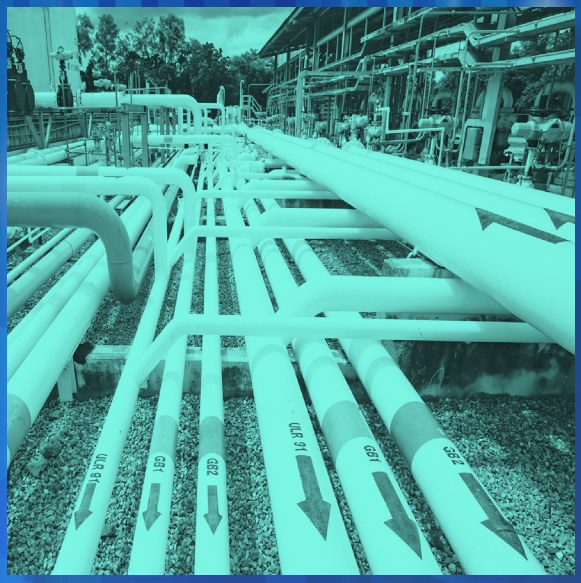
REPORT ON MANAGEMENT [2024]

UKRAINIAN ENERGY EXCHANGE LLC









UKRAINIAN ENERGY EXCHANGE

УКРАЇНСЬКА ЕНЕРГЕТИЧНА БІРЖА

CONTENTS

Address of the Chairman of the Exchange Committee. . . . 3

1. Ukrainian energy exchange in 2024 . . . 4

1.1. General information about UEEX and directions of activity . . . 4

1.2. Key performance indicators of UEEX . . . 7

1.3. Key events of the exchange activity in 2024 . . . 9

2. Management . . . 11

2.1. Management system . . . 11

2.2. Organizational structure . . . 18

2.3. Sustainable development, corporate culture and values . . . 20

2.4. UEEX strategy and level of strategic goals fulfillment in 2024 . . . 29

3. Activity results . . . 34

3.1. Electricity . . . 34

3.2. Natural gas . . . 40

3.3. Oil and gas condensate . . . 46

3.4. Liquefied gas and oil products . . . 50

3.5. Untreated timber and lumber . . . 53

3.6. Exchange commodities trade, included in the list of products to be traded exclusively on organized commodity markets . . . 57

3.7. Guarantees of origin of electricity produced from renewable energy sources . . . 58

3.8. Prozorro.Sale . . . 59

3.9. Customer service policy . . . 60

3.10. Reporting and transparency . . . 63

3.11. Partnership and interaction . . . 66

4. Financial and economic results of operation . . . 68

4.1. Economic results and financial position . . . 68

4.2. Liquidity and liabilities . . . 68

4.3. Implementation of investment projects (research and innovation) . . . 69

5. UEEX plans for 2025 . . . 71



Oleksii Dubovskyi

Chairman of the Exchange Committee
Ukrainian Energy Exchange LLC

Dear Partners, market Participants, and Colleagues, 2024 was one of the most challenging years for Ukraine's energy sector. In the circumstances of a full-scale war and constant attacks on critical infrastructure, the energy market has demonstrated high resilience, and its participants have shown the ability to adapt and respond effectively to new challenges. The Ukrainian Energy Exchange played a key role in ensuring the stability and transparency of trading processes, which was of strategic importance for the functioning of the entire industry.

Despite unprecedented threats, we ensured the continuity of trading platforms and maintained conditions for effective interaction between energy producers, suppliers and consumers. Auctions of electricity, liquefied natural gas, natural gas, oil and gas condensate, untreated timber and other resources continue to shape competitive pricing, providing the market with the necessary flexibility. Thanks to the consolidated efforts of all participants, we were able to maintain the mechanisms of exchange trading even in difficult conditions.

Throughout the year, we continued to implement innovative solutions that facilitated the development of exchange trading in Ukraine in line with European standards. One of them is the launch of a data transfer administrator platform (RRM). Deepening integration with European markets remains our strategic direction, as an open, competitive and predictable energy market is the basis for the country's economic development. We also strengthened analytical support for bidders by providing access to important market information.

At the same time, 2024 showed that Ukraine is facing new challenges that require further reforms and improvement of market mechanisms. It is important to continue improving market liquidity and introducing new instruments that will contribute to its development.

I am grateful to everyone who was involved in our joint endeavor - participants of trades and auctions, traders, producers, authorities, regulators and partners. Thanks to your efforts, we have proved that even in the most difficult times, the market is able to operate efficiently. The Ukrainian Energy Exchange will continue to be a reliable platform for transparent and efficient energy trading, creating opportunities for economic growth and strengthening our country's energy security.

1. Ukrainian Energy Exchange in 2024

1.1. General information about UEEX and directions of activity

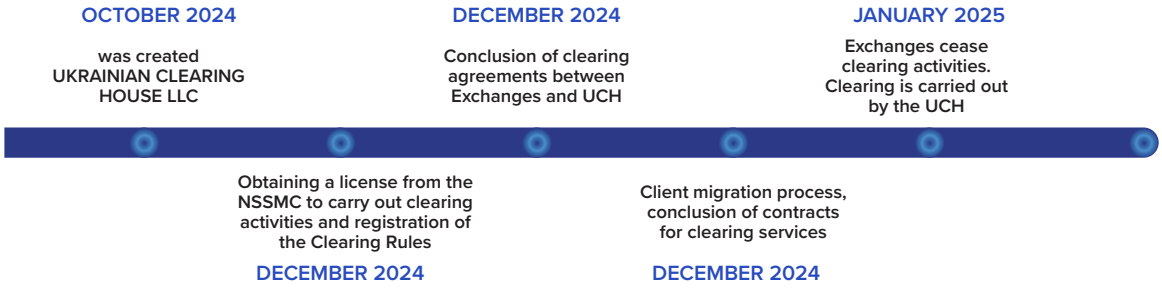
Ukrainian Energy Exchange LLC (hereinafter also referred to as UEEX, UEEX LLC, Exchange) was founded in April 2010 as the Ukrainian Energy Exchange Commodity Exchange with further reorganization on May 18, 2021 into a Limited Liability Company in accordance with the requirements of the Law of Ukraine "On amendments to certain legislative acts of Ukraine on simplification of investment attraction and introduction of new financial instruments". No. 738-IX dd. 19.06.2020 (hereinafter referred to as the Law No. 738-IX).

UEEX operates as an organized commodity market (commodity exchange) in Ukraine in accordance with the requirements of the Laws of Ukraine "On Capital Markets and Organized Commodity Markets" and "On Commodity Exchanges" and on the basis of Licenses issued by the NSSMC and registered rules.

	ISSUED ON 30.06.2021	License No. 445 for conducting professional activities in organized commodity markets - activities on organizing trade in products on commodity exchanges	UKRAINIAN ENERGY EXCHANGE LLC
	REGISTERED	Rules of UEEX LLC	
	ISSUED ON 30.06.2022	License No. 446 for conducting professional activities in the capital markets - clearing activities for the determination of liabilities	
	REGISTERED	Rules of Clearing Activities	
	ISSUED ON 04.12.2024	License to conduct professional activities in the capital markets - clearing activities for the determination of obligations	SUBSIDIARY COMPANY UKRAINIAN CLEARING HOUSE LLC
	REGISTERED	Rules of Clearing Activities of UKRAINIAN CLEARING HOUSE LLC	

Ukrainian Clearing House

In order to further development and improvement of the clearing component of exchange trading, following the modern European experience, expanding transparency and increasing the reliability of trading, as well as creating additional opportunities for market participants, on 11.10. 2024, a subsidiary company Ukrainian Clearing House Limited Liability Company (EDRPOU code 45539058, hereinafter referred to as UCH LLC) was established by the Exchange, which in December 2024 received a license to carry out professional activities in the capital markets - clearing activities for the determination of obligations (in accordance with the NSSMC Resolution No. 34/21/1512/K01 dd. 04.12.2024).



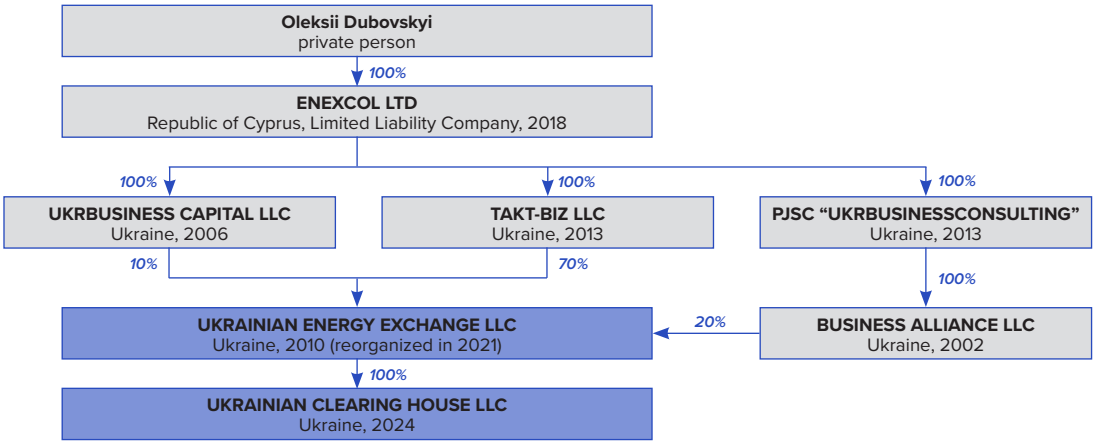
On 23.12.2024, the general meeting of UEEX participants decided to terminate the Exchange's professional activity on the capital markets - clearing activities for the determination of obligations (license issued in accordance with the decision of the NSSMC No. 446 dd. 30.06.2021). The date of commencement of the procedure for termination of the UEEX clearing activities is 01.01.2025, and the date of termination of clearing activities is the date following the date of closure of the last clearing account, but not later than 31.03.2025.

The spin-off of the clearing component into a separate company has become an important stage in the development of the clearing activities of the Exchange and the commodity markets of Ukraine as a whole, as the implementation of the clearing infrastructure of UCH LLC opens up new opportunities for the development and growth of both Exchange and trade in the commodity markets of Ukraine, as it will provide services to other organized commodity markets (commodity exchanges). Ukrainian legislation provides that a participant of exchange trading in organized commodity markets must have the status of a clearing participant: on a commodity exchange that has the appropriate license or in a clearing institution that has the appropriate license.

UEEX made every effort to ensure that the transition of clients to the clearing services of UCH LLC was almost invisible and comfortable for them, and that the trading system and clearing functionality were well integrated, which will allow clients to receive the full range of services through a "single window" using the functionality of the trading system.

UCH LLC will focus on implementing the latest clearing solutions that will ensure transparency and reliability of trading and create additional opportunities for market participants.

Corporate structure



UEEX operates in accordance with regulatory and legal framework of Ukraine and legislatively established norms governing exchange and energy activities, as well as with internal regulatory documents of the Exchange: Exchange Charter and the Rules, Regulations, Procedures, Regulation, Rates, Settlement Schemes, etc. developed for each of the Exchange's business areas.

UEEX operates for the purpose of sustainable economic development of Ukraine as a result of building transparent, reliable and competitive exchange markets in line with the strategic priorities of Ukraine's development and Ukrainian energy sector and its integration into the EU markets to strengthening the country's energy security. Recognizing the crucial role of Ukrainian organized commodity markets in ensuring competitiveness and transparent prices, reducing risks and transaction costs for producers, traders and end users, UEEX strives to provide a reliable market trading and clearing infrastructure to protect the integrity, increase the efficiency of trade and settlements as well as enhance market liquidity.

Main directions of UEEX activity

Main directions of activity	Trading platform	Functions
Electricity	PP BETS IN THE VERSION OF ”ELECTRIC POWER“	auctions for the purchase/sale of electricity under bilateral contracts: • unilateral counter auction • bilateral continuous auction
Electricity Guarantees of origin		auctions for the purchase and sale of guarantees of origin of electricity generated from renewable energy sources
Natural gas	“PP BETS IN THE VERSION OF ”UGS - CUSTOMS WAREHOUSE”	trade in non-cleared natural gas stored in a gas storage facility in the customs warehouse mode, section “Procurement: Import, Customs Warehouse”
	“ENERGY TRADING PLATFORM (PP ETP) integrated with the IP of the GTS Operator and the UGS Operator”	short-term market: short-term standardized products: • within-day (WD) and day-ahead (DA) with transfer to the transmission system in the GTS; • within-day (WD) and day-ahead (DA) with transmission to UGS facilities
	PP BETS	procurement of imported (customs-cleared) natural gas (from 26.12.2024)
		the medium-term market (weekly and monthly contracts with transmission to the VTP and UGS)
Oil and gas condensate		electronic exchange trading
Oil products		electronic exchange trading
Liquefied gas		auctions for the sale of liquefied gas in the domestic market
		Specialized auctions for the sale of liquefied gas for the needs of the population
Solid biofuel		electronic exchange trading
Coal products		electronic exchange trading
Raw materials and other products		electronic exchange trading
Fertilizers		electronic exchange trading
Untreated timber and lumber	“ELECTRONIC TRADING SYSTEM (ETS)”	bidding by different technologies (English auction, reduction, Dutch auction)
Exchange commodities trading, included in the list of products traded exclusively on organized commodity markets	“ELECTRONIC TRADING SYSTEM OF THE EXCHANGE (ETS) SEPARATE MODULE”	entering into the Exchange's electronic trading system information on the essential terms of the purchase and sale agreements, fixing and registering exchange transactions and exchange contracts in accordance with such essential terms.
Prozorro.Sale	“ELECTRONIC PLATFORM ETS Prozorro.Sale”	automatic exchange of information on the process of conducting electronic auctions
“Data transmission administrator (DTA) services”	DTA platform	Providing wholesale energy market (WEM) participants with services for collecting, aggregating and providing the NEURC with information on economic and trade transactions related to wholesale energy products carried out by the WEM participant

1.2. Key performance indicators of UEEX

In 2024, Exchange held 1910 trading sessions in the form of a one-way auction for the purchase and sale of energy resources and electricity and 1464 in the form of a two-way auction (on the domestic gas market). As a result, the company sold 57,18 million MWh of electricity, 2,05 million tons of oil and gas condensate, 269,83 thousand tons of liquefied gas and oiln products, 2,04 billion cubic meters of natural gas, and 372,19 thousand tons of coal.

In the direction of “Untreated timber and lumber”, 5399 auctions were held. The total sales volume amounted to 4,67 million cubic meters.

In total, over 180 thousand exchange transactions were concluded last year in energy resources and electricity trading, including 157 thousand on the untreated timber and lumber market.

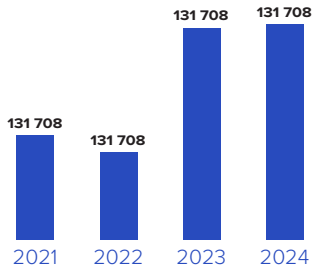
About 3,5 thousand exchange transactions were concluded in the direction of “Trading in exchange commodities included in the list of products traded exclusively on organized commodity markets” in a separate module of the UEEX electronic trading system. The volumes of oil and gas condensate sold in this area amounted to 133 thousand tons, and liquefied gas - 48 thousand tons. As of the end of 2024, 22 companies were active participants in the registration of exchange transactions.

A total of 6404 participants had access to trading on the UEEX at the end of the year, 420 more than a year ago.

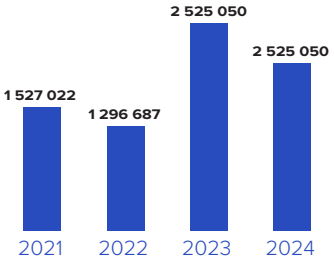


Sales volumes by key areas

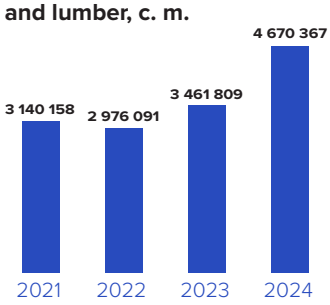
LPG, t.



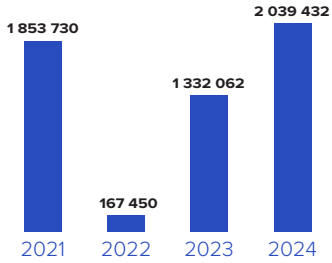
Oil and gas condensate, t.



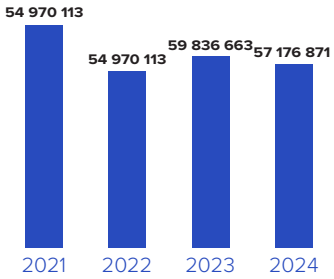
Timber and lumber, c. m.



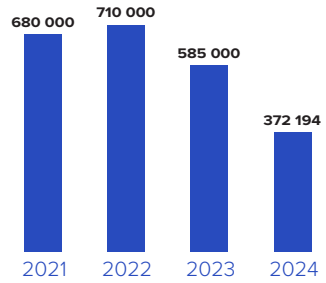
Natural gas, th. c. m.



Electricity (excl. PSO), MWh

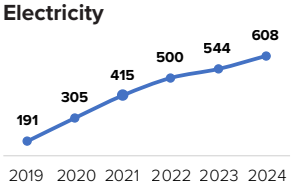


Coal, t.

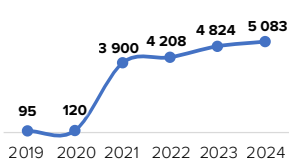


UEEX participants by directions

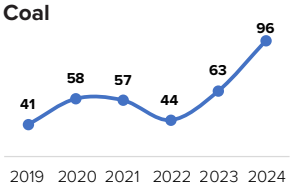
Electricity



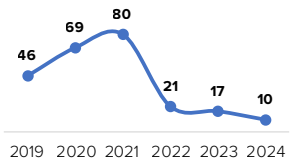
Untreated timber



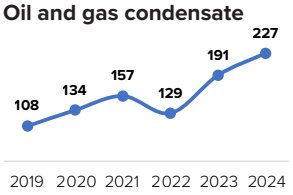
Coal



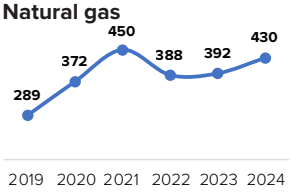
Raw materials and other



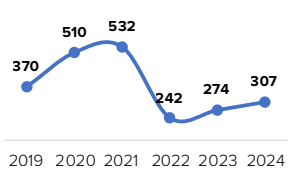
Oil and gas condensate



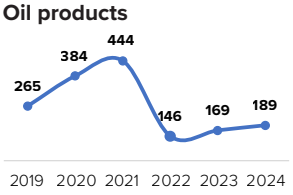
Natural gas



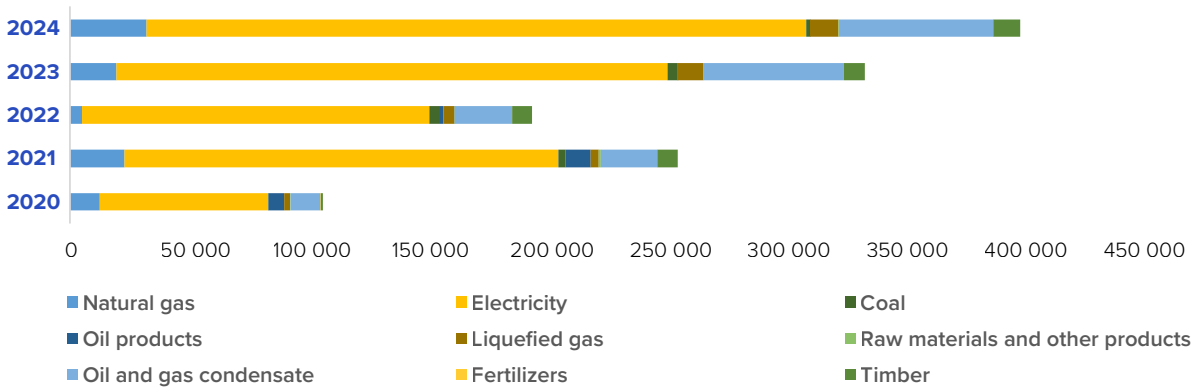
LPG



Oil products



Trade volumes by direction, UAH mln.



1.3. Key events of the exchange activity in 2024

JANUARY

Ukrainian Energy Exchange and the State Agency on Energy Efficiency and Energy Saving of Ukraine signed a Memorandum of Understanding and Cooperation to work together on the development of Ukraine's energy markets, in particular, on creating a transparent and competitive biofuel market.

FEBRUARY

USAID Energy Security Project (ESP), with the participation of NEURC, UEEX, and Market Operator JSC, announced the launch of the project "Analysis and Development of a Comprehensive Methodology for the Application of Indices in Energy Markets in Ukraine" to develop indices and price indicators for energy products, as well as current approaches of UEEX and MO to their calculation.

APRIL

SC Gas of Ukraine (a subsidiary of NJSC Naftogaz of Ukraine) started selling state gas on the UEEX short-term market in accordance with Regulation №169, which approved the Procedure for the use (sale) of a part of produced products that remains in state ownership under the production sharing agreement.

In the new section of UEEX "Procurement: Import, Customs Warehouse", GTSOU started purchasing natural gas from non-residents based on the results of unilateral counter-auction at PP BETS.

JULY

Ukrainian Energy Exchange has launched the UEEX Data Transfer Administrator platform, thus launching a new service for collecting, aggregating and providing the NEURC with information on business and trade transactions related to wholesale energy products by wholesale energy market participants. UEEX DTA ensures the exchange of information between wholesale energy market participants and the Regulator under REMIT.

AUGUST

Ukrainian Energy Exchange (UEEX) took part in the Ukrainian Gas Open 2024 Forum, which brought together key players in the gas market to discuss the production, transportation, storage and sale of natural gas in Ukraine.

PrJSC MC Ukrnaftoburinnya joined UEEX to sell natural gas after the successful resumption of production, which helps stabilize natural gas supplies in Ukraine.

SEPTEMBER

UEEX has implemented a module of analytical data on the fulfillment of untreated timber sale and purchase contracts. Monitoring of contract execution is in effect, which includes support of existing contracts, consultations, systematic work on the mutual responsibility of the parties, and control over the shipment of the sold resource to the new owner.

On the electronic platform of the Ukrainian Energy Exchange Prozorro.Sale, SE Guaranteed Buyer announced the first auction for the distribution of green energy support quotas for electricity facilities or construction phases (start-up complexes) of electricity facilities that produce electricity from solar energy.

OCTOBER

UEEX took part in the Energy Day 2024 industry event organized by the European Business Association and dedicated to the future of Ukraine's energy sector in the context of modern challenges. The event brought together representatives of government, business and experts to discuss key issues of the industry development, long-term sustainability of the energy system and ways to prepare for the autumn-winter period.

UEEX took part in the Energy Day 2024 industry event organized by the European Business Association and dedicated to the future of Ukraine's energy sector in the context of modern challenges. The event brought together representatives of government, business and experts to discuss key issues of the industry development, long-term sustainability of the energy system and ways to prepare for the autumn-winter period.

UEEX registered a subsidiary, Ukrainian Clearing House LLC

NOVEMBER

Ukrainian Energy Exchange (UEEX) took part in the BRM Market Event in Bucharest, organized by the Romanian Mercantile Exchange (BRM), appointed as a NEMO for the competitive provision of exchange services for the unified connection of DAM and/or IDM markets. The event brought together Romanian energy market participants to present new mechanisms for the development of exchange and cross-border trade.

UEEX signed a memorandum of cooperation with Poltava State Agrarian University (PSAU) and a cooperation agreement with Poltava University of Economics and Trade (PUET) aimed at developing joint research and education initiatives and introducing new standards in the energy and trading sectors.

The State Tax Service of Ukraine (STS) has included the Ukrainian Energy Exchange in the List of taxpayers with a high level of voluntary compliance with tax laws in accordance with the Law on the "White Business Club".

UEEX's subsidiary, Ukrainian Clearing House LLC, received a license from the National Securities and Stock Market Commission to carry out clearing activities for the determination of liabilities. UCH LLC will provide clearing services for exchange transactions.

DECEMBER

UEEX received a license from the NSSMC to carry out professional activities in organized commodity markets - activities related to the organization of derivative contracts on commodity exchanges.

For the first time, JSC Ukrtransgaz purchased natural gas for the sustainable passage of the heating season in a new section - "Purchases of imported natural gas" - using the technology of a one-sided auction at PP BETS.

Ukrainian Energy Exchange held the first auction for the sale of guarantees of origin of electricity from the State Enterprise Guaranteed Buyer. The source of energy: the sun. The introduction of the market of guarantees of origin is an important step in the development of the green energy market in Ukraine, which contributes to the implementation of the EU Directive on the promotion of renewable energy sources (RED II).

2. Management

2.1 Management system

High-quality corporate governance is one of the most important elements of UEEX's successful operations to achieve an optimal balance of interests of all parties: Participants, management, customers, suppliers, the state and society. Corporate governance covers almost all areas of UEEX's activities: planning, internal control, performance evaluation, information disclosure, etc.

As a professional participant, UEEX is an enterprise of public interest in accordance with the Law of Ukraine "On Accounting and Financial Reporting in Ukraine". UEEX's corporate governance system is subordinated to the requirements of corporate governance standards for professional participants of capital markets and organized commodity markets, approved by the NSSMC:

Standard №1 "Corporate governance in professional participants of capital markets and organized commodity markets. Basic concepts and terms";

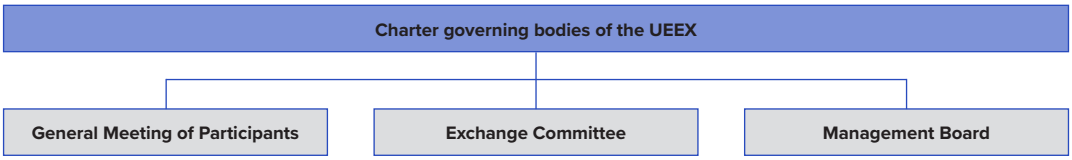
Standard №2 "Corporate governance in professional participants of capital markets and organized commodity markets. Organization and functioning of the internal control system in professional participants that are enterprises of public interest and are not banks".

UEEX has fully implemented the requirements of the above standards, although the Decision of the NSSMC dd. 01.06.2022 No. 509 stipulates that the implementation of the requirements of Standard No. 2 for the period of martial law is optional, and the implementation period is 90 days after the end of martial law in Ukraine.

UEEX management system is formed by a set of elements, subsystems, processes and links that ensure professional activities in organized commodity markets and are intended to solve organizational, technical, economic and social tasks of the exchange.

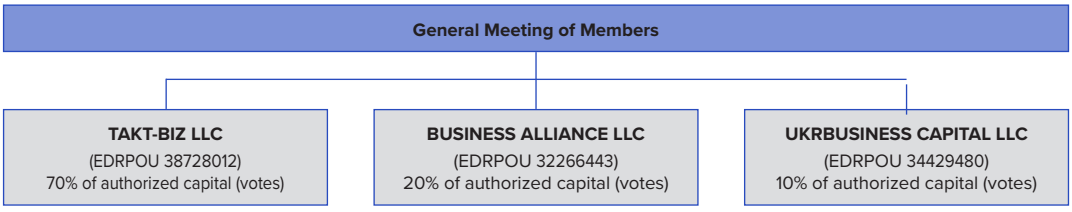
In June 2024, the UEEX Charter was approved in a new version and approved by the NSSMC. Accordingly, the UEEX corporate governance structure is two-tiered and consists of the following governing bodies:

- Supreme body - the General Meeting of Participants;
- Supervisory body - Exchange Committee;
- Executive body – Management Board.



General Meeting of Participants is supreme governing body of UEEX with the following competencies, in particular:

- Determining the main directions of activity, approving plans and reports;
- Amendments to the Charter and authorized capital;
- Approval of the monetary value of non-monetary contribution and redistribution of shares of the Participants, decision to acquire a share of a Participant, expulsion of a Participant, etc.;
- Election and termination of powers of the Exchange Committee and members of the Directors, setting the amount of their remuneration;
- Determining the forms of control and supervision over the activities of the Management Board;
- Establishment of other exchange bodies, determination of the procedure for their activities;
- Approving the results of activities, distributing net profit and deciding on the payment of dividends;
- Making decisions on the establishment of funds, spin-off, withdrawal, merger, division, accession, liquidation and transformation, etc.



General Meeting of Participants shall be held in accordance with the procedure established by the legislation of Ukraine and the UEEX Charter, and decisions shall be made by open voting. During 2024, 23 meetings of the General Meeting of Members were held.

Exchange Committee

Exchange Committee is a collegial body responsible for supervising the conduct of the Exchange's activities and is governed by the Charter, the Regulations on the Exchange Committee and current legislation.

The competence of the Exchange Committee includes, in particular:

- control over the implementation of decisions of the General Meeting of Members and the Exchange Committee;
- setting and monitoring the achievement of the Exchange's strategic goals;
- Approval of the UEEX Rules and internal documents, including provisions regulating the functioning of the internal control system;
- control of the adequacy and effectiveness of compliance with the requirements of internal documents;
- setting the amount of fines and other sanctions and application thereof;
- setting the amount of membership fees and/or other charges;
- Establishment of the Quotation Commission, other commissions, committees, councils, Exchange Arbitration, as well as establishment of other bodies and approval of their documents and personal composition;
- controlling all issues related to the collection, distribution and use of quotations and price reports;
- granting permission to lease exchange places by the Participants;
- making decisions on the establishment of a compliance unit, risk management unit, internal audit unit and appointment/dismissal of their heads or individual officials to perform the respective functions;
- making recommendations to the General Meeting of Members on the appointment or removal of the external auditor.

The quantitative and qualitative composition of the Exchange Committee shall be determined taking into account the peculiarities of UEEX's activities, the nature and volume of operations, risks typical for a professional participant, and in compliance with the following conditions under Standards No. 2:

- the number of members of the Exchange Committee shall be at least 5 persons, of whom at least one third shall be independent, and the number of independent members shall not be less than two persons;
- members of the Exchange Committee, shall meet the requirements set forth in Chapters 1, 2 of Section IV of Standard No. 2.

Current composition of the Exchange Committee in accordance with the decisions of the General Meeting of Members (Minutes of June 15, 2021 No. 4; Minutes of June 13, 2024 No. 7; Minutes of June 14, 2024 No. 7/1).



Oleksii Dubovskyi
Chairman of the Exchange Committee (dependent member)



Inna Shcherbyna
Deputy Chairman of the Exchange Committee (dependent member)



Serhiy Fedorenko
Member of the Exchange



Stanislav Masevich
Member of the Exchange Committee



Krzysztof Rogulski
Member of the Exchange Committee

Exchange Committee is a collegial body responsible for supervising the conduct of the Exchange's activities and is governed by the Charter, the Regulations on the Exchange Committee and current legislation.

In 2024, the Exchange Committee held 261 meetings. All meetings were duly constituted. Decisions on key issues of the Exchange's professional activities were made.

The following committees of the Exchange Committee have been established and are operating at UEEX:

- Joint **Audit and Risk Management Committee;**
- Joint **Appointments and Remuneration Committee;**
- **Complience Committee.**

Appointments and Remuneration Committee	Audit and Risk Management Committee	Compliance Committee
Regulation on the Appointments and Remuneration Committee of Ukrainian Energy Exchange LLC Regulation on the Procedure for Appointment of Employees of the Body responsible for supervision, executive body, the internal control system and other identified personnel of Ukrainian Energy Exchange LLC Regulation on remuneration of employees of the Supervisory body, executive body, internal control system and other identified Personnel of Ukrainian Energy Exchange LLC	Regulation on the organization of internal audit of Ukrainian Energy Exchange LLC Regulation on Risk Management Committee of Ukrainian Energy Exchange LLC Regulation on the Risk Management and Guarantee System of Ukrainian Energy Exchange LLC	Regulation on the Compliance Committee of Ukrainian Energy Exchange LLC Regulation on Compliance of Ukrainian Energy Exchange LLC

The Nomination and Remuneration Committee was established to preliminarily study and prepare for consideration by the Exchange Committee issues related to the formation of the personnel policy for the selection of highly qualified executives of the Exchange, as well as to develop principles and criteria for determining the amount of remuneration and compensation paid to executives and other persons performing managerial functions, to develop a transparent system of motivation.

In 2024, the Nomination and Remuneration Committee of the UEEX Exchange Committee held 3 meetings to consider the preliminary assessment of the compliance of candidates for positions at the Exchange with the requirements of qualification and professional suitability.

The powers of the other two committees of the Exchange Committee are described below in the context of the Internal Control System.

Management Board

Management Board is a collegial executive body of the Exchange that manages the current activities of the Exchange within its competence and operates in accordance with the laws of Ukraine, Charter of Exchange, Resolutions of the General Meeting of Participants, Exchange Committee of the Exchange and the internal documents of the Exchange.

