



БАНК ЛЬВІВ

JSC JSCB “LVIV”

Financial Statements under IFRS

International Financial Reporting Standards
and Independent Auditors' Report

31 December 2025



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General Information on Financial Statements

Name of reporting entity or other means of identification	Joint-Stock Company Joint-Stock Commercial Bank "Lviv," abbreviated as JSC JSCB "Lviv."
EDRPOU Code	09801546
Company website	https://www.banklviv.com
Description of nature of financial statements	These financial statements were prepared for the year ended 31 December 2025, in accordance with International Financial Reporting Standards ("IFRS") and the requirements of the Law of Ukraine "On Accounting and Financial Reporting in Ukraine" regarding the preparation of financial statements, as amended by the IFRS Board, based on the historical cost principle, with the exception of the following items: investments measured at fair value through profit or loss; other financial assets and liabilities held for trading; financial assets and liabilities measured at fair value through profit or loss; land; buildings; and investment property.
Reporting period ended:	31 December 2025
Period covered by the financial statements	the year ended 31 December 2025.
Reporting currency	Ukrainian hryvnia
Roundoff level used in the financial statements	The financial statements are presented in UAH and all values are rounded to the nearest UAH thousands, except when otherwise indicated.

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) as at 31 December 2025

(thousand UAH)

Item	Notes	31 December 2025	31 December 2024
1	2	3	4
ASSETS			
Cash and cash equivalents	4	1,467,692	1,327,961
Loans and advances to banks	5	150,707	555,236
Loans and advances to customers	6	11,053,198	8,873,996
Investments in securities	7	4,345,029	3,614,378
Deferred tax assets	25	14,531	-
Intangible assets other than goodwill	8	46,013	51,075
Property, plant and equipment	9	554,560	432,700
Other financial assets	10	4,025	6,404
Other non-financial assets	10	52,836	49,736
Total assets		17,688,591	14,911,486

LIABILITIES			
Due to banks	12	-	355,024
Customer accounts	13	11,289,385	9,149,027
Other borrowings	14	3,638,836	3,125,235
Collateral for loan obligations and financial guarantee contracts		438	1,789
Other provisions		46,732	26,048
Other financial liabilities	15	405,324	284,538
Other non-financial liabilities	15	109,524	64,720
Current income tax liabilities		29,845	105,410
Deferred tax liabilities	25	-	8,140
Subordinated debt	16	570,604	519,193
Total liabilities		16,090,688	13,639,124

EQUITY			
Issued capital	18	955,066	713,370
Unregistered share capital		-	241,696
Retained earnings		480,223	160,830
Share premium		1,661	1,661
Income from transactions with a shareholder		22,184	22,184
Reserve and other funds of a bank		58,016	50,301
Other reserves	19	80,753	82,320
Total equity		1,597,903	1,272,362
Total liabilities and equity		17,688,591	14,911,486

Authorized for release and signed on
 14 April 2026



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Chief accountant

M.M. Chypurko

Statement of profit or loss (INCOME STATEMENT) for 2025

(thousand UAH)

Item	Notes	31 December 2025	31 Decem ber 2024
1	2	3	4
Income from ordinary activity		2,567,682	1,958,075
Interest revenue calculated using the effective interest method	21	2,292,976	1,715,773
Fee and commission income	22	253,310	235,223
Other income	23	21,396	7,079
Interest expense	21	(1,242,055)	(898,767)
Fee and commission expense	22	(93,818)	(82,109)
Net gain/(loss) from trading in foreign currencies		35,759	38,899
Net gain/(loss) from foreign exchange translation		889	634
Gain on impairment and reversal of impairment loss (impairment loss) recognized in accordance with IFRS 9 (Net impairment loss on financial assets)	11	22,693	(9,605)
Other gains (losses)		357	(2,136)
Employee benefits expenses		(506,322)	(404,414)
Tangible and intangible depreciation/amortization expenses		(87,775)	(57,066)
Other administrative and operational expenses	24	(278,911)	(213,812)
Profit /(loss) before tax		418,499	329,699
Income tax expense	25	(93,378)	(175,403)
Profit/(loss) for the year		325,121	154,296

Authorized for release and signed on
 14 April 2026

Chairman of the Board

A.G. Abrahamyan

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Chief accountant

M.M. Chypurko

Statement of comprehensive income for 2025

(thousand UAH)

Item	31 December 2025	31 December 2024
1	2	3
Profit (loss)	325,121	154,296
<i>Components of other comprehensive income that will not be reclassified to profit or loss before tax</i>		
Other comprehensive income before tax, gains (losses) from the revaluation of property, plant, and equipment, right-of-use assets, and intangible assets	560	1,105
Total other comprehensive income that will not be reclassified to profit or loss before tax	560	1,105
Total other comprehensive income before tax	560	1,105
Total other comprehensive income	560	1,105
Total comprehensive income	325,681	155,401

Authorized for release and signed on
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Chairman of the Board



A.G. Abrahamyan

Y. Makovych
09801546

Chief accountant

M.M. Chypurko

STATEMENT OF CHANGES IN EQUITY (STATEMENT OF EQUITY) for 2025

Item	Notes	Owned by the owners of the bank							Total equity
		Issued capital	Unregistered share capital	Share premium	Income from transactions with a shareholder	Reserve and other funds of a bank	Revaluation surplus (revaluation reserve)	Retained earnings	
1	2	3	4	5	6	7	8	9	11
Equity at the beginning of the period: 31 December 2024		713,370	241,696	1,661	22,184	50,301	82,320	160,830	1,272,362
Profit/(loss)		-	-	-	-	-	-	325,121	325,121
other comprehensive income		-	-	-	-	-	560	-	560
Comprehensive income		-	-	-	-	-	560	325,121	325,681
Increase (decrease) through other changes		241,696	(241,696)	-	-	7,715	(2,127)	(5,728)	(140)
Total increase (decrease) in equity		241,696	(241,696)	-	-	7,715	(1,567)	319,393	325,541
Equity at the end of the period: 31.12.2025		955,066	-	1,661	22,184	58,016	80,753	480,223	1,597,903



STATEMENT OF CHANGES IN EQUITY (STATEMENT OF EQUITY) for 2024

Item	Notes	Owned by the owners of the bank							Total equity
		Issued capital	Unregistered share capital	Share premium	Income from transactions with a shareholder	Reserve and other funds of a bank	Revaluation surplus (revaluation reserve)	Retained earnings	
1	2	3	4	5	6	7	8	9	11
Equity at the beginning of the period: 31.12.2023		713,370	-	1,661	22,184	17,413	84,677	35,960	875,265
Profit/(loss)		-	-	-	-	-	-	154,296	154,296
other comprehensive income		-	-	-	-	-	1,105	-	1,105
Comprehensive income		-	-	-	-	-	1,105	154,296	155,401
Increase through equity contributions		-	241,696	-	-	-	-	-	241,696
Increase (decrease) through other changes		-	-	-	-	32,888	(3,462)	(29,426)	-
Total increase (decrease) in equity		-	241,696	-	-	32,888	(2,357)	124,870	397,097
Equity at the end of the period: 31.12.2024		713,370	241,696	1,661	22,184	50,301	82,320	160,830	1,272,362

Authorized for release and signed on

14 April 2026

Chairman of the Board

A.G. Abrahamyan

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Chief accountant

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STATEMENT OF CASH FLOWS BY INDIRECT METHOD FOR 2025

(thousand UAH)

Item	2025	2024
1	2	3
Cash flows from (used in) operating activities		
Profit (loss)	325,121	154,296
Adjustments to reconcile profit (loss)		
Adjustments for income tax expense	93,378	175,403
Income accrued	(2,292,976)	(1,715,773)
Expenses accrued	1,242,055	898,767
Adjustments for depreciation and amortisation expense	87,775	57,066
Adjustments for impairment loss (reversal of impairment loss) recognised in profit or loss	(22,693)	9,606
Other adjustments for non-cash items	(23,342)	101,424
Adjustments for losses (gains) on disposal of non-current assets	(3,971)	(363)
Total adjustments to reconcile profit (loss)	(919,774)	(473,870)
Net cash flows from (used in) operations	(594,653)	(319,574)
Net (decrease)/increase of investments in securities*	(113,767)	(1,450,000)
Net increase/(decrease) in other bank balances	415,357	33,878
Net (decrease)/increase in loans and advances to customers	(1,947,946)	(1,955,425)
Net increase/(decrease) in other financial assets	1,875	33,843
Net (decrease)/increase in other assets	(2,462)	(10,235)
Net increase/(decrease) in customer accounts	1,965,981	2,181,166
Net (decrease)/increase in provisions for liabilities	(1,351)	30,704
Net increase/(decrease) in other financial liabilities	11,385	51,517
Net increase/(decrease) in other liabilities	54,187	(1,992)
Interest paid	(1,201,893)	(874,203)
Interest received	2,183,562	1,707,778
Income taxes refund (paid)	(191,755)	(169,897)
Net cash flows from (used in) operating activities	578,520	(742,440)
Cash flows from (used in) investing activities		
Purchase of securities	(2,587,366)	(1,328,423)
Proceeds from sale of investments in securities	2,076,723	675,866
Proceeds from sale of property, plant and equipment	6,714	7,761
Acquisition of property, plant and equipment	(40,311)	(194,230)
Acquisition of intangible assets	(20,448)	(17,835)
Net cash flows from (used in) investing activities	(564,688)	(856,861)



STATEMENT OF CASH FLOWS BY INDIRECT METHOD FOR 2025 (continued)

Item	31 December 2025	31 December 2024
1	2	3
Cash flows from (used in) financing activities		
Proceeds from issuing shares	-	241,696
Issue of ordinary shares	-	241,696
Proceeds from borrowings	1,067,480	2,409,264
Receipt of subordinated debt	-	305,837
Receipt of other debt	1,067,480	2,103,427
Repayment of borrowings	(1,000,692)	(1,043,671)
Return subordinated debt	-	(23,500)
Return of other debt	(618,795)	(1,007,617)
Return of other bank balances	(355,024)	-
Payments of lease liabilities	(26,873)	(12,554)
Net cash flows from (used in) financing activities	66,788	1,607,289
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	80,620	7,988
Effect of exchange rate changes on cash and cash equivalents		
Effect of exchange rate changes on cash and cash equivalents	59,111	(66,790)
Net increase/(decrease) in cash and cash equivalents	139,731	(58,802)
Cash and cash equivalents at the beginning of the period	1,327,961	1,386,763
Net cash and cash equivalents at the end of the period	1,467,692	1,327,961

Authorized for release and signed on
 14 April 2026



Chief accountant
 M.M. Chypurko

* For the purposes of presentation of the Statement of cash flows, cash flows from deposit certificates are classified as components of operating activity.



NOTES TO THE FINANCIAL STATEMENTS

Note 1. Basis of preparation

Information about the bank

Name of the Bank

Joint-Stock Company Joint Stock Bank "Lviv", abbreviated name – as JSC JSCB "Lviv", hereinafter – JSCB "Lviv" or the Bank.

Commercial Bank "Lviv" was established in the form of a limited liability company and registered by the National Bank of Ukraine on 14.10.1991. under no. 28, transformed into a closed joint-stock company Joint-Stock Commercial Bank "Lviv" based on the decision of the meeting of the Bank participants dated 16.09.1993, according to the decision of the General Meeting of Shareholders dated 15.11.2001 was renamed into Closed Joint Stock Company Joint-Stock Commercial Bank "Lviv" in accordance with the Laws of Ukraine "On Business Associations", "On Banks and Banking", "On Securities and Stock Exchange", other legislative acts of Ukraine and regulations of the National Bank of Ukraine, the Decision of the General Meeting of Shareholders dated 17.01.2008. On 17.01.2008, upon the Decision of the General Meeting of Shareholders Closed Joint- Stock Company Joint-Stock Commercial Bank "Lviv" changed its name to Open Joint-Stock Company Joint-Stock Commercial Bank "Lviv", which acts as a legal successor of all rights and obligations of JSC JSCB "Lviv".

Subject to the decision of the General Shareholders Meeting dated 14.09.2009 due to making the Charter compliant with the Law of Ukraine "On Joint-Stock Companies", the name of the Open Joint-Stock Company Joint-Stock Commercial Bank "Lviv" was changed to Public Joint-Stock Company Joint-Stock Commercial Bank "Lviv".

To bring the Bank operations in line with the requirements of the legislation of Ukraine, on 14 November 2018, the General Meeting of Shareholders of the Bank resolved to change the type of joint-stock company from public to private, change the name of the Bank, approved the new edition of the Bank Charter. On 08.04.2019, a new version of the Charter of JSC JSCB "Lviv" was registered with the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations.

Location of the Bank

Ukraine, 79008, Lviv, st. Serbska, 1.

In 2024-2025, no changes were made to the location of JSCB "Lviv".

Country of incorporation

The Bank is incorporated and operates in Ukraine.

Management interest in the Bank shares

As of the end of 2024 and 2025, there is no direct ownership of the Bank shares by members of the Supervisory Board and the Management Board. As of 31 December 2025, Petursson Margeir, a member of the Supervisory Board, indirectly owns 27.937421% of the authorized capital of the Bank (31 December 2024: 37.469202%).

Substantial shareholding

As at 31 December 2025, the following persons held direct significant interest in the Bank:

- responsAbility Participations AG (Switzerland) - 41.151580% of the statutory capital (decision of the Committee for Supervision and Regulation of Banking, Supervision (Oversight) of Payment Systems of the National Bank of Ukraine no. 169 dated 23.06.2018) (31 December 2024: 48.557189%);
- New Progress Holding Limited Liability Company (Ukraine) 20.865962% of the authorised capital (31 December 2024: 27.985079 %);
- Nordic Environment Finance Corporation (Finland) – 10.390996% of the authorised capital (decision of the Committee for Supervision and Regulation of Banking, Supervision (Oversight) of Payment Systems of the National Bank of Ukraine no. 111 dated 25.03.2021) (31 December 2024: 13.936230%);
- Stichting fondsbeheer DGGF lokaal MKB – 20.492129% of the authorized capital (Decision no. 24/670-rk of the Committee for Supervision and Regulation of Banking, Supervision (Oversight) of Payment System of the National Bank of Ukraine dated June 20, 2024) (31 December 2024 – 0%).

The ultimate beneficiary of LLC New Progress Holding is Petursson Margeir (a citizen of Iceland), who as at 31 December 2025 indirectly owns 27.937421% of the Bank statutory capital (31 December 2024: 37.469202%). The acquired indirect significant interest of Margeir Petursson in the Bank was approved 30 December 2015 by decision no. 633 of the Committee for Supervision and Regulation of Banking, Supervision (Oversight) of payment systems of the National Bank of Ukraine.

Participation of foreign investors in the authorised capital

The share of the foreign investor in the Bank – responsAbility Participations AG (Switzerland), constitutes 41.151580% of the authorised capital.

The share of the foreign investor in the Bank, Frontmost Limited (Cyprus), constitutes 5.703114% of the authorised capital.

The share of the Bank foreign investor in the Bank, Nordic Environment Finance Corporation (Finland), constitutes 10.390996% of the authorised capital.

Stichting fondsbeheer DGGF lokaal MKB holds 20.492129% of the authorized capital.

The Bank does not have an ultimate beneficial owner that controls more than 50% of the shares as at 31 December 2025 and 31 December 2024.

