
ANTICORRUPTION LAWS COMPLIANCE POLICY

Policy-Business Unit of Ukraine-058-8_vf

Person responsible for implementation of the regulatory document:
Leading Expert on Corruption Risks

1. INFORMATION ABOUT THE DOCUMENT

Minimal review periodicity:	2 years	Maximal review periodicity:	3 years
Access restriction:	No		

2. PURPOSE OF THE DOCUMENT

This Anticorruption Laws Compliance Policy (Policy-Business Unit of Ukraine-058) is the Anticorruption Program of PrJSC "VF Ukraine" developed in accordance with the following:

- Law of Ukraine "On Preventing Corruption" No. 1700-VII dated 14.10.2014 and also with due consideration of the requirements of anticorruption legislation of Ukraine as a whole;
 - Foreign Corrupt Practices Act (a United States law enacted by the Congress in 1977);
 - UK Bribery Act (the law of the United Kingdom enacted by the Parliament of the United Kingdom in 2010);
 - International standard ISO 37001:2016 Anti-bribery management systems;
- and which determines the set of rules, standards and procedures aimed at detecting, combating and preventing corruption in the Company's activities.

3. GOALS OF THE POLICY

This Policy sets the following goals for the Company and its management:

- to establish measures aimed at improvement of the corporate culture of the Company, the implementation and development of the best practices of the corporate governance and standards of responsible business conduct within the Company;
- to demonstrate the Company's commitment to the principles of legality, transparency and social responsibility in order to maintain its high business reputation before the state, shareholders, customers, partners, competitors and society in general;
- to set out the principles aimed at preventing any manifestations of corruption, both on behalf of and in respect to the Company and (or) its employees as well as at compliance, regardless of the circumstances, with the requirements of Applicable anticorruption laws in business activities of the Company anywhere in the world.

4. RESPONSIBILITIES AND SCOPE OF APPLICATION

This document regulates the activities of the following units and officials, including the

employees performing the duties:

Unit/position title/roles
All employees of the Company

5. DEFINITION OF TERMS, ABBREVIATIONS AND ROLES

The rest of terms, abbreviations, roles are listed in the Glossary at Corporate Information Portal.

5.1. Terms and abbreviations

Term	Abbreviation	Definition (keys to abbreviations)
Foreign Corrupt Practices Act	FCPA	Foreign Corrupt Practices Act 1977 (a United States law enacted by the Congress in 1977)
UK Bribery Act	UKBA	UK Bribery Act 2010 (the law of the United Kingdom enacted by the Parliament of the United Kingdom in 2010)
Anticorruption compliance (anticorruption compliance system, anticorruption system)		System of measures and procedures established to ensure the compliance with requirements of the anticorruption laws applicable to the Company
Branded promotional gifts		Promotional gifts with the Company's logo for marketing programs
Leading Expert on Corruption Risks		A person responsible for implementation of this Policy (Anticorruption Program), the legal status of which is determined by the Law of Ukraine "On Preventing Corruption" No. 1700-VII (Article 64) dd. 14.10.2014.
Internal audit		Audit conducted in compliance with the Procedure RP-BEU-022 "Audits held by Internal Control and Audit in PrJSC "VF Ukraine".
Hospitality		The term in particular includes: <ul style="list-style-type: none"> • any form of travel, • food, beverages, • accommodation, • entertainment, business, entertainment (cultural, sports (participation or viewing) and etc.) activities offered or received by a person or organization beyond the Company, or provided by a person or organization beyond the Company.
Public Official		<ul style="list-style-type: none"> • any official, whether appointed or elected, holding an office in a legislative, executive, administrative or judicial body or international organization; • any person exercising a public function for the state, including for the Public body, agencies and entities (auditors, notaries, appraisers as well as experts, arbitration managers, independent intermediaries, members of labour arbitration, arbitrators while performing these functions, other persons); • major political figures, political party officials, including candidates for political office, ambassadors, influential functionaries in nationalized industries or natural monopolies; • managers and employees of Public bodies, agencies and entities, including doctors, military personnel, municipal employees etc.; • persons who are known to be tied with a government official with family, friendship or business relationship; This term includes both the listed persons of Ukraine and foreign states, as well as entities of such foreign states.