Powers of the UEEX Management Board, in particular:

- organizing the implementation of decisions of the General Meeting of Participants and the Exchange Committee;
- Approval of current activity plans and measures for their implementation;
- Development of business plans and other programs of financial and economic activities;
- Development and submission for approval of: draft annual financial statements and reports on the progress of their implementation, proposals for determining the main areas of activity, creation of new funds, proposals for the creation and liquidation of subsidiaries and participation in other enterprises, organizational structure;
- submission of the annual report and balance sheet;
- organizing the convening and holding of regular and unscheduled General Meetings of Members.

The Management Board consists of 6 Directors and is headed by the Chief Executive Officer. The Management Board acts on the basis of the Charter and Regulation on the Management Board of UEEX LLC. The current composition of the Management Board was formed by the decisions of the General Meeting of Members of the Ukrainian Energy Exchange dd. June 15, 2021 No. 4, December 03, 2021 No. 9 and August 16, 2024 No. 11.



Oleksandr Kovalenko
CEO



Volodymyr Bryukhovetskyi
Operating Director



Anna Ryabova
FCO



Roman Matviienko
Director for Government Relations



Oksana Gerbach
Director of Legal Affairs



Andriy Makhno
Executive Director

The Board held 10 meetings in 2024

UEEX internal control system

The UEEX's internal control system as a professional participant is a set of activities of persons ensuring its functioning and internal control procedures and measures applied by them aimed at preventing the professional participant's failure to comply with the requirements of the legislation on capital markets and organized commodity markets, preventing the professional participant from taking risks, the realization of which threatens the stability of its functioning, may cause damage to clients or threaten investments and/or threaten the integrity of the market.

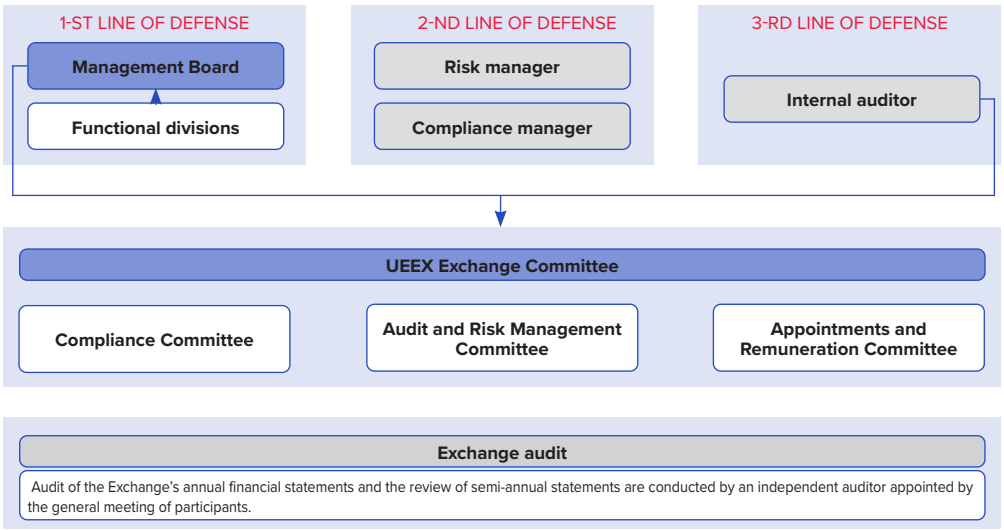
In connection with the transition of UEEX to the Corporate Governance Standard No. 2 in 2024, a number of changes were made to the internal control system of UEEX LLC, including by the decision of the Exchange Committee (Minutes No. 1763 dd. 02.07.2024) were:

1. a member of the Exchange Committee was terminated as the responsible person for ensuring the implementation of the functions of the Audit Committee;
2. Director of Finance was terminated from performing the functions of internal auditor;
3. Audit and Risk Management Committee of the UEEX Exchange Committee was established with 3 members;
4. positions of Compliance Manager, Risk Management Manager, Internal Auditor were introduced into the organizational structure of UEEX LLC and the relevant specialists were appointed.

UEEX's internal control system consists of compliance, risk management and internal audit subsystems. The division of responsibilities is based on the application of the three lines of defense model, namely:

- the first line of defense is at the level of the Exchange's divisions. These units initiate, execute or reflect transactions, take risks in the course of their activities and are responsible for the ongoing management of these risks, and take control measures;
- the second line of defense is at the level of the Risk Manager and the Compliance Manager. They ensure control over the measures implemented by the first line of defense;
- the third line of defense is at the level of the Internal Auditor, who independently assesses the effectiveness of the first and second lines of defense and the overall assessment of the effectiveness of the internal control system in accordance with the requirements of applicable law.

UEEX risk management and supervision structure (internal control system)



Compliance subsystem

Compliance Committee is guided in its activities by the Regulation on the Compliance Committee of the Exchange Committee of UEEX LLC, approved by the decision of the Exchange Committee No. 1763 dd. 02.07.2024 and the current legislation of Ukraine. The Compliance Manager is a separate official who is entrusted with the functions of organizing the Exchange's compliance, who is appointed and dismissed by the Exchange Committee, is directly accountable to it and acts in accordance with the Regulation on Compli-

ance of UEEX LLC, approved by the decision of the Exchange Committee No. 1757 dd. June 19, 2024. The main task of the Compliance Manager is to prevent compliance risks that may arise in the process of carrying out professional activities by the Exchange, as well as compliance with the requirements of the NSSMC regarding the prevention of compliance risks. UEEX LLC ensures compliance by implementing compliance measures at all organizational levels of the Exchange and includes compliance measures in all processes of its activities.

To prevent negative consequences, the main tasks of the compliance subsystem, in particular, are:

- compliance with legislative and standard industry requirements (norms, standards), security and confidentiality of data and information;
- guarantees of the absence of financial manipulations and other illegal activities;
- guarantees of absence of corruption and office abuse;
- guarantees of competence and professionalism of management and employees;
- high corporate ethics and culture (non-discrimination, absence of conflict of interest, acceptable business hospitality, etc.);
- tracking external illegal activities, such as theft of property;
- prevention of threats to business reputation, etc.

Risk management subsystem

Risk Management Subsystem. The Risk Management Committee is guided in its activities by the Regulation on the Risk Management Committee of the Exchange Committee of UEEX LLC, approved by the decision of the Exchange Committee No. 1763 dd. 02.07.2024 and the current legislation of Ukraine. The Committee is a permanent, consultative, collegial body of the Exchange, which assists it in creating and ensuring the effective functioning of the Exchange's risk management system (hereinafter referred to as the RMS) in compliance with the requirements of the legislation.

Risk management of the Exchange's professional activities is a continuous process of predicting and neutralizing their negative financial consequences (identification, assessment, prevention and minimization of consequences). Risk management activities are systematic, integrated into strategic and operational management at all levels and cover all divisions and employees in the performance of their functions. The Exchange's RMS operates in accordance with the requirements of the Regulation on the Risk Management System of UEEX LLC and provides for:

1. an organizational structure that defines the duties, authorities and responsibilities of individuals for risk management;
2. internal documents on risk management;
3. instruments for effective risk management;
4. measures aimed at preventing financial losses.

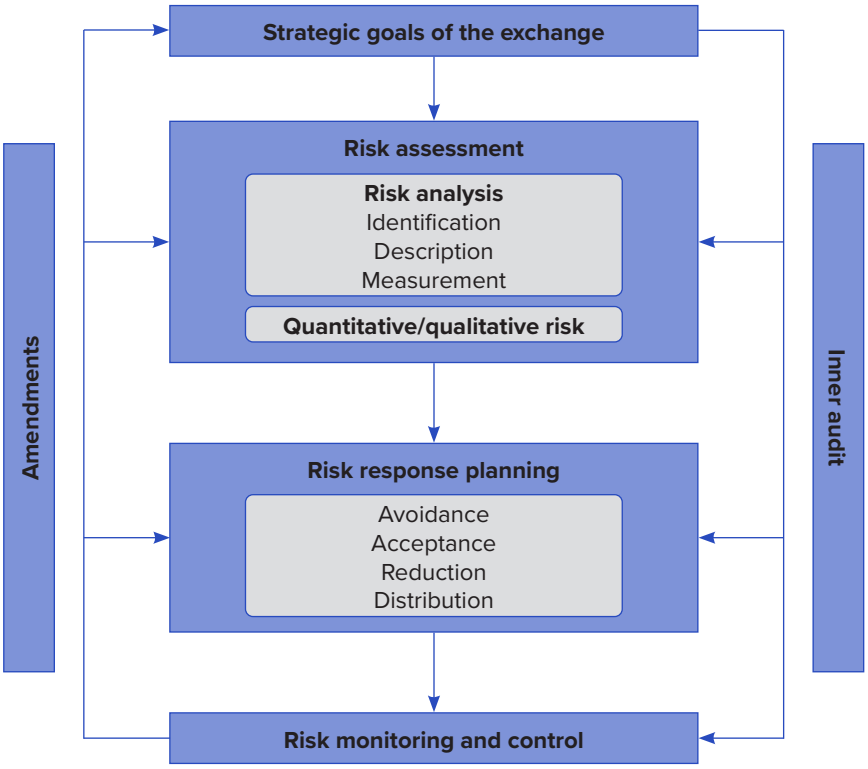
Main objectives of the risk management system:

- identification of the most vulnerable and risky areas of the Exchange's activity;
- systematic comprehensive diagnostics of the probability of adverse events occurence;
- selection of alternative options for management decisions to ensure the optimal ratio between risk and profitability of financial operations;
- ensuring minimization of losses in the event of adverse events, etc.

Key risks of professional activity	**Impact** – the probability of losses or additional losses or failure to receive planned income of the Exchange as a result of:	
Credit risk (counterparty risk)	that the counterparty will not be able to fulfill its contractual obligations under Exchange	
Market risks	adverse change in the market value of assets due to price fluctuations in four segments of capital markets and organized commodity markets that are sensitive to changes in interest rates: the debt securities market, the equity securities market, the currency market, and the commodity market	interest risk
		share risk
		currency risk
		commodity risk
Liquidity risks	that the Exchange's assets cannot be converted into a liquid form to ensure the Exchange's fulfillment of its obligations	
Operational risks	inadequate or poorly organized internal processes, actions of employees or functioning of the Exchange's systems, as well as as a result of the influence of external events	personnel risk
		information risk
		legal risk

Key risks of professional activity	**Impact** – the probability of losses or additional losses or failure to receive planned income of the Exchange as a result of:	
Strategic risk	incorrect decisions of persons performing managerial functions and/or inadequate response to changes in the business environment	
Risk of excessive leverage	a decrease in the Exchange's own funds, which occurs as a result of the recognition of incurred and/or expected losses in accordance with international financial reporting standards	
Compliance risks	the emergence of an unfavorable perception in society of the Exchange, in particular its financial stability, the quality of the services it provides, or its activities in general, which may be a consequence of the realization of other risks	AML/CFT risk
		the risk of changes in legislation
Risk of loss of business reputation (reputational risk)	the emergence of an unfavorable perception in society of the Exchange, in particular its financial stability, the quality of the services it provides, or its activities in general, which may be a consequence of the realization of other risks	
External systemic risk	the inability of professional participants to fulfill their obligations due to the failure (untimely fulfillment) of obligations by one professional participant as a result of the realization of credit risk, liquidity risk or other risk. Systemic risk carries the threat of disruption of the activities of the entire financial system	
Residual risk	the risk that remains after the Exchange has taken measures to minimize credit risk as stipulated in internal documents due to the fact that such measures have proven to be less effective than expected	

The risk management process includes the following elements:



Internal audit subsystem. In order to assist the Exchange in creating and ensuring the effectiveness of the internal audit system, the Audit Committee operates on the basis of the Regulations on the Audit Committee

of the Exchange Committee of UEEX LLC.

Internal Audit Service is independent of other structural divisions of the Exchange, and its tasks, powers and responsibilities include, in particular, the following:

- auditing the results of current activities and providing reports on the results and proposals for improving the current internal control system;
- promoting the adequacy of the internal control system and operating procedures, conducting appropriate inspections for this purpose, and developing recommendations to eliminate violations;
- conducting an impartial and objective assessment of the financial, operational, and other control systems and procedures at the Exchange;
- implementation of an effective, reliable and complete information management system for timely identification and elimination of shortcomings and violations in the implementation of financial transactions;
- identifying areas of potential losses, favorable conditions for fraud, abuse and misappropriation of Exchange funds, etc.

Risk Management Committee and Audit Committee are merged into the Audit and Risk Management Committee of the UEEX Exchange Committee. This committee held 1 meeting in 2024, at which issues related to the preliminary assessment of competitive proposals and the result of the selection of an external auditor for the annual audit of the Exchange's financial statements for 2024 were considered.

Other advisory and consultative bodies

Advisory Committee is a collegial body of the UEEX, the purpose of which is to develop recommendations on strategic areas of the Exchange's activity, provide proposals and consultations on increasing the efficiency of operations and development in accordance with European standards, promote strengthening international cooperation to ensure transparency and competition in the Ukrainian market, with the ultimate goal of benefiting Ukrainian consumers.

Advisory Committee operates in accordance with the Regulation on the Advisory Committee at the Commodity Exchange – UEEX LLC, approved by the decision of the Exchange Committee No. 1547 dd. 02.10.2023. In accordance with the terms of the signed Memorandum, the Advisory Committee of the Exchange includes representatives of the Secretariat of the Energy Partnership, the EBRD and the Ministry of Energy.

Section Council is a permanent advisory and consultative body of the UEEX, created to ensure the effective participation of energy market participants in the formation, development and implementation of policy, as well as legal regulation of activities. Section Councils for various areas of Oil, Oil Products and Liquefied Gas) are created and operate in accordance with the Regulation on Section Council at the Commodity Exchange - UEEX LLC.

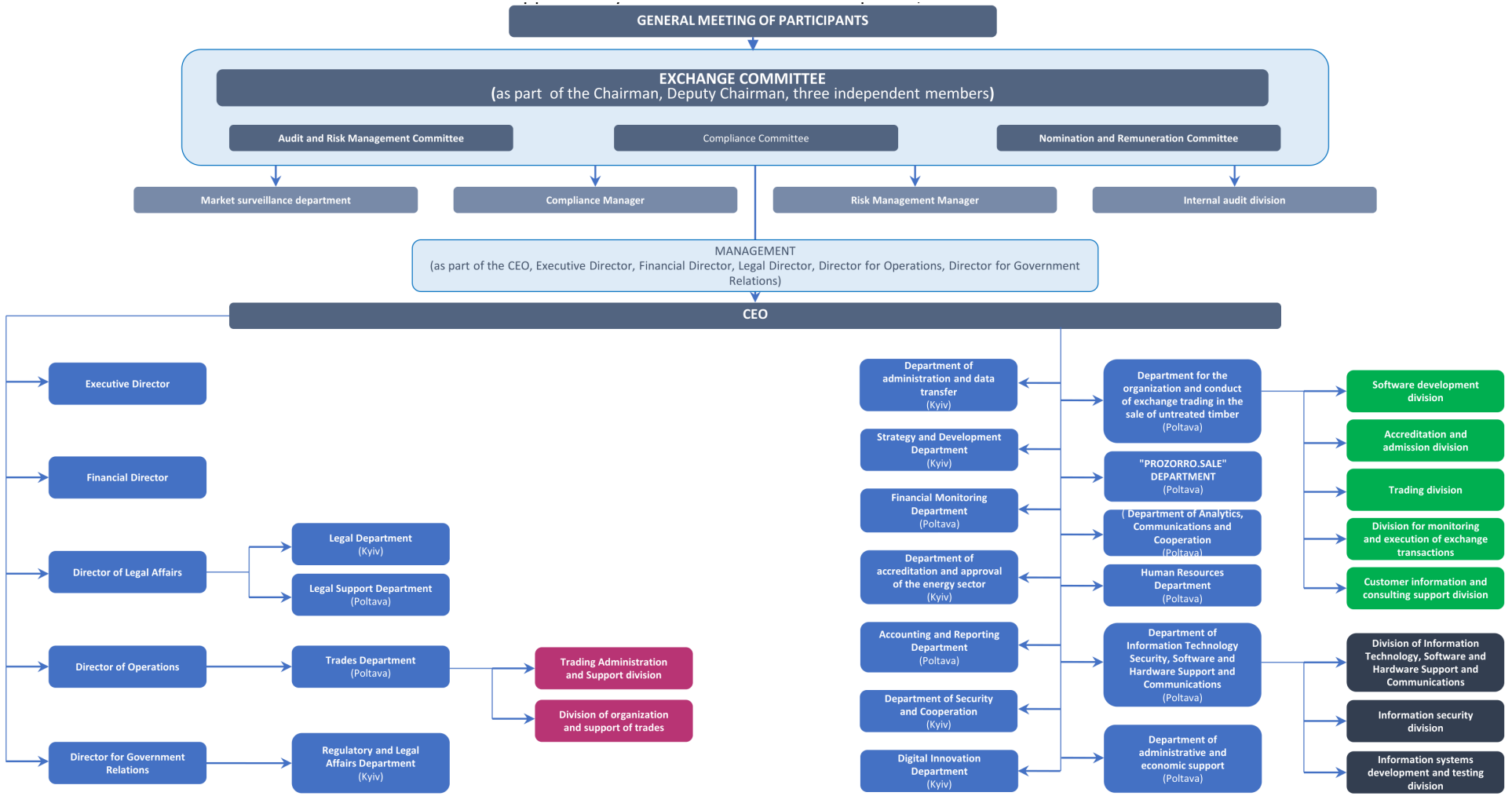
The main tasks of the Section Council are:

- representing the interests of market participants on issues related to the organization of trading on the Exchange;
- ensuring effective interaction between the Exchange and market participants in identifying their problems and needs and jointly developing measures to resolve them;
- maintaining a dialogue with the authorities, business, and the expert community on issues of transparency of activities, pricing, manipulation, taxation, competition, energy reform in Ukraine, and new strategic initiatives;
- adoption of recommendations for authorized bodies of the Exchange.

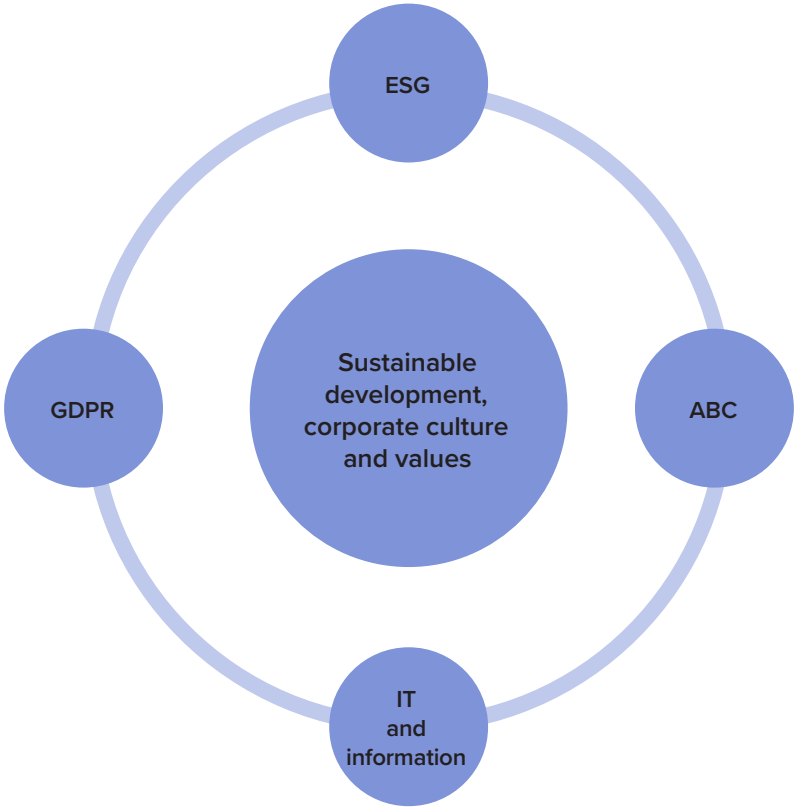
2.2 Organizational structure

Organizational structure of UEEX is built by creating management verticals, distributing functions and responsibilities, and delegating authority.

In 2024, UEEX assessed its own business processes regarding the effectiveness of the current organizational structure and significantly changed it, optimizing it according to the basic principles: efficiency, consistency, transparency, progressiveness, specialization, and hierarchy.


GENERAL MEETING OF PARTICIPANTS
EXCHANGE COMMITTEE
(as part of the Chairman, Deputy Chairman, three independent members)
Audit and Risk Management Committee
Compliance Committee
Nomination and Remuneration Committee
Market surveillance department
Compliance Manager
Risk Management Manager
Internal audit division
MANAGEMENT
(as part of the CEO, Executive Director, Financial Director, Legal Director, Director for Operations, Director for Government Relations)
CEO
Executive Director
Financial Director
Director of Legal Affairs
Legal Department (Kyiv)
Legal Support Department (Poltava)
Director of Operations
Trades Department (Poltava)
Trading Administration and Support division
Division of organization and support of trades
Director for Government Relations
Regulatory and Legal Affairs Department (Kyiv)
Department of administration and data transfer (Kyiv)
Strategy and Development Department (Kyiv)
Financial Monitoring Department (Poltava)
Department of accreditation and approval of the energy sector (Kyiv)
Accounting and Reporting Department (Poltava)
Department of Security and Cooperation (Kyiv)
Digital Innovation Department (Kyiv)
Department for the organization and conduct of exchange trading in the sale of untreated timber (Poltava)
"PROZORRO.SALE" DEPARTMENT (Poltava)
(Department of Analytics, Communications and Cooperation (Poltava)
Human Resources Department (Poltava)
Department of Information Technology Security, Software and Hardware Support and Communications (Poltava)
Department of administrative and economic support (Poltava)
Software development division
Accreditation and admission division
Trading division
Division for monitoring and execution of exchange transactions
Customer information and consulting support division
Division of Information Technology, Software and Hardware Support and Communications
Information security division
Information systems development and testing division

2.3 Sustainable development, corporate culture and values



ESG (Environmental, Social and Governance)

ESG (Environmental, Social and Governance) vector is decisive in the UEEX business model, the basis for assessing sustainable development and ethical influences of the organization.

Environmental criteria determine how the UEEX takes care of the environment, guided by environmental regulations, legislative standards and requirements. In order to ensure effective management of possible environmental risks and aspects in its activities, Exchange is guided by Environmental policy of the Ukrainian Energy Exchange Limited Liability Company.

The main strategic goals of the Exchange's Environmental Policy are:

- environmental values, awareness and education;
- reduction of environmental risks and a safe environment;
- balanced use of natural resources and their timely disposal;
- complete elimination of environmental pollution associated with the Exchange's business activities;
- use of office equipment and technology, consumables that affect or ensure environmental safety, in accordance with the best global standards;
- cooperation with stakeholders in the field of environmental protection, interaction with the public;
- prioritizing preventive actions to prevent negative impacts on the environment;
- strengthening the sense of responsibility for the environment among employees at all levels and their involvement in activities to reduce environmental risks;
- ensuring the necessary sanitary and hygienic working conditions;
- low energy consumption and resource use.

In January 2024, UEEX and the State Agency for Energy Efficiency and Energy Saving of Ukraine signed a Memorandum of Understanding and Cooperation to work together on the development of Ukraine's energy markets, in particular, on the creation of a transparent and competitive biofuel market. The development of the biofuel market not only opens up great prospects for its producers and consumers, but is also one of the important components of energy efficiency, energy independence and achieving the country's environmental goals in terms of promoting an increase in the share of renewable energy sources.

UEEX and State Agency of Energy Efficiency signed a Memorandum of Understanding and Cooperation



Ukrainian Energy Exchange has joined the "Green Country" program



Ukrainian Energy Exchange team participated in planting an oak forest



UEEX participated in planting 3650 oak saplings in Lviv region



Exchange has implemented the following environmental policy measures:

- a responsible person has been appointed to ensure the implementation of the Environmental Policy and its provision with all necessary resources;
- use of energy-saving technologies and safe means;
- annual participation in public and other events related to landscaping and greening;
- implementation of a European approach to separate collection of non-food waste;
- minimization of waste and refusal of employees to use plastic dishes;
- providing employees with drinking water of appropriate quality;
- ensuring sanitary and hygienic working conditions for employees as stipulated by law;
- compliance with mandatory legislative and other environmental requirements adopted by the Exchange.



CERTSYSTEMS

CERTIFICATE

Environmental Management Systems

"UKRAINIAN ENERGY EXCHANGE"

LIMITED LIABILITY COMPANY

Ukraine, 01001, Kyiv city, Khreschatyk street, house 44

Code 37027819

Certification body "DP CERTSYSTEMS" confirms that the environmental management systems (EMS) of the aforementioned organization is verified and complies with the requirements of the international standard

ISO 14001:2015 «Environmental management systems. Requirements and guidance for use»

INTERNATIONAL STANDARD

Certification scope:

46.12 Activities of intermediaries in the trade of fuel, ores, metals and industrial chemicals; 46.11 Activities of intermediaries in the trade of agricultural raw materials, live animals, textile raw materials and semi-finished products; 46.13 Activities of intermediaries in the trade of wood, building materials and sanitary-technical products; 46.14 Activities of intermediaries in the trade of machines, industrial equipment, ships and aircraft; 46.15 Activities of intermediaries in the trade of furniture, household goods, iron and other metal products; 46.16 Activities of intermediaries in trade in textile products, clothing, fur, footwear and leather products; 46.17 Activities of intermediaries in the trade of food products, beverages and tobacco products; 46.18 Activities of intermediaries specializing in trade in other goods; 46.19 Activities of intermediaries in the trade of a wide range of goods; 82.11 Provision of combined office administrative services

Date of Certification: 07.12.2023
Date of Expiry: 07.12.2026

Subject to annual approval:
2024 – till 07.12.2024
2025 – till 07.12.2025

The validity of the certificate is verified using a QR code or on the website euro-cert.net

Head of Certification body

S. Petrova

ДП СЕРТСИСТЕМС

ECS

Registered in the Certification System Registry
EUROCERT SYSTEM
certificate № ECS.UA.02.4053 dated 07.12.2023

DP CERTSYSTEMS, 97 Zakrevskoho St., Apt 378, Kyiv, Ukraine, 02064. Notification Letter № ECS.UA.01.159, Date of Notification 29.04.2021 issued by EUROCERT SYSTEM: Bulgaria, Plovdiv

CERTSYSTEMS

In terms of the latter, in particular, in November 2024, UEEX successfully passed technical supervision of the certified environmental management system for compliance with the requirements of the ISO 14001:2015 standard "Environmental management systems. Requirements and guidance for application".

UEEX Environmental Management System (EMS) is regulated by the relevant Regulation, which also outlines external and internal environmental factors important for the proper functioning of the UEEX, taking into account the needs and expectations of all stakeholders regarding the processes, the failure to fulfill which may cause losses (financial, image, etc.). UEEX EMS is guided by a number of internal documents and regulated processes.

Exchange declares that it is not an industrial (manufacturing) enterprise and that potential negative environmental impacts from its activities are minimal or non-existent. The UEEX is not an environmental tax payer and does not have any facilities on its own balance sheet (owned/leased/used), that adversely affect or may affect the state of the environment. At the same time, environmental aspects are extremely important in UEEX's activities, so the Exchange strives to develop and improve its environmental practices, taking into account the best environmentally friendly practices and technologies.

Social criteria assess how UEEX manages its relationships with employees, suppliers, customers and communities. Social responsibility and adherence to the principles of sustainable development are key values of the Exchange, which strives to ensure a comprehensive and balanced approach to business development and the interests of society.

To ensure effective management, present the main directions and approaches to human resources management, social protection, corporate ethics and business behavior of employees, and to promote respect for the rights, freedoms and interests of employees, to achieve the Exchange's mission and strategic goals declared by the management, Since 2024, the UEEX has implemented an updated Corporate and social responsibility policy, which also includes corporate ethics and culture, human resources, social and gender policies, and health and safety systems.

Exchange ensures compliance with human rights, including those provided for by the Constitution and the Universal Declaration of Human Rights and UN conventions. Creating a favorable working environment, the Exchange ensures its compliance with the requirements of recognized international conventions, in particular the basic conventions of the International Labor Organization.

Exchange guarantees equal non-discriminatory behavior in relations with its employees, partners and clients, regardless of their race, nationality, origin, ethnicity, religion, skin color, language, political views, social, property or marital status, age, sexual orientation, gender identity, health status or other characteristics, and does not collect any data on these characteristics of its employees, except for those directly required by law.

Main goals of the Exchange in social policy

HEALTH	QUALITATIVE EDUCATION AND DEVELOPMENT	WORK-LIFE BALANCE
• labor and health safety • proper work conditions • access to timely and high-quality medical care and psychological support • encouraging a healthy lifestyle	• creating conditions for employees' self-improvement • providing equal opportunities for career growth and remuneration • ongoing training and access to the Knowledge Base	• full employment of employees • the possibility of hybrid work, taking into account life circumstances • work-life balance principle • respect for employees' personal time, space and life
WELLBEING	**SAFETY**	**DECENT WORK AND ECONOMIC GROWTH**
• understanding and caring for the rational internal values and needs of employees • making decisions by considering diverse opinions • providing communication channels (hotlines) and complaint handling	• social protection of employees • employees' confidence in the Exchange as a reliable and caring employer • compliance with anti-discrimination legislation	• decent work conditions • fair remuneration for work and providing opportunities for its increase • regular review of the salary level • systematic evaluation of achievements
EQUALITY	**PARTNERSHIP DEVELOPMENT**	**CHARITY**
• Equality of opportunities in employment • equal pay for equivalent work • equal access to safety and hygiene of the working environment and social welfare • fair work life balance regardless of gender • freedom from sexual and any other harassment and abuse	• partnerships with communities, educational, healthcare and governmental institutions to improve living standards, education, development opportunities, promote energy efficiency and responsible consumption, and build a transparent and competitive economy	• Willingness to help where it is needed

In order to implement the Corporate and Social Responsibility Policy in 2024, UEEX:

- An internal training portal was introduced for staff training and development, as well as for assessing employee competencies;
- In accordance with the order of the CEO, training webinars were organized every Friday for the purpose of professional training and personal development of employees;
- an effective approach to the use of human resources was ensured by reforming the organizational structure;
- training on compliance with corporate ethics and culture was conducted;
- automated processes for monitoring the quality of service provision in the context of individual business processes were introduced;
- corporate events were held to strengthen the corporate culture and other measures were taken to build a high level of employee loyalty, etc.

Exchange determines the basic rules and principles of human resources management and human capital development in accordance with Management strategies of Ukrainian Energy Exchange LLC until 2030, based on the priority of developing the talents and potential of employees through:

- attracting the best specialists in the market;
- ensuring equal opportunities;
- ensuring a decent level of remuneration and incentives;
- development of employee potential;
- Formation of a unified corporate culture and staff loyalty.

The priority of UEEX's HR policy is to create a highly motivated team of professionals with up-to-date key competencies and practices to ensure the fulfillment of the Exchange's business goals.

UEEX divides its personnel policy in the part:

- optimizing and stabilizing the personnel structure and ensuring the efficient use of personnel;
- creation and development of a system of training and development of personnel;
- approaches to building staff loyalty;
- formation and maintenance of corporate spirit;
- cooperation with employee organizations.

The UEEX's needs for qualified personnel are met through high-quality and timely recruitment, employment and advanced training of personnel, personnel administration.

Human resource planning involves:

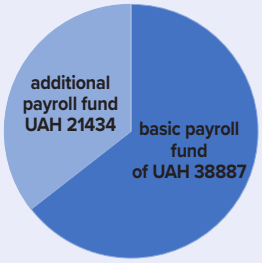
- Compliance with the requirements of the Labor Code of Ukraine and compliance with the qualification requirements for specific positions and workplaces in order to increase labor efficiency;
- selection for vacant positions on a competitive basis, and the principle of staff rotation is used;
- the stage of professional adaptation of newly hired employees in accordance with individual plans with the use of mentoring.
- In all cases, the main criterion for personnel appointments is their objective feasibility and the candidate's potential and/or proven performance, professional level and skills.

Exchange creates a system of active and effective activity performance management, applies a system of motivation and incentives for personnel, which consists in ensuring the constant interest of each employee of the Exchange in achieving the planned performance of personal labor activity and collective labor results, and, if possible, in improving the results compared to the planned ones.

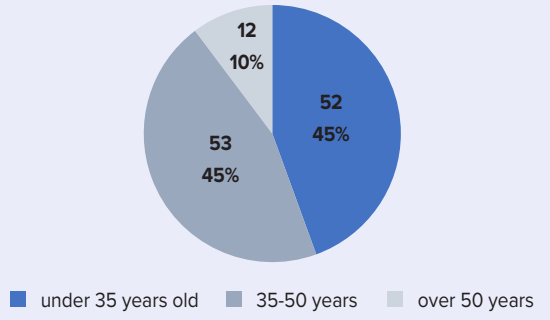
In 2024, the number of employees amounted to 142 people. Of these, 133 were employed at the regular place of work and 9 were employed part-time. In total, 39 employees were hired in 2024, and 20 employees were dismissed, due to the transfer and relocation of employees to other structural units of the company due to changes in the organizational structure of UEEX LLC, transfer of employees to more qualified positions and promotion of employees to managerial positions.

