in the context of corporate social responsibility is the preservation of the environment, which involves:

- contribution to the sustainable development of society;
- efficient use of natural resources;
- implementation of environmental protection projects.

The Bank makes efforts to reduce its direct environmental impact by stimulating the discussion of environmental topics, constantly improving its environmental efficiency, conserving resources, reducing energy consumption, including environmental requirements in the criteria for selecting suppliers. Environmental protection measures also include restrictions on cooperation or provision of services to enterprises engaged in environmentally hazardous activities.

Social aspects and personnel policy

One of the key prerequisites for the successful implementation of the Bank's Strategy is the formation of a professional and motivated team that clearly understands and shares the goals and tasks facing the Bank. To implement strategic goals, the Bank will actively invest in the development of human capital, attract new professional employees and develop the skills of already working employees.

In the reporting year, the Bank created new jobs with decent wages and social guarantees.

As of December 31, 2023, the full-time staff of the Bank is 51 people (including 2 people - leave as a mother of a child requiring home care), of whom: - 27 people in management positions.

The absolute majority of the Bank's employees have higher education - 89% of their total number, and the average age of the Bank's experienced employees (with an average banking experience of 20 years) is 45 years. In general, the Bank has a dedicated team with an average corporate experience of 9 years.

The Bank's personnel management philosophy is based on a culture of self-improvement and continuous professional and personal development, a culture of achieving team goals by using the knowledge, skills and experience of all Bank employees.

Great attention will be paid to improving the qualifications of its employees. According to the staff training and professional development program, the Bank organizes relevant training both on its own and with the help of specialized training centres. During the reporting year, managers and employees of the Bank attended 27 external training events. The Bank expects that its investment in human resources will have a positive result and will contribute to increasing the efficiency of the Bank's employees.

By the decision of the Supervisory Board No. 24/2020 dated 13/11/2020, a new version of the Code of Conduct (Ethics) was implemented in the Bank. The Code is a generalization of values, moral principles and ethical norms and establishes general rules of conduct and ethics, which must be followed by all employees of the Bank, without exception, both during the performance of their official duties and in the conditions of informal communication. In addition to the application of all legal, regulatory and professional standards covering various aspects of the Bank's activities, the Code reflects the Bank's determination to do more to serve the Bank's customers and all stakeholders to the best of its ability.

Risk management system

The Bank's risk management system is part of the Bank's overall corporate management system. The strategic goals of the Bank's risk management system are:

- ensuring the necessary ratio between riskiness and profitability and minimizing the Bank's losses;
- support and improvement of the Bank's credit rating;
- integration of risk management into the Bank's strategic management system;
- creation and development of intra-bank risk management infrastructure;
- implementation of the latest methods and banking standards;
- improvement of banking products and processes;
- increasing the Bank's competitive advantages.

Subjects of the Bank's risk management system are: the Supervisory Board and the Risk Management Committee of the Bank's Supervisory Board; The Bank's Management Board; Committees of the Bank's Management Board (Credit Committee, Asset and Liability Management Committee and other collegial bodies established by the Bank's Management Board); control units (Internal Audit Service; Risk Management Department, Compliance Department; business units of the Bank).

The approved organizational model of the risk management system provides for the separation and direct reporting to the Supervisory Board of the Bank of the Risk Management Department and the Compliance Department, which ensures timely identification, measurement, monitoring, control and mitigation of risks, as well as proper reporting.

The activities of risk management subjects are clearly demarcated and regulated, which allows avoiding duplication of functions and ensuring the appropriate level of responsibility for the decisions made.

For effective risk management and taking into account the need to minimize the conflict of interests between accepting risks, limiting and controlling the level of risks, as well as auditing the risk management system, the Bank's organizational structure is formed taking into account the need to distribute functions and responsibilities between the Bank's divisions in accordance with the principle of "3 defence lines".

The risk management system operating in the Bank ensures compliance with all economic standards established by the National Bank of Ukraine, is sufficiently effective, and covers the management of all significant risks to which the Bank is exposed.

Considering the types of activities, scales, specifics of the Bank's operations, as well as taking into account the requirements of the National Bank of Ukraine, the following are recognized as significant risks inherent in the Bank's activities:

- ✓ Credit risk
- ✓ Liquidity risk
- ✓ Banking book interest risk
- ✓ Market risk
- ✓ Operating risk
- ✓ Compliance risk
- ✓ Strategic risk

Credit risk - the risk of the Bank incurring losses (damages), additional expenses, non-receipt of planned income as a result of non-fulfilment, untimely or incomplete fulfilment by the debtor of financial and other property obligations to the Bank in accordance with the terms of the contract. Credit risk arises from all active banking operations, with the exception of debt securities and other financial instruments in the Bank's trading book.

The Credit Committee, the Risk Management Department, and business units are involved in the current credit risk management.

Liquidity risk - the probability of losses or additional losses or failure to receive planned income due to the inability to finance the growth of assets and/or fulfil one's obligations in due time. Liquidity risk arises as a result of an imbalance of the bank's financial assets and financial liabilities (including as a result of the untimely fulfilment of financial obligations by one or several counterparties of the bank) and (or) the emergence of an unforeseen need for immediate and one-time fulfilment by the Bank of its financial obligations.

Interest rate risk of the bank book - the probability of losses or additional losses or failure to receive planned income as a result of the impact of adverse changes in interest rates on the bank book. The interest rate risk of the banking book affects the economic value of the Bank's capital and the Bank's net interest income.

Market risk - the risk that the Bank may incur losses or additional losses or not receive planned income as a result of the adverse impact of market risk factors (foreign currency exchange rates, interest rates and/or other factors) on the value/price of instruments.

The Asset and Liability Management Committee (ALMC), the Department of Interbank Operations, the Securities Department, and the Risk Management Department are involved in the daily management of market risks.

Operating risk - the probability of losses or additional expenses or failure to receive planned revenues due to deficiencies or errors in the organization of internal processes, intentional or unintentional actions of bank employees or other persons, failures in the operation of bank systems or due to the influence of external factors. Operational risk includes legal risk, but should exclude reputational risk and strategic risk.

The operational risk management system was developed to ensure the management of operational risks in all branches of the Bank, as well as to support compliance with regulatory requirements, including requirements for internal control systems.

Compliance risk - the probability of damages/sanctions, additional losses or failure to receive planned income or loss of reputation due to the Bank's failure to comply with the requirements of legislation, regulatory acts, market standards, rules of fair competition, rules of corporate ethics, the occurrence of a conflict of interests, as well as the Bank's internal documents.

Strategic risk. The risk of the Bank incurring losses or additional losses, or failure to receive planned revenues as a result of incorrect management decisions and inadequate response to changes in the business environment. Strategic risk may arise as a result of mistakes (shortcomings) made when making decisions that determine the strategy of the Bank's activity and development (strategic management) and are expressed in the failure to take into account or insufficient consideration of possible dangers that may threaten the Bank's activities, incorrect or insufficiently substantiated determination of prospective directions activities in which the Bank can achieve advantages over competitors, the absence or insufficient provision of the necessary resources (financial, material and technical, human) and organizational measures (management decisions), which should ensure the achievement of the Bank's goals.

When assessing all types of risks, the Bank takes into account the risk of concentration.

Concentration risk. The risk of the Bank incurring losses or additional losses, failure to receive planned income as a result of the concentration of certain types of risks.

Concentration of risk - the concentration of requirements (obligations), positions on financial instruments in relation to an individual client or a group of interdependent clients, as well as clients belonging to certain sectors of the economy, or to geographical regions, countries, as well as in relation to a financial instrument, type of currency and other characteristics of positions at risk, which may lead to fairly large losses (regarding the size of the Bank's regulatory or economic capital, the amount of assets, liabilities or the overall level of risk) and create a threat to the Bank's financial condition or its ability to carry out its core activities.

The concentration of credit risk is manifested in the provision of loans or other assets to an individual client or a group of interconnected clients, as well as a result of the Bank's debtors belonging to certain sectors of the economy or to geographical regions, or the concentration of activity on certain types of active operations that make the bank vulnerable to certain and the same economic factors.

The concentration of liquidity risk is manifested in the Bank's focus on individual sources of funding.
The concentration of market risk is manifested in investing in homogeneous financial instruments of one counterparty, trading portfolio, individual currency, commodity, the market prices of which change under the influence of the same economic factors.

The concentration of operational risk is manifested in the concentration of operational incidents by individual divisions and (or) directions of the Bank's activities (business lines), including in connection with

an increase in the number and (or) volumes of operations, systemic violations in the implementation of risk management and internal control, the implementation of the strategy of rapid growth of assets, when providing new banking products and services, as well as in the case of the Bank's dependence on one supplier or a small number of service suppliers.

The Bank considers concentration risk as the concentration of its assets and liabilities at least in terms of:

- one debtor/counterparty and a group of related counterparties;
- business lines and products;
- types of economic activity (industry concentration) and geographical regions;
- persons related to counterparties whose financial results depend on one type of activity or main product;
- classes of debtors/counterparts determined in accordance with the requirements of Resolution of the National Bank of Ukraine No. 351;
- types of ensuring that debtors and counterparties fulfil their obligations;
- types of currencies.

In addition to the risks mentioned above, the Bank's management constantly monitors technological, legal, strategic risks, reputational risk and others arising in the course of the Bank's operational activities.

During the reporting year, there were changes in the management of market risk and in the assessment of the Bank's internal capital adequacy.

Changes and additions were made to the internal bank document Policy and procedures of market risk management of JSC "Ukrainian Bank for Reconstruction and Development", which were approved by the Decision of the Supervisory Board Protocol No. 25/2023 dated 29/09/2023. In general, the Regulation was brought into line with the changes introduced in Regulation No. 64. In particular:

- definition of the terms used in the Regulation, specified in accordance with the requirements of Regulation No. 64;
- Section 3 was added. Market risk for instruments and their inclusion in the trading or banking book, which specifies the requirements and criteria according to which the instruments are included in the trading or banking book;
- in Section 4. The purpose and main principles of market risk management, information on the activity of the trading desk has been added;
- in Section 9. Stress-testing of market risk added 3 probable scenarios of changes in the exchange rate of the national currency;
- Section 10 was added. Management and control of risks related to the termination of the money and currency market indicators, which describes the risks that may arise when the money and currency market indicators are terminated. Defined procedures for managing and ensuring control of risks associated with the termination of the indicators of money and foreign exchange markets.

new internal bank document was developed and implemented, the Regulation on the procedure for determining the minimum size of market risk of JSC "Ukrainian Bank for Reconstruction and Development", which was approved by the Board Decision Protocol No. 37 dated 29/09/2023. The Regulation establishes the procedure for determining the minimum size of market risk by the Bank to be taken into account when calculating capital adequacy standards in accordance with the requirements of the Instruction on the Procedure for Regulating the Activities of Banks in Ukraine, approved by the Resolution of the Board of the National Bank of Ukraine No. 368 dated 28/08/2001. The document defines:

- an approximate list of account groups of the Chart of Accounts, on which instruments are recorded in the trading book;

- formula for calculating the minimum amount of market risk;
- the algorithm for calculating the interest rate risk of the trading book;
- fund risk calculation algorithm;
- currency risk calculation algorithm.

Moreover, examples of calculations of various types of market risk are given in the Appendices to the Regulation.

A new internal bank document, the Regulation on assessment of internal capital adequacy of JSC "Ukrainian Bank for Reconstruction and Development", was developed and implemented, which was approved by the Decision of the Supervisory Board, Minutes No. 32/2023 dated 30/11/2023. The Regulation establishes the procedure for determining the amount of the Bank's capital required to cover all significant risks inherent in its activities. The Regulation is aimed at organizing the internal process of capital adequacy assessment, capital management and planning to ensure coverage of all significant risks, continuous stable operations, reliable implementation of the strategy and business plan both in normal and stressful situations. The document lists and defines:

- components of the ICAAP process;
- general approaches and principles of organization of the ICAAP process;
- organizational structure of the ICAAP process;
- internal capital adequacy assessment algorithm;
- internal capital adequacy planning procedure;
- management reporting on internal capital adequacy;
- reporting requirements for the ICAAP process;
- self-assessment procedure of the ICAAP process.

Relations with shareholders and related parties, the impact of these relations on the results of operations and management

The Bank's procedures regarding the recognition of persons related to the Bank are based on the requirements of the Law of Ukraine "On Banks and Banking Activities", "Instructions on the Procedure for Regulating the Activities of Banks in Ukraine", approved by the Resolution of the Board of the National Bank of Ukraine No. 368 dated 28/08/2001 (as amended), "Regulation on identification of persons connected with the Bank", approved by the resolution of the Board of the National Bank of Ukraine No. 315 dated 12/05/2015 (as amended), International Accounting Standard 24 "Disclosure of information about related parties", other normative legal acts of the National Bank of Ukraine.

During the reporting year, the Bank carried out minor passive transactions with related parties, which had an insignificant impact on the results of operations and management.

5. Results of activity and prospects for further development

The Bank's total assets as of the end of December 31, 2023 amounted to UAH 411,320 thousand against UAH 276,691 thousand in comparison with the corresponding reporting date of the previous year. The increase in the currency of the balance for the year amounted to UAH 134,629 thousand, i.e. 49%.

During the reporting year, the Bank did not grant and did not have any loans in its portfolio. Off-balance sheet liabilities for lending amounted to UAH 1,500 thousand.

Investments in securities (domestic state loan bonds and NBU certificates of deposit) had a significant share in the structure of assets. The specific weight of investments in securities in the total assets of the Bank was 81% against 70% in the previous reporting year. As of the end of the day on December 31, 2023, the total amount of funds placed in securities amounted to UAH 334,750 thousand against UAH 193,922 thousand in last year, which is by UAH 140,828 thousand or 73% more. At the same time, the volume of investments in domestic state loan bonds amounted to UAH 82,449 thousand or 25% of the total volume of placement in securities, and investments in certificates of deposit amounted to UAH 252,301 thousand or 75% of the total volume of placement in securities.

As of the reporting date, balances on correspondent accounts with the NBU and other banks amounted to UAH 14 thousand and UAH 23,701 thousand (taking into account the reserve for impairment in the amount of UAH 1,176 thousand), respectively.

The total amount of intangible assets and fixed assets amounted to UAH 38,013 thousand (9% of the Bank's total assets) against UAH 42,056 thousand (15% of the Bank's total assets) at the beginning of the reporting year, i.e. by UAH 4,043 thousand less, mainly due to wear and tear.