State bodies, agencies and entities		National and local self-government bodies, their constituent entities, political parties, as well as all entities directly or indirectly controlled by the government. This term includes both the listed persons of Ukraine and foreign states, as well as entities of such foreign states.
MTS Group		PJSC "MTS", all subsidiaries and affiliates of PJSC "MTS" as well as all companies directly or indirectly controlled by PJSC "MTS"
Business gift		An object of any value received from a third party or handed by the Company's employee as a result of business relationship existing between them.
Business and entertainment events		Events involving an invitation to/from third parties to cultural, sport and other public events, including business lunches and official buffets during business operations.
Corporate Governance and Control Direction/Legal Department		Structural division of PrJSC "VF Ukraine"
Individual tariff proposal		Individual tariff proposal
Commercial bribery		A proposal or promise to an official of a private law entity (excluding public official), irrespective of the legal form, to give him/her or a third person an undue advantage, as well as granting or requesting such benefit for committing by the mentioned official (excluding public official) of actions or inactions, using the powers granted to him/her in the interests of the person proposing, promising to provide such a benefit, or in the interests of a third party.
Compliance Manager		Leading Expert on Corruption Risks and Expert on Corruption Risks
Risk compliance		Risk of applying the legal and regulatory sanctions, financial losses, as well as loss of business reputation of the Company as a result of non-compliance with legislative requirements and Codes of Conduct applicable to the Company's activities.
Conflict of interest		Definition of the term in compliance with the Policy PT-BEU-001 "Management of conflict of interest in PrJSC "VF Ukraine"
Corruption		The term in particular includes use by the public official or a representative (employee, official, representative by proxy/contract, etc.) of a legal entity or any other person of granted powers or related opportunities with the purpose of: <ul style="list-style-type: none"> • obtaining undue benefits or • taking this advantage or • accepting promises/offers of such benefit or for other purposes, respectively, • promise/offer or provision of improper benefit to the public official, representative (employee, official, representative by proxy/contract, etc.) of a legal entity or any other person, or at his/her request to other individuals or legal entities in order to persuade this person to illegally use the granted powers or related opportunities.
National agency		National Agency for Prevention of Corruption
Illegal benefit		Cash or other property, advantages, privileges, services, intangible assets and any other benefits of non-monetary or non-cash nature that are promised, offered, presented or received without any legal grounds.

Gift		Funds or other property, benefit, advantages, services provided/received on a free-of-charge basis or at the price less than the market one.
Bribery		Offering or promising to the public official to provide him/her or a third party with undue benefits, as well as the provision of such benefits for the commission or non-performance by public official in favour of the person proposing, promising to provide such benefit or in favour of a third person, of any action using his/her authorities or official duties.
Private Joint Stock Company PrJSC "VF Ukraine"	PrJSC "VF Ukraine", the Company, VF	PrJSC "VF Ukraine" including all structural units.
Representatives		Attorneys, commercial agents, dealers, consultants and all categories of intermediaries and other third parties acting in favour or on behalf of the Company.
Business entertainment expenses		The Company's expenses for hosting and entertainment of representatives of other entities/companies (including foreign) involved in the negotiations with the aim of establishing and (or) maintaining mutual cooperation, as well as participants at meetings of the management bodies of the Company.
Applicable anticorruption laws		Anticorruption laws of Ukraine and also FCPA, UK Bribery Act and similar laws of the states, on the territory of which the Company conducts its business activities.
Whistle-blower		A person who honestly informed about violation or suspected breach of the provisions of this Policy and/or applicable anticorruption laws.
Company's management	Management	The General Director, Director directly subordinated to the General Director (including Directors of Territorial Administrations), Deputy Directors, Heads of Departments, the Chief Accountant.
E-Regulations System	E-Regulations	The system designed to automate the process of approval of internal documents of PrJSC "VF Ukraine".
Employees (for the purposes of this policy)		Individuals employed by the Company or having concluded the civil law agreement with the Company
Mass media	MM	
Specially authorized entities in field of counteracting corruption		The Public Prosecutor's Office, Internal Affairs authorities of Ukraine, the National Anti-Corruption Bureau of Ukraine, the National Agency for Prevention of Corruption.
Ukrainian anticorruption laws		The Law of Ukraine "On Preventing Corruption", the Code on Administrative Offences of Ukraine, the Criminal Code of Ukraine, the Civil Code of Ukraine, the United Nations Convention against Corruption, the Criminal Convention on Combating Corruption as well as other laws and secondary regulatory and legal acts of Ukraine containing the norms aimed at combating corruption with all subsequent amendments and (or) supplements to them.

6. KEY PRINCIPLES

6.1. Zero tolerance of corruption in any forms and types

The Company establishes the principle of zero tolerance of corruption in any forms and types, both in daily activities and implementation of strategic projects.

Therefore, all employees and members of the management bodies of the Company, as well as any third party acting on behalf of and/or in the interests of the Company, are prohibited

to:

- offer, promise, authorize or make any payments in cash or anything in value, including but not limited to, business gifts, reimbursement of expenses, discounts, entertainment, etc., as well as any financial or other benefit or advantage to any Public official or representative of a commercial company with the aim of influencing its actions (ensure his/her failure to act) and provoke to discharge his/her job duties improperly and/or to obtain an improper commercial advantage;
- demand, agree to receive or receive any payments in the form of cash or anything of value, as well as any financial or other benefit or advantage, if the receipt of such payments, benefits or advantages in itself represents inadequate performance of job duties or other statutory duties or is the reward for the improper performance of such duties;
- perform: 1) directly or through intermediaries the bribery of the Public official or commercial bribery, 2) mediation in bribery of the Public official or commercial bribery or 3) provide/receive an illegal advantage on behalf of the person providing/receiving illegal benefits, 4) or otherwise cooperate with above-mentioned persons in (4.1) achieving or executing an agreement between them regarding the receipt and provision of improper advantage, implementation of commercial bribery, corruption of a public official (4.2) or providing/receiving of improper advantages.
- use the powers or position and related opportunities with the aim at obtaining unlawful advantage for himself/herself or other persons, including the use of any property of PrJSC "VF Ukraine" or funds for the personal gain.