The main principle of material remuneration is equal pay for equal work, which means the same level of salaries for employees who hold positions of equal complexity and importance and demonstrate the same level of performance, have the same level of knowledge, experience and competencies. Exchange strives to build trust and partnership with its employees. Formation and strengthening of the corporate spirit is carried out through the Exchange's general events aimed at fostering a sense of community, belonging to the company, loyalty and reliability in the work of the Exchange's employees.

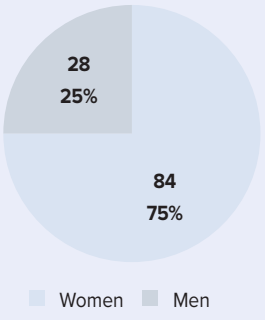
Payroll in 2024:
UAH 60321 thousand



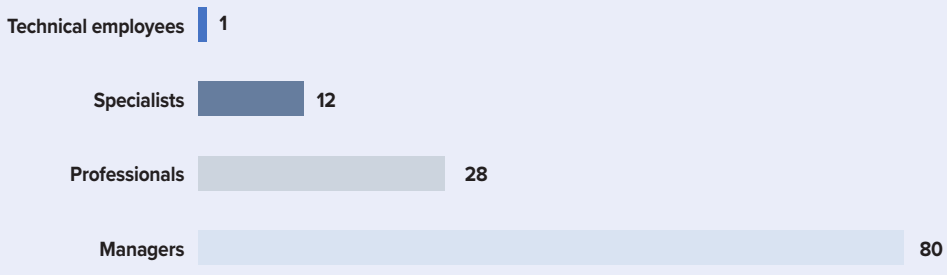
Age structure of the staff,
% of the total number (persons)

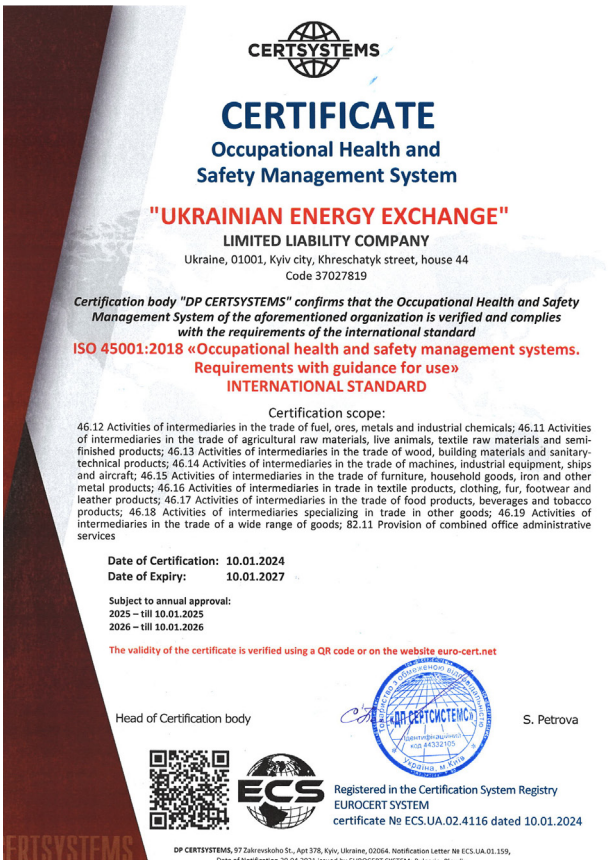


Gender aspect,
% of the total number (persons)



Categories of personnel, % of the total number (persons)





CERTSYSTEMS

CERTIFICATE

Occupational Health and Safety Management System

"UKRAINIAN ENERGY EXCHANGE"

LIMITED LIABILITY COMPANY

Ukraine, 01001, Kyiv city, Khreschatyk street, house 44

Code 37027819

Certification body "DP CERTSYSTEMS" confirms that the Occupational Health and Safety Management System of the aforementioned organization is verified and complies with the requirements of the international standard

ISO 45001:2018 «Occupational health and safety management systems. Requirements with guidance for use»

INTERNATIONAL STANDARD

Certification scope:

46.12 Activities of intermediaries in the trade of fuel, ores, metals and industrial chemicals; 46.11 Activities of intermediaries in the trade of agricultural raw materials, live animals, textile raw materials and semi-finished products; 46.13 Activities of intermediaries in the trade of wood, building materials and sanitary-technical products; 46.14 Activities of intermediaries in the trade of machines, industrial equipment, ships and aircraft; 46.15 Activities of intermediaries in the trade of furniture, household goods, iron and other metal products; 46.16 Activities of intermediaries in trade in textile products, clothing, fur, footwear and leather products; 46.17 Activities of intermediaries in the trade of food products, beverages and tobacco products; 46.18 Activities of intermediaries specializing in trade in other goods; 46.19 Activities of intermediaries in the trade of a wide range of goods; 82.11 Provision of combined office administrative services

Date of Certification: 10.01.2024
Date of Expiry: 10.01.2027

Subject to annual approval:
2025 – till 10.01.2025
2026 – till 10.01.2026

The validity of the certificate is verified using a QR code or on the website euro-cert.net

Head of Certification body

S. Petrova

Registered in the Certification System Registry
EUROCERT SYSTEM
certificate № ECS.UA.02.4116 dated 10.01.2024

DP CERTSYSTEMS, 97 Zakrevskoho St., Apt 378, Kyiv, Ukraine, 02064. Notification Letter № ECS.UA.01.159,

The document regulating the organizational and legal aspects of the labor relations between the employer and employees from the date of conclusion of the employment contract to the date of termination of employment is the Internal Labor Rules of UEEX LLC. HR support is carried out in accordance with the Regulations on the selection and dismissal of employees of UEEX LLC.

Health and safety of employees is one of the main priorities of the Exchange in carrying out its activities. UEEX health and safety policy is based primarily on the requirements of the Law of Ukraine “On Labor Protection”, other regulatory legal acts and international standards in the field of labor safety and health, as well as the requirements of the international standard ISO 45001.

In December 2024, UEEX LLC successfully passed the technical supervision of the certified occupational health and safety management system for compliance with the requirements of ISO 45001:2018 «Health and safety management systems. Requirements and guidelines for use».

Functional responsibilities for labor protection, rights and responsibilities of each manager (official) are clearly stated in job descriptions or other documents (regulations, orders, etc.).

The main principles of UEEX’s activity in the field of occupational safety are:

- prioritizing employee life and health over any of the Exchange’s business processes;
- everyone’s responsibility for labor safety;
- risk-oriented approach: conducting an in-depth analysis of risks and hazards in the workplace;
- training and development of employees on health and safety issues;
- compliance with legislation and key international standards;
- readiness for rapid and progressive changes and cooperation for the sustainable development of the Exchange in the field of labor protection.

In 2024, no appeals were recorded regarding violations of the corporate and social responsibility policy, other rules and mandatory procedures or requirements of the Exchange’s internal documents, including in accordance with the Regulations on the complaint procedure at the UEEX and the Regulations on the procedure for reviewing and processing appeals at the UEEX.

Governance measures the Exchange’s overall management and control, corporate governance structure, succession planning, transparency, reporting, corruption prevention, etc. UEEX pays considerable attention to all governance factors (the corporate governance structure is described in paragraph 2.1 of this Report, transparency and reporting issues are discussed in paragraph 3.10, and anti-corruption factors are discussed in the next block of this paragraph) to ensure high quality of all processes of the organization and the company as a whole.

Effective functioning of UEEX is formed by a documented system that defines the policies, procedures, processes, functions, etc. that form the



CERTSYSTEMS

CERTIFICATE

Quality Management System

"UKRAINIAN ENERGY EXCHANGE"

LIMITED LIABILITY COMPANY

Ukraine, 01001, Kyiv city, Khreschatyk str., house 44

Code 37027819

Certification body "DP CERTSYSTEMS" confirms that the quality management system (QMS) of the aforementioned organization is verified and complies with the requirements of the international standard

ISO 9001:2015 «Quality management systems. Requirements»

INTERNATIONAL STANDARD

Certification scope:

46.12 Activities of intermediaries in trade of fuel, ores, metals and industrial chemicals; 46.13 Activities of intermediaries in trade of wood, construction materials and sanitary products; 46.18 Activities of intermediaries specializing in trade in other goods; 46.19 Activities of intermediaries in trade of a wide range of goods; 62.02 Consulting on informatization issues; 62.09 Other activities in the field of information technologies and computer systems; 63.11 Data processing, posting of information on web sites and related activities; 66.11 Financial markets management; 66.12 Mediation under agreements on securities or goods; 69.10 Activities in the field of law; 82.11 Provision of combined office administrative services

Date of Certification: 15.06.2023
Date of Expiry: 15.06.2026

Subject to annual approval:
2024 – till 15.06.2024
2025 – till 15.06.2025

The validity of the certificate is verified using a QR code or on the website euro-cert.net

Head of Certification body

S. Petrova

Registered in the Certification System Registry
EUROCERT SYSTEM
certificate № ECS.UA.02.3670 dated 15.06.2023

DP CERTSYSTEMS, 97 Zakrevskoho St., Apt 378, Kyiv, Ukraine, 02064. Notification Letter № ECS.UA.01.159,

quality management system.

In June 2024, UEEX LLC successfully passed the technical supervision of the certified quality management system for compliance with the requirements of ISO 9001:2015 «Quality Management Systems. Requirements».

UEEX constantly carries out all quality management procedures (control, assurance, planning, improvement) to ensure reliable and uninterrupted operation of the organization, constantly improves the quality of services, reducing costs, increasing efficiency and gaining competitive advantages.

ABC (Anti-bribery and Corruption)

ABC (Anti-Bribery and Corruption) is an important vector of UEEX's corporate culture, as the consequences of misconduct are far-reaching and jeopardize the company's financial stability, business continuity and reputation.

In 2024, UEEX continues to support the effectiveness of internal anti-corruption mechanisms. UEEX Corporate and Social Responsibility Policy declares that the Exchange prohibits any manifestations of corruption, obtaining undue advantage in the sense of anti-corruption legislation, including bribes, preventing a conflict between personal interests and professional activities; activities are carried out exclusively within the framework of the law. All employees of the Exchange are checked for conflicts of interest and are required to submit appropriate declarations of potential or actual conflicts of interest.

The Corporate and Social Responsibility Policy is based on the Anti-Corruption Program of UEEX. The purpose of the Anti-Corruption Program is to ensure the functioning of an effective system of preventing and combating corruption (ICPC), compliance of the Exchange's activities with the requirements of anti-corruption legislation, taking into account the best international practices. The program establishes a set of measures (rules, standards and procedures) to prevent, detect and combat corruption in the Exchange's activities.

Accordingly, being aware of the responsibility to establish the values of the rule of law and integrity, striving to ensure its sustainable development, taking care of its own business reputation, to encourage the use of fair commercial practices, and in the interests, in particular, but not exclusively, of its members, employees, business partners and clients of the UEEX:

- declares that its participants (permanent members) of the Excnhange, governing bodies, officials and employees in their activities, as well as in legal relations with business partners, state authorities, local self-government bodies, other legal entities and individuals, are guided by the principle of zero tolerance to corruption in any of its forms and aspects and take (will take) all measures to prevent, detect and combat corruption provided for by the legislation and the Program;
- declares its fundamental position and condemns corruption as an illegal and unethical way of doing business.

UEEX also takes measures to prevent/resolve/manage conflicts of interest in accordance with separate internal documents:

- Regulation on the prevention of actions containing signs of corruption and on the prevention/resolution of conflicts of interest in the activities of UEEX LLC;
- Anti-corruption program of UEEX LLC;
- Policy of corporate and social responsibility of UEEX LLC;
- Internal Labor Rules of UEEX LLC.

Regulation on Prevention of Actions Containing Signs of Corruption and on Prevention/Regulation of Conflicts of Interest in the Course of UEEX's Operations define the main principles and objectives of combating corruption and managing conflicts of interest and provide a general description of actions and measures taken by the Exchange to prevent, identify and eliminate corruption risks and conflicts of interest, and require the Exchange's employees to comply with this principle in their activities.

For this purpose, Exchange shall exercise appropriate control, in particular, but not exclusively, over:

- actions and decisions taken by the Exchange's governing bodies and employees in favor of related parties;
- use of insider information by employees of the Exchange;
- external activities of the Exchange's employees;
- direct subordination of close persons;
- possible undue advantage, including acceptance/giving of gifts, etc.

In establishing business relations, UEEX prefers to cooperate with partners who also follow the principles of the UEEX Anti-Corruption Program and have implemented the ICPC. Particular attention is paid to compliance with the sanctions regimes imposed by the EU, UN, USA, and Ukraine. UEEX is not allowed to conclude agreements with counterparties without following the recommendations of the Compliance Service in order to minimize the risk.

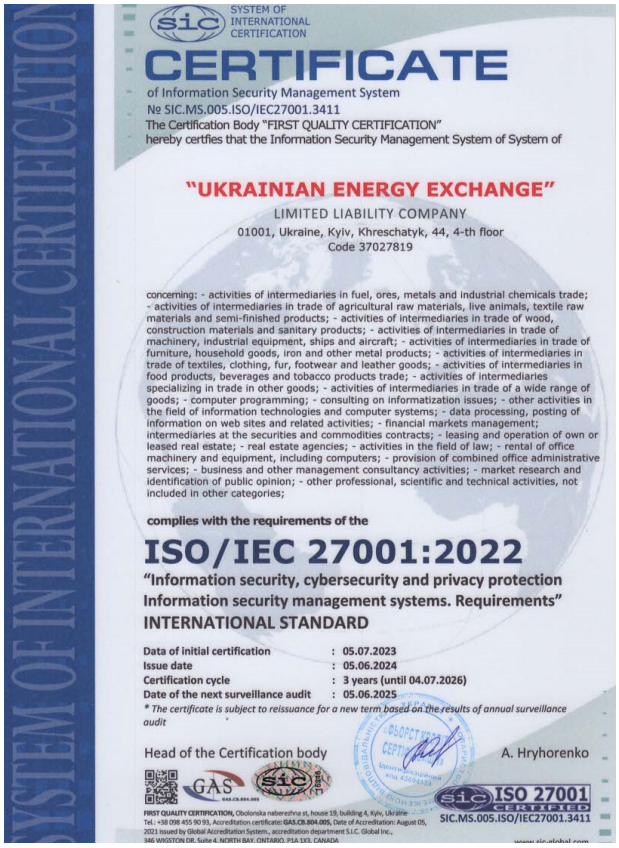
IT and information security is an extremely important factor, given the nature of the Exchange's activities, as the safety and security of information are the main prerequisites for ensuring the expected business efficiency, its sustainable development and resistance to external and internal threats to information security. Information Security Policy (IS) of UEEX defines the basic principles of ensuring an appropriate level of information security and the functioning of its management system in accordance with the law.

IS policy is the basis for the overall security processes and establishes the basic approach to ensuring the security of assets: information resources and systems, software, trading systems, physical and service assets, infrastructure, employees, processes, products and services provided to customers to ensure their confidentiality, integrity and proper availability. The process of ensuring information security covers all aspects of the activity and applies to all business processes/exchange products of UEEX. IS Policy is mandatory for all UEEX employees, and is also intended for use by clients, partners, suppliers and other contractors of UEEX. The main objectives of information security are:

- confidentiality of information and data;
- integrity of information, data and processes;
- availability of information, data, systems, processes and all necessary resources;
- support the implementation of the UEEX business strategy in terms of information security;
- protection of UEEX information resources from external and internal, intentional and unintentional threats to information security;
- protection of UEEX's legitimate interests from illegal actions, disclosure, loss, leakage, distortion and destruction of classified information,
- disruptions in the operation of information systems, technical facilities and business processes.

In 2024, the UEEX cybersecurity system was diagnosed to differentially assess the level of maturity of cybersecurity services with the support of DAI Global LLC as part of the USAID/Cybersecurity project. The analysis was carried out in accordance with the NIST Cybersecurity Framework version 1.1 and yielded positive results.

In June 2024, UEEX also successfully passed the technical supervision of the certified management system for compliance with the requirements of the international standard ISO/IEC 27001:2022 «Information Technology. Methods of protection. Information security management systems. Requirements». The system covers the most important standard operating procedures, such as data processing, risk management, information technology and computer systems, document and information management, internal audit, and continuous improvement.


SYSTEM OF INTERNATIONAL CERTIFICATION

SYSTEM OF INTERNATIONAL CERTIFICATION

CERTIFICATE

of Information Security Management System

№ SIC.MS.005.ISO/IEC27001.3411

The Certification Body "FIRST QUALITY CERTIFICATION"

hereby certfies that the Information Security Management System of System of

"UKRAINIAN ENERGY EXCHANGE"

LIMITED LIABILITY COMPANY

01001, Ukraine, Kyiv, Khreschatyk, 44, 4-th floor

Code 37027819

concerning: - activities of intermediaries in fuel, ores, metals and industrial chemicals trade; - activities of intermediaries in trade of agricultural raw materials, live animals, textile raw materials and semi-finished products; - activities of intermediaries in trade of wood, construction materials and sanitary products; - activities of intermediaries in trade of machinery, industrial equipment, ships and aircraft; - activities of intermediaries in trade of furniture, household goods, iron and other metal products; - activities of intermediaries in trade of textiles, clothing, fur, footwear and leather goods; - activities of intermediaries in food products, beverages and tobacco products trade; - activities of intermediaries specializing in trade in other goods; - activities of intermediaries in trade of a wide range of goods; - computer programming; - consulting on informatization issues; - other activities in the field of information technologies and computer systems; - data processing, posting of information on web sites and related activities; - financial markets management; intermediaries at the securities and commodities contracts; - leasing and operation of own or leased real estate; - real estate agencies; - activities in the field of law; - rental of office machinery and equipment, including computers; - provision of combined office administrative services; - business and other management consultancy activities; - market research and identification of public opinion; - other professional, scientific and technical activities, not included in other categories;

complies with the requirements of the

ISO/IEC 27001:2022

"Information security, cybersecurity and privacy protection Information security management systems. Requirements"

INTERNATIONAL STANDARD

Data of initial certification : 05.07.2023

Issue date : 05.06.2024

Certification cycle : 3 years (until 04.07.2026)

Date of the next surveillance audit : 05.06.2025

* The certificate is subject to reissuance for a new term based on the results of annual surveillance audit

Head of the Certification body A. Hryhorenko

GAS

ISO 27001 CERTIFIED

SIC.MS.005.ISO/IEC27001.3411

FIRST QUALITY CERTIFICATION, Obolonska naberezhna st, house 19, building 4, Kyiv, Ukraine Tel.: +38 098 455 90 93, Accreditation certificate: GAS.CB.004.005, Date of Accreditation: August 05, 2021 issued by Global Accreditation System., accreditation department S.I.C. Global Inc., 346 WISTON DR. Suite 4, NORTH BAY, ONTARIO, P1A 1X3, CANADA

The objects of information relations that require continuous information security planning include: information, organizational and technical production processes, automated systems and software and hardware.

UEEX creates an efficient business system that ensures continuity and constant control of all processes. In particular:

- Procedures for assets management managed by specialists of the Information Technology Department, in particular, their inventory, possession, use, return, etc. are determined by the Regulation on the management of assets managed by the Information Technology Department of UEEX LLC;
- The requirements for accounting and protection of electronic data storage media and devices containing them, their preparation for utilization and preparation for transfer to third parties are set forth in the Regulations on the Protection of Data Storage Media of UEEX LLC;
- the basis and procedure for data backup and recovery are determined by the Regulation on the Procedure for Data Backup and Recovery of UEEX LLC;
- the procedure for planning the restoration of the information infrastructure and drawing up a disaster recovery plan is defined by the Disaster Recovery Planning Procedure;

- organization of the procedure of remote access to information systems and data of UEEX LLC managing is also regulated by the relevant Regulations;
- in accordance with the Change Management Procedure of UEEX LLC, the confidentiality, integrity and availability of information of Exchange`s actives is maintained while planning, performing and monitoring any changes to information assets, including software updates and changes to software and hardware configuration, etc.

UEEX timely and successfully passes recertification audits and takes other measures to improve all management systems.

GDPR (General Data Protection Regulation)

Information protection is a prerequisite for ensuring the security of the Exchange and its employees.

The main principles of disclosure of information subject to publication in accordance with the legislation of Ukraine, as well as the provision of information to interested parties, taking into account the rights and interests of the Exchange and such parties, are carried out in accordance with the Information Policy of UEEX LLC. Exchange has implemented an effective internal control system to achieve information goals and timeliness of information provision to interested parties for making appropriate decisions, including the provision of financial, statistical, management, tax, market, information on compliance with the requirements of the legislation of Ukraine, and other information/reporting.

The principles of protection, as well as the procedure for storing and distributing information, are defined in the Regulations on commercial secrets, professional secrets and confidential information of UEEX LLC. UEEX clearly defines the concepts and list of information that constitutes a commercial secret, confidential information, professional secret, and the requirements and rules for handling it are mandatory for all employees of the Exchange.

In accordance with the above-mentioned Regulations and Rules of Internal Labor Regulations of UEEX LLC, all employees, upon employment, undergo training in working with information and sign an obligation to not disclose commercial secrets, professional secrets and confidential information in the appropriate form. The obligation provides for non-disclosure of relevant information during employment and for 5 years after their termination.

UEEX has also implemented its own sets of data protection rules that govern the collection, storage and processing of personal data.

In particular, the Regulations on the Procedure for Processing and Protecting Personal Data of Employees define a set of organizational and technical measures to ensure the protection of personal data of UEEX employees from accidental loss or destruction, from unlawful processing, including unlawful destruction or access to personal data. Personal data of Exchange employees are processed in the “Personal Data Base of Employees of UEEX LLC, the owner of which is Exchange.

UEEX has also defined a set of organizational and technical measures to ensure the protection of personal data of individuals whose personal data are processed in the course of conducting business activities, including professional activities on capital markets and organized commodity markets (individuals who provide services to the Exchange, and individuals - recipients of services - clients of the Exchange, whose personal data are processed during the implementation of contractual relations) from accidental loss or destruction, from unlawful processing, including unlawful destruction or access to personal data. This process takes place in accordance with the Regulations on the Procedure for Processing and Protection of Personal Data of Individuals, whose Personal Data is Processed in the Course of Business Activities of UEEX LLC. Personal data of Exchange counterparties are processed in the «Personal Database «Individuals, whose Personal Data is Processed in the Course of Business Activities», the owner of which is Exchange.

The Privacy and Personal Data Protection Policy of UEEX LLC website users establishes the procedure for the Exchange to process personal data, the types of personal data collected, the purposes of using such personal data, the Exchange’s interaction with third parties, security measures to protect personal data, terms of access to personal data, as well as contact information for the site user regarding access, changes, blocking or deletion of their personal data and addressing any questions that the user may have regarding personal data protection practices.

Exchange, as the owner of personal data, takes organizational and technical measures to ensure the confidentiality, integrity, and necessary availability of personal data, in particular, it protects personal data in its systems with access rights only for employees who have provided a written undertaking not to disclose personal data (remains valid even after termination of professional, service or employment relations) and whose functions require the processing of personal data in accordance with their job duties to the extent necessary to perform such duties.

In 2024, no violations of the personal data protection regime were recorded at UEEX, nor were there any cases of employees using information constituting a trade secret, professional secret or confidential information, including in any way for the purpose of obtaining profit or without such benefit and without the special permission of the CEO or another person authorized to make a decision on the provision of such information.

2.4 UEEX strategy and level of strategic goals fulfillment in 2024

UEEX is a licensed commodity exchange and, as a business, is guided by a mission that sets out an organizational commitment to “build a reliable, transparent and efficient organized commodity market in Ukraine, integrated with organized markets in EU, in order to maximize common welfare and strengthen energy security and independence.” The UEEX agrees that market integrity, orderliness and transparency are essential to ensure the confidence of participants in Ukraine’s commodity markets.

UEEX management strategy is set out in document “Management Strategy of Ukrainian Energy Exchange LLC until 2030” (hereinafter referred to as the Strategy) and posted on the Exchange’s official website. It outlines UEEX’s core values, which relate not only to the predictability of its business development, and facilitating the operation of the markets that UEEX covers or plans to operate. The Strategy describes how UEEX, as an industry leader, determines priorities, develops, conducts and implements initiatives.

We are committed to identifying and pursuing opportunities for energy and commodity market development and innovation. To this end, we strive to be a leading, innovative Exchange conducting professional activities in organized commodity markets that enhance the reputation and contribute to the development and success of these markets in Ukraine. One of the core organizational values of UEEX is integrity, and our vision is that UEEX is a reliable company in Ukraine that ensures sustainable development, social responsibility, value and equal opportunities for all.

VISION

Ukrainian Energy Exchange is an operator of the organized commodity market of Ukraine that provides liquidity, transparency and fairness in pricing, integrates national and international markets into a single trading space with guarantees of execution and risk diversification, and has the full trust of the public and international partners.

MISSION

To build a reliable, transparent and efficient organized commodity market in Ukraine integrated with the EU organized markets in order to maximize common welfare and strengthen energy security and independence.

VALUES

Transparency

Ensure access to transparent markets and ensure trade security through the supervision of EU-compliant standards, publication of market information and clearing services.

Professionalism

To maintain its position as the leading exchange in terms of liquidity and service level, thanks to its knowledge, staff competence, technology, best customer service and diverse portfolio of products and solutions.

Patriotism

To support the government's policies aimed at liberalizing markets, improving energy security, and increasing the investment attractiveness of the economy by creating a reliable market infrastructure and developing it in line with EU standards.

Partnership

Maintaining an ongoing dialogue with market participants, authorities, regulators, and international organizations for cooperation, exchange of experience and knowledge to ensure sustainable economic development.

Progress

The fundamental transformation of Ukraine will be achieved through the effective work of everyone. By attracting the best advanced technologies, expertise and partners, UEEX creates the basis - an innovative arena for business development in Ukraine, strengthening the economy and reviving the state.

Exchange also strives to contribute to the development and improvement of the rules, practices and policies under which UEEX markets operate, taking into account the interests of market participants. UEEX sets the rules of trading on its markets, which can be found in the section «Documents» on the Exchange’s official website. UEEX constantly reviews its Rules, Regulations, Methodologies and other regulatory documents of the Exchange to ensure that they remain relevant to its markets. From time to time, the UEEX amends its regulatory documents to respond in a timely manner to changes in the market environment (e.g., changes in legislation, market behavior or economic conditions) or to adapt to new market trends.

UEEX’s strategic goals are revealed in five key areas:

1. European integration and ensuring efficient operation of energy markets
2. Transition to a low-carbon economy
3. Safety of transactions and settlements
4. Expansion of activity areas
5. Social responsibility

As part of our annual prioritization of activities, we consider how each activity aligns with our strategic ambitions and goals and the outcomes we want to achieve. Our strategic ambitions do not exist in isolation from each other - they are interconnected, and progress on one ambition also drives progress on another. The progress assessment uses a traffic light

system to determine the status of each performance goal against the overall desired outcomes by the end of 2024.

Below is a summary of the status of activities in relation to the desired annual results by the Strategy areas.

- Strategic goal is on its way to achieving the desired annual results or has achieved them
- Strategic goal is delayed and/or at risk of not achieving the desired annual results
- Strategic goal has not achieved the desired annual results

Status of activities against the desired annual results in the areas of the Strategy

Direction of the strategy	Strategic goal	Security measures in 2024	Status
European integration and ensuring efficient operation of energy markets	Introduction of cross-border exchange trading in natural gas and electricity. Interconnection (unification) into a single EU gas and electricity exchange market	• Participation in the development of legislation and support for the implementation of a competitive model for the appointment of a nominated market operator for market coupling in Ukraine; • Participation in the SEEGAS project and elaboration of a common concept for the development of regional partnership; • Cooperation with the Romanian Commodity Exchange (BRM) to learn from the experience of implementing cross-border trade by connecting electricity markets.	
	Standardization of exchange-traded commodities, trading and clearing mechanisms, unification of EU standards	• The work continued with a number of stakeholders, as well as in accordance with the Memorandum signed with USAID, within the framework of the Energy Security Project (ESP), which, in particular, provides for assistance in developing an operational model for clearing and settlement for segments of the wholesale electricity and gas markets, assistance in developing standardized physical and financial (forwards) products for the wholesale electricity and gas markets; • Developing a roadmap for the development of standardized products within SEEGAS.	
	Introduce mechanisms to ensure fairness and transparency in the wholesale energy market	• Work continued in accordance with the signed Memorandum of Understanding with USAID, which also provides for assistance and support in promoting best practices in reporting in accordance with EU Regulation No. 1227/2011 on the integrity and transparency of the wholesale energy market REMIT. • For the effective development of transparency in the electricity and natural gas markets, appropriate reporting mechanisms have been implemented to the NEURC in accordance with the Law of Ukraine “On amendments to certain laws of Ukraine on prevention of abuse in the wholesale energy markets” No. 3141-IX of 10.06.2023 (hereinafter - REMIT) through the platform of the data administrator of the UEEX DTA; • Improved mechanisms for reporting to the NSSMC for further effective interaction between the two regulators as part of the implementation of REMIT requirements; • Participation in the development of by-laws in accordance with REMIT; • Developed a system of monitoring and procedures to detect violations on an organized trading platform in accordance with REMIT; • Improved visualization of public information on the website.	
	Increasing competition in the UEEX exchange market	• Continuous work on attracting new participants to the trading. Expansion of the short-term UEEX market through the launch of the sale of the state share of gas from the production sharing agreement by Gas of Ukraine to Naftogaz of Ukraine; • Maintaining a flexible tariff policy for customers; • Digitalization and optimization (simplification) of organizational processes in customer relations.	

Direction of the strategy	Strategic goal	Security measures in 2024	Status
	Creating a gas hub in Ukraine on the basis of UEEX	• Medium-term standardized products launched; • Work is underway with stakeholders and the NBU to ease currency regulations regarding the participation of non-residents in exchange trading (transactions with guarantee fees and expedited approval of payments under foreign economic contracts); • Establishing mechanisms for purchasing gas on foreign markets; • Work to popularize the idea of introducing mechanisms to support the initial liquidity of organized trade (Gas Release Programs) in Ukraine.	
	Creation of Ukrainian price indices for commodities recognized for use outside the country	• The work was completed and a conclusion was obtained in cooperation with USAID ESP. This project involved EY to improve the practice of developing and managing energy indices in Ukraine within the framework of the project “Analysis and development of a comprehensive methodology for indexing energy markets in Ukraine”. The final report was submitted to; • Updated untreated timber price indices for roundwood and firewood segments were launched, provided on a weekly, monthly and quarterly basis based on different levels of trade data aggregation; • Work to popularize the UEEX price indices by publishing them in the publications of international price agencies.	
Transition to a low-carbon economy	Launch of trade in biogas and biomethanol/biodiesel	• Analytical studies of the prospects for launching an exchange market in these segments have been conducted, and the market is constantly monitored to track trends and opportunities for exchange trading.	
	Launch of solid biofuels and agrobiomass market	• A Memorandum was signed with the State Agency on Energy Efficiency and Energy Saving to create a competitive biofuel market. Work has been launched to create an interdepartmental working group with the participation of the Ministries and the State Agency on Energy Efficiency and Energy Saving to introduce amendments to the draft Law “On Amendments to certain legislative acts of Ukraine on the development of exchange trade in alternative solid fuels”; • Drafts of legislative initiatives to support the formation of exchange markets for alternative fuels have been developed.	
	Launch of trading in corporate PPAs and contracts for difference	• The attractiveness of the product for renewable energy producers and potential buyers has been studied, and ongoing monitoring is being conducted to assess the prospects for launching the market.	
	Launch of trade in guarantees of origin	• Work has been completed on projects to develop a regulatory framework for market operations; • Trading in guarantees of origin on the UEEX has been launched; • We worked with market participants to popularize the product; • Participation in working groups to improve the adopted regulatory framework that ensures the market’s operation; • Supporting initiatives to recognize Ukrainian guarantees of origin for electricity and synthetic gases produced from renewable energy sources (The RED II Directive stipulates that: “Member States shall not recognize guarantees of origin issued by a third country unless the EU has concluded an agreement with that third country on the mutual recognition of guarantees of origin issued in the EU and compatible systems of guarantees of origin established in that third country and only where there is a direct import or export of energy”).	