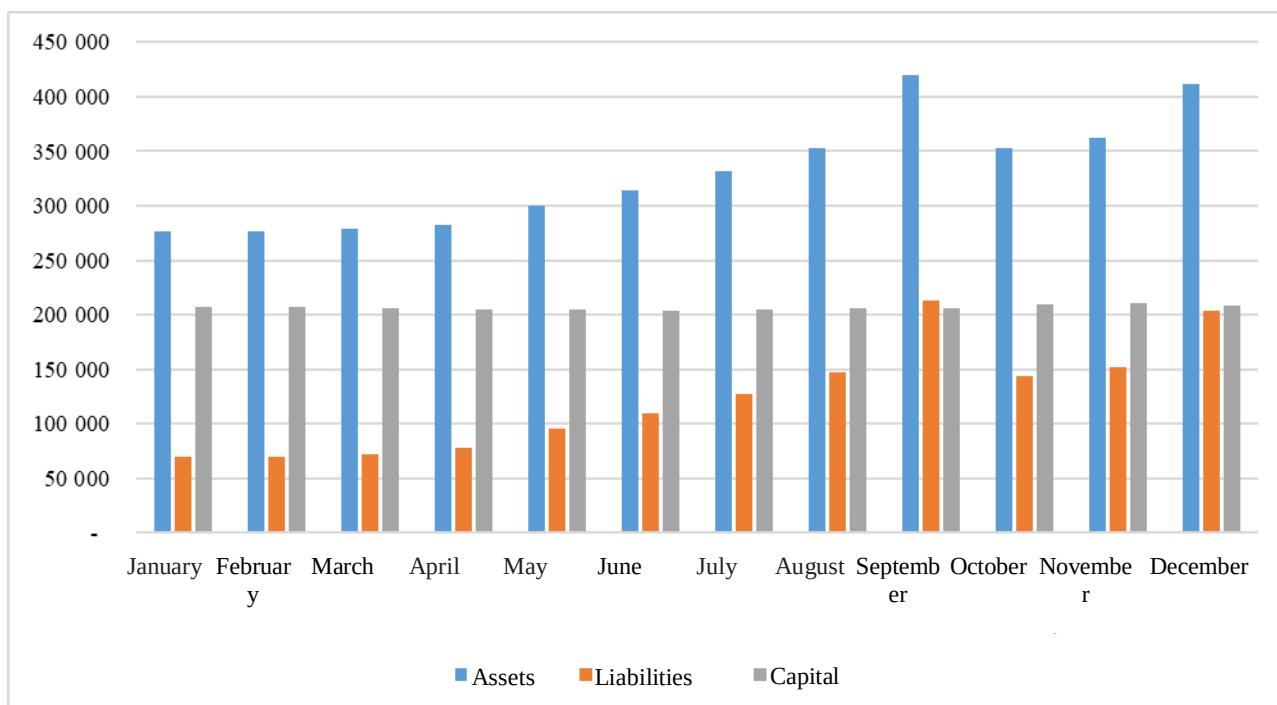
Other assets in the amount of UAH 1,538 thousand made up 0.4% of total assets and amounted to UAH 259 thousand or by 20% more than on the previous annual reporting date.

The Bank's total liabilities as of the annual reporting date amounted to UAH 203,427 thousand against UAH 69,348 thousand on the previous annual reporting date. The increase for the reporting year amounted to UAH 134,079 thousand or 193%. In particular, during the reporting year, the following changes occurred in the structure of the Bank's liabilities:

Liabilities	31/12/2023	31/12/2022	Changes for the year
Funds of legal entities:	123,267	53,257	70,010
- <i>funds on demand</i>	97,640	52,741	44,899
- <i>term funds</i>	25,627	516	25,111
Funds of individuals:	63,938	3,650	60,288
- <i>funds on demand</i>	3,750	2,966	784
- <i>term funds</i>	60,188	684	59,504
Subordinated debt	10,188	9,826	362
Liabilities for current income tax	2,265		2,265
Deferred tax liabilities	8		8
Provision for liabilities	20	20	0
Other financial liabilities	40	81	(41)
Other liabilities	3,701	2,514	1,187
Total liabilities	203,427	69,348	134,079

As of December 31, 2023, the Bank's equity amounted to UAH 207,893 thousand against UAH 207,343 thousand at the beginning of the reporting year, which is by UAH 550 thousand more, and accounted for 51% of all liabilities of the Bank.

The dynamics of the size of the Bank's assets, liabilities and capital during the reporting year were:



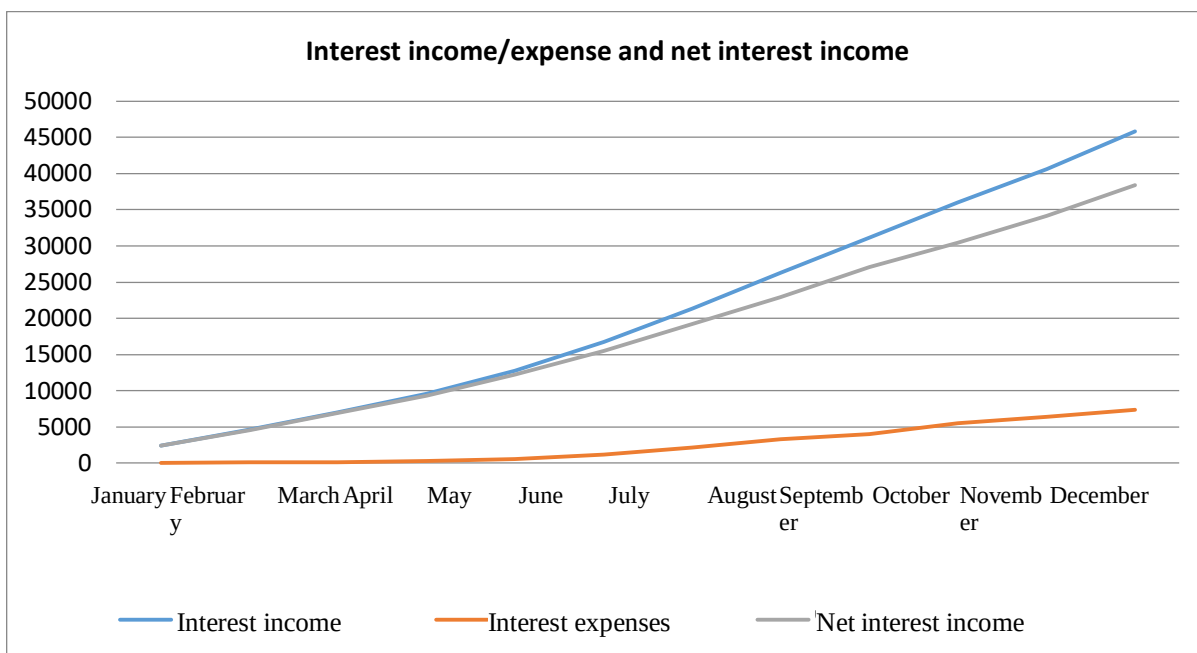
The total amount of interest income in the reporting year amounted to UAH 45,791 thousand, which compared to the previous year is by UAH 8,749 thousand less, mainly due to a decrease in the NBU discount rate and a corresponding decrease in the yield of the bonds of domestic state loans of Ukraine (DSLБ) and NBU certificates of deposit. Interest income was received on domestic state loan bonds in the amount of UAH 16,011 thousand against UAH 53,036 thousand last year and for deposit certificates in the amount of UAH 29,774 thousand against UAH 1,314 thousand in the previous year. UAH 6,000 was received for lending to business entities.

The total amount of interest expenses for the year was UAH 7,357 thousand, which is by UAH 34,318 thousand less than the previous year. The decrease in interest expenses occurred due to the absence of NBU refinancing loans in the reporting year. Interest expenses consisted of expenses:

- repurchase operations with other banks – UAH 301 thousand
- funds of legal entities - UAH 102 thousand
- funds of the population - UAH 6,529 thousand
- subordinated debt - UAH 421 thousand
- lease obligation - UAH 4,000.

Net interest income in 2023 amounted to UAH 38,434 thousand against UAH 12,865 thousand in 2022, i.e. by UAH 25,569 thousand more.

Monthly dynamics of interest income and expenses, net interest income during 2023:



The results of the revaluation of the currency position and trade operations with foreign currency for the reporting year were positive and amounted to UAH 409 thousand and UAH 2,643 thousand, respectively

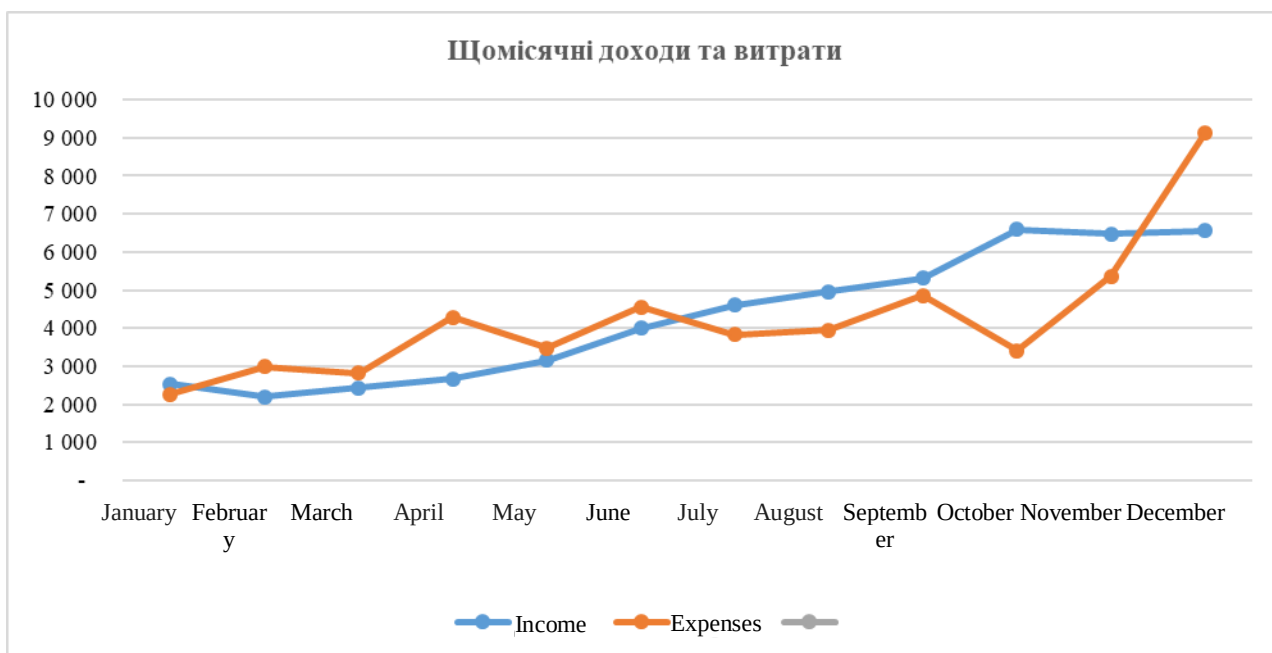
Other operating income amounted to 100,000 UAH, including UAH 91,000 - rent for the bank premises and UAH 9,000 - other operating expenses.

The amount of incurred general administrative expenses in the reporting year amounted to UAH 35,239 thousand, which is by UAH 1,375 thousand more than in the previous one. The most significant component of this expense item was personnel expenses, which amounted to UAH 23,516 thousand and compared to the previous year increased by UAH 1,159 thousand or by 5%.

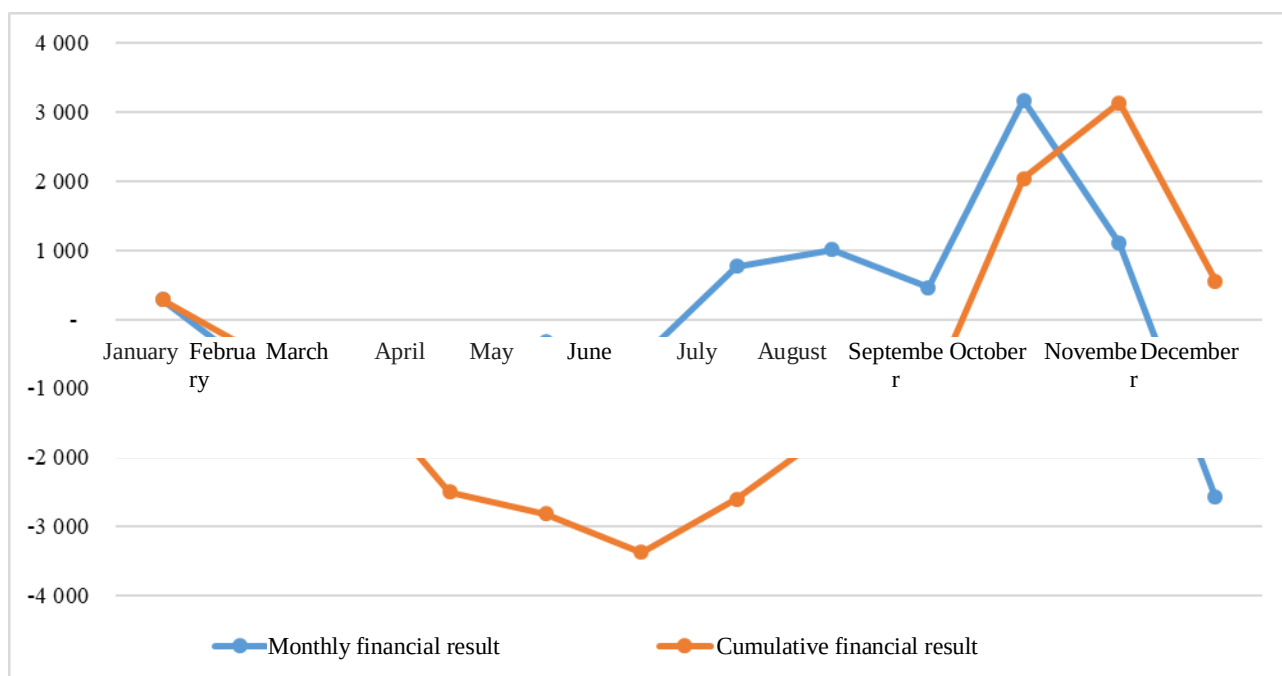
The total income of the Bank for the reporting year amounted to UAH 51,474 thousand against UAH 57,190 thousand in the previous year, which is by UAH 5,716 thousand less. The following items were included in the total income: interest income, commission income, result from foreign currency revaluation, result from currency operations, other operating and other income.

The total expenses of the Bank for 2023 amounted to UAH 50,925 thousand against UAH 80,416 thousand in 2022, which is by UAH 29,491 thousand or 37% less. The total costs include: interest and commission expenses, expenses from asset impairment (reserve), general administrative expenses, other operating expenses (including expenses from derecognition of financial assets), other expenses and current and deferred income tax.