6.2. Compliance with the anti-corruption laws

The Company adheres to the principles of anticorruption laws compliance and ethical business conduct in all types of business relations regardless of the countries where the Company conducts its business activities.

6.3. Priority of preventive measures

Measures to prevent, identify and eliminate the cases that can lead to corruption or contribute to their dissemination are priorities in the Company's activities.

6.4. Systematic, integrated anticorruption measures and their compliance with the risk level

The anticorruption activity is the Company's systematic, integrated into strategic and operational management at all levels, covering all the Company's divisions in the performance of their functions within any business processes.

6.5. Due diligence

The Company will use reasonable efforts to prevent the persons who are known to be involved or have been involved in illegal activities.

6.6. Personal responsibility

Management and employees of the Company, regardless of their position occupied, are personally responsible for compliance with the principles and requirements of this Policy and Applicable anticorruption laws, as well as the actions (failure to act) of their subordinates who violate these principles and requirements.

Management of the Company is responsible for ensuring the introduction and

implementation of anticorruption compliance controls and procedures in the business processes of its structural unit of the Company.

6.7. Consistency and general application of the Policy.

The Company consistently ensures the compliance with applicable anticorruption laws, namely, promotes the principles of ethical business conduct and, in particular, motivates the employees and Representatives of the Company to adhere to the principles of this Policy and consistently applies sanctions in all cases of violation of the provisions of this Policy.

This Policy applies to all business processes of the Company, first of all, to business processes in the field of interaction with third parties, including but not limited to selling goods and services of the Company, stimulating the consumer activity, attracting, retaining or developing the subscriber base, network construction and development, regulatory support of the network, as well as related to the implementation of investment, procurement and contractual activities.

6.8. Principles of business ethics

The professional ethical standards for employees of PrJSC "VF Ukraine" are established by the Code of Business Conduct.

The Code of Business Conduct contains key principles of business activities of PrJSC "VF Ukraine". PrJSC "VF Ukraine" adheres to the legislation in its activities and follows the general standards of business ethics. The Company does not accept any business operations incompatible with these rules.

The Code of Business Conduct is a document containing the minimum set of standards and requirements adopted by the Company with a purpose to promote honest and ethical conduct of business and prevention of abuses. The Code defines the rules and standards that employees should follow in their daily work.

In cases when it is required to apply higher standards, others than are generally used in commercial practices or a regulatory legal act of greater legal force, PrJSC "VF Ukraine" shall apply such high standards.

7. RIGHTS AND OBLIGATIONS OF EMPLOYEES, MANAGEMENT AND SHAREHOLDERS

7.1. Principles and requirements of this Policy shall be binding upon all employees and members of the Company's management bodies.

7.2. Under condition of signing the relevant obligation, the requirements of this Policy (excluding the Annexes hereto) shall be binding upon third parties acting on behalf of and/or in the interests of the Company.

7.3. PrJSC "VF Ukraine" ensures development and adoption of measures required and well-grounded for preventing and combating corruption in its activities.

7.4. The General Director of PrJSC "VF Ukraine", members of the management bodies and shareholders of the Company ensure the regular assessment of corruption risks in the Company's activities and carry out the corresponding anticorruption measures. In order to identify and eliminate the corruption risks in the Company's activities, the independent experts, particularly for audit, may be engaged.

7.5. Employees and members of the management bodies of the Company, as well as any

third party acting on behalf of and/or in the interests of the Company, subject to the signing of the relevant obligation related to the prevention and combat of corruption in the Company's activities are obliged hereto:

- 1) refrain from committing and participating in the corruption offenses related to the activities of PrJSC "VF Ukraine";
- 2) refrain from the conduct that may be interpreted as the willingness to commit the corruption offense related to the activities of PrJSC "VF Ukraine";
- 3) promptly inform the Leading Expert on Corruption Risks, the General Director of PrJSC "VF Ukraine" or the shareholders of the Company about the cases of incitements to commit the corruption offenses related to the activities of PrJSC "VF Ukraine";
- 4) promptly inform the Leading Expert on Corruption Risks, the General Director of PrJSC "VF Ukraine" or the shareholders of the Company about the cases of committing the corruption or thereto related offenses by other employees of the Company or other persons;
- 5) promptly inform the Leading Expert on Corruption Risks, the General Director of PrJSC "VF Ukraine" or the shareholders of the Company about the real potential conflict of interest.

8. COMPONENTS OF ANTICORRUPTION LAWS COMPLIANCE SYSTEM

8.1. Management mission and reputation

Management and members of the Board of Directors of the Company shall set the standards of ethical behaviour by their personal behaviour, and form by their own example an uncompromising attitude to all forms and types of corruption, which attitude should be an integral part of the corporate culture and the daily business practice of Company's employees.

