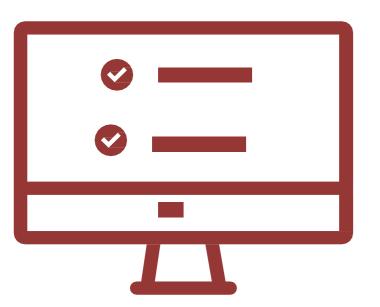




Anti-Corruption Policy

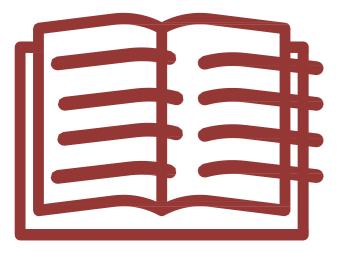
Key Principles



- Compliance with the Corporate Code regarding the management of the conflict of interests and counteracting fraud and corruption for managing the Company's financial and reputational risks and ensuring a high level of trust among shareholders, employees, investors and counterparties
- Declaration of the fact that the founders, directors, officers, employees of Kernel in its internal activities and in the activities of subsidiaries and affiliates, as well as in legal relations with business partners, state authorities, local self-government bodies, are guided by the principle of "zero tolerance" for any manifestation of corruption and bribery; and they implement all measures provided by legislation to counter corruption and bribery and related actions (practices)
- Compliance with the requirements of the anti-corruption legislation of Ukraine, the US Foreign Corrupt Practices Act ("FCPA") and the UK Bribery Act ("UKBA"), the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, as well as the anti-corruption legislation of the countries where Kernel operates, as well as the Corporate Code and other internal regulations of Kernel.



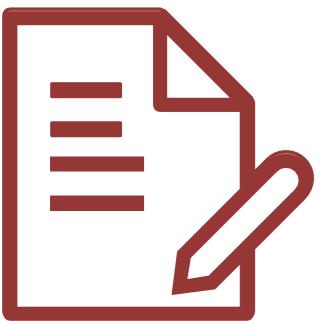
Key Provisions



- The Policy's provisions apply to all the employees, founders, directors and officers of Kernel as well as its affiliates and subsidiaries worldwide, to third parties who may act on behalf of Kernel
- The conflict of interest and anti-fraud and corruption management system is aimed at identifying and revealing situations of conflict of interest, fraud and corruption, managerial decision-making mechanisms and corporate standards of conduct in appropriate circumstances, creating a culture of corporate behavior that counteracts misconduct and illegal actions
- Kernel shall maintain partnership relations only with entities that carry out their activities in compliance with the established ethical standards. Kernel uses a mandatory process of comprehensive verification of counterparties, allowing to closely examine and, if necessary, approve potential third-party business partners.



Requirements



Persons who are subject to this Policy:

- a can not provide, promise or offer any valuables to any person, including civil servants, for unlawfully obtaining or retaining business benefits or using undue advantage in commercial activities
- do not have the right to take bribes or any valuables in violation of this Policy or any other Kernel policy, including the Corporate Code, or due to inadequate performance of any actions or functions Kernel
- are obliged to ensure the maintenance of credible accounting books and accounting records in Kernel detailing every fact of spending of money or other material assets of Kernel.



Situations Requiring Settlement

- Doing business in agribusiness
- Conclusion of contracts with the counterparties directly or indirectly related to the employees who make decisions on the terms of such contracts
- Joint work of close persons in direct submission. It is important to inform the supervisor and record information about the work of close persons on interrelated / supervised positions in the Employee Questionnaire
- Participation in political activities with the use of working time, resources of the company to the detriment of the performance of official duties
- Communication with the media, holding speeches at conferences, conducting seminars and lectures, producing printed materials with information about the Company for further distribution without coordination with the Director of the Relevant Business Line and the Chief Human Resource Officer

1. Conflict of interest

- Accepting as a representative of the Company gifts for oneself or close persons from legal entities or individuals with whom
 the employee is connected through the performance of its official duties or who are subordinate to the employee with a
 total value estimated to be more than UAH 2,500 per year from one person. Note! The restriction on the value does not
 apply to gifts that are obtained as generally available corporate discounts on goods, services, winnings.
- Advertising and promotional activities within the Company for promoting personal interests and/or gaining profit
- Use of tangible and intangible resources of the Company for personal purposes, unless they are part of the compensation package
- Demonstration of improper conduct in violation of the principles of the Corporate Code and other corporate Policies and Procedures.



2. Procurement processes and tenders

- Strict regulations apply to the Conflict of Interests as well as communication and interaction with Employees of State Authorities, institutions and enterprises participating in the tender
- Comprehensive verification of business partners for reliability is conducted, with the purpose of assessing corruption and Compliance risks
- It is proposed to include anti-corruption clauses in the texts of contracts
- Compliance-assessment of the possibility of provision of business hospitality (gifts and events) in the purchase process, fulfillment of the terms of the current agreement with the participation of state authorities/public officials
- It is forbidden to provide / receive non-contractual terms when interacting with Business Partners.