As a result of its activities in the reporting year, the Bank received a financial result in the form of a profit in the amount of UAH 550 thousand against the loss in the amount of UAH 23,226 thousand in the previous year. Monthly dynamics of income and expenses during the reporting year:



Monthly financial results and result for 2023:



Regulatory capital (taking into account corrective postings) as of 31/12/2023 amounted to UAH 214,318 thousand against UAH 213,788 thousand as of the date of the previous annual report, which is by UAH 530 thousand more.

JSC "Ukrainian Bank for Reconstruction and Development" aims to improve the quality of financial services and create a digital management system using technologies to expand innovations in financial services, as well as provide more efficient and intelligent financial services and solutions for corporations, small and micro enterprises, platforms and other users banking services, thereby making finance more accessible, safer and more convenient. The Bank's mission is to promote business cooperation between Ukrainian and

Chinese businesses through the provision of corporate banking services while maintaining an optimal balance of interests of clients, shareholders and the Bank itself.

The Bank intends to become a reliable financial partner not only for Ukrainian and Chinese business, but also a bank that provides quality assistance in implementing simple financial solutions to meet the needs of clients, offering them a wide range of industry products and services, professional complex financial support.

In the future, the Bank sees itself as a regional Bank - a boutique with a narrow specialization "Financial and consulting bridge between China and Ukraine".

To achieve its goals, the Bank will use the market advantages provided by cooperation with Chinese partners and effective technological solutions to occupy a niche in the banking services market, attract a wide range of customers, and minimize the impact of negative factors and threats.

Unfortunately, the full-scale war that continues in Ukraine may lead to a negative development of events and the complication of the Bank's operating conditions, the unpredictability of its further economic development, and difficulties in implementing the strategy.

Current events are not under the Bank's direct control, but the Bank's management is monitoring the current situation and taking measures to minimize any negative consequences of the war as much as possible. Thus, in order to minimize the negative impact of the above-mentioned events on the continuity of the Bank's activities, a number of measures were taken, such as:

- ✓ In order to ensure continuous activity in blackouts and possible interruptions in the supply of electricity, an additional diesel generator with a capacity of 6 kW was purchased, which ensures the operation of critical server equipment and some workplaces for the performance of critical business processes in the event of failure of the main diesel generator.
- ✓ The bank built a data transmission channel to the backup data processing centre of the National Bank of Ukraine.
- ✓ The Bank signed an agreement with another provider and built a backup channel through the data centre of this provider to the backup data processing centre of the National Bank of Ukraine, further diversifying the risks of communication failure with the electronic payment system and other services of the National Bank of Ukraine.
- ✓ To exclude losing connection with the Internet and with clients, the Bank created a communication channel via satellite and integrated it into banking systems.

For remote customer service, the Bank operates a modern client-bank with a mobile application for legal entities, which provides the possibility of conducting foreign economic activities.

To counteract modern threats to information security, the Bank ensures the constant implementation of new processes and means of protection in accordance with the best practices and requirements of the legislation of Ukraine and the acquisition of appropriate software and hardware.

The Bank sets the following goals for 2024:

- ✓ Consolidation and multiplication of successful results of 2023.
- ✓ Preparation of the Bank for post-war development.
- ✓ Compliance with all regulatory requirements.

The main quantitative indicators that the Bank aims to achieve by the end of 2024:

- ✓ Growth of net assets by 23% to UAH 504 million.
- ✓ Increase of average balances on clients' accounts by 48% or UAH 90 million.

- ✓ Increase in net commission income from transactions with clients by 341%.
- ✓ Balance sheet capital – UAH 214 million, regulatory capital – UAH 218 million.
- ✓ Increase in operating profit by 53% to UAH 7.5 million, balance sheet profit to UAH 6.5 million.

The Bank plans to increase its client base at the expense of corporate clients. Doubled number of active customers. For this purpose, it is planned to increase the volume of basic profitable services by at least three times.

The level of the volume of transactions with individuals will be maintained at the level of 2023.

The volume of the investment portfolio is planned to increase by 14%, interest income and net interest income by 33% and 13%, respectively.

To prepare the Bank for post-war development, it is planned to:

Create appropriate conditions and start lending to Ukrainian enterprises. Goal: reaching the volume of the loan portfolio by the end of 2024 at least UAH 25 million. Priorities: Wholesale trade in agricultural products (domestic and foreign markets) and foreign trade projects with Chinese suppliers.

Create conditions for the active start of trade financing in 2025-2026. Goals: Development of GNI and establishment of relations with Chinese partners.

Start providing services for clients in the securities market in terms of brokerage and depository activities. Goal: Working out the entire mechanism and launching the active activities of the relevant divisions.

To supplement the staff of the permanent staff with employees who are necessary for continuous activity when the volume and complexity of the Bank's operations increase. Goal: Increase in the number of employees by 13%.

6. Key performance indicators

The main achievements of the Bank in the reporting year are:

- ✓ Optimizing the structure of the investment portfolio and increasing its profitability.
- ✓ Activation of work with clients.
- ✓ Reaching the profitable activity.

The key performance indicators as of the end of the day of 31/12/2023 were as follows:

Indicator	Actual value
Net interest margin	13.39%
Return on assets ROA	0.17%
Return on capital ROE	0.27%%
Operating Expenses to Operating Income Ratio (CIR)	92.6%
Compliance with mandatory reserve norms for balances on a correspondent account with the NBU	The deviation is +7.5% of the reserve base for the reporting period
The share of non-performing assets from the total amount of assets on which the credit risk is assessed	0%
Weighted average terms of "working assets" and liabilities, days	-58 days

Volumes of long-term investments financed by short-term liabilities, %

0%

All economic regulations were not only observed by the Bank, but also had a significant margin of compliance. Regulations (regulatory capital calculated in accordance with the requirements of the Resolution of the National Bank No. 368 and before adjustment for the actual financial result of the Bank for 2023) as of the end of the day of 31/12/2023 had the following actual values:

Norm	Indicator	Normative value	Actual value
H1	The minimum amount of regulatory capital (without taking into account corrective postings), thousand UAH.	> = 200,000	218,543
H2	Norm of sufficiency (adequacy) of regulatory capital	> =10%	242.46%
H3	Norm of adequacy of fixed capital	> = 7%	221.29%
H7	Norm of the maximum amount of credit risk per counterparty	< = 25%	0.08%
H8	Norm of large credit risks	< = 800%	0.00%
H9	Norm of the maximum amount of credit risk for transactions with persons related to the bank	< = 25%	0.00%
H11	Norms for investing in securities separately for each institution	< = 15%	0.00%
H12	Norm of the total amount of investment	< = 60%	0.00%
L 13-1	Long open currency position limit	< = 5%	4.1210%
L 13-2	Short open currency position limit	< = 15%	0.00%
LCR _{IB}	Liquidity coverage ratio in foreign currency	> = 100%	1041.2529%
LCR _{BB}	Liquidity coverage ratio for all currencies	> = 100%	335.3043%
NSFR BB	Net stable funding ratio	> = 100%	847.55%

7. Report on corporate governance

Part 1. Information about the code of corporate governance, which the entity is governed by, and/or the corporate governance practice of the entity, applied in excess of the requirements defined by the law

Table 1.

Information about the code of corporate governance that the entity is governed by

	Decision was made to apply another code
The name of the management body that made the decision to approve the application of another code	In 2023, the Bank was guided in its activities by the Code of Corporate Governance, approved at the meeting of the General Meeting of Shareholders
The date of the decision to approve the application of another code	Minutes of the General Meeting of Shareholders dated 30/12/2022 No. 6/2022
URL with Code text	https://www.ubrr.com.ua/files/rintsipi_kodeks_korporativnogo_upravlinnya_2022.pdf.pdf

Table 2.

Information on the corporate management practice of the entity, applied in excess of the requirements defined by the law

	Compliance with practice (YES/NO)	Description of existing practice / rationale for deviation
1. Entity's goals		
The charter and/or internal documents of the entity define the goal of creating long-term sustainable value in the interests of the entity and its stakeholders	Yes	
2. Shareholders and stakeholders		
Rights of shareholders	Yes	The Bank employs a two-level management structure
Rights of minority shareholders	No	The bank has no minority shareholders.
1) general meeting of shareholders		
Persons who have the right to participate in the general meeting have the opportunity to receive additional information sufficient to form an informed opinion on all matters to be considered during the general meeting at least 30 days before the date of its holding	No	According to the first part of Article 60 of the Law of Ukraine “On Joint Stock Companies”, the provisions of Articles 40-57 of this Law regarding the procedure for convening and holding general meetings of shareholders do not apply to a company with one shareholder. In accordance with Article 60 of the Law of Ukraine “On Joint-Stock Companies”, the powers of the Bank’s general meeting of shareholders are exercised solely by the Bank’s sole shareholder Mr. Yan Dongsheng.
Biographical data on candidates for management bodies, including education and professional experience, are disclosed simultaneously with the notification of the general meeting	Yes	
Persons who have the right to participate in the general meeting have the opportunity to vote, as well as receive materials related to the general meeting remotely (using electronic means, etc.)	Yes	
The CEO, the CFO, the majority of the board members (the majority of the non-executive directors of the Board of Directors) and the external auditor participate in the annual general meeting	No	Persons included in the list of shareholders who have the right to such participation, or their representatives, may participate in the general meeting. A representative of the independent auditor (auditing firm) of the Bank and officials of the Bank, regardless of their ownership of the Bank’s shares, a representative of the body that, in accordance with the charter, represents the rights and interests of the workforce may also be present at general meetings at the invitation of the person convening them.
Persons who have the opportunity to participate in the general meeting have the opportunity to ask oral questions regarding the issues on the agenda and receive answers to them	Yes	
The detailed regulations for holding the general meetings are determined by the charter and/or internal	No	Detailed regulations for holding general meetings are not defined by internal

documents		documents
Minutes and decisions of the general meeting (including the number of votes cast "for" and "against" each decision), as well as answers to key questions raised during the general meeting, are disclosed within 5 working days from the date of the general meeting	No	The minutes of the general meeting shall be posted on the Bank's website within five working days from the date of its conclusion, but no later than 10 days from the date of the general meeting
The website address of the person ensures the provision of all the information necessary for shareholders to facilitate their participation in the general meeting and inform about the decisions made during the general meeting	Yes	https://ubrr.com.ua/
2) interaction with shareholders		
The board approved and disclosed the policy of interaction with shareholders, which defines the parameters of the relationship between a person and his shareholders	No	The Bank's interaction with shareholders is defined in the Bank's charter, approved by the decision of the sole shareholder No. 9/2023 dated 06/12/2023
A department (function) on issues of interaction with investors / shareholders has been created, which responds to the requests of investors and promotes the participation of shareholders in the management of the person, and also provides an opportunity for minority shareholders to bring their views to the attention of the board	Yes	The function of interaction with the sole shareholder of the Bank is performed by the Corporate Secretary
3) absorption		
The Board has defined the principles of how it will act in the event of a takeover offer, in particular: a) not to take actions to counter takeover without a corresponding decision of the general meeting; b) provide shareholders with a balanced analysis of the advantages and disadvantages of any takeover proposal; c) the general meeting makes the final decision on approval or rejection of takeover proposals	No	The principles of takeover are not defined in the internal documents of the Bank, but all such actions are impossible without the corresponding final decision of the general meeting.
4) other stakeholders		
The Board approved and disclosed the policy of interaction with stakeholders, which defines the parameters of the relationship between the person and his stakeholders	No	The policy of interaction with stakeholders has not been approved by the Board.
The entity has defined the list of stakeholders, in particular those with whom it is necessary to establish direct interaction	No	
The entity discloses a report on aspects of interaction with stakeholders	No	
3. Supervisory Board		
Members of the Supervisory Board are not part of the Supervisory Boards of more than 3 other legal entities	Yes	The Supervisory Board consists of 5 members: Chairman of the Supervisory Board YAN Dongsheng; Members of the Supervisory Board: - Wen Yuanhua – independent member; - Ruslan Anatoliiovych OSYPENKO (independent member); - Zha Zhongmin (independent

		member); - Xu Honghong
The entity keeps records of attendance at meetings of the supervisory board and its committees	Yes	
The charter of the entity and/or its internal documents define and explain the duty of the members of the supervisory board to faithfully perform their functions and adhere to the principle of loyalty in relation to the entity	Yes	Defined in the Code of Corporate Governance and Regulations on the Supervisory Board
The Supervisory Board and its members are provided with the possibility of access to any information necessary for the effective performance of their duties	Yes	
The Supervisory Board regularly evaluates the performance of the individual and the executive body in accordance with the individual's goals	Yes	
The charter of the entity and/or its internal documents determine that the supervisory board has no right to interfere in the current management of the entity, including in matters that belong to the sphere of responsibility of the executive body, except in cases of emergency circumstances that are properly defined	Yes	
The size and skills of the members of the supervisory board correspond to the needs of the entity, its scale and the degree of complexity of its activity	Yes	
The supervisory board defines and regularly revises the qualification requirements for candidates for supervisory board members	Yes	
The selection and appointment of members of the supervisory board is based on professional qualities, achievements and compliance of candidates with specific criteria, as well as taking into account the need for periodic renewal of the composition	Yes	
The entity has a formalized procedure for checking candidates for members of the supervisory board, which in particular includes checking the integrity, presence of conflict of interests, competence, skills and experience of the candidate	Yes	
The selection procedure involves the possibility of involving external advisers and/or an open search process	Yes	
The Supervisory Board develops succession plans for the members of the Supervisory Board and the executive body	Yes	
The Supervisory Board approved a policy regarding the diversity of the composition of the Supervisory Board and the executive body	No	The diversity of the composition of the Supervisory Board and the executive body is not clearly defined by the Bank's internal documents
Representatives of one of the categories make up at least 40% of the composition of the supervisory board	No	The Supervisory Board consists of 4 men and 1 woman
Independent members of the supervisory board make up at least half of its total composition	Yes	The Supervisory Board of the Bank has 3 independent members
Members of the Supervisory Board undergo induction training after their election, which covers, among other	Yes	