Management of the Company is knowledgeable about the content of the anticorruption compliance system, allocates resources required for its implementation and exercise reasonable oversight with respect to the implementation, performance discipline and operation effectiveness.

The Company uses reasonable efforts to prevent the persons who are known to be involved or have been involved in illegal activities from taking executive positions in the Company or being members of management bodies of the Company.

8.2. Periodic assessment and risk mitigation

The Company regularly performs activities to identify and further revise the corruption risks paying particular attention to the risks specific for its activities, regions of presence and potentially vulnerable business processes.

Based on risk assessment and reassessment results, the Company develops and implements procedures to combat corruption, which are reasonable and adequate to the level and nature of the risks identified.

8.3. Official responsible for implementation of the Policy (Anticorruption Program)

8.3.1. In order to ensure the compliance with Applicable anticorruption laws, the Company has appointed an official responsible for implementation and improvement of anticorruption compliance system established by this Policy (Anticorruption Program) and other regulatory documents of the Company - Leading Expert on Corruption Risks.

8.3.2. Leading Expert on Corruption Risks possesses the required experience and competencies and is vested with independence, powers and resources sufficient for effective implementation and improvement of corporate compliance system with Applicable anticorruption

laws.

8.3.3. The legal status of the 8.3.2. Leading Expert on Corruption Risks is determined by the Law of Ukraine "On Prevention of Corruption" dated 14.10.2014 No. 1700-VII (Part 5, Article 62 and Article 64).

8.3.4. The Leading Expert on Corruption Risks is an official of PrJSC "VF Ukraine" appointed in accordance with the labour legislation by the General Director of PrJSC "VF Ukraine" pursuant to the corresponding order for the Company.

8.3.5. The Leading Expert on Corruption Risks may be an individual who is capable of fulfilling his/her duties in accordance with his/her business and moral qualities, professional level and for medical reasons.

8.3.6. A person cannot be appointed as Leading Expert on Corruption Risks if he/she:

- 1) has an outstanding conviction or criminal record which has not been removed in accordance with the procedure established by law;
- 2) is recognized incompetent or under special disability by decision of the court;
- 3) was removed from the office in state bodies, authorities of the Autonomous Republic of Crimea, local self-government bodies for violation of the oath or in connection with the commission of a corruption or an offense related to corruption - within three years from the date of such release.

8.3.7. Incompatible with the activities of the Leading Expert on Corruption Risks is the work on positions that creates a real or potential conflict of interest with the activities of PrJSC "VF Ukraine".

8.3.8. In case of incompatibility, the Leading Expert on Corruption Risks within two days from the day of occurrence of such circumstances shall inform the General Director of PrJSC "VF Ukraine" about this fact and simultaneously submit an application for termination of the Employment Contract on his/her own initiative.

8.3.9. The Leading Expert on Corruption Risks may be dismissed early in the manner prescribed by Section 5, Article 64 and the Law of Ukraine "On Prevention of Corruption" dated 14.10.2014 No. 1700-VII.

8.3.10. The General Director of PrJSC "VF Ukraine" shall notify in writing the National Agency about the dismissal of the person from the position of the Leading Expert on Corruption Risks within two business days and ensure the prompt nomination of a new candidate for the above-mentioned position.

8.3.11. The rights and duties of the Leading Expert on Corruption Risks, as an official responsible for the prevention of corruption in PrJSC "VF Ukraine", are established by his/her job description.

8.4. Anticorruption measures minimizing and identifying the risks

The Company has established the complex set of anticorruption compliance measures focused on prevention of any types of corruption both on behalf of and in relation to the Company and (or) its Employees, as well as aimed at compliance, regardless of the circumstances, with the requirements of Applicable anticorruption laws in business activities of the Company anywhere in the world.

Anticorruption measures, in particular, but not limited to, include the measures specified in Article 9 of this Policy, as well as the following anticorruption controls:

- anticorruption controls set out in internal regulatory documents for individual business processes (envisaged in Annex 1);
- anticorruption controls for processes that are not regulated by certain internal regulatory documents (envisaged in Annex 3).

8.5. Training and awareness

The Company openly declares its zero tolerance for corruption and demands unconditional

compliance with the principles and requirements of this Policy by its employees and representatives (when signing the appropriate duty).

The Company continuously monitors all changes in regulatory requirements and practices of enforcement of Applicable anticorruption laws and timely informs all interested parties about relevant developments and trends.

The Company implements and supports awareness program for employees and representatives of the Company on the principles and standards of compliance with Applicable anticorruption laws through a specially developed training system.

Through awareness and training the Company contributes to improving the level of corporate culture knowledge of corruption combating issues and ethical business practices.

8.5.1. Professional development of employees

In order to upgrade the skills of the Employees of PrJSC "VF Ukraine" in the field of prevention and combat of corruption and their awareness of the requirements of anticorruption laws subject to adherence by the Company, as well as anticorruption procedures adopted in the Company and the Code of Business Conduct and Ethics, the productive system SAP HCM of PrJSC "VF Ukraine" ("E-Learning") was supplemented with the following electronic distance trainings and testing of the knowledge:

- electronic distance training in Anticorruption laws compliance;
- electronic distance training in the Code of Business Conduct.