3. Charity, sponsorship, social responsibility and interaction with local authorities

- Kernel is committed to assisting the communities in which it operates and allows the granting of donations within reasonable limits to local and foreign charitable organizations
- Employees, after agreeing with the Compliance Manager, can make donations on behalf of Kernel only to bona fide charitable organizations for the proper charitable purposes
- Charitable contributions are prohibited if their purpose is to render improper influence on the public officials or another person
- Charitable activities should be properly documented and comply with internal policies of Kernel
- All contracts/payments for the purpose of charity, sponsorship, social responsibility and interaction with the communities are assessed compulsorily by the Compliance Manager.

4. Business partners, agents, contractors, representatives, consultants, intermediaries and third parties (hereinafter, the Representatives):

- It is prohibited to involve Representatives in any transactions that contradict the requirements of applicable anti-corruption legislation, the policies and internal regulations of Kernel.
- It is prohibited to carry out any corruption payments through the Representatives and make payment to a third party knowing that this payment will be transferred, in whole or in part, directly or indirectly to the public officials
- Obligatory verification of the potential Representative with the purpose of an estimation of corruption and Compliance risks, reputation, beneficial rights
- Employees of Kernel or Representatives acting on behalf of Kernel shall not exert improper influence on officials of state authorities, institutions and enterprises.



5. Interaction with public officials and politicians

- Offers of money, securities, gifts, entertainment, or other material valuables, as well as illegal provision of services of property nature, benefits, advantages of both property and non-property nature are prohibited to public servants and politicians in order to influence their decision directly by such persons and through their facilitation to other officials and bodies, and from subordinates of such persons in exchange for obtaining, maintaining, protecting business or obtaining commercial advantages (legal or illegal), or a decision that could lead to benefits for business interests of Kernel
- Offers, promises or gifts for the family, friends or colleagues of a public official or politician are prohibited, as such actions may violate the provisions of the anticorruption law: (i) a family member, friend or colleague may act as a "intermediary" leading to a public official or politician; (ii) offers, gifts or promises to persons close to a public official may exert undue influence on him/her.

6. Rules for exchange of business gifts and business hospitality

- Kernel employees must avoid the Conflict of Interest in the exchange of Business Gifts and Business Hospitality
- Kernel employees do not give or receive gifts, do not invite or accept invitations to the events that can raise doubts about their personal honesty
- The rules for the exchange of business gifts and business hospitality are given in the Business Gifts and Hospitality Procedure
- Business gifts / Business hospitality received / planned to be given over the Kernel established limit must be recorded in the Register of Business Gifts and Business Hospitality, which is kept with the Compliance Manager.

7. Financing of political parties

- Expenses for political needs, for the purpose of donating or providing material valuables to any political candidate, political party or party official, are prohibited by the Kernel Policy, since they can become grounds for allegations of corruption
- An employee of Kernel can take part in political activities in his/her private time, outside Kernel territory and at his/her own expense, provided that such activities do not interfere with the performance of his/her official duties at Kernel and are not carried out on behalf of Kernel
- Before making any contributions for political purposes on behalf of Kernel, employees are required to apply for permission to the Kernel Chief Financial Officer.



8. Facilitation payment

- Any facilitation payments are prohibited at Kernel.
- Kernel is guided by the policy of compliance with all Applicable Anti-Corruption Laws and PROHIBITS facilitation payments

- In order to implement the corporate strategy, Kernel can participate in mergers and acquisitions, joint ventures and investing in the authorized capital of other companies
- After the approval of the transaction, Kernel implements its relevant policies as well as Compliance policies and procedures, and, in the case of minority investments, takes reasonable steps to encourage the company owned by minority shareholders to implement such policies and controls.

10. Accounting and financial reporting

- Kernel provides full and accurate maintenance of accounting and reporting documentation
- Kernel requires employees to fully and accurately reflect the costs in all business documents, while indicating not only the amounts of expenses, but also their nature or purpose
- The employee Kernel is obliged to sign only those documents, including agreements/contracts that the Employee is authorized to sign, and which, in the opinion of the Employee, are accurate and correct.

10. Extortion

- If the Employee is forced to make a payment, which in other cases is prohibited by this Policy (for example, in order to avoid an immediate threat to health or life), the Compliance Manager and the Security Department must be, immediately notified as soon as possible of such payment with detailed information about the violation
- Kernel provides accurate registration of payments made under the pressure or threats in their books and records.



Informing about personal conflict of interests

- The annual questioning of employees for the existence of a conflict of interests is held by the HR and Communications Department at the end of each marketing year
- Each employee must inform in a regular mode about the conflict of interest between his / her manager and not take action in terms of a conflict of interests, before making a decision on its regulation
- The decision on the regulation of the conflict of interests is made by the head of the level of the Financial Responsibility Center for in consultation with the Chief Human Resources Officer as resulted from the Compliance Manager's assessment of the situation.