Legal and organizational form of the Bank.

Joint-stock company. Type: Private Joint-Stock Company.

Description of the Bank operations and core business, and specialization

During the reporting period JSCB “Lviv” operated as a universal commercial bank.

According to the Charter the main purpose of the Bank activities is earning profit by providing banking and other financial services in national and foreign currency and conducting other activities that may be allowed for banks according to the current legislation of Ukraine. If there is a license, permission or consent (agreement) of the National Bank of Ukraine, Securities and Stock Market State Commission, State Property Fund of Ukraine, or any other authorities, required for conducting activities foreseen by the Charter, the Bank conducts such activity after obtaining such licenses, permissions or consents (agreements).

The supreme governing body of the Bank is the General Meeting of Shareholders defining the mission, philosophy and strategy of the activities. Regulatory authority that supervises the activities of the Bank is the Supervisory Board. The Bank Supervisory Board represents the shareholders interests in the period between the Shareholders’ General Meetings. The Board as the executive body of the Bank is responsible for the ongoing management of its activities.

The Bank operates according to the banking license no. 54 issued by the National Bank of Ukraine on 26.10.2011, under which the Bank has a right to provide banking services, determined in the third part of Item 47 of the law of Ukraine “On Banks and Banking” notably:

- acquisition of funds and precious metals in deposits from the unrestricted circle of legal entities and individuals;
- opening and managing current (correspondent) accounts of the clients including accounts in precious metals;
- placing raised deposits, including current account funds and precious metals sui Juris, on one’s own terms and at one’s own risk.

The Bank has a right to provide its clients (except banks) with financial services including concluding agency contracts with the legal entities. The list of financial services which the Bank has a right to provide its clients (except banks) by concluding the agency contracts is established by the National Bank of Ukraine.

Except providing financial services the Bank has a right to conduct its activities concerning:

- investments;
- issue of own securities;
- storage of valuables (including accounting and storage of securities and other valuables confiscated (arrested) in favour of the state and/or recognized as ownerless) or provision of property lease (lease) of an individual bank safe;
- collection of funds and currency valuables transition;
- provision of administrator services for the issuance of bonds in accordance with the Law of Ukraine “On Capital Markets and Organized Commodity Markets”;
- provision of consulting and informational services concerning banking and other financial services.

The Bank makes direct investments and performs portfolio transactions according to the securities, investment activity legislation of Ukraine and regulatory and legal acts of the National Bank of Ukraine.

Participation in the Individuals Deposits Guarantee Fund.

The Bank is a permanent member of the Individuals Deposits Guarantee Fund since 1999:

no. in the Fund Register	Date of registration in the Fund	no. of the Fund member certificate	Certificate issue date
034	2 September 1999	031	20 August 2025

Date of financial statements approval for issue.

These annual financial statements were authorized for issue and signed by the management on 14 April 2026.

Economic environment of the Bank

The Bank is exposed to the economic and financial markets of Ukraine, which display characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in Ukraine.

On 24 February 2022, the Russian Federation invaded the territory of Ukraine. The ongoing war has led to significant civilian casualties, massive displacement of the population, damage to infrastructure, electricity outages, and overall significant disruption to economic activity in Ukraine. This had a detrimental and long-lasting impact on the political and business environment in Ukraine, including on the ability of many entities to continue business as usual. In response to the military invasion, the President of Ukraine introduced the state of martial law, which is currently extended until 4th of May 2026.

In 2024 and 2025, active hostilities remained intense, albeit concentrated in eastern and southern Ukraine, with the Autonomous Republic of Crimea and most of the Donetsk, Luhansk, Kherson and Zaporizhzhia regions still under occupation. In addition, since October 2022, the Russian Federation has launched missile and drone attacks that have affected the electricity grid as well as other critical civilian infrastructure across Ukraine.

Despite the ongoing war, the economy remains stable. During the first half of 2025, inflation rose as expected (14.3%), with a gradual decline in the fourth quarter to 8.0% on an annualized basis. The National Bank of Ukraine (hereinafter also referred to as the NBU) raised its discount rate from 13.5% to 15.5% in 2025. In January 2026, the National Bank of Ukraine decreased its discount rate to 15%. However, economic growth is expected to slow down in 2026 due to the tightening labor market, ongoing attacks by the Russian Federation on Ukraine's energy infrastructure, and the budget deficit. The forecasts are subject to significant risks, primarily due to the exceptionally high uncertainty caused by the war, possible delays or reductions in external financing, and the outcome of peace negotiations.

Since the outbreak of the war, the NBU has imposed certain administrative restrictions on foreign exchange transactions and capital movements, including restrictions on interest and dividend payments abroad.

After the invasion began, all global rating agencies downgraded Ukraine's ratings. As at 31 December 2025, the ratings are as follows:

- Fitch: Long-term issuer rating – CCC (foreign currency), CCC+ (national currency);
- Moody's: Long-term issuer rating – Ca (foreign and national currency);
- S&P: Long-term issuer rating – SD (foreign currency), CCC+ (national currency). In January S&P upgraded long-term issuer rating in foreign currency up to CCC+.

From March to December 2025, the NBU's policy rate remained unchanged at 15.5% per annum. As early as January 2026, given the sustained easing of inflationary pressures, the NBU shifted to a cycle of monetary easing, lowering the policy rate by 0.5 percentage points.

Disclosure of uncertainties of entity ability to continue as going concern

In connection with the events disclosed above, for the purposes of its going concern assessment, management has concluded that the Bank will be able to continue as a going concern based on, among other things, the considerations set out below.

The Bank's management is aware of the risks that have arisen since the outbreak of hostilities on the territory of Ukraine and may remain at the same level or increase in the context of war.

Historically, the Bank has focused on clients located mainly in the West of Ukraine - Lviv, Ivano-Frankivsk, Ternopil, Volyn and Rivne regions. There are no direct hostilities in any of these regions, but there is a possibility of missile and drone attacks.

In order to minimize the negative impact of the Russian military aggression on the Bank's operations and customer relations, taking into account the inherent concentrations in banking operations, the Bank has taken and continues to take the following measures:

- prudent lending is applied to clients in the northern border regions (short-term financing is provided subject to sufficient working capital or the availability of collateral located in other regions, etc.);
- to enhance the resilience of IT systems, cloud-based backup solutions have been implemented, and backup copies of critical IT systems have been deployed in Azure Cloud; primary and backup communication channels with the National Bank of Ukraine's main and reserve data processing centers have been established;
- all branches have been equipped with backup power generators; Starlink stations have been procured to ensure redundancy of communication channels for the primary and backup data processing centers, as well as backup connectivity for the branch network;



- to improve staff safety, evacuation plans have been developed, and supplies of food, water, and medical provisions have been secured; a backup business continuity site has been prepared in Uzhhorod, along with a corresponding recovery plan for operations at the backup location.

In 2025, the Bank did not comply with non-financial covenants under loans received from credit institutions in the amount of UAH 3,563,966 thousand. As at 31 December 2025, the Bank has obtained the necessary waivers from all creditors regarding the right to demand early repayment of loans (Note 14). In the next reporting period the Bank breached certain non-financial covenants on loans. The Bank received waivers for non-compliance with non-financial covenant from all creditors.

As of the date of approval of these financial statements, no early repayment demands have been made by creditors.

In pursuance of NBU Board Decision no. 440/rsh/BT dated 25.11.2025 On Approval of the Capitalization/Restructuring Program of Joint-Stock Company Joint-Stock Commercial Bank Lviv Based on the Results of its Sustainability Assessment, the Bank must comply with the forecast performance indicators of the Capitalization/Restructuring Program in terms of the regulatory capital adequacy ratio and tier 1 capital adequacy ratio. As at 31 December 2025, the Bank complied with the capital adequacy ratio requirements set forth in the Capitalization Program.

On 18 December 2025, the Supervisory Board approved the Bank Financial Plan for 2026 that provides for the Bank stable profitable operations.

The Bank assessments and forecasts for the coming months were based on the following assumptions:

- the macroeconomic forecast for 2026, based on the key economic and social development indicators and forecasts for Ukraine incorporated in the NBU's inflation reports and international analytical information systems covering Ukraine;
- an increase in borrowings from international financial institutions to support further growth of the loan and investment portfolios;
- improvement in the quality of the loan portfolio and continued lending to the real sector of the economy;
- improvement in operating efficiency and profitability indicators.

Management of the Bank monitors the development of the current situation in Ukraine caused by the full-scale invasion, and takes measures, if necessary, to minimize any negative consequences as much as possible and provide a full range of banking services.

The Bank operates in a context of war with an extremely high level of uncertainty. In the event of a significant escalation of hostilities, as well as a reduction, delay, or failure to provide timely external financial and military support to Ukraine, there is a risk of further damage to critical infrastructure and additional disruption to economic activity. These developments could increase the expected credit losses, worsen borrowers' solvency, intensify pressure on liquidity, increase the volatility of exchange rates and interest rates, and prolong existing or introduce additional administrative restrictions by the NBU.

As such, these events or conditions indicate that there is substantial uncertainty, which may cast significant doubt on the Bank ability to continue its operations on a continuing basis.

These financial statements have been prepared on a going concern basis and do not include any adjustments that would be required had the Bank been unable to continue as a going concern.

Basis of preparation

Compliance of financial statements with IFRS, including all previously adopted effective IFRS and interpretations

These financial statements were prepared in accordance with IFRS Accounting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Law of Ukraine “On Accounting and Financial Statements in Ukraine” no. 996-XIV dated 16 July 1999 regarding the preparation of financial statements.

The financial statements are prepared on the historical cost basis, except for the following items: financial assets measured FVTPL and FVOCI; land; buildings carried at revalued amount.

Functional currency of the Bank accounting records, and measurement financial statements units

The Bank keeps its accounting records in Ukrainian hryvnia (UAH) and defines UAH as the functional currency. Transactions in currencies other than UAH are treated as foreign currency transactions.

The financial statements are presented in UAH and all values are rounded to the nearest UAH thousands, except when otherwise indicated.

The UAH exchange rates to the main currencies used in the preparation of the financial statements are as follows:

	31 December 2024	31 December 2025
USD	42.0390	42.3878
EUR	43.9266	49.8565

Note 2. Accounting policies

1. Disclosures on Material Aspects of Accounting Policies

The accounting policies have been applied consistently to all periods presented in these financial statements.

During the preparation of the financial statements, the Bank Management adopts estimates and assumptions affecting the recognition of the amounts due in the financial statements. Such estimates and assumptions are based on the information available at the date of the financial statements preparation. Accordingly, actual results may differ from the estimates and assumptions. The estimates particularly sensitive to changes are related to provisions for impairment losses and fair value of financial instruments.

Information about judgements made in applying accounting policies that had the most significant effects on the amounts recognised in the financial statements as regards the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporating forward-looking information into measurement of expected credit losses (ECL) and selection and approval of models used to measure ECL is disclosed in the following sections of accounting policies and Note 26;

The criteria for income and losses recognition are used separately per every banking transaction. Every type of income and losses is represented in the accounting statements separately.

2. Financial assets and financial liabilities

i. Classification and measurement

Financial assets

The classification of financial instruments at initial recognition depends on their contractual terms and the business model within which these instruments are managed. Financial instruments are initially recognised at fair value, which is increased or decreased by the amount of transaction costs, except for financial assets and financial liabilities that are recorded at fair value with revaluation recognition in other comprehensive income (FVOCI) or at fair value with revaluation recognition in profit or loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt financial assets measured at FVOCI, gains and losses are recognised in other comprehensive income, except for the following, which are recognised in profit or loss in the same manner as for financial assets measured at amortised cost:

- interest income using the effective interest method;
- ECL and reversals;
- foreign exchange gains and losses.

When a debt financial asset measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

On initial recognition of an equity investment that is not held for trading, the Bank may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

Gains and losses on such equity instruments are never reclassified to profit or loss and no impairment is recognised in profit or loss. Dividends are recognised in profit or loss unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognised in other comprehensive income. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Bank will make an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Bank management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest on the outstanding part of the principal ("SPPI" criterion), the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Bank's claim to cash flows from specified assets – e.g. non-recourse asset arrangements; and
- features that modify consideration of the time value of money – e.g. periodical reset of interest rates.

In some cases, loans made by the Bank that are secured by collateral of the borrower limit the Bank's claim to cash flows of the underlying collateral (non-recourse loans). The Bank applies judgment in assessing whether the non-recourse loans meet the SPPI criterion. The Bank typically considers the following information when making this judgement:

- whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
- the fair value of the collateral relative to the amount of the secured financial asset;
- the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;
- whether the borrower is an individual or a substantive operating entity or is a special-purpose entity;
- the Bank's risk of loss on the asset relative to a full-recourse loan;
- the extent to which the collateral represents all or a substantial portion of the borrower's assets; and
- whether the Bank will benefit from any upside from the underlying assets.

Reclassification

Financial assets are not reclassified after their initial recognition, except in the period after the Bank changes its business model for managing financial assets.

Financial liabilities



The Bank classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost.

Reclassification

Financial liabilities are not reclassified after their initial recognition.

ii. Derecognition

Financial assets

The Bank derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Bank neither transfers nor retains substantially all of the risks and rewards of ownership but ceases to control the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

The Bank may enter transactions whereby it transfers assets recognised on its consolidated statement of financial position but retains either all or practically all risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognized. Examples of such operations are sales and repurchase transactions.

In transactions in which the Bank neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Bank continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In individual transactions, the Bank retains a commitment to service the transferred financial asset for a commission fee. The Bank derecognises the transferred asset if it meets the criteria for derecognition. An asset or liability is recognized for the purpose of servicing the contract if the service fee is more than adequate (asset) or less than adequate (obligation) for servicing.

Financial liabilities

The Bank derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Any accumulated gain/loss recognised in other comprehensive income on financial liabilities classified at the discretion of the Bank in the fair value measurement category, with the result of the revaluation reflected in profit or loss, shall not be reclassified to net profit or loss when such financial liabilities are derecognised.

Modification of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Bank evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different (referred to as 'substantial modification'), then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

The Bank performs a quantitative and qualitative evaluation of whether the modification is substantial, i.e. whether the cash flows of the original financial asset and the modified or replaced financial asset are substantially different. The Bank performs a quantitative and qualitative evaluation of whether the modification is substantial considering qualitative factors, quantitative factors and combined effect of qualitative and quantitative factors. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset deemed to have expired.

The Bank concludes that the modification is substantial as a result of the following qualitative factors:

- change the currency of the financial asset;
- change in collateral or other credit enhancement;
- change of terms of financial asset that lead to non-compliance with the SPPI criterion.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Bank plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers

whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases. The Bank further performs qualitative evaluation of whether the modification is substantial.

If the modification of a financial asset measured at amortized cost does not result in derecognition of the financial asset, then the Bank first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognizes the resulting adjustment as a modification gain or loss in profit or loss. Any costs or fees incurred, and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest method.

For fixed-rate loans, where the borrower has an option to prepay the loan at par without significant penalty, the Bank treats the modification of an interest rate to a current market rate using the guidance on floating-rate financial instruments. This means that the effective interest rate is adjusted prospectively.

Financial liabilities

The Bank derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and new financial liability with modified terms is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

The Bank performs a quantitative and qualitative evaluation of whether the modification is substantial considering qualitative factors, quantitative factors and combined effect of qualitative and quantitative factors. The Bank concludes that the modification is substantial as a result of the following qualitative factors:

- change the currency of the financial liability;
- change in collateral or other credit enhancement;
- inclusion of conversion option;
- change in the subordination of the financial liability.