All employees of PrJSC "VF Ukraine" shall pass the obligatory trainings and testing of the knowledge about the electronic distance training in Anticorruption laws compliance and the Code of Business Conduct and Ethics within two months after employment in PrJSC "VF Ukraine" with binding recurrent training and knowledge testing every two years.

Based on the results of the annual assessment of corruption risks in the Company's business processes (clause 8.2 hereof), in particular, it is determined a list of employees who work in high-risk areas and which should pass compulsory full-time education.

Responsibility for the timely passing by the Employees of compulsory training and testing of knowledge as per this clause is assigned to the Heads of the relevant structural units of PrJSC "VF Ukraine".

The Leading Expert on Corruption Risks ensures the storage of materials for employee full-time education, as well as visiting sheets (indicating the training, date and venue, name, position, personnel number and signatures of participants) within 7 years from the date of the training.

8.5.2. Individual consulting

In case of any questions that an Employee may have with regard to:

- the content of this Policy, including the interpretation of any of its provisions,
- application and implementation of the principles and measures of the anticorruption compliance system set forth herein, including the applicability of these principles and procedures in certain situations or business processes of the Company,
- as well as any doubts about the legality and ethics of his/her actions

an Employee may seek an advice of the Leading Expert on Corruption Risks:

- by sending a message to compliane@vodafone.ua;
- over telephone or personally within working hours of the Company's operations

The Leading Expert on Corruption Risks shall consider the request and provide explanations as soon as possible (but not later than three business days from the day of the request).

8.6. Control and monitoring, audit of anticorruption laws compliance system

The Company regularly (at least once a year) conducts the internal and/or external audit of

financial and business activities, as well as performs permanent monitoring of completeness and accuracy of recording all business transactions in the accounting statements and in compliance with the requirements of the applicable legislation and internal regulatory documents of the Company, including the principles and requirements established by this Policy and the anticorruption laws compliance system.

8.6.1. Monitoring and control

The Company performs monitoring of the effectiveness of implemented procedures to prevent corruption (anticorruption laws compliance system), controls adherence to, and if necessary, improves such procedures.

8.6.2. Audit

Within the framework of the internal audit, the Company performs the audit of anticorruption laws compliance system with an aim to check:

- the discipline of compliance with the established business procedures, including checking lawfulness of
- transactions with Company assets, their economic feasibility, justification of expenses, including availability of supporting primary accounting documents;
- the compliance of the anticorruption laws compliance system with the requirements hereof and the International standard ISO 37001:2016 Anti-bribery management systems;
- that the anticorruption laws compliance system is implemented and followed.

The Internal audit in the context of the audit of the anticorruption laws compliance system includes the inspections of the procedures, controls and systems in terms of the following:

- bribery/commercial bribery or suspicion of the bribery/commercial bribery;
- violation of this Policy or measures and procedures of the anticorruption laws compliance system;
- refusal of business partners (counterparties who signed the corresponding obligation) to comply with the requirements of this Policy;
- weaknesses or opportunities to improve the anticorruption laws compliance system.

8.7. Periodic reporting

The Leading Expert on Corruption Risks, on a regular basis (every three months) and when required, reports to the Head of Compliance Department of PJSC "MTS" and the General Director of PrJSC "VF Ukraine" on the implementation process and/or improvement of anticorruption compliance system, violations of the compliance procedures identified during the reporting period, performed internal investigations, weak points of internal compliance controls and measures taken in connection therewith, as well as the general status of the effectiveness of the system.

8.7.1. Quarterly reporting

In order to control the compliance of PrJSC "VF Ukraine" activities with the requirements of anticorruption compliance established by the Company's regulations and monitoring of adherence to the anticorruption measures, the Company prepares quarterly reports, analysis and evaluation of information based on the reports.

The list of reports provided to the Leading Expert on Corruption Risks is set out in Annex 4 hereto.

Heads of the units specified in Annex 4 hereof, on a quarterly basis but not later than 5th (fifth) day of the month, and Accounting Records Department not later than 15th (fifteenth) day of the month following the end of the quarter, shall approve with the Leading Expert on Corruption Risks via E-Regulation system (Other documents) the reports on the activities of the Company in the form established by Annex 4.1-4.6 of this Policy.

The results of the quarterly reports shall be submitted to the General Director of PrJSC "VF Ukraine" and Director of Compliance Department of PJSC "MTS".

8.7.2. Reporting to the General Director of the Company

The Leading Expert on Corruption Risks annually submits for consideration to the General Director of the Company the Report on results of preventing and combatting the corruption in the Company (hereinafter – the Report).

The Leading Expert on Corruption Risks reflects in the annual Report to the General Director of the Company the following information, particularly:

- 1) statistical data on the results of activities in the field of anticorruption during the reporting period.
- 2) information on the results of implementing the measures aimed at preventing and combatting corruption;
- 3) generalized analysis of the situation on observance of anticorruption laws of the Company within the reporting period;
- 4) conclusions and recommendations.