things: a) duties, functions and spheres of responsibility of members of the supervisory board; b) independence, including independence of thinking; c) procedure of work of the supervisory board; d) issues of responsibility; e) issues of personal strategy; e) personal policies, including issues of ethics, conflict of interest and prevention of corruption; f) issues of reporting and control systems, including internal and external audit; f) the role of supervisory board committees		
The Supervisory Board develops a training plan, which determines which issues require additional training for its members	Yes	
The chairman of the supervisory board is elected from among independent members	No	The duties of the Chairman of the Bank's Supervisory Board are performed by the Bank's Sole Shareholder
The Chairman of the Supervisory Board is provided with an opportunity to communicate with shareholders, including majority shareholders	Yes	
The functions of the Chairman of the Supervisory Board are defined in the internal documents of the entity	Yes	
A position was created and a corporate secretary was appointed	Yes	
1) Supervisory Board Committees		
The Supervisory Board created committees and approved internal documents that regulate their activities	Yes	There are 3 committees of the Supervisory Board in the Bank: Audit Committee, Risk Management Committee, Appointments and Remuneration Committee.
The Audit Committee consists of independent members of the Supervisory Board who have knowledge in the field of finance, industry experience and experience in accounting, auditing, control and risk management	Yes	The Audit Committee includes: - Chairman of the Audit Committee: Independent member of the Bank's Supervisory Board - Zha Zhongmin; - Member of the Audit Committee: Chairman of the Supervisory Board of the Bank - YAN Dongshen; - Member of the Audit Committee: Independent member of the Bank's Supervisory Board - Ruslan OSYPENKO; The duties of the secretary of the Audit Committee are entrusted to the translator of the Bank's Corporate Secretary Service (Olha PASICHNYK - during 2023 and until the date of her dismissal on 20.10.2023; since 09/11/2023 - Inna NIZHENETS).
Members of the Audit Committee are not part of other committees of the Supervisory Board	No	A member of the Audit Committee of the Supervisory Board is the chairman of the Appointments and Remuneration Committee of the Supervisory Board
The appointment committee consists of independent members of the supervisory board who have knowledge in the field of human resources management and skills in finding professionals for the supervisory board and executive body	Yes	There is no separate nominating committee. The Bank has established a Committee on Appointments and Remuneration, which includes: - Chairman of the Appointments and Remuneration Committee: Independent

		member of the Bank's Supervisory Board - Ruslan OSYPENKO; - Member of the Appointments and Remuneration Committee: Independent member of the Bank's Supervisory Board - Zha Zhongmin; - Member of the Appointments and Remuneration Committee: Member of the Supervisory Board of the Bank (representative of the Limited Liability Company "BOCE (HONG KONG) Co. Limited") - XUI Honghong. The performance of the duties of the secretary of the Appointments and Remuneration Committee is entrusted to a member of the Appointments and Remuneration Committee, an independent member of the Supervisory Board of the Bank Zha Zhongmin.
The Remuneration Committee consists of independent members of the Supervisory Board who have knowledge of remuneration practices and incentives for effective performance	Yes	There is no separate remuneration committee. The Nomination and Remuneration Committee includes: Chairman of the Appointments and Remuneration Committee: Independent member of the Supervisory Board of the Bank, Ruslan OSYPENKO; - Member of the Appointments and Remuneration Committee: independent member of the Supervisory Board of the Bank Zha Zhongmin; - Member of the Appointments and Remuneration Committee: Member of the Supervisory Board of the Bank (representative of the Limited Liability Company "BOCE (HONG KONG) Co. Limited") XUI Honghong. The performance of the duties of the secretary of the Appointments and Remuneration Committee is entrusted to a member of the Appointments and Remuneration Committee, an independent member of the Supervisory Board of the Bank Zha Zhongmin.
The majority of the Risk Committee consists of independent members	Yes	The Risk Management Committee includes: Chairman of the Committee - Deputy Chairman of the Supervisory Board of the Bank WEN Yuanhua; Committee members: - Chairman of the Supervisory Board of the Bank YAN Dongshen; - representative of the Limited Liability Company "BOCE (HONG KONG) Co. Limited") XUI

		Honghong. The duties of the secretary of the Risk Management Committee are entrusted to the Corporate Secretary of the Bank - Maryna VERES.
4. Executive body		
The executive body develops the person's strategy, which is approved by the decision of the Supervisory Board	Yes	
The Supervisory Board determines key performance indicators for the Executive Body to track progress in achieving the individual's goals	Yes	
The executive body regularly reports to the Supervisory Board on progress in implementing the entity's strategy	Yes	
The executive body informs the chairman of the Supervisory Board about any significant events that occurred between meetings of the Supervisory Board	Yes	
5. Board of Directors		
The report of the Board of Directors contains an assessment of its activities, information on the internal structure, procedures used in decision-making by the Board of Directors, including information on the impact of the Board of Directors' activities on the financial and economic activity of the entity		The Bank does not have a Board of Directors. The Bank has a two-level management structure
The Board of Directors consists of non-executive directors, the majority of whom are independent directors		
Representatives of one of the gender make up at least 40% of the Board of Directors		
The position of head (chief executive director) of a person and chairman of the Board of Directors are separate		
The rights and duties of executive directors and non-executive directors, as well as non-executive directors, are clearly divided among themselves according to internal documents by persons		
The Board of Directors has established committees on appointment, remuneration, audit, the competence and procedure of which are determined by internal regulations and the majority of which are non-executive directors		
Independent non-executive directors make up the majority of the appointment, remuneration, and audit committees		
6. Remuneration		
The remuneration of members of the board and the executive body is determined based on and corresponds to market indicators in the industry for this type of person	Yes	
The size of the remuneration for the executive body is related to the results of the individual's activity	Yes	
The remuneration of board members (non-executive directors) is fixed and does not depend on the person's	Yes	

achievement of financial indicators		
7. Disclosure and transparency		
The person has an approved and published policy on disclosure of information, which defines the information that the person must disclose	No	The Bank has not approved a separate policy on information disclosure. The Bank determines the information that is disclosed and made public in accordance with current legislation. Types of such information are given in various internal bank documents.
The board (non-executive directors of the Board of Directors) supervises the executive body (executive directors of the Board of Directors) in the preparation of financial statements and ensures the preparation of financial statements of the entity in accordance with current legislation and international financial reporting standards	Yes	
The individual's website address contains a separate section dedicated exclusively to corporate governance issues	Yes	
8. Control system and ethical standards		
The entity has an internal control system that corresponds to the "three defence lines" model	Yes	
The board (non-executive directors of the Board of Directors) has mechanisms of internal control of the entity, being able to involve an internal auditor and an external auditor	Yes	
The compliance and risk management function is accountable to the board (non-executive directors of the Board of Directors)	Yes	
Risk management policy has been approved in the entity	Yes	
Entity has an approved Risk Appetite Statement	Yes	
Board (non-executive directors of the Board of Directors) reviews the risk management report	Yes	
Code of Ethics has been approved and published in the entity	Yes	
The entity is provided with the opportunity to anonymously and safely report illegal or unethical behaviour	Yes	
Policy on the prevention of corruption has been approved and made public in the entity	Yes	
The entity approved and published a policy on conflict of interest, which covers the following issues: a) conflict of interest, prevention and management of conflict of interest; b) transactions involving interest; c) insider trading; and d) abuse of office	No	All these issues are defined in the Bank's approved Charter, Code of Conduct (Ethics) and the Bank's Conflict of Interest Prevention, Detection and Management Policy.
9. Assessment of corporate governance		
The entity has a formalized procedure for the annual self-evaluation of council members	Yes	
Based on the results of the annual self-assessment of the board members, an action plan is developed to improve the efficiency of the board members' work and corporate governance practices	Yes	

Every three years, a comprehensive assessment of the corporate governance system is conducted with the involvement of an independent external expert	No	The assessment of the Bank's corporate governance system is carried out annually as part of an external audit
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Part 2. Information on general meetings of shareholders (participants) and a general description of decisions made at such meetings During 2023, 9 meetings of general meetings of shareholders (participants) were convened, of which 9 took place.

Date of holding	February 03, 2023 No. 1/2023
Method of holding	X polling (remote)
Entity whose meeting was held ⁴¹	The General Meeting was held in accordance with the article 60 of the Law on Joint Stock Companies. According to the first part of Article 60 of the Law of Ukraine “On Joint Stock Companies”, the provisions of Articles 40-57 of this Law regarding the procedure for convening and holding general meetings of shareholders do not apply to a company with one shareholder. In accordance with Article 60 of the Law of Ukraine “On Joint-Stock Companies”, the powers of the Bank’s general meeting of shareholders are exercised by the Bank’s sole shareholder. This decision has the status of the minutes of the general meeting of shareholders in accordance with Article 60 of the Law of Ukraine “On Joint-Stock Companies”.
Agenda items and adopted decisions:	
Agenda item 1: About the re-election of the Independent Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development".	Decision adopted: 1. Re-elect the following Independent member of the Supervisory Board of the Bank for a new term of 1 year: 1) Zha Zhongmin - Member of the Supervisory Board - Independent Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development";
Agenda item 2: On the approval of the terms of the civil law contract to be concluded with the Independent Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development", the election of a person authorized to sign the civil law contract with the Independent Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development".	Decision adopted: 2. To approve the terms of the civil law contract with the Independent Member of the Supervisory Board of the JSC "Ukrainian Bank for Reconstruction and Development" Zha Zhongmin in the form according to Appendix 1. To establish that the services provided by the specified person JSC "Ukrainian Bank for Reconstruction and Development" are provided free of charge during the entire period of his stay as a member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development". 2.1. To elect the Chairman of the Management Board Oleg LOKTIONOV as an authorized person, who is authorized to sign on behalf of JSC "Ukrainian Bank for Reconstruction and Development" a civil law contract with the Independent Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" Zha Zhongmin.
URL of the General Meeting Minutes:	https://ubrr.com.ua/emitentreports

Date of holding	March 17, 2023 No. 2/2023	
Method of holding	X polling (remote)	
Entity whose meeting was held	The General Meeting was held in accordance with the article 60 of the Law on Joint Stock Companies. According to the first part of Article 60 of the Law of Ukraine "On Joint Stock Companies", the provisions of Articles 40-57 of this Law regarding the procedure for convening and holding general meetings of shareholders do not apply to a company with one shareholder.	

	In accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies", the powers of the Bank's general meeting of shareholders are exercised by the Bank's sole shareholder. This decision has the status of the minutes of the general meeting of shareholders in accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies".
Agenda items and adopted decisions:	
Agenda item 1: On the re-election of the Chairman, Deputy Chairman and members of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development".	Decision adopted: 1. Re-elect the following members of the Bank's Supervisory Board for a new term of 1 (one) year: 1) YAN Dongshen - Chairman of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" (representative of "BOCE (HONG KONG) CO., LIMITED" LIMITED LIABILITY COMPANY); 2) Wen Yuanhua - Deputy Chairman of the Supervisory Board - independent Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development"; 3) Ruslan OSYPENKO - independent Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development". 4) Xu Honghong – Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" (representative of the LIMITED LIABILITY COMPANY "BOCE (HONG KONG) CO., LIMITED"). 1.1. The Supervisory Board of the Bank is considered to be formed in the following composition: 1) YAN Dongshen – Chairman of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" (representative of "BOCE (HONG KONG) CO., LIMITED" LIMITED LIABILITY COMPANY); 2) WEN Yuanhua - Deputy Chairman of the Supervisory Board - independent Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development"; 3) Ruslan OSYPENKO - Member of the Supervisory Board - independent Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development"; 4) Zha Zhongmin - independent Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" (elected by Minutes No. 1/2023 dated 03/02/2023); 5) Xu Honghong – Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" (representative of the LIMITED LIABILITY COMPANY "BOCE (HONG KONG) CO., LIMITED").
Agenda item 2: On approving the terms of civil law contracts to be concluded with the Chairman, Deputy Chairman and members of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development", establishing the amount of their remuneration, electing a person authorized to sign civil law contracts with	Decision adopted: 2. Approve the terms of civil law contracts with the Chairman, Deputy Chairman of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" and Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" Xu Honghong in the form according to Appendices 1, 2, 3. To establish that the services provided by the specified persons of the Bank are provided free of charge during the entire period of their stay as part of the Supervisory Board of the Bank.

the Chairman, Deputy Chairman and by members of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development".	2.1. Approve the terms of the civil-legal contract with the independent Member of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" - Ruslan OSYPENKO in the form according to Appendix 4. To establish that the services provided by the specified person to the Bank are provided on a paid basis in accordance with the terms of the approved civil-legal contract with him. 2.2. To authorize the Chairman of the Management Board Oleh LOKTIONOV to sign on behalf of JSC "Ukrainian Bank for Reconstruction and Development" a civil law contract with the Chairman of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development". 2.3. To authorize the Chairman of the Supervisory Board Yan Dongsheng to sign on behalf of JSC "Ukrainian Bank for Reconstruction and Development" civil law contracts with the Deputy Chairman and members of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development".
URL of the General Meeting Minutes:	https://ubrr.com.ua/emitentreports

Date of holding	March 23, 2023 No. 3/2023
Method of holding	X polling (remote)
Entity whose meeting was held⁴¹	The General Meeting was held in accordance with the article 60 of the Law on Joint Stock Companies. According to the first part of Article 60 of the Law of Ukraine "On Joint Stock Companies", the provisions of Articles 40-57 of this Law regarding the procedure for convening and holding general meetings of shareholders do not apply to a company with one shareholder. In accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies", the powers of the Bank's general meeting of shareholders are exercised by the Bank's sole shareholder. This decision has the status of the minutes of the general meeting of shareholders in accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies".
Agenda items and adopted decisions:	
Agenda item 1: On the approval of the new version of the document "Regulations on the system of evaluation of the activities of the Supervisory Board and the Board, committees of the Supervisory Board and the Board, control units in JSC "Ukrainian Bank for Reconstruction and Development" (Appendix 1).	Decision adopted: 1. To approve the document "Regulations on the system of evaluation of the activities of the Supervisory Board and the Management Board, committees of the Supervisory Board and the Management Board, control units in JSC "Ukrainian Bank for Reconstruction and Development" in the new edition (Appendix 1).
URL of the General Meeting Minutes:	https://ubrr.com.ua/emitentreports

Date of holding	March 31, 2023 No. 4/2023
Method of holding	X polling (remote)
Entity whose meeting was held⁴¹	The General Meeting was held in accordance with the article 60 of the Law on

	Joint Stock Companies. According to the first part of Article 60 of the Law of Ukraine "On Joint Stock Companies", the provisions of Articles 40-57 of this Law regarding the procedure for convening and holding general meetings of shareholders do not apply to a company with one shareholder. In accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies", the powers of the Bank's general meeting of shareholders are exercised by the Bank's sole shareholder. This decision has the status of the minutes of the general meeting of shareholders in accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies".
Agenda items and adopted decisions:	
Agenda item 1: On consideration and approval of the assessment of the effectiveness of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" (Appendix 1).	Decision adopted: 1. To approve the evaluation of the effectiveness of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" (Appendix 1).
URL of the General Meeting Minutes:	https://ubrr.com.ua/emitentreports

Date of holding	April 27, 2023 No. 5/2023
Method of holding	X polling (remote)
Entity whose meeting was held⁴¹	The General Meeting was held in accordance with the article 60 of the Law on Joint Stock Companies. According to the first part of Article 60 of the Law of Ukraine "On Joint Stock Companies", the provisions of Articles 40-57 of this Law regarding the procedure for convening and holding general meetings of shareholders do not apply to a company with one shareholder. In accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies", the powers of the Bank's general meeting of shareholders are exercised by the Bank's sole shareholder. This decision has the status of the minutes of the general meeting of shareholders in accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies".
Agenda items and adopted decisions:	
Agenda item 1: 1. On consideration and adoption of a decision based on the results of consideration of the report of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" for 2022 (Appendix 1)	Decision adopted: 1. To approve the report of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" for 2022. According to the results of the review of the Report of the Supervisory Board, recognize the activity of the Supervisory Board at a sufficient level.
Agenda item 2: 2. On approval of the annual report (annual financial statements) of JSC "Ukrainian Bank for Reconstruction and Development" for 2022, and approval of the Management Report (management report) of JSC "Ukrainian Bank for Reconstruction and Development" for 2022	Decision adopted: 2. To approve the annual report (annual financial statements) of JSC "Ukrainian Bank for Reconstruction and Development" for 2022 and the Management Report (management report) of JSC "Ukrainian Bank for Reconstruction and Development" for 2022.

