



DemirBank
bank for your life

APPROVED

By General Shareholder's meeting of the
CJSC "Demir Kyrgyz International Bank"
Protocol dd. 19 March 2011,
Last changes approved by General
Shareholder's meeting dd 27 March 2025

**REGULATION ON THE BOARD OF DIRECTORS OF
«DEMIR KYRGYZ INTERNATIONAL BANK»
CLOSED JOINT-STOCK COMPANY**

1.	GENERAL PROVISIONS	3
2.	ELECTION AND TERMINATION OF MEMBERSHIP IN THE BOD.....	3
3.	STRUCTURE OF THE BOD	4
4.	INDEPENDENT BOD MEMBERS	5
5.	COMPETENCE OF THE BOD	5
6.	CHAIRMAN OF THE BOD.....	7
7.	RIGHTS AND DUTIES OF THE MEMBERS OF THE BOD	7
8.	MEETINGS OF THE BOD	8
9.	DECISIONS OF THE BOD.....	9
10.	CONFLICT OF INTERESTS.....	9
11.	COMMITTEES OF THE BOD	10
12.	CORPORATE SECRETARY	11
13.	LIABILITIES OF THE MEMBERS OF THE BOD	11
14.	COMPENSATION.....	11
15.	CONFIDENTIALITY	11
16.	FINAL CONCLUSION	12

1. GENERAL PROVISIONS

1.1. The purpose of this Regulation (hereinafter Regulation) is to determine the responsibilities, authorities and duties of the Board of Directors, (hereinafter – the BOD), of Demir Kyrgyz International Bank Closed Joint Stock Company (hereinafter - the Bank). This regulation is developed in accordance with the provisions of the Bank's Charter, requirements of the Laws of the Kyrgyz Republic, including but not limited to laws "On joint stock companies", "On National Bank of the Kyrgyz Republic, banks and banking activity". The Regulation is prepared as a guideline to the BOD in performing their duties and, governs status and competence of the BOD. It further determines the rights and liabilities of its members, the way of conducting the Board meetings and decision-making process within the BOD.

1.2. Detailed or specific definitions, as well as issues that are not covered by this Regulation, are covered in the Charter and/or relevant internal regulatory documents (hereinafter – IRD) of the Bank or legislation of the Kyrgyz Republic (hereinafter – KR). In case of a conflict of the conditions of this Regulation with the provisions of the Charter, the provisions of the Charter will prevail. In case there is any discrepancy between the terms of this Regulation and applicable legislation of the KR the applicable legislation will prevail.

1.3. The members of the BOD are nominated and elected by the shareholders of the Bank according to the conditions stated in the Charter of the Bank.

1.4. The BOD is the governing body of the Bank, carrying out overall management of the Bank in between general shareholders meetings (hereinafter – GSM) of the Bank. The BOD performs strategic governance of the Bank, determines the main principles and approaches to organizing the Bank's risk management and internal control system, supervises the activities of the Bank Management, and performs other key functions.

1.5. All activities and decisions of the BOD shall be performed to achieve the objectives and targets and to protect rights and interests of the Bank, as described in the Bank's Charter, Policy and Business Plan of the Bank.

2. ELECTION AND TERMINATION OF MEMBERSHIP IN THE BOD

2.1. The members of the BOD shall be elected by the Bank's GSM for a term of four (4) years. In case the term of authority of BOD has expired, but new Members of BOD have not been elected, the current composition of the BOD shall stay in office until the election of a new BOD Members. Members of the BOD may be re-elected for another term.

2.2. The member(s) of the BOD shall be proposed by Shareholders and such candidate shall be a individuals with professional experience with adequate knowledge of economic, monetary and/or legal issues and shall meet the minimum requirements, set by the National Bank of the Kyrgyz Republic for members of the BOD of a Bank.

2.3. If there is a vacancy(s) in the BOD of the Bank that does not affect the quorum, the members of the BOD in the missing quantity are elected at the next GSM of the Bank. At the same time, if the vacancy arises due to the resignation of a BOD member, the Shareholder who proposed the candidacy of the resigning member of the BOD has the right to nominate a successor, whose nomination shall be approved at the following GSM.

2.4. If there is a vacancy of independent Members of the BOD that do not affect the quorum, but as a result of which the Bank violates the requirement for one third of independent Members of the BOD, the BOD of the Bank within 10 (ten) business days from the date of the vacancy occurring shall make a decision to convene an extraordinary GSM (hereinafter – EGSM), at which independent members of the BOD must be elected in the missing quantity.