Informing about the conflict of interests and facts of committing illegal actions by other employees and / or third parties

- The Hot Line operates in order to maintain a high level of trust in Kernel, adhere to international standards of business ethics, and prevent and combat fraud and corruption
- The "Hot Line", as a tool, provides protection for employees, suppliers and Kernel as a whole from behavior and actions that do not meet the requirements set forth in the Policy and Corporate Code.
- The messages received through the Hot Line are responded to in accordance with the Procedure for Receiving and Considering Information Received by the Hot Line
- If an employee identifies circumstances that reasonably indicate the presence of a conflict of interest in relation to other persons, as well as unlawful actions, he/she must inform the "hotline" and / or e-mail <u>dovira@kernel.ua</u>.
- Applications from specific employees are accepted for consideration, anonymous appeals are not considered.
- Concealment of information and omissions in the prevention of crime contradict the Company's Guidelines and must be deemed a violation.



Protection of Whistleblowers and Procedures for exercising the Whistleblower's Right to Protection



- The Company is prohibited from prosecuting employees who have contacted the Hotline. Management of the Company guarantees compliance with this requirement. Information on the identity of the employee who has provided information on the violation can only be disclosed by his/her consent
- An employee who has reported a violation of the requirements of this Policy by a third person/employee cannot be dismissed or forced to be dismissed, disciplined or subject to other negative influence measures or threat of such influence measures from the management. In case of persecution, the employee must immediately apply to the "Hot Line"
- The Compliance Manager provides protection to the Whistleblowers. The procedure for exercising the right to protect the Whistleblower is carried out in accordance with the Procedure for the protection of whistleblower.



Illegal actions



- Violation of the requirements and principles of the Policy
- No. Theft, appropriation of tangible, intellectual and other property of the Company
- Solution Obtaining undue benefits that lead to financial losses and can affect the Company's reputation
- Distortion / concealment of data and information to conceal criminal acts, operational errors, production losses
- Discussion of confidential information with third parties (in accordance with the confidentiality agreement), which became known to the employee in the performance of his/her functional duties
- **A** Bribery of employees
- N Intentional damage to tangible, intellectual and other property of the Company, including information, documents, databases, information systems
- Reprofessional negligence that resulted or could lead to losses of any kind for the Company
- Abuse of office in personal interests for the purpose of obtaining financial benefits
- Ressure on subordinates, involving subordinates in unlawful actions for personal gain or benefit of third parties
- Dissemination of information regarding the Company and its employees, discrediting the reputation
- Niolation of safety precautions that pose a risk to life and health
- Being in the workplace in a state of alcohol intoxication or under the influence of narcotic drugs
- Insulting colleagues, using physical force, actions and/or threats aimed at intimidation, harassment and other criminal purposes.



Scope of responsibilities

Management of the implementation of the Policy is carried out by the Board of Directors. The Board of Directors has instructed the management of Kernel to implement this Policy

Strategic Committee

• Defines the overall strategy and key directions of the Policy and exercises overall control over the effectiveness of its implementation

Risk Committee

- Analyzes the controls that did not timely detect / prevent the situation of the conflict of interest, fraud and corruption, agrees on their adjustment
- Analyzes regular reporting and trends on the situations of conflict of interest, fraud and corruption,
- Decides on how to respond to such situations

Chief Human Resources Offices

• Supervises, coordinates the implementation of compliance controls and the timely updating of this Policy, at least every two years or, if necessary, when the requirements of the applicable anti-corruption legislation change.

Compliance Manager

- Introduces and monitors the implementation of compliance controls in the processes
- Performs day-to-day management of the implementation of the Policy
- Assesses compliance risks
- implements measures to create an anti-fraud and corruption culture
- Provides training and advice to employees on issues related to the Policy and Corporate Code
- Manages the Hot Line, provides regular reporting on the operation of the Hot Line
- Provides the protection of Whistleblowers

Security Department

- Takes operative measures on prevention, detection and suppression of situations of fraud and corruption
- Holds official investigations into the circumstances of situations of fraud and corruption
- Provides regular reporting on identified fraud and corruption situations

Legal Department

- Defends the interests of the Company in court
- Provides advice on documenting the imposition of disciplinary sanctions

Business Line Directors / Heads of Departments / Departments / Services

- Responsible for the implementation and compliance with this Policy within the scope of their responsibility, for the implementation and operation of rules and procedures, for the awareness of staff; control implementation
- Regularly, in relevant situations, inform subordinates about the prevention of conflicts of interest and the requirements of this Policy
- Immediately consider the information revealed about the conflict of interests, fraud and corruption; assess the consequences of potential abuse of the situation

Other Provisions



- Employees of Kernel, including shareholders and members of Kernel management bodies who are not its employees, irrespective of their position, is personally liable for non-fulfillment (improper fulfillment) of the provisions of the Policy
- Solutions of the requirements of this Policy, the Company's employees is personally liable to the management and shareholders of the Company
- Every employee of the Company is obliged to report any manifestations of a conflict of interest and unlawful actions of other employees and / or third parties that he/she has become aware of while carrying out his/her official duties
- Related documents: Corporate Code, Risk Committee Regulations, Search and Selection Procedures, Confidentiality Agreement, Staff Recruitment and Onboarding Procedure, Policies and Procedures for the Purchase of Goods and Services, Counterparty Verification Procedure by the Security Department, Business Gifts and Business Hospitality Management Procedure, Economic Legal Documents Procedure, Corporate Investigations Procedure, Whistleblower Protection Procedure.