(Appendix 2).	
Agenda item 3: 3. On consideration and approval of the report of the Bank's external independent auditor (auditing firm) for 2022 and approval of measures based on the results of review (Appendix 3).	Decision adopted: 3. Approve the Report of the external independent auditor, Audit firm RSM Ukraine based on the results of the audit of the annual financial statements of JSC "Ukrainian Bank for Reconstruction and Development" for the year 2022, which includes the auditor's opinion and the annual financial statements of JSC "Ukrainian Bank for Reconstruction and Development" for the year, which ended on December 31, 2022 without comments or additional measures.
Agenda item 4: 4. On the distribution of profits and coverage of losses of JSC "Ukrainian Bank for Reconstruction and Development" based on the results of work in 2022 (Appendix 4).	Decision adopted: 4. To approve the amount of loss received by JSC "Ukrainian Bank for Reconstruction and Development" based on the results of the Bank's work in 2022 in the amount of UAH 23,226,150.67 and account for them until the order and sources of coverage are determined. In connection with the lack of profit from the results of the activities of JSC "Ukrainian Bank for Reconstruction and Development" in 2022 and the undistributed profit of JSC "Ukrainian Bank for Reconstruction and Development" in previous years, the distribution of profit, accrual and payment of dividends on the shares of JSC "Ukrainian Bank for Reconstruction and Development" development" for 2022 will not be implemented.
Agenda item 5: 5. On the approval of the Report on the remuneration of members of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" for 2022 (Appendix 5).	Decision adopted: 5. To approve the report on the remuneration of members of the Supervisory Board of JSC "Ukrainian Bank for Reconstruction and Development" for 2022.
Agenda item 6: 6. About notifications about persons whose professional activity has a significant impact on the Bank's overall risk profile.	Decision adopted: 6. To take note of the notification of the absence of persons whose professional activity has a significant impact on the Bank's overall risk profile.
URL of the General Meeting Minutes:	https://ubrr.com.ua/emitentreports

Date of holding	April 28, 2023 No. 6/2023
Method of holding	X polling (remote)
Entity whose meeting was held⁴¹	The General Meeting was held in accordance with the article 60 of the Law on Joint Stock Companies. According to the first part of Article 60 of the Law of Ukraine "On Joint Stock Companies", the provisions of Articles 40-57 of this Law regarding the procedure for convening and holding general meetings of shareholders do not apply to a company with one shareholder. In accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies", the powers of the Bank's general meeting of shareholders are exercised by the Bank's sole shareholder. This decision has the status of the minutes of the general meeting of shareholders in accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies".
Agenda items and adopted decisions:	
Agenda item 1: 1. On granting consent to the Chairman of the Board of the Bank Oleh LOKTIONOV for the period up to	Decision adopted: 1. Give consent to the Chairman of the Board of the Bank, Oleh LOKTIONOV for the period until 28/04/2024 from the date of adoption of this decision, to perform significant transactions for the following operations by the Bank:

28/04/2024 from the date of adoption of this decision, to perform significant transactions for the following operations by the Bank:	a) for the Bank's participation in the tender(s) for placement of certificates of deposit of the National Bank of Ukraine (overnight) so that the total amount of the Bank's current agreements for placement of certificates of deposit of the National Bank of Ukraine (overnight) does not exceed UAH 150,000,000.00, which is 54.212% of the value of the Bank's assets according to the latest annual financial statements.
a) for the Bank's participation in the tender(s) for placement of certificates of deposit of the National Bank of Ukraine (overnight) in such a way that the total amount of the Bank's current agreements for placement of certificates of deposit of the National Bank of Ukraine (overnight) does not exceed UAH 150,000,000.00,	b) for the Bank's participation in the tender(s) for the placement of certificates of deposit of the National Bank of Ukraine (with a term of more than overnight) in such a way that the total amount of the Bank's current agreements regarding the Bank's participation in the tender(s) for the placement of certificates of deposit of the National Bank of Ukraine (with a term of more than overnight) did not exceed UAH 150,000,000.00, which is 54.212% of the value of the Bank's assets according to the latest annual financial statements.
b) for the Bank's participation in the tender(s) for the placement of certificates of deposit of the National Bank of Ukraine (with a term of more than overnight) in such a way that the total amount of the Bank's current agreements regarding the Bank's participation in the tender(s) for the placement of certificates of deposit of the National Bank of Ukraine (with a term of more than overnight) did not exceed UAH 150,000,000.00.	
URL of the General Meeting Minutes:	https://ubrr.com.ua/emitentreports

Date of holding	June 05, 2023 No. 7/2023
Method of holding	X polling (remote)
Entity whose meeting was held⁴¹	The General Meeting was held in accordance with the article 60 of the Law on Joint Stock Companies. According to the first part of Article 60 of the Law of Ukraine "On Joint Stock Companies", the provisions of Articles 40-57 of this Law regarding the procedure for convening and holding general meetings of shareholders do not apply to a company with one shareholder. In accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies", the powers of the Bank's general meeting of shareholders are exercised by the Bank's sole shareholder. This decision has the status of the minutes of the general meeting of shareholders in accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies".
Agenda items and adopted decisions:	
Agenda item 1: 1. On granting consent to the Chairman of the Board of the Bank, Oleh LOKTIONOV, or a person authorized by him, for the period until 05/06/2024 from the date of adoption of this decision, to perform significant transactions for the following operations by the Bank:	Decision adopted: 1. Give consent to the Chairman of the Board of the Bank, Oleh LOKTIONOV, or a person authorized by him, for the period until 05/06/2024 from the date of adoption of this decision, to perform significant transactions for the following operations by the Bank: 1) purchase and/or sale by the Bank of bonds of domestic state loans of Ukraine (DSLБ) in such a way that the total amount of transactions concluded by the

following operations by the Bank: 1) purchase and/or sale by the Bank of bonds of domestic state loans of Ukraine in such a way that the total amount of transactions concluded by the Bank during 1 banking day does not exceed UAH 100,000,000.00, which is 36.141399% of the value of the Bank's assets according to the latest annual financial statements.	Bank during 1 banking day does not exceed UAH 100,000,000.00, which is 36.141399% of the value of the Bank's assets according to the latest annual financial statements.
URL of the General Meeting Minutes:	https://ubrr.com.ua/emitentreports

Date of holding	June 28, 2023 No. 8/2023
Method of holding	X polling (remote)
Entity whose meeting was held⁴¹	The General Meeting was held in accordance with the article 60 of the Law on Joint Stock Companies. According to the first part of Article 60 of the Law of Ukraine “On Joint Stock Companies”, the provisions of Articles 40-57 of this Law regarding the procedure for convening and holding general meetings of shareholders do not apply to a company with one shareholder. In accordance with Article 60 of the Law of Ukraine “On Joint-Stock Companies”, the powers of the Bank's general meeting of shareholders are exercised by the Bank's sole shareholder. This decision has the status of the minutes of the general meeting of shareholders in accordance with Article 60 of the Law of Ukraine “On Joint-Stock Companies”.
Agenda items and adopted decisions:	
Agenda item 1: 1. On granting consent to the Chairman of the Board of the Bank, Oleh LOKTIONOV, or a person authorized by him, for the period up to 28/06/2024 from the date of adoption of this decision, to perform significant transactions for the following operations by the Bank: a) for the Bank's participation in the tender(s) for placement of certificates of deposit of the National Bank of Ukraine (overnight) in such a way that the total amount of the Bank's current agreements for placement of certificates of deposit of the National Bank of Ukraine (overnight) does not exceed UAH 300,000,000.00, b) for the Bank's participation in the tender(s) for the placement of certificates of deposit of the National Bank of Ukraine (with a term of more than overnight) in such a way that the	Decision adopted: 1. Give consent to the Chairman of the Board of the Bank, Oleh LOKTIONOV, or a person authorized by him, for the period until 28/06/2024 from the date of adoption of this decision, to perform significant transactions for the following operations by the Bank: a) for the Bank's participation in the tender(s) for placement of certificates of deposit of the National Bank of Ukraine (overnight) in such a way that the total amount of the Bank's current agreements for placement of certificates of deposit of the National Bank of Ukraine (overnight) does not exceed UAH 300,000,000.00, which is 108.424198% of the value of the Bank's assets according to the latest annual financial statements. b) for the Bank's participation in the tender(s) for the placement of certificates of deposit of the National Bank of Ukraine (with a term of more than overnight) in such a way that the total amount of the Bank's current agreements regarding the Bank's participation in the tender(s) for the placement of certificates of deposit of the National Bank of Ukraine (with a term of more than overnight) did not exceed UAH 300,000,000.00, which is 108.424198% of the value of the Bank's assets according to the latest annual financial statements.

total amount of the Bank's current agreements regarding the Bank's participation in the tender(s) for the placement of certificates of deposit of the National Bank of Ukraine (with a term of more than overnight) did not exceed UAH 300,000,000.00.	
URL of the General Meeting Minutes:	https://ubrr.com.ua/emitentreports

Date of holding	December 6, 2023 No. 9/2023
Method of holding	X polling (remote)
Entity whose meeting was held⁴¹	The General Meeting was held in accordance with the article 60 of the Law on Joint Stock Companies. According to the first part of Article 60 of the Law of Ukraine "On Joint Stock Companies", the provisions of Articles 40-57 of this Law regarding the procedure for convening and holding general meetings of shareholders do not apply to a company with one shareholder. In accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies", the powers of the Bank's general meeting of shareholders are exercised by the Bank's sole shareholder. This decision has the status of the minutes of the general meeting of shareholders in accordance with Article 60 of the Law of Ukraine "On Joint-Stock Companies".
Agenda items and adopted decisions:	
Agenda item 1: 1. On amending the Charter of the Joint-Stock Company "Ukrainian Bank for Reconstruction and Development" and approving the new version thereof.	Decision adopted: 1. To amend the Bank's Charter in accordance with the requirements of the new Law No. 2465-IX dated 27/07/2022 "On joint-stock companies", which entered into force on 01/01/2023, and approve the new version of the Charter of the "Ukrainian Bank for Reconstruction and Development" Joint-Stock Company. 2. To authorize the Chairman of the Board of the Joint-Stock Company "Ukrainian Bank for Reconstruction and Development" Oleh Yuriiovych Loktionov to sign the Charter of the Joint-Stock Company "Ukrainian Bank for Reconstruction and Development" in the new edition.
URL of the General Meeting Minutes:	https://ubrr.com.ua/emitentreports

Part 3. Information on meetings of bondholders and a general description of decisions made at such meetings: _ _ _
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Part 4. Board

Table 1.

Personal composition of the council and its committees

Name of the board member, term of office in the reporting period	RNOKPP (registration number of taxpayer record card)	UNZR (unique record number in the register)	Chairman / Deputy Chairman of the Council	Chairman / member of the board committee		
				Audit Committee	Risk Management Committee	Appointments and Remuneration Committee
Yan Dongsheng	-		X	V	V	
Wen Yuanhua	-		Y		X	
Ruslan Anatoliiovych	-			V		X

OSYPENKO						
Zha Zhongmin	-			X		V
Xu Honghong	-				V	V

X - to indicate the Chairman of the Board; Y - for the Deputy Chairman of the Board.

X - the head of the committee; V - the committee member.

Table 2.

Information about the held meetings of the Board and a general description of the decisions made

The number of council meetings in the reporting period:	39
including with personal presence:	2
including without personal presence:	37
Description of the key decisions of the council:	- making changes to the organizational structure; - termination of powers and/or appointment of a responsible employee for financial monitoring; - consideration and approval of commercial proposals of subjects of evaluation activities regarding the conduct of an independent evaluation; - review and submission of financial statements for approval by the Sole Shareholder; - appointment and dismissal, approval of the terms of the employment contract with the members of the Management Board; - on the establishment of restrictions on the powers of the Bank's Management Board to conclude certain types of transactions; - acceptance for approval of internal normative documents; - review and approval of reports of committees under the Supervisory Board, reports on the implementation of the Bank's budget and capital investment plan, and others; - approval of the assessment of the effectiveness of the Board, control sub-divisions - the activities of the Internal Audit Service, the selection of an external auditor for the audit of the Bank's financial statements for 2023 were considered. - review and approval of risk reports.

Table 3.

Information about the held meetings of the council's committees and a general description of the decisions made

	Audit Committee	Risk Management Committee	Appointments and Remuneration Committee
The number of board committee meetings in the reporting period:	11	5	12
including with personal presence:	-	-	-
including without personal presence:	11	5	12
Description of key decisions of the board committee:	- consideration of reports based on the results of inspections by the Bank's Internal Audit Service; - Consideration and submission to the	- consideration of reports on risks and results of the Bank's activity; - review of reports on the Bank's compliance risk assessment;	- approving the assessment of the effectiveness of the Board, Board committees, Supervisory Board

	Supervisory Board of the independent auditor's report; - selection of an external auditor and approval of the Tender documentation regarding the selection of the subject of audit activity; - consideration of reports on the work of the Audit Committee; - consideration of the SMC reports	- consideration of the Report on the implementation of the budget and capital investment plan by the Bank; - consideration and provision of recommendations to the Supervisory Board regarding the approval of the Bank's internal documents on risk management;	- committees, and the Bank's control units; - approval and/or increase of the Bank's employees' remuneration budget, establishment of the variable part of the Bank's employees' remuneration; - consideration of candidates for the position of head of the financial monitoring department, responsible employee of financial monitoring and head of the Compliance Department / Chief Compliance Officer (CCO); - consideration of the Conclusion on the results of the verification of the compliance of managers and the chief risk manager, the chief compliance manager, the responsible employee of financial monitoring, the head of the internal audit division of the Bank with the qualification requirements, and the independent directors of the Bank with the independence requirements
Assessment of the independence of audit entities that provide statutory audit services	The issue of consideration of the received tenders and the selection of an external auditor for the audit of the Bank's financial statements for 2023 was approved by Minutes No. 7 of the Audit Committee under the Supervisory Board dated 01/09/2023, in particular, the Report on the conclusions of the	-	-

	procedure for selecting audit firms for the external audit of JSC's financial statements was approved "Ukrainian Bank for Reconstruction and Development" for 2023 according to proposals received from auditing companies		
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Report of the Supervisory Board in accordance with sub-paragraph 15 of paragraph 9.6.3. of the Charter of the Bank will be adopted by a separate decision of the Supervisory Board and approved by the Decision of the Single Shareholder during the annual shareholders' meeting. The content of the report will be posted on the Bank's website at <https://ubrr.com.ua/corporate-governance>

Part 5. Bank's Management Board (executive body)

Table 1.

