

Addendum No.2
To the annual general meeting of the shareholders
(decision No. 38 of the sole shareholder)
of Joint Stock Company
"Deutsche Bank DBU"
dated 27 October 2022

Report of the Supervisory Board of Joint Stock Company "Deutsche Bank DBU" for 2021 Reporting Year

This report of the Supervisory Board of Joint Stock Company "Deutsche Bank DBU" (**Bank**) for 2021 was prepared for decision by the General Meeting of the Bank based on its results, and developed taking into account the requirements of Ukrainian legislation, namely: in accordance with the Law of Ukraine "On Joint-Stock Companies", the Law of Ukraine "On Banks and Banking Activities", as well as taking into account the Methodological Recommendations on the organization of corporate governance in banks of Ukraine, approved by the decision №814-rsh of the Management Board of the National Bank of Ukraine dated 3 December 2018 (as amended).

The report is intended to provide the sole shareholder of the Bank with full information on the work and decisions of the Supervisory Board in the 2021 financial year.

1. Appraisal of completeness, structure and activity of the Supervisory Board

Composition and structure of the Supervisory Board in 2021

During the 2021 and at the date of reporting, the members of the Supervisory Board are:

1. Joerg Bongartz, Chairman of the Supervisory Board, representative of the shareholder.
2. Beate Ramona Hofmann, Deputy Chairwoman of the Supervisory Board, representative of the shareholder.
3. Dietmar Gerhard Stüdemann, Independent Member of the Supervisory Board.
4. Dinev Penko Stefanov, Independent Member of the Supervisory Board.
5. Matthias Boehm, Independent Member of the Supervisory Board.

During the year the Bank adhered to the current requirements of the composition and structure of the Supervisory Board as per the Law of Ukraine "On Joint Stock Companies" and the Law of Ukraine "On Banks and Banking", in particular:

- the number of Supervisory Board Members in 2021 - 5 (five) individuals;
- the Supervisory Board includes three (3) independent members (**independent directors**) who meet the requirements, established by the law on the independence of directors for a joint-stock company;
- the Supervisory Board members of the Bank are not and were not acting as members of the Management during the year and did not hold any other positions in the Bank under the terms of an employment agreement (contract) and did not provide services to the Bank in terms of a contract.

Based on this, the Supervisory Board concludes that it meets its objectives in terms of its composition and structure.

Changes in the composition of the Supervisory Board in 2021

During 2021, there were no changes in the composition of the Supervisory Board.

Activities of the Supervisory Board in 2021

In performing its functions, the Bank's Supervisory Board acted within the competence defined by the legislation of Ukraine, the Bank's Charter, and taking into account the Regulations on the Bank's Supervisory Board, the Bank's Corporate Governance Code and the Methodological Recommendations on Corporate Governance in Ukrainian Banks. Adopted by Decision No.814-rsh of the Management Board of the National Bank of Ukraine dated 3 December 2018 (as amended).

During 2021, the Supervisory Board did not go beyond its powers.

During the reporting period, the forms of activity (decision-making) of the Supervisory Board complied with the provisions of the Bank's charter, namely:

- convening a meeting to discuss issues on the agenda and decision-making (holding regular and extraordinary meetings of the Supervisory Board);
- decision-making by absentee voting (written survey), namely the analysis of each member of the Supervisory Board provided information / documents and direct consent / disagreement within the proposed decision.

During 2021, the Supervisory Board held regular meetings, namely: five (5) meetings in the form of joint presence (one in each quarter, according to the frequency provided by current legislation, as well as one additional extraordinary meeting in December 2021), and an additional six (6) times during the year decisions were made by written vote (poll).

All decisions of the Supervisory Board meetings in 2021 were valid due to the presence of the relevant quorum and the absence of objections to the form of the meeting or decision-making and/or on the agenda items.

Members of the Bank's Management Board participated in all regular (quarterly) meetings of the Supervisory Board, as issues within their competence were included in the agenda of each meeting of the Bank's Supervisory Board and were provided directly by members of the Management Board.

In each case, the members of the Supervisory Board were guided by the information provided by the members of the Management Board/heads of the respective divisions, their own experience and skills, and made decisions in the interests of the Bank and its shareholder.

Each meeting of the Supervisory Board was accompanied by an open and intensive exchange of information on all issues important for the Bank's activities and the adoption of relevant decisions by members of the Supervisory Board.

Decisions proposed for approval by absentee ballot were sent to all members of the Supervisory Board without exception and were adopted with the required quorum in each case.

The following main topics were discussed by the Supervisory Board:

- Macroeconomic review;
- Financial performance of the Bank;
- Key changes in legislation and their implementation;
- Results of audits and inspections, including review of the Report of the National Bank of Ukraine on inspection and approval of the action plan of remediation of findings / elimination of inconsistencies;
- Risk management;
- Compliance topics;
- Issues related to the internal and external audit;
- Issues related to the corporate governance of the Bank, which are related to the competence of the Supervisory Board; and
- Miscellaneous.