8.8. Response measures for revealed allegations of corruption or offences related to it

8.8.1. Persons found guilty of violating the requirements of this Policy and the Applicable Anticorruption laws may be brought to disciplinary, administrative, civil or criminal liability at the initiative of the Company, law enforcement agencies or other persons in accordance with the procedure and on the grounds specified by the Company's Charter, internal regulations and employment contracts, as well as in appropriate cases and in the presence of grounds, in accordance with the Applicable anticorruption laws.

8.8.2. In case of revealing the facts containing the signs or directly indicating the wrongdoings by employee of PrJSC "VF Ukraine" and proving his/her involvement in the offense relating to corruption, the General Director of PrJSC "VF Ukraine" has the right to apply disciplinary measures against him/her as specified by the acting legislation of Ukraine, taking into account the gravity of the offense and the consequences (damages) caused to the Company.

8.8.3. The Company employee is brought to disciplinary liability for the commission of offenses related to corruption in accordance with the procedure stipulated by the current legislation, taking into account the provisions of the Policy PT-BEU-002 "Rules of the Internal Labour Procedure of PrJSC "VF Ukraine", based on the Order of the General Director of PrJSC "VF Ukraine".

8.8.4. In the event of the facts evidencing the violation of the anticorruption laws by the Company's Employee the Leading Expert on Corruption Risks shall take the following measures:

- initiate the applying of the disciplinary actions upon availability of sufficient grounds as per the procedure established by the Policy 002 "Internal labour rules of PrJSC "VF Ukraine";
- initiate an official investigation in the manner prescribed by Regulation of the process 247 "Internal investigation" to confirm or deny information on the possible violation of anticorruption laws by the official of the Company;
- inform in the established order of the specially authorized entities in the field of combating the corruption on violations identified for adoption of measures stipulated by the legislation.

Due to the fact that the Company may be subject to sanctions for involvement of its employees, representatives or other related parties in the corrupt activities, in regard to any reasonably suspected or proven fact of corruption, the internal investigation will be initiated in accordance with the internal regulations of the Company stipulating the procedure for initiation

and conducting such investigation to the extent allowed by the applicable law.

The procedure for conducting an internal investigation to establish the events, circumstances, persons guilty in violation of applicable criminal, civil, administrative, labour laws of Ukraine (in terms of activities of the Company and/or its employees) and regulatory documents of the Company, as well as the procedure for identifying the causes and conditions that contributed to the commission of violations, the infliction of material and other damage to the Company is specified by the Regulation of the process 247 "Official investigation".

9. ANTICORRUPTION MEASURES

9.1. Conflict of interest

The Company expects that each Employee while performing his/her work-related obligations will put the interests of the Company above his/her personal interest and will prevent the situations that are regarded or may be regarded as Conflict of Interest.

Employees shall report the facts of the Conflict of Interest and its causes to line manager or Leading Expert on Corruption Risks.

The Company takes all necessary measures to manage the conflicts of interest in accordance with internal regulatory documents. To prevent and manage the conflict of interest, the Company has adopted the Policy PT-BEU-001 "Management of conflict of interest in PrJSC "VF Ukraine".

9.2. Contractual Policy

Prohibition of non-contractual agreements

The Company prohibits entering, on its behalf or in its interests, into any non-contractual agreements with any categories of counterparties, namely any written or verbal agreements, which are not included in the main text of the agreement with the counterparty or annexes thereto, and accordingly, that have not passed the standard approval procedures adopted in the Company.

Any contract or agreement entered into by the Company with a third party in writing, including all annexes thereto being an integral part thereof, should contain the terms and arrangements being the basis for entering into such a contract in their entirety.

Anti-corruption clause

In order to comply with Applicable anticorruption laws, as well as for mitigation of the risk of bringing the Company to liability due to its involvement in corrupt practices, as a general rule, the Company initiates the incorporation of an anticorruption clause into any contracts/agreements to be concluded.

The Company has established the criteria for determining the possibility of not including an anticorruption clause in the text of the agreement in accordance with the procedure set out in Annex 8 "Rules for the inclusion of an anticorruption clause in agreements" of the Procedure RP-BEU-047 "Agreement, approval and storage of the contracts".

9.3. Counterparty due diligence

The Company will use the reasonable efforts to minimize the risks of establishing business, labour and other relationships with individuals or legal entities that might be involved in corrupt activities and thus, might expose the Company to the risks being involved in such activities.

In order to mitigate the risk of involving the Company in corrupt activities, the Company has developed and implemented the relevant due diligence procedures complying with the requirements of the applicable legislation used both with respect of the counterparties – legal entities (including the members of the joint ventures, companies or associations) and with

respect of individuals, with whom the Company plans to enter into an employment agreement.