Personnel of the Bank's Management Board (collegial executive body) and its committees

Name of the member of the executive body, term of office in the reporting period	RNOKPP (registration number of taxpayer record card)	UNZR (unique record number in the register)	Chairman / deputy chairman of the executive body	Chairman / member of the committee of the executive body		
				Committee for the management of assets and liabilities of the Bank	Bank Credit Committee	Product and Tariff Committee of the Bank
Oleh Yuriiovych Laktionov (Chairman of the Executive Board)		-	X	X	V	-
Vasyl Valeriiiovych Tretiakov		-	Y	V	V	V
Olha Petrivna Usenko		-	Y (X-35 calendar days)	V	X	X
Leung Ka Man		-	-	-	-	-
Tetiana Lvivna Sylenko (09/02/2023-14/09/2023)	-	-	-	V	Y	V

Table (continued)

Name of the member of the executive body, term of office in the reporting period	Chairman / member of the committee of the executive body		
	Procurement Committee	Information Security Committee	Bank Operational risks Committee
Oleh Yuriiovych Laktionov (Chairman of the Executive Board)	-	X	-
Vasyl Valeriiiovych Tretiakov	-	-	X
Olha Petrivna Usenko	-	-	-
Leung Ka Man (09/02/2023-14/09/2023)	-	-	-
Tetiana Lvivna Sylenko	-	-	-

X - to indicate the Chairman of the Board; Y - for the Deputy Chairman of the Board.
X - the head of the committee; V - the committee member.

Table 2.

Information about the held meetings of the collegial executive body and a general description of the decisions made	
Number of Board meetings in the reporting period	52
Including with personal presence:	52
Including without personal presence:	-
Description of the key decisions of the council:	- regarding the management of the current activities of the Bank and issues that required further submission to the consideration of the Supervisory Board of the bank/General Meeting of Shareholders (granting the Chairman of the Management Board the authority to conclude contracts regarding the disposal of the Bank's property for 2023, approval of the staff list and appointment of variable parts of remuneration); - approval of internal bank regulations; - review and approval of financial and management reporting; - review of operational/compliance risk incidents registered in the Database; - issues related to the prevention and countermeasures against the legalization (laundering) of proceeds obtained through crime, the financing of terrorism, the financing of the proliferation of weapons of mass destruction, and the taking of necessary measures by the Bank; - determination of the list of persons related to the Bank; - review and approval/approval of intra-bank documents; - consideration of reports on risks and results of the Bank's compliance-risk activity
	-

Table 3.

Information on the held meetings of the committees of the collegial executive body and a general description of the decisions made

	Committee for the management of assets and liabilities of the Bank	Bank Credit Committee	Product and Tariff Committee of the Bank
Number of board committee meetings ⁵⁷ in the reporting period	70	37	16
Including with personal presence:		6	2
Including without personal presence:	70	31	14
Description of key decisions of the board committee:	- consideration of issues regarding the main financial indicators of the Bank's work; - consideration of issues regarding the main financial indicators of the Bank's work; - approval of parameter ranges (limit indicators) of banking services; - making a decision on the conditions for attracting bank deposits of legal	- setting limits on active operations with counterparty banks; - purchase/sale of bonds of domestic state loans of Ukraine (DSLБ); - classification and determination of the amount of credit risk and expected credit losses for the bank's financial assets (and securities, credit transactions, cash on accounts in other banks, receivables);	- making changes to the current cash and settlement service tariff packages for the Bank's clients; - setting individual tariffs; - making changes to existing products.

	entities, which differ from the standard ones, taking into account the requirements and restrictions established by the current legislation, in particular for transactions with persons related to the Bank; - consideration of the results of risk stress testing and approval of measures to minimize the risks of the structure of assets and liabilities.	- consideration of the financing of legal entities; - consideration of reports on the analysis of business models of financial asset management; - approval of the classification categories of the Bank's financial assets based on the results of the SPPI tests; - write-off of receivables from balance and off-balance accounts; - formation of valuation reserve for receivables.	
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	Procurement Committee	Information Security Committee	Bank Operational risks Committee
Number of board committee meetings ⁵⁷ in the reporting period	7	3	14
Including with personal presence:	7	0	14
Including without personal presence:	-	3	-
Description of key decisions of the board committee:	- regarding the conclusion of the Agreement between T18 LLC; - regarding the conclusion of the Contract for the repair of the engine of the Bank's diesel generator; - regarding the conclusion of the Agreement for the supply of equipment, software products and the provision of related services No. 1206-2023/SP with WISE IT LLC; - regarding the performance of work on the security of the	- consideration of the SWIFT information (cyber) security deficiencies elimination plan; - discussion of the issue of backup space in data storage and processing centres (DPC) in the European Union countries; - reviewing the relevance of the "Backup Policy"; - consideration of the "Report on the state of workstation network protection"; - adoption of the "Information Security Policy (new edition)"	- approval of reports on the level of operational risk

	Bank's premises		
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Report of the Board (executive body):

The Management Board's report will be adopted by a separate decision of the Bank's Management Board and, after approval by the Supervisory Board, will be posted on the Bank's website at <https://ubrr.com.ua/corporate-governance>

Part 6. Information about the corporate secretary, as well as a report on the results of his/her activities

Name	Maryna Anatoliivna Veres
RNOKPP (registration number of taxpayer record card)	2875903069
UNZR (unique record number in the register)	-
Documents regulating the activities of the corporate secretary	Requirements for the corporate secretary of a joint-stock company, approved by the Decision of the National Securities and Stock Market Commission No. 1089 dated 28/09/2023, the Bank's Charter, Regulation on the Service of the Corporate Secretary of the Joint-Stock Company "Ukrainian Bank for Reconstruction and Development"
The governing body that made the decision to appoint the corporate secretary	Supervisory Board
Date and number of the decision on the appointment of the corporate secretary	Minutes of the meeting of the Supervisory Board No. 20/22 dated August 22, 2022
Date and number of the decision on approval of the report of the corporate secretary for the reporting period	The corporate secretary reports on his/her activities to the Supervisory Board on a quarterly basis, the number of the latest Minutes of the Supervisory Board, which approved the report of the corporate secretary for the 4 th quarter of 2023: No. 6/2024 dated 29/02/2024
The main provisions of the report on the results of the activities of the corporate secretary for the reporting period	The main duties and actions of the corporate secretary (CS) during 2023: Number of Supervisory Board (SB) meetings held The number of ordinary and extraordinary general meetings of shareholders (GMS) held Support and development of corporate processes Support of corporate communications Translations Professional development

Part 7. Description of the main characteristics of the entity's internal control systems, as well as a list of the entity's structural subdivisions that carry out key responsibilities for ensuring the operation of internal control systems

1	2
The internal control system provides a model of three defence lines Yes/No	yes
Description of the functions of the units of the first defence line and a list of key units	At the level of business units and support units of the Bank's activities. These divisions initiate, carry out or reflect operations, accept risks in the course of their activities and are responsible for the current management of these risks, carry out control measures.
List of units and description of functions of units of the second	At the level of the Risk Management Department

defence line	and the Compliance Department, the minimum requirements for the activities of which are established in Regulation No. 64. These divisions provide confidence to the Bank's managers that the risk control and management measures implemented by the first defence line have been developed and are functioning properly.
List of units and description of functions of units of the third defence line	At the level of the Internal Audit Service, which carries out an independent assessment of the effectiveness of the first and second defence lines and a general assessment of the effectiveness of the internal control system.
Availability of an approved document(s) that(s) determine(s) the policy of the internal control system (including regarding the compliance system and internal audit)	Yes
List of main internal documents regarding the internal control system (including regarding the compliance and internal audit system)	1. Regulations on the organization of internal control. 2. Risk management strategy. 3. Risk Appetite Statement. 4. Compliance risk management policy. 5. Operational risk management policy, including ICT risk and information security risk. 6. Credit risk management policy and procedures. 7. Liquidity risk management policy and procedures. 8. Market risk management policy and procedures. 9. Interest rate risk management policy and procedures. 10. Strategic risk management policy. 11. Compliance risk management policy of financial monitoring/risks of ML/FT 12. Business continuity plan. 13. Funding plan in crisis situations. 14. Business recovery plan. 15. Procedures and procedure for internal audit in the Bank.
Date and number of the decision to approve the report on the internal control system (including compliance risks)	The report on the SMC and the report on the compliance of risks are submitted to the Supervisory Board for consideration by the relevant departments on a quarterly basis. In advance, the Audit Committee of the Supervisory Board of the bank examines the SMC Report, and the Report on Compliance Risks is examined by the Risk Management Committee of the Supervisory Board. The number of the last Minutes of the Supervisory Board, which approved the report on SMC and compliance risks for the 4th quarter of 2023: No. 6/2024 dated 29/02/2024
Main provisions of the internal control system report (including compliance risks)	The main provisions of the internal control system report:

	- shortcomings of the internal control system that were discovered during the monitoring period - causes of internal control system deficiencies - the likely consequences that the identified deficiencies may lead to - proposals for reducing risks and improving the effectiveness of the Bank's internal control system. The main provisions of the compliance risk report: - significant changes in legislation and their potential consequences for the Bank - products, activities and processes with significant and critical risk - detected violations, cases of unreliable reporting, illegal activity, conflicts of interest - sanctions/negative consequences from violations, inaccurate reporting, illegal activities, conflicts of interest - external and internal compliance training - general assessment of the Bank's compliance risk - external compliance risk information.
Availability of an approved Risk Appetite Statement	Yes
Description of the main provisions of the Risk Appetite Statement	The document meets the requirements of NBU Resolution No. 64 dated 11/06/2018. Risk map, a map of authority limits, risk appetite indicators are defined, namely: - the basic principles and principles on which risk appetite indicators are based; - three levels of risk-appetite values; - significant risks; - types of risks that the Bank should avoid; - qualitative indicators of risk appetite; - internal control and reporting system; - functions of supervisory and management bodies, as well as structural divisions of the Bank in the process of establishing and observing risk appetite indicators; - factors and limitations of risk acceptance.
The name of the body that made the decision to approve the Risk Appetite Statement	Supervisory Board of the Bank
Date and number of the decision on approval of the Risk Appetite Statement	No. 3/2022 dated 02/02/2022

Part 8. Information about persons who directly or indirectly own a significant part of the entity's shares

Name or full name of the shareholder	RNOKPP (registration number of taxpayer record card)	UNZR (unique record number in the register)	The size of a significant block of shares	The size of the share package in direct and (indirect) ownership
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BOCE (HONG KONG) CO., LIMITED	40977562		634,960 ordinary registered shares 100%	100% directly
BOCE (Hong Kong) Co., Limited	2400689		-	84.51% indirectly
Baoshi (Tianjin) Electronic Commerce Co., Ltd	91120118MA05K2LP42		-	84.51% indirectly
Tianjin Bohai Commodity Exchange Co., Ltd	911200006940710567		-	83.6649% indirectly
Khorgos Bo Xu Equity investment partnership	91654004MA779WTM7B		-	26.4215% indirectly
Yan Dongsheng	2561123519		-	100% indirectly
Dai Zhongyong	-	-	-	100% indirectly

Part 9. Information on any restrictions on the rights of participation and voting of shareholders (participants) at the general meeting of the entity

There are no restrictions on the participation and voting rights of shareholders (participants) at the general meeting. No data.

Part 10. Information on the procedure for appointment / dismissal of officials (except for the board and executive body) of the entity

There are no officials (except members of the Council and the Management Board) for whom decisions on appointment/dismissal were made by the Bank's bodies.