For the quantitative assessment the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability.

If the modification of financial liability is not accounted for as derecognition, the amortized cost of the liability is recalculated by discounting the modified cash flows using the original effective interest rate, and the resulting gain or loss is recognized in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

Impairment

The Bank recognises loss provision for expected credit losses (ECL) on the following financial instruments that are not measured at fair value through profit or loss:

- financial guarantee contracts issued; and
- loan commitments issued.

No impairment loss is recognised on equity investments.

The Bank measures loss provisions at a 12 month ECL and at an amount equal to lifetime ECL.

The Bank considers a debt investment security has a low credit risk when its credit rating is equivalent to the globally understood definition of 'investment quality'. The Bank does not apply the low credit risk exemption to any other financial instruments.

12-month ECL are the portion of ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognized are referred to as 'Stage 1' financial instruments.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of the financial instrument.

Measurement of expected credit losses



ECLs are estimated credit losses weighted by the degree of probability of default. They are measured as follows:

- *financial assets that are not credit-impaired at the reporting date*: the present value of all cash shortfalls – i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank expects to receive;
- *undrawn loan commitments*: as the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and
- *financial guarantee contracts*: the present value of the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

Generating the term structure of PD

Credit risk stages are used as a primary input into the determination of the term structure of PD for exposures. The Bank collects performance and default information about its credit risk exposures analysed by type and borrower and by credit risk grading (individual or collective)

The Bank employs statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

The default probability (PD) for loans valued by portfolio migration matrix method determined using information on past due payments based on historical data. The statistics are analysed for a period depending on the lending program, but not less than for three years.

To determine the 12-month PD indicator, the share of customers who default (90+) on the horizon of the last year is calculated. To determine the lifetime PD, the share of customers who default (90+) during the entire life of the loan is calculated, i.e. in accordance with the expected lifetime determined for each lending program.

The resulting PD values for each group of loans reflecting the past events are used in determining the default probability indicator based on historical macroeconomic data, current and macroeconomic forecasts. Based on the above data, statistical significance of macroeconomic indicators on Probability of Default (PD) is determined using regression models, namely, the ridge regression.

The calculated PDs are applied depending on the Stages of the loans:

- 12-month PD for the loans at Stage 1,
- lifetime PD for the loans at Stage 2,
- 100% for the loans at Stage 3.

Determining whether credit risk has increased significantly

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Bank historical experience and expert credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

The Bank assesses whether credit risk has increased significantly since initial recognition at each reporting period. Determining whether an increase in credit risk is significant depends on the characteristics of the financial instrument and the borrower. What is considered significant will differ for different types of lending, specifically between corporate and retail.

As a general indicator, credit risk of a particular exposure of a legal entity, individual or individual entrepreneur (whose ratings are assessed individually) is deemed to have increased significantly since initial recognition if, based on the Bank's quantitative modelling:

- it was established that the credit rating after its initial recognition worsened by 3 or more borrower's classes indicating that the financial condition of a particular borrower has deteriorated;
- payments overdue more than 30 days.

As a general indicator, credit risk of assets group assessed on portfolio basis is deemed to have increased significantly since initial recognition if, based on the Bank's quantitative modelling:

- it was established that based on the statistical data, a significant increase in the credit risk is observed for the loans with overdue payments for more than 30 days;

Credit risk can also be considered as having experienced significant increase since its initial recognition based on qualitative factors related to the Bank's credit risk management processes that cannot be fully and timely reported in the quantitative analysis. This will be the case for exposures that meet certain heightened risk criteria. Such qualitative factors are based on its expert judgement and relevant historical experience.

The Bank monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes 30 days past due;
- the average time between the identification of a significant increase in credit risk and default appears reasonable;
- exposures are not generally transferred directly from 12-month ECL measurement to credit-impaired;

Definition of default

The Bank considers a financial asset to be in default when:

- its clients have a default rating;
- the debt related to the financial assets for any products of the Bank are overdue by more than 90 days.

In assessing whether a borrower is in default, the Bank considers indicators that are:

- qualitative: there are signs implying a high credit risk and default of the debtor, initiation of a bankruptcy case or the bankruptcy of the borrower;
- quantitative: determining the maximum days of delay the client has taking into account all his contracts.
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Incorporating of forward-looking information

Under IFRS 9, the Bank will incorporate forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since initial recognition and its measurement of ECLs.

The Bank formulates three economic scenarios: the baseline scenario, in which the median probability is 80%, and two less likely scenarios, optimistic and pessimistic, in which the probability is set at 10%. The Bank takes into account the external information, which includes economic data and forecasts, approved by the IMF as well as the National Bank of Ukraine and published by state authorities on their official sites and available on the Internet resources.

The Bank has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relations between macro-economic variables and credit risk and credit losses.

Measurement of expected credit losses

The key inputs for loans to the borrowers, assessed individually, that is, for each client, the ECL provision are estimated based on:

- probability of default (PD), determined based on migration matrix using the information about the overdue payments based on the statistical data of the past periods (estimation of the PDs is discussed above under the heading "Generating the term structure of PD");
- loss given default (LGD) that allows for the cash flows that may be received from collateral, using liquidity ratios for each type of security;
- macro factor (FLI) (macroeconomic forecast coefficient) - assessment of the forecast information is discussed above under the heading «Incorporating of forward-looking information»;
- (EAD) - exposure at the time of default, default risk at the reporting date, which exceeds 2025: UAH 5,000 thousand per borrower (2024: UAH 2,000 thousand per borrower)
- Individual assessment of SICR is based on the client individual rating.

ECLs are calculated by multiplying the PD, LGD and EAD.

The key inputs for loans assessed on the portfolio basis, that is, the ECL provision are estimated based on:

- probability of default (PD), determined based on migration matrix using the information about the overdue payments based on the statistical data of the past periods (estimation of the PDs is discussed above under the heading “Generating the term structure of PD”);
- loss given default (LGD) - the indicator taking into consideration the statistics on the debt repayment;
- macro factor (FLI) (macroeconomic forecast coefficient) - assessment of the forecast information is discussed above under the heading “Incorporating of forward-looking information”;
- EAD - loan debt subject to default risk at the reporting date.

The ECLs for positions exposed to credit risk in Stage 1 are calculated by multiplying the 12-month PD, taking into account the LGD discount factor determined taking into account the time of repayment, and the EAD. ECL for the lifetime of a financial instrument is calculated by multiplying the PD for the lifetime of the financial instrument, considering the discount rate, by the LGD determined based on the repayment period and the EAD.

The Bank estimates LGDs based on information on repayment of loans over 90 days. The lifetime LGD estimate model includes loans overdue over 90 days before past due, which is equal to the lifetime of the loan, that is, according to the expected lifetime defined for each lending program and analyses their status after 3 years. The debt repayment amount are estimated by discounting the cash flows using the effective interest rate.

Credit losses are determined by considering the value of money in time by discounting the amount of losses by the reporting date using the rate close to the effective one. For fixed interest rate loans the effective rate and its approximate value are calculated for the initial recognition of the asset. For revolving loans the Bank determines the effective interest rate by modelling the conditions of use and gradual repayment of the loan. The discount term is determined by statistical analysis of the defaults “maturing”.

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EAD is potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For financial guarantees, the EAD represents the guarantee exposure when the financial guarantee becomes payable.

For renewable credit lines that include both loan and undrawn commitment component, the Bank measures ECLs for the off-balance sheet commitments considering the credit risk management efforts that the Bank expects to undertake, and which are used to mitigate the ECL consequences. The Bank manages used and unused contractual obligations for future operations related to all the cards together as one mechanism. These credit facilities do not have a fixed term and are managed on a collective basis. The Bank can cancel the unused commitments or lower the limits, but this right is not enforced in the regular day-to-day management, but only when the Bank becomes aware of an increase in credit risk at the facility level. The Bank uses the behavioral characteristics of the cards for the share of used limits set for the card and for the share of cards without movement, the defaults maturing period and the share of cards which credit limit got cancelled on the first day as the debt became overdue. For the expected additional amounts used the Bank uses a credit conversion rate, which is an estimate of the share of the unused part of the commitment at the reporting date that will be used by the customer till its default.

Classification of provision for ECLs in the statement of financial position

Loss provisions for ECL are presented in the statement of financial position as follows:

- *financial assets measured at amortised cost*: as a deduction from the gross carrying amount of these assets;
- *loan commitments and financial guarantee contracts*: generally, as a provision;
- if the financial instrument contains both a claimed and an unclaimed component, and the Bank is unable to determine the expected credit losses on the assumed loan obligation separately from the expected credit losses on the already claimed part: The Bank presents an aggregate loss provision for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss provision over the gross amount of the drawn component is presented as a provision; and
- *debt instruments measured at FVOCI*: no provision for expected credit losses is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss provision is disclosed and is recognised in the fair value reserve.

Write-offs

Loans and debt securities are written off when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Bank determines that the borrower does not have assets or

sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment takes place at the level of an individual asset.

Recoveries of amounts previously written off are included in “Impairment losses on financial instruments” in the statement of profit or loss and other comprehensive income.

However, financial assets that are written off could still be subject to enforcement activities.

Measurement of impairment losses

Impairment losses on assets measured at amortised cost were calculated as the difference between the carrying amount and the present value of estimated future cash flows discounted at the asset’s original effective interest rate.

Reversal of impairment loss

Assets measured at amortised cost; if an event occurring after the impairment was recognised caused the amount of impairment loss to decrease, then the decrease in impairment loss was reversed through profit or loss.

Presentation

Impairment losses were recognised in profit or loss and reflected in an provision account against loans and advances to customers. Interest on the impaired assets is recognized through the unwinding of the discount.

3. Cash and cash equivalents.

Cash and cash equivalents are assets that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Cash and cash equivalents include unrestricted balances with the NBU and all interbank placements with original maturities of less than three months. Funds restricted for a period of more than three months on origination are excluded from cash and cash equivalents.

Cash and cash equivalents are measured at amortized cost.

4. Loans and advances to banks

Other balances due from other banks are accounted for when the Bank provides counterparty banks with cash that is due and payable on a specified date. At the same time, the Bank does not intend to carry out trading operations with the resulting debt. Such debt is not related to derivative financial instruments and has no market quotations. Loans and other bank balances are accounted for at amortized cost using the effective interest method.

5. Loans and debts of customers.

Loans and advances to customers are accounted for when the Bank provides funds to customers in the form of payments due on a specified or agreed date that the Bank expects to hold until the final repayment date.

Loans and advances to customers are accounted for at amortised cost using the effective interest method.

Interest income and expense on loans and advances to customers from customers are recognised in accounting taking into account impairment assessed using the effective interest method. The effective interest rate is calculated taking into account all cash flows under the financial instrument in accordance with the terms of the underlying contract, including all commissions and other amounts paid or received, which are an integral part of income (expenses) under respective financial instrument. If it is not practicable to reliably estimate the cash flows or the expected life of the financial instrument, the Bank uses the cash flows provided for in relevant contract during the term of the contract.

They are accrued proportionally to the time (number of days) and amount of the asset or liability according to the actual/actual method, so that the actual number of days in a month and a year is used for calculation purposes.

The item “Loans and advances to customers” in the statement of financial position includes:

- deposit certificates issued to customers and measured at amortised cost; they are initially measured at fair value plus direct transaction costs, and subsequently at their amortised cost using the effective interest method;
- loans issued to customers that are mandatorily measured at fair value through gain or loss due to non-compliance with the SPPI criterion. They are measured at fair value, changes in which are immediately recognised in profit or loss.

6. Investments in securities

This line item includes investment securities classified by the Bank based on its business model and the contractual cash flow characteristics. As at the end of the reporting period, the Bank included in this line item debt securities issued by

foreign governments, domestic government bonds of Ukraine, and deposit certificates of the National Bank of Ukraine measured at amortised cost. The Bank recognises NBU deposit certificates as instruments of its investment policy used to generate income from the placement of temporarily free funds.

For the purposes of presenting the statement of cash flows, cash flows from deposit certificates are classified as components of operating activity.

7. Fixed assets

Fixed assets (including equipment under operating leases where the Bank is the lessor) are stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates.

Before preparing the annual financial statements, to make a decision on the revaluation of the “real property” of the Bank, the professional judgment of internal appraisers who have tested the compliance with the fair value is analysed, and the differences between the fair value of the PPE items according to internal appraisers and their carrying values are calculated. The calculated difference for each item of the group is analysed for the materiality of the impact on the Bank financial statements.

Professional judgment is considered by the Management Board of the Bank and, depending on the amount of any difference between the fair (market) value of a PPE item and its carrying value, a decision is made on the expediency of revaluation. In case of a significant difference (> 10%), a decision is made to conduct an assessment by independent professional appraisers, and revaluation is carried out based on their conclusions.

If the difference is less than 10%, no revaluation is carried out before the preparation of the annual financial statements.

Upon receipt of valuation reports from independent appraisers, the Settlements Department reflects the revaluation of property, plant and equipment on the accounts.

Depreciation is calculated on a straight-line basis to write down the cost of property, plant and equipment to their residual values over their estimated useful lives. Land is not depreciated. The estimated useful lives are as follows:

- Constructions 50 – 200 years
- Vehicles 10 years
- Furniture and equipment 4 – 15 years.

Fixed assets are derecognized on disposal or when no future economic benefits are expected from its use. Income or expense arising from the derecognition of an asset (calculated as the difference between net sales and the carrying amount of the asset) is recognised in the income statement for the year in which derecognition. under the item “Other income”.

The Bank does not transfer revaluation surplus to retained earnings during the asset's useful life. Revaluation surplus is transferred directly to retained earnings upon the disposal of the revalued asset.

8. Intangible assets

The Bank`s intangible assets include the value of computer software.

An intangible asset is recognized only when its historical cost can be measured reliably, and it is highly probable that the expected future economic benefits that are attributable to it will flow to the Bank.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carrying at cost less any accumulated amortization and any accumulated impairment losses.

Intangible assets are amortized over the useful economic life. The amortization period and the amortization method for intangible assets are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and treated as changes in the accounting estimates. The amortization expense on intangible assets is recognized in the income statement in the expense category consistent with the function of the intangible asset.

Amortization is calculated using a straight-line method of intangible assets' depreciation to their residual value throughout the period of their useful lives:

- Computer software 2 – 10 years;
- Licenses up to 10 years.

9. Leases

At inception of a contract, the Bank assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To

assess whether a contract conveys the right to control the use of an identified asset, the Bank uses the definition of a lease in IFRS 16.

Bank as a lessee

At commencement or on modification of a contract that contains a lease component, the Bank allocates the consideration in the contract to each lease component based on its relative stand-alone price. However, for leases of property the Bank has elected not to separate non-lease components and account for the lease and associated non-lease components as a single lease component.

The Bank recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Bank by the end of the lease term or the cost of the right-of-use asset reflects that the Bank will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date;
- amounts expected to be paid by the lessee under the residual value guarantee;
- the exercise price under a purchase option that the Bank is reasonably certain to exercise, lease payments in an optional renewal period if the Bank is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Bank is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Bank's estimate of the amount expected to be payable under a residual value guarantee, if the Bank changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Bank presents the right-of-use assets that do not meet the definition of investment property under "Property, plant and equipment" caption, and recognised lease liabilities under "other financial liabilities" caption of the statement of financial position.

