

APPROVED
The Resolution of the Supervisory
Board of
JSC “Market operator”
Dated June 18, 2024
Minutes No.10/2024

COMPLIANCE POLICY
JSC “Market operator”

Kyiv 2024

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1. General provisions.

1.1. This Policy has been developed in accordance with the Law of Ukraine “On Joint Stock Companies”, the Law of Ukraine “On Management of State-Owned Property”, the Articles of Association of JSC “Market operator”, the REGULATIONS on the organisation of the risk management system in JSC “Market operator”, the Code of Business Conduct and other internal documents of JSC “Market operator”.

1.2. The Compliance Policy of JSC “Market operator” (hereinafter referred to as the Policy) is the basis for compliance of JSC “Market operator” (hereinafter referred to as the Company) with the requirements of the legislation of Ukraine, internal organisational and administrative documents in the course of the Company’s business activities.

1.3. This Policy is intended to ensure compliance of the Company’s activities and processes with the requirements applicable to the following areas: organisational aspects of the Company’s activities (including non-discrimination, confidentiality, transparency, independence), prevention of conflicts of interest, regulation of labour relations, processing of personal data, procurement, occupational health and safety, information and cyber security, etc.

1.4. This Policy shall be applied to all Company’s employees and Officials.

1.5. In the event of a conflict between different policies, the provisions of this Policy shall prevail, except in the area of anti-corruption measures, where the provisions of the Anti-Corruption Programme of JSC “Market operator” and other documents of the Company on anti-corruption issues shall take precedence.

2. Terms and definitions.

Requirements means a set of rules, standards, procedures and policies that the Company shall comply with to ensure compliance with the laws of Ukraine, regulations and internal rules of the Company.

Internal control means a set of measures applied by the Company to ensure compliance with the law, achievement of results in accordance with the established goals, objectives, plans and requirements for the Company’s activities.

Compliance means a set of management and control measures aimed at preventing and overcoming risks associated with non-compliance with the requirements of laws, regulations, fair competition rules, corporate ethics rules, standards, conflicts of interest, personal data processing, etc.

Compliance risk means the likelihood of losses/sanctions, additional losses or shortfall in planned revenues or loss of reputation as a result of the Company’s failure to comply with the requirements of laws, regulations, market standards, fair competition rules, corporate ethics rules, conflicts of interest, and internal documents of the Company.

Officials means Chairman and members of the Supervisory Board, Director General, Head of Internal Audit, Corporate Secretary, authorised person for anti-corruption activities.

Internal control (compliance) system means the policies, rules and measures implemented by the Company that ensure the functioning, interconnection and support of all elements of internal control and are aimed at achieving the defined goal (mission), strategic and other objectives, tasks, plans and requirements for the Company's activities

The subjects of internal control shall be the Supervisory Board, the Audit, Risk Management and Compliance Committee, the Director General and the Company's employees;

Compliance risk management means a systematic and regular process that involves identifying, measuring, monitoring, controlling, reporting and mitigating compliance risk at all organisational levels and all lines of defence of the compliance risk management system.

Other terms used in this Policy shall be used in accordance with the legislation of Ukraine.

3. Purpose.

3.1. The purpose of implementing this Policy is to ensure that the Company complies with the requirements of the legislation of Ukraine, regulations and internal documents of the Company.

4. Compliance principles.

4.1. The basic compliance principles shall include:

legality – compliance with legal requirements;

continuity – rules and measures aimed at achieving the defined purpose, goals, objectives, plans and requirements for the Company's activities, minimising the impact of risks, are applied on a continuous basis to respond in a timely manner to changes related to the Company's activities;

delegation of powers – distribution of powers and clear definition of responsibilities of the Company's management and employees, providing them with the appropriate rights and resources necessary to perform their official duties;

responsibility – the Company's management and employees are responsible for their decisions, actions and performance of tasks within the scope of their official duties;

preventiveness – timely implementation of control measures to prevent deviations from the established norms;

openness – the introduction of feedback mechanisms and ensuring the necessary degree of transparency during the assessment of the internal control system;

confidentiality – stipulates that the Company does not allow disclosure of information to persons who do not have the authority to receive it

5. Main functions of the Company's internal control bodies.

5.1. Supervisory Board:

delegates its members to work in the Audit, Risk and Compliance Committee;
appoints and dismisses the Risk and Compliance Manager;
monitors the effectiveness of the Compliance system;
approves the Policy and Regulations on the Organisation of the Internal Control (Compliance) System in JSC “Market operator”;
reviews reports (proposals, recommendations, information, etc.) on Compliance submitted by the Risk and Compliance Manager;
makes decisions in the field of Compliance, which are binding on the Officials and other employees of the Company;
exercises other powers in the field of Compliance in accordance with the Articles of Association and the Regulations on the Supervisory Board of the Company.

5.2. Audit, Risk Management and Compliance Committee:

interacts with the Risk and Compliance Manager;
carries out a preliminary review of the compliance report, which contains information on the performance of the duties of the Risk and Compliance Manager and the state of affairs in compliance matters;
ensures the performance of functions and powers determined by the Supervisory Board;
receives notifications from the Risk and Compliance Manager regarding decisions made by the Director General, the implementation of which will (may) lead to a violation of the requirements of the legislation and standards applicable to the Company;
monitors and controls the implementation of the Policy and Regulations on Organisation of the Internal Control (Compliance) System at JSC “Market operator”;
monitors the status of implementation of measures to promptly eliminate deficiencies in the Compliance functioning;
monitors the status of implementation of measures developed to avoid conflicts of interest in the Company;
exercises other powers in accordance with the Company’s Articles of Association and the Audit, Risk Management and Compliance Committee of the Supervisory Board of JSC “Market operator”.