2.5. If at the result of early termination of powers of the Board members, its composition is reduced to a number lower than the established quorum; the Management shall make a decision on

calling the EGSM within five days from the date of termination of powers of the BOD in order to elect a new composition of the Directors of the Board.

2.6. After election, all new BOD members shall be agreed with the National Bank of KR (hereinafter – NBKR) in accordance with the procedures established by the NBKR.

2.7. A member of the BOD of the Bank may terminate his/her membership in the following cases:

- a. A member of the BOD may resign at any time by submitting a written notice to the Chairman of the BOD not less than 45 days before the resignation;
- b. Membership of the BOD shall cease upon such member's death, bankruptcy, restriction of civil rights, declaration of incapacity, or resignation.

2.8. The member of the BOD may be dismissed from his/her position for the following reasons:

- a. for fraud, abuse of authority or other illegal actions;
- b. in case his dismissal from the position is in the interest of the Bank and its shareholders;
- c. for systematic (more than 2 times within the last 12 months) breach of banking legislation of the KR, even if they did not result in financial losses for the bank;
- d. for violation of legislation of the KR and regulations of the NBKR;
- e. by decision of the GSM;
- f. based on decision of the NBKR, in the case of:
 - loss of an impeccable business reputation;
 - revealing the fact of concealment of a conflict of interest or self-interest in concluding bank transactions;
 - concealment of the information which indicates that he/she does not meet the qualification requirements, requirements for independence (when applicable) and an impeccable business reputation;
 - when, according to the of NBKR, the actions or inactions of a member of BOD threaten the bank's financial stability.

2.9. A dismissal of a member of the BOD shall be taken by the GSM of the Bank in accordance with the legislation of KR. Such a decision to dismiss a member of the BOD shall be taken by open voting, and requires at least 2/3 of the voting Shares participating in the GSM.

3. STRUCTURE OF THE BOD

3.1. The BOD shall consist of odd number, but not less than five (5) members, including the Chairman.

3.2. Shareholders, may assign an observer (the “Observer”) to the BOD and is required to inform on his nomination to all Shareholders. The Observer may attend meetings of the BOD, but is not entitled to vote at the BOD meetings.

3.3. At least one member of the BOD of the bank shall be a citizen of the KR, who speaks state and / or official language.

3.4. Every member of the BOD shall be objective and shall act in the interests of the Bank, not his/her own. Not less than one-third (1/3) of the members of the BOD shall be independent as defined in the Kyrgyz legislation.

3.5. Members of the BOD of a bank cannot be persons:

- a. Individuals who are members of the Bank Management or hold other positions in the bank;
- b. who are officials or a significant shareholders of another bank or other entities supervised by the NBKR, or individuals holding positions in other competing financial organizations;
- c. who do not meet the requirements established by the NBKR, as well as persons who are prohibited by legislation of the KR or by a court decision from holding such positions.

4. INDEPENDENT BOD MEMBERS

- 4.1. An independent member of the BOD is a person who at the time of election:
- a) Is/was neither an employee of the bank nor an employee of any legal entities related to the Bank during the last five years;
 - b) Is/was neither a member of the Bank Management of the Bank nor a member of the Management of any legal entities related to the Bank during the last five years;
 - c) did not received, directly or indirectly, any substantial additional remuneration, compensation, benefits or donations, except for reimbursement of expenses related to participation in the meetings of BOD, from the bank or entities related to the bank, or on their behalf, within the last five years;
 - d) has no significant business relations (including the provision and receipt of credits, loans) with the bank or any of the related parties, either directly or as a partner, during the last five years;
 - e) was not a partner or employee of the current or former external auditor of the bank or any of the related parties for the past five years;
 - f) does not exercise significant participation or control over the bank and in no way represents a shareholder who exercises significant participation or control over the bank;
 - g) has not been a member of the BOD of the bank or any of the legal entities related to the Bank for the past 5 (five) years;
 - h) is not a close relative with the persons mentioned in the above articles above from a-g.