The Bank has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Bank recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At commencement or on modification of a contract that contains a lease component, the Bank allocates the consideration in the contract to each lease component based on its relative stand-alone price.

The Bank, as a lessor, continues to classify each lease as a finance lease or an operating lease.

To classify each lease, the Bank makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Bank considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

When the Bank is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Bank applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Bank applies IFRS 15 to allocate the consideration in the contract.

The Bank applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Bank further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Bank recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

10. Assets held for sale and disposal groups

Non-current assets held for sale are recognized if their carrying amount (balance-sheet value) is repaid by the sales operations rather than by current usage. To be classified as assets held for sale, the following conditions shall be met as of the date when the decision is made: the assets are in a condition that allows for immediate sale, and there is a high probability that they will be sold within one year of the date of the classification.

The Bank recognises the impairment losses in case of the non-current assets fair value decrease less expenses on sale; in case of non-current assets fair value increase less expenses on sale, the income is recognised but only in the amount which is not higher than earlier accumulated impairment losses.

non-current assets held by the Bank for sale are measured and accounted for at the lower of two valuations: carrying amount or fair value less costs to sell. The depreciation and amortisation of non-current assets held for sale is not accrued.

11. Depreciation and amortization

The value of all non-current (tangible and intangible) assets is subject to depreciation and amortization (excluding cost of land, capital investments in progress, non-current assets held for sale).

Depreciation of fixed assets, amortization of intangible assets and costs of leasehold improvements are charged using the straight-line method, i.e. by even writing-off of initial or revalued cost of fixed and intangible assets to their residual values over the established useful lives of the respective assets, based on the classification of non-current assets by groups and useful lives.

The residual value of an asset is the estimated amount that the Bank would have received due to disposal of the asset, less the estimated costs of disposal.

The residual value of non-current assets (fixed assets and low value non-current tangible assets) and intangible assets on the Bank balance sheet is set at zero cost, since the Bank intends to use the assets until the end of their useful lives.

Assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

12. Derivative financial instruments

Derivative financial instruments, including currency swaps are carrying at their fair value.

In the normal course of business, the Bank enters into various derivative financial instruments including forwards in the foreign exchange and securities markets and foreign currency swaps. Such financial instruments are held for trading and recorded at fair value. The fair values are estimated based on quoted market prices or pricing models that take into account the current market and contractual prices of the underlying instruments and other factors. Derivatives with a positive fair value are recorded in assets and those with a negative fair value in liabilities. Gains and losses on these instruments are included in profit or loss as net gains on foreign exchange transactions, depending on the nature of the instruments. Derivatives may be embedded in other contractual relationships (the "master contract"). The Bank recognises an embedded derivative separately from the underlying contract when:

- the host contract is not an asset within the scope of IFRS 9.
- The main contract itself does not qualify for fair value measurement through profit or loss.
- The terms of the embedded derivative would be met the definitions of a derivative if they were contained in a separate contract;
- The economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the underlying contract.

Separable embedded derivatives are measured at fair value, all changes of which are recognised in profit or loss, unless they are part of a qualifying hedging relationship in a cash flow hedge or net investment.

Derivatives used by the Bank are not designated for hedging and are not qualified for hedge accounting.

13. Borrowings

Borrowings are the deposits of legal entities and private individuals in national and foreign currencies.

Financial liabilities for borrowings are initially recognized based on the contract which determines the amount and maturity of liabilities. An obligatory condition for recognition is a proof that the Bank is a party to the contract under a financial instrument and has a legal repayment obligation.

Borrowings are initially recognized by the Bank at fair value including the expenses on a transaction. After the initial recognition the loans received as well as deposits are estimated at the amortized cost using the effective interest rate.

Income and expenses from borrowings are recognized by the accrual principle using the effective interest rate method.

Financial liabilities at fair value through profit or loss

The Bank has no financial liabilities at fair value through profit or loss.

14. Provisions for liabilities

A financial guarantee agreement is an agreement that obliges the Bank to make certain payments to the holder of the guarantee to compensate for the loss incurred by the latter due to the fact that the debtor specified in the agreement was unable to make the payment within the time limits established by the terms of the debt instrument. A loan obligation is a firm commitment to provide credit on pre-agreed terms and within a specified time frame.

Financial guarantees issued or commitments to extend loans at a rate below the market rate are initially measured at fair value. They are subsequently measured at the greater of the loss allowance determined in accordance with IFRS 9 or the initially recognised amount less the accumulated amount of revenue recognised in accordance with the principles of IFRS 15.

The Bank did not issue commitments for loans assessed under FVTPL.

For other loan commitments, the Bank recognises a provision for losses.

Liabilities recognised in respect of financial guarantees issued and loan commitments issued are included in provisions for liabilities.

15. Subordinated debt.

Subordinated debt is long-term funds, which, in the case of liquidation of the Bank, will be repaid after meeting the claims of all other creditors. Subordinated debt is accounted for at amortized cost.

16. Income tax.

(i) Current Taxes

Tax assets and current tax liabilities for current and prior periods are measured as the expected amount to be recovered by the tax authorities or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

Income tax rate established by the legislation of Ukraine amounted to 25% in the reporting period (2024: 50%).

(ii) Deferred taxes

Deferred tax is recognised at the date of the statement of financial position in respect of temporary differences between the taxable base of assets and liabilities and their carrying amount for the purpose of preparing financial statements. A deferred tax liability is recognised in respect of all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each statement of financial position date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are determined at the tax rates that will apply during the period of the asset's realisation or liability settlement based on the tax rates (and tax laws) that have been adopted or actually accepted as of the date of the statement of financial position.

Current tax and deferred tax related to items recognised directly in equity are recognised in equity rather than in the income statement.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and current tax liabilities, and the deferred taxes relate to the same taxpayer and tax authority.

17. Share capital and share premium

Share capital is a sum of cash payments for the Bank shares made by its shareholders. Issue differences are the excess of the contributions over the par value of the issued shares. Profits or losses for the reporting year are distributed subject to the decisions of the General Meeting of Shareholders.

18. Dividends

Dividends on ordinary shares are recognised as liabilities and deducted from equity after they are approved by the Bank shareholders. Interim dividends are deducted from equity after they have been declared and become mandatory for payment by the Bank. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after the statement of financial position date.

19. Income and expense recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(i) Interest income and expenses

Effective interest rate

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset;
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument but not expected credit losses. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes the costs of transactions, as well as the remuneration and amounts paid or received, which are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

(ii) Commission income

Commission income and expenses that are an integral part of the effective interest rate on a financial asset or financial liability are included in the calculation of the effective interest rate.

Other commission income is recognized as the related services are provided. If there is no high probability that a loan will be issued to the borrower as part of the loan obligation, the loan commission payments are recognised evenly over the life of the loan obligation.

(iii) Net income from trading operations

Financial results derived from trading operations include all income and expenses from changes in fair value, related income or expenses and dividends on financial assets and financial liabilities held for trading.

20. Foreign currency translation

Transactions in foreign currencies are initially recorded at the functional currency rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated into functional currency at the exchange rate in effect at the date of the statement of financial position. All differences arising from non-trading activities are accounted for under "Other operating income" in the income statement.

Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

21. Assets under trust management

The Bank provides trust asset management services at the expense of construction financing funds. The Bank acts as an agent under such agreements. Accordingly, the Bank has no obligations regarding funds in trust. The funds have current accounts with the Bank on which cash is deposited not yet invested into assets that meet certain fund investment program.

22. Employee benefits and related charges

Wages, salaries, contributions to state social funds, paid annual leave, payment of medical certificate, bonuses and non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

The Bank under the laws of Ukraine shall make the Single Social Contribution to the national Pension Fund. Contributions made to the Pension Fund are expensed as incurred. Costs of provisioning for payment of vacations and premiums are recognized as a part of staff costs.

The Bank has no other obligations for post-retirement benefits or other significant compensated benefits requiring accrual.

23. Related party transactions.

The agreements concluded by the Bank with related entities may not provide more favourable conditions than those concluded with other persons.

Transactions with related parties are recorded in accordance with the same principles and rules that are established for accounting for other similar transactions not with related parties carried out by the Bank.

Provisions for possible risks for active transactions with related parties are formed in accordance with the generally established procedure, reflecting the amounts of reserves in the Bank expenses.

24. Accounting for unregistered authorized capital

Contributions to authorized capital awaiting state registration are recognized in equity as a separate line item - "Unregistered authorized capital" - if there is a commitment by the founders to contribute the relevant funds or property in accordance with the decision of the authorized governing body.

Such contributions are recognized when the liability is incurred and measured at the fair value of the assets to be contributed. Upon completion of the legal procedure for registration of capital, the respective amounts are reclassified to authorized capital.

The notes to the financial statements disclose information about the amount of unregistered capital, the expected timing of its registration, and the risks associated with its contribution.

25. Share-based payments

The Bank applies the requirements of IFRS 2 "Share-based Payment" (IFRS 2) to account for transactions in which employees, management or other counterparties receive share options, company shares or other equity instruments as consideration for performance of work or provision of services.

If the Bank undertakes to make a cash payment, the amount of the obligation is recognized in the statements as a liability, and the expenses are included in the expenses of the reporting period. The amount of the obligation is reviewed at each reporting date until the final settlement.

In the case of payments that are made partly in the form of equity instruments and partly in cash, the Bank recognizes both components separately according to their nature.

The Bank discloses in the notes to the financial statements information about the terms of share-based programs, the number of options granted/exercised, methods for estimating fair value, key valuation assumptions, and the impact of such payments on financial results and equity.



Note 3. New and revised standards

The standards and interpretations that are issued, but not yet effective, up to the date for annual periods beginning after 1 January 2025 are disclosed below:

- Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7;
- Annual Improvements to IFRS Accounting Standards – Volume 11;
- IFRS 18 “Presentation and Disclosure in Financial Statements”;
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”;
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28;
- Financial Reporting in Hyperinflationary Economies – Translation into the Presentation Currency in Hyperinflationary Conditions – Amendments to IAS 21, IFRS 19, and IAS 29.

Except for IFRS 18, the Bank does not expect these standards and amendments will have a significant impact on these financial statements.

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.
- Enhanced guidance is provided on how to group information in the financial statements.

The Bank is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Bank's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Bank is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'Other'.

Note 4. Cash and cash equivalents

Table 1. Cash and cash equivalents

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	Cash on hand	277,673	339,992
2	Cash balances on the correspondent account with the NBU	497,415	450,005
3	Correspondent accounts with banks from:	693,325	538,534
3.1	Ukraine	36,265	11,146
3.2	other country	657,060	527,388
4	Cash reserves for which there is no evidence	(721)	(570)
4	Total cash and cash equivalents	1,467,692	1,327,961

The credit quality of the funds placed in correspondent accounts with banks, determined on the basis of Moody's rating, is as follows:

(thousand UAH)

Loan quality category (debtor class)	31 December 2025	31 December 2024
Rating A1 – A3	610,734	492,558
Rating B1 – B3	46,326	34,830
Rating Caa1 – C	36,296	11,151
Unrated	-	-
Cash equivalents on correspondent accounts with banks gross of provisions	693,356	538,539
Provision for expected credit losses expected within 12 months	(31)	(5)
Total cash equivalents on correspondent accounts with banks net of provisions	693,325	538,534

Cash deposited in correspondent accounts with banks is classified as Stage 1 – for which a provision is recognised for expected credit losses that are expected within 12 months and do not show signs of impairment.

The National Bank of Ukraine determines the procedure for the formation and establishes requirements for the storage of required reserves, which banks must comply with.

In accordance with the requirements of the NBU, the amount of the required reserve is calculated as a percentage of certain liabilities of the Bank for the previous reserve period and must be kept in a current account with the NBU.

As at 31 December 2025 and 2024, the required reserve funds are fully included in cash and cash equivalents, as there are no restrictions on their use.

The bank complied with the required reserve requirements as of 31 December 2025 and 2024.

Note 5. Loans and advances to banks

Table 1. Loans and advances to banks

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	Deposits with other banks	152,832	558,821
1.1	short-term deposits	-	409,426
1.2	long-term deposits	152,832	149,395
2	Purchase and reverse repurchase agreements made with other banks	-	-
3	Loans to other banks	-	-
4	Provision for impairment of due from banks	(2,125)	(3,585)
5	Total bank balances less reserves	150,707	555,236

From line 1 - "Deposits with other banks":

(thousand UAH)

	31 December 2025	31 December 2024
Balances of guarantee deposits under card-based payments	152,832	149,395
Funds placed with the National Bank of Ukraine as collateral for refinancing loans received	-	409,426
	152,832	558,821

As at 31 December 2025 and 2024, other balances of banks were neither impaired nor past due and were classified as Stage 1 credit risk.

As at 31 December 2025 and 31 December 2024, the credit quality of funds placed as security deposits for card settlements, determined on the basis of the rating agency Moody's, is rated Caa1-C.

Table 2. Analysis of credit quality of bank balances as at 31 December 2025

(thousand UAH)

Line	Item	Deposits	Reverse purchase/repurchase contracts with other banks	Loans	Total
1	2	3	4	5	6
1	Neither overdue nor impaired	152,832	-	-	152,832
2	Bank balances, gross of provisions	152,832	-	-	152,832
3	Provision for impairment of due from banks	(2,125)	-	-	(2,125)
4	Total bank balances, net of provisions	150,707	-	-	150,707



Table 3. Analysis of credit quality of bank balances as at 31 December 2024

(thousand UAH)

Line	Item	Deposits	Reverse purchase/ repurchase contracts with other banks	Loans	Total
1	2	3	4	5	6
1	Neither overdue nor impaired	558,821	-	-	558,821
2	Bank balances balances, gross of provisions	558,821	-	-	558,821
3	Provision for impairment of due from banks	(3,585)	-	-	(3,585)
4	Total bank balances, net of provisions	555,236	-	-	555,236

Table 4. Analysis of movements in provision for impairment of bank balances

(thousand UAH)

Line	Movements in provisions	31 December 2025		31 December 2024	
		Due from other banks	Reverse Repo Agreements	Due from other banks	Reverse Repo Agreements
1	2	3	4	5	6
1	Provision for impairment at the beginning of the period	(3,585)	-	(2,982)	-
2	Increase/(decrease) of impairment provision during the period	1,460	-	(597)	-
3	Bad debts written off against provision	-	-	-	-
4	Reversal of bad debts previously written off	-	-	-	-
5	Reclassification to disposal group assets	-	-	-	-
6	Disposal of subsidiaries	-	-	-	-
7	Impact of translation to reporting currency	-	-	(6)	-
8	Provision for impairment at the end of the period	(2,125)	-	(3,585)	-

Note 6. Loans and advances to customers

Table 1. Loans and advances to customers

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	Loans to corporate customers	9,321,890	7,227,292
2	Loans granted to individual entrepreneurs	1,741,506	1,615,497
3	Mortgage loans to individuals	25,600	33,535
4	Consumer loans to individuals	85,942	131,556
5	Other loans to individuals	2,917	2,291
6	Expected credit losses on loans	(124,657)	(136,175)
7	Total loans net of provisions	11,053,198	8,873,996

Table 2. Analysis of changes in the gross carrying value of loans as at 31 December 2025