Direction of the strategy	Strategic goal	Security measures in 2024	Status
	Launch of the emissions trading system	• Evaluate the prospects for launching the market and assess own capacities for trading emissions/emission rights and the possibility of launching an ETS in Ukraine for electricity; • Participation in consultation groups on options for addressing priorities and key issues.	
	Reduction of coal trading volumes	• Coal trade volumes in 2024 decreased by 36% compared to 2023.	
Security of transactions and payments	Introduce mechanisms to control the execution of contracts and deliveries	• UEEX's automatic mechanism for monitoring the fulfillment of contracts in accordance with delivery schedules in the untreated timber and lumber market was improved.	
	Development of alternative mechanisms for guaranteeing payments	• The system of automatic rating of participants in the market of untreated timber and lumber was improved. The rights, opportunities and accesses of the participant were developed depending on its rating category; • Work with banks to improve and simplify the mechanisms for guaranteeing settlements.	
	Introduction of easier clearing of exchange transactions	• Work on the concept of execution of exchange transactions in the medium-term market for standardized products with a guarantee of execution in UGS and on the GTS VTP; • The automated system for monitoring the execution of contracts in the timber market was improved.	
	Clearing activities of the central counterparty	• Provision of clearing services for exchange agreements was transferred to UCH LLC, which in December 2024 received a license from the NSSMC to carry out clearing activities for the determination of liabilities.	
Expanding business lines	Providing wider opportunities in the natural gas market	• Improving technical conditions for the procurement of imported natural gas.	
	Launching a reporting system to prevent manipulation, increase transparency, controllability and predictability of Ukraine's strategic markets	• Development of timely detection of violations during the organization and implementation of exchange trading, including, among other things, automated systems for monitoring of exchange trading and information on their results; • Supervision of trading on the UEEX markets to identify possible trading violations (market manipulation), as well as providing timely information to the NEURC on the implementation of economic and trading operations related to wholesale energy products by the WEM participant; • Meetings and consultations with regulators and stakeholders to improve abuse prevention tools.	
	Development of exchange trade in commodity and agricultural products	• The prospects for launching an exchange market in these segments have been assessed, and the market is constantly monitored to track trends and opportunities for exchange trading.	
	Development of new trade areas	• Constant research and evaluation of new promising markets is carried out, taking into account international experience.	

Direction of the strategy	Strategic goal	Security measures in 2024	Status
Social responsibility	Highly organized HR management system	• Selection and configuration of an automated HR management system; • Weekly staff training, transfer of best practices and experience of highly qualified employees to other employees. Continuous assessment of the quality of staff knowledge and skills and job satisfaction; • Expanding the number of employees by attracting leading industry experts; • Creation of a personnel reserve continued.	
	Improving operational efficiency	• Continuous improvement of operational processes and procedures, transition to electronic document management where possible, improvement of approaches to planning, management and control; • Establishing processes for the dissemination of corporate information to keep all employees informed; • Attracting, developing and supporting employees whose skills and abilities support the ability to advance UEEX's goals and achieve our vision and purpose; • Continuous development of team and individual capabilities and potential; • Employees have access to the UEEX-based educational center and knowledge base for education, adaptation and engagement; • Modernize and consolidate IT infrastructure to build a more secure perimeter and improve data protection.	
	Partnership and communication with stakeholders	• Partnerships are maintained with sports centers, psychological support centers, entertainment and beauty services, catering establishments, etc. to ensure better access to their services for Exchange employees; • Carrying out charitable activities to provide the armed forces and defense forces with the necessary equipment and ammunition; • Interaction with government authorities, regulators and other stakeholders to facilitate market reform and development in line with the European integration processes in the country and to overcome market crises; • Cooperation with forestry enterprises to organize tree planting events, etc.; • Cooperation with industry and other media to promptly inform the public about the markets; • Conducting a survey of market participants on the level of satisfaction with UEEX services, identifying opportunities to improve UEEX services.	
	Effective corporate governance	• Continued work on improving the corporate governance system in terms of increasing transparency, improving internal audit, corporate ethics and anti-corruption management; • Complience with ESG (environmental, social, governance) of UEEX; • The organizational structure of the Exchange was improved.	

The approach to ensuring the implementation of strategic goals also includes the following tasks:

- Promote and facilitate fair, orderly and transparent markets;
- Promote and maintain the reputation and integrity of UEEX markets;
- Provide tools that facilitate compliance and protect the interests of the parties;
- Control compliance with the requirements of the Exchange's regulatory documents by trading participants;
- Effectively protect participants and prevent future violations.

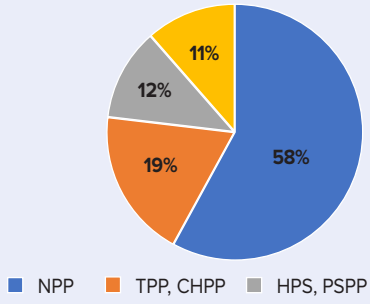
Expected results are that the innovations and organization of commodity exchange markets will be in line with best practices and will continue to reflect the UEEX's position as the largest national commodity exchange, and that changes (namely, growth) in the size of the UEEX markets will be achieved.

3. Activity results

3.1 Electricity

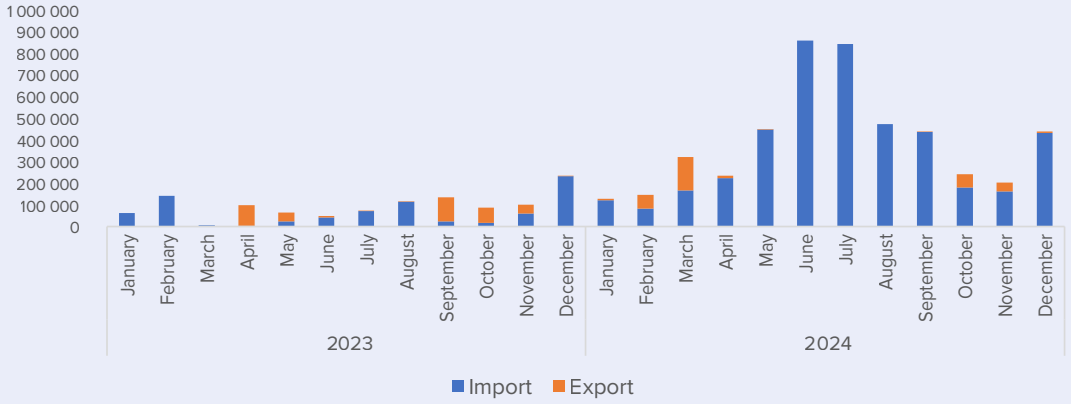
In 2024, the structure of electricity production in Ukraine underwent significant changes due to the damage and destruction of energy infrastructure as a result of the war. In particular, there was a significant decrease in production at TPPs and CHHPs due to their damage and destruction. At the same time, the share of hydroelectric power plants (HPPs) and renewable energy sources (RES) in total electricity production has increased.

Electricity generation structure in 2024

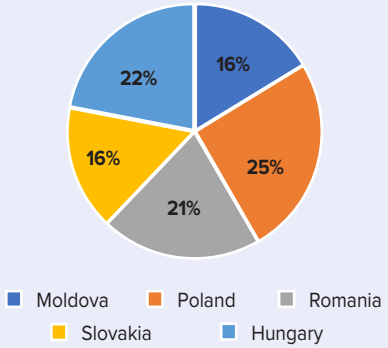


In 2024, Ukraine was able to continue implementing technical and regulatory solutions that allowed the resumption of export and import at the borders at certain hours. This made the Ukrainian power system more flexible and closer to the European electricity market.

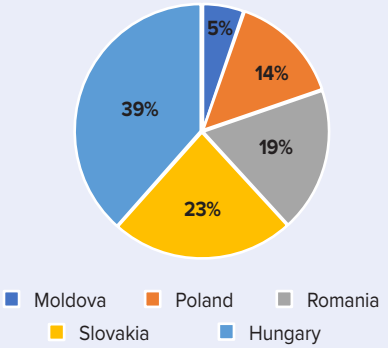
Import - export of electricity, MWh 2023-2024



EXPORT



IMPORT



Chronology of the rise of price caps for 2024

30.11.2023

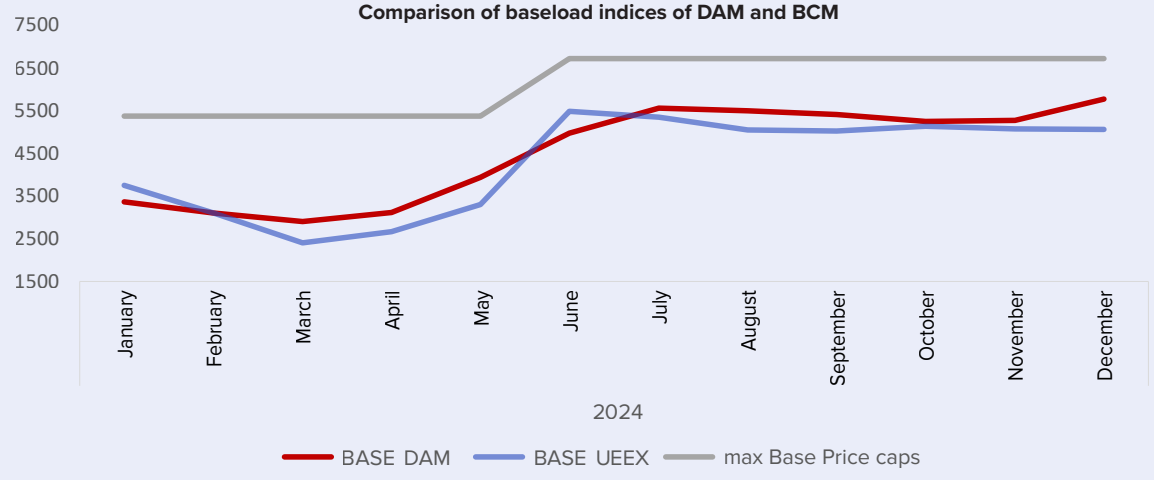
- Minimum load (from 23:00 to 7:00) – 3 000 UAH/MWh.
- Medium load (from 7:00 to 8:00, from 11:00 to 17:00) – 5 600 UAH/MWh.
- Enhanced load (from 8:00 to 11:00) – 6 900 UAH/MWh.
- Maximum load (from 17:00 to 23:00) – 7 500 UAH/MWh.

01.06.2024

- Minimum load (from 00:00 to 07:00 and from 11:00 to 17:00) - 5 600 UAh/MWh.
- Medium load (from 07:00 to 11:00 and from 23:00 to 24:00) - 6 900 UAH/MWh.
- Maximum load (from 17:00 to 23:00) - 9 000 UAH/MWh.

Changing the price caps for some hours has expanded the ability to import during peak hours.

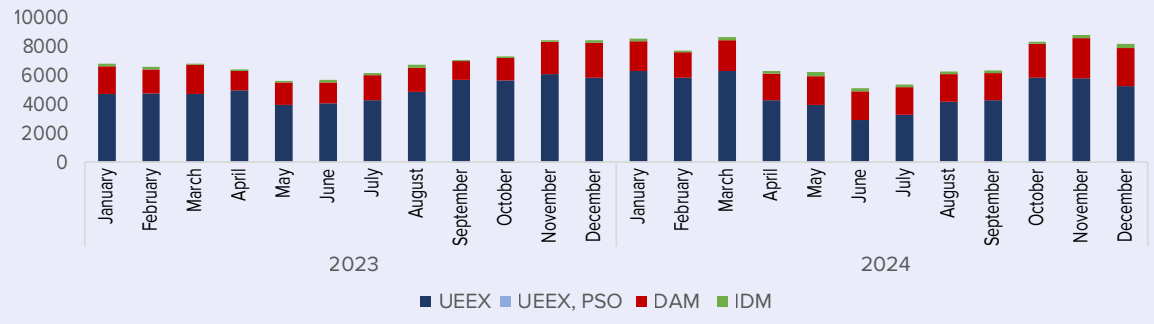
Comparison of baseload indices of DAM and BCM



In 2024, Ukraine's energy structure underwent significant changes due to the impact of hostilities on the energy infrastructure. In June-July 2024, there was a significant shortage of electricity, which led to frequent restrictions on electricity supply to consumers. Despite these difficulties, renewable energy showed positive dynamics. Thus, Ukraine's energy system faced significant challenges in 2024, but at the same time continued to develop, in particular in the direction of renewable energy.

The volumes of electricity sales on the UEEX by delivery periods compared to JSC Market Operator (DAM, IDM) are shown in the chart below. It should be noted that in Ukraine in 2024, 30% of electricity was sold on the DAM, 3% on the intraday market, and 67% of electricity was sold under bilateral contracts from the total volume of electricity sold on the Ukrainian market.

Volume of purchase and sale of electricity, th. MWh, in the IPS of Ukraine trading zone



Paragraph 6 of Part 2 of Article 66 of the Law of Ukraine "On the Electricity Market" establishes the obligation of producers to sell electricity under bilateral contracrs at electronic auctions, the procedure for which is approved by the Resolution of the Cabinet of Ministers of Ukraine dated June 5, 2019 No. 499 «On Approval of the Procedure for Conducting Electronic Auctions for the Sale of Electricity under Bilateral Contracts and the Procedure for Selecting Organizers of Electronic Sales Auctions (hereinafter -

Regulation N° 499).

On the basis of competitive selection in accordance with Procedure No. 499, Ukrainian Energy Exchange LLC was appointed by the state as the Organizer of electronic auctions for the sale of electricity under bilateral contracts and functions as a centralized trading platform for the purchase and sale of electricity under bilateral contracts.

According to Procedure No. 499, the monitoring of auctions at the UEEX is carried out by the Auction Committee, which includes representatives of the Ministry of Energy, the NEURC, the Ministry of Economy, the AMCU and electricity sellers. The Auction Committee is chaired by the Minister of Energy or his deputy. Exchange may conduct the following auctions only within the rules established by Procedure No. 499.

The Auction Committee also monitors compliance by auction participants and the Exchange with the auction rules, prevention of unfair competition, compliance of the auction procedure with the electricity market requirements, approves the auction rules and amendments thereto developed and approved by the auction organizer, develops and submits recommendations to the Exchange on measures aimed at supporting fair competition, determines the forms and technologies of the auction.

Trading operations on the purchase and sale of electricity at UEEX are carried out in accordance with the Exchange's Regulatory Documents in the following sections:

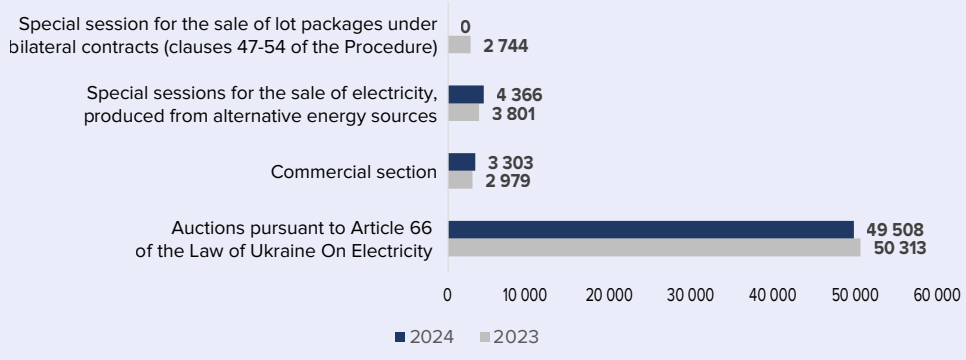
- Specialized sections
- Commercial sections
- Import/export section.

Directions for conducting auctions on the UEEX

SPECIALIZED SECTIONS				COMMERCIAL SECTIONS	IMPORT\EXPORT SECTION
REGULATED PRICES		MARKET PRICES			
UNILATERAL COUNTER AUCTION		BILATERAL COUNTER AUCTION			
Auctions for the implementation of Article 62 of the Law (PSO) Special session	**Special session on the sale of lot packages**	**Auctions for the implementation of paragraph 6 of Part 2. Art. 66 of the Law**	**Special session for the sale of electricity produced from alternative energy sources**	**Commercial section**	**Auctions for purchase and sale of electricity for further import/ export**
PARTICIPANTS - SELLERS					
State producers who are entrusted with special obligations - Energoatom, Ukrhydroenergo	State, municipal, private producers. Other sellers, on a voluntary basis	Producers and others, on a voluntary basis (Guaranteed Buyer for bilateral counter auction).	Guaranteed Buyer	In accordance to the Regulations UEEX LLC - Electricity suppliers, traders	**Import:** · Non-resident legal entities intending to sell electricity. **Export:** · Participants of the electricity market of Ukraine who intend to sell electricity, except those limited by legislation;
PARTICIPANTS - BUYERS					
Providers of universal services DSO	Legal entities whose 100 percent of shares belong to the state Licensees for railway transportation	Electricity suppliers Traders Consumers TSO DSO Guaranteed Buyer	Electricity suppliers Traders Consumers TSO DSO	Guaranteed Buyer TSO DSO Electricity suppliers Traders Consumers Other wholesale market participants	**Import:** · Participants of the electricity market of Ukraine who intend to purchase electricity, except those limited by legislation; **Export:** · Non-resident legal entities intending to purchase electricity.

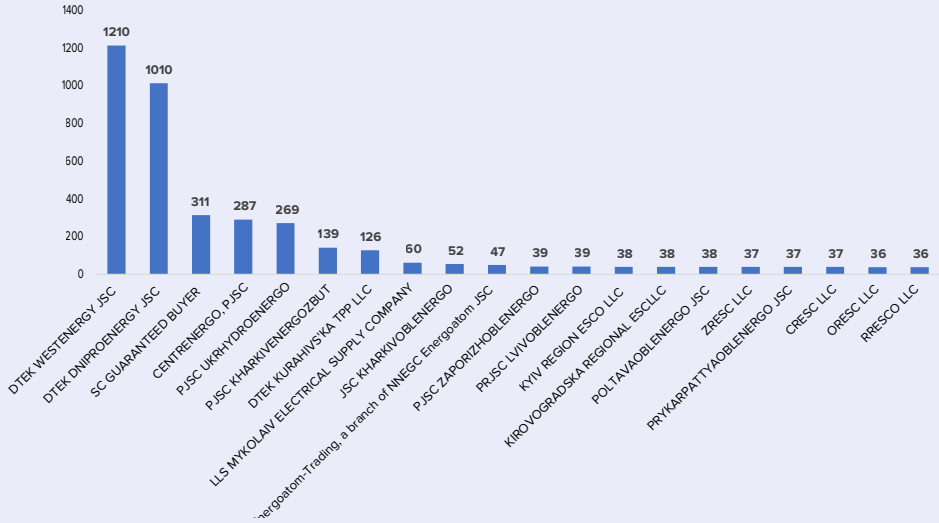
During 2024, 898 auctions for the purchase/sale of electricity were held at the UEEX in the unilateral auction mode, including 552 auctions pursuant to clause 6, part 2, article 66 of the Law of Ukraine "On the Electricity Market", 76 auctions in the form of special auctions for the sale of electricity generated from alternative energy sources, 267 auctions in the commercial sections and 3 auctions in the import-export section. Based on the results of the auctions, 6121 auction certificates were signed.

Volumes of purchase and sale of electricity at the UEEX, th. MWh for 2023-2024



According to the results of 2024, 4135 starting positions were formed for the sale/purchase of electricity of various load types. In 2024, the total volume of electricity sales in the bilateral contracts market amounted to 57,2 million MWh. At the end of 2024, a total of 608 participants were accredited to the UEEX in the Electricity sector.

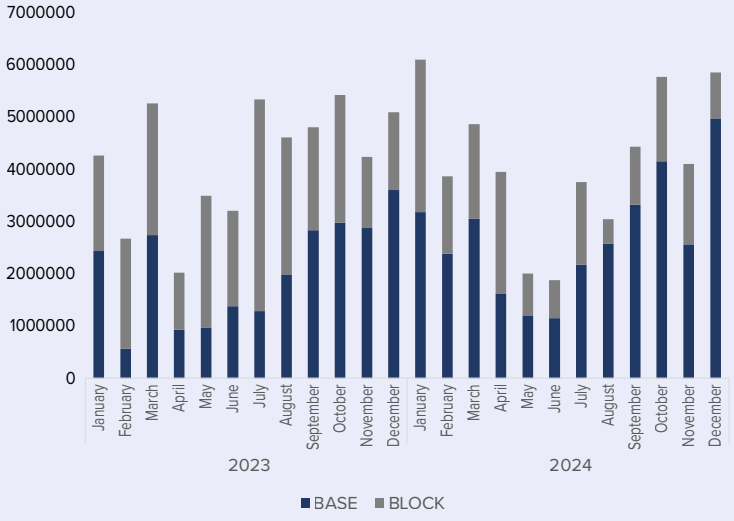
Top 20 companies by number of starting positions



Auctions pursuant to Article 66

In total, in 2024, 49.51 million MWh were sold on the UEEX at auctions pursuant to clause 6, part 2, article 66 of the Law of Ukraine “On the Electricity Market”. 2378 auction certificates were concluded.

Sales volumes by types of electricity schedules at the UEEX, MWh.



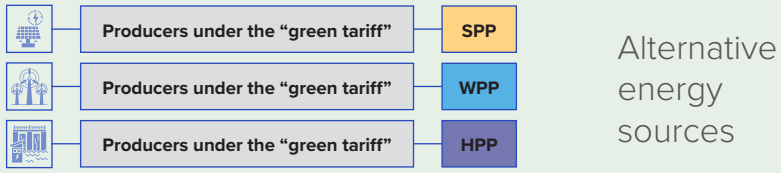
Months	Volume, MWh
January	6 082 918
February	3 853 210
March	4 855 394
April	3 941 880
May	2 001 954
June	1 875 952
July	3 744 104
August	3 033 990
September	4 422 801
October	5 753 693
November	4 097 408
December	5 844 344
Total	**49 507 648**

Starting from July 8, 2022, in accordance with the amendments to the Law of Ukraine “On the Electricity Market” regarding the regulation of the sale of electricity by electricity producers under bilateral contracts (Law 2371-IX), other producers (except for state-owned ones) were obliged to sell electricity under bilateral contracts at electronic auctions of the UEEX. Currently, the obligation does not apply to producers of electricity from alternative energy sources (except for blast furnace and coke oven gases, and only micro, mini and small hydroelectric power plants using hydropower). In 2024, private producers held 285 auctions and sold 22,32 million MWh of electricity.

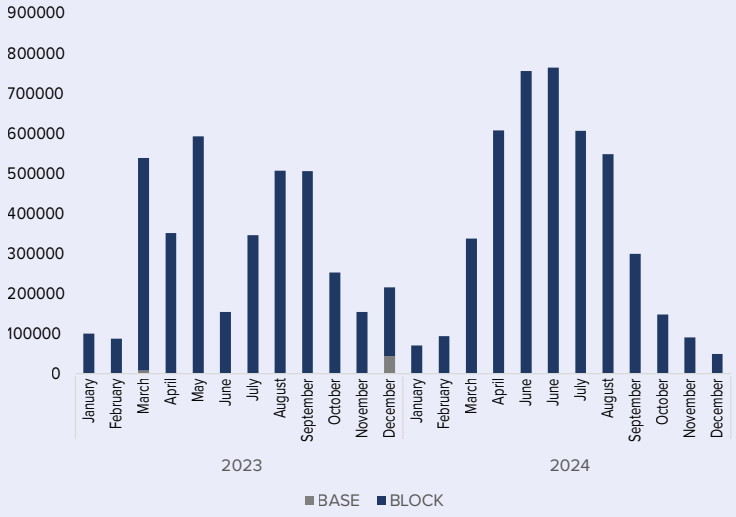
Auctions in the form of special sessions for the sale of electricity generated from alternative energy sources

In 2024, SE Guaranteed Buyer held 76 auctions pursuant to paragraph 6-1 of Part 2 of Article 66 of the Law of Ukraine "On the Electricity Market". The volume of sales amounted to 4365,96 thousand MWh, which is 15% more than in the same period last year. And 3052 auction certificates were concluded.

Balancing group of SE "Guaranteed Buyer"



Sales volumes by types of schedules of electricity generated from alternative energy sources at the UEEX, MWh.



Months	Volume, MWh
January	70 650
February	93 645
March	336 925
April	606 900
May	754 750
June	763 600
July	605 640
August	547 160
September	299 000
October	147 400
November	90 690
December	49 600
Total	**4 365 960**

Special session for the sale of lot packages under bilateral contracts (clauses 47-57 of Procedure No. 499)

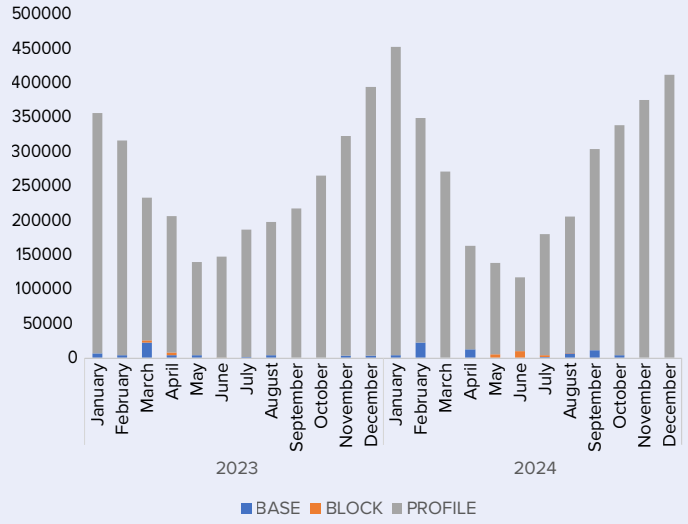
CMU Resolutions No. 791 of 28.07.2021 and No. 983 of 22.09.2021 amended Article 499, which allowed JSC Ukrzaliznytsia, as the largest critical electricity consumer, to purchase electricity at UEEX auctions in indivisible packages of 25 lots with a delivery period of up to 36 months. According to the results of 2024, no agreements were concluded in this area.

Commercial section

In order to enable traders, DSOs and public utility companies (to meet the needs of non-household consumers) to trade electricity under bilateral contracts in a centralized manner, as well as to enable buyers to initiate auctions, a commercial section for the purchase and sale of electricity under bilateral contracts was created on the UEEX.

Auctions in this section are held in accordance with "Regulations on the organization and conduct of electronic auctions for the purchase and sale of electricity under bilateral contracts in commercial sections on the Ukrainian Energy Exchange". In total, in 2024, the total volume of electricity purchase and sale in the commercial sections amounted to 3303,26 thousand MWh and 267 auctions were held.

Purchase/sale volumes by types of schedules on the UEEX, MWh.



Months	Volume, MWh
January	451 966,31
February	348 662,73
March	270 848,66
April	162 739,15
May	138 150,84
June	117 233,93
July	179 994,81
August	205 632,37
September	303 720,00
October	338 351,37
November	374 423,79
December	411 539,33
Total	**3 303 263,297**

Auctions pursuant to Article 62 of the Law of Ukraine "On the Electricity Market" Auctions pursuant to Article 62 of the Law of Ukraine "On the Electricity Market"

Since the beginning of the war, in accordance with the Decree of the President of Ukraine No. 64/2022 dated 24.02.2022 "On the Introduction of Martial Law in Ukraine", approved by the Law of Ukraine No. 2102-IX dated February 24, 2022, the legal regime of martial law in Ukraine was introduced. The information placed in the public domain can be used by the russian federation, therefore, in order to preserve the interests of the state, electricity under the PSO was sold outside the Exchange in accordance with the Order of the Ministry of Energy No. 132 dated 21.03.2022 "On Ensuring the Purchase and Sale of Electricity by Universal Service Providers in a Special Period".

Bilateral continuous auction

The bilateral continuous auction is held in accordance with the Regulations for organizing and conducting electronic auctions for the purchase and sale of electricity under bilateral contracts using the technology of bilateral continuous auction on the commodity exchange - Ukrainian Energy Exchange Limited Liability Company. The Auction Committee approved the schedule of such auctions - every Wednesday from August 10, 2022. Such an auction involves trading in standardized products, when sellers and buyers place their standard bids and conclude transactions through matching.

Sellers at such auctions are:

- Electricity producers (except for electricity producers that have been set a feed-in tariff and electricity producers that have been eligible for support based on the results of the auction);
- guaranteed buyer.
- Buyers at the auction are electricity market participants who intend to purchase electricity in accordance with the terms of the auction and are not limited by applicable laws and/or regulations in realizing such intention.

No transactions in this area were concluded in 2024.

Import/export section

On December 18, 2023, the Exchange Committee approved the Rules for organizing and conducting an electronic auction for the purchase and sale of electricity for further import/export on the Ukrainian Energy Exchange. According to the results of 2024, there were no transactions in this area.

3.2 Natural gas

In 2024, the regulatory environment of the natural gas market did not change significantly, including the basic PSO conditions established in the first two years of the full-scale invasion.

Natural gas production in Ukraine reached 19.125 bcm in 2024, up 2.2% compared to 2023. This is the largest increase in production since 2018. State-owned companies remain the main driver of the increase in natural gas production in Ukraine in 2024.

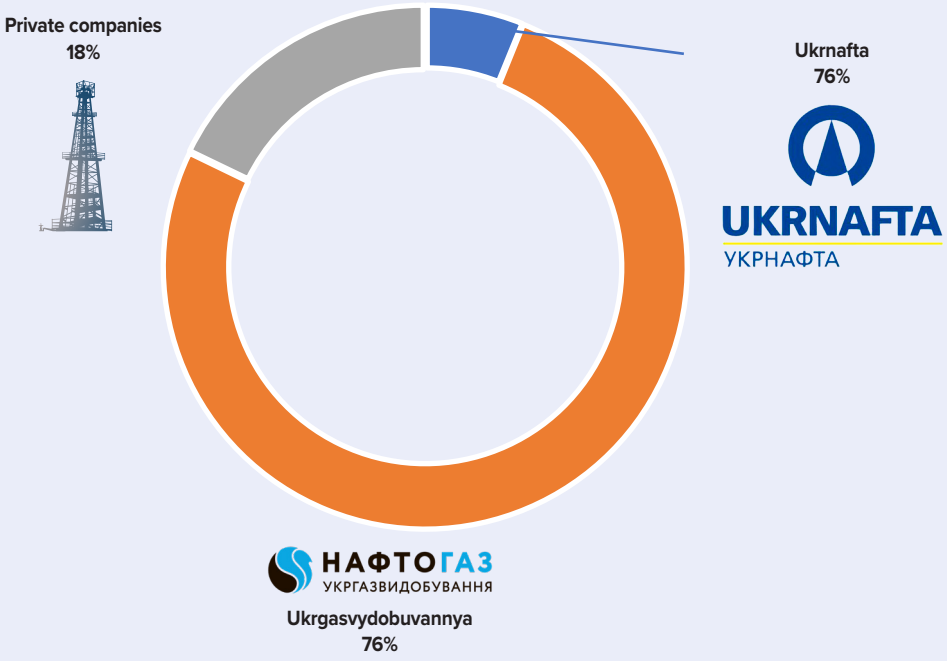
2024 was the last year of the era of russian natural gas transit through Ukraine. International partners were duly informed about the termination of gas transit. The Ukrainian GTS Operator prepared the information structure in advance to operate in the zero transit mode and ensure reliable gas supply to Ukrainian consumers.

Naftogaz Group remained the most influential player on the Ukrainian gas market, ensuring sustainable production, transportation, storage, distribution and supply to millions of consumers across the country. In recent years, the Group has concentrated a significant number of businesses in its structure, ranging from the largest upstream companies, natural gas distribution to consumers, underground gas storage, oil transportation, gas supply to household and large consumers, to heat and power (7 CHP plants) and renewable energy (solar and wind power plants, biogas production).

Gas production of JSC Ukrgasvydobuvannya increased to 14.55 bcm in 2024. Record active drilling and well operations provided a significant increase in gas production of the state-owned company. The share of JSC Ukrgasvydobuvannya in the total natural gas production in Ukraine in 2024 increased to 76% due to a significant reduction in production by private companies. In 2024, Ukrnafta produced 1.17 bcm of natural gas, up 6.6% year-on-year. This is the largest volume of natural gas production for the company since 2016.

Private companies continue to recover from the direct and from the direct and indirect consequences of russia's invasion, experiencing difficult times for the third year in a row. The blocking of special permits for companies due to court cases and links to pro-russian beneficiaries led to a reduction in natural gas production by private companies in 2024. However, in addition, the Ukrainian gas market is not easy for extractive companies in a time of war. Exports of Ukrainian natural gas remain banned, and the Naftogaz Group covers most of the domestic market. Nevertheless, one of the options for private extractive companies to sell gas is to sell it to state-owned companies at stock exchange auctions.

Structure of natural gas production in 2024, %.



Overall, private companies reduced natural gas production by 8% to 3.4 bcm in 2024. Production by private companies is at its lowest level since 2016. Natural gas reserves in Ukrainian underground gas storage facilities amounted to about 9.6 bcm as of December 31, 2024, which is 26% less than a year ago. By the start of the heating season (November 1, 2024), Ukraine managed to accumulate 12.92 bcm of natural gas in underground storage facilities, 22% or 3.6 bcm less than last year. Ukraine entered this year's heating season with the lowest gas reserves in underground storage facilities in the last 10 years.