Part 11. Information on the remuneration of the members of the executive body and/or the board of the entity

Management body	Supervisory Board
The name of the member of the executive body / board of the person	a member of the management body forbade disclosure of the name
RNOKPP (registration number of taxpayer record card)	-
UNZR (unique record number in the register)	-
Position	Member of the Supervisory Board
Date of entry into office	27/06/2018
Amount of remuneration in national or foreign currency that was paid (to be paid) in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: 745 UAH thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Forms of payment of remuneration paid and/or to be paid in the reporting period and/or the decision on the payment of which was made in the reporting period	Paid: cashless Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Amount of the fixed part of the remuneration that was paid and/or should be paid in the reporting period	Paid: 745 UAH thousand Amount due: no decisions were adopted

and/or the decision on payment of which was made in the reporting period	Adopted decision on payment: no decisions were adopted
Amount of the variable part of the remuneration that was paid and/or should be paid in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: no decisions were adopted Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Performance evaluation criteria, according to which the variable part of the reward was calculated	The variable part of the reward was not paid
Information about remuneration or compensation to be disbursed in case of dismissal	There is no provision for remuneration or compensation to be paid in the event of dismissal
URL of the website of the person on which the reward report is posted	https://ubrr.com.ua/remuneration-report

Management body	Board
The name of the member of the executive body / board of the person	a member of the management body forbade disclosure of the name
RNOKPP (registration number of taxpayer record card)	
UNZR (unique record number in the register)	-
Position	Chairman
Date of entry into office	18/01/2010
Amount of remuneration in national or foreign currency that was paid (to be paid) in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: 1066 UAH thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Forms of payment of remuneration paid and/or to be paid in the reporting period and/or the decision on the payment of which was made in the reporting period	Paid: cashless Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Amount of the fixed part of the remuneration that was paid and/or should be paid in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: 924 UAH thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Amount of the variable part of the remuneration that was paid and/or should be paid in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: 142 UAH thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Performance evaluation criteria, according to which the variable part of the reward was calculated	KPI performance
Information about remuneration or compensation to be disbursed in case of dismissal	There is no provision for remuneration or compensation to be paid in the event of dismissal
URL of the website of the person on which the reward report is posted	https://ubrr.com.ua/remuneration-report

Management body	Board
The name of the member of the executive body / board of the person	a member of the management body forbade disclosure of the name
RNOKPP (registration number of taxpayer record card)	
UNZR (unique record number in the register)	-
Position	Deputy Chairman of the Board
Date of entry into office	05/05/2004 (approved by the NBU on 13/07/2004)
Amount of remuneration in national or foreign currency that was paid (to be paid) in the reporting	Paid: 1022 UAH thousand Amount due: no decisions were adopted

period and/or the decision on payment of which was made in the reporting period	Adopted decision on payment: no decisions were adopted
Forms of payment of remuneration paid and/or to be paid in the reporting period and/or the decision on the payment of which was made in the reporting period	Paid: cashless Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Amount of the fixed part of the remuneration that was paid and/or should be paid in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: 902 UAH thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Amount of the variable part of the remuneration that was paid and/or should be paid in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: 120 UAH thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Performance evaluation criteria, according to which the variable part of the reward was calculated	KPI performance
Information about remuneration or compensation to be disbursed in case of dismissal	There is no provision for remuneration or compensation to be paid in the event of dismissal
URL of the website of the person on which the reward report is posted	https://ubrr.com.ua/remuneration-report

Management body	Board
The name of the member of the executive body / board of the person	a member of the management body forbade disclosure of the name
RNOKPP (registration number of taxpayer record card)	
UNZR (unique record number in the register)	-
Position	Deputy Chairman of the Board
Date of entry into office	10/08/2022
Amount of remuneration in national or foreign currency that was paid (to be paid) in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: 719 UAH thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Forms of payment of remuneration paid and/or to be paid in the reporting period and/or the decision on the payment of which was made in the reporting period	Paid: cashless Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Amount of the fixed part of the remuneration that was paid and/or should be paid in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: 581 UAH thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Amount of the variable part of the remuneration that was paid and/or should be paid in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: UAH 138 thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Performance evaluation criteria, according to which the variable part of the reward was calculated	KPI performance
Information about remuneration or compensation to be disbursed in case of dismissal	There is no provision for remuneration or compensation to be paid in the event of dismissal
URL of the website of the person on which the reward report is posted	https://ubrr.com.ua/remuneration-report

Management body	Board
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The name of the member of the executive body / board of the person	a member of the management body forbade disclosure of the name
RNOKPP (registration number of taxpayer record card)	
UNZR (unique record number in the register)	-
Position	Member of the Board
Date of entry into office	09/08/2022
Amount of remuneration in national or foreign currency that was paid (to be paid) in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: UAH 700 thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Forms of payment of remuneration paid and/or to be paid in the reporting period and/or the decision on the payment of which was made in the reporting period	Paid: cashless Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Amount of the fixed part of the remuneration that was paid and/or should be paid in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: 596 UAH thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Amount of the variable part of the remuneration that was paid and/or should be paid in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: 104 UAH thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Performance evaluation criteria, according to which the variable part of the reward was calculated	KPI performance
Information about remuneration or compensation to be disbursed in case of dismissal	There is no provision for remuneration or compensation to be paid in the event of dismissal
URL of the website of the person on which the reward report is posted	https://ubrr.com.ua/remuneration-report

Management body	Board
The name of the member of the executive body / board of the person	a member of the management body forbade disclosure of the name
RNOKPP (registration number of taxpayer record card)	
UNZR (unique record number in the register)	-
Position	Deputy Chairman of the Board
Date of entry into office	09/02/2023
Amount of remuneration in national or foreign currency that was paid (to be paid) in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: 67 UAH thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Forms of payment of remuneration paid and/or to be paid in the reporting period and/or the decision on the payment of which was made in the reporting period	Paid: cashless Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Amount of the fixed part of the remuneration that was paid and/or should be paid in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: 67 UAH thousand Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Amount of the variable part of the remuneration that was paid and/or should be paid in the reporting period and/or the decision on payment of which was made in the reporting period	Paid: no decisions were adopted Amount due: no decisions were adopted Adopted decision on payment: no decisions were adopted
Performance evaluation criteria, according to which the variable part of the reward was calculated	no decisions were adopted
Information about remuneration or compensation to	There is no provision for remuneration or compensation to be

be disbursed in case of dismissal	paid in the event of dismissal
URL of the website of the person on which the reward report is posted	https://ubrr.com.ua/remuneration-report

Ratio of the average remuneration of a member of the executive body/council to the average remuneration of an employee: 2:1

The report on the remuneration of the Supervisory Board, the Management Board and influential persons will be approved after the date of approval of the financial statements and posted on the Bank's website.

Part 12. Information about the entity's disclosure policy

The Bank has not developed and adopted a policy on disclosure of information.

Part 13. Information about the advisor

The Bank does not have a person acting as a corporate rights advisor.

Part 14. Information from the subject of audit activity considering the requirements provided for in clause 45 of this Regulation Extract from the REPORT OF THE INDEPENDENT AUDITOR of RSM Ukraine LLC dated April 5, 2024

- we checked the reliability of the information provided in the Corporate Governance Report in accordance with clauses 1-4 of the third part of Article 127 of the Law of Ukraine "On Capital Markets and Organized Commodity Markets" No. 3480-IV dated February 23, 2006, and clauses 1-5 of Article 43 of Chapter II of Decision 608;
- in our opinion, the information specified in clauses 5-9 of the third part of Article 127 of the Law of Ukraine "On Capital Markets and Organized Commodity Markets" and the information specified in clauses 6-11 of Article 43 of Section II of Decision 608, namely: description of the main characteristics of the Bank's internal control and risk management systems, namely: description of the main characteristics of the Bank's internal control and risk management systems; a list of the Bank's structural divisions that carry out key responsibilities for ensuring the operation of internal control and risk management systems; a list of persons who directly or indirectly own a significant share of the Bank; information on the availability of the Bank's approved risk appetite declaration, as well as a description of the key provisions of the Bank's Risk Appetite Statement; information on any restrictions on the rights of shareholders to participate and vote at the Bank's general meetings; the procedure for appointing and dismissing officials and the powers of the Bank's officials, specified in the Report on Corporate Governance, do not contradict the information we received during the audit of the Bank's financial statements.

Part 15. Information provided by legislation on activities and regulation of activities on the financial services market

Purpose of implementing the Bank's activities.

JSC "Ukrainian Bank for Reconstruction and Development" intends to become a reliable financial partner not only for Ukrainian and Chinese business, but also a bank that provides high-quality assistance in the implementation of simple financial solutions to meet the needs of customers, offering them a wide range of industry products and services , professional comprehensive financial support.

In the future, the Bank sees itself as a regional Bank - a boutique with a narrow specialization "Financial and consulting bridge between China and Ukraine".

Information on compliance/non-compliance with the principles or code of corporate governance (with reference to the source of their text), deviations and reasons for such deviations during the year.

In its activities, the Bank uses national and international corporate governance practices in accordance with the requirements of Ukrainian legislation. In 2023, the Bank was guided by the Code of Corporate Governance, approved by the Decision of the sole shareholder No. 6/2022 dated 30/12/2022, which is publicly available on the Bank's website (https://www.ubrr.com.ua/files/rintsipi_kodeks_korporativnogo_upravlinnya_2022.pdf.pdf).

The Bank does not apply the corporate governance code of the stock exchange, association of legal entities or other corporate governance code.

The Bank does not have any other relevant information about the practice of corporate governance applied beyond the requirements defined by the law.

Information on the owners of a significant participation (including persons exercising control over a financial institution), their compliance with the requirements established by legislation and changes in their composition during the year.

The sole shareholder of the Joint-Stock Company "Ukrainian Bank for Reconstruction and Development" is the LIMITED LIABILITY COMPANY "BOCE (HONG KONG) CO., LIMITED" (USREOU 40977562).

List of persons directly or indirectly owning a significant amount of the issuer's shares

As of December 31, 2023, the owners of the Bank's significant participation as agreed by the National Bank of Ukraine are the citizens of the PRC Yan Dongsheng and Dai Junyun together, who received joint indirect participation in the amount of 100% through:

BOCE (Hong Kong) Co., Limited, in which 84.15% interest is held by BOCE (Hong Kong) Co., Limited and 15.49% interest by Yan Dongsheng;

BOCE (Hong Kong) Co., Limited (Hong Kong), 100% of the share capital of which is owned by Baoshi (Tianjin) Electronics Commerce Co., Ltd;

Baoshi (Tianjin) Electronics Commerce Co., Ltd., 99% of the share capital of which belongs to Tianjin Bohai Commodity Exchange Limited Liability Company (Tianjin Bohai Commodity Exchange Co., Ltd.);

Tianjin Bohai Commodity Exchange Limited Liability Company, Ltd. with 15.5113% interest held by Yan Dongsheng;

31.5802% interest held by Horgos Bo Xu Equity Investment Limited Partnership;

Horgos Bo Xu Equity Investment Limited Partnership, 90% interest in which is owned by Yan Dongsheng and 10% by Dai Junyun.

There is no management interest in the shares of the Bank.

There are no restrictions on the rights of shareholders to participate and vote at the general meeting. The powers of the general meeting of the Bank's Shareholders, provided for by the Law of Ukraine "On Joint-Stock Companies" and the internal documents of the Bank, are exercised by the shareholder individually on the basis of Article 49 of the Law of Ukraine "On Joint-Stock Companies".

Composition of the executive body of the financial institution and its change during the year.

Following changes took place in the composition of the Bank's Management Board during 2023.

Composition of the Management Board as of January 1, 2023 (Supervisory Board Minutes 18/2022 dated August 9, 2022)

- | | |
|---|-----------------|
| 1. Chairman of the Executive Board | Oleh LOKTIONOV |
| 2. Deputy Chairman of the Board Vasyl TRETIAKOV | |
| 3. Deputy Chairman of the Board Olha USENKO | |
| 4. Chief Accountant | Tetiana SYLENKO |

Composition of the Management Board as of February 9, 2023 (Supervisory Board Minutes No. 4/2023 dated February 8, 2023)

- | | |
|---|-----------------|
| 1. Chairman of the Executive Board | Oleh LOKTIONOV |
| 2. Deputy Chairman of the Board Vasyl TRETIAKOV | |
| 3. Deputy Chairman of the Board Olha USENKO | |
| 4. Member of the Board | Leung Ka Man |
| 5. Chief Accountant | Tetiana SYLENKO |

Composition of the Management Board as of 15/09/2023 (Supervisory Board Minutes No. 24/2023 of 14/09/2023)

- | | |
|---|-----------------|
| 5. Chairman of the Executive Board | Oleh LOKTIONOV |
| 6. Deputy Chairman of the Board Vasyl TRETIAKOV | |
| 7. Deputy Chairman of the Board Olha USENKO | |
| 8. Chief Accountant | Tetiana SYLENKO |

Facts of violation of internal rules by Members of the Supervisory Board and the executive body of the financial institution, which resulted in damage to the financial institution or consumers of financial services.

There were no facts of violation of the internal rules by the members of the Supervisory Board and the members of the Management Board, which would lead to damage to the Bank or the Bank's depositors.

Influence measures applied during the year by state authorities to a financial institution, including members of its supervisory board and executive body.

In the reporting year, there were no instances of influencing members of the Supervisory Board and the Bank's Management Board.

During the year, no fines were imposed on the Bank by the decision of the state authorities.

The annual remuneration of the members of the supervisory board and the executive body of the financial institution.

Information on payments to members of the Bank's Supervisory Board and Management Board is contained in Part 11. Information on the remuneration of members of the executive body and/or the board of entity of the Corporate Governance Report of the Management Report (MANAGEMENT REPORT) of JSC "UBRD" for the year ended December 31, 2023, in Note 29 "Transactions with related parties" of the annual financial statements of JSC "Ukrainian Bank for Reconstruction and Development" for the year ended December 31, 2023.

Significant risk factors affecting the activity of the financial institution during the year.

Significant risk factors affecting the Bank's activities during the reporting year of 2023 were:

- full-scale invasion of Russian troops on the territory of Ukraine and continuation of the war;
- terrorist activities of Russia against the civilian population and the energy system of Ukraine.

Availability of the financial institution's risk management system and its key characteristics.

The Bank has a risk management system that is part of the Bank's overall corporate governance system. The strategic goals of the Bank's risk management system are:

- ensuring the necessary ratio between riskiness and profitability and minimizing the Bank's losses;
- support and improvement of the Bank's credit rating;
- integration of risk management into the Bank's strategic management system;
- creation and development of intra-bank risk management infrastructure;
- implementation of the latest methods and banking standards;
- improvement of banking products and processes;
- increasing the Bank's competitive advantages.

As part of the risk management system, the Bank adheres to the following basic principles:

- the Bank does not take any risk if this is possible.
- the Bank does not take more risk than its own equity allows.
- the Bank's management thinks about the consequences of risk and does not risk a lot for the sake of a little.
- the Bank does not create risky situations for excess profit.
- the Bank keeps risks under control.

The Bank diversifies risks among clients/participants and by types of activity.

- the Bank creates the necessary provisions to cover the risks.
- the Bank constantly monitors changes in risks.

Subjects of the Bank's risk management system are: the Supervisory Board and the Risk Management Committee of the Bank's Supervisory Board; The Bank's Management Board; Committees of the Bank's Management Board (Credit Committee, Asset and Liability Management Committee and other collegial bodies established by the Bank's Management Board); control units (Internal Audit Service; Risk Management Department, Compliance Department; business units of the Bank).

The approved organizational model of the risk management system provides for the separation and direct reporting to the Supervisory Board of the Bank of the Risk Management Department and the Compliance Department, which ensures timely identification, measurement, monitoring, control and mitigation of risks, as well as proper reporting.

Heads of the Risk Management Department (Chief Risk Officer (CRO)) and the Compliance Department (Chief Compliance Officer (CCO)) have the right to attend meetings of the Board and all, without exception, collegial bodies of the Bank and impose a ban (veto) on the decisions of these bodies, if the implementation of such decisions will lead to:

- violation of the established risk appetite and/or risk limits approved by the Supervisory Board;
- violation of legal requirements, relevant standards of professional associations applicable to the Bank;
- conflict of interests;
- other cases established by the Supervisory Board of the Bank.

The activities of risk management subjects are clearly demarcated and regulated, which allows avoiding duplication of functions and ensuring the appropriate level of responsibility for the decisions made.