(thousand UAH)

Line	Carrying value movement	Stage 1	Stage 2	Stage 3	Acquired (created) impaired assets	Total
1	2	3	4	5	6	7
1	Balance at the beginning of the period	8,110,207	745,078	119,146	35,740	9,010,171
2	Increase related to the issuance of loans during the year	5,314,663	-	-	647	5,315,310
3	Decrease related to loan repayment during the year	(3,184,008)	(269,011)	(38,217)	(10,798)	(3,502,034)
4	Other changes in gross book value	200,192	5,688	1,803	552	208,235
5	Write-off at the expense of reserves	(78)	(390)	(18,265)	-	(18,733)
6	Impact of changes in exchange rates	146,127	17,979	88	712	164,906
7	Transfer to stages:	(131,466)	101,933	27,831	1,702	-
7.1	from stage 1	(520,327)	490,623	29,537	167	-
7.2	from stage 2	385,446	(410,375)	23,958	971	-
7.3	from stage 3	3,415	21,685	(25,664)	564	-
11	Balance at the end of the period	10,455,637	601,277	92,386	28,555	11,177,855

Table 3. Analysis of changes in loan loss provisions as at 31 December 2025

(thousand UAH)

Line	Item	Stage 1 – credit losses are expected within 12 months	Stage 2 – expected credit losses over the life of the credit instrument for loans that have not been impaired	Stage 3 – credit losses are expected over the life of the loan, impaired loans	Acquired (created) impaired assets	Total
1	2	3	4	5	6	7
1	Balance at the beginning of the period	43,327	47,724	42,808	2,316	136,175
2	Increase due to issue of loans during the year	34,524	-	-	308	34,832
3	Decrease due to repayment of loans during the year	(7,883)	(4,347)	(11,932)	(5)	(24,167)
4	Net change in the level of ECLs	(42,800)	17,746	23,420	(2,371)	(4,005)
5	Amounts written off against provisions	(78)	(390)	(18,265)	-	(18,733)
6	Effect of changes in foreign exchange rates	331	166	38	20	555
7	Transfer to stages:	16,237	(19,615)	2,738	640	-
7.1	from Stage 1	(14,074)	11,689	2,374	11	-
7.2	from Stage 2	28,285	(32,425)	3,824	316	-
7.3	from Stage 3	2,026	1,121	(3,460)	313	-
8	Balance at the end of the period	43,658	41,284	38,807	908	124,657

**Table 4. Analysis of changes in the carrying value of loans as at 31 December 2024**

(thousand UAH)

Line	Item	Stage 1 – credit losses are expected within 12 months	Stage 2 – expected credit losses over the life of the credit instrument for loans that have not been impaired	Stage 3 – credit losses are expected over the life of the loan, impaired loans	Acquired (created) impaired assets	Total
1	2	3	4	5	6	7
1	Balance at the beginning of the period	6,192,587	551,005	173,067	19,371	6,936,030
2	Increase related to the issuance of loans during the year	4,724,104	-	-	13,678	4,737,782
3	Decrease related to loan repayment during the year	(2,535,153)	(360,125)	(71,527)	(2)	(2,966,807)
4	Other changes in gross book value	195,600	3,582	2,318	(6,926)	194,574
5	Write-off at the expense of reserves	(162)	(2,306)	(19,222)	-	(21,690)
6	Impact of changes in exchange rates	111,533	15,143	2,488	1,118	130,282
7	Transfer to stages:	(578,303)	537,780	32,022	8,501	-
7.1	from Stage 1	(732,653)	703,019	29,634	-	-
7.2	from Stage 2	148,778	(168,827)	20,049	-	-
7.3	from Stage 3	5,572	3,588	(17,661)	8,501	-
8	Balance at the end of the period	8,110,206	745,079	119,146	35,740	9,010,171

Table 5. Analysis of changes in expected credit losses on loans by stages for 2024

(thousand UAH)

Line	Item	Stage 1 – credit losses are expected within 12 months	Stage 2 – expected credit losses over the life of the credit instrument for loans that have not been impaired	Stage 3 – credit losses are expected over the life of the loan, impaired loans	Acquired (created) impaired assets	Total
1	2	3	4	5	6	7
1	Balance at the beginning of the period	51,103	30,528	59,399	4	141,034
2	Increase due to issue of loans during the year	19,805	-	-	-	19,805
3	Decrease due to repayment of loans during the year	(18,857)	(5,872)	(14,203)	-	(38,932)
4	Net change in the level of ECLs	(16,667)	34,008	15,826	2,312	35,479
5	Amounts written off against provisions	(6)	(2,306)	(19,379)	-	(21,691)
6	Effect of changes in foreign exchange rates	257	94	129	-	480
7	Transfer to stages:	7,691	(8,728)	1,037	-	-
7.1	from Stage 1	(2,604)	1,311	1,293	-	-
7.2	from Stage 2	8,493	(12,930)	4,437	-	-
7.3	from Stage 3	1,802	2,891	(4,693)	-	-
8	Balance at the end of the period	43,326	47,724	42,809	2,316	136,175

Table 6. Analysis of movements in expected credit losses on loans by types as at 31 December 2025
(thousand UAH)

Line	Movements in provisions	Loans to corporate customers	Loans to individuals-entrepreneurs	Mortgage loans to individuals	Consumer loans to individuals	Other loans to individuals	Total
1	2	3	4	5	6	7	8
1	Balance at the beginning of the period	(69,968)	(41,167)	(2,332)	(22,599)	(109)	(136,175)
2	(Increase)/decrease of the provision for impairment during the period	(10,773)	221	330	4,442	(878)	(6,658)
3	Bad debts written off against provision	3,076	5,388	-	9,389	879	18,732
4	Recovery of loans previously written off from provisions	-	-	-	-	-	-
5	Reclassification to disposal group assets	-	-	-	-	-	-
6	Disposal of subsidiaries	-	-	-	-	-	-
7	Impact of translation to reporting currency	(400)	(156)	-	-	-	(556)
8	Balance at the end of the period	(78,065)	(35,714)	(2,002)	(8,768)	(108)	(124,657)

Table 7. Analysis of movements in expected credit losses on loans by types as at 31 December 2024
(thousand UAH)

Line	Movements in provisions	Loans to corporate customers	Loans to individuals-entrepreneurs	Mortgage loans to individuals	Consumer loans to individuals	Other loans to individuals	Total
1	2	3	4	5	6	7	8
1	Balance at the beginning of the period	(54,110)	(44,008)	(4,596)	(36,797)	(1,523)	(141,034)
2	(Increase)/decrease of the provision for impairment during the period	(18,650)	(5,194)	2,179	4,092	1,222	(16,351)
3	Bad debts written off against provision	3,007	8,299	85	10,108	192	21,691
4	Recovery of loans previously written off from provisions	-	-	-	-	-	-
5	Reclassification to disposal group assets	-	-	-	-	-	-
6	Disposal of subsidiaries	-	-	-	-	-	-
7	Impact of translation to reporting currency	(215)	(264)	-	(2)	-	(481)
8	Balance at the end of the period	(69,968)	(41,167)	(2,332)	(22,599)	(109)	(136,175)

All loans that were written off during the reporting period are still subject to enforcement activity.

Table 8. Loans structure by economic sector
(thousand UAH)

Line	Sector	31 December 2025		31 December 2024	
		amount	%	amount	%
1	2	3	4	5	6
1	Agriculture, hunting, forestry	3,023,114	27%	2,068,266	23%
2	Processing industry	2,969,451	26%	2,369,378	26%
3	Trade, repair of autos and consumer and household items	2,645,345	24%	2,363,447	26%
4	Transportation, warehousing, postal and courier activities	744,623	7%	708,715	8%
5	Transactions with real estate, leasing, engineering and services	612,056	5%	447,144	5%
5	Construction	402,251	4%	294,608	3%
7	Individuals	114,459	1%	167,382	2%
8	Production and distribution of electric power, gas and water	25,966	0%	36,646	1%
9	Other	640,590	6%	554,585	6%
10	Total loans and advances to customers, net of provisions	11,177,855	100%	9,010,171	100%

The Bank analyses the credit risk concentration on the loans granted to the economy sectors on a monthly basis. The analysis identifies the largest concentration of loans in the loan portfolio by economic activity and is an integral part of credit risk management.

Total loans to the Bank's 10 largest borrowers as at 31 December 2025 amounted to UAH 1,209,677 thousand, or 11% of the loan portfolio before expected credit losses (31 December 2024: UAH 981,608 thousand (11%)).

The note below represents the carrying amounts of loans by types of collateral as at 31 December 2025 and 31 December 2024.

Table 9. Loans by types of collateral as at 31 December 2025

(thousand UAH)

Line	Item	Loans to corporate customers	Loans granted to individual entrepreneurs	Mortgage loans to individuals	Consumer loans to individuals	Other loans to individuals	Total
1	2	3	4	5	6	7	8
1	Unsecured loans	971,158	551,046	6,377	40,302	2,917	1,571,800
2	Loans secured by:	8,350,732	1,190,461	19,223	45,639	-	9,606,055
2.1	cash	31,039	-	-	6,456	-	37,495
2.2	securities	-	-	-	-	-	-
2.3	real estate	4,235,725	640,572	19,223	39,034	-	4,934,554
2.1.3	<i>including residential real estate</i>	<i>900,901</i>	<i>248,396</i>	<i>19,223</i>	<i>37,317</i>	-	<i>1,205,837</i>
2.4	guarantees and sureties	1,583,897	405,557	-	-	-	1,989,454
2.5	other assets	2,500,071	144,332	-	149	-	2,644,552
3	Total loans and advances to customers, net of provisions	9,321,890	1,741,507	25,600	85,941	2,917	11,177,855

Table 10. Loans by types of collateral as at 31 December 2024

(thousand UAH)

Line	Item	Loans to corporate customers	Loans granted to individual entrepreneurs	Mortgage loans to individuals	Consumer loans to individuals	Other loans to individuals	Total
1	2	3	4	5	6	7	8
1	Unsecured loans	606,822	353,241	1,479	59,839	2,291	1,023,672
2	Loans secured by:	6,620,470	1,262,256	32,056	71,717	-	7,986,499
2.1	cash	34,293	4,078	-	1,590	-	39,961
2.2	securities	-	-	-	-	-	-
2.3	real estate	3,665,037	720,314	32,056	67,238	-	4,484,645
2.1.3	<i>including residential real estate</i>	<i>759,742</i>	<i>304,780</i>	<i>32,056</i>	<i>57,911</i>	-	<i>1,154,489</i>
2.4	guarantees and sureties	824,429	321,880	-	-	-	1,146,309
2.5	other assets	2,096,711	215,984	-	2,889	-	2,315,584
3	Total loans and advances to customers, net of provisions	7,227,292	1,615,497	33,535	131,556	2,291	9,010,171

The Bank estimates that as at 31 December 2025, the allowance for expected credit losses on impaired loans would increase by UAH 69,481 thousand net of collateral (31 December 2024: UAH 89,539).

Table 11. Analysis of credit quality of loans as of 31 December 2025

(thousand UAH)

Line	Item	Loans to corporate customers	Loans to individuals-entrepreneurs	Mortgage loans to individuals	Consumer loans to individuals	Other loans to individuals	Total
1	2	3	4	5	6	7	8
1	Stage 1 impairment - credit losses are expected within 12 months	8,728,267	1,624,613	23,649	76,079	2,846	10,455,454
1.1	not overdue	8,716,440	1,623,618	23,649	74,842	2,841	10,441,390
1.2	overdue up to 30 days	11,827	995	-	1,237	5	14,064
1.3	overdue from 31 to 90 days	-	-	-	-	-	-
1.4	overdue from 91 to 183 days	-	-	-	-	-	-
1.5	overdue from 184 to 365 (366) days	-	-	-	-	-	-
1.6	overdue more than 366 (367) days	-	-	-	-	-	-
2	Stage 2 impairment – lifetime ECLs, loans not impaired	503,824	93,797	1,142	2,477	36	601,276
2.1	not overdue*	473,991	81,107	1,142	161	36	556,437
2.2	overdue up to 30 days*	-	-	-	86	-	86
2.3	overdue from 31 to 90 days	29,833	12,690	-	2,230	-	44,753
2.4	overdue from 91 to 183 days	-	-	-	-	-	-
2.5	overdue from 184 to 365 (366) days	-	-	-	-	-	-
2.6	overdue more than 366 (367) days	-	-	-	-	-	-
3	Stage 3 impairment – lifetime ECLs, loans impaired	65,071	18,882	809	7,216	35	92,013
3.1	not overdue	2,196	2,831	476	508	35	6,046
3.2	overdue up to 30 days	-	920	-	-	-	920
3.3	overdue from 31 to 90 days	3,277	2,735	5	438	-	6,455
3.4	overdue from 91 to 183 days	8,672	4,506	234	2,873	-	16,285
3.5	overdue from 184 to 365 (366) days	6,491	7,001	-	2,778	-	16,270
3.6	overdue more than 366 (367) days	44,435	889	94	619	-	46,037
4	Acquired (constructed) impaired assets	24,351	4,034	-	170	-	28,555
4.1	not overdue	4,639	3,741	-	150	-	8,530
4.2	overdue up to 30 days	-	-	-	-	-	-
4.3	overdue from 31 to 90 days	11,037	-	-	20	-	11,057
4.4	overdue from 91 to 183 days	174	-	-	-	-	174
4.5	overdue from 184 to 365 (366) days	-	293	-	-	-	293
4.6	overdue more than 366 (367) days	8,501	-	-	-	-	8,501
5	Assets measured at fair value	377	180	-	-	-	557
5.1	not overdue	-	180	-	-	-	180
5.2	overdue up to 30 days	-	-	-	-	-	-
5.3	overdue from 31 to 90 days	-	-	-	-	-	-
5.4	overdue from 91 to 183 days	377	-	-	-	-	377
5.5	overdue from 184 to 365 (366) days	-	-	-	-	-	-
5.6	overdue more than 366 (367) days	-	-	-	-	-	-
6	Gross loans	9,321,890	1,741,506	25,600	85,942	2,917	11,177,855
7	Provision for impairment of loans	(78,065)	(35,714)	(2,002)	(8,768)	(108)	(124,657)
8	Total loans net of provisions	9,243,825	1,705,792	23,598	77,174	2,809	11,053,198

* In stage 2, loans are listed in the category without delay in payment and with overdue of payments up to 30 days due to the presence of other criteria for a significant increase in credit risk except for days of delay, namely loans in the amount of UAH 447,038 thousand are attributed due to the deterioration of the credit class as of the reporting date by more than 2 classes compared to the class on the date of loan issuance; UAH 15,786 thousand – the presence of restructuring from the date of which 90 days have not passed; UAH 93,699 thousand – loans for which the observation period of 90 days has not been completed after the loss of the above factors of significant increase in credit risk.

