

The below statement has been prepared based on the Law on the protection of persons who report breaches of Union and National law – Law (6(I)/2022) – as amended from time to time” (the Law).

The Law aims to create an effective and strong legal framework to protect those employees in the public or private sector who disclose information and data that came into their possession or came to their attention within the workplace, and are related to specific violations of the European and/or national law.

The Law encourages and facilitates employees to submit complaints ("reports") about possible violations through secured procedures, in a confidential context. At the same time, the Law prohibits any retaliatory action against them by their superiors or colleagues and, at the same time, provides for strong support measures. Consequently, the Law creates obligations for employers (public and private sector legal entities) to establish and operate a comprehensive framework for the protection of employees who report violations.

Whistleblowing statement

Ancoria Bank Ltd (the “Bank”) is committed to the highest standards of ethical behaviour, which is based on the values: integrity, transparency, honesty and accountability.

An important aspect of accountability and transparency is a mechanism to enable employees of the Bank to voice concerns in a responsible and effective manner. It is a fundamental term of every contract of employment that an employee will faithfully serve his or her employer and not disclose confidential information about the employer’s affairs.

Nevertheless, where an individual discovers information which believes shows serious misconduct or wrongdoing within the Bank then this information should be disclosed internally without the fear of reprisal. It is also important to have arrangements in place to enable this to be done independently of the local management.

Employees of the Bank are encouraged to raise concerns internally and at a high level and to disclose information that the individual believes shows malpractice or impropriety.

These concerns could include, inter alia:

- Financial malpractice or impropriety or fraud
- Failure to comply with laws, regulations and internal procedures

- Dangers to Health and Safety on the business environment
- Criminal activity
- Improper conduct or unethical behaviour
- Attempts to conceal any of these
- Other breaches as provided in the Law

- **PRINCIPLES**

I. Internal Alert Procedures

The Bank has put in place and maintains appropriate internal alert policies and procedures for staff to report potential or actual breaches of regulatory or internal requirements, through a specific, independent and autonomous channel. It is not necessary for reporting staff to have evidence of a breach; however, they should have a sufficient level of certainty that provides sufficient reason to launch an investigation.

The Bank's internal alert procedures:

- a. are documented provide clear rules that ensure that information on the reporting and the reported persons and the breach are treated confidentially unless disclosure is required under national law in the context of further investigations or subsequent judicial proceedings
- b. protect staff who raise concerns from being victimised because they have disclosed reportable breaches
- c. ensure that the potential or actual breaches raised are assessed and escalated, including as appropriate to the relevant competent authority or law enforcement agency
- d. ensure, where possible, that confirmation of receipt of information is provided to staff who have raised potential or actual breaches
- e. ensure the tracking of the outcome of an investigation into a reported breach and
- f. ensure appropriate record keeping.

II. Protection

Whistleblowers are protected as per the Law requirements. The Bank ensures that the person reporting the breach is appropriately protected from any negative impact, e.g. retaliation, discrimination or other types of unfair treatment. The Bank also ensures that no person under the Bank's control engages in victimisation of a person who has

reported a breach and takes appropriate measures against those responsible for any such victimisation.

Also, the Bank protects persons who have been reported from any negative effects in case the investigation finds no evidence that justifies taking measures against that person. If measures are taken, the Bank takes them in a way that aims to protect the person concerned from unintended negative effects that go beyond the objective of the measure taken.

In the event that retribution of any kind has been imposed to the whistleblower, the said person may request from the Bank the restoration of things to the state they were in before the imposition of reprisals, provided that this is objectively possible and does not become disproportionately burdensome.

The whistleblower has access to complete and independent information and advice for his/her protection.

III. Confidentiality

The Bank will treat all such disclosures in a confidential and sensitive manner. The identity of the individual making the allegation is kept confidential so long as it does not hinder or frustrate any investigation. The internal procedures ensure the protection of the personal data of both the person who reports the breach and the natural person who is allegedly responsible for the breach.

However, the investigation process is possible to reveal the source of the information and the individual making the disclosure may need to provide a statement as part of the evidence required.

IV. Anonymous Allegations

The Bank encourages individuals to put their name to any disclosures they make. Concerns expressed anonymously are much less credible, but they may be considered at the discretion of the Bank.

In exercising this discretion, the factors to be taken into account will include:

- The seriousness of the issues raised
- The credibility of the concern
- The likelihood of confirming the allegation from attributable sources or from information provided in the concern.

V. Untrue Allegations

If an individual makes an allegation in good faith, which is not confirmed by subsequent investigation, no action will be taken against that individual. In making a disclosure the individual should exercise due care to ensure the accuracy of the information.

If, however, an individual makes malicious or vexatious allegations, and particularly if he/she persists with making them, disciplinary action may be taken against that individual.

VI. Reporting of breaches to competent authorities

The Bank's staff may report to the competent authority relevant potential or actual breaches of regulatory requirements in cases that:

- a. They have reasons to believe that the internal alert procedure of the Bank may not be effective or
- b. Have reasons to believe that the submission of an internal report would create the risk of negative consequences for themselves or
- c. Consider appropriate to submit directly the breach to the competent authority, due to the importance of the potential or actual breach, and/or possible involvement of senior management officials of the Bank or
- d. Consider it appropriate to submit the breach directly to the Competent Authority for any other reason that will explain to the Competent Authority during the submission of the breach.

The reporter may proceed to submit an External Report either after submitting an Internal Report or by submitting an External Report directly to the Competent Authority.