Filling of natural gas storage facilities in Europe and Ukraine as of 12/31/2024, %.

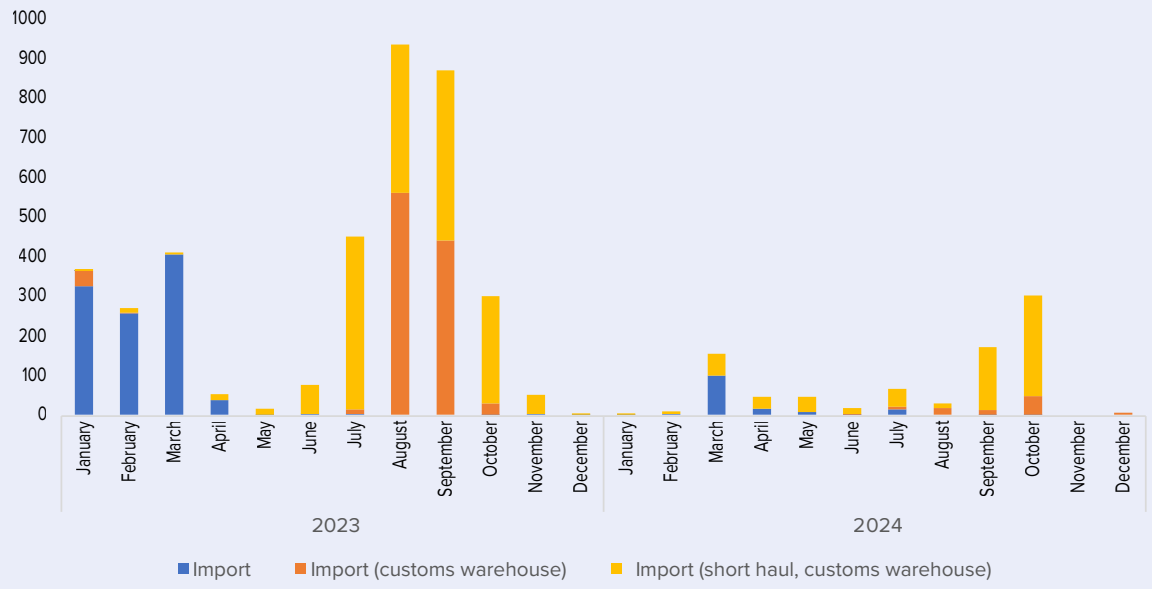


Last year, the price dynamics did not favor gas imports to Ukraine, with volumes lower than in 2023. There were two peak periods - in March-May, when private companies imported, and in September-October, when Naftogaz imported. In general, given the commercial unprofitability of natural gas imports by private companies, it was mainly the state-owned Naftogaz that imported. In addition, the volume of imports for injection

into the “customs warehouse” decreased significantly, which is related to the price situation, as the spread between the summer and winter seasons narrowed.

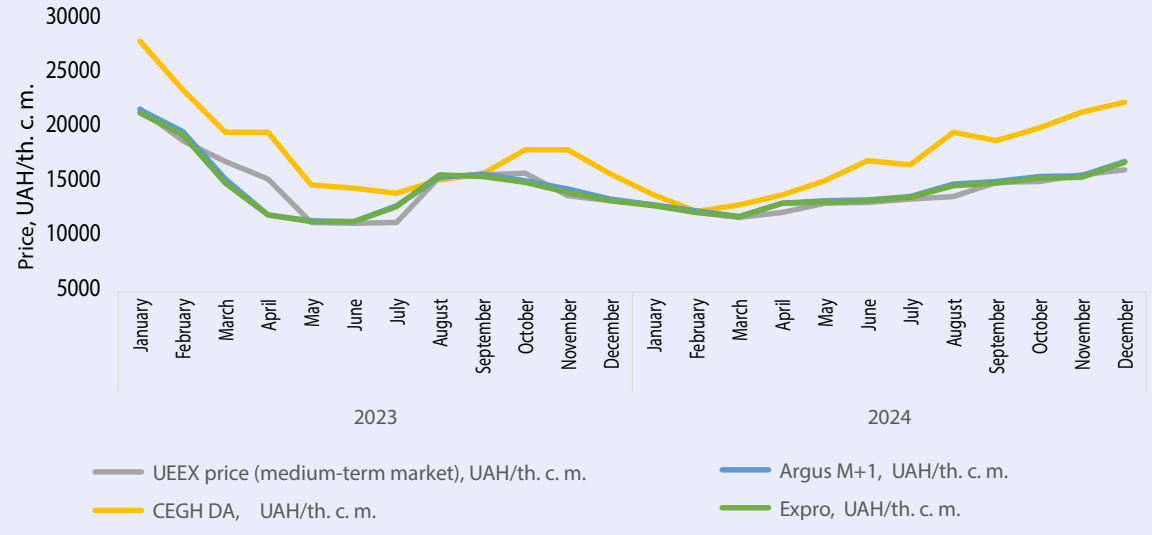
In total, over 720 million cubic meters of natural gas were imported during the year.

Imports of natural gas to Ukraine in 2023-2024, million cubic meters



Exports were present only from the “customs warehouse”, given that the export of gas of Ukrainian origin remains prohibited. In 2024 about 1.51 bcm of natural gas was exported from Ukrainian storage facilities, 18% more than last year.

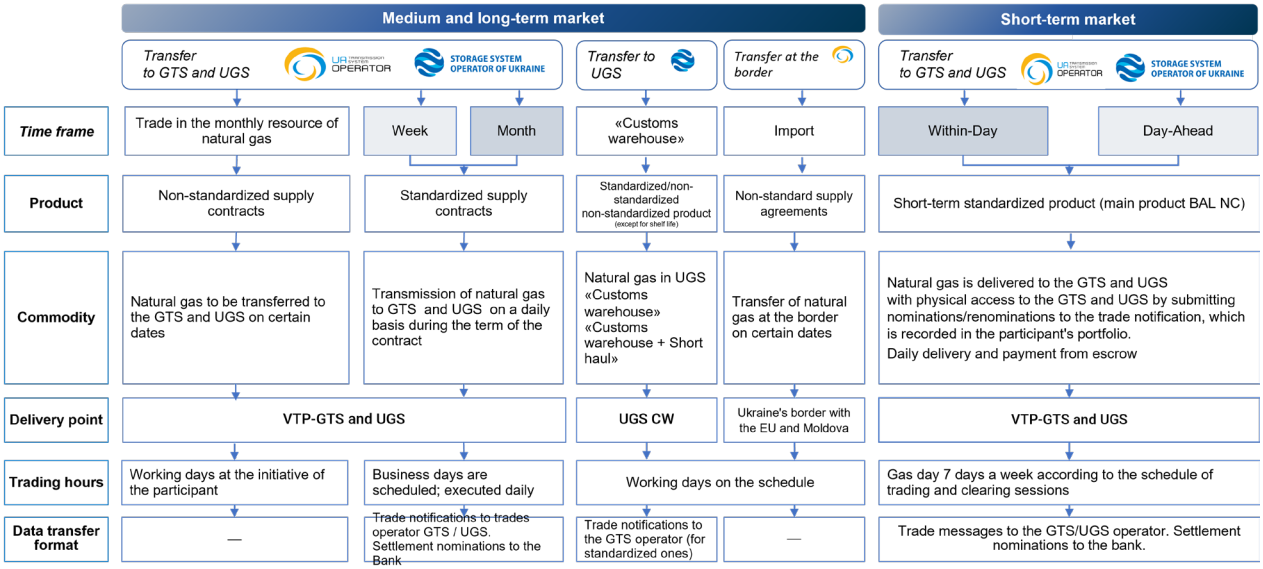
Comparison of the UEEX price with other indicators, UAH/thousand cubic meters



Domestic natural gas prices in the unregulated segment last year partially reflected European trends, even with the market closed, but were generally lower throughout the year. Prices tended to rise almost throughout the year, reaching UAH 16 thousand/thousand cubic meters excluding VAT in December.

UEEX LLC is a trading platform within the meaning of EU Regulations No. 312 and the GTS Code of Ukraine, managing the short-term natural gas market (within-day and day-ahead markets) and the largest organized medium- and long-term natural gas exchange market.

Segments of UEEX natural gas markets



On the medium- and long-term market, trading is carried out in the PP BETS with non-standardized contracts using the one-sided counter auction technology, i.e., when position initiators can set some individual parameters of their bids and attach their own draft purchase and sale agreement to them. In addition, it is possible to trade weekly and monthly standardized products using the bilateral auction technology (continuous trading) in the ETP trading system.

In addition, at the end of December 2024, a new section for the medium and long-term market was created called

"Purchases of imported natural gas". In this section, participants can trade in imported (cleared) natural gas in the PP BETS trading system, using a technology similar to other unilateral auctions on the medium and long-term market.

On the short-term natural gas market, UEEX trades in standardized products in the ETP system:

- short-term standardized products (within-day (WD) and day-ahead (DA) with transfer to the transmission system in the GTS);
- within-day (WD) and day-ahead (DA) with transmission to UGS facilities.

The ETP software is integrated with the GTS and UGS operators to exchange trade notifications for gas transmission and has established integration with a bank to work with escrow accounts to ensure payment for goods.

Last year, 2.02 billion cubic meters of natural gas were sold at the PP BETS. The company held 332 trading sessions, during which 2,838 starting positions were created for the purchase and sale of the resource.

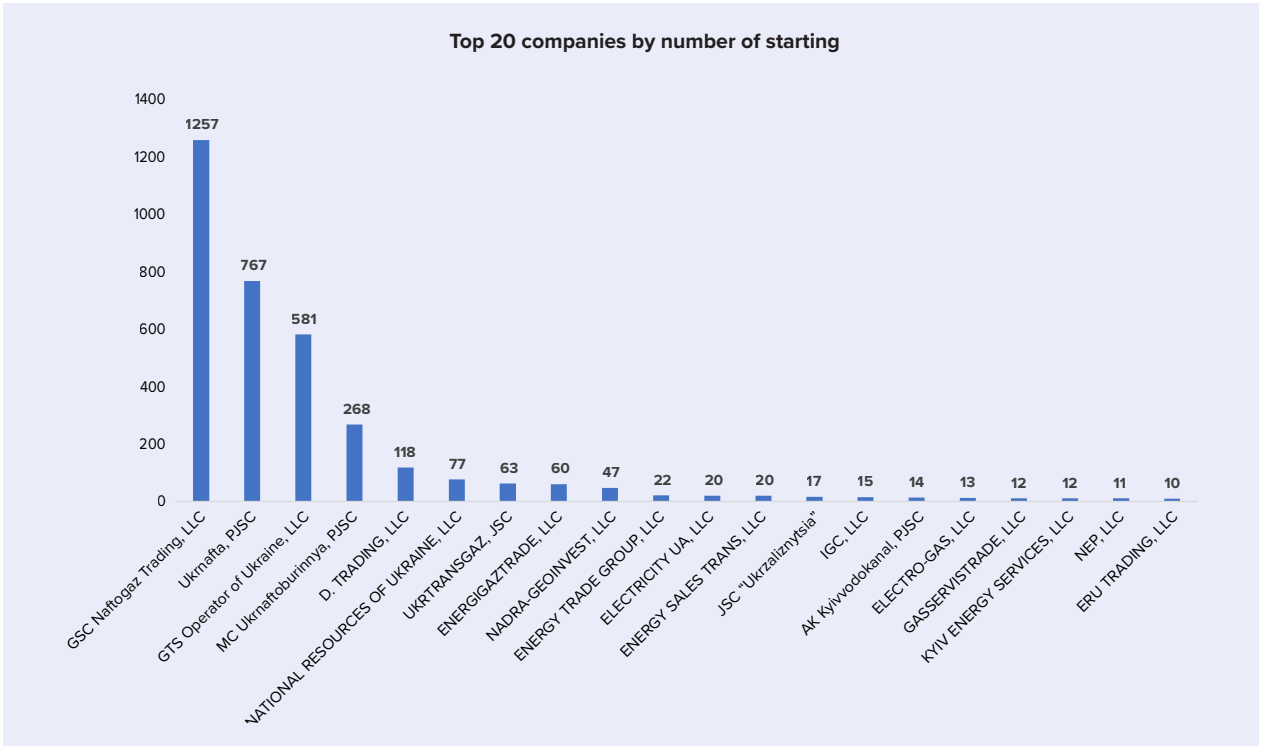
Over the year, a total of 788 exchange certificates were concluded on the UEEX's medium- and long-term market, with about 2,200 transactions recorded. The trades were initiated by 38 companies. The following participants formed the largest number of starting positions: GSC Naftogaz Trading LLC, PJSC Ukrnafta, and LLC Operator of the Gas Transportation System of Ukraine.

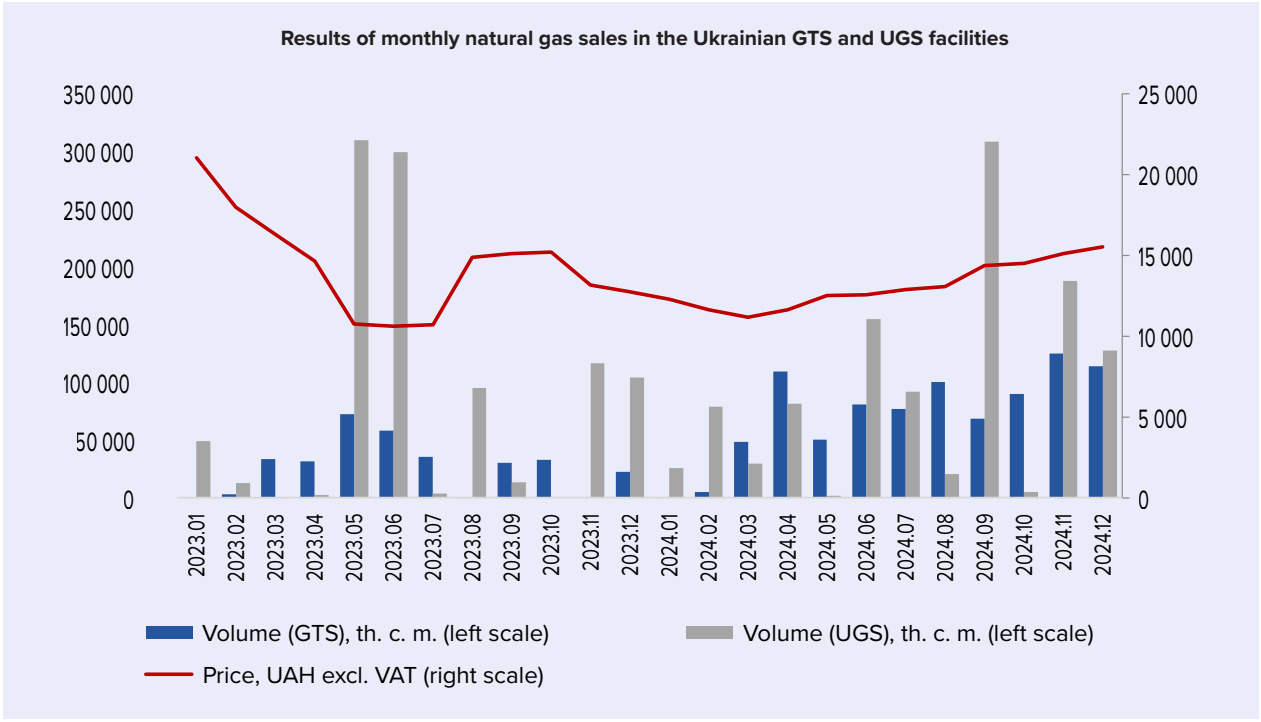
Last year, sales volumes in the GTS amounted to 44.47%, while the vast majority of volumes were sold in UGS facilities. As in the previous year, there was an uneven sales pattern by month and no observable seasonality in the results of exchange trading.

As in the previous year, most of the volumes were traded with the participation of state-owned companies, which formed buy positions (PPC Naftogaz Trading LLC and GTS Operator of Ukraine LLC) or sell positions (PJSC Ukrnafta and PrJSC MC Ukrnaftoburinnya). At the same time, private sector companies in most cases acted as counterparties to these initiators of the start-up positions.

Since September, liquidity on the UEEX has been added by PrJSC MC "Ukrnaftoburinnya, which, after the resumption of production, came to the auction with its own offers, realizing almost the entire volume of production.

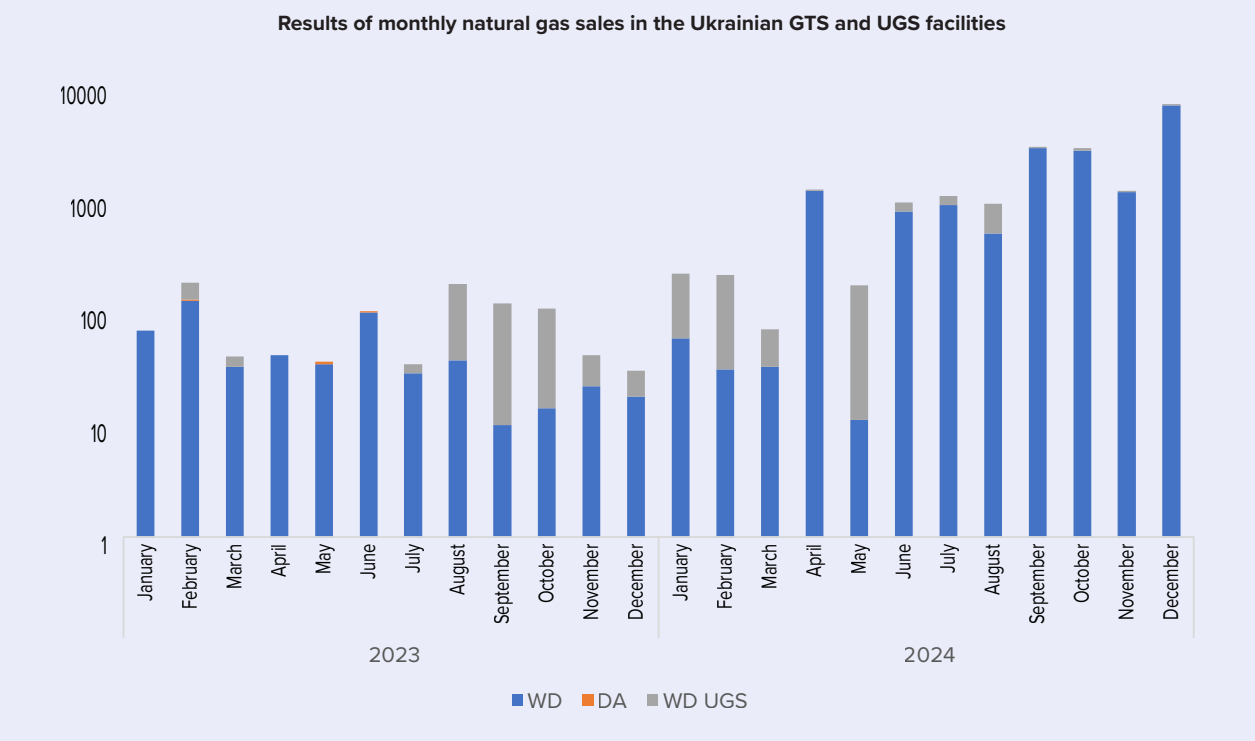
On December 26, the first auction was held in the section "Purchase of imported natural gas". In total, 11.2 million cubic meters of natural gas were sold in 2024.



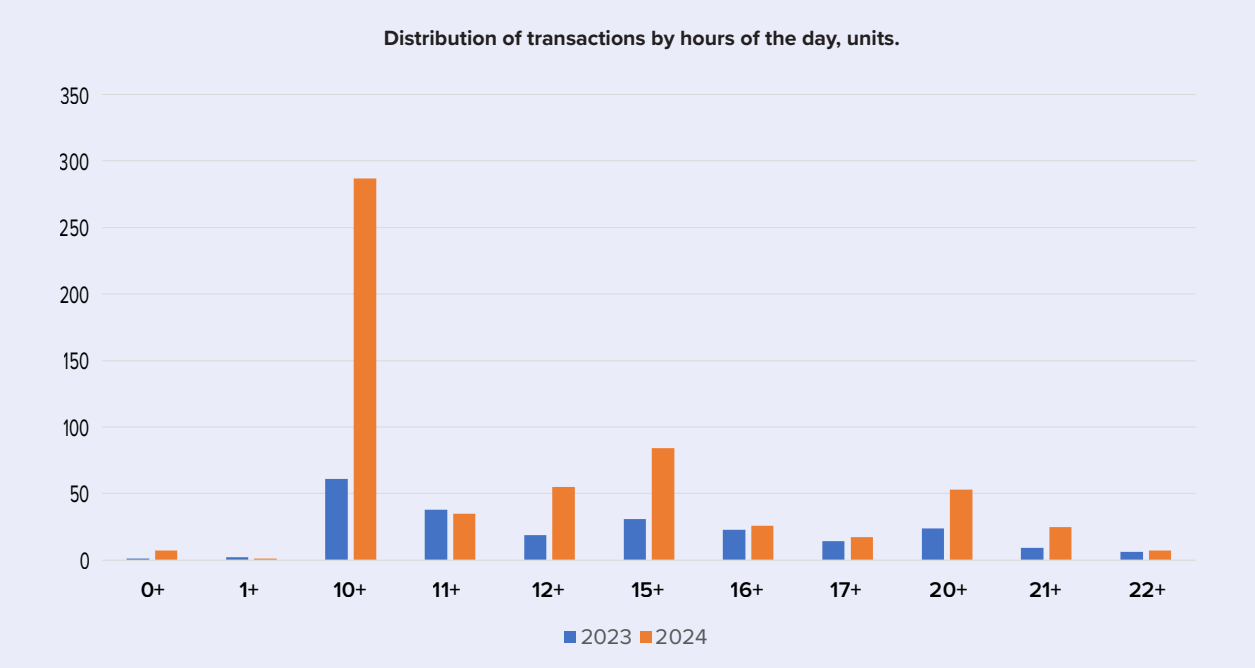


Last year, UEEX LLC sold 18.85 million cubic meters of natural gas on the short-term natural gas market, which is 19 times more than the previous year. This was due to two factors. First, in April 2024, SC Gaz Ukrainy began selling natural gas on the short-term market in accordance with Resolution No. 169, which approved the Procedure for the use (re-use) of a part of the products produced that remains in the state's ownership under a production sharing agreement (natural gas). This Procedure stipulates that SC Gaz Ukrainy sells state-owned sales state share of natural gas produced under a production sharing agreement on the short-term natural gas market on a daily basis at the weighted average price of short-term standardized products of the previous day.

Secondly, starting from September 2024, GTSOU increased its purchases of natural gas to ensure the balance of the Ukrainian GTS. The ratio of sales under the terms of delivery last year continued to shift towards supply to the GTS.

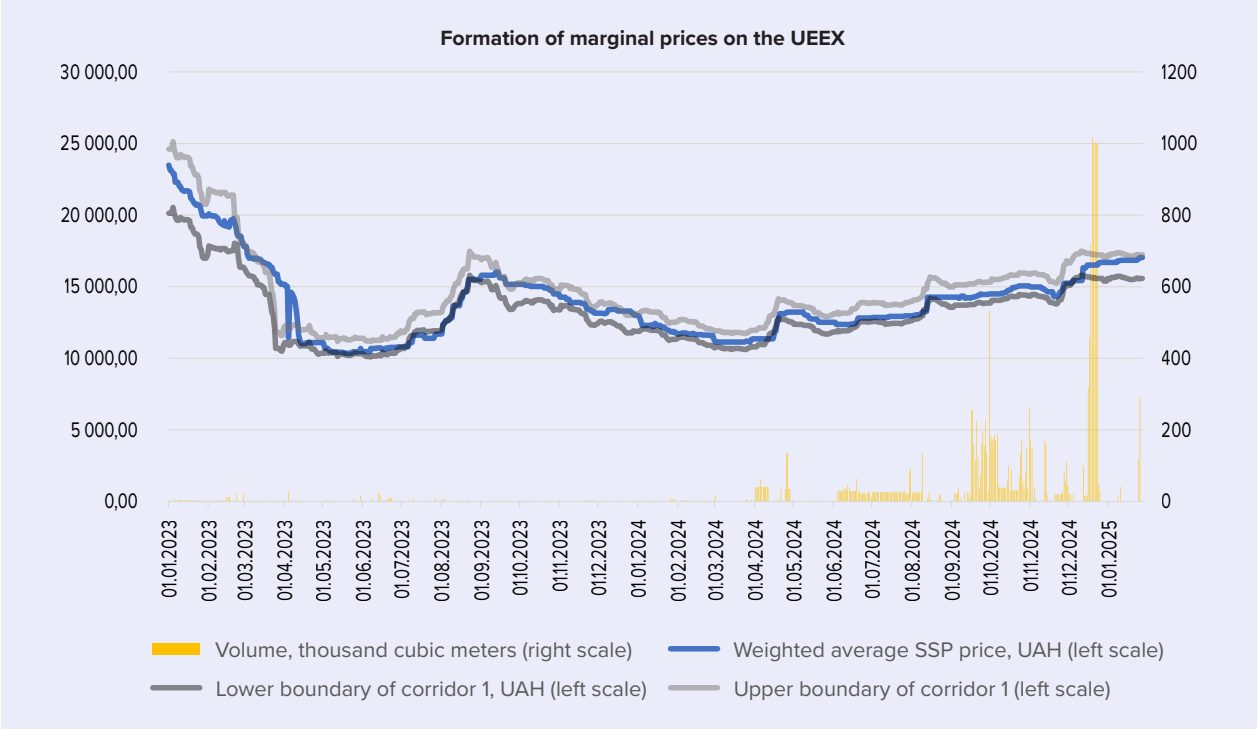


Due to the impact on the segment of natural gas sales under production sharing agreements, trading activity continued to be more concentrated during the first trading session last year.



A total of 597 transactions were concluded in the segment during the year. Despite a several-fold increase in trading volumes on the short-term market last year, this segment remains low-liquid, accounting for only 1% of the total volume of natural gas trading at UEEX, and requires further stimulation of trading activity.

One of the reasons for the exceptional importance of the short-term natural gas market of UEEX LLC is the formation of marginal prices of GTS Operator LLC for the results of trading on the exchange in accordance with the GTS Code of Ukraine. Throughout the year, the requirements of Chapter 6 of Section XIV of the GTS Code were applied, according to which the weighted average price of short-term standardized products is increased or decreased by 10% to determine the marginal purchase and sale price, respectively.

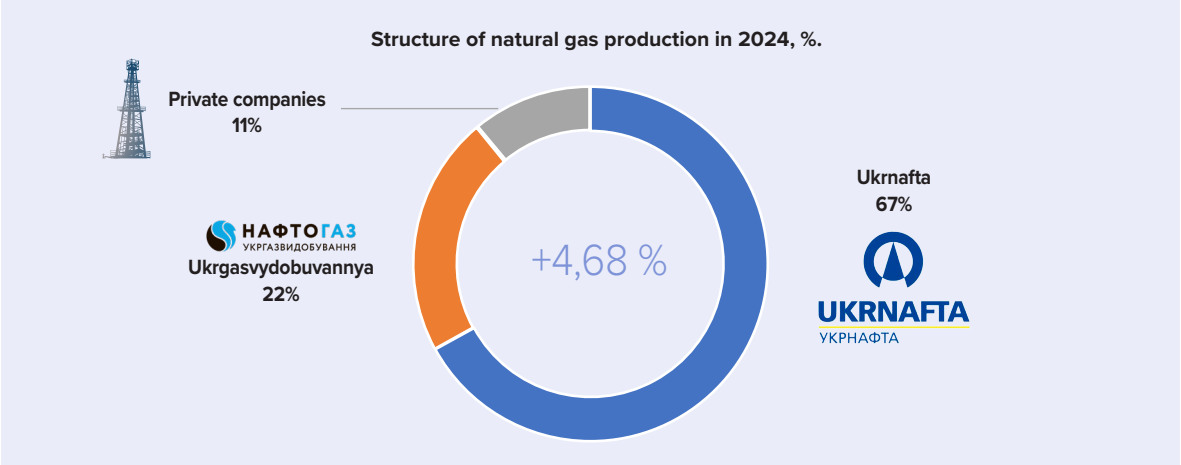


3.3 Oil and gas condensate

Naftogaz Group is Ukraine's largest group of fuel and energy companies, which is designed to protect the country's energy independence and provides a full cycle of exploration and development of fields, production and exploratory drilling, storage of oil and gas condensate, etc. The largest oil and gas condensate producers in Ukraine are Ukrnafta and Ukrgazvydobuvannya, both part of Naftogaz of Ukraine. Eastern region, where more than 50% of proven reserves are concentrated and more than 1 million tons of oil are produced per year. In the fields of the Western region, these figures are about 30%, and in the Southern region about 10% (temporarily occupied territory). The industry's problem is the depletion of the fund, as production is 1.5 to 2 times higher than the increase in reserves. The country's reserves of oil and gas condensate are estimated to last for more than 40 years.

In 2024, the Ukrainian market's demand for oil and gas condensate was met by domestic production and almost matched the level of 2023. In 2024, Ukraine produced almost 2.245 million tons of oil and condensate compared to 2.14 million tons in 2023 (+4.68%).

On the other hand, state-owned companies produced 1.985 million tons, and private companies produced 0.26 million tons of liquid hydrocarbons. PJSC Ukrnafta and JSC Ukrgasvydobuvannya managed to achieve the highest level of production since 2015.

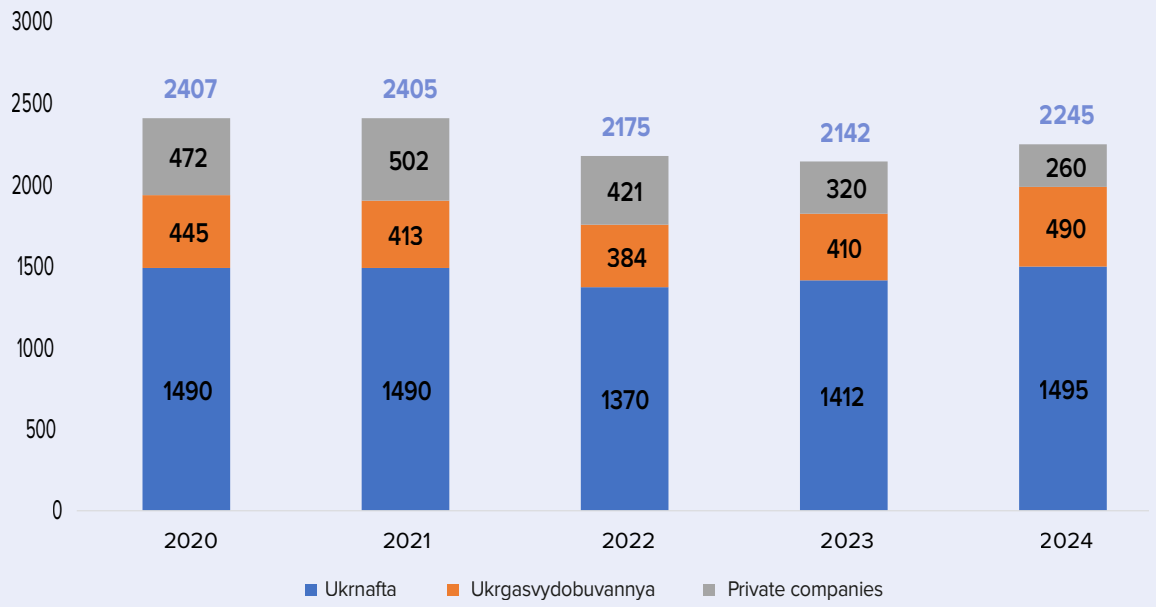


In 2024, Ukrnafta, the country's largest oil producer, accounted for 66.5% of total oil and gas condensate production in Ukraine, producing 1.418 million tons of oil and about 0.077 million tons of gas condensate.

JSC Ukrgasvydobuvannya produced over 490 thousand tons of hydrocarbons, which is 20% more than in 2023. The company's market share amounted to 22%. The company increased gas condensate production by 29% to 434 ktonnes, while reducing oil production by 20% to 58 ktonnes. We managed to increase condensate production by launching new wells at fields with a high condensate factor, primarily the Mospanivske field.

Private companies provide the market with mainly gas condensate and their market share in 2024 was 11%. Major condensate producers: Burisma Group, DTEK Oil&Gas Group, Ukrnaftoburinnya Group, JV PPC, Smart Energy, Geo Alliance Group, and others. Due to the blocking of production licenses at the fields of Ukrnaftoburinnya and Smart Energy fields in 2024, there was a decrease in liquid hydrocarbon production by private companies. At the end of 2024, oil and condensate production amounted to over 260 ktonnes, down 17% from 320 ktonnes in 2023.