Table 12. Analysis of credit quality of loans as of 31 December 2024

(thousand UAH)

Line	Item	Loans to corporate customers	Loans to individuals-entrepreneurs	Mortgage loans to individuals	Consumer loans to individuals	Other loans to individuals	Total
1	2	3	4	5	6	7	8
1	Stage 1 impairment - credit losses are expected within 12 months	6,548,623	1,420,749	32,364	104,634	2,276	8,108,646
1.1	not overdue	6,547,202	1,418,152	32,364	101,824	1,828	8,101,371
1.2	overdue up to 30 days	1,421	2,597	-	2,810	281	7,109
1.3	overdue from 31 to 90 days	-	-	-	-	26	26
1.4	overdue from 91 to 183 days	-	-	-	-	69	69
1.5	overdue from 184 to 365 (366) days	-	-	-	-	54	54
1.6	overdue more than 366 (367) days	-	-	-	-	18	18
2	Stage 2 impairment – lifetime ECLs, loans not impaired	569,864	170,263	568	3,558	15	744,268
2.1	not overdue*	565,137	166,546	-	2,037	-	733,720
2.2	overdue up to 30 days*	-	-	-	212	-	212
2.3.	overdue from 31 to 90 days	4,727	3,717	568	1,309	-	10,321
2.4	overdue from 91 to 183 days	-	-	-	-	15	15
2.5	overdue from 184 to 365 (366) days	-	-	-	-	-	-
2.6	overdue more than 366 (367) days	-	-	-	-	-	-
3	Stage 3 impairment – lifetime ECLs, loans impaired	78,996	16,184	603	23,364	-	119,147
3.1	not overdue	11,512	1,754	228	5,433	-	18,927
3.2	overdue up to 30 days	-	-	-	87	-	87
3.3	overdue from 31 to 90 days	-	1,410	-	3,277	-	4,687
3.4	overdue from 91 to 183 days	3,333	4,817	375	7,869	-	16,394
3.5	overdue from 184 to 365 (366) days	53,011	7,003	-	6,192	-	66,206
3.6	overdue more than 366 (367) days	11,140	1,200	-	506	-	12,846
4	Acquired (constructed) impaired assets	28,799	6,941	-	-	-	35,740
4.1	not overdue	22,957	6,941	-	-	-	29,898
4.2	overdue up to 30 days	-	-	-	-	-	-
4.3	overdue from 31 to 90 days	-	-	-	-	-	-
4.4	overdue from 91 to 183 days	5,842	-	-	-	-	5,842
4.5	overdue from 184 to 365 (366) days	-	-	-	-	-	-
4.6	overdue more than 366 (367) days	-	-	-	-	-	-
5	Assets measured at fair value	1,010	1,360	-	-	-	2,370
5.1	not overdue	1,010	1,360	-	-	-	2,370
5.2	overdue up to 30 days	-	-	-	-	-	-
5.3	overdue from 31 to 90 days	-	-	-	-	-	-
5.4	overdue from 91 to 183 days	-	-	-	-	-	-
5.5	overdue from 184 to 365 (366) days	-	-	-	-	-	-
5.6	overdue more than 366 (367) days	-	-	-	-	-	-
6	Gross loans	7,227,292	1,615,497	33,535	131,556	2,291	9,010,171
7	Provision for impairment of loans	(69,968)	(41,167)	(2,332)	(22,599)	(109)	(136,175)
8	Total loans net of provisions	7,157,324	1,574,330	31,203	108,957	2,182	8,873,996

* In Stage 2, loans classified as ‘current’ and those with arrears of up to 30 days, due to the presence of other criteria indicating a significant increase in credit risk apart from the number of days past due, amounted to UAH 733,932 thousand. Of these: loans amounting to UAH 505,635 thousand are classified in this group due to a deterioration in credit rating as at the reporting date by more than two grades compared to the rating at the date of loan origination; UAH 35,293 thousand – the existence of a restructuring for which 90 days have not elapsed since the date thereof; UAH 192,374 thousand – loans for which the 90-day observation period has not yet expired following the loss of the aforementioned factors indicating a significant increase in credit risk.

Note 7. Investments in securities

Table 1. Investments in securities measured at amortised cost

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	Ukrainian government debt securities	733,221	659,991
2	Deposit certificates issued by the NBU	2,799,135	2,650,977
3	Debt securities issued by other countries	841,617	345,631
4	Provision for impairment of investments in securities	(28,944)	(42,221)
5	Total investments in the securities net of provisions	4,345,029	3,614,378

Table 2. Analysis of changes in provision for impairment of investments in securities at amortised cost as at 31 December 2025

(thousand UAH)

Line	Item	Ukrainian government debt securities	Total
1	2	3	4
1	Balance at the beginning of the period	(42,221)	(42,221)
2	Increase/(decrease) of the provision for impairment during the period	13,277	13,277
3	Impact of translation to reporting currency	-	-
4	Balance at the end of the period	(28,944)	(28,944)

Table 3. Analysis of changes in provision for impairment of investments in securities at amortised cost as at 31 December 2024

(thousand UAH)

Line	Item	Ukrainian government debt securities	Total
1	2	3	4
1	Balance at the beginning of the period	(29,938)	(29,938)
2	Increase/(decrease) of the provision for impairment during the period	(12,283)	(12,283)
3	Impact of translation to reporting currency	-	-
4	Balance at the end of the period	(42,221)	(42,221)

Table 4. Credit quality analysis of investments in securities at amortised cost as at 31 December 2025

(thousand UAH)

Line	Item	Securities issued by Ukraine	Securities issued by other countries	Total
1	2	3	4	5
1	no.t overdue and non-impaired debt securities	3,532,356	841,617	4,373,973
1.1	State institutions and enterprises	3,532,356	841,617	4,373,973
2	Provision for impairment of investments in securities	(28,944)	-	(28,944)
3	Total investments in securities net of provisions	3,503,412	841,617	4,345,029

Table 5. Credit quality analysis of investments in securities at amortised cost as at 31 December 2024
 (thousand UAH)

Line	Item	Securities issued by Ukraine	Securities issued by other countries	Total
1	2	3	4	5
1	Not overdue and non-impaired debt securities	3,310,968	345,631	3,656,599
1.1	State institutions and enterprises	3,310,968	345,631	3,656,599
3	Provision for impairment of investments in securities	(42,221)	-	(42,221)
4	Total investments in securities net of provisions	3,268,747	345,631	3,614,378

As at 31 December 2025 and 2024 the Bank classified investments in domestic government debt securities and deposit certificates of NBU measured at amortised cost in stage 1.

To determine expected credit losses (ECL) on Ukrainian government bonds, the Bank applied a PD of 8.75% and an LGD of 50%, determined based on data from the international rating agency Fitch, in accordance with Ukraine's credit rating effective 31 December 2025.

To calculate the ECL on Ukrainian government bonds, the Bank applied a PD of 14.341% and an LGD of 47% from the international credit rating agency Moody's, based on Ukraine's credit rating effective 31 December 2024.

The change in the input data source for ECL assessment—from the international credit rating agency Moody's to Fitch—is assessed as a change in accounting estimate and is applied prospectively.

This change is driven by the availability of more relevant and detailed information, particularly regarding default rates for local and foreign currencies, which improves accuracy of ECL assessment.

As at 31 December 2025, the Bank classified investments in debt securities of other countries carrying at amortized cost into Stage 1.

To measure the ECL for debt securities of the USA and Germany, the Bank applied PD and LGD at the level close to 0.00%, which were determined based on the data from the international credit agency Fitch based on the credit rating of the respective countries as at 31 December 2025.

To measure the ECL for debt securities of the USA and Germany, the Bank applied PD and LGD at the level of 0.00%, which were determined based on the data from the international credit agency Moody's based on the credit rating of the respective countries as at 31 December 2024.



Note 8 Intangible assets

Disclosure of information regarding the reconciliation of changes in intangible assets and goodwill as at 31 December 2025

	Brands names	Computer software	Intangible assets at the development stage	Other intangible assets	Intangible assets
1	2	3	4	5	6
Intangible assets and goodwill at the beginning of the period	128	35,987	1,708	13,252	51,075
Gross carrying amounts	240	73,761	1,708	43,097	118,806
Accumulated amortization/depreciation	(112)	(37,774)	-	(29,845)	(67,731)
Changes in intangible assets and goodwill					
Additions other than through business combinations	-	5,400	2,872	12,176	20,448
Gross carrying amounts	-	5,400	2,872	12,176	20,448
Amortisation	26	11,635	-	13,849	25,510
Accumulated amortization/depreciation	26	11,635	-	13,849	25,510
Total increase (decrease) in intangible assets and goodwill	(26)	(6,235)	2,872	(1,673)	(5,062)
Gross carrying amounts	-	5,400	2,872	12,176	20,448
Accumulated amortization/depreciation	(26)	(11,635)	-	(13,849)	(25,510)
Intangible assets and goodwill at the end of the period	102	29,752	4,580	11,579	46,013
Gross carrying amounts	240	79,161	4,580	55,273	139,254
Accumulated amortization/depreciation	(138)	(49,409)	-	(43,694)	(93,241)

Disclosure of information regarding the reconciliation of changes in intangible assets and goodwill as at 31 December 2024

	Brands names	Computer software	Intangible assets at the development stage	Other intangible assets	Intangible assets
1	2	3	4	5	6
Intangible assets and goodwill at the beginning of the period	108	43,390	6,705	10,220	60,423
Gross carrying amounts	197	70,692	6,705	28,373	105,967
Accumulated amortization/depreciation	(89)	(27,302)	-	(18,153)	(45,544)
Changes in intangible assets and goodwill					
Additions other than through business combinations	43	3,069	-	14,724	17,836
Gross carrying amounts	43	3,069	-	14,724	17,836
Amortisation	23	10,472	-	11,692	22,187
Accumulated amortization/depreciation	23	10,472	-	11,692	22,187
Disposals and retirements					
Disposals	-	-	4,997	-	4,997
Gross carrying amounts	-	-	4,997	-	4,997
Total disposals and retirements	-	-	4,997	-	4,997
Gross carrying amounts	-	-	4,997	-	4,997
Total increase (decrease) in intangible assets and goodwill	20	(7,403)	(4,997)	3,032	(9,348)
Gross carrying amounts	43	3,069	(4,997)	14,724	12,839
Accumulated amortization/depreciation	(23)	(10,472)	-	(11,692)	(22,187)
Intangible assets and goodwill at the end of the period	128	35,987	1,708	13,252	51,075
Gross carrying amounts	240	73,761	1,708	43,097	118,806
Accumulated amortization/depreciation	(112)	(37,774)	-	(29,845)	(67,731)



Note 9. Property, plant and equipment

Table 1. Disclosure of detailed information about property, plant and equipment as at 31 December 2025

	Land	Buildings	Autos	Computer equipment	Construction in progress	Other property, plant and equipment	Total property, plant and equipment
1	2	3	4	5	6	7	8
Property, plant and equipment at beginning of period	10,971	283,600	13,551	32,246	84,570	7,762	432,700
<i>Gross carrying amounts</i>	10,971	341,466	19,400	71,710	84,570	35,561	563,678
<i>Accumulated depreciation and impairment</i>	-	(57,866)	(5,849)	(39,464)	-	(27,799)	(130,978)
<i>Accumulated amortization/depreciation</i>	-	(57,866)	(5,849)	(39,464)	-	(27,799)	(130,978)
Changes in property, plant and equipment							
Additions other than through business combinations	-	95,630	2,179	12,877	-	4,826	115,512
<i>Gross carrying amounts</i>	-	95,630	2,179	12,877	-	4,826	115,512
Depreciation	-	34,624	2,001	12,941	-	12,699	62,265
<i>Accumulated depreciation and impairment</i>	-	34,624	2,001	12,941	-	12,699	62,265
<i>Accumulated amortization/depreciation</i>	-	34,624	2,001	12,941	-	12,699	62,265
Increase (decrease) due to transmission and other changes							
Increase (decrease) due to other changes	-	142,606	-	4,015	(77,007)	13,828	83,442
<i>Gross carrying amount</i>	-	122,425	-	4,015	(77,007)	13,828	63,261
<i>Accumulated depreciation and impairment</i>	-	20,181	-	-	-	-	20,181
<i>Accumulated depreciation</i>	-	20,181	-	-	-	-	20,181
Total amount of increase (decrease) due to transfers and other changes	-	142,606	-	4,015	(77,007)	13,828	83,442
<i>Gross carrying amount</i>	-	122,425	-	4,015	(77,007)	13,828	63,261
<i>Accumulated depreciation and impairment</i>	-	20,181	-	-	-	-	20,181
<i>Accumulated depreciation</i>	-	20,181	-	-	-	-	20,181
Total disposals and retirements							
Disposals	-	14,818	-	-	-	11	14,829
<i>Gross carrying amounts</i>	-	15,870	353	574	-	490	17,287
<i>Accumulated depreciation and impairment</i>	-	(1,052)	(353)	(574)	-	(479)	(2,458)
<i>Accumulated amortization/depreciation</i>	-	(1,052)	(353)	(574)	-	(479)	(2,458)
Total disposals and retirements	-	14,818	-	-	-	11	14,829
<i>Gross carrying amounts</i>	-	15,870	353	574	-	490	17,287
<i>Accumulated depreciation and impairment</i>	-	(1,052)	(353)	(574)	-	(479)	(2,458)
<i>Accumulated amortization/depreciation</i>	-	(1,052)	(353)	(574)	-	(479)	(2,458)
Total increase (decrease) in property, plant and equipment	-	188,794	178	3,951	(77,007)	5,944	121,860
<i>Gross carrying amounts</i>	-	202,185	1,826	16,318	(77,007)	18,164	161,486
<i>Accumulated depreciation and impairment</i>	-	(13,391)	(1,648)	(12,367)	-	(12,220)	(39,626)
<i>Accumulated amortization/depreciation</i>	-	(13,391)	(1,648)	(12,367)	-	(12,220)	(39,626)
Property, plant and equipment at end of period	10,971	472,394	13,729	36,197	7,563	13,706	554,560



	Land	Buildings	Autos	Computer	Construction	Other	Total property,
1	2	3	4	5	6	7	8
Gross carrying amounts	10,971	543,651	21,226	88,028	7,563	53,725	725,164
Accumulated depreciation and impairment	-	(71,257)	(7,497)	(51,831)	-	(40,019)	(170,604)
Accumulated amortization/depreciation	-	(71,257)	(7,497)	(51,831)	-	(40,019)	(170,604)

Table 2. Disclosure of detailed information about property, plant and equipment as at 31 December 2024

