

**To the Supervisory Board
of Joint Stock Company «ProCredit Bank»**

REPORT ON THE ACTIVITIES OF THE MANAGEMENT BOARD FOR 2024

This report has been prepared in accordance with the requirements of the Laws of Ukraine “On Joint Stock Companies” dated 27.07.2022 № 2465-IX, “On Banks and Banking” dated 07.12.2000 № 2121-III, the “Regulation on Disclosure of Information by Issuers of Securities and Persons Providing Collateral for Such Securities” approved by the Decision of the National Securities and Stock Market Commission dated 06.06.2023 No. 608, as well as taking into account the principles of the Methodological Recommendations on Corporate Governance Organization in the Banks of Ukraine, approved by the resolution of the National bank of Ukraine dated 03.12.2018 No. 814. The report aims to provide full information on the activities and decisions taken by the Management Board of JSC "ProCredit Bank" (hereinafter also referred to as the Bank) in the financial year 2024.

During the reporting year, the Management Board of the Bank (hereinafter also referred to as the Management Board) continued to act as a collegial executive body that manages the Bank's day-to-day operations, forms the funds necessary for the activities specified in the Bank's Articles of Association, and is responsible for the Bank's performance in accordance with the principles and procedure established by the Articles of Association, decisions of the General Meeting (Sole Shareholder) and the Supervisory Board, the Regulations on the Management Board of the Bank, as well as in accordance with the current Legislation of Ukraine. During the year, the Management Board, within its competence, made decisions to ensure proper day-to-day management of the Bank, control over its operations, was responsible for the implementation of the Bank's strategy, business plan and for the Bank's activities in accordance with the risk appetite declaration.

Assessment of the composition, structure and activities of the Management Board

Composition and structure of the Management Board

as of December 31, 2024

Management Board member	Term of appointment	Positions held outside the Bank
Mr. Povshednyi Oleksandr, Chairman of the Management Board	Elected to the position of the Chairman of the Management Board (acting Chairman of the Management Board) by the decision of the Supervisory Board dated 27.06.2024 (minutes of absentee voting No. 6), took office as Chairman of the Management Board of the Bank on 24.09.2024 after receiving approval of his candidacy for the position by the National Bank of Ukraine, from 01.07.2024 to 23.09.2024 acted as Chairman of the Management Board, from 01.01.2024 to 30.06.2024 - Deputy Chairman of the Management Board	-
Ms. Savenya Anna, Member of the Management Board	Elected to the position of Member of the Management Board by the decision of the Supervisory Board dated 27.06.2024 (minutes of absentee voting No. 6), the term of office began on 01.07.2024, until 01.07.2024 she held the position of Director of Business Client Development	-

Mr. Oganyan Ruben, Member of the Management Board	Elected to the position of Member of the Management Board by the decision of the Supervisory Board dated 27.06.2024 (minutes of absentee voting No. 6), the term of office began on 01.07.2024, until 01.07.2024 held the position of Risk Management Director of the Bank	-
Ms. Kolvastr-Kuleshova Olena, Member of the Management Board, Acting Chief Risk Officer of the Bank	Elected to the position of Member of the Management Board, Chief Risk Officer by the decision of the Supervisory Board dated 27.06.2024 (minutes of absentee voting No. 6), from 01.07.2024 to 31.12.2024 was a Member of the Management Board, Acting Chief Risk Officer of the Bank, until 01.07.2024 - Deputy Risk Management Director of the Bank	-

During the reporting period changes to the composition of the Management Board have occurred, namely:

- by the decision of the Supervisory Board of the Bank dated 27.06.2024, No. 6, the dismissal of Mr. Viktor Ponomarenko from the position of the Chairman of the Management Board of the Bank at his own request was approved, the powers of the members of the Management Board of the Bank were terminated early and a new composition of the Management Board, including the Chairman of the Management Board of the Bank, was appointed. In accordance with the above decision:
 - due to the written resignation letter submitted by the Chairman of the Management Board Mr. Victor Ponomarenko, his powers as the Chairman of the Management Board were terminated on June 28, 2024 (the last working day);
 - the powers of all current members of the Management Board of the Bank, namely: Mr. Oleksandr Povshednyi, Deputy Chairman of the Management Board, and Mr. Valerii Smolinskyi, Member of the Management Board, were terminated early, effective July 1, 2024;
 - effective from July 1, 2024, the following persons were appointed as Members of the Management Board of the Bank: Mr. Oleksandr Povshednyi, Ms. Anna Savenya, Mr. Ruben Oganyan, Ms. Olena Kolvastr-Kuleshova;
 - appointed Mr. Oleksandr Povshednyi as the Chairman of the Management Board. It has been determined that Mr. Oleksandr Povshednyi will take office on the next business day after the National Bank of Ukraine approves his candidacy in accordance with the requirements and procedure stipulated by the Law of Ukraine “On Banks and Banking Activities” and Regulation No. 149 (receipt of notification of approval by the Bank from the National Bank of Ukraine). Accordingly, Mr. Povshednyi Oleksandr took office on September 24, 2024. Prior to that, Mr. Povshednyi was acting Chairman of the Management Board;
 - in accordance with the decision of the Supervisory Board of JSC “ProCredit Bank” No. 14 dated 30.12.2024, the powers of Ms. Olena Kolvastr-Kuleshova, Member of the Management Board, Acting Chief Risk Officer, was terminated early with effect from January 01, 2025 in order to comply with regulatory requirements.