Oil and condensate production in Ukraine, thousand tons

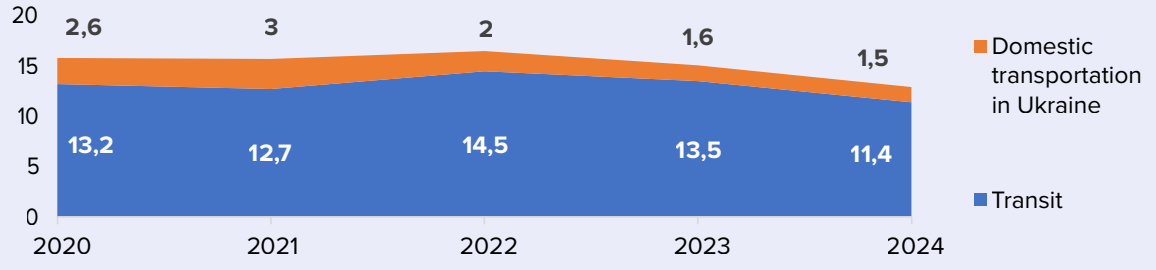


Almost all gas condensate and oil production was carried out at the fields of the Eastern oil and gas region.

2 private Ukrainian companies, TNT GROUP LLC and Pryluky Naftonalyv LLC, imported gas condensate from Hungary and Lithuania in the total volume of 353 tons. No exports were made due to the rise in the price of raw materials on the domestic market and difficulties in transporting condensate by freight at the border, and the use of tankers was hampered by the security situation in the Black Sea ports.

The total volume of oil transit and transportation in 2024 amounted to 13 million tons. The transit of Russian oil through Ukraine to Hungary, Slovakia, and the Czech Republic accounts for a significant share of the total volume, amounting to 11.4 million tons or 84% of the total in 2024, while domestic oil transportation amounted to more than 1.5 million tons.

Volumes of oil transit and transportation through the main oil pipelines of JSC Ukrtransnafta in 2020-2024, mln tons



Oil and gas condensate are traded on the UEEX in the PP BETS trading system in the form of a one-sided counter auction. Exchange auctions in the electronic trading system are held in the Oil and Gas Condensate section.

The country has established legal obligations for trading on the exchange. In March 2023, the Cabinet of Ministers of Ukraine amended a number of government resolutions to bring them in line with the Law of Ukraine "On Oil and Gas", in particular, the Resolution of the Cabinet of Ministers of Ukraine No. 570 dated October 16, 2014 "On Organization and Conduct of Exchange Auctions for the Sale of Crude Oil, Gas Condensate of Domestic Production and Liquefied Gas" was repealed. Starting from the end of March 2023 and throughout 2024, extractive companies, if the controlling stake of the extractive company belongs to the state or it operates on the terms of joint activities with a state-owned company, sold oil and gas condensate on the stock exchange in accordance with Article 4[1] of the Law of Ukraine "On Oil and Gas". For this type of trading, the section "Oil and gas condensate of own production in accordance with Article 4[1] of the Law of Ukraine 'On Oil and Gas' is separated. The starting price (excluding value added tax and other mandatory payments) for crude oil and gas condensate of own production is determined as the arithmetic mean of Urals (Mediterranean) and Urals Rotterdam quotations according to the Crude Oil Marketwire publication of Platts for 10 known quotation days preceding the date of the exchange trading announcement, which occurs 5 business days before the date of the exchange trading. Sales are made at unregulated prices.

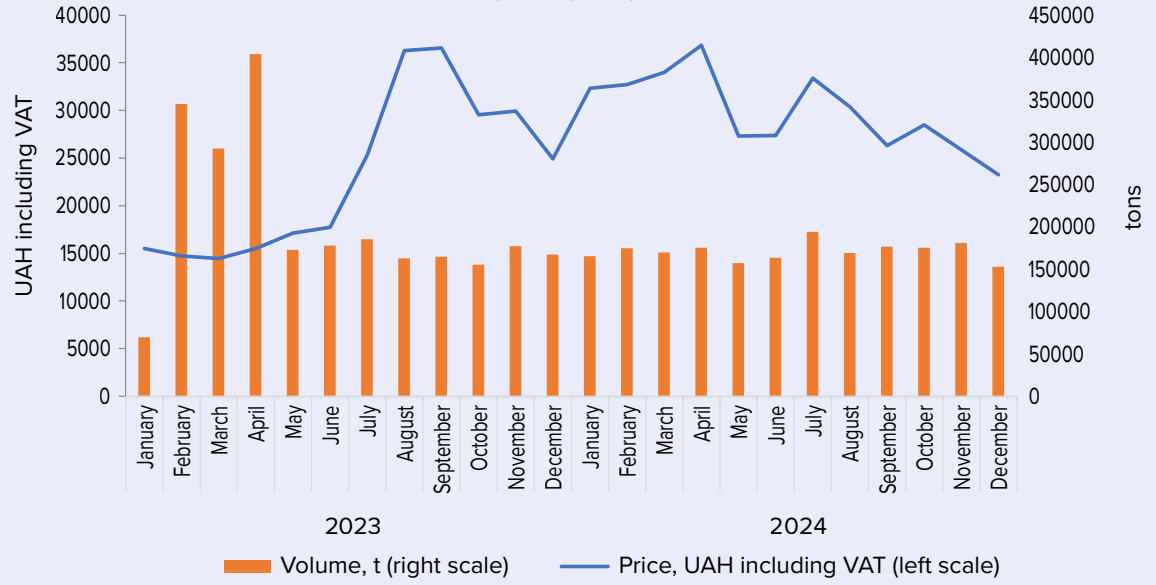
Other companies can also participate in the auction in accordance with the exchange's regulations.

The main initiators of the auctions were PJSC "Ukrnafta, Ukrgasvydobuvannya, and D. Trading LLC. The main seller was JSC "Ukrgasvydobuvannya was the main seller.

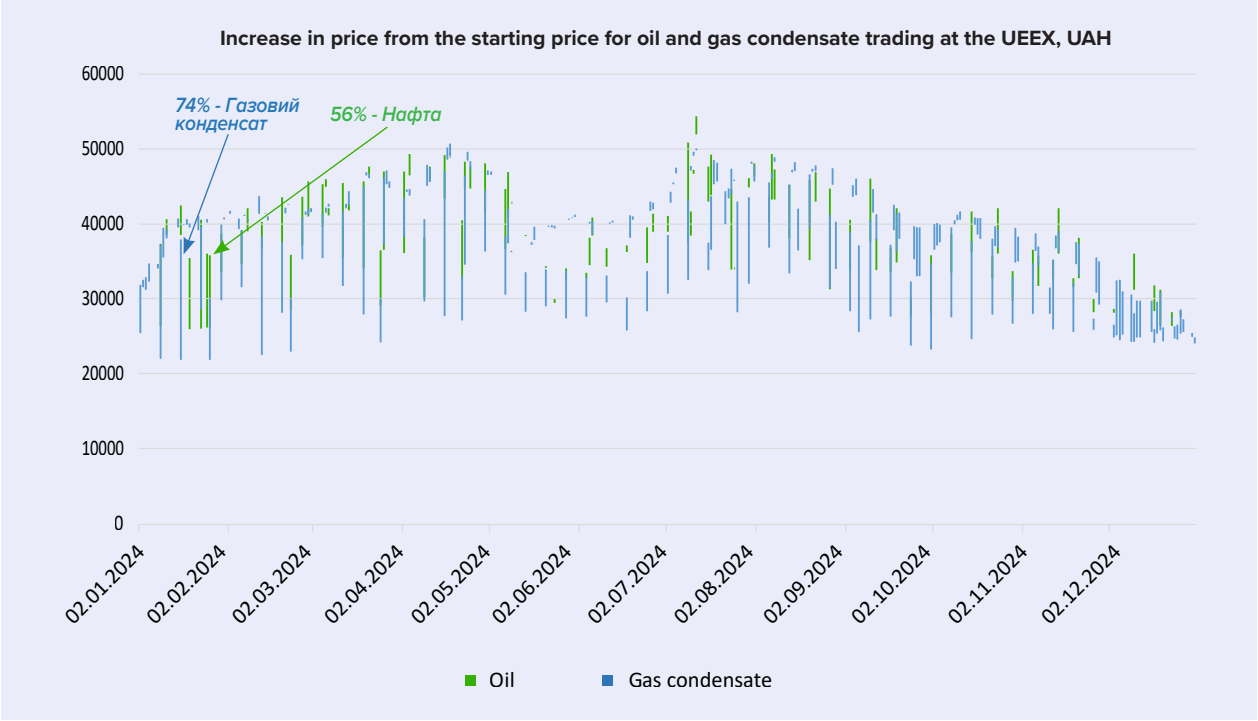
In 2024, the total volume of sales at the UEEX amounted to 2.055 million tons of oil and gas condensate following the results of all trading sessions. Over the past year, 434 trading sessions were held in this area, in which 3,152 starting positions for the purchase and sale of resources were formed and 2,180 exchange transactions were concluded.

According to the results of the auctions, the lowest annual price for oil and gas condensate was recorded in December 2024, amounting to UAH 22 thousand including VAT/t. The highest annual price for gas condensate was reached in July and amounted to UAH 51 thousand including VAT/t.

Weighted average prices and sales volumes of oil and gas condensate on the UEEX (excluding trading using differentials)

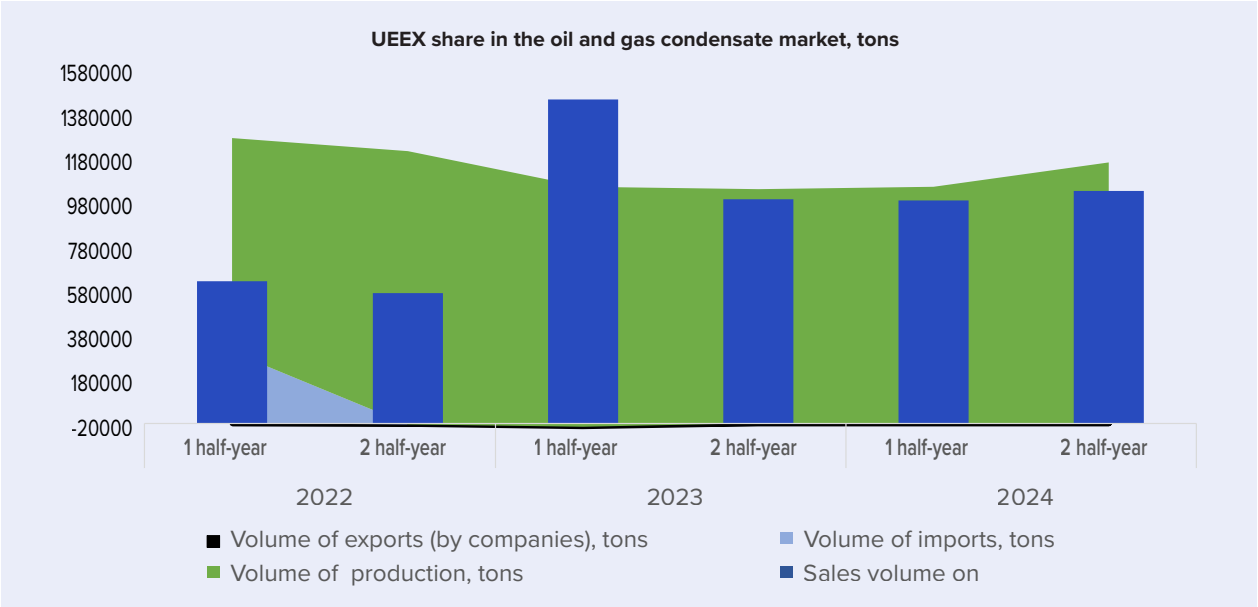


During oil trading, the largest price increase of 56% from the starting price was recorded in January 2024. For gas condensate, the largest price increase of 74% from the starting price was also recorded in January 2024.



In 2024, PJSC Ukrnafta and JSC Ukrgasvydobuvannya sold 1.829 million tons of crude oil and gas at the UEEX. During this period, 92.1% of the oil and gas condensate production of the two largest national producers was sold at the UEEX.

On the other hand, 86.9% of their production by private producers in 2024 was sold on the UEEX.



Thus, in 2024, UEEX's market share from oil and gas condensate production amounted to 91.5%.

In the oil and gas condensate exchange trading sector, significant liquidity is concentrated on UEEX LLC, which brings together most market participants.

3.4 Liquefied gas and oil products

Liquefied gas

Ukraine's liquefied gas (LPG) market remained import-dependent at 74.7% of external supplies in 2024. Last year, Ukraine imported 0.890 mt of LPG (-7.5%), compared to 0.962 mt in 2023. Historically high levels of imports occurred in August 2024, when market players were building up stocks ahead of the almost threefold increase in excise tax from September 1, 2024.

On December 20, EU sanctions on the import of russian liquefied natural gas came into effect, potentially reducing the volume of revenues from Poland, which was one of the largest importers of this fuel. Other major suppliers in 2024 were Romania, Greece, and the United States.

The largest volumes for the year were imported by the group of companies of the wholesale trader Zakhideko-top - 10.8%, the supplier companies of the BRSM-Nafta group retained their market share of 9.9%, Avantage7 Group - 8.4%, OKKO Group - 7.3%, Poltava Gastrade Group - 5.7%. The number of liquefied gas importers in 2024 decreased to 179 companies/groups of companies, compared to 215 suppliers in 2023, according to Naftogaz. The Law "On Minimum Oil and Oil Products Reserves" is due to be enacted in 2025. It stipulates that an importer or producer must hold a certain amount of fuel, which is calculated based on the volume of supplies.

In the first year, this standard will be 3%, or an 11-day supply, but at least 250 tons. Thus, the emergence of obligations reduces the number of market participants.

Against the backdrop of limited domestic production at 25 thousand tons per month, there was a decrease in the consumption of LPG as a car fuel. In total, over three years, liquefied petroleum gas lost 40% of consumption from the pre-war level of 2021. The Ukrainian product covered the consumption of the eastern and central regions due to logistics and the cost of the resource, while the demand of the west and south of the country was covered from other directions.

The weighted average price of imported liquefied natural gas in 2024 was USD 700 per tonne before customs clearance. The average price of Ukrainian gas in 2024 was about USD 700/t at the border of Ukraine before customs clearance, and the average price of Ukrainian gas in 2024 was about USD 771/t (excluding VAT and excise tax). USD/t (excluding VAT and excise). The expected upward trend in LPG prices followed the increase in gas excise tax in September and December last year after the Law on Advance Payment of Taxes came into force and on expectations of price increases due to the subsequent increase in excise tax by EUR 25 to EUR 173 per thousand liters (+2.4 thousand UAH/t of tax burden) from January 1, 2025.

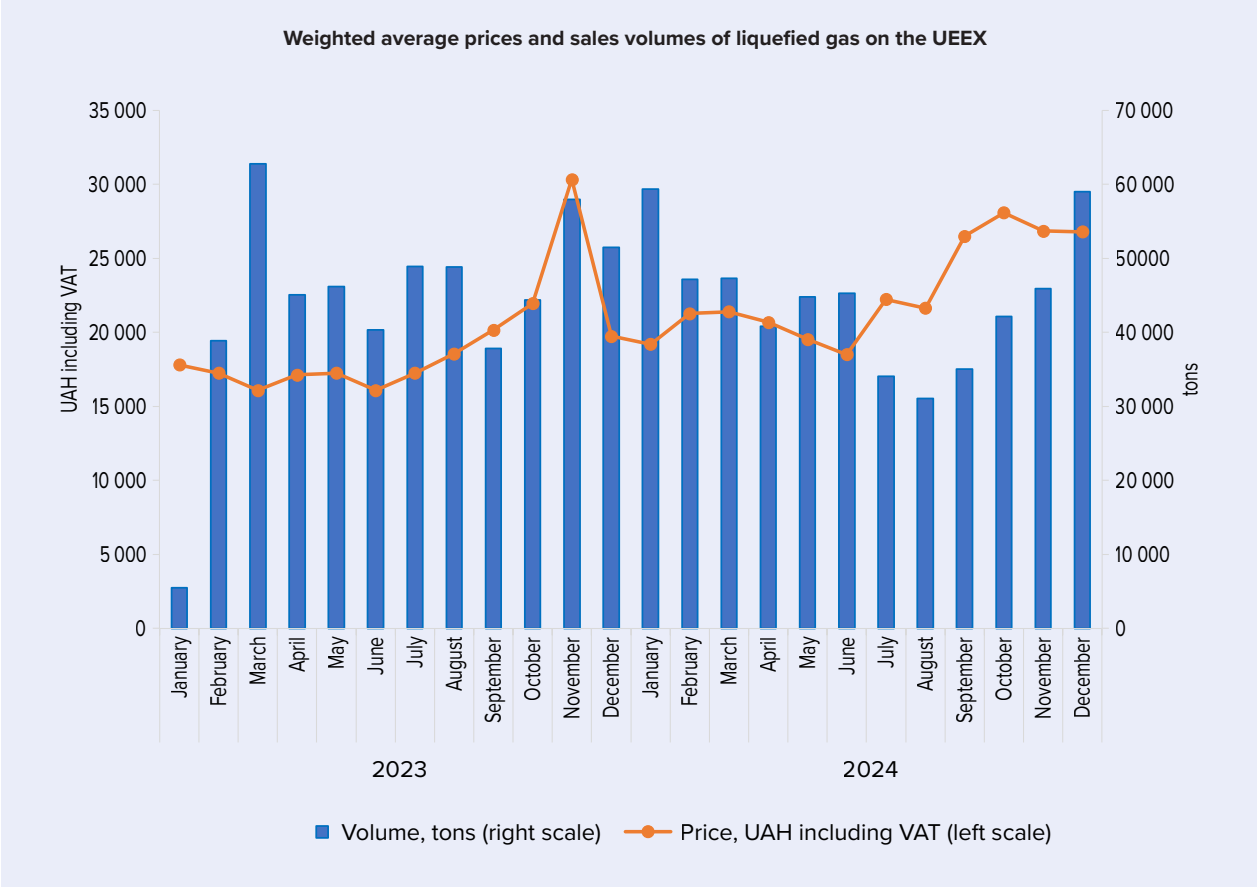
The NBU expects fuel price growth to accelerate to over 13% this year due to higher excise taxes.

Liquefied gas on the UEEX

Liquefied gas is traded at the UEEX in the PP BETS trading system in the form of a unilateral counter auction. Pursuant to Article 41 of the Law of Ukraine "On Oil and Gas", enterprises with a 50% or more state share in the authorized capital, business companies with 50% or more shares in the authorized capital of other business companies in which the state is a shareholder and holds a controlling stake, as well as subsidiaries, representative offices and branches of such enterprises, and parties to joint venture agreements, sell liquefied natural gas of their own production at exchange trading. For this type of trading, the section "Domestically produced liquefied gas in accordance with Article 41 of the Law of Ukraine 'On Oil and Gas' is allocated in the direction 'Liquefied gas'.

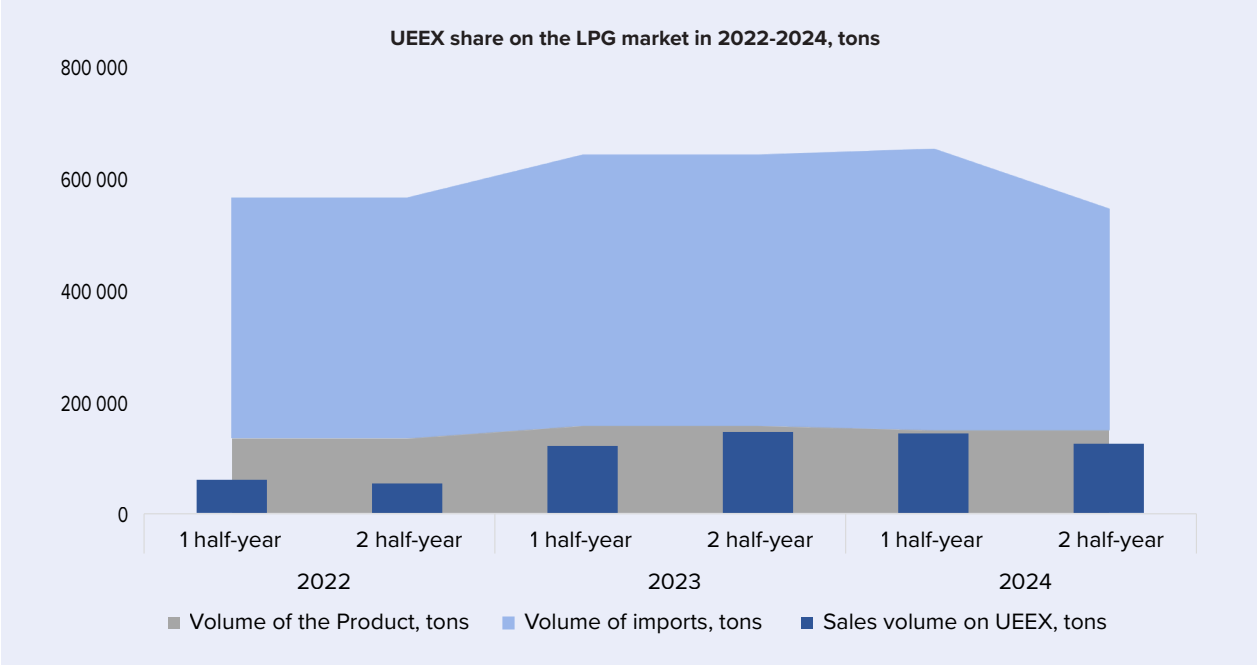
Starting prices at these exchange auctions for domestically produced liquefied gas are set at prices established as a result of previous exchange trading. In the course of exchange trading, the price of domestically produced liquefied natural gas can be freely set between the seller (supplier) and the buyer (consumer) on a competitive basis, in accordance with the Law of Ukraine On Oil and Gas. During the year, PJSC Ukrnafta and JSC Ukrgasvydobuvannya offered the largest volumes of domestic domestically produced gas for sale. Private producers also sell the resource at exchange trades by choice, and their share in the domestic market in 2024 was almost 11%.

In 2024, UEEX held 126 trading sessions for the sale of liquefied gas and concluded 3,245 exchange certificates. During the year, the total volume of sales at the UEEX amounted to 265.9 thousand tons of liquefied gas following the results of all trading sessions. It is atypical that the largest sales volumes (over 29 thousand tons) occurred in January and December, during the downturn of the market seasonal period that lasts from January to February.



According to the results of the auctions, the lowest annual price for liquefied natural gas was recorded in June 2024 and amounted to UAH 35 thousand including VAT/t. The highest annual price for liquefied gas was reached in October and amounted to more than UAH 58 thousand including VAT/t. During the auction, the most the price increase from the starting price was recorded in July 2024.

In 2024, 88.6% of the company's own liquefied gas production was sold on the UEEX.



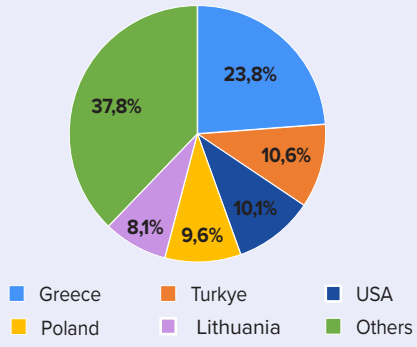
Thus, in 2024, UEEX's share in the total Ukrainian liquefied gas market amounted to 22.3%.

Oil products

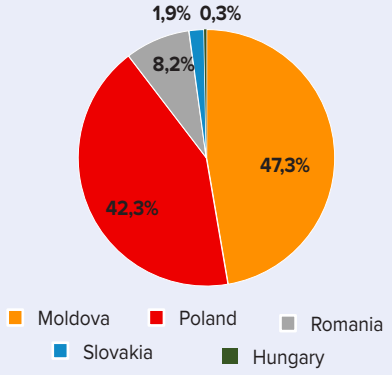
The Ukrainian fuel market remained import-dependent. In 2024, the domestic market needs were met by imported resources due to the almost complete destruction of domestic refining capacities, including the largest plant in Ukraine, the Kremenchuk Oil Refinery. Total gasoline imports in 2024 amounted to 1.244 million tons and were almost at the level of 2023, when 1.249 million tons were imported, according to Consulting Group A-95. There was a slight increase in diesel fuel imports to 6.6 million tons, compared to 6.19 million tons in 2023.

Last year, according to the "A-95 Consulting Group, the number of supplier countries decreased to 15. The main exporters of fuel to Ukraine include Poland, Romania, Greece, and Lithuania. Since the beginning of 2024, Ukraine has received fuel from 27 countries.

Structure of imports of diesel fuel in 2024 by country of origin, %



Structure of gasoline imports in 2024 by supply logistics, %.8,2%



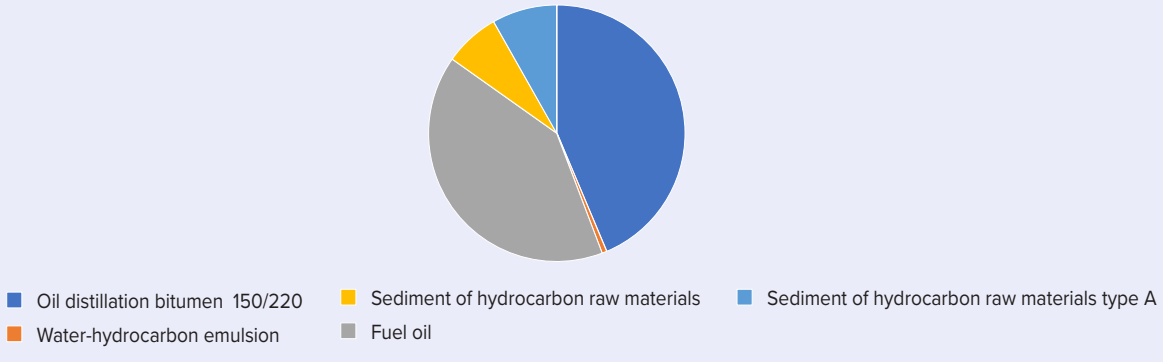
The number of importers of oil products to Ukraine increased to 235 companies, which created a significant surplus of fuel on the market after a significant increase in imports in August ahead of the excise tax increase. In 2024, the top 5 gasoline suppliers were led by UNTK, followed by AT Energo Trade, Unimex Group, SOCAR, and Amic Energy. However, the top 5 diesel fuel importers were headed by OKKO Group, followed by AT Energo Trade, Ukrpaletsystem Group, and (operator of UPG), Cantarell, operator WOG. Last year was marked by a decrease in fuel consumption due to the ongoing migration of the population and the involvement of a large number of active drivers in military service. As official data is not available due to martial law restrictions, consumption is estimated at 9.3 million tons. Domestic producers accounted for almost 15% of diesel and gasoline consumption in 2024.

Oil products on UEEX

These trends led to the fact that in 2024, no gasoline trading was initiated at the UEEX, while hydrocarbon raw materials and refined products of domestic producers were offered for sale.

Electronic exchange trading in oil products on the UEEX LLC trading sessions are held using the technology of a one-sided counter auction in the PP BETS. In 2024, 43 trading sessions were held at the UEEX in the Oil Products segment. As a result of the trading, 38 exchange certificates were concluded. The total sales volume amounted to 3.943 thousand tons.

Structure of sales volumes by Oil Products at the UEEX in 2024, tons



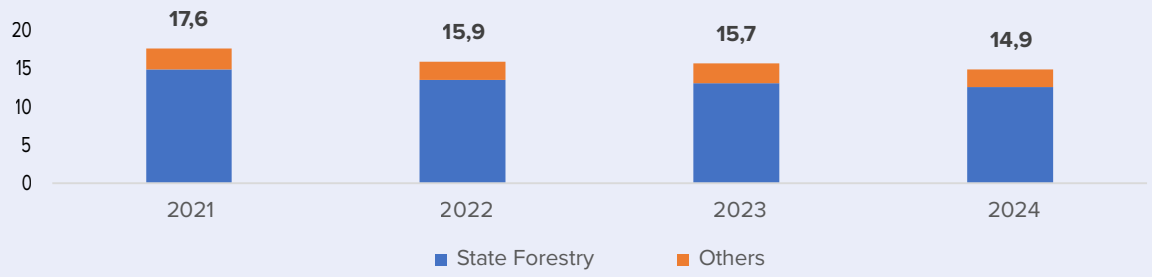
3.5 Untreated timber and lumber

The total area of forest plots belonging to the forest fund of Ukraine is 10.4 million hectares, including 9.6 million hectares covered with forest vegetation. The State Forestry Agency constantly monitors forest emergencies (fires, shelling, mining, loss of access) and takes measures to document and assess the damage caused to Ukraine's forests as a result of the armed aggression of the russian federation against Ukraine.

As of the end of 2024, the area of de-occupied (liberated) forest lands of enterprises, institutions and organizations belonging to the sphere of management of the State Forestry Agency is about 0.9 million hectares, and military operations are (were) conducted on 0.1 million hectares. Approximately 0.8 million hectares of forest land remain temporarily occupied, in particular in the Autonomous Republic of Crimea, as well as parts of Donetsk, Zaporizhzhia, Luhansk, Mykolaiv, Kharkiv, and Kherson regions.

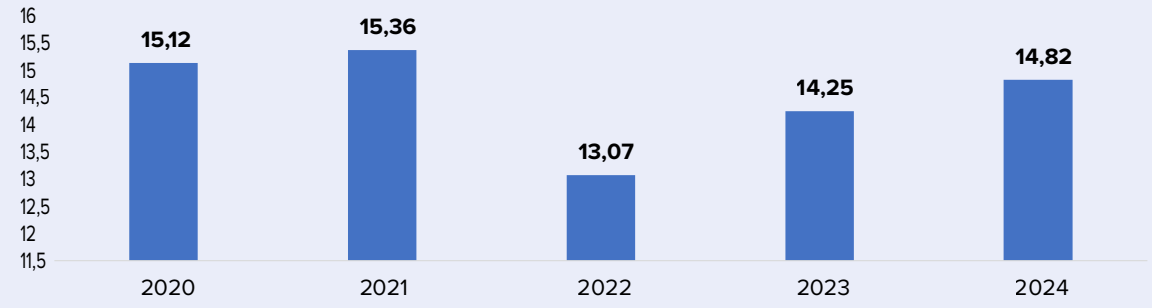
According to the Unified State System of Electronic Timber Accounting, the volume of liquid timber harvested by the State Forestry Agency enterprises from all types of logging in 2024 amounted to about 12.6 million cubic meters. m, of which round timber amounted to about 5.8 million cubic meters, long timber - 0.2 million cubic meters, industrial wood - 3.6 million cubic meters, and non-industrial wood (fuel wood) - 3.0 million cubic meters.

Dynamics of timber harvesting in 2021-2024, mln m³



More than 14.8 million cubic meters of untreated timber were sold to the domestic market. Of this, the State Forestry Agency sold about 12.7 million cubic meters of timber, of which more than 5.9 million cubic meters of roun timber, 3.8 million cubic meters of industrial wood and 3.0 million cubic meters of non-industrial wood.

