

CONFLICT OF INTEREST MANAGEMENT POLICY OF PUBLIC JOINT-STOCK COMPANY JOINT-STOCK BANK “PIVDENNY”

(Short Version)

The Conflict of Interest Management Policy of PUBLIC JOINT-STOCK COMPANY JOINT-STOCK BANK “PIVDENNY” was approved by the Supervisory Board of Joint-Stock Bank “Pivdenny” (Resolution No. 134 dated 08.07.2025, Version 12).

The Conflict of Interest Management Policy of PUBLIC JOINT-STOCK COMPANY JOINT-STOCK BANK “PIVDENNY” (hereinafter referred to as the Policy) defines key principles, goals and objectives of conflict of interest management within Joint-Stock Bank “Pivdenny” (hereinafter referred to as the Bank), as well as the participants in the conflict of interest management process, their functions, powers, responsibilities, and conflict of interest management measures.

The Policy shall be binding upon all employees, officials, and shareholders of the Bank.

The general principles and requirements of the Policy also apply to legal relations with individuals performing work or providing services under contracts with the Bank, agents, consultants, other third parties acting on behalf of the Bank, business partners, as well as to the Bank’s relations with public authorities and local self-government bodies.

The Policy is constantly publicly available to Bank employees.

1. PURPOSE AND OBJECTIVES OF CONFLICT OF INTEREST MANAGEMENT

The purpose of conflict of interest management is prevention, detection, resolution, and control of conflicts of interest in the Bank’s activities that may have adverse consequences for the Bank, its employees, clients, counterparties, and other persons with whom the Bank maintains relationships (including reputational damage, financial losses, loss of profit, etc.).

The main objectives of conflict of interest management include:

- adherence to high standards of corporate governance and enhancement of the Bank’s reputation;
- ensuring fair customer service and strengthening trust in the Bank among clients, counterparties, partners, and society;
- establishing rules and restrictions binding upon Bank employees aimed at minimizing the risk of conflicts of interest;
- defining principles for the disclosure of information on conflicts of interest, decision-making mechanisms, and standards of conduct for Bank employees;
- fostering a unified understanding among employees, members of collegial bodies, officials, shareholders, counterparties, and partners of the Bank regarding conflict of interest management measures within the Bank.

Timely detection of conflicts of interest in the Bank’s activities is a key element in preventing corruption-related offenses.

2. PRINCIPLES OF CONFLICT OF INTEREST MANAGEMENT

Conflict of interest management is carried out based on the following principles:

- mandatory disclosure of information regarding any actual or potential conflict of interest;
- consideration and assessment of risks for the Bank upon detection of each conflict of interest and during its resolution;
- maintaining a balance of interests when resolving conflicts of interest;
- ensuring confidentiality when reporting on conflicts of interest;
- protection of Bank employees who report on conflicts of interest.

3. PROFESSIONAL ETHICS STANDARDS OF BANK EMPLOYEES

The Supervisory Board, the Risk Management Committee of the Supervisory Board, and the Management Board shall ensure tone at the top that promotes the establishment and maintenance of high standards for prevention and resolution of conflicts of interest in the Bank's activities and shall serve as examples of ethical conduct.

Bank executives shall:

- comply with the obligations of care and loyalty to the Bank in accordance with the legislation of Ukraine;
- must refrain from voting on any issue that may give rise to a conflict of interest or damage their impartiality or proper performance of obligations to the Bank as members of the Supervisory Board or the Management Board.

Members of collegial bodies shall refrain from voting on any issue that may give rise to a conflict of interest or damage their impartiality or proper performance of obligations to the Bank.

All Bank employees shall:

- make reasonable efforts to prevent any possibility of a conflict of interest;
- when performing their job duties, act in the interests of the Bank without regard to their private interests;
- no later than the next business day from the date when the employee became aware or should have become aware of an actual or potential conflict of interest, report each known or detected case of violation of the Policy to their immediate supervisor and to the Compliance Division using the channels provided for in the Bank's whistleblowing system;
- refrain from taking actions or making decisions in situations of actual conflict of interest;
- take measures to resolve actual or potential conflicts of interest;
- cooperate with the Compliance Division on all issues related to the implementation of the Policy;
- seek clarification from their immediate supervisor or the Compliance Division in case of any doubts regarding the permissibility of certain actions or issues related to participation of an employee or their related person in authorized capitals or managerial bodies of third parties, or engagement in business activities.