5. COMPETENCE OF THE BOD

- 5.1. Matters being the exclusive competence of the BOD of the Bank shall not be transferred for consideration and/or decision making to other bodies of Bank, except to the GSM of the Bank.
- 5.2. Exclusive competence of the BOD includes the following powers and authorities:
- a) defining the strategic goals of the Bank and ensuring that this strategic information is shared within the Bank;
 - b) ensuring compliance of the Bank's activities and its governing bodies with the legislation of the KR;
 - c) setting the main directions for the Bank's activities for the long-term perspective and their indicators;
 - d) based on the recommendations of the Nomination and Remuneration Committee, the appointment of:
 - ✓ a head and employees of the Internal Audit Department, determines the amount of remuneration, as well as determines the quantitative and personal composition of this Department;
 - ✓ a head and employees of the Compliance Control Department, determines the amount of remuneration, as well as determines the quantitative and personal structure of this Department;
 - ✓ a head and employees of the Risk management Department, determines the amount of remuneration, as well as determines the quantitative and personal structure of this Department;
 - ✓ Corporate secretary of the Bank.
 - ✓ members of the Bank Management and their release according to the provisions of the Charter of the Bank
 - e) approval of the terms and conditions of remunerations of the Bank Management;
 - f) approval of the organizational structure of the Bank;
 - g) design and implementation of an adequate system for risk management and internal control;

- h) carrying out inspections of the activities of the Bank Management and officials of the bank, taking appropriate measures based on the results of these inspections;
- i) establishment and/or liquidation of branches, outlets and representative offices of the Bank;
- j) review and taking measures on internal and external audit findings, NBKR findings;
- k) review of the Bank's balance sheet and income statement in order to determine whether they comply with the Bank's books and records;
- l) review the explanatory notes and recommendations of the Management on distribution of profits and covering losses;
- m) submission of the Bank's annual financial statements, together with other relevant documents, for examination at the GSM;
- n) determine the standards of releasing information about the Bank to third parties in accordance with the provisions of the Charter of the Bank;
- o) unless otherwise stated in internal documents of the bank, approval of deals, including sale and purchase, lease or other disposition of property in the amount equal to 20% and up to 50% of the book value of the bank's assets including, except for credit related transactions, including but not limited to the following:
 - I. sale of real estate registered in the name of the Bank;
 - II. purchase of real estate for the Bank's needs;
 - III. lease of real estate, owned by the Bank;
 - IV. purchase of real estate encumbered with obligations during liquidation;
- p) convocation and preparation for annual and extraordinary GSM;
- q) providing recommendations to the Shareholders regarding the dividend amount and the procedure for their distribution;
- r) approval of loan disbursement and entering into other related transactions between the Bank and affiliated person/s related with the Bank within the limits set by the NBKR;
- s) approval of the disbursement and write-off of large-risk loans;
- t) approval of the disbursement of cross-border loans, including loans secured by collateral located outside the KR;
- u) control over execution of resolutions of the Shareholders Meeting;
- v) preparing recommendations for the GSM on the amount, terms and procedure for increase or decrease of the number of shares;
- w) periodic evaluation (at least once a year) of the Bank's development strategy, business plan and policies for all the main activities of the Bank in order to determine their adequacy to the current activities, financial condition of the Bank and external economic conditions;
- x) periodic definition (at least once a year) degree of efficiency of work, it meets the needs of the Bank's development (identifying shortcomings for governance and the adoption of appropriate corrective actions), based on the evaluation of the committees of the BOD.
- y) periodic definition (at least once a year) the effectiveness of work, its alignment with the Bank's development needs (identifying management inefficiencies and taking appropriate corrective actions), based on the evaluation of the activities of the Board of Directors' committees and its members;
- z) Determining and approving internal policies for all types of the Bank's activities;
- aa) Providing recommendations to the GSM regarding the reorganization of the Bank;
- bb) Electing and/or approving the early termination of the powers of members of the Audit Committee, the Risk Management Committee, and the Nomination and Remuneration Committee of the Bank;
- cc) Approving the external auditor and determining their remuneration if the external auditor is not approved at the annual GSM to avoid calling an extraordinary GSM;

dd) other matters as provided for by the Kyrgyz laws, which falls under the exclusive competence of the BOD.

5.3. The BOD may delegate some of its power concerning its decision authority to the Bank management (except the powers delegated to the BOD by the Shareholders meeting which remain under the exclusive competence of the BOD) by unanimous decision. Any such delegation of powers can be cancelled but only by unanimous decision taken by all BOD members.

5.4. The cancellation of powers provided to the Management by the BOD as specified in the Article 5.3 does not affect decisions, taken by the Management prior to the cancellation of such authority.