Sales of untreated timber on the domestic market of Ukraine, mln m³



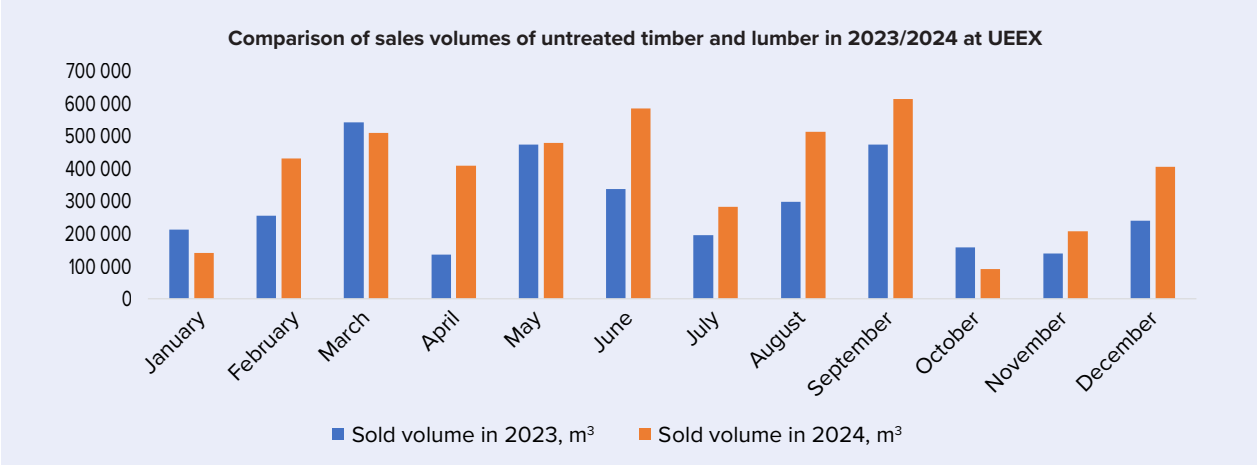
RESULTS OF TRADING IN 2024 ON THE UEEX		
Number of auctions ≈5 400		Number of winners >1 635
Sales volume of 4.67 million cubic meters	Sales value of UAH 11.36 billion	Additional income of forestry enterprises >UAH 547 million

For a long time, the state has been striving to make timber trading transparent and competitive. There have been several unsuccessful attempts to reform the market, however, the transition of timber trade to organized commodity markets (commodity exchanges) took place only with the entry into force in July 2021 of the new version of the Laws of Ukraine "On Capital Markets and Organized Commodity Markets" and "On Commodity Exchanges", which, in particular, stipulate that exchangeable goods on the organized commodity market are products and other things defined by generic characteristics and include timber as such goods. Pursuant to Part 5 of Article 5 of the Law of Ukraine "On Capital Markets and Organized Commodity Markets"

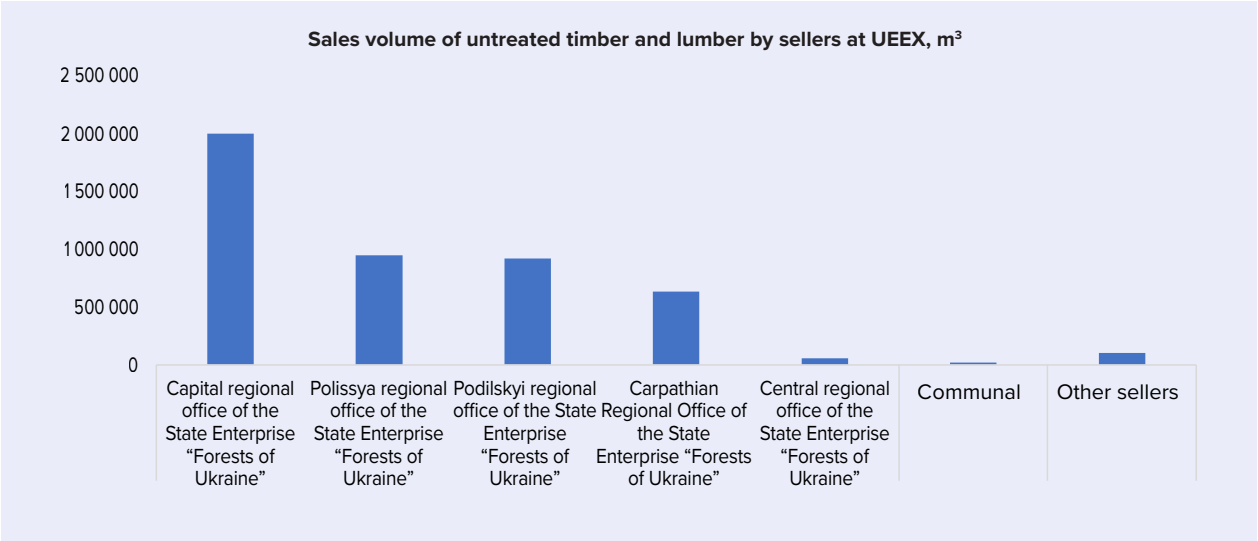
On December 30, 2021, the Cabinet of Ministers of Ukraine adopted Resolution No. 1433 "On Approval of the List of Products Traded Exclusively on Organized Commodity Markets" (with amendments which includes, in particular, wood (timber).

Assessing the UEEX's results for 2024, we can note positive trends in timber trade. Compared to 2023, the Ukrainian Energy Exchange increased timber sales by 35% and totaled 4.67 million cubic meters. Of this, 4.66 million cubic meters of untreated timber were sold, and 7.85 thousand cubic meters of lumber. The total value of untreated timber and sawn timber sold in the reporting period amounted to UAH 11.36 billion (including VAT), which is 31% more than last year.

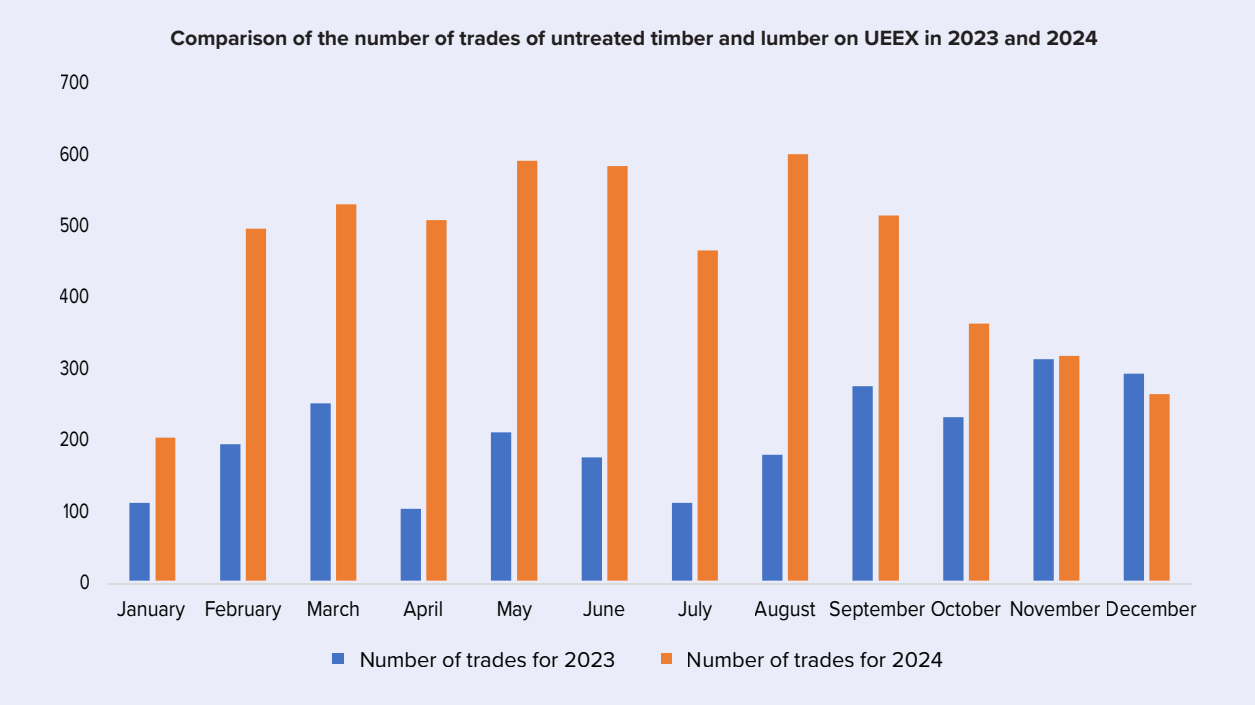
During the year, the highest volume of untreated timber and lumber sales was in September, when about 615 thousand cubic meters were sold for a total of UAH 1.35 billion (including VAT). Other active months were June and August, when we sold about 585 and 513 thousand cubic meters.



During the year, the State Specialized Economic Enterprise "Forests of Ukraine" sold 4.55 million cubic meters of untreated timber and lumber at the UEEX. The sales value amounted to UAH 11.14 billion (including VAT). Most of this volume was sold by the Capital Regional Office.



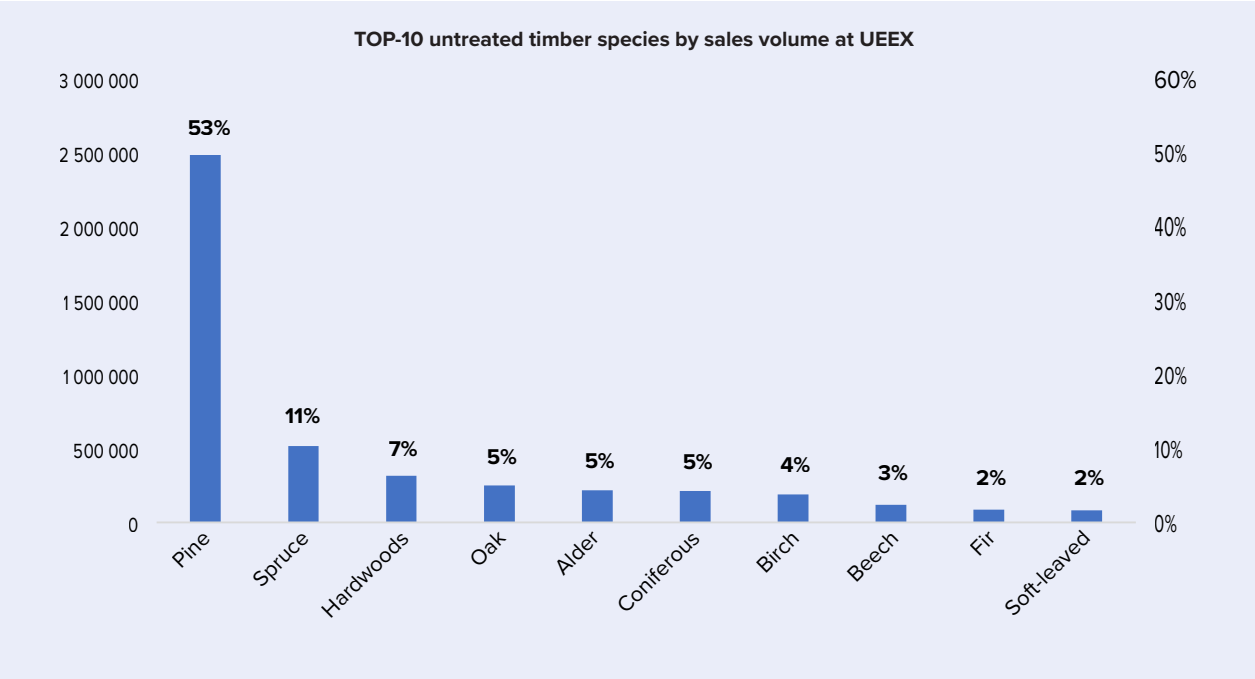
An indicator that reflects the demand for a resource and he activity of the exchange. In 2024, 5,399 auctions were organized on the Exchange, which is 123.5% more than in the previous year. This indicates a positive trend in the development of this industry.



Pine remains the leader in sales in organized markets among untreated timber species. In 2024, UEEX sold 2.49 million cubic meters of this species, which is more than 50% of the total sales volume. This figure is 41% higher than in 2023. Spruce ranks second in popularity. Its share in the UEEX amounted to 11% or 515 thousand cubic meters during the year.

This is 20% more than in the previous year.

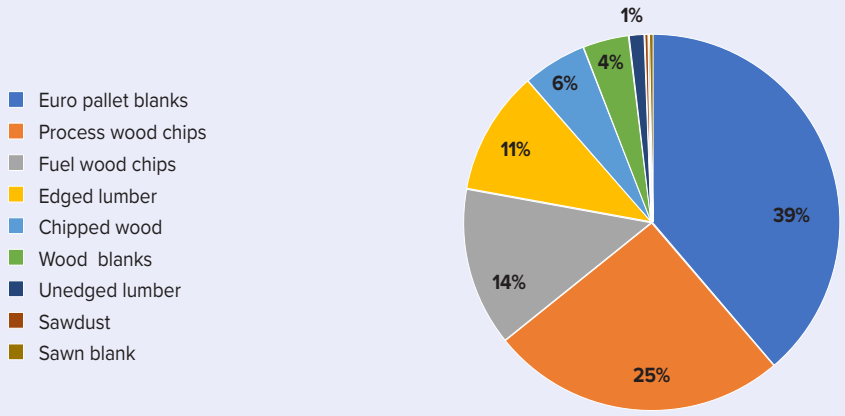
Hardwoods are also among the leaders in terms of sales volumes. In 2024, UEEX sold more than 317 thousand cubic meters of hardwood, which is 6.8% of the total volume. This volume increased by 24% compared to 2023.



On the lumber market, almost 40% of the total volume sold at UEEX is accounted for by blanks for euro pallets, which were sold in the amount of 3 thousand cubic meters in 2024. It should also be noted popularity of wood chips, which accounted for 25% of the total volume sold.

Detailed information on the grades sold is shown in the chart below.

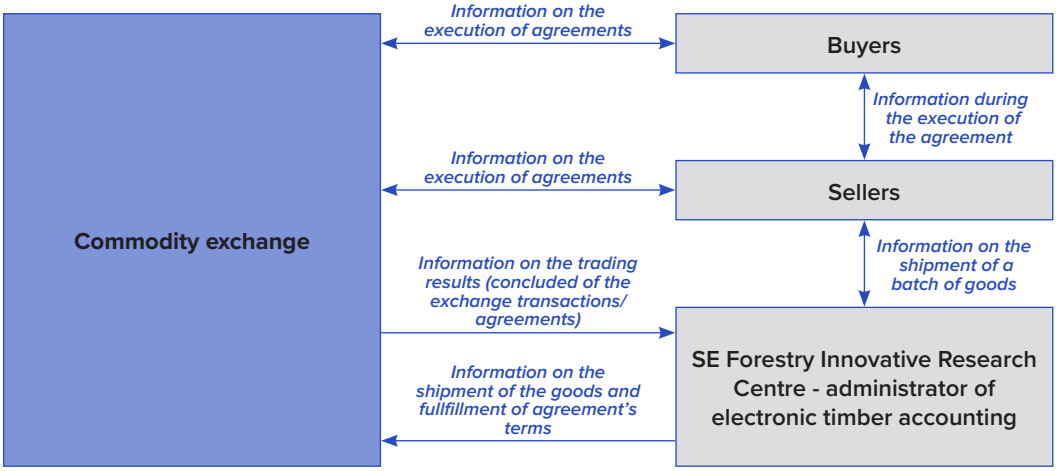
Structure of lumber sales by grade at UEEX, %



Monitoring of agreements execution

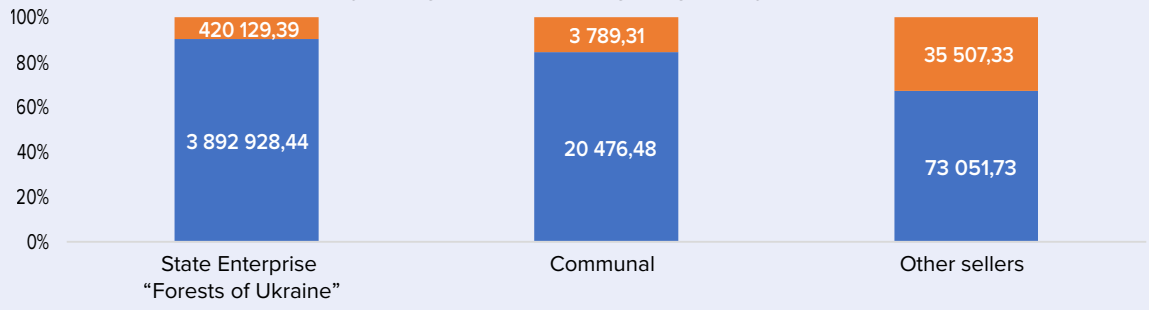
UEEX, as a professional participant of organized commodity and capital markets, provides organizational, technological, legal and other conditions for the functioning and development of exchange trading markets in Ukraine, including the timber market. Thus, the Exchange monitors and controls compliance with the rules by exchange trading participants, in particular, in terms of fulfilling their obligations under the concluded exchange transactions/exchange agreements.

Information interaction between the Exchange, Forestry Innovative Research Centre and timber market participants



At the Ukrainian Energy Exchange, untreated timber is sold by structural units of the State Enterprise "Forests of Ukraine", utility companies and other sellers.

Share of fulfilled and non-fulfilled contracts in the total structure by seller groups since the beginning of the year, m³



The volume of timber sold by the State Enterprise "Forests of Ukraine" with delivery from 01.01.2024 is 4.31 million cubic meters, the volume of shipped timber is 3.89 million cubic meters, 420.13 thousand cubic meters have not been shipped. The volume of timber sold by utilities to UEEX LLC with delivery from 01.01.2024 amounted to 24.17 thousand cubic meters, the volume of shipped timber was 20.48 thousand cubic meters, and 3.79 thousand cubic meters were not shipped. Other sellers sold 108.11 thousand cubic meters at the UEEX site, the volume of wood shipped is 73.05 thousand cubic meters, 35.06 thousand cubic meters of wood have not been shipped. Thus, the overall performance amounted to 67.3%.

In total, UEEX LLC sold 4.45 million cubic meters of wood with delivery from 01.01.2024, shipped 3.99 million cubic meters, and did not ship 458.98 thousand cubic meters. According to the results of 2024, the total execution for all sellers on UEEX LLC amounted to 89.7%. As a result of trading on the Exchange's ETS, 13,669 contracts were generated, of which 13,648 were concluded and 21 were not signed by one of the parties to the contract, which led to the cancellation of such agreements.

The Exchange systematically monitors agreements with signs of violations and establishes the circumstances of non-fulfillment in order to prevent future breaches of agreements by the parties.

There has been a steady trend towards compliance with the terms of the agreements for the sale and purchase of raw materials and taking into account the recommendations provided by the Exchange at meetings and when consulting participants by phone.

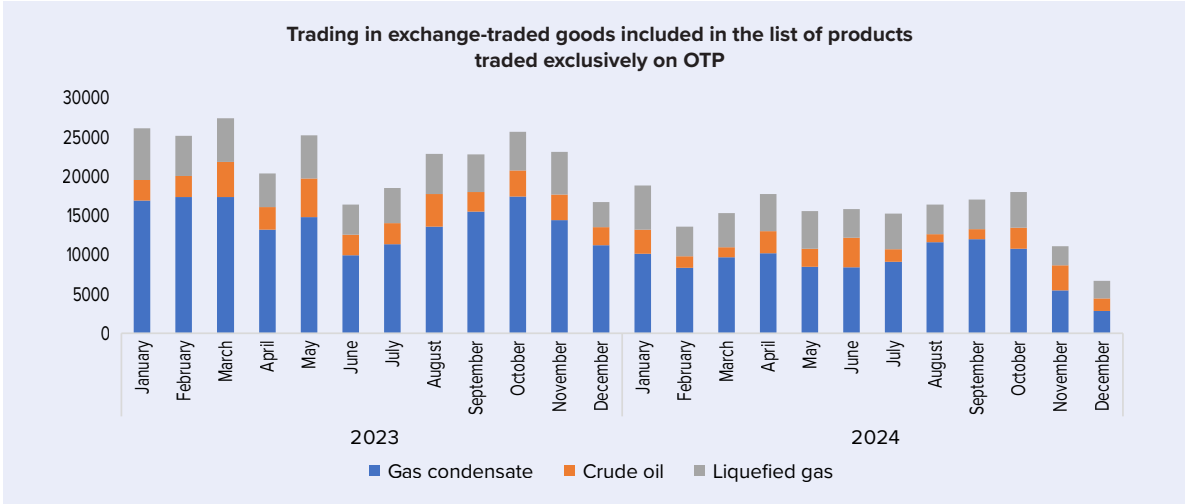
3.6 Trading in exchange-traded commodities included in the list of products traded exclusively on organized commodity markets

Ensuring comprehensive legislative regulation of the principles of functioning of organized commodity markets, in particular, establishing a unified approach to the organization of trade in assets in order to establish transparent prices for certain types of raw materials formed in such markets and prevent price manipulation, was embodied in the creation of a regulatory framework for trading in crude oil, gas condensate and liquefied gas on organized commodity markets.

The UEEX has implemented a mechanism for trading participants conducting exchange transactions in exchange-traded commodities traded exclusively on organized commodity markets in a separate module of the electronic trading system. Exchange contracts are concluded in respect of certain exchange-traded commodities, the list of which is determined by Resolution of the Cabinet of Ministers of Ukraine No. 1433 "On Approval of the List of Products Exclusively Traded on Organized Commodity Markets", as amended, which was approved pursuant to part five of Article 5 of the Law of Ukraine "On Capital Markets and Organized Commodity Markets". Among the designated exchange commodities, this list also includes crude oil and gas condensate of own production, produced on the basis of special permits for the use of oil and gas subsoil (except for volumes used for own technological needs), domestically produced liquefied gas and liquefied gas.

Trading participants, by entering into a separate module of the UEEX module of the UEEX ETS LLC, by entering information on the essential terms of agreements for the purchase and sale of exchange-traded commodities, register exchange transactions in accordance with it. The transactions subject to registration are those that involve the transfer of ownership or obligations to transfer ownership of products in accordance with the list approved by the CMU, the volume of which is at least 10 tons.

Based on the concluded exchange transactions, a record of the concluded exchange agreement is formed in the register of exchange agreements. For



transactions on the domestic market, the obligation to register lies with the seller.

The number of accredited companies registering exchange agreement increased to 43 in 2024. This trading direction covers the part of the market held by private mining companies/producers and traders who have reached an agreement on the transfer of ownership or an obligation to transfer ownership of the exchange product. At the end of 2024, 22 selling companies were actively concluding exchange contracts in a separate module of the ETS of UEEX LLC.

In 2024, more than 3,465 exchange agreements were concluded for a total volume of 181.4 thousand tons for the following types of exchange commodities: liquefied gas, oil, and gas condensate.

The largest number of exchange agreements was concluded by the Representative Office of Regal Petroleum Corporation Limited, LLC System Engineering, LLC Esko-North, JV PPC, etc.

3.7 Guarantees of origin of electricity produced from renewable energy sources

Guarantees of origin are a fairly new product on the Ukrainian market and appeared as a separate trading section on the Ukrainian Energy Exchange in November 2024.

A guarantee of origin (GO) is defined as an electronic document generated based on information from the register of guarantees of origin of electricity generated from renewable energy sources, which confirms that a certain amount of electricity is generated from renewable energy sources, confirms its environmental value and certifies the rights associated with the positive effect of generating electricity from renewable energy sources.

The market for guarantees of origin was formed on the basis of the Law of Ukraine No. 3220 "On Amendments to Certain Laws of Ukraine on the Restoration and Green Transformation of the Energy System of Ukraine", which transposed the EU Renewable Energy Directive 2009/28/EC (RED II), and also amended several Laws of Ukraine, namely the Law of Ukraine "On the Electricity Market" dated 13.04.2017 No. 2019-VIII and the Law of Ukraine "On Alternative Energy Sources" dated 20.02.2003 No. 555-IV.

Based on this law, other secondary legislation was also adopted, which determined the mechanism for the circulation of guarantees of origin: the Procedure for issuing, circulating and redeeming guarantees of origin of electricity generated from renewable energy sources and the Procedure for determining the environmental value of electricity generated from renewable energy sources, approved by the Resolution of the Cabinet of Ministers of Ukraine dated 27.02.2024

№ 227; Resolution of the NEURC "On approval of regulatory legal acts regulating the activities of a guaranteed buyer and the purchase of electricity at a "green" tariff, the purchase of services under the market premium mechanism", etc. On May 30, 2024, by the decision of the General Meeting of the Association of Issuing Authorities (AIA), Ukraine, represented by the NEURC of Ukraine, acquired the official status of an AIA member and is undergoing verification of the protocol domain, configuring it in accordance with European standards, and checking all business processes in order to obtain full membership in AIA.

The NEURC is the body that exercises control over the emission, circulation and redemption of guarantees of origin of electricity from renewable sources. Registration, issuance, circulation and redemption of guarantees of origin of electricity in Ukraine are carried out in the Register of Guarantees of Origin, which has been in operation since August 27, 2024. In October, the NEURC announced the issuance of the first GOs for PJSC "Ukrhydroenergo". However, the main player in this market is the SE "Guaranteed Buyer", which buys significant volumes of electricity at a green tariff from producers of solar, hydro and biopower plants. There will be insignificant volumes from universal service providers (USP), who also purchase electricity from small green generation and from a certain share of producers who are outside the "green" support scheme in Ukraine. According to experts, the market volume will be about 20 million MWh of GO, of which about 70% will be provided by solar generation. The main buyers are consumers who have certain sustainable development goals or plan to attract investors; manufacturers who position their goods as produced from environmentally friendly energy.

The circulation of guarantees of origin has its own specifics, since, unlike UEEX exchange-traded goods that are sold/bought, they exist only in electronic form and are issued in the Register of Guarantees of Origin only on the basis of certified commercial accounting data provided by NPC Ukrenergo, where one guarantee of origin covers a standard volume of electricity: 1 MWh. The validity period of guarantees of origin is limited for purchase/sale between market participants: it can only take place within 12 months from the moment of production of this energy from "green sources", and redemption, in the sense of consumption, can take place within 18 months after the generation of this very "green" electricity. Otherwise, it is canceled. With the launch of the market, guarantees of origin on the Ukrainian GO market can be transferred, purchased, gifted, or exchanged in any legal way. However, market transparency and market price formation can only

be established through organized trade in guarantees of origin.

To launch trading in guarantees of origin on the UEEX, the Regulations for organizing and conducting electronic auctions for the purchase and sale of guarantees of origin of electricity generated from renewable energy sources on the Ukrainian Energy Exchange were approved, and the existing trading system of the exchange, PP BETS, was improved in the «Electric Power» version. Auctions are held in the form of a unilateral counter-auction. When registering market participants in the trading section «Guarantees of Origin of Electricity» on the UEEX, they must confirm that they have an account in the Register of Guarantees of Origin of Electricity (Register of GOE), since having an account in the Register of GOE is a necessary element for the subsequent purchase and sale of these guarantees.

In the trading system of PP BETS in the "Electric Power" version, buyers and sellers can form separate positions and determine the technology they want to buy. This can be a product of solar energy produced in a certain month or wind energy or another. UEEX LLC offers a flexible and convenient service for those wishing to buy or sell GO, familiar to participants in the electricity market.

In December 2024, 1 trading session was held, as a result of which no deals were concluded. 10,000 MWh of solar power generation technology was offered for sale by the Guaranteed Buyer. At the end of 2024, 5ф companies were accredited in this area on the UEEX. It is predicted that trading, like the market, will be seasonal and in 2025 this section will be fully operational and participants will gradually increase the number of transactions in this market.

3.8 Prozorro.Sale

The Ukrainian Energy Exchange has been part of the Prozorro.Sale project since 2017 and remains among the leading platforms in terms of income from sold property.

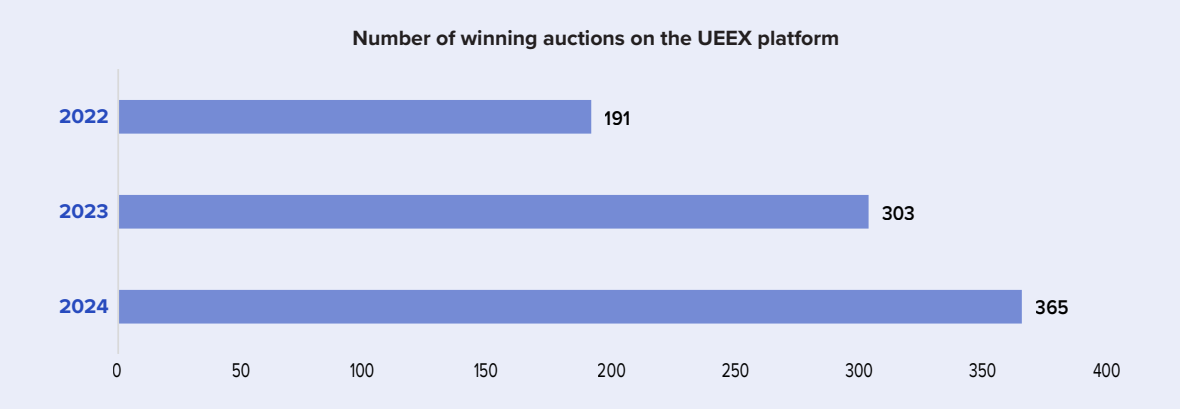
The Prozorro.Sale ETS was created on the initiative of the Ministry of Economy, the Transparency International Ukraine, the Deposit Guarantee Fund for Individuals, the National Bank of Ukraine and operators of Ukrainian electronic platforms. The Prozorro.Sale system is two-tiered, that is, JSC Prozorro.Sale administers the ETS system itself, to which several dozen platforms (including UEEX) are connected, which support sellers and buyers of auctions.

Auctions are held in accordance with the current regulations approved by orders of JSC «Prozorro.Sale», as well as in accordance with other regulatory legal acts, in particular the Law of Ukraine «On the Privatization of State and Municipal Property», the Law of of Ukraine «On Approval of the Procedure for Conducting an Auction (Electronic Bidding) for the Sale of a Special Permit for the Use of Subsoil», etc. The current list of which can be found on the corresponding page of the UEEX website.

The year 2024 for the Prozorro.Sale system was marked by a significant increase in the total level of revenues to budgets of various levels. Compared to 2023, the growth was 47.24%, and compared to 2022, it was 155.53%.

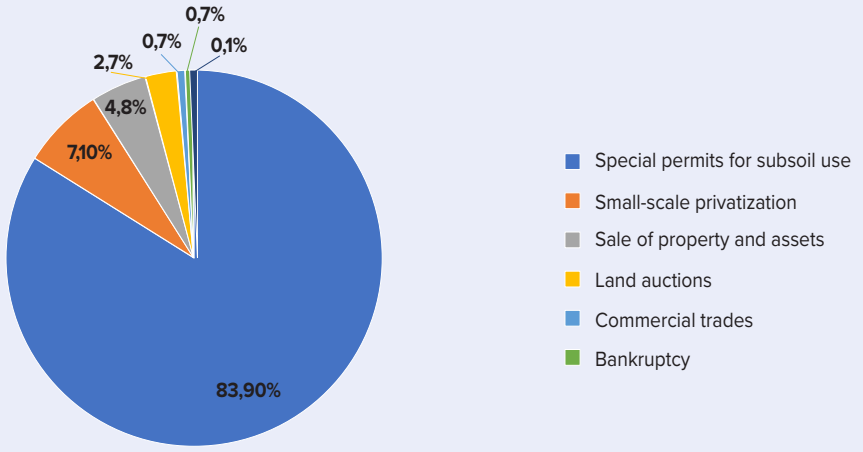
The significant increase in income was, in particular, due to the successful launch of the Large Privatization procedure, the share of income from which amounted to 37.2% of the total. Further, in terms of income share, we can distinguish small privatization procedures (19.3%), bankruptcies (11.8%), land auctions (10.7%), and auctions for the sale of special permits for the use of subsoil (7.6%).

In 2024, more than half a thousand online auction participants worked on the platform of the Prozorro.Sale system of UEEX LLC. They submitted more than 1.1 thousand offers to the auctions, and the winners of the auctions brought UAH 1,266,245,958 to the budgets of various levels.

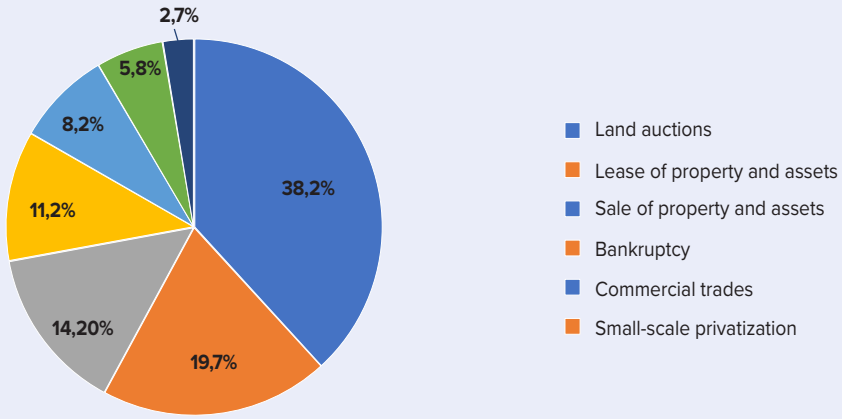


The organizers working on the UEEX LLC website announced a total of 513 auctions during the year. Based on the results of successful bidding, they received an income of UAH 1,827,062,563.

General distribution of organizers' income by trading direction on the UEEX platform



General distribution of successful auctions by trading directions on the UEEX platform



Traditionally, among the largest auction organizers is the State Geology and Subsoil Service of Ukraine, which held 107 successful auctions for the sale of special permits for the use of subsoil in 2024. With the starting price of permits at UAH 623 million, after competitive bidding, the state budget managed to receive over UAH 1.7 billion.

In general, the UEEX platform has consistently high indicators in other areas: land auctions, privatization, auctions for the sale of scrap metal, bankrupt property, commercial auctions, etc.

High-quality technical support and professional assistance in preparing for auctions are the main advantages why participants and organizers of auctions choose the platform Prozorro.Sale to work in the system. https://sale.ueex.com.ua/.

3.9 Customer service policy

The exchange provides its clients with a diverse range of services for organizing and conducting electronic trading and reporting through modern, effective services capable of satisfying the most demanding needs and requirements of clients, and offers them a wide portfolio of products and solutions with a high level of security and digitalization.