The information on the activities of the Supervisory Board, namely the list of Agenda Items submitted for discussion in the context of each meeting / written voting is provided in the Table.

Supervisory Board minutes number	Date of the Meeting /ad-hoc decision by voting	Agenda items
76	27 January 2021	1. Review and approval of the report on the Internal Audit performance according to the Audit plan for 2020 as per Addendum No. 1 hereto.
77	17 February 2021	<p>1. Macroeconomic update and outlook, results for the year of 2020, the Bank's financials and outlook, update on the Bank's business initiatives/interim results, update on the revised strategy for the Bank, Covid-19: update on situation and other information listed in the PPT presentation.</p> <p>1. Review and approval of the internal policies, regulations and procedures (including, review and approval of the changes to the already existing policies, regulations and procedures) of the Bank as per the list set out in Addendum No. 1 hereto.</p> <p>2. Review and approval of the following Risk related reports: - The report on the risk management and the permanent controls system for the Q4 2020 according to presentation and as per Addendum No. 2 hereto; - The stress-testing results of the for the Q4 2020 as per Addendum No. 3 hereto; - The Risk-Appetite for 2021 as per Addendum No. 4 hereto.</p> <p>4. Review and approval of the list of material transactions entered into by the Bank for the period between 1 November 2020 and 31 January 2021 (inclusive) as per Addendum No. 5 hereto.</p> <p>5. Review and approval of the compliance risk report for the period of October 2020 - January 2021 as per Addendum No. 6 hereto, including information on assessment of key changes in legislation and status of their implementation.</p> <p>6. Review and approval of the report on annual compliance risk assessment results performed in Y2020 as per Addendum No. 7 hereto.</p>

Supervisory Board minutes number	Date of the Meeting /ad-hoc decision by voting	Agenda items
		<p>7. Review and approval of the report on internal Anti-Money Laundering/ Counter Terrorism Financing (hereafter - AML/CTF) system, issues related to it and ML/TF risk management for Year 2020 as per Addendum No. 8 hereto.</p> <p>8. Review and approval of the report on AML/CTF Risk Assessment results for the period of October 2019 – September 2020 as per Addendum No. 9 hereto.</p> <p>9. Review and approval of the regulation on the competitive selection of the auditing entities to provide the services of the mandatory audit of financial statements of the Bank as per Addendum No. 10 hereto, which, inter alia, includes criteria for selection of auditing entities.</p> <p>10. Review and approval of the overview related to an issue of ensuring timely provision (publication) by the Bank of reliable information about its operations in accordance with Ukrainian law in 2020 as per Addendum No. 11 hereto.</p> <p>11. Review and approval of the general objectives for the Management Board and individual objectives for each Management Board member, CRO, Chief Compliance Officer and Chief Internal Auditor for the year of 2021 as per Addendum No. 12 hereto.</p>
78	15 March 2021	<p>1. Review and provision of approval of decision to execute incentive payments to the members of the Management Board of JSC "Deutsche Bank DBU" (including the Chief Risk Officer and the Chief Compliance Officer) and the Chief Internal Auditor in March 2021 as per types and the amounts stated in Addendum No. 1 hereto.</p> <p>2. With effect from 1 April 2021, to provide an approval for introduction of new amounts of fixed basic monthly salaries for the members of the Management Board of JSC "Deutsche Bank DBU" (including head of AFC/compliance department and acting head of risk management department) and for the head of internal audit department in accordance with Addendum No. 1 hereto; with introduction of corresponding changes into the employment agreements with the relevant employees.</p>
79	26 April 2021	<p>1. Review and provision of approval of the following reports and information by the Supervisory Board:</p> <ol style="list-style-type: none"> the Report of Supervisory Board of the Bank for the year of 2020, as set out in Addendum No. 1 hereto; the Report on remuneration of the members of the Supervisory Board for the year of 2020, as set out in Addendum No. 2 hereto; the Management Board Report for the year of 2020, as set out in Addendum No. 3 hereto; the Report on remuneration of members of the Management Board for the year of 2020, as set out in Addendum No. 4 hereto; the Control Functions Effectiveness Evaluation Report for the year of 2020, as set out in Addendum No. 5 hereto; the annual information of issuer of securities (annual report) for the year of 2020, as set out in Addendum No. 6 hereto; and the information on the issues considered at the meetings of the Supervisory Board of the Bank in 2020 and the decisions adopted during such meetings, as well as the list of members of the Supervisory Board of the Bank present during the meetings of the Supervisory Board of the Bank, as set out in Addendum No. 7 hereto. <p>2. Review and approval of the Regulation on remuneration of the members of the Management Board - JSC "Deutsche Bank DBU" (R/080) as set out in Addendum No. 8 hereto.</p> <p>3. Approval and submission of the proposals (with the proposed draft of the decisions, provided in Addendum No. 9 hereto, with all the annexes /addendums that will be enclosed to the shareholder decision delivered to the Members of the Supervisory Board for review) to the Bank's sole shareholder, DEUTSCHE BANK AKTIENGESELLSCHAFT (Frankfurt am Main, Germany) (the "Shareholder") for taking the decision of the Shareholder on the following:</p>

