

Environmental and Social Policy of JSC AGROPROSPERIS BANK

Appendix 1
to the Environmental and Social Policy of JSC AGROPROSPERIS BANK

List of Economic Activities Subject to Restrictions by the Bank in Business Relationships and Financing

The Bank does not establish business relationships with clients engaged in the following types of activities:

- activities prohibited by national legislation of Ukraine or international legal acts ratified by Ukraine;
- production or trade in any products or activities considered illegal under the laws or regulations of the host country or international conventions and agreements, or those that are subject to
- production or trade in any products or activities that are considered illegal under the laws or regulations of the host country or international conventions and agreements, or that are subject to international prohibition or phasing out, such as pharmaceuticals, pesticides, herbicides, and other toxic substances (in accordance with the Rotterdam Convention, the Stockholm Convention, and the World Health Organization (WHO) document "Pharmaceuticals: Restrictions on Use and Availability"), ozone-depleting substances (in accordance with the Montreal Protocol), PCBs, wild animals and products protected under CITES, prohibited transboundary trade in waste (in accordance with the Basel Convention);
- production or activities involving the use of harmful or exploitative forms of forced labor/harmful child labor (forced labor means work or service that is not performed voluntarily, that is extracted from an individual under threat of force or punishment, and harmful child labor means economically profitable employment of children, or such employment that may be hazardous or interfere with the child's education, or harm the child's health, physical, mental, spiritual, moral, or social development);
- production and trade in pharmaceutical products, pesticides/herbicides, and other harmful substances that are subject to withdrawal from international circulation or are subject to international bans;
- production or trade in ozone-depleting substances;
- production or trade in products containing polychlorinated biphenyls (PCBs) (PCBs are a group of highly toxic chemicals that may be found in oil-filled transformers, capacitors, and switchgear manufactured between 1950 and 1985);
- manufacture or trade in weapons (including hunting weapons) and ammunition, including controversial weapons or their critical components (nuclear weapons and radioactive ammunition, biological and chemical weapons of mass destruction, cluster bombs, anti-personnel mines, enriched uranium);
- gambling (including online gambling), casinos, and similar enterprises;
- provision of dubious online payment services and use of illegal electronic money;
- production or trade in radioactive materials (including storage and processing of radioactive waste). An exception is the purchase of medical equipment, quality control equipment, and any equipment where the radioactive source is considered minimal and/or adequately protected;
- production or trade in narcotic drugs;
- activities involving the use of forced or child labor;

The Bank does not provide financing to clients engaged in the following types of activities:

- production or trade in alcoholic beverages (except beer and wine);
- production or trade in tobacco products;
- production, trade, or use of unbound asbestos fiber or products containing asbestos. This does not apply to the purchase and use of bonded asbestos cement sheets where the asbestos content is less than 20%; activities related to the nuclear industry or nuclear materials, including nuclear power plants (except for measures that reduce the environmental hazard of existing assets) and mines whose main source of extraction is uranium;
- production, trade, storage, or transportation of significant volumes of hazardous chemicals or the use of hazardous chemicals on a commercial scale (gas, gasoline, kerosene, and other petroleum products);

- activities in areas that are protected natural areas in accordance with national legislation and international conventions;
- trade in wild flora and fauna or products derived from wild flora and fauna;
- transboundary movement of waste;
- commercial logging and production/trade in timber and other forest products;
- drift net fishing in marine environments using nets longer than 2.5 km;
- coal exploration, prospecting, and mining; land vehicles and related infrastructure primarily used for coal mining; power plants, combined heat and power plants, and cogeneration plants primarily fueled by coal, as well as related power lines;
- unconventional exploration, prospecting, and extraction of oil from bituminous shale, bituminous sand, or oil sand;
- activities that negatively impact local communities or the environment and safety;
- activities that may have an adverse impact on cultural or archaeological heritage sites, including significant alteration or degradation of critical natural environments;
- production or activities that risk adversely affecting indigenous peoples/minorities;
- production or activities that may lead to forced resettlement of populations, including the acquisition of land or assets that will have a significant negative impact on the affected people, or the use of forced eviction;
- construction of large thermal power plants;
- projects that could potentially have a significant impact on people or create serious socio-economic problems;
- projects that are not necessarily prohibited but are located close enough to sensitive areas of national or regional importance that they may have a significant impact on the environment;
- in certain sectors, financial commitments for specific new projects subject to the following qualitative conditions:
 - / large dam and hydropower projects use the recommendations of the World Commission on Dams (WCD);
 - / in unconventional gas exploration, development, and production projects, the following will be disclosed in accordance with international standards, no significant reduction in groundwater levels or contamination is expected, measures are being taken to protect resources (in particular, water) and reuse them, appropriate technology is being used for safe drilling, including integrated well casing and pressure testing;
- production or trade in dual-use goods used for military purposes, including military ammunition, any weapon components, etc.;
- activities that cause air, water, or soil pollution, resulting in significant adverse effects on the health or safety of people, communities, or ecosystems;
- any customer activities or workplace conditions that expose employees to significant health and personal safety risks;
- large-scale changes in land use or access to land and/or natural resources;
- marginalization, discrimination, or conflict within or between social (including ethnic and racial) groups;
- activities that (a) will have a negative impact on land and natural resources that are traditionally owned or used or possessed; (b) will result in the displacement of indigenous peoples/traditional local communities in sub-Saharan Africa, who have historically been underserved, from lands and natural resources that are traditionally owned or used or occupied; or (c) have a significant impact on the cultural heritage of indigenous peoples/traditional local communities in sub-Saharan Africa, which is important for their identity and/or for the cultural, ceremonial, and spiritual aspects of the lives of the communities affected.