5.3. Director General:

implements the decisions of the Supervisory Board in the field of Compliance;
provides the Risk and Compliance Manager with the necessary resources and support required to perform his/her duties;
participates in implementing measures to promptly eliminate deficiencies in the Compliance functioning;
interacts with the Risk and Compliance Manager to ensure that he/she reviews internal documents, processes, areas of activity and structural units;
reports on the implementation of the Company’s documents on Compliance approved by the Supervisory Board;
promotes an environment in which the Company’s employees understand the

importance of compliance with the Requirements;

exercises other powers in accordance with the Company's Articles of Association.

5.4 Risk and Compliance Manager:

within the powers defined by the Company's internal regulations, participates in ensuring the development, implementation, updating and control of internal documents and procedures governing all internal processes related to the Company's business activities and aimed at ensuring the Company's compliance with the Requirements;

monitors and evaluates the effectiveness of internal documents, procedures and measures on an ongoing basis;

regularly, but not less than once a quarter, prepares and submits to the Supervisory Board a report on Compliance, which contains information on the performance of duties and the state of affairs on Compliance issues;

systematically checks whether the Company's employees have a conflict of interest, based on the results of which it shall notify the Audit, Risk Management and Compliance Committee, the Director General within a specified period of time of cases of such conflict of interest and provide recommendations for its settlement;

organises introduction of the Company's employees to the internal documents and procedures on Compliance, which they shall comply with;

co-operates with and receives necessary assistance from independent structural units and the Company's Officials to achieve the goals in the field of Compliance;

carries out the instructions of the Chairman of the Supervisory Board and the Audit, Risk Management and Compliance Committee within its competence;

performs other functions stipulated by the legislation of Ukraine and the Regulation on the Organisation of the Internal Control (Compliance) System approved by the Supervisory Board.

6. Reporting violations.

6.1. In case of detection of a violation of the Requirements, the Company's Officials or employees shall notify the Risk and Compliance Manager by sending an e-mail to compliance@oree.com.ua or by calling 044-205-01-21.

6.2. If the Company's employee or Official becomes aware of a violation of the Requirements committed by the Risk and Compliance Manager, he/she shall notify the Supervisory Board by sending an e-mail to the address: supervisory.board@oree.com.ua.

6.3. All reports of violations of the Requirements by the Company's employees shall be submitted by the Risk Manager to the Audit, Risk Management and Compliance Committee, and reports of violations by the Officials to the Supervisory Board.

6.4. The Risk and Compliance Manager shall ensure:
protection of anonymity of a person reporting a violation of the Requirements;
observance of the rights of a person reporting a violation of the Requirements;
objective and impartial investigation of any reports of violations of the Requirements.

6.5. No person may suffer negative consequences for reporting a violation of the Requirements. This rule shall always apply, unless the report contains deliberately false information.

6.6. All reports shall be registered by the Risk and Compliance Manager.

6.7. Reports of violations of the Requirements shall be analysed by the Risk and Compliance Manager, except for those that relate to him/her directly.

6.8. Anonymous reports or reports that do not contain information about violations of the Requirements shall not be taken into account.

6.9. Based on the information submitted by the Risk and Compliance Manager, the Director General may initiate an internal investigation.

7. Control and responsibility.

7.1. The Supervisory Board, the Risk and Compliance Manager, the Director General, heads of independent structural units, and employees of the Company within their competence shall monitor compliance with the Requirements.

7.2. Heads of independent structural units and employees directly reporting to the Director General shall take measures to identify and mitigate compliance risks.

7.3. The Risk and Compliance Manager shall assist the heads of independent structural units and employees directly reporting to the Director General to identify compliance risks, develop an action plan to mitigate them, implement internal control measures and ensure control over the implementation of such a plan.

7.4. Employees and Officials of the Company shall be legally liable for violation of the Requirements in accordance with the legislation of Ukraine.

8. Reporting on compliance issues.

8.1. The Risk and Compliance Manager shall report to the Supervisory Board at least 1 (one) time per quarter. The report shall also be submitted to the Director General for review. The Risk and Compliance Manager may also inform/report at any time on his/her own initiative

8.2. This Policy shall not include requirements for reporting on the results of the implementation of the Anti-Corruption Programme of JSC “Market operator”.

9. Approval, implementation and amendments to this Policy.

9.1. After discussing and taking into account all comments and recommendations, the Supervisory Board, upon the recommendation of the Audit, Risk Management and Compliance Committee, shall decide to approve the Policy. This decision shall be recorded in the relevant minutes of the Supervisory Board.

9.2. Upon approval of the Policy, the Supervisory Board shall notify the Director General of the Company and the Risk and Compliance Manager of the decision. The Policy shall be put into effect and communicated to all Company employees and Officials.

9.3. The Policy shall be reviewed and updated regularly in the event of changes

in the legislation of Ukraine, in the presence of changes in the Company's internal documents, etc., but at least 1 time per year upon the recommendation of the Risk and Compliance Manager and the Audit, Risk Management and Compliance Committee. The Supervisory Board shall be responsible for reviewing and approving updated versions of the Policy.