In accordance with the applicable laws of Ukraine and the Bank's Articles of Association, the Management Board is appointed by the Supervisory Board and consists of at least three persons who have full civil capacity, meet the regulatory requirements of the NBU and are not members of the Supervisory Board. The Management Board consists of the Chairman of the Management Board, who chairs the Management Board, and other persons in accordance with the decision of the Supervisory Board, as well as (if any) Deputy Chairmen of the Management Board, unless otherwise provided by the requirements of the Legislation of Ukraine. The quantitative composition and structure of the Management Board of the Bank throughout the reporting period complied with the established requirements.

During the reporting year, three committees of the Management Board continued to operate, namely: Assets and Liabilities Management Committee, Credit Committee, Risk Management Committee, which considered

issues within their scope of responsibility in accordance with the current legislation of Ukraine and the Bank's internal documents. In accordance with the decision of the Management Board of the Bank dated 30.12.2024, the Non-performing Assets Committee (NPA Committee) of the Management Board was established and its composition was approved. The Committee started its work on January 01, 2025. The quantitative composition and structure of the Bank's Management Board Committees throughout the reporting period met the established requirements.

Management Board activities during 2024

In performing its functions, the Management Board of the Bank acted within the competence defined by the legislation of Ukraine and Article 11 of the Bank's Charter, as well as taking into account the Regulations on the Management Board and the Bank's Corporate Governance Code.

During the reporting period, the forms of activity (decision-making) of the Management Board corresponded to the Bank's Articles of Association, namely, the meetings held in the form of simultaneous personal (in-person) presence of the Management Board members, and remote meetings by means of audio or video conference. Also, decisions were made by conducting absentee voting (polling) without ensuring the simultaneous joint presence of all Members of the Management Board, using e-mail. A total of 23 meetings were held in the reporting period, including: 19 meetings were held in person, 4 decisions were made by absentee voting (polling) without ensuring the simultaneous joint presence of all members of the Management Board, based on a preliminary assessment by the members of the Management Board.

The Management Board regularly submitted to the Supervisory Board reports on the Bank's performance indicators, internal regulations of the Bank, the level of risks arising in the course of the Bank's activities and the financial position of the Bank. The Management Board also ensured the implementation of the Bank's strategy and business plan, implemented the risk management strategy and policy approved by the Supervisory Board, and ensured the implementation of procedures for identifying, assessing, controlling and monitoring risks. Each meeting of the Management Board was attended by the Chief Risk Officer (CRO) and the Head of the Compliance Unit, who performs the functions of the Chief Compliance Officer (CCO) of the Bank, who have the right to impose a ban (veto) on the decisions of the Management Board. The Chief Risk Officer or the Chief Compliance Officer did not veto the decisions of the Management Board. In addition, on a quarterly basis, the Management Board reviewed reports of the responsible officer for financial monitoring in the Bank and the Head of the Compliance Unit, who performs the functions of the Chief Compliance Officer, and starting from November 2024, reports on the risk management system were reviewed on a monthly basis. Each meeting of the Management Board was accompanied by an open and intensive exchange of information, opinions and comments, and the regular reports provided to the Management Board contained appropriate and comprehensive information on all matters important to the Bank's activities. Decisions proposed for approval by absentee voting (polling) were sent to all members of the Management Board without exception and were adopted with the required quorum in each case.