For effective risk management and taking into account the need to minimize the conflict of interests between accepting risks, limiting and controlling the level of risks, as well as auditing the risk management system, the Bank's organizational structure is formed taking into account the need to distribute functions and responsibilities between the Bank's divisions in accordance with the "3 defence lines" principle:

1st defence line. It is ensured by the Bank's Management Board, collegial bodies of the Management Board, business units and support units and consists in ensuring compliance with the risk restrictions established by the 2nd line. In the course of its activity, it performs the following functions in terms of ensuring risk management:

- identification of types of risks;
- identification and initial assessment of risks when carrying out operations and concluding agreements;
- risk level forecasting;
- primary control of risk compliance with established restrictions and limits;
- development and implementation of measures to comply with restrictions and limits;
- acceptance of risks and responsibility for them;
- provision of reports on current management of such risks;
- participation in the development of policies, methods, methods and tools for managing the relevant risk;
- participation in stress testing.

2st defence line. Provided by the Risk Management Department and the Compliance Department and consists in independent assessment and control of risks. The powers of the 2nd line include:

- identification and assessment of the materiality of types of risks;
- coordination of management methodology and risk assessment;
- assessment of the aggregated (cumulative) level of risks;
- risk level forecasting;
- development of a system of risk level restrictions;
- independent from the 1st line assessment of the level of risks, control of compliance of the actual level of risk and the predicted level of risk with the established limits;
- development of escalation procedures for violations of risk limits and control over the implementation of measures to eliminate violations;

- control over compliance with mandatory regulatory standards;
- organization/conduct of stress testing procedures;
- formation of risk reporting and bringing it to management and collegial bodies;
- development of risk culture.

3rd defence line. It is provided by the Internal Audit Service and consists in assessing the effectiveness of the risk management system, independent assessment of the compliance of the risk management system with internal and external requirements. The powers of the 3rd line include:

- assessment of the risk management system effectiveness;
- verification of the effectiveness of the banking risk assessment methodology and procedures;
- informing management about identified deficiencies in the risk management system;
- control over the elimination of identified deficiencies in the risk management system.

In addition, the Bank's risk management system is a set of risk management policies, methods and procedures that determine the order of actions aimed at implementing a systematic process of identifying, measuring, monitoring, controlling, reporting and mitigating all types of risks inherent in the Bank's activities, on at all levels of the Bank's organizational structure.

The risk management system operating in the Bank ensures compliance with all economic standards established by the National Bank of Ukraine, is sufficiently effective, and covers the management of all significant risks to which the Bank is exposed.

The results of the operation of the internal audit (control) system during the year, as well as the data indicated in the notes to the financial and consolidated financial statements in accordance with the provisions (standards) of accounting.

During 2023, the Bank's internal audit functioned in accordance with the legislation of Ukraine, including the regulations of the National Bank of Ukraine, the International Standards and the Code of Ethics of Internal Audit, defined by the Institute of Internal Auditors (IIA), and the Bank's internal regulations. The internal audit unit acted in accordance with the work plan approved by the Bank's Supervisory Board, conducted inspections, provided recommendations, advisory services and clarifications that did not affect its independence and objectivity. The unit remained independent from the Bank's operational activities and management (Board), was accountable and reported to the Bank's Supervisory Board, had a separate unit budget approved by the Bank's Supervisory Board.

During 2023, there were no circumstances and events that would indicate a limitation of the activity, independence, or loss of objectivity of the Bank's internal audit. The head of internal audit informed the Supervisory Board about the available resources of the unit, existing limitations.

Based on the results of the activities and inspections carried out in 2023, the internal audit unit provided the Supervisory Board with reports on the results of the inspections, conclusions on the functioning of the Bank's internal control system, as well as on the status of implementation of the recommendations based on the inspection results.

The head of internal audit was involved in the selection of an external auditor for the audit of the Bank's financial statements for 2023.

During 2023, the Bank's internal control system underwent changes and improvements, which were significantly influenced by the following factors:

1. Implementation of new formats for providing management reporting on the functioning of the internal control system, rewards, and results of business units.
2. Constant updating of the internal regulatory framework, aimed at improving and perfecting operations, products, processes, and control mechanisms in the Bank's activities.
3. Implementation of measures and recommendations provided as a result of internal audits and external audits.

The management assesses the current internal control system of the Bank as appropriate to the size, nature and scope of the Bank's operations, sufficiently minimizes the risks to which the Bank is exposed in its activities, and contributes to the preservation of capital, protection of the interests of the Bank's shareholders, depositors and clients .

The facts of alienation during the year of assets in an amount exceeding the amount established in the charter of the financial institution.

During the year, there were no facts of disposal of assets exceeding the amount established by the Bank's charter.

The results of the assessment of assets in the case of their purchase and sale during the year in an amount exceeding the amount established in the charter of the financial institution.

During the reporting period, there are no facts of purchase/sale of assets in the amount exceeding 10% of the total value of assets as of the last reporting date (December 31, 2022), therefore, no assessment was conducted for this purpose. To determine the total value of assets as of the end of 2022, in the period from January 1 of the reporting year to the date of approval of the annual report for the previous reporting year, the Bank used the total value of assets according to the statistical reporting data as of December 31, 2021 (UAH 729,967 thousand).

Fund placement operations and financial investments, in the amount exceeding 10% of the total value of assets as of the last reporting date, must be carried out by the Bank after receiving the decisions of the relevant bodies, information on which is specified in the section on the list of issues considered by the General Meeting of Shareholders (the sole shareholder) and the Supervisory Board of the Bank, this Report.

Transactions with related parties, including within one industrial and financial group or other association, conducted during the year. Such information is not a trade secret.

The Bank pays sufficient attention to the identification of persons related to the Bank, formation and updating of their list in order to control risks in transactions with persons related to the Bank.

The Bank submits monthly information to the NBU on persons related to the Bank in accordance with the procedure established by the normative legal acts of the NBU.

Information on transactions with related parties, in accordance with IAS 24 "Disclosure of information about related parties", is covered in note 29 "Transactions with related parties" of the annual financial statements of JSC "Ukrainian Bank for Reconstruction and Development" for the year that ended on December 31, 2023.

The recommendations of the bodies that carry out state regulation of financial services markets, regarding the auditor's opinion, were used.

During 2023, the Bank did not receive recommendations from the body that carries out state regulation of financial services markets (the National Bank of Ukraine) regarding the auditor's opinion.

External auditor of the supervisory board of the financial institution, appointed during the year.

The external auditor of the Supervisory Board was not appointed during the year.

Activities of the external auditor.

According to the results of the competition for the selection of the auditing company held in September 2023, the Supervisory Board, by its decision dated 05.09.2023 (Minutes of the Supervisory Board meeting No. 23/2023), chose the company RSM Ukraine LLC to conduct the audit of the Bank's financial statements for 2023.

The total term of audit activity of the external auditor at the time of election was 30 years. RSM Ukraine LLC will provide audit services to the Bank for the fifth year in a row. During 2023, the auditing firm did not provide any other audit services to the Bank, except the audit of financial statements. There were no cases of conflict of interests and/or combining the functions of the internal auditor. Since RSM Ukraine LLC has been providing services for only the fifth year in a row, there is no non-compliance with the requirement for auditor rotation during the last five years.

Penalties applied to the Auditor by the Audit Chamber of Ukraine during 2022-2023, as well as the facts of the Bank's submission of unreliable reports, confirmed by the auditor's opinion, discovered by the bodies that carry out state regulation of financial services markets - none.

Protection by a financial institution of rights and interests of consumers of financial services.

The mechanism for the protection of consumer rights is established by the current legislation, the Civil Code of Ukraine, the Law of Ukraine "On the Protection of Consumer Rights" No. 1023-XII dated 12/05/1991 in the wording of the Law of Ukraine No. 3161-IV dated 01/12/2005 (as amended).

Before concluding the contract, the consumer of financial services has the opportunity to thoroughly familiarize himself with the available permit documents, licenses, current tariffs, terms of the contract and clearly understand its content. The information provided to the client is placed in a publicly accessible place (checkout hall) and on the Bank's official website at the link www.ubrr.com.ua, ensuring a correct understanding of the essence of the financial service

without imposing its purchase. The requirements for the content of the contract are established by the Civil Code of Ukraine.

Prior to the conclusion of the contract, the consumer has the right to access information about the activities of the financial institution, the list of which is defined by the Law of Ukraine "On the Protection of Consumer Rights" No. 1023-XII dated 12/05/1991 (as amended) and Resolution of the Board of the National Bank of Ukraine No. 141 dated 28/11/2019 "On the approval of the Regulation on information provision by banks to clients regarding banking and other financial services" (as amended). The complaint handling mechanism is recorded in the Bank's internal normative document "Procedure for registration, consideration and processing of appeals to the bank from citizens, legal entities and state bodies", which was approved by the decision of the Bank's Management Board (Minutes No. 63 dated 28/12/2019). The specified mechanism assigns the responsibility for considering complaints to different structural units, depending on the topic of the complaint. Written and electronic responses to complaints are signed or authorized by the Chairman of the Bank's Management Board.

Maryna ZAKHAROVA, Head of Credit Management of Corporate Business, has been appointed as the person responsible in the Bank for cooperation with the National Bank of Ukraine regarding the consideration of customer appeals and the organization of work on processing the new requirements of the National Bank of Ukraine regarding the protection of consumer rights.

During the reporting year, there were no customer complaints regarding the provision of financial services by the Bank, there were no customer claims to court regarding the provision of financial services by the Bank.

Information on Corporate Governance in a financial institution, the submission of which is provided for by laws on the regulation of individual financial services markets and/or adopted in accordance with such laws by the regulatory and legal acts of bodies that carry out state regulation of financial services markets.

Corporate governance in JSC "Ukrainian Bank for Reconstruction and Development" in 2023 was carried out in accordance with the requirements of the legislation of Ukraine, and taking into account the Recommendations on the practice of applying legislation on corporate governance, approved by the decision of the National Securities and Stock Market Commission No. 118 dated 12/03/2020, methodological recommendations on the organization of corporate governance in banks of Ukraine, approved by the decision of the Board of the National Bank of Ukraine No. 814-rsh dated 03/12/2018 (as amended) and the Code of Corporate Governance, approved by the Decision of the sole shareholder No. 6/2022 dated 30/12/2022, and which placed in public access on the Bank's website (https://www.ubrr.com.ua/files/rintsipi_kodeks_korporativnogo_upravlinnya_2022.pdf).

8. Report on sustainable development

1	Assessment of environmental protection and social responsibility activities for the reporting period:	
	The Bank is responsible for the direct and indirect impact on the ecological system in which it operates. One of the key directions of the Bank's initiatives in the context of corporate social responsibility is the preservation of the environment, which involves: - contribution to the sustainable development of society; - efficient use of natural resources; - implementation of environmental protection projects. The Bank makes efforts to reduce its direct environmental impact by stimulating the discussion of environmental topics, constantly improving its environmental efficiency, conserving resources, reducing energy consumption, including environmental requirements in the selection criteria of suppliers. Environmental protection measures also include restrictions on cooperation or provision of services to enterprises engaged in environmentally hazardous activities.	
2	The main risks and challenges related to environmental protection and social responsibility, plans for their resolution, as well as their impact on the achievement of strategic goals:	
	1. List of environmental protection and social responsibility risks affecting the Bank	1) effective use of natural resources; 2) preservation of the environment; 3) inclusiveness of service provision; 4) fight against money laundering; 5) implementation of anti-corruption policy; 6) elimination of gender discrimination; 7) management of financial crimes;

		8) responsible marketing; 9) health support of employees, stress management; 10) social policy regarding employees.
	2. Measures that are planned to be implemented / are being implemented to minimize / eliminate each of the risks:	1) reuse of products and materials, minimizing the use of limited resources; 2) reducing consumption of electricity and water resources, reducing waste and products of environmental pollution; 3) creation of conditions for the accessibility and inclusiveness of the provision of services to the less mobile segments of the population; 4) creation of policies and procedures for the detection and creation of conditions for the impossibility of corruption and financial crimes; 5) making responsible marketing decisions to ensure the stability of the Bank's work and the financial well-being of its clients; 6) creation of staff remuneration conditions based on a non-discriminatory approach based on gender; 7) creation of working conditions (including remote access) to maintain a balance between work and family; 8) recruitment of young professionals, facilitation of return to work from parental leave and mothers with children; 9) organization of corporate events to improve morale and relieve stress caused by workload and work during military aggression.
3	The main provisions of the policy on environmental protection and social responsibility	
	list of environmental and social responsibility policies and a description of the issues that such policies are designed to address	The Bank does not have a separate policy on environmental protection and social responsibility
4	The list of issues and decisions made regarding environmental protection and social responsibility that were considered by the council and the executive body: no separate decisions on issues of environmental protection and social responsibility were made by the council and the executive body	
	1. The list of issues that were considered by the executive body and a summary of the decisions that were made:	-
	2. The list of issues that were considered by the council and a summary of the decisions that were made:	-
5	The list of key stakeholders that are influenced by the Bank's activities with an indication of the justification for what exactly this influence consists of:	
	1) State: The bank pays taxes as a result of its financial activities. 2) LIMITED LIABILITY COMPANY "BOCE (HONG KONG) CO., LIMITED" owns 100% of the Bank's shares: carries out its statutory activity to obtain profit, which is the source of paying dividends.	
6	The list of stakeholders that have an influence on the Bank's achievement of strategic goals with an indication of the rationale for what exactly this influence consists of:	
	1) State: creates legal conditions for doing business and monitors compliance with its regulatory requirements. 2) LIMITED LIABILITY COMPANY "BOCE (HONG KONG) CO., LIMITED" owns 100% of the Bank's shares: sets the business development strategy, controlling the Bank through the Supervisory Board. 3) Chairman and members of the Bank's Management Board: have defined powers and responsibilities to the shareholder and affect the Bank's ability to make a profit. 4) Employees of the Bank: perform their professional duties and, thanks to material (salary, bonuses) and non-material motivation, are able to increase the Bank's income. 5) Suppliers of goods and services: have a colossal influence on the Bank's business processes.	
7	The main provisions of the policy regarding interaction with stakeholders, including shareholders / participants:	
	The Bank guarantees shareholders the realization of their rights in the scope stipulated by the legislation of Ukraine (consists in observing the rights of shareholders). In its activities, the Bank takes into account the interests and promotes the prevention of conflicts between	

interested parties: shareholders, management, investors, staff and clients of the Bank, and also implements dialogue and open discussion between the Management Board and the Supervisory Board of the bank. The Bank provides timely and accurate disclosure of information on all material issues, including financial performance, ownership structure and management. The Bank provides information on significant events that occur between regular reports.
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9. Information regarding the issuer's relations with foreign countries in the risk zone

The ownership structure of the Bank does not include:

- natural persons who have the citizenship of a foreign state of the risk zone;
- natural persons whose permanent place of residence is foreign countries of the risk zone;
- legal entities whose place of registration is foreign states of the risk zone.

Chairman of the Executive Board

Oleh LOKTIONOV

Chief Accountant

Tetiana SYLENKO

April 10, 2024