Supervisory Board minutes number	Date of the Meeting /ad-hoc decision by voting	Agenda items
		<p>a. review and approval of the Bank's 2020 annual financial statements, provided in Addendum No. 10 hereto, as confirmed by the external auditor and to approve the report of the Bank's external auditor, prepared based on the results of the audit of the Bank's financial statements for 2020, given no necessity, not to apply any actions plan as a result of the review of the external audit report; the Management Report of the Bank for 2020, provided in Addendum No. 11 hereto; and the report on the results of the first stage assessment of the Bank's resilience as of 01 January 2021, provided in Addendum No. 12 hereto;</p> <p>b. review and approval of decision on distribution of profit and losses coverage of the Bank and on dividends distribution for 2019 and 2020, namely:</p> <ul style="list-style-type: none"> - to distribute the profit for 2020, according to annual financial statements for 2020 of the Bank, in the amount UAH 1301790.23 (one million three hundred and one thousand seven hundred and ninety hryvnas 23 kop.) in the following proportion: (i) 5% of 2020 net profit - the amount of UAH 65389.51 (sixty five thousand three hundred and eighty nine hryvnas 51 kop.), to send to the Bank's reserve fund; and (ii) 95% of 2020 net profit - the amount of UAH 1242400.72 (one million two hundred and forty two thousand four hundred hryvnas 72 kop.) to pay to the Bank's Shareholder as dividends from the Bank's activities in 2020; - to pay to the Bank's Shareholder dividends in the amount of UAH 42 457 019.06 (forty two million four hundred and fifty seven thousand nineteen hryvnas 06 kop..) from the non-distributed part of Bank's net profit for 2019; <p>c. review and approval of (i) the Report of Supervisory Board of the Bank for the year of 2020, as set out in Addendum No. 1 hereto; (ii) the Report on remuneration of the members of the Supervisory Board for the year of 2020, as set out in Addendum No. 2 hereto; and (iii) the Management Board Report for the year of 2020, as set out in Addendum No. 3 hereto;</p> <p>d. review and approval of the Regulation on remuneration of the members of the Supervisory Board - JSC Deutsche Bank DBU (R/081), as set out in Addendum No. 13 hereto;</p> <p>e. review and approval of the main areas of activities - JSC Deutsche Bank DBU for 2021-2025, as set out in Addendum No. 14 hereto.</p>
80	12 May 2021	<p>1. Macroeconomic update and outlook, treasury update, the Bank's financials and outlook, update on the Bank's business initiatives/interim results, update on the revised strategy for the Bank, Covid-19: update on situation and other information listed in the PPT presentation.</p> <p>2. Review and approval of the internal policies, regulations and procedures (including, review and 5. To supervise the activities of the Internal Audit Unit of the Bank and to ensure the evaluation of the efficiency and qua approval of the changes to the already existing policies, regulations and procedures) of the Bank as per the list set out in Addendum No. 1 hereto.</p> <p>3. Review and approval of the following quarterly risk related reports:</p> <ul style="list-style-type: none"> a. The report on the risk management system and the permanent controls for the Q1 2021, according to PPT presentation and as per Addendum No. 2 hereto; b. The stress-testing results for the Q1 2021 as per Addendum No. 3 hereto. <p>4. Review and approval of the compliance risk report for the period of February-April 2021 as per Addendum No. 4 hereto, including information on assessment of key changes in legislation and status of their implementation.</p> <p>5. To supervise the activities of the Internal Audit Unit of the Bank and to ensure the evaluation of the efficiency and quality of this unit's work, review the results of the external evaluation, namely the external auditor's report, PWC, on the assessment of compliance of the Internal Audit Unit of the Bank, set out in Addendum No. 5 hereto.</p> <p>6. Correction of the mistakes in the text of Minutes No. 79 on decisions taken by an absentee voting by a written survey of the members of the Supervisory Board of the Bank dated 26 April 2021 ("Minutes No. 79"), which also requires the approval and submission of the proposals (with the proposed draft of the shareholder's decision, provided in Addendum</p>