6. CHAIRMAN OF THE BOD

6.1. The Chairman of the Bank's BOD is chosen amongst the BOD members and shall ensure proper functioning of the BOD and its committees and shall act on behalf of the BOD as the main contact for the Bank Management and the shareholders regarding functioning of both the BOD and the Bank Management. The Chairman of the BOD shall perform the following functions:

- a. managing the activities of the BOD;
- b. signing agreements with Chairman of the Bank management on the basis of decisions of the BOD;
- c. chairing meetings of the BOD;
- d. convening meetings of the BOD;
- e. signing protocols and resolutions which were approved during meetings of the BOD.

6.2. In case of the BOD Chairman's absence for any reason whatsoever, one of the BOD members shall perform his duties as to be decided by the members of the BOD in attendance.

7. RIGHTS AND DUTIES OF THE MEMBERS OF THE BOD

7.1. Members of the BOD shall have the following rights:

- 1) to receive and comment on the minutes of the BOD;
- 2) to have their own responsibilities for obtaining the necessary information from the Bank Management and the external auditor to be able to carry out its duties properly. In this respect, the BOD may require certain employees of the Bank or external advisers to attend its meetings;
- 3) to submit their own opinions concerning issues whether on or not on the agenda and decision of the BOD meetings.

7.2. Members of the BOD undertakes:

- a) carefully consider the interests of all parties involved in the Bank, such as the Bank's customers, its employees and its Shareholder;
- b) carry out their duties and perform their obligations a reasonable and honest manner, to comply with the requirements as set in the Bank's Charter, Policies and Business Plans of Bank and in Kyrgyz legislation;
- c) bear own responsibility for obtaining the required information from the Bank Management and the external auditor to properly carry out their functional duties. In this respect, the BOD may request the presence of certain employees or external consultants at the BOD meetings;
- d) not to disclose or use confidential information that has become known to them, including information related to banking secrecy or classified as limited distribution, and not use such information for their own benefit;
- e) in order to fulfill the duties of a BOD member, to be available and in touch, regularly attend the BOD meetings;

- f) exercise oversight over the activities of the Bank Management, the overall state of affairs within the Bank, and related business activities of the Bank.
- g) make well-considered decisions based on own qualifications and experience after taking all exhaustive measures and making every possible effort to obtain the necessary and available information within a reasonable time;
- h) comply with requirements to prevent conflicts of interest;
- i) adhere to the principle of equality in relation to shareholders, not favoring the interests of one shareholder over the interests of others;
- j) organize an effective control system within the bank to prevent the bank from engaging in transactions or operations (deals) of customers that lack an obvious economic sense, legitimate object, and/or could later harm the bank's interests;
- k) provide advice and consultation to the Bank's Management as needed.

8. MEETINGS OF THE BOD

- 8.1. The meetings of the BOD shall be held quarterly, after the end of each calendar quarter, as usual in a physical meeting, which takes place in Bishkek or another location as decided by the BOD. In other months, the meetings of the BOD are held via email.
- 8.2. Meeting of the BOD is considered as valid, if it is convened and exercised in accordance with this Regulation and on the conditions that two-thirds (2/3) of the BOD members are present at the meeting (four out of five members if the number of members is five).
- 8.3. The BOD agenda for the quarterly meeting shall include, at a minimum:
- 1) once (1) a year the strategic business plan and annual budget of the Bank;
 - 2) once (1) a year the update status of the internal regulatory documents approved by the BOD;
 - 3) management report of the Bank Management on the Bank's performance for the reporting quarter;
 - 4) report of the Bank Management on classified loans and acquired property;
 - 5) risk management reports;
 - 6) compliance control reports;
 - 7) internal audit reports;
 - 8) other issues within the competence of the BOD, as necessary.
- 8.4. The BOD agenda for the monthly meeting shall include, at a minimum:
- 1) management report of the Bank Management on the Bank's performance for the reporting month;
 - 2) report of the Bank Management on classified loans;
 - 3) other issues within the competence of the BOD, as necessary.
- 8.5. The convocation of an extraordinary meeting of the BOD can be initiated by:
- 1) The Chairman or the BOD;
 - 2) A Shareholder holding more than 10% (ten percent) of the shares. If the meeting of the BOD is not convened within 15 (fifteen) days from the submission of such a request to the Chairman of the BOD, the shareholder is empowered to independently call the BOD meeting.
 - 3) In other cases, as provided by the Bank's Charter.
- 8.6. The BOD works collectively, however, it may delegate some of its supervisory powers to its member(s) on permanent or temporary basis, if such powers do not fall within exclusive competence of the BOD.
- 8.7. The BOD may make decisions by correspondence, telephone conferences, email or any other means of communication; provided that the BOD subsequently properly approves such resolutions.