Attendance of in-person meetings of the Management Board in 2024:

Date of the meeting	Attendees	Absent members
January 23, 2024	Viktor Ponomarenko, Valerii Smolinskyi, Oleksandr Povshednyi (total - 3)	-
February 12, 2024	Viktor Ponomarenko, Valerii Smolinskyi, Oleksandr Povshednyi (total - 3)	-

March 15, 2024	Viktor Ponomarenko, Valerii Smolinskyi, Oleksandr Povshednyi (total - 3)	-
April 12, 2024	Viktor Ponomarenko, Valerii Smolinskyi (total - 2)	Oleksandr Povshednyi
May 01, 2024	Viktor Ponomarenko, Valerii Smolinskyi, Oleksandr Povshednyi (total - 3)	-
May 13, 2024	Viktor Ponomarenko, Valerii Smolinskyi, Oleksandr Povshednyi (total - 3)	-
May 30, 2024	Viktor Ponomarenko, Valerii Smolinskyi, Oleksandr Povshednyi (total - 3)	-
June 14, 2024	Viktor Ponomarenko, Valerii Smolinskyi, Oleksandr Povshednyi (total - 3)	-
July 01, 2024	Oleksandr Povshednyi, Ruben Oganyan, Anna Savenya (total - 3)	Olena Kolvastr-Kuleshova
July 15, 2024	Oleksandr Povshednyi, Ruben Oganyan, Anna Savenya, Olena Kolvastr-Kuleshova (total - 4)	-
August 15, 2024	Oleksandr Povshednyi, Ruben Oganyan, Anna Savenya, Olena Kolvastr-Kuleshova (total - 4)	-
September 30, 2024	Oleksandr Povshednyi, Ruben Oganyan, Olena Kolvastr-Kuleshova (total - 3)	Anna Savenya
October 15, 2024	Oleksandr Povshednyi, Ruben Oganyan, Olena Kolvastr-Kuleshova (total - 3)	Anna Savenya
November 12, 2024	Oleksandr Povshednyi, Ruben Oganyan, Anna Savenya, Olena Kolvastr-Kuleshova	-

	(total - 4)	
November 15, 2024	Oleksandr Povshednyi, Ruben Oganyan, Anna Savenya, Olena Kolvastr-Kuleshova (total - 4)	-
November 22, 2024	Oleksandr Povshednyi, Ruben Oganyan, Anna Savenya, Olena Kolvastr-Kuleshova (total - 4)	-
November 27, 2024	Oleksandr Povshednyi, Ruben Oganyan, Olena Kolvastr-Kuleshova (total - 3)	Anna Savenya
December 17, 2024	Oleksandr Povshednyi, Ruben Oganyan, Anna Savenya, Olena Kolvastr-Kuleshova (total - 4)	-
December 30, 2024	Oleksandr Povshednyi, Ruben Oganyan, Anna Savenya, Olena Kolvastr-Kuleshova (total - 4)	-

In the reporting year, the absence of the Management Board members from these collegial meetings was due to their business trips, vacations and sick leave.

During the reporting year, the Management Board reviewed and made decisions on numerous matters, including:

1. Approval of service tariffs and terms of service for the Bank's clients;
2. Approval of promotions/campaigns for the Bank's customers;
3. Approval of the internal regulations on defined activities of the Bank (including the activities carried out under martial law) for the purpose of compliance with group standards and the local regulatory requirements;
4. Approval of the Bank's internal regulatory documents, including risk management documents and regulations on the Bank's divisions, job descriptions;
5. Consideration of the results of internal capital adequacy assessment and monitoring based on the ICAAP process;
6. Approval of the results of the risk assessment of innovations, including the introduction of new products/significant changes in the Bank's activities;
7. Approval of the results of the risk analysis of processes outsourced by the Bank;
8. Approval of the results of risk analysis of external IT services;
9. Approval of projects for improvement of technical solutions and budgets/amendments to budgets for the purpose of implementing technical solutions;
10. Consideration of reports on compliance risk assessment and risk management system;
11. Consideration of issues arising from the Bank's measures to prevent and counteract the legalization (laundering) of proceeds of crime, terrorist financing and financing of the proliferation of weapons of mass destruction and approval of the list of risky states (territories);

12. On cooperation with the Bank's service providers;
13. Review of the results of the checks carried out by the National bank of Ukraine;
14. Decision-making on the functioning of the committees of the Management Board of the Bank and review of reports on the work of such committees;
15. Approval of the limits of authority of members of credit committees and the limits of authority to set individual conditions for deposit products for customers;
16. Amendments to the decision on the issue of shares in terms of minor parameters of the share issue;
17. On the sale of property owned by the Bank;
18. Approval of the terms of remuneration of the Bank's employees;
19. Approval of the list of persons related to the Bank;

All decisions taken were duly recorded in the minutes of the relevant meetings of the Management Board. In fulfilling their duties, the Management Board members complied with the current legislation of Ukraine and the Bank's internal documents.