The Bank establishes the following priority when resolving conflicts of interest:

- first priority – the interests of clients;
- second priority – the interests of the Bank;
- third place – the interests of the employee.

4. CONFLICT OF INTEREST MANAGEMENT MEASURES

Conflict of interest management involves the implementation of the following measures:

- detection of conflicts of interest;
- prevention of conflicts of interest;
- resolution of conflicts of interest;
- control and monitoring of conflicts of interest.

Methods used to **detect conflicts of interest** include:

- implementation of a disclosure mechanism for reporting on existing/potential conflicts of interest;
- conducting an analysis of information on conflicts of interest disclosed in accordance with the requirements of the Policy;
- performing analytical procedures;
- conducting an internal audit.

The Bank's executives, heads of divisions and employees, who became aware of circumstances that have caused or may cause a conflict of interest, must immediately report on such circumstances using the channels provided for by the Bank's whistleblowing system.

The main purpose of taking measures aimed at preventing and resolving conflicts of interest is to limit the influence of private interests of Bank executives, members of collegial bodies, heads of divisions, and employees on the performance of their official duties and decision-making.

To prevent conflicts of interest, the Bank shall apply the following measures and rules:

- familiarization of newly hired employees with the Policy and obtaining written commitments to comply with its requirements;
- conducting training sessions for all Bank employees on conflict of interest management;
- establishing information barriers;
- ensuring the independence of structural divisions;
- restriction of participation of Bank executives and other employees/their related persons in authorized capitals or managerial bodies of third parties and engagement in business activities;
- imposing restrictions on employment of related persons within the Bank;
- disclosing information about existing/potential conflicts of interest.

Bank executives, heads of control divisions, executives and other employees of the Bank shall disclose information about existing/potential conflicts of interest in accordance with the established procedure.

- restriction of transactions with securities carried out by Bank employees;
- imposing restrictions on giving and receiving gifts;
- restriction of business and public activities of Bank executives and other employees beyond the Bank;
- exercising control over actions or decisions taken by Bank executives, members of collegial bodies, and other employees in favor of related persons;
- refraining by a member of the Supervisory Board or the Management Board from voting or otherwise participating in the Bank's decision-making on any issue in which such member has a conflict of interest;
- imposing restrictions on workplace relationships that constitute an "office romance".

When deciding on the appropriate method of **resolving a conflict of interest**, it is necessary to take into account the significance of the private interest of a party to the conflict of interest and the likelihood that such private interest may be realized to the detriment of the Bank.

Conflict of interest shall be resolved by applying one of the following measures:

- removal of an employee from performing tasks, taking actions, making decisions, or participating in decision-making under conditions of actual or potential conflict of interest of Bank employee who is a party to the conflict of interest;
- restricting an employee's access to certain information;
- refusal of the benefit that gave rise to the conflict of interest;
- revision of the scope of employee's functional responsibilities, modification of assigned tasks and/or specific instructions performed within the framework of official duties of Bank employee who is a party to the conflict of interest;
- transferring an employee to another job;
- establishment of additional (or external) control;
- employee's dismissal.

5. CONTROL AND LIABILITY

All Bank employees, regardless of their position, shall bear personally liability for compliance with the requirements of the Policy. Heads of structural divisions of the Bank are responsible for monitoring the compliance with the Policy by their subordinate employees.

The Management Board exercises control over compliance with the Policy, including ensuring prompt and effective resolution of issues related to conflict of interest management.

The Supervisory Board exercises control over implementation, compliance, and timely updating (revision) of the Policy.

Employees who, as a result of an internal investigation, are recognized as having violated the requirements of the Policy and other internal regulatory documents of the Bank in the field of conflict of interest management may be held disciplinary and civilly liable on the grounds provided for by the applicable legislation of Ukraine, the Bank's internal regulatory and administrative documents, as well as employment agreements of the Bank.