The Minutes of the BOD meeting shall be written in accordance with the requirements, stated in the Charter of the Bank.

8.8. The BOD shall consider any issues within its competence, except for those that fall under the competence of the GSM. During its meetings, the BOD shall also discuss and take decisions on issues, submitted by the Bank Management.

8.9. The BOD, together with the Bank Management, is responsible for adequate, comprehensive and effective support to the Bank in implementing control measures related to combating terrorism (extremism) financing and money laundering, as well as ensuring that the Bank is not involved in suspicious or illegal activities of its customers or any third parties.

8.10. Duties and responsibilities of the BOD include, but are not limited to, the supervision of the Management's activities, overall state of affairs in the Bank and its current activities. The BOD provides consultation to the Management whenever it seeks advice or deems it necessary to consult on issues related to the Bank.

8.11. The BOD holds regular discussions with external auditors (at least once a year) and, when necessary, with internal auditors.

8.12. The BOD defines the Bank's key policies in accordance with the main principles set by the GSM. These policies shall include adherence to the guidelines of the Basel Committee on Banking Supervision.

8.13. The General Manager of Bank (Chairman of the Management) shall participate at the meetings of the BOD. The General Manager does not have voting rights but may express his/her opinion.

9. DECISIONS OF THE BOD

9.1. Each member of the BOD has 'one vote' on the issues submitted for consideration and approval. All the decisions shall be adopted by a simple majority of votes. If a BOD member has a conflict of interest, he/she may not participate in the discussion and voting.

9.2. The Minutes and the stenographic report of the BOD meeting shall be kept by the corporate secretary of the BOD. The location and date of the meeting, agenda, list of attendees, results of voting on agenda items, the decisions made, and the number of votes for each decision shall be included in the minutes. The minutes shall be drawn up in English and Russian languages.

9.3. The Minutes and stenographic report of a meeting of the BOD shall be signed by the chairman and corporate secretary of the BOD, after they are agreed upon by the members of the BOD who participated in the meeting. The BOD members who did not participate in the meeting must be familiar with the Minutes and the decisions against signature. Copies of the minutes of the Board meetings shall be made available to all Shareholders and members of the BOD and shall be sent to them upon their written request.

9.4. Members of the BOD can not independently take binding decisions for the bank that create the bank's liabilities to third parties, outside the meetings of the Board of Directors. Members of the Board of Directors of the bank can not be restricted in their ability to familiarize themselves with any documents of the bank and in receiving from the bank's employees any information they need about the bank's activities.

9.5. In cases when a BOD decision is to be presented to a third party, such decision shall be presented only with the permission of the General Manager and/or his Deputy(s) in the form of extract from the minutes, signed by the corporate secretary of the BOD.

10. CONFLICT OF INTERESTS

10.1. The BOD is responsible for arranging of a system on revealing and preventing conflicts of interest, ensuring transparency of the Bank's activities, timely and complete disclosure of

information, as well as ensuring of easy access of the Bank's shareholders to the Bank's documents in accordance with the legislation of the KR.

10.2. Once (1) a year, the Chairman and each member of the BOD must submit to the BOD and the Bank management a written information regarding its commercial, business and other material interests. The report should include a list of persons associated with the Chairman and members of the BOD, officials of the Bank with common interests, and the extent of such interests in each case. The Chairman and each member of the Bank's BOD must notify the Bank in writing within two business days of any changes to the information in the report.

10.3. Any conflict of interest or apparent conflict of interest between the Bank, as well as other individuals related to the mentioned persons by common interests and a member of the BOD (or such member's Close relative (spouse, parents, children, adoptive parents, adopted children, siblings, half-siblings, grandfathers, grandmothers, grandchildren)) shall be avoided.

10.4. Decisions to enter into transactions with affiliated person and/or persons related with the Bank require the approval of the BOD in accordance with a Policy of operations with related and affiliated parties of "Demir Kyrgyz International Bank" CJSC.

10.5. Transactions of the Bank with affiliated persons and / or persons related with the Bank and interested in this transaction shall be conducted on an arms-length basis and accepted only by non-interested members of the BOD. At the same time, the minutes of the BOD must indicate the interest or disinterest of the members of the BOD.

10.6. The Bank and its subsidiaries shall not provide loans or bank guarantees to the BOD members. Loans that already exist upon appointment as a Board member however, may be continued. The Bank may, as part of its normal operations and on standard terms for the sector, provide other banking services to BOD members.

10.7. It is allowed for a member of the BOD to hold other positions in other banks or financial service providers out of KR.