As for the activities of the Management Board Committees:

- 15 meetings of the Assets and Liabilities Management Committee were held, including 13 in-person and 2 remotely;
- 16 meetings of the Credit Committee were held, of which 16 were in-person;
- 12 meetings of the General Risk Management Committee were held, of which 12 were in-person;

The Management Board Committees made decisions on issues within their areas of responsibility, and all decisions of the Committees were duly recorded in the minutes of the Committee meetings.

The performance of the Management Board, including the Management Board Committees, during the financial year 2024 is assessed as good.

Assessment of competence and efficiency of each member of the Management Board

The competence and effectiveness of each member of the Bank's Management Board are adequate. During the reporting year, each member of the Management Board fulfilled his duties to the Bank personally and properly - actively participated in the meetings of the Management Board, carefully reviewed documents and information provided to the Management Board in the main meeting materials, analyzed them and made a comprehensive assessment, participated in open and critical discussion of issues at the meeting of the Management Board of the Bank in order to make reasonable decisions.

Taking into account the organizational structure of the Bank's business model, the tasks within the competence of the Management Board concerned it as a collegial body and were determined without allocating individual responsibility. This is based on the understanding that every result achieved is the result of the collective efforts of the management body and teamwork in the Bank, which is the most important factor in achieving business results.

Each Member of the Management Board makes a significant contribution to the effective operation of the Management Board and devotes sufficient time to fulfill his duties on the Management Board. In the reporting period, the composition and structure of the Bank's Management Board ensured its effective operation as a collegial body. Taking into account the areas of education and professional experience of the Chairman and each of the Management Board members, the collective suitability of the Management Board was in line with the size of the Bank, complexity, volumes, types, nature of the Bank's operations, organizational structure and risk profile of the Bank.

At the same time, the Chairman and members of the Management Board, in addition to performing their duties as the Bank's officials, do not carry out any other paid or unpaid activities and are not officials of other legal

entities. Accordingly, there is no conflict of interest and no impact on the ability to devote sufficient time to the duties of the Chairman and members of the Management Board within the Bank.

Assessment of the Management Board's performance in achieving its goals

In 2024, the Chairman and members of the Management Board, individually and within the Management Board, in the context of the full-scale invasion of the Russian Federation, properly managed the Bank's day-to-day operations and were responsible for the Bank's security and financial stability, ensured compliance of the Bank's activities with the risk appetite declaration and the laws of Ukraine, implemented the decisions of the General Meeting (Sole Shareholder) and the Supervisory Board, carried out daily management and control of the Bank's operations, and ensured the implementation of the Bank's strategy and business plan. During this period, the Management Board carried out significant and effective work on managing day-to-day operations, made a range of key decisions aimed at achieving business goals, stabilizing financial performance and the Bank's overall operations.

The decisions made by the Management Board were based on the results of careful and regular analysis of the Bank's operations, ongoing consideration of ways to maintain the Bank's stable operations, improve the Bank's efficiency and were aimed at achieving both short-term and long-term goals. The imposition of martial law in Ukraine resulted in dynamic changes in regulatory requirements for banking activities and required the Bank to review internal controls, implement atypical technological solutions and constantly monitor their implementation by the Management Board. In addition, the Management Board analyzed on a monthly basis, based on risk management reports, the dynamics of changes in all significant risks inherent in the Bank's activities, namely credit and counterparty risks, interest rate risk of the banking book, market risk and liquidity risk. Also, at least once a quarter, the Management Board analyzed reports on operational risk and compliance risk events, considered problematic and current issues of the functioning of the intra-bank system for preventing and counteracting the legalization (laundering) of proceeds from crime, terrorist financing and financing the proliferation of weapons of mass destruction. In addition, the Management Board members received timely information and monitored the dynamics of mandatory regulatory ratios and recovery indicators set out in the Bank's Recovery Plan.

Based on the above, the Bank's Management Board has achieved its goals.

Information about how the activities of the Management Board led to changes in the Bank's financial and economic activities

The Management Board's activities have the following impact on the Bank's financial and economic activities: strengthening the organization and business model to ensure stable and profitable operations, even in an environment of unpredictability; strengthening the Bank's human resources and increasing the number of employees compared to the number of employees before the start of full-scale military aggression against Ukraine; and ensuring stable financial and economic activities of the Bank within the competence defined by the laws of Ukraine and internal regulations.

Based on the above, the Management Board's activities resulted in stable financial and business operations of the Bank even in the face of a full-scale invasion.

Kyiv, Ukraine, April 29, 2025

Chairman of the Management Board

of JSC ProCredit Bank (Ukraine)

[signature]

Oleksandr POVSHEDNYI