	Land	Buildings	Autos	Computer equipment	Construction in progress	Other property, plant and equipment	Total property, plant and equipment
1	2	3	4	5	6	7	8
Property, plant and equipment at beginning of period	10,971	227,027	5,079	21,716	342	7,855	272,990
Gross carrying amounts	10,971	275,484	9,713	54,004	342	31,585	382,099
Accumulated depreciation and impairment	-	(48,457)	(4,634)	(32,288)	-	(23,730)	(109,109)
Accumulated amortization/depreciation	-	(48,457)	(4,634)	(32,288)	-	(23,730)	(109,109)
Changes in property, plant and equipment							
Additions other than through business combinations	-	81,411	9,687	19,330	84,228	4,570	199,226
Gross carrying amounts	-	81,411	9,687	19,330	84,228	4,570	199,226
Depreciation	-	20,332	1,215	8,695	-	4,637	34,879
Accumulated depreciation and impairment	-	20,332	1,215	8,695	-	4,637	34,879
Accumulated amortization/depreciation	-	20,332	1,215	8,695	-	4,637	34,879
Total disposals and retirements							
Disposals	-	4,506	-	105	-	26	4,637
Gross carrying amounts	-	15,429	-	1,624	-	594	17,647
Accumulated depreciation and impairment	-	(10,923)	-	(1,519)	-	(568)	(13,010)
Accumulated amortization/depreciation	-	(10,923)	-	(1,519)	-	(568)	(13,010)
Total disposals and retirements	-	4,506	-	105	-	26	4,637
Gross carrying amounts	-	15,429	-	1,624	-	594	17,647
Accumulated depreciation and impairment	-	(10,923)	-	(1,519)	-	(568)	(13,010)
Accumulated amortization/depreciation	-	(10,923)	-	(1,519)	-	(568)	(13,010)
Total increase (decrease) in property, plant and equipment	-	56,573	8,472	10,530	84,228	(93)	159,710
Gross carrying amounts	-	65,982	9,687	17,706	84,228	3,976	181,579
Accumulated depreciation and impairment	-	(9,409)	(1,215)	(7,176)	-	(4,069)	(21,869)
Accumulated amortization/depreciation	-	(9,409)	(1,215)	(7,176)	-	(4,069)	(21,869)
Property, plant and equipment at end of period	10,971	283,600	13,551	32,246	84,570	7,762	432,700
Gross carrying amounts	10,971	341,466	19,400	71,710	84,570	35,561	563,678
Accumulated depreciation and impairment	-	(57,866)	(5,849)	(39,464)	-	(27,799)	(130,978)
Accumulated amortization/depreciation	-	(57,866)	(5,849)	(39,464)	-	(27,799)	(130,978)


Table 3. Disclosure of the reconciliation of changes in right-of-use assets classified as property, plant, and equipment under operating leases as at 31 December 2025

	Buildings	Total property, plant and equipment
1	2	3
Property, plant, and equipment, including right-of-use assets, at the beginning of the period	138,347	138,347
<i>Gross carrying amounts</i>	<i>166,216</i>	<i>166,216</i>
<i>Accumulated depreciation and impairment</i>	<i>(27,869)</i>	<i>(27,869)</i>
<i>Accumulated amortization/depreciation</i>	<i>(27,869)</i>	<i>(27,869)</i>
Changes in PPE, including right-of-use assets		
Additions other than through business combinations	75,200	75,200
<i>Gross carrying amounts</i>	<i>75,200</i>	<i>75,200</i>
Depreciation	29,278	29,278
<i>Accumulated depreciation and impairment</i>	<i>29,278</i>	<i>29,278</i>
<i>Accumulated amortization/depreciation</i>	<i>29,278</i>	<i>29,278</i>
Increase/(decrease) through transfers and other changes		
Increase/(decrease) through other changes	83,442	83,442
<i>Gross carrying amount</i>	<i>63,261</i>	<i>63,261</i>
<i>Accumulated depreciation and impairment</i>	<i>20,181</i>	<i>20,181</i>
<i>Accumulated amortization/depreciation</i>	<i>20,181</i>	<i>20,181</i>
Total increase/(decrease) through transfers and other changes	83,442	83,442
<i>Gross carrying amount</i>	<i>63,261</i>	<i>63,261</i>
<i>Accumulated depreciation and impairment</i>	<i>20,181</i>	<i>20,181</i>
<i>Accumulated amortization/depreciation</i>	<i>20,181</i>	<i>20,181</i>
Total disposals and retirements		
Disposals	10,143	10,143
<i>Gross carrying amounts</i>	<i>10,143</i>	<i>10,143</i>
Total disposals and retirements	10,143	10,143
<i>Gross carrying amounts</i>	<i>10,143</i>	<i>10,143</i>
Total changes (increase/decrease) in PPE, including right-of-use assets	119,221	119,221
<i>Gross carrying amounts</i>	<i>128,318</i>	<i>128,318</i>
<i>Accumulated depreciation and impairment</i>	<i>(9,097)</i>	<i>(9,097)</i>
<i>Accumulated amortization/depreciation</i>	<i>(9,097)</i>	<i>(9,097)</i>
Property, plant, and equipment, including right-of-use assets, at the end of the period	257,568	257,568
<i>Gross carrying amounts</i>	<i>294,534</i>	<i>294,534</i>
<i>Accumulated depreciation and impairment</i>	<i>(36,966)</i>	<i>(36,966)</i>
<i>Accumulated amortization/depreciation</i>	<i>(36,966)</i>	<i>(36,966)</i>



Table 4. Disclosure of the reconciliation of changes in right-of-use assets classified as property, plant, and equipment under operating leases as at 31 December 2024

	Buildings	Total property, plant and equipment
1	2	3
Property, plant, and equipment, including right-of-use assets, at the beginning of the period	77,654	77,654
<i>Gross carrying amounts</i>	96,458	96,458
<i>Accumulated depreciation and impairment</i>	(18,804)	(18,804)
<i>Accumulated amortization/depreciation</i>	(18,804)	(18,804)
Changes in PPE, including right-of-use assets		
Additions other than through business combinations	78,173	78,173
<i>Gross carrying amounts</i>	78,173	78,173
Depreciation	16,921	16,921
<i>Accumulated depreciation and impairment</i>	16,921	16,921
<i>Accumulated amortization/depreciation</i>	16,921	16,921
Increase/(decrease) through transfers and other changes		
Increase/(decrease) through other changes	7,856	7,856
<i>Accumulated depreciation and impairment</i>	7,856	7,856
<i>Accumulated amortization/depreciation</i>	7,856	7,856
Total increase/(decrease) through transfers and other changes	7,856	7,856
<i>Accumulated depreciation and impairment</i>	7,856	7,856
<i>Accumulated amortization/depreciation</i>	7,856	7,856
Total disposals and retirements		
Disposals	8,415	8,415
<i>Gross carrying amounts</i>	8,415	8,415
Total disposals and retirements	8,415	8,415
<i>Gross carrying amounts</i>	8,415	8,415
Total changes (increase/decrease) in PPE, including right-of-use assets	60,693	60,693
<i>Gross carrying amounts</i>	69,758	69,758
<i>Accumulated depreciation and impairment</i>	(9,065)	(9,065)
<i>Accumulated amortization/depreciation</i>	(9,065)	(9,065)
Property, plant, and equipment, including right-of-use assets, at the end of the period	138,347	138,347
<i>Gross carrying amounts</i>	166,216	166,216
<i>Accumulated depreciation and impairment</i>	(27,869)	(27,869)
<i>Accumulated amortization/depreciation</i>	(27,869)	(27,869)



Note 9. Property, plant and equipment (continued)

After initial recognition of PPE/intangible item as an asset, it is measured at:

- revalued amount (fair value) less accumulated depreciation and accumulated impairment losses (land plots and buildings);
- historical cost (cost) less accumulated depreciation and accumulated impairment losses (for other groups of property, plant and equipment and intangible assets).

Revaluation of property, plant and equipment is carried out at the financial statements date in order to bring the carrying value of property, plant and equipment compliant in line with market prices in case of substantial difference (more than 10%) between market and carrying values.

Since as at 31 December 2025 and 31 December 2024 the difference between the carrying and market values of buildings and land plots was immaterial, no revaluation was performed.

For revaluation, income and comparative approaches are used. The income approach is based on the principles of expectation and the most efficient use. The comparative approach is based on the availability of similar property with appropriate adjustments for differences between the items.

The fair values of the Bank's land plots and buildings are categorised into Level 3 of the fair value hierarchy.

The Bank rents office space in the course of its operations. The leases typically run for a period from 3 to 10 years, with an option to renew the lease after that date.

Some property leases contain extension options exercisable by the Bank up to one year before the end of the non-cancellable contract period. Where practicable, the Bank seeks to include extension options in new leases to provide operational flexibility. The Bank assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Bank reassesses whether it is reasonably certain to exercise the lease extension options if there is a significant event or significant changes in circumstances within Bank's control.



Note 10. Other assets

Table 1. Other financial assets

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	Receivable on transactions with payment cards	2,892	2,738
2	Other accrued income	735	661
3	Accrued income from cash management services	648	702
4	Other receivables from transactions with customers of the Bank	582	2,798
5	Shortages and other charges on the Bank employees	4	32
6	Provision for impairment of other financial assets	(836)	(527)
7	Total other financial assets net of provisions	4,025	6,404

Table 2. Analysis of changes in provision for impairment of other financial assets as at 31 December 2025

(thousand UAH)

Line	Movements in provisions	Receivables on securities	Finance lease receivables	Receivable on transactions with payment cards	Receivable on foreign exchange operations	Cash with restricted right to use	Other financial assets	Total
1	2	3	4	5	6	7	8	9
1	Balance at the beginning of the period	-	-	-	-	-	(527)	(527)
2	(Increase)/decrease of the provision for impairment during the period	-	-	-	-	-	(503)	(503)
3	Bad debt written off	-	-	-	-	-	195	195
4	Impact of translation to reporting currency	-	-	-	-	-	(1)	(1)
4	Balance at the end of the period	-	-	-	-	-	(836)	(836)

Table 3. Analysis of changes in provision for impairment of other financial assets as at 31 December 2024

(thousand UAH)

Line	Movements in provisions	Receivables on securities	Finance lease receivables	Receivable on transactions with payment cards	Receivable on foreign exchange operations	Cash with restricted right to use	Other financial assets	Total
1	2	3	4	5	6	7	8	9
1	Balance at the beginning of the period	-	-	-	-	-	(312)	(312)
2	Increase)/decrease of the provision for impairment during the period	-	-	-	-	-	(138)	(138)
3	Bad debt written off	-	-	-	-	-	(77)	(77)
4	Balance at the end of the period	-	-	-	-	-	(527)	(527)

Table 4. Credit quality analysis of other financial assets as of 31 December 2025

(thousand UAH)

Line 1	Item 2	Not impaired 3	Impaired 4	Total 5
1	Receivable on transactions with payment cards	2,892	-	2,892
2	Other financial assets	1,161	808	1,969
3	Total	4,053	808	4,861

Table 5. Credit quality analysis of other financial assets as of 31 December 2024

(thousand UAH)

Line 1	Item 2	Not impaired 3	Impaired 4	Total 5
1	Receivable on transactions with payment cards	2,737	-	2,737
2	Other financial assets	3,419	775	4,194
3	Total	6,156	775	6,931

Table 6. Other assets

(thousand UAH)

Line 1	Item 2	Notes 3	31 December 2025 4	31 December 2024 5
1	Prepaid expenses		38,557	36,090
2	Prepayment for services		6,195	2,938
3	Repossessed collateral		3,408	5,592
4	Receivables from taxes and duties other than income tax		2,234	10
5	Receivables on purchase of assets		2,115	5,070
6	Inventory at accountable persons		1,294	838
7	Transit account for other settlements		593	406
8	Inventory in stock		79	330
9	Provision for other assets		(1,639)	(1,538)
10	Total other assets net of provisions		52,836	49,736

The property transferred to the ownership of the Bank as a pledge holder consists of industrial buildings, apartments, residential building construction in progress, etc.

The transfer of property by debtors into the Bank's ownership to repay liabilities is governed by the corresponding internal regulations.

According to the above regulations, it is appropriate for the Bank to repossess the property, further sale of which will allow the Bank to compensate the liabilities outstanding, unless otherwise provided by a mortgage agreement (pledge agreement).

The Management Board of the Bank annually approves plans of sale of property foreclosed by the Bank as a pledgee.



Table 7. Analysis of movements in provision for impairment of other assets

(thousand UAH)

Line	Movements in provisions	Receivables from acquisition of assets	Prepayment for services	Other assets
1	2	3	4	5
1	Balance as at 31 December 2024	-	-	(1,538)
2	(Increase)/decrease of the provision for impairment during the period	-	-	(101)
3	Balance as at 31 December 2025	-	-	(1,639)



Note 11. Impairment loss measured under IFRS 9

Table 1. Provisions for impairment of financial assets

The impairment losses on financial assets during 2025 and 2024 were as follows:

Line	Item	2025	2024
1	2	3	4
1	Provision for expected credit losses on loans and advances to customers	(6,359)	(16,805)
2	Repayment of loans by customers that were previously written off as bad loans	14,969	21,380
3	Provision for impairment of loans and other bank balances	1,461	(360)
4	Provision for impairment in cash and cash equivalents	(25)	(220)
5	Provision for impairment of investments	13,277	(12,283)
6	Provision for impairment losses on other financial assets	(504)	(304)
7	Provision for impairment of other assets	(126)	(1,013)
8	Total	22,693	(9,605)



Note 12. Due to banks

Table 1. Due to banks

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	Funds received from the National Bank of Ukraine	-	355,024
2	Total due to banks	-	355,024

The Bank timely and fully complies with its liabilities regarding the amounts due and interest on them.

As at 31 December 2024, the Bank had provided the National Bank of Ukraine with cash in the amount of UAH 409,426 thousand as collateral for its obligations under the funds received.

On 15 October 2025, the Bank repaid a refinancing loan from the National Bank of Ukraine under Agreement no. 325265-GK dated 17 January 2019, for UAH 355,000 thousand in advance.

Note 13. Customer accounts

Table 1. Customer accounts

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	State-owned and civil organizations	80,483	419,330
1.1	current accounts	80,483	419,330
2	Other legal entities	6,079,713	4,516,660
2.1	current accounts	4,330,064	3,649,194
2.2	term deposits	1,749,649	867,466
3	Individuals	5,129,189	4,213,037
3.1	current accounts	1,021,375	853,399
3.2	term deposits	4,107,814	3,359,638
4	Total customer accounts	11,289,385	9,149,027

Table 2. Due to customers by economic sector

(thousand UAH)

Line	Sector	31 December 2025		31 December 2024	
		amount	%	amount	%
1	2	3	4	5	6
1	Individuals	5,129,189	45%	4,213,037	46%
2	Trade, repair of autos and consumer and household items	1,601,661	14%	1,321,343	14%
3	Processing industry	1,682,509	15%	1,144,177	13%
4	Financing & insurance	663,912	6%	468,906	5%
5	Agriculture, hunting, forestry	618,008	5%	369,918	4%
6	Transactions with real estate, leasing, engineering and services	600,570	5%	498,551	5%
7	Construction	348,719	4%	252,921	3%
8	Transportation, warehousing, postal and courier activities	197,486	2%	128,357	1%
9	Non-resident legal entities	1,781	0%	1,930	0%
10	Production and distribution of electric power, gas and water	99,581	1%	42,908	1%
11	Governance	81,839	1%	419,330	5%
12	Other	264,130	2%	287,649	3%
13	Total customer accounts	11,289,385	100%	9,149,027	100%

The carrying amount of customer funds raised, used as collateral for credit transactions, irrevocable obligations under import letters of credit, guarantees, sureties, etc., as of the close of business on 31 December 2025, totalled UAH 51,432 thousand (31 December 2024: UAH 52,868 thousand).

There are no significant concentrations on deposit accounts.

Note 14. Other borrowings

Table 1. Other borrowings

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	Loans from international and other financial institutions	3,638,836	3,125,235
2	Total	3,638,836	3,125,235

Other borrowed funds are the loans received by the Bank from international and other financial organizations.