Supervisory Board minutes number	Date of the Meeting /ad-hoc decision by voting	Agenda items
		No. 6 hereto) to the Bank's sole shareholder, DEUTSCHE BANK AKTIENGESELLSCHAFT (Frankfurt am Main, Germany) (the "Shareholder") for approval of the decision of the Shareholder on distribution of profit and losses coverage of the Bank for 2020 and on the payment of dividends for 2019 and 2020.
81	29 June 2021	<ol style="list-style-type: none"> 1. Review and approval of the internal policies, regulations and procedures (including review and approval of the changes to the already existing policies, regulations and procedures) of the Bank as per the list set out in Addendum No. 1 hereto. 2. Review and approval of the list of material transactions entered into by the Bank for the period between 1 February 2021 and 1 June 2021 (inclusive) as per Addendum No. 2 hereto. 3. Determination of the date of itemizing the list of persons entitled to dividends receipt, procedure and term of their distribution. 4. Extension of authorities of the Member of the Management Board – Alexey Rybenko.
82	9 August 2021	<ol style="list-style-type: none"> 1. In line with the Regulation on the Competitive Selection of the Auditing Entities to Provide the Services of the Mandatory Audit of Financial Statements of JSC Deutsche Bank DBU, adopted by the decision of the Supervisory Board of Joint Stock Company "Deutsche Bank DBU" (Minutes #77 dated February 17, 2021) (Regulation on the Competitive Selection), consideration of all the bids admitted to the Competition (as this term is defined in the Regulation on the Competitive Selection) and taking a decision on the compliance of the bids with the requirements provided for by the request for bids (assessment of the bids submitted by the auditing entities according to the established selection criteria); and on the basis of the taken decisions – preparation and approval of the report on the results of the selection procedure, which is enclosed hereto as Addendum No. 1. 2. On the basis of the report on the results of the selection procedure, which is enclosed hereto as Addendum No. 1, adoption of decisions on: <ul style="list-style-type: none"> - selection of the subject of audit activity, LLC "RSM Ukraine", to provide services for mandatory audit of financial statements for 2021 and subsequent years to JSC "Deutsche Bank DBU" and determination of LLC "RSM Ukraine" as an audit firm for mandatory audit financial statements for 2021 and subsequent years of JSC "Deutsche Bank DBU"; - approve the terms of the agreement to be executed between the Bank and LLC "RSM Ukraine" (subject, scope of audit services, amount and terms of payment for services, and other terms in accordance with the requirements of Ukrainian legislation) with granting powers and authority to Alexey Rybenko, Deputy Chairman of the Management Board, CFO, to finalize all terms and conditions of the relevant agreement with LLC "RSM Ukraine"; - granting to Alexey Rybenko, the Deputy Chairman of the Management Board, CFO, the authority to communicate the decision on the selected auditing entity to all participants of the Competition and take all other necessary or desirable actions to comply with the terms and conditions of Ukrainian legislation and the Regulation on the Competitive Selection; and - to authorize Alexey Rybenko, the Deputy Chairman of the Management Board, CFO, and Bernd Wurth, Chairman of the Management Board, to sign an agreement between the Bank and LLC "RSM Ukraine" on the provision of services of the mandatory audit of financial statements of JSC "Deutsche Bank DBU" for 2021 and subsequent years. 3. Review and approval of the Internal Audit's report on DB Ukraine – Anti-Money Laundering and Know Your Client as per Addendum No. 2 hereto.
83	21 September 2021	1. Macroeconomic update and outlook, treasury update, the Bank's financials and outlook, update on the Bank's business initiatives/interim results, update on the revised strategy for the Bank, Covid-19: update on situation and other information listed in the PPT presentation.

Supervisory Board minutes number	Date of the Meeting /ad-hoc decision by voting	Agenda items
		<p>2. Review and approval of the internal policies, regulations and procedures (including, review and approval of the changes to the already existing policies, regulations and procedures) of the Bank as per the list set out in Addendum No. 1 hereto.</p> <p>3. Review and approval of the compliance risk report for the period of May-August 2021 as per Addendum No. 2 hereto, including information on assessment of key changes in legislation and status of their implementation.</p> <p>4. Review and approval of the following quarterly risk related reports: a. The report on the risk management system and the permanent controls for the Q2 2021, according to PPT presentation and as per Addendum No. 3 hereto; b. The stress-testing results for the Q2 2021 as per Addendum No. 4 hereto.</p> <p>5. Review and approval of the list of material transactions entered into by the Bank for the period between 1 June (inclusive) and 1 September 2021 (exclusive) as per Addendum No. 5 hereto.</p> <p>6. Approval of the Organizational structure of the Bank as per Addendum №6 hereto.</p>
84	10 November 2021	<p>1. Due to an expected termination of the employment contract of the current Chairman of the Management Board of the Bank, Bernd Wurth, and the corresponding need to appoint a new Chairman of the Management Board of the Bank, to consider a candidacy of Roman Yaroslavovych Topolnytsky (passport series SS No. 155252, issued by Ivano-Frankivsk MIA of the Ministry of Internal Affairs in Ivano-Frankivsk Oblast on 29 October 1996; identification code of an individual: 2727101617; unique State Demographic Registry ID: 19740831-01651) for the election to the Management Board of the Bank and for the appointment to the position of the Chairman of the Management Board of the Bank (materials and information on the proposed candidate are set out in Annex No.1 hereto).</p> <p>2. Based on the analysis of the candidacy of Roman Yaroslavovych Topolnytsky (passport series SS No. 155252, issued by Ivano-Frankivsk MIA of the Ministry of Internal Affairs in Ivano-Frankivsk Oblast on 29 October 1996; identification code of an individual: 2727101617; unique State Demographic Registry ID: 19740831-01651) for the election to the Management Board of the Bank and for the appointment to the position of the Chairman of the Management Board of the Bank, to consider the adoption of the following decisions: (a) as soon as practically possible and in line with the terms and procedures established under the laws of Ukraine, from the date of his approval for this position by the National Bank of Ukraine, to appoint (elect) Roman Yaroslavovych Topolnytsky to the Management Board of the Bank for a thee (3) years' term established under the current Charter of the Bank; and (b) from 1 April 2022 (inclusive), based on a condition that he has been approved for this position by the National Bank of Ukraine, to appoint (elect) Roman Yaroslavovych Topolnytsky to the position of the Chairman of the Management Board of the Bank for a thee (3) years' term established under the current Charter of the Bank.</p> <p>3. From 31 March 2022 (inclusive) to dismiss (revoke the authority) of Bernd Wurth from the position of the Chairman of the Management Board of the Bank and a member of the Management Board of the Bank, in connection with the expiration of the employment agreement/contract; to authorise any member of the Supervisory Board of the Bank or a member of the Management Board of the Bank to sign the relevant agreements, documents, agreements, contracts, perform other actions, formalities for termination of employment relations with Bernd Wurth.</p>
85	18 November 2021	<p>1. Macroeconomic update and outlook, treasury update, the Bank's financials and outlook, update on the Bank's business initiatives/interim results, update on the revised strategy for the Bank, update on the business strategy of the Bank to be presented to the National Bank of Ukraine (NBU), Covid-19: update on situation and other information listed in the PPT presentation.</p>