This Policy is also applied in cases of acquisition by the Company of any shares in legal entities. The due diligence procedure associated with the planned acquisitions includes both the relevant examination of the target company, its owners and management and checking whether the goals and procedure of executing such a deal is compliant with the requirements of this Policy and Applicable anticorruption laws.

9.4. Subsidiaries, joint ventures and counterparties

The Company pays special attention to the assessment of counterparties' tolerance to the corruption, including checking the availability of their own anticorruption laws compliance systems, their willingness to comply with the requirements of this Policy and include the anticorruption clauses in the agreements as well as to provide the mutual assistance in conducting ethical business activities and prevention of corruption.

The Company initiates in the controlling subsidiaries the implementation of their own anticorruption policies similar to this Policy, as well as uses reasonable efforts to ensure that the fundamental principles and requirements hereof are abided by joint ventures, companies and associations in which the Company participates.

9.5. Gifts and entertainment expenses

Gifts and entertainment expenses, including the business hospitality, which the Employees may bear for other individuals or legal entities on behalf of the Company or which the Employees may receive from other individuals or legal entities in connection with their work in the Company, in certain circumstances could be construed unlawful in accordance with the Applicable anticorruption laws.

In this regard, any gifts and entertainment expenses must meet all of the following criteria:

- 1) be directly related to the legitimate purposes of the Company's activities, for instance, with presentation or completion of business projects, promotion of goods or services, successful implementation of contracts or with official holidays such as Christmas and New Year, International Women's Day, memorable dates, anniversaries, etc.;
- 2) be reasonably justified, proportionate and not include any luxury items;
- 3) not compromise the ability of the recipient to make unbiased and impartial decisions in connection with his/her job and office duties (obligations), particularly, but not limited, be provided in exchange for information, preferential attitude or opportunities that otherwise would not have been provided;
- 4) not constitute disguised remuneration for the service, act, omission, connivance, protection, granting the rights, making a certain decision in regard to the transaction, agreement, license, permit, etc. or an attempt to influence the recipient with any other illegal or unethical purpose;
- 5) not create a reputational risk for the Company in the event of disclosure of information about such gifts or entertainment expenses;
- 6) be not prohibited by legislation and other procedures and policies applicable to the recipient;
- 7) not impose any moral obligation on the recipient;
- 8) be consistent with the principles and requirements of this Policy, the Code of Business Conduct and Ethics for employees, other internal documents of the Company and provisions of the Applicable anticorruption laws;
- 9) pass all required approved procedures established in the Company, be authorized by a senior manager and be properly documented.

The above-mentioned criteria shall be applied to the expenses on behalf of and/or at the expense of the Company for arrangement of events aimed at promoting consumer activity,

attraction, retention or development of the customer database as well as events related to the Company's activity in the field of the public relations, media, investment and professional community.

Gifts on behalf of the Company, its Employees and Representatives to any third parties in the form of money (cash or non-cash) and cash equivalent in any currency are prohibited.

Rules and limitations in relation to the presenting and accepting the gifts, as well as organization of the entertainment events and participation therein, established in the Company, are set forth in the Regulations on gifts and entertainment events (Annex 2).

9.6. Sponsorship and corporate social responsibility

The Company is committed to participate in implementation of the social responsibility projects, supporting the initiatives of the governments and charitable organizations aimed at improvement of the welfare and its development, as well as making a reasonable contribution to the creation of equal opportunities in the countries, where the Company carries out its activities.

To achieve these goals as well as to comply with the Applicable anticorruption laws, the Company has developed and implemented the regulatory documents and procedures governing the participation of the Company in sponsorship and charitable activities; all financial transactions related to the sponsorship and charitable activities are thoroughly and accurately reflected in financial statements; projects scheduled for implementation undergo preliminary approval; procedures for monitoring of charitable contributions allow to reasonably ensure that the these contributions are not a disguised form of bribery, corrupt payment, or bribery to a person rendering the public services or providing the illegal advantage.

In accordance with this Policy and implemented procedures, the Company does not provide financing and is not involved in any charitable and (or) sponsorship activities to obtain any advantages or preferences in relation to the business activity.

9.7. Financial of political activities

In accordance with the Policy, the Company does not fund and support or promote in any other way the political parties or their members, including the candidates for political posts, their campaigns or political activities, as well as any other political organization or movements.

9.8. Payments through intermediaries or in favour of third parties

The Company and its Employees are prohibited from using or involving the Representatives of the Company, joint ventures or any other parties for committing any actions that are contrary to the principles and requirements of this Policy and the rules of the Applicable anticorruption laws.

The Company and its Employees are prohibited from making the payments in favour of the Representatives of the Company, joint ventures or any other third parties, if it is known (or should be known) that the whole or part of this payment will be allocated to bribing the Public official or the representative of the commercial company.

The Company ensures the performance of the verification procedures in respect of the Representatives, joint ventures or other third parties to prevent and/or reveal the above violations in order to minimize the risks of the Company's involvement in the corrupt activities.

9.9. Book and record keeping

All financial transactions, accounting entries and records shall be accurately and in sufficient detail reflected in the financial statements of the Company, documented and available for inspection.