As at 31 December 2025 and 31 December 2024, they are as follows:

Creditor	Agreement no. & Date	Maturity date	Currency	Loan amount	
				31 December 2025	31 December 2024
Green For Growth Fund (GGF)	XXUADLVIV101 dated 18.12.2020	15.12.2025	UAH	-	48,449
Green For Growth Fund (GGF)	XXUADLVIV102 dated 16/12/2021	15.12.2026	UAH	26,474	52,767
Green For Growth Fund (GGF)	XXUADLVIV103-A dated 20.03.2024	15.03.2028	UAH	178,372	213,055
Green For Growth Fund (GGF)	XXUADLVIV103-B dated 20.03.2024	15.03.2028	UAH	38,012	45,577
Green For Growth Fund (GGF)	XXUADLVIV104 dated 17.12.2024	15.12.2028	UAH	218,320	219,269
The European Fund for Southeast Europe (EFSE)	XXUASLVIV001 dated 11/9/2023	15.03.2025	UAH	-	52,921
The European Fund for Southeast Europe (EFSE)	XXUASLVIV002-B dated 11.06.2024	15.12.2028	UAH	226,678	226,500
The European Fund for Southeast Europe (EFSE)	XXUASLVIV002-A dated 11.06.2024	15.12.2028	UAH	224,168	222,292
The European Fund for Southeast Europe (EFSE)	XXUASLVIV003-B dated 15.11.2024	15.12.2028	UAH	218,463	217,572
The European Fund for Southeast Europe (EFSE)	XXUASLVIV003-A dated 15.11.2024	15.12.2028	UAH	216,912	216,020
The European Fund for Southeast Europe (EFSE)	no. XXUASLVIV004 dated 17.06.2025	15.12.2028	UAH	241,341	-
European Bank for Reconstruction and Development (EBRD)	no. 54453/1 dated 01/08/2023	21.08.2026	UAH	166,987	333,280
European Bank for Reconstruction and Development (EBRD)	no. 54453/2 dated 01/08/2023	18.12.2026	UAH	79,878	159,511
European Bank for Reconstruction and Development (EBRD)	no. 55295/1 dated 07.06.2024	23.07.2027	UAH	189,290	236,228
European Bank for Reconstruction and Development (EBRD)	no. 55295/2 dated 07.06.2024	31.10.2027	UAH	180,786	225,284
European Bank for Reconstruction and Development (EBRD)	no. 55295/3 dated 07.06.2024	21.02.2028	UAH	225,050	-
European Bank for Reconstruction and Development (EBRD)	no. 55295/4 dated 07.06.2024	15.05.2028	UAH	232,593	-
Entrepreneurship Development Fund (EDF)	no. 015/1-07 dated 08.12.2021	08.12.2026	EUR	50,144	44,157
Entrepreneurship Development Fund (EDF)	no. 015/3-08 dated 16.02.2022	15.02.2027	UAH	20,650	20,636
Entrepreneurship Development Fund (EDF)	no. 015/1-09 dated 31.03.2022	30.03.2027	EUR;	100,336	88,402
Entrepreneurship Development Fund (EDF)	no. 015/5-12 dated 26/01/2023	24.01.2025	UAH	-	123,127
Entrepreneurship Development Fund (EDF)	no. 015/1-13 dated 19/12/2023	18.12.2028	EUR	100,308	88,335
Entrepreneurship Development Fund (EDF)	no. 015/1-17 dated 28.11.2024	27.11.2029	EUR	210,291	184,460
Entrepreneurship Development Fund (EDF)	no. 015/3-15 dated 10.07.2024	06.07.2029	UAH	41,244	41,221
Entrepreneurship Development Fund (EDF)	no. 015/4-13 dated 10.07.2024	08.07.2026	UAH	20,647	20,615
Entrepreneurship Development Fund (EDF)	no. 015/5-16 dated 18.11.2024	17.11.2026	UAH	46,435	45,557
Entrepreneurship Development Fund (EDF)	no. 015/4-18 (TR 1) dated 13.08.2025	12.08.2030	UAH	108,041	-
Entrepreneurship Development Fund (EDF)	no. 015/4-18 (TR 2) dated 13.08.2025	12.08.2030	UAH	75,765	-
Entrepreneurship Development Fund (EDF)	no. 015/5-19 dated 28.04.2025	27.04.2030	UAH	126,787	-
COUNCIL OF EUROPE DEVELOPMENT BANK	no. LD2208/1 dated 11.07.2025	17.12.2028	EUR	74,864	-
TOTAL				3,638,836	3,125,235

Information about the weighted average interest rate on other borrowed funds is provided in Note 26: Financial Risk Management (Table 5: Monitoring interest rates on financial instruments).

During 2025, the Bank received the following loans:

Creditor	Loan issue date	Loan agreement in units of currency	Currency
European Bank for Reconstruction and Development (EBRD)	21.02.2025	217,330,500	UAH
EDF	28.04.2025	123,000,000	UAH
European Bank for Reconstruction and Development (EBRD)	15.05.2025	230,789,000	UAH
The European Fund for Southeast Europe (EFSE)	25.06.2025	241,858,000	UAH
EDF	13.08.2025	105,000,000	UAH
EDF	03.12.2025	75,000,000	UAH
Council of Europe Development Bank	17.12.2025	1,500,000	EUR

As at 31 December 2025 the funds not used under the Bank fund-raising agreements amounted to:

- under the agreement with the European Bank for Reconstruction and Development no. 56865 dated 16 December 2025 - the UAH equivalent of EUR 40.0 million;
- under the agreement with the Council of Europe Development Bank no. LD2208 dated July 11, 2025 – EUR 1.5 million;
- under the agreements between the Bank, the Ministry of Finance of Ukraine and JSC “Ukreximbank” - the deadlines for receiving the funds have expired, after which the Lender should have redistributed the limits. As at 31 December 2025, no redistribution was made.

The Bank had no overdue debts related to the loan principal and interest.

The loan agreements from international and other financial organizations contain requirements for the financial condition and activities of the Bank by establishing appropriate additional conditions (the so-called “covenants”).

During 2025 breaches of covenants were identified due to the application of enforcement measures by the National Bank of Ukraine related to compliance with certain regulatory requirements. As at 31 December 2025, the Bank has obtained the necessary waivers from all creditors regarding the right to demand early repayment of loans. As at 31 December 2024, there were no covenant breaches, and liabilities under agreements with international and other financial organizations were presented in accordance with their contractual repayment terms.

As at 31 December 2025, the Bank provided as collateral for the loan received from the EDF, the property rights under the loan agreements made by the Bank with certain entities, and the property rights under the pledge/financial guarantee agreements that ensure the fulfillment of credit liabilities for UAH 1,003,848 thousand of the above business entities to the Bank (31 December 2024: UAH 638,982 thousand).

Note 15. Other liabilities and provisions for liabilities

Table 1. Other liabilities

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	Other liabilities	109,524	64,720
1.1	Other accounts payable on settlements with the Bank employees and other persons	39,633	-
1.2	Provisions for unused vacations	30,726	29,028
1.3	Deferred income	20,628	18,663
1.4	Taxes and duties payable, other than income tax	18,537	15,415
1.5	Payable for services	-	1,614
2	Other financial liabilities	405,324	284,538
2.1	Financial lease liabilities	260,224	145,618
2.2	Other payables from transactions with customers of the Bank	60,113	63,731
2.3.	Other accrued expenses	32,196	34,071
2.4	Payable on transactions with payment cards	31,084	21,453
2.5	Payables on suspense accounts	15,586	14,579
2.6	Due to customers from inactive accounts	3,063	1,698
2.7	Transit account for other settlements	1,599	926
2.8	Accrued expenses on cash and settlement services	1,209	858
2.9	Payables on payments received	192	205
2.10	Payables on foreign exchange operations	23	25
2.11	Payables on transactions with other financial instruments	23	9
2.12	Dividends payable	6	6
2.13	Payables on securities	6	6
2.14	Escrow accounts of the Fund for Entrepreneurship Development (FED)	-	1,353
3	Total	514,848	349,258

Table 2. Changes in provisions for liabilities for 2025

(thousand UAH)

Line	Movements in provisions	Notes	Credit liabilities	Tax risks	Other	Total
1	2	3	4	5	6	7
1	Balance as at 31 December 2024		1,789	-	-	1,789
2	Provision created and/or increase		(1,351)	-	-	(1,351)
3	Balance as of 31 December 2025		438	-	-	438

Note 16. Subordinated debt

The Bank's subordinated liabilities include the following agreements:

(thousand UAH)

Currency	Date when received	Maturity date	31 December 2025	31 December 2024
USD	26.10.2018	30.06.2028	228,398	217,694
EUR	07.11.2024	21.11.2030	342,206	301,499
Total			570,604	519,193

Subordinated debt agreements contain no option for the exchange of debt for shares.

On 17 October 2018, an agreement was signed between the German State Development Bank (KfW) and the Bank on the provision of a subordinated loan in US dollars in the amount equivalent to EUR 3,097 thousand. The funds were provided under the "Agrifinance" program, which is aimed at strengthening the equity of financial institutions of Ukraine and promoting the development of micro, small and medium-sized enterprises in the field of agriculture. In accordance with the Amendment dated 19.10.2022 to the Agreement dated 17.10.2018, its validity period was extended from 30.12.2025 to 30.12.2027. In this regard, the decision of the NBU Committee on Supervision and Regulation of Banks, Supervision (Oversight) of Payment Systems dated 12.12.2022 no. 20/1707-rk amended the authorisation no. 405 dated 19.12.2018 to include these funds in the Bank capital and for extending its validity until 30.12.2027.

On 28 March 2023, the Bank and KfW signed an Amendment to the Subordinated Loan Agreement, which increased the amount of subordinated debt by USD 540,700 and extended the maturity of the agreement until 30 June 2028. The funds were attracted for the purpose of future financing by the Bank of agricultural projects of small and medium-sized enterprises of Ukraine.

On 7 November 2024, an Agreement was signed between the Investment Fund for Developing Countries (IFU) and the Bank for the subordinated loan for EUR 7,000 thousand. The funds were provided to increase the regulatory capital adequacy ratio of the Bank. At the reporting date, the Bank is taking the necessary actions stipulated by the Regulation on the Procedure for Determining the Amount of Regulatory Capital by Banks of Ukraine (approved by the Resolution of the Board of the National Bank of Ukraine no. 196 dated 28.12.2023) to seek the permission of the National Bank of Ukraine to include subordinated debt in the regulatory capital.

Note 17. Changes in liabilities relating to financing activities.

Table 1. Changes in other borrowings raised in 2024 and 2025

(thousand UAH)

	NBU funds	Other borrowings
Balance as at 1 January 2024	355,045	2,006,732
Changes from financing cash flows in 2024		
Proceeds from borrowings	-	2,103,427
Borrowings repaid	-	(1,007,596)
Total changes from financing cash flows in 2024	-	1,095,831
Effect of foreign exchange differences	-	27,996
Other changes		
Interest expense	48,563	274,739
Interest paid	(48,563)	(261,487)
Other movements	(21)	(18,576)
Total other changes	(21)	(5,324)
Balance as at 31 December 2024	355,024	3,125,235
Changes as a result of cash flows from financing activities for 2025		
Proceeds from borrowings	-	1,067,480
Borrowings repaid	(355,000)	(618,795)
Total changes as a result of cash flows from financing activities for 2025	(355,000)	448,685
Effect of foreign exchange differences	-	55,008
Other changes		
Interest expense	42,309	452,904
Interest paid	42,309	(432,206)
Other movements	(42,309)	(10,790)
Total other changes	(24)	9,908
Balance as at 31 December 2025	(24)	3,638,836

Table 2. Changes in lease obligations in 2024 and 2025

(thousand UAH)

	Lease obligations
Balance as at 1 January 2024	79,921
Changes from financing cash flows in 2024:	
Payment of lease liabilities - principal	(12,554)
Other changes:	
Revaluation	-
Additions of new leases	78,173
Expiry of contracts and decrease in other assets by the guaranteed payments for the last month of lease	(614)
Interest expense	14,593
Interest paid	(13,901)
Balance as at 31 December 2024	145,618
Changes as a result of cash flows from financing activities in 2025:	
Payment of lease liabilities - principal	(26,873)
Other changes:	
Revaluation	-
Additions of new leases	75 200
Expiry of contracts and decrease in other assets by the guaranteed payments for the last month of lease	(10,143)
Interest expense	9,846
Interest paid	(9,559)
Other movements	76 135
Balance as at 31 December 2025	260,224



Table 3. Changes in subordinated debt in 2024 and 2025

(thousand UAH)

	Subordinated debt
Balance as at 1 January 2024	212,645
Changes from financing cash flows in 2024	
Proceeds from borrowings	305,837
Borrowings repaid	(23,500)
Total changes from financing cash flows in 2024	282,337
Effect of foreign exchange differences	20,601
Other changes	
Interest expense	10,586
Interest paid	(778)
Other movements	(6,198)
Total other changes	3,610
Balance as at 31 December 2024	519,193
Changes as a result of cash flows from financing activities for 2025	
Total changes as a result of cash flows from financing activities for 2025	-
Effect of foreign exchange differences	35,304
Other changes	
Interest expense	25,518
Interest paid	(8,584)
Other movements	(827)
Total other changes	16,107
Balance as at 31 December 2025	570,604

Note 18. Share capital and share premium

(thousand UAH)

Line	Item	Shares outstanding (in thousands of shares)	Ordinary shares	Share premium	Effect of IFRS 29 application	Total
1	2	3	4	5	8	9
1	Balance as at 31 December 2023	7,084,053	708,405	1,661	4,965	715,031
2	New shares (participatory interest) issue	-	-	-	-	-
3	Treasury shares (participatory interest)	-	-	-	-	-
4	Treasury shares (participatory interest) sold	-	-	-	-	-
5	Treasury shares (participatory interest) cancelled	-	-	-	-	-
6	Balances as at 31 December 2024 (Balances as at 1 January 2025)	7,084,053	708,405	1,661	4,965	715,031
7	Contributions for new share (participatory interest) issue	2,416,960	241,696	-	-	241,696
8	Treasury shares (participatory interest)	-	-	-	-	-
9	Treasury shares (participatory interest) sold	-	-	-	-	-
10	Treasury shares (participatory interest) cancelled	-	-	-	-	-
11	Balance as at 31 December 2025	9,501,013	950,101	1,661	4,965	956,727

At the end of 31 December 2025, there were no shares declared for issue.

The number of issued and paid shares is 9,501,013. All shares are paid in full.

The difference between the nominal value of the shares (UAH 950,101 thousand) and the value reflected in these financial statements (UAH 955,066 thousand) is related to the implementation of a transformational adjustment due to the need to apply the requirements of IAS 29 "Financial Statements in the Context of Hyperinflation" – since Ukraine was considered a country with a hyperinflationary economy during the ten-year period ended 31.12.2000, the Bank translated non-monetary items in the financial statements in units of measure, effective as at 31.12.2000, using the consumer price index, and these figures were used as the basis for the accounts in subsequent accounting periods.

A share nominal value is UAH 0.10.

Each ordinary share of the Bank gives the shareholder the same set of rights, including the rights to:

- participate in the management of the Bank;
- participate and vote at the General Meeting of Shareholders in person or via their representatives, the number of votes of the shareholder is determined by the number of shares he purchased;
- make proposals as to the Bank's activities;
- make proposals to the agenda of the General Meeting of Shareholders no later than 30 days before their convening;
- to elect and be elected to the governing bodies of the Bank;
- participate in the distribution of the Bank's profit, receive dividends;
- receive in case of the Bank's liquidation a certain part of its property or value;
- receive information about the Bank's activities, except for information being the banking secrecy;
- other rights provided for by the current laws.

An ordinary share of the Bank provides the shareholder with one