Supervisory Board minutes number	Date of the Meeting /ad-hoc decision by voting	Agenda items
		<p>2. Review and approval of the internal policies, regulations and procedures (including, review and approval of the changes to the already existing policies, regulations and procedures) of the Bank as per the list set out in Addendum No. 1 hereto.</p> <p>3. Review and approval of the compliance risk report for the period of September-October 2021 as per Addendum No. 2 hereto, including information on assessment of key changes in legislation and status of their implementation.</p> <p>4. Review and approval of the following quarterly risk related reports: a. The report on the risk management system and the permanent controls for the Q3 2021, according to PPT presentation and as per Addendum No. 3 hereto; b. The stress-testing results for the Q3 2021 as per Addendum No. 4 hereto.</p> <p>5. Review and approval of the Management Board Suitability Matrix as per Addendum No. 5 hereto.</p>
86	27 December 2021	<p>1. Approval of the Report on evaluation of effectiveness of the Management Board, Management Board members and the Head of the Control functions (Chief Risk Officer, Chief Compliance Officer and Internal Auditor) based on objectives approved for the year of 2021 as per Addendum No. 1 hereto.</p> <p>2. Approval of the internal Regulations of the Bank listed in Addendum No. 2 hereto.</p> <p>3. Approval of the Supervisory Board Plan for 2022 as per Addendum No. 3 hereto.</p> <p>4. Approval of the annual audit plan (schedule) of Internal Audit Department for the year 2022 as per Addendum No. 4 hereto.</p> <p>5. Approval of the outcome of check of managers of the Bank and head of internal audit unit of the Bank for compliance to the qualified requirements, and independent SB members – to requirements of independency as per Addendum No. 5 hereto.</p> <p>1. Review and approval of the Management Board Suitability Report as per Addendum No. 6 hereto.</p> <p>7. Review and approval of: (i) the Management Board Effectiveness Evaluation Report for year of 2021 as per Addendum No. 7-1 hereto; (ii) the Management Board Committees Effectiveness Evaluation Report for year of 2020 as per Addendum No. 7-2 hereto; and (iii) the Management Board Committees Effectiveness Evaluation Report for year of 2021 as per Addendum No. 7-3 hereto.</p> <p>8. Review and approval of the Supervisory Board Suitability Report as per Addendum No. 8 hereto.</p> <p>9. Review and approval of the list of material transactions entered into by the Bank for the period between 1 September (inclusive) and 1 December 2021 (exclusive) as per Addendum No. 9 hereto.</p> <p>10. Review and consideration of the recommendations provided by the National Bank of Ukraine based on the results of the unified procedure and methodology of the Supervisory Review and Evaluation Process (SREP) on the Bank's annual supervisory assessment as of 1 January 2021 and planned implementation measures in accordance with Addendum No. 10 hereto.</p> <p>11. Correction of the mistakes in the text of Minutes No. 84 on decisions taken by an absentee voting by a written survey of the members of the Supervisory Board of the Bank dated 10 November 2021.</p> <p>12. Review and approval of the updated business strategy of the Bank (the document titled "Business Strategy JSC Deutsche Bank DBU", internal reference number P/012) as per Addendum No. 12 hereto.</p>

Supervisory Board minutes number	Date of the Meeting /ad-hoc decision by voting	Agenda items
		<p>13. Review and provision of recommendations to Deutsche Bank AG, the sole shareholder of the Bank (Shareholder) to amend the Bank's charter by approving its new edition, aiming to bring the provision of the charter in compliance with the Law of Ukraine "On Amendments to Certain Legislative Acts of Ukraine on Improving Corporate Governance in Banks and Other Issues related to the Banking System" No. 1587- IX dated 30 June 2021 and other legislation of Ukraine, as per Addendum No. 13 hereto.</p>

All decisions made were duly reflected in the minutes of the Supervisory Board meetings or formalized by decisions (minutes) adopted as a result of absentee voting (polls) (minutes of absentee voting).

