

GENERAL PROVISIONS

The Sustainable Development Strategy is part of the Bank's corporate strategy and complies with the requirements of national legislation of Ukraine, as well as international environmental and social standards adopted by the World Bank Group ([ESS adopted by the World Bank Group](#)).

The Strategy defines the core principles of sustainable development by which the Bank is guided in its activities and establishes approaches for achieving [Sustainable Development Goals](#).

The purpose of this Strategy is to integrate sustainable development principles into all aspects of the Bank's operations, including the process of creating financial products and services, which in turn contributes to economic growth, social cohesion, environmental responsibility, and the implementation of adequate, effective measures and their proper compliance at all organizational levels.

BANK'S STRATEGIC PRIORITIES

The Bank's strategic ambition is to become the best partner with an exceptional level of trust, contributing to the prosperity of Ukrainian business and Ukraine.

In this context, Pivdenny Bank aims to be the first choice for clients seeking the best solutions for business financing and international operations development, a reliable partner for long-term growth, and the best place to work and for professional development of employees.

Given the Bank's long-term ambition, a key priority for 2026–2028 is to establish the Bank's position as the first choice for large and medium-sized Ukrainian business clients. When every fifth client chooses Pivdenny Bank to meet their financing needs and for foreign economic activity services.

An important focus remains building long-term relationships with large and medium-sized business clients, as well as with key individuals of existing corporate segment clients, with the aim of retaining clients, deepening cooperation, and increasing their loyalty to the Bank.

Furthermore, the Bank focuses on developing relationships with small businesses, where clients choose the Bank primarily due to a high-quality value proposition, expertise, and level of service.

In 2026, we are focusing on:

- building a modern service model that will ensure easy and predictable interaction between the client and the Bank, as well as a consistently high level of client relations based on an understanding of their life cycle;
- developing the value proposition and product line to meet the needs of both corporate and small businesses;
- further development of premium service for retail banking clients, and the expansion of digital service channels;
- building high-quality and systematic external communication that makes the Bank understandable, accessible, and reliable for clients and partners;

- *continuing the integration of sustainable development principles into the Bank's operational activities, risk management, and decision-making processes;*
- *adapting the operating model with a focus on flexibility, speed to market for products, and scalability.*

The Bank's market position and strategic priorities, including those regarding the integration of sustainable development principles, directly influence the Bank's approach to realizing its contribution to achieving the Sustainable Development Goals.

SUSTAINABLE DEVELOPMENT PRINCIPLES

The Bank strives to conduct its activities with a balanced adherence to the principles of sustainable development. The principles of sustainable development include four main aspects: economic, environmental, social, and governance, and declare the following:

economic responsibility – economic growth, financing of priority sectors of the economy, efficient resource use, long-term financial stability, ESG risk management, and the implementation of innovative technologies;

environmental responsibility – reduction of greenhouse gas emissions, waste management, environmental protection, and biodiversity conservation;

social responsibility – respect for human rights and freedoms (protection of the population, prevention of discrimination, forced or child labour, ensuring decent and safe working conditions), improving the quality of life, access to education, ensuring social justice, inclusion (accessibility of financial services, barrier-free environment, reintegration of veterans, adaptation of workplaces), and contribution to community development (social, educational, and cultural projects);

governance responsibility – fair competition, transparent financial reporting, integrity in relations with stakeholders, responsible supply chains (conducting checks on clients/partners regarding compliance with environmental and social standards), and the existence of an anti-corruption policy.

The Bank recognizes that during the period of martial law, post-war recovery, and reconstruction of the country, participation in supporting the country's defense capability and energy resilience, as well as ensuring the continuity of the Bank's operations, play a key role in ensuring economic growth, social rights and freedoms, access to financial services, and are consistent with the principles of sustainable development.

SUSTAINABLE DEVELOPMENT GOALS

Within the framework of the Strategy, the Bank has identified a number of goals relevant to its activities from the list of Global Sustainable Development Goals in Ukraine:

Goal No. 3 "Good Health and Well-being": Ensuring healthy lives and promoting well-being;

Goal No. 4 "Quality Education": Promoting the provision of quality education and encouraging lifelong learning;

Goal No. 7 "Affordable and Clean Energy": Ensuring access to reliable, sustainable, and modern energy sources;

Goal No. 9 "Innovation and Infrastructure": Building resilient infrastructure, promoting inclusive and sustainable industrialization and fostering innovation;

Goal No. 12 "Responsible Consumption and Production": Ensuring sustainable consumption and production patterns;

Goal No. 17 "Partnerships for the Goals": Strengthening the means of implementation and revitalizing the global partnership for sustainable development.

7. CONTROL AND RESPONSIBILITY

The Supervisory Board exercises strategic control and oversight, namely:

- approval of the Sustainable Development Strategy;
- strategic oversight of its implementation;
- review of regular reporting on the performance of key ESG indicators.

The Management Board ensures operational responsibility for the implementation of the Strategy, including:

- implementation of the Sustainable Development Strategy;
- integration of ESG approaches into business processes, risk management, and operational activities;
- approval of ESG initiatives;
- organization of a system for reporting and monitoring the implementation of ESG initiatives.

Responsibility for the implementation of the Strategy is also assigned to the CRO, CCO, and heads of the Bank's structural units within the scope of their authority and responsibilities as defined by the regulations on structural units.

The CRO is responsible for monitoring compliance with the Strategy's requirements regarding ESG risks and acts as the coordinator for the interaction between structural units concerning ESG initiatives.

Responsibility for communicating the requirements of this Strategy to the Bank's subordinate units and ensuring its implementation is assigned to the CRO.