11. COMMITTEES OF THE BOD

11.1. The BOD may establish a consulting/advisory council and other committees for the purpose of ensuring implementation of the business strategy of the Bank.

11.2. Committees of the BOD are created for preliminary consideration of issues within the competence of the BOD and development of recommendations for them. Committees are not the executive bodies of the bank, can not replace the BOD and perform their functions.

11.3. BOD shall establish following mandatory committees:

- a. Audit Committee (AC). The Committee shall consist of at least 3 (three) BOD members. At least two members shall be independent, one of whom is the Chairman of the Audit Committee and does not chair the Risk Committee. Rights, duties and decision making order is described in Audit Committee Regulation.
- b. The Risk Management Committee (RMC). The Committee shall consist of at least 3 (three) BOD members. At least two members shall be independent, one of whom is the Chairman of the Risk Committee and does not chair the Audit Committee. Rights, duties and decision making process is described in Risk Committee Regulation
- c. Nomination and Remuneration Committee (NRC). The Committee shall consist of at least three BOD members, one of which must be independent. Rights, duties and decision making process is described in the Nomination and Remuneration Committee regulation.

11.4. The BOD may also establish other committees. Rights, duties and decision making process shall be described in related Regulations.

12. CORPORATE SECRETARY

12.1. The corporate secretary of the Bank provides and organizes work (meetings and document management) and effective ongoing interaction between the GSM and the BOD of the Bank, as well as coordination of the Bank's actions to protect the rights and interests of shareholders.

12.2. The corporate secretary is an official of the bank, appointed and released by the BOD. Concurrent service of the corporate secretary with another position in the bank is allowed only with the consent of the BOD.

12.3. The corporate secretary shall keep the minutes and record verbatim (detailed written text of participants speeches) of the GSM and the BOD meetings, exercise control over the implementation of decisions made by them, facilitate proper corporate interaction between the Management bodies of the bank and perform other powers established by the NBKR.

12.4. The corporate secretary carries out its activities in accordance with the legislation of the KR, regulatory legal acts of the NBKR the charter of the bank and IRDs of the bank, as well as decisions of the GSM and the BOD of the bank.

12.5. The corporate secretary must have the knowledge, experience, and qualifications sufficient to fulfill the duties assigned to them and must enjoy the trust of the shareholders.

13. LIABILITIES OF THE MEMBERS OF THE BOD

13.1. Members of the BOD shall bear responsibility for the approved strategy to be implemented by the Bank.

13.2. Every member of the BOD may receive indemnification from the General Shareholders Meeting against any and all liability which any of them may incur as a direct result of his or her participation in the operations of the Bank; provided that, in order to be eligible for indemnification from the Bank, such member of the BOD (a) must have been acting in the best interests of the Bank with respect to the matter for which such member is seeking indemnification and (b) must not have engaged in willful misconduct or gross negligence with respect to the matter for which such member is seeking indemnification.

13.3. Every member of the BOD and Bank Management may be offered an external liability insurance (D&O) for any and all liability which any of them may incur as a direct result of his or her participation in the operations of the Bank.

13.4. In case the bank is facing a financial crisis, which may lead to insolvency, a run on the bank and possibly bankruptcy, the BOD shall:

- a. call an EGSM to assess the situation and discuss an appropriate action plan;
- b. immediately notify the NBKR about the situation and subsequently inform NBKR about the decisions taken at Management, BOD and Shareholders levels to address the issues at hand.

14. COMPENSATION

14.1. The remuneration of the BOD members is a fixed amount and determined in the GSM and is not dependent on results of the Bank.

15. CONFIDENTIALITY

15.1. Each BOD member shall during his membership of the BOD or afterwards not disclose in any way whatsoever to anyone whomsoever any information of a confidential nature regarding the business of the Bank and/or any companies in which it holds a stake, that came to the knowledge of the BOD member in his capacity as such and which he knows or should know to be of a confidential nature, unless required by law.

15.2. A BOD member is allowed to disclose the above information solely to management board and BOD members and, if necessary in view of their activities for the Bank or relevant subsidiaries, to

employees and/or advisors of the Bank and/or its subsidiaries. A BOD member shall not utilize in any way whatsoever the information referred to above for his personal benefit.

16. FINAL CONCLUSION

16.1. This Regulation is subject to review and updating as changes occur in the regulatory legal acts of the NBKR and the Bank's business processes.

16.2. This Regulation, as well as any amendments and additions made to it, are approved by the GSM of the Bank and published on the official website of the Bank.