In performing their duties, the members of the Supervisory Board complied with the current legislation of Ukraine and international standards of corporate governance.

2. Appraisal of competence and efficiency of each Supervisory Board Member, including information on his activity as an officer in other legal entities and other activities – payable or free of charge

The competence and efficiency of each member of the Bank's Supervisory Board are appropriate.

During the reporting year, each member of the Supervisory Board fulfilled its duties in an appropriate manner, including, but not restricted to:

- active participation in regular meetings,
- reviewing documents (reports, information, new / updated internal documents of the Bank) provided by the members of the Management Board / other departments,
- participation in the discussion of resolution of complex topics,
- active participation in the decision-making process,
- deciding by voting within the competence of the Supervisory Board.

There is no segregation of functions between Supervisory Board Members, so each Member of the Supervisory Board acted within the general powers of the Supervisory Board.

The Chairman and Deputy Chairman of the Supervisory Board duly fulfilled the powers stipulated by the Charter and the Regulations of the Supervisory Board.

In the Bank's view, other activities of the Supervisory Board Members do not create any conflict of interest and do not affect the quality of performance of their function as Member of Supervisory Board of the Bank. Information on the activities of the members of the Supervisory Board in other legal entities:

- Joerg Bongartz - CEO Central and Eastern Europe, Deutsche Bank AG; Deutsche Bank Polska S.A., Warsaw, Chairman of the Supervisory Board; and Deutsche Bank Ltd, Moscow, Chairman of the Supervisory Board;
- Beate Ramona Hofmann - Head Trade Finance Corporate Bank Germany & CEE, Deutsche Bank AG;
- Dietmar Gerhard Stüdemann - not employed in any other commercial undertaking and does not carry out other commercial activities;
- Penko Dinev – CEO in C-TRUST Ent LTD, Bulgaria;
- Matthias Boehm – Managing Director of SCOPE Ratings GmbH.

Taking into account the requirements of Article 42 of the Law of Ukraine "On Banks and Banking Activities", the Law of Ukraine "On Joint Stock Companies", paragraph 360 of Chapter 43 of Section VI of the Regulation on Licensing of Banks, approved by the Management Board of the National Bank of Ukraine of 22 December 2018 (as amended) No. 149, as well as in accordance with the internal regulations of the Bank, which regulates the evaluation of compliance of the Bank's managers, in December 2021 an evaluation of the professional suitability and business reputation of the members of the Supervisory Board of the Bank was conducted. According to the conclusions of such evaluation and the approved decisions of the Supervisory Board (Minutes No. 86 dated 27 December 2021, Addendum No. 5), the results of the evaluation of managers 'qualifications and independent directors' found that during the reporting period all members of the Supervisory Board met the requirements of professional suitability, signs of improper business reputation of these managers were not found, all independent members of the Supervisory Board met the established criteria of independence in understanding the Law of Ukraine "On Joint Stock Companies" and the Law of Ukraine "On Banks and Banking Activities". No facts of unacceptable conduct were established by Bank officials during the reporting period.

3. Appraisal of the independence of each independent Supervisory board member

As noted above, in 2021 the Bank audited independent directors for independence.

The Bank ensures compliance with the requirements regarding the independence of each of the independent director of the Supervisory Board (independent directors), namely, there is no influence by other persons on the said members of the Supervisory Board of the Bank in the process of their decision making while performing the duties of the independent director.

In particular, none of the independent directors:

- 1) was the member of the Bank's Management Board and/or legal entities affiliated with them during the previous five years (prior to occupation of this position);
- 2) receives and/or received additional remuneration from the Bank and / or affiliated legal entities in the amount of more than 5 per cent of the annual income of such person for each of these years during the previous three years (prior to occupation of this position);
- 3) owns (directly or indirectly) 5 percent or more of the authorized capital of the legal entity and is an official or person who carries out management functions in the Bank, nor is it an individual, an entrepreneur, who during the past year had substantial business relations with the Bank and / or affiliated with it legal entities;
- 4) is or has been an independent auditor of the Bank and / or affiliated legal entities during the preceding three years;
- 5) is or has been during the previous three years an employee of an audit firm that provided audit services to the Bank and / or affiliated legal entities during the previous three years;
- 6) is or has been an employee of the Bank and / or legal entities affiliated with the Bank during the previous three years (prior to occupation of this position);
- 7) is a shareholder, holding a controlling block of shares and is a representative of a shareholder holding a controlling block of shares of the Bank in any civil relations;
- 8) has been a member of the Bank's Supervisory Board for more than 12 years;
- 9) is a close person of individuals specified in the above-mentioned points 1-8 of this part;
- 10) does not meet the criteria established by the charter or other internal documents of the Bank for the independent directors.

The Bank, on the basis of the documents and other information provided, periodically checks the independence of each independent director of the Supervisory Board. In addition, the criteria for independence are given to the shareholder, Deutsche Bank Aktiengesellschaft, which also examines the candidates for their independence, as Members of the Supervisory Board.