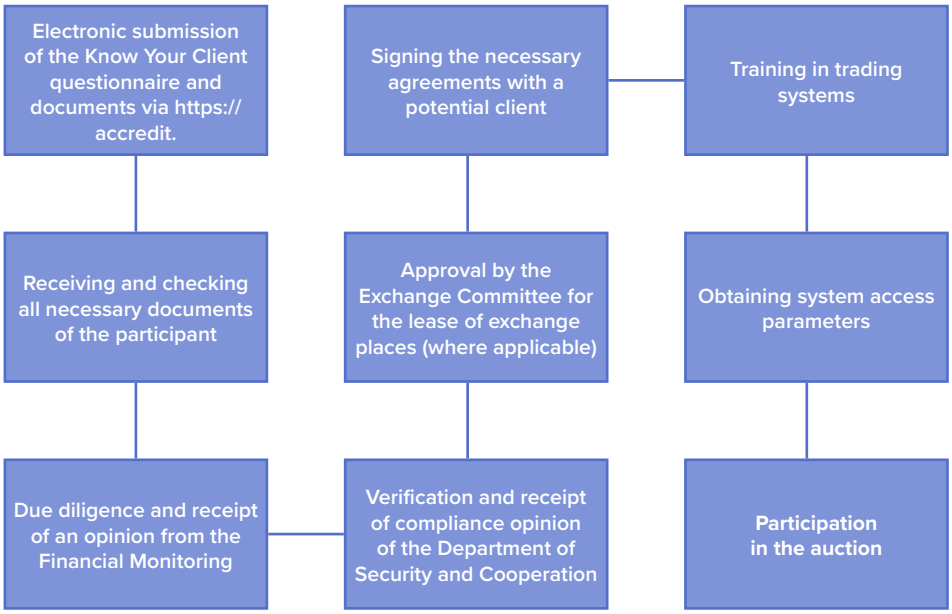
The Exchange's specialists provide qualified information support to participants: they provide consultations, access to analytical information, conduct training and educational seminars, etc.



UEEX has implemented the most comfortable and intuitive accreditation procedure (access to trading), while ensuring all the processes of checking, identifying and verifying clients and checking the risk profile of potential clients, as required by law.

Algorithms for access to exchange trading are maximally unified in all directions.

Algorithms for access to exchange trading are maximally unified in all directions



The Exchange has implemented an automated system for comprehensive verification of counterparties, which takes place at two levels:

- direct compliance verification;
- verification as part of financial monitoring.

Compliance verification is carried out in accordance with the Internal Control Program for Compliance – Client Reliability Risks of UEEX LLC and includes, in particular, but not exclusively, the following procedures.

1. In-depth review of client documents, analysis of information from the Client Questionnaire (analogous to "Know Your Client") and ownership structure for the reliability of the information provided, as well as establishment of the ultimate beneficial owner and the presence of politically exposed persons and persons associated with politically exposed persons, etc.;
2. In-depth analysis of information about the client and its representatives (manager, broker), as well as the ultimate beneficial owner using OSINT systems according to the following criteria;
   - connections with other clients;
   - connections with politically exposed persons;
   - search by sanctions lists (NSDC sanctions, sanctions of other countries, international UN Security Council sanctions and terrorist list);
   - verification of identity documents against the registers of the State Migration Service and the Ministry of Internal Affairs;
   - check against the register of corrupt officials;
   - check against the antimonopoly service blacklist;
   - check against the register of enforcement proceedings;
   - checking against the unified state register of court decisions;
   - search for relatives and their connections with sanctions and public figures;
   - search for negative mentions in media publications;
   - checking connections with risky countries (jurisdictions).
3. 3. Analysis of the array of information received to identify risk factors in accordance with the risk criteria approved by the Exchange's internal documents. Based on the results of the study of the information received, a number of points is assigned, which corresponds to one of the risk levels - "low", "medium", "high" or "unacceptably high". The calculation of the score is automated and involves integration with the open data aggregation service. This tool allows the Exchange to more qualitatively and flexibly set requirements for securing the obligations of trading participants of different risk levels.



Verification within the framework of financial monitoring is carried out by the UEEX as the subject of primary financial monitoring, guided by the requirements of the legislation, namely:

- Law of Ukraine "On Prevention and Counteraction to the Legalization (Laundering) of Proceeds of Crime, Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction";
- Regulation on the implementation of financial monitoring by primary financial monitoring entities, the state regulation and supervision of whose activities is carried out by the NSSMC, as well as the Exchange's own internal procedures and documents, such as:
- Unified rules for financial monitoring of Ukrainian Energy Exchange LLC and Ukrainian Clearing House LLC;
- Financial monitoring program of Ukrainian Energy Exchange LLC;
- Regulation on the risk management system, risk profile and risk appetite in the field of prevention and counteraction to the legalization (laundering) of proceeds from crime, the financing of terrorism and the financing of the proliferation of weapons of mass destruction of UEEX LLC.

Based on the current legislation, the UEEX provides for several alternative methods of verification: in person, by conducting video verification, verification by receiving an electronic copy of the e-passport / e-passport for traveling abroad / e-permit for permanent residence / e-permit for temporary residence, generated using the Diia Portal.

The automated counterparty verification system allows you to receive timely up-to-date information about:

- changes in a legal entity (change of legal address, change of company status in the Unified State Register, change of manager, changes in the list of owners, change of ultimate beneficial owner);
- involvement of the company and/or its representatives in another legal entity (with additional verification of the availability of accreditation on the Exchange for such companies);
- involvement of companies and/or their representatives in sanctions lists (SFMSU, NSDC, UN, EU, OECD, FATF);
- involvement of the company and/or its representatives in national and foreign public figures (including identifying signs of proximity and connection to public figures);
- initiation of criminal and enforcement proceedings;
- entry in the registers of debtors and bankrupts;
- listing traitors and occupiers in the registers.

The system promptly notifies responsible managers about changes that have occurred in companies

or coincidences in registers, the entry of a company in which may pose risks for the Exchange. Managers

carefully check the information received and confirm or refute it in the system.

The exchange is forced to deny access to trading, thereby ensuring the security and legitimacy of transactions concluded during exchange trading, for the following reasons, in particular:

- failure of the client to provide all necessary documents;
- submission of false information by the client and his representative;
- the impossibility of identifying and/or verifying the client, as well as establishing data that allows for the identification of the ultimate beneficial owners, or doubts as to whether the person is acting on his own behalf;
- the impossibility of identifying the person on whose behalf or in whose interests a financial transaction is being conducted, and establishing his or her ultimate beneficial owner or beneficiary (beneficiary) of the financial transaction;
- inclusion in the list of persons associated with terrorist activities or against whom sanctions have been applied;
- establishing an unacceptably high risk to the client in accordance with the legislation on financial monitoring.

Successfully passing the verification allows a potential client to become a full-fledged client of the Exchange, participate in selected types of trading, and receive all the benefits of cooperation with the UEEX.

UEEX constantly cares about the high quality of service to its customers. For employees who work directly with customers, the indicator of the absence of complaints is a tool for monitoring the effectiveness of interaction. Technical means of telephony make it possible to assess the number of customer calls and the quality of operators' responses to certain areas of the Exchange's business processes, accreditation and admission systems also allow tracking the results of the work of relevant employees, trading systems keep track of the number of sessions held and other indicators of trading activity. Based on the results of such checks, appropriate training and education are conducted.

3.10 Reporting and transparency

Disclosure of information and transparency are ensured by the corporate governance system. The main principles of information disclosure by the Exchange are enshrined in the Information Policy of UEEX LLC. The Policy was prepared, among other things, to ensure access of citizens, participants, and investors to complete and reliable information about the Exchange's activities. UEEX submits and discloses information subject to publication in the manner and to the extent determined by the Law of Ukraine "On Capital Markets and Organized Commodity Markets", the Law of Ukraine "On Commodity Exchanges", regulatory legal acts of the NSSMC and internal documents of the Exchange. In general, recipients of information from UEEX LLC can be divided into several categories.

NSSMC

UEEX LLC, within the framework of compliance with the Licensing Conditions for conducting professional activities on organized commodity markets, publishes and submits reporting information to the NSSMC in electronic form and in the established format of daily, monthly, annual and irregular data in accordance with Part 1 of Article 13 of the Law of Ukraine «On Commodity Exchanges» and the Decision of the NSSMC No. 3 dated January 13, 2022 «On approval of the Regulation on the procedure for compiling, submitting and publishing reporting data by commodity exchanges.» For this purpose, UEEX LLC operates electronic reporting systems for submitting information.

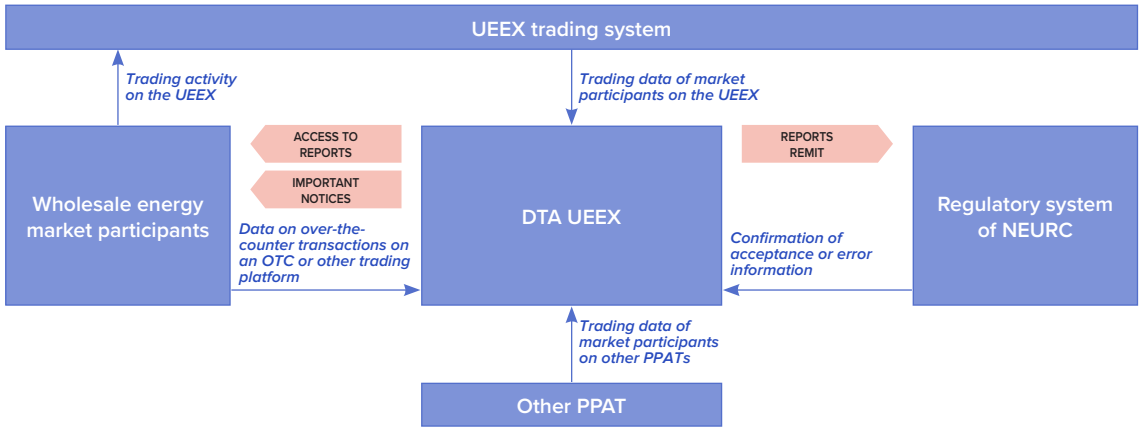
After the end of the fiscal year, UEEX LLC as a commodity exchange publishes on its website an annual report on the results of exchange trading for the reporting year as of the end of the year.

A licensed commodity exchange is obliged to monitor exchange trading and control compliance by exchange trading participants with the rules of the commodity exchange, including in order to prevent manipulation. Accordingly, UEEX LLC has implemented a system for timely detection of violations during the organization and conduct of exchange trading, which includes, among other things, automated systems for monitoring exchange trading and information on their results. The Exchange Rules define the procedure for establishing violations and liability measures applicable to members and other trading participants in the event of their violation of the requirements of the law and/or rules, and other measures necessary to restore the proper operation of the Exchange. The Law of Ukraine "On State Regulation of Capital Markets and Organized Commodity Markets" establishes the right of the NSSMC to establish the presence of signs of manipulation, conduct inspections, initiate cases, apply sanctions or other measures of influence to violators - trading participants, and take other actions provided for by law.

There is a Memorandum between the National Commission for the Regulation of Energy and Utilities of Ukraine and UEEX LLC on promoting the effective development of electricity and natural gas markets, cooperation in information exchange for the purposes of effective development and transparency of electricity and natural gas markets. Thus, UEEX LLC provides reporting and access to analytical data on its operations in wholesale energy products for the NEURC.

After the NEURC approved UEEX as a data transmission administrator (DTA) by its decision dated 03.07.2024, the Exchange began providing a new service for collecting, aggregating and providing NEURC with information on economic and trade transactions related to wholesale energy products carried out by the WEM participant. The Data Transmission Administrator Platform (DTA UEEX) ensures the exchange of information between wholesale energy market participants and the Regulator within the framework of the legislation on REMIT. DTA of UEEX provides a convenient and reliable data exchange service that increases the transparency and efficiency of market processes. The platform ensures the availability of the full range of DTA services regarding information reporting, both for exchange clients and for other participants in the electricity and natural gas market.

Model DTA UEEX



To obtain the status of DTA, UEEX LLC in 2024 confirmed its compliance with the technical and organizational requirements for data submission specified by the NEURC, and implemented the necessary information system to enable data processing, verification, and transmission.

Also, in accordance with the legislation on REMIT, UEEX, as a person who professionally organizes transactions with wholesale energy products, is obliged to notify the NEURC immediately, but no later than the next business day, if there are reasonable grounds to believe that the transactions were carried out in violation of the established restrictions on the use of insider information or such transactions have signs of manipulation or attempted manipulation on the wholesale energy market. To this end, by January 1, 2025, UEEX LLC must create and maintain effective organizational measures, mechanisms (including a surveillance system) and procedures to detect violations on an organized trading platform.

PPATs should implement and maintain effective mechanisms, measures and procedures to detect abuses



As of the end of 2024, UEEX LLC had taken all preparatory measures to start the work of the newly established Market Surveillance Department, including the development of a surveillance system that includes a software solution that constantly analyzes market data (exchange trading, trading results, market behavior of trading participants, etc.) from the point of view of identifying possible violations and abuses.

Auction Committee for the Sale of Electricity under Bilateral Contracts at Auctions

UEEX LLC provides daily reporting information on the results of electricity trading on the market of bilateral contracts, conducted under Resolution No. 499, in order to ensure the functions of the Auction Committee represented by the Ministry of Energy, the Ministry of Economy, the NEURC and the Antimonopoly Committee of Ukraine in monitoring and controlling compliance with fair competition.

Also, in accordance with the requirements of Resolution No. 499, UEEX LLC publishes an annual report on the results of electricity trading on its website.

Ministry of Energy of Ukraine

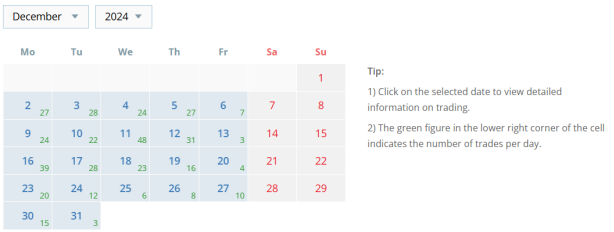
The Ukrainian Energy Exchange provides weekly generalized information within the framework of the legislation to the Ministry of Energy of Ukraine regarding transactions for the purchase and sale of electricity under bilateral contracts for the purposes of market monitoring.

All interested parties

The Exchange discloses generalized information in accordance with the Rules of the Ukrainian Energy Exchange by publishing it on the website of the trade organizer and provides unhindered access to such information.

Interested parties have the opportunity to view all information about completed and planned trades in the form of a one-sided auction in the Trading Calendar for the selected date, as well as the Exchange/Auction Bulletin, which contains all the necessary information regarding the trades (seller, product, starting price, volume, etc.) and the Bulletin of Weighted Average Prices, which displays information after the end of the trades (sold volume, minimum, maximum and weighted average price).

Based on the results of exchange trading, the exchange is obliged to calculate and publish the exchange rate of the exchange commodity no later than the business day following the trading day on which the exchange trades in the relevant exchange commodity took place and may calculate indices and other indicators of exchange trading, as provided for by the requirements of Article 12 of the Law of Ukraine “On Commodity Exchanges”.



UEEX LLC publishes and calculates information on the stock exchange quotation on the UEEX, determined according to the Methodology for calculating quotation prices and other indicators of exchange trading on the commodity exchange – UEEX LLC, namely:

- quoted prices, including the exchange rate: the weighted average price of all exchange transactions concluded during all trading sessions for the relevant exchange product;
- weighted average price of short-term standardized products per gas day;
- weighted average prices of the monthly natural gas resource calculated by the Exchange;
- indices:
  - Monthly base load index (electricity);
  - Quarterly base load index (electricity);
  - Monthly weighted average price index for round timber;
  - Weekly weighted average price index for round timber;
  - Monthly weighted average price index for firewood
  - Weekly weighted average price index for firewood;
- weighted average price indices of exchange-traded goods in the direction of “Trade in exchange-traded goods included in the list of products traded exclusively on organized commodity markets”.

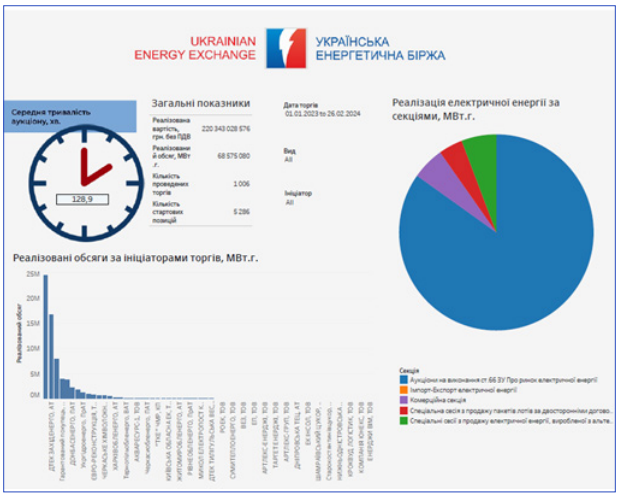
Also, in accordance with the Procedure for the purchase of electricity generated from alternative energy sources by a guaranteed buyer, approved by the NEURC in January 2024, the UEEX calculates the weighted average value of price indices under bilateral contracts for the base load period for the billing month m and the month preceding it in the trading zone of the IPS of Ukraine.

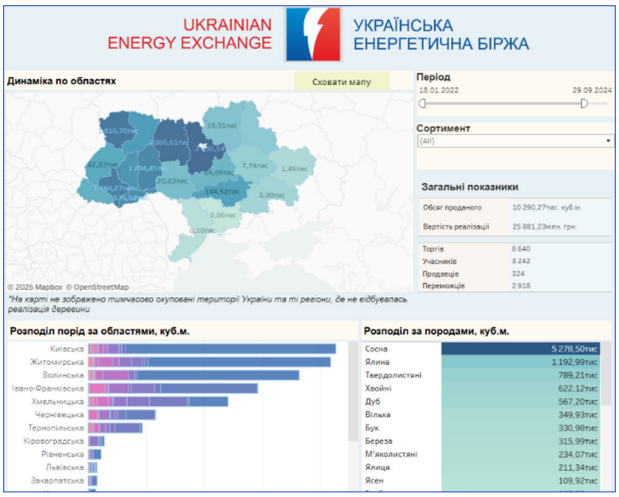
For the needs of market participants, the UEEX also publishes aggregated exchange information in convenient formats:

- on changes in the marginal purchase price and marginal sale price of natural gas immediately after each trade transaction (to comply with the requirements of the GTS Code);
- on the results of electricity sales auctions – aggregated information in tabular form on the results of each individual auction according to the selected filters: trading dates, release period, schedule type, auction type, zone;
- about weighted average electricity prices by sup-

ply schedule types – calculated separately for each sales schedule as a cumulative total for each day of the corresponding supply period.

In the “Analytics” module for the “Timber” and “Electricity” sectors, thanks to an interactive interface and powerful tools, interested parties were able to quickly visualize data, analyze trading results, and predict trends and risks for strategic planning purposes.





Today, the UEEX is a reliable source of relevant exchange market quotes for a wide range of energy resources in Ukraine, provides information on market prices of energy resources and provides information in case of receiving a relevant request and if the Exchange has the requested information.

Electricity exchange quotes are used when calculating the price for universal services in accordance with the Resolution of the NEURC “On Approval of Amendments to the Procedure for Formation of Prices for Universal Services” also NEURC agreed on the Use of the Indicators of the Trading Platform of UEEX LLC for Calculating Payments for Gas Imbalances, the Price of Gas for Heat Producers (not for the Population and Not for Budgetary Organizations) is Calculated According to the Formula Based on the Market Prices of UEEX LLC , and in Accordance with the Provisions of Article 252 of the Tax Code of Ukraine, the Rent for Gas Production is Calculated Taking into Account the Exchange Prices.

3.11 Pertnership and interaction

The Ukrainian Energy Exchange actively cooperates with government authorities and regulators, focusing on developing a competitive market, ensuring transparency, and improving the economic performance of energy industry enterprises. The goal of UEEX is to maintain its leading position on the Ukrainian market, concentrate high liquidity, and implement the concept of the country’s energy market.

UEEX LLC is a member of several influential international and national organizations

- Europex — Association of European Energy Exchanges Europex
- ACC — American Chamber of Commerce (ACC)
- EBA — European Business Association (EBA)
- АЕАЕР — Association «Exchange and Electronic Platforms»
- ENERGY CLUB — Energy Club is the largest business community of energy companies in Ukraine.

These memberships contribute to the transparency of commodity markets, the efficiency of exchange trading, and enable communication between key energy market participants.

The Ukrainian Energy Exchange also actively cooperates with industry associations to respond to market needs in a timely manner. Among the UEEX's partners are:

- Association of Gas Producing Companies of Ukraine;
- Association «Gas Traders of Ukraine»;
- Association of Woodworking Enterprises of Ukraine;
- Public Union "Energy Union";
- Ukrainian Oil and Gas Association;
- Ukrainian Liquefied Gas Association.

The Ukrainian Energy Exchange holds meetings and discussions with representatives of market participants as part of the activities of the Section Councils. This format of interaction allows the UEEX to respond promptly to the needs of market participants, improve exchange instruments and promote the development of a competitive environment in the energy sector. Through meetings and discussions, the UEEX ensures the active participation of energy market players in policy-making and legal regulation of their activities.

In 2024, Ukrainian Energy Exchange LLC participated in the development of the SEEGAS project aimed at deepening regional partnerships and creating a common energy market. The SEEGAS project has expanded to cover not only the gas market but also the development of clearing.

As part of the work under the Memorandum of Understanding signed with USAID, the project "Analysis and Development of a Comprehensive Methodology for Indexing Energy Markets in Ukraine" was completed in cooperation with USAID ESP. As part of this initiative, experts from Ernst & Young (EY) were engaged to improve approaches to the development and management of energy indices in Ukraine.

The exchange participated in international events, including the BRM Market Event in Bucharest, where it presented the capabilities of the Ukrainian exchange market and discussed prospects for cooperation with Romanian colleagues. In general, in 2024, UEEX actively participated in international events that contribute to the development of the Ukrainian energy market, increase its transparency and efficiency, and strengthen Ukraine's position on the international energy arena.

The Ukrainian Energy Exchange is actively involved in the educational process and plans to expand its participation in the development of education by expanding its cooperation with educational institutions, organizing events and providing young professionals with the opportunity to gain practical knowledge and skills to successfully start a career in the energy industry. The UEEX also launched a staff development program, and regular trainings and seminars for employees are organized. Such activities of the exchange contribute to the training of qualified personnel for the energy sector and increase the competitiveness of specialists on the labor market.

4. Financial and economic performance results

4.1 Economic results and financial position

The financial results of UEEX LLC for the year ended 31.12.2024 are presented in the Statement of Financial Performance.

The company's financial and economic activities during the reporting year 2024 were profitable. The gross income for 2024 amounted to UAH 542,284 thousand, which is UAH 51,799 thousand (11%) more than the same indicator for the previous year 2023. Net profit for 2024 amounted to UAH 228,137 thousand, which is UAH 56,940 thousand (33%) more than in 2023.

Equity at the end of the reporting period amounted to UAH 605,240 thousand. The increase in equity in 2024 compared to 2023 amounted to UAH 228,211 thousand, the increase was primarily due to the net profit received.

4.2 Liquidity and liabilities

UEEX LLC has sufficient solvency and sufficient own working capital. During 2024, the company independently ensured management and control over cash flows without resorting to external financing.

As of 12/31/2024, the indicators of liquidity, solvency and financial stability of UEEX LLC were as follows:

Name of the indicator	The value of the indicator	Normative value
Total liquidity ratio (coverage)	1,79	> 1
Absolute liquidity (solvency) ratio	1,74	> 0,5
Quick liquidity ratio	1,78	> 0,8

The total liquidity (coverage) ratio is used to assess the ability of an enterprise to meet its short-term obligations. The ratio is defined as the sum of current assets divided by the sum of current liabilities. The standard value of the coverage ratio is more than 1. The actual ratio (1.79) shows that the Exchange has sufficient funds to ensure the fulfillment of its obligations.

The total liquidity (coverage) ratio is used to assess the ability of an enterprise to meet its short-term obligations. The ratio is defined as the sum of current assets divided by the sum of current liabilities. The standard value of the coverage ratio is more than 1. The actual ratio (1.79) shows that the Exchange has sufficient funds to ensure the fulfillment of its obligations.

The absolute liquidity ratio (solvency) is a strict criterion of the company's solvency. It shows what part of current liabilities and collateral can be repaid with assets that have absolute liquidity: cash and current financial investments. The ratio is defined as the sum of financial investments and cash divided by the sum of current liabilities. The company's absolute liquidity (solvency) ratio is 1.74, while the standard ratio is more than 0.5. Thus, the Exchange's solvency is higher than the regulatory requirements.

The quick ratio characterizes how much of the current liabilities and collateral can be repaid not only with cash but also with expected receipts from the repayment of accounts receivable. The ratio is defined as the sum of current assets minus their least liquid part - inventories, divided by the amount of current liabilities. The quick ratio as of 12/31/2024 was 1.78, with an optimal value of more than 0.8.

The Exchange's liabilities are accounted for and recognized in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". Liabilities are recognized by an enterprise if their measurement can be reliably determined and it is probable that an outflow of economic benefits will be required to settle the obligation. The Exchange's liabilities are classified as long-term (maturity of more than 12 months) and current (maturity of up to 12 months).

Accounts payable are recorded in the accounting records and disclosed in the financial statements in accordance with IAS 9 "Financial Instruments". Current accounts payable are recognized and reported in the balance sheet at cost, which is equal to fair value.

As at the balance sheet date, long-term accounts payable are measured at amortized cost using the effective interest rate method (present value) Any

difference between net proceeds and the redemption value is recognized in income or expense over the period of the borrowings using the effective interest rate.

A provision is established when a present obligation is incurred as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The amount of provision for vacation pay is determined on a monthly basis as the product of actual accrued salaries to employees and a percentage calculated as the ratio of the annual planned amount for vacation pay to the total planned payroll, including the corresponding amount of contributions to the obligatory state social insurance. As of the end of the year, the unused amount of provision for vacation pay amounted to UAH 3,390 thousand.

No provisions for long-term liabilities were created. There are no contingent liabilities.

Name of the indicator	On 31.12.2024
Accounts payable for goods, works and services (current liabilities)	3 815
Current arrears in settlements with the budget	26 814
• including income tax	16 873
Current insurance arrears	9
Current payables on advances received	61
Current benefits (employee benefits)	3 390
Other current liabilities	557 353
Total liabilities and collateral	**591 442**

The line “Other current liabilities” as of 31.12.2024 includes guarantee fees paid by participants for participation in electronic auctions and refundable after the auction, with the date of occurrence in the last month of the reporting period and the maturity date in the first days of the next reporting period.

4.3 Implementation of investment projects (research and innovation)

UEEX’s innovation activities are characterized by a continuous approach to improving and updating processes. This includes systematic efforts to modify existing mechanisms, develop innovative products and implement new solutions. The exchange is actively implementing scientific and technological advances, updating equipment and technologies, which allows it to optimize production and create a competitive product with an innovative composition. This approach enables UEEX LLC to effectively adapt to the dynamic business environment, increase its efficiency and strengthen its market position.

Structure of capital investments of UEEX LLC for 2024, UAH

Fixed assets purchased	20 201 110,54
Purchases of other non-current tangible assets	1 735 050,67
Purchased intangible assets	3 956 566,69
Modernized intangible assets	12 123 850,00

The Ukrainian Energy Exchange made a number of important technological and organizational improvements in 2024, including, but not limited to:

New systems and platforms

- A trading system for trading electricity origin guarantees (developed by the UEEX) was launched.
- The UEEX Data Transmission Administrator System (UEEX DTA) was implemented to ensure transparency of wholesale energy markets.
- A new system for monitoring energy markets has been developed.







Improving software products

BETS Electric Power has added functionality for electricity import/export auctions, including AHS for non-residents

Accounting for warranty coverage in the BETS and BETS Electric Power systems was introduced.

Bilateral auctions in BETS Electric Power have been updated to allow signing contracts in .docx.p7s.p7s format. An update was developed to add bidders to the exclusion lists.

New functionality of the systems

The process of generating reports for the NSSMC was optimized.

Automatic generation of financial monitoring analysis was introduced.

The system for detecting changes in the Unified State Register for legal entities and individual entrepreneurs has been improved.

Improving reporting and monitoring

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The Automated Monitoring System used by the Exchange Transaction Execution Monitoring Division of the Department for Organizing and Conducting Exchange Trading in the Sale of Untreated timber to monitor the fulfillment by bidders of their obligations based on the results of exchange trading (obligations to make payments, to accept, to deliver under purchase and sale agreements, etc.).

Other improvements

Implemented the CRM module “Compliance” for customer verification.

An automated HR management system was set up.

Improved visualization of public information on the UEEX website.

The system of automatic rating of untreated timber and lumber market participants was improved.

AI systems were introduced to control the quality of customer service in certain directions.

The support service portal of the Department of Information and Technology Security, Software and Hardware Support and Communication was launched to promptly process technical and/or information requests from employees, report incidents, record changes in IT infrastructure and/or information security rules, problems, record IT assets, notify employees of changes and massive problems, and post technical instructions, etc.

Project coordination programs have been implemented to create clear workflows that ensure compliance with deadlines, efficient resource allocation, and facilitate communication between team members.

Wness processes (publishing news, generating reports in a standard format, transmitting trading results for analytical calculations, and publishing exchange quotes).e expanded the use of API interfaces that help automate key busi

An automated training portal was introduced for staff training and development, as well as for assessing employee competencies.

These improvements are aimed at increasing the efficiency, transparency and convenience of operations on Ukraine’s energy markets.

In the reporting year, the Group also started automatization activities to be completed in 2025, including the introduction of a corporate portal, a system to automate document management processes, improvement of the business relationship management and customer service system, etc.

5. UEEX plans for 2025

01

TO ENSURE THAT UKRAINE'S EUROPEAN INTEGRATION MEASURES ARE IN LINE WITH THE POST-WAR RECONSTRUCTION AND SIMULTANEOUS INTEGRATION INTO THE EU MARKETS

STRATEGIC GOALS

To make a positive contribution to the implementation of the Recovery Plan of Ukraine

To attract foreign partners, following European open and transparent rules of market development and functioning

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02

FACILITATING THE TRANSITION TO A LOW-CARBON INDUSTRY

03

EXPANSION OF PRODUCTS AND SERVICES ON THE UEEX PLATFORM

STRATEGIC GOALS

Leverage UEEX's market know-how, cooperate with public authorities

Transparent and competitive markets that improve customer service

New markets contribute to the decarbonization of Ukraine's energy markets

Highest integrity on wholesale energy markets with competitive and reliable market prices

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04

IMPROVING THE QUALITY OF SERVICES AND POST-TRADING TO INCREASE THE RELIABILITY OF AND THE EFFICIENCY OF TRANSACTION EXECUTION

STRATEGIC GOALS

Provide clients with capital efficient and secure trading opportunities in a regulated environment

Develop proprietary CCP services to eliminate counterparty risk for clients

05

STRONG EMPHASIS ON CORPORATE CITIZENSHIP, STAKEHOLDER AND GOVERNMENT SUPPORT, AND CONTINUOUS IMPROVEMENT OF OPERATIONAL EFFICIENCY

AMONG THE TACTICAL PLANS OF THE UEEX AIMED AT IMPLEMENTING STRATEGIC GOALS, SHOULD BE HIGHLIGHTED:

1. Expanding the range of exchange-traded products, including the introduction and organization of exchange trading in alternative fuels, preparatory work for the introduction of emissions trading (ETS), and the introduction of biomethane guarantee trading.

2. Expanding the range of exchange-traded products.

3. Introduce trading in derivative contracts for gas, electricity, and untreated timber.

4. Together with the UCH, we provide clearing for medium-term standardized products on the natural gas market.

5. Obtaining the status of Nominated electricity market operator (NEMO).

6. Optimization of internal business processes in the unit:
   - Improving automated customer accreditation procedures to facilitate single-window access;
   - optimization and full automation of internal document management systems with a focus on the gradual full transition to electronic document management;
   - improving automated customer relationship management systems.

7. Expanding the application of Artificial Intelligence to improve processes and the quality of services, including, but not limited to, the following purposes (including in the following years)
   - monitoring the process of fulfillment of agreements and identifying the risks of non-fulfillment of contracts at an early stage;
   - Improving the system of market surveillance and control over compliance with the rules by exchange trading participants, including to prevent manipulation, insider trading and other abuses;
   - improving reporting procedures;
   - improving the mechanisms for verifying clients during accreditation;
   - Improving risk management mechanisms and building a risk profile of the participant;
   - quality control of employees' knowledge and services.

8. Expansion of cross-border trade (if currenc restrictions are removal).

9. Expansion of services for clients and improvement of functionality and convenience in the Exchange's systems.

10. Deepening international cooperation, harmonization of activities and standards for European integration.

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