The Company has developed and implemented the procedures of internal financial control to ensure that:

- 1) all financial transactions are carried out in compliance with the general and special

- sanction of the Management;
- 2) the accounting records are made with such a degree of accuracy and detail that allows to prepare the statements complying with the applicable accounting (financial) statements standards;
 - 3) the access to the disposition of assets is granted only in compliance with the general and special sanction of the Management;
 - 4) the book records on the cost of assets are regularly compared with the fact and if necessary, the appropriate measures are taken.

The Company has appointed the Employees who are responsible for preparation and submitting of the complete and reliable accounting statements within the period established by the applicable legislation.

Non-compliance or an attempt not to comply with the procedures of the internal financial control, misstatements or falsification of the accounting statements of the Company are strictly prohibited and are considered to be a violation of the law.

10. VIOLATIONS REPORTING

10.1. The Company has the Program for providing an opportunity to all willing employees, customers and vendors of the Company to inform on significant violations regarding the issues particularly on non-compliance with the legislation (including the anticorruption laws), cases of the breach of the Code of Business Code and Ethics of PrJSC "VF Ukraine" established by the Policy "Program of measures for the work with reports on suspected or known abuses or violations in PrJSC "VF Ukraine".

10.2. Every Employee of the Company, regardless of the position held or the Company's Representative, who became aware of the facts (or evidences) of violation or inducement of violation of the provisions of this Policy and/or Applicable anticorruption laws both by employees or representatives of the Company or by third parties, must report about this in any of the following ways:

- 1) to the General Director;
- 2) to the Leading Expert on Corruption Risks;
- 3) via Hotline of the Company or by sending a message directly to hotline@vodafone.ua, including anonymous messages (from external e-mail address). The procedure for accepting and processing of the messages sent to Hotline is established by the Regulation No. 091 "Processing of the messages sent to Hotline of PrJSC "VF Ukraine".

10.3. The Company undertakes, within its competence, to protect Employees who in good faith report the violation or suspected violation of provisions of this Policy and/or Applicable anticorruption laws, from any form of prosecution discrimination on the part of the person in respect of which the report was made.

10.4. In addition, the Company guarantees that none of Employees will be subject to sanctions (including dismissal, demoting, denial of bonus) by the Company, if the Employee in good faith reported the suspected fact of corruption, or if the Employee refused to give or receive a bribe to a public official, to participate in corrupt business activities or provide mediation in bribery, including if such refusal resulted in profits loss for the Company or loss of commercial or competitive advantage.

10.5. The Company's non-retaliation guarantees do not apply to guilty Employees as well

as if the internal investigation will prove that a message was intentionally false, perjury or defamation.

10.6. The information on the person who has in good faith reported about the violation or suspected violation of provisions of this Policy and/or Applicable anticorruption laws (Whistle-blower) is the information with limited access and may be disclosed only with his/her consent except for the cases established by the legislation.

10.7. If there is any danger to life, housing accommodation, health and property of the Whistle-blower or his/her relatives as a result of the message informed about violation of the requirements of the anticorruption laws, the Whistle-blower may:

- 1) inform the Leading Expert on Corruption Risks for further communication of the law enforcement bodies pursuant to the procedure specified by the law;
- 2) inform the law enforcement bodies to take measures stipulated by the Law of Ukraine "On safety of the persons participating in the criminal proceedings".

11. PROCEDURE FOR AMENDMENTS INTRODUCTION

11.1. Amendments to this Policy are made in accordance with the procedure established in the Company, taking into consideration the peculiarities set out herein.

11.2. Amendments are introduced to this Policy in the following cases:

- 1) if it is required to bring in compliance with the changes in the anticorruption laws;
- 2) upon the initiative of the Leading Expert on Corruption Risks, the General Director of the Company, Functional Director and Deputies General Director to update and adjust specific clauses;
- 3) during the scheduled review within the period specified by this Policy or the Regulation of the process 001 "Regulatory document management in PrJSC "VF Ukraine".

11.3. The changes to this Policy as well as to other regulatory documents of the Company regulating the processes related to this Policy, in cases envisaged in paragraphs 2 and 3 of the clause 11.2 hereof shall be introduced wherever their content is not in conflict with the applicable anticorruption laws and the International standard ISO 37001:2016 Anti-bribery management systems.

11.4. Regardless of the initiator of changes to this Policy and other regulatory documents of the Company that regulate the processes related to this Policy, the approval is carried out with participation of the Leading Expert on Corruption Risks.

11.5. All employees of the Company have the right to provide the Leading Expert on Corruption Risks with their proposals on improvement of certain provisions of this Policy, as well as other local regulatory documents of the Company that regulate the processes related to this Policy. Based on the results of consideration of such proposals, the Leading Expert on Corruption Risks shall provide the following information within a month after the date of their receipt:

- timing for making these changes;
- or reasonable justification or impossibility to introduce such changes.

11.6. The current version of this Policy is placed on the internal information resource of the

Company (the whole package, including Annexes) and published on an external portal of the Company (without Annexes) in "Compliance and business ethics".