In view of the above, all three independent members of the Supervisory Board, as of the date of this report, meet the statutory criteria for their independence.

4. Appraisal of the competence and effectiveness of each Supervisory board committee

During 2021, the Bank did not set up Supervisory Board committees. Consideration of all issues and decision-making in the relevant areas of the Bank's activities were carried out directly by the members of the Supervisory Board.

The quantitative composition of the Supervisory Board is established, the directions of the Bank's business activities are determined, as well as the fact that all members of the Supervisory Board are sufficiently qualified, have knowledge of banking and have a good understanding of financial analysis and risk aspects of the Bank. the amount of time to perform their duties does not necessitate the establishment of committees, in particular the Committee on Risk Management, Audit and Remuneration.

In addition, the Supervisory Board considers it important to acquaint all its members with the areas of responsibility that normally fall within the remit of these committees.

5. Appraisal of targets met by Supervisory board members

The objectives of the Bank's Supervisory Board for 2021 were as follows:

- 1) performance of the Supervisory Board functions within the powers stipulated by the Charter and the Regulations of the Supervisory Board, namely:
 - approval of development strategy of the Bank in accordance with the main areas of activities defined by the General Meeting - **status of execution: fulfilled**;
 - approval of the budget of the Bank, including the budget of the Subdivision of Internal Audit, and business-plan of the development of the Bank - **status of execution: fulfilled**;
 - determination and approval of the strategy and policy of risks management, procedures of their management, as well as the list of risks, limitation of their rates - **status of execution: fulfilled**;
 - development of the Bank's internal control system and monitoring its efficiency - **status of execution: fulfilled**;
 - control of efficiency of the risk management system - **status of execution: fulfilled**;
 - approval of the recovery plan of the Bank - **status of execution: fulfilled**;
 - identification of sources of capitalization and other funding of the Bank - **status of execution: not required as the Bank has no financial problems**;

- identification of credit policy of the Bank - **status of execution: fulfilled;**
- identification of organizational structure of the Bank, among them the Subdivision of Internal Audit - **status of execution: fulfilled;**
- approval of internal regulations, governing activities of the structural units of the Bank - **status of execution: fulfilled;**
- approval of internal regulations governing activities of the Bank, except for those within the exclusive competence of the General Meeting and those delegated by the decision of the Supervisory Board for approval by the Management Board - **status of execution: fulfilled;**
- appointment and dismissal of the Chairman and members of the Management Board and the head of the Subdivision of Internal Audit, other employees if it is established by the applicable legislation or regulations of the National Bank of Ukraine - **status of execution: fulfilled;**
- control the activities of the Management Board, prepare proposals for improvement of the activities of the Management Board - **status of execution: fulfilled;**
- determine the procedure of work and plans of the Subdivision of Internal Audit and control its activity - **status of execution: fulfilled;**
- determine the audit firm for conducting an external audit, approval of the terms of the contract executed with it, establishment of the amount of payment for services - **status of execution: fulfilled;**
- consideration of the external audit report, and preparation of relevant recommendations for the General Meeting - **status of execution: fulfilled;**
- control over correction for the defects identified by the National Bank of Ukraine and other state authorities, which supervise the Bank within the competence, by the Subdivision of Internal Audit and audit firm based on the results of the external audit - **status of execution: fulfilled;**
- taking decision on founding of subsidiary companies and participation in them, their reorganization and liquidation, founding, reorganization and/or liquidation of structural and/or separate branches of the Bank, approval of their charters and regulations - **status of execution: there was no need for this measure;**
- approval of terms of civil-law and employment agreements (contracts) executed with the members of the Management Board and the employees of the Subdivision of Internal Audit, determination of the amount of their remuneration, including approval of wage conditions and terms of material encouragement - **status of execution: fulfilled;**
- ensuring timely provision (publication) by the Bank of reliable information about its activities in accordance with the law - **status of execution: fulfilled;**
- convocation of the General Meeting, preparation of the agenda of the General Meeting, taking decision on the date of their convocation - **status of execution: fulfilled;**
- notification on convocation of the General Meeting in accordance with the law (by mail or otherwise allowed by the laws of Ukraine), if required - **status of execution: fulfilled;**
- taking a decision on a placement by the Bank of securities, except for shares - **status of execution: there was no need for this measure;**
- taking decision on re-purchase of securities placed by the Bank, except for shares - **status of execution: there was no need for this measure;**
- taking decision on sale of shares previously purchased by the Bank - **status of execution: there was no need for this measure;**
- solving issues about participation of the Bank in groups - **status of execution: there was no need for this measure;**
- taking decisions on entering into significant transactions in accordance with the law - **status of execution: fulfilled;**
- taking decision on election (replacement) of a depository and/or clearing institution and approval of conditions of the agreement executed with it, determination of the amount of remuneration for services - **status of execution: there was no need for this measure;**
- sending the offer in cases, provided by the law, to shareholders on purchase of the shares which belong to them - **status of execution: there was no need for this measure;**
- approval of the procedure for carrying out transactions with persons related to the Bank - **status of execution: fulfilled;**
- taking decision on dismissal of the Chairman or a member of the Management Board; election of the person who will temporarily act as the Chairman of the Management Board - **status of execution: there was no need for this measure;**
- approval of market value of the property in cases stipulated by the laws of Ukraine - **status of execution: there was no need for this measure;**

- determination of the date when the list of persons which will have the right to receive dividends will be made, determination of procedure and terms of dividend payout within the specified term stipulated by the laws of Ukraine - **status of execution: fulfilled;**
- taking decisions on issues within the competence of the Supervisory Board under the legislation of Ukraine, in the case of merger, consolidation, division, separation or reformation of the Bank - **status of execution: there was no need for this measure;**
- taking decision on granting approval for execution or refusal of execution of a transaction which is of interest to the Bank, except for the cases when the question in accordance with the law has to be considered by the General Meeting - **status of execution: there was no need for this measure;**
- defining the probability of the Bank's financial insolvency as the result of assumption or fulfillment of its obligations, including due to dividend payout or repurchase of the shares - **status of execution: there was no need for this measure;**
- taking decision on appointment of property appraiser of the Bank and approval of terms and conditions of an agreement with them, determination of remuneration amount for their services - **status of execution: there was no need for this measure;**
- sending the offer to the shareholders to purchase common shares that belong to them by the person (persons which act jointly), who purchased the controlling block of shares in accordance with the laws of Ukraine - **status of execution: there was no need for this measure;**
- taking decision on approval of the regulation on remuneration of the members of the Management Board of the Bank, requirements to which are established by the National Bank of Ukraine - **status of execution: fulfilled;**
- taking decision on approval of the report on remuneration of the members of the Management Board of the Bank, requirements to which are established by the National Bank of Ukraine - **status of execution: fulfilled;**
- review of the report of the Management Board and approval of the measures on the basis of the result of its review - **status of execution: fulfilled;**
- approval of the recommendations for the General Meeting based on the results of the review of the report of the audit firm for the purposes of taking decision in its respect - **status of execution: fulfilled;**
- taking decisions on foundation and/or participation in any legal entities, their reorganization and liquidation - **status of execution: there was no need for this measure;**
- performance of other responsibilities in accordance with the Charter and the applicable laws of Ukraine. Within the exclusive competence of the Supervisory Board is also solving the issues accordance with the applicable laws of Ukraine, the Charter, and those delegated to the Supervisory Board by the General Meeting which are established to be within the exclusive competence of the Supervisory Board - **status of execution: fulfilled.**

2) Performance by the Supervisory Board of other functions within its competence or recommended for performance in accordance with the Guidelines for the organization of corporate governance in banks of Ukraine approved by the National Bank of Ukraine - **status of execution: performed as required.**

Based on the data provided, the Supervisory Board came to the following conclusions:

- no violations of shareholders' rights were revealed;
- the facts of significant violations of the legislation of Ukraine during the Bank's activities were not identified;
- the results of the Bank's financial and economic activities correspond to its reporting;
- internal control procedures ensure proper internal control in the Bank;
- audit procedures comply with the regulations of the National Bank and ensure adequate control over the Bank's risks.

The activities of the Supervisory Board led to the following changes in the financial and economic activities of the company:

- achieving the desired financial results;
- the recommendation of the Supervisory Board on the distribution of profits of previous years had an impact on the financial condition of the institution and directly on its level of capital;
- achieving the Bank's strategy in terms of attracting new customers;
- sufficient level of risk management, which strengthened the financial stability of the Bank;
- availability of established necessary processes and controls, which reduces the Bank's risks, etc.

Based on the above, the Bank's Supervisory Board has achieved its goals. The activities of the Bank's Supervisory Board led to positive changes in the Bank's financial and economic activities.

Given the above, and the proper interaction of the Supervisory Board with the Management Board, as well as with the Internal Audit Department, the Risk Management Department and the Compliance and Financial Crimes Department under the Supervisory

Board, given the significant list of issues considered by the Supervisory Board during the year as in Section 1 of this report, and making appropriate decisions, **the Supervisory Board properly protected the rights of depositors, other creditors and shareholders of the Bank, and within the competence defined by the charter and legislation of Ukraine, managed the Bank and supervised and regulated the Board control of the Bank and the person responsible for performing the duties of the corporate secretary.**

The Bank's Supervisory Board or its members did not audit the Bank in 2021 or the Bank's financial statements for the year which ended 31 December 2021. The Bank's Supervisory Board relied on the audit and conclusions provided by the external audit firm. The Supervisory Board also analyzed the audited annual financial statements of the Bank for 2021, took into account the recommendations and reservations, and did not raise any objections. The Bank's annual financial statements, audited by an independent auditor, were recommended for approval by the Bank's sole shareholder.

In view of the above, the Supervisory Board recommends that the sole shareholder approve this report of the Bank's Supervisory Board for 2021.

This report of the Supervisory Board is a separate part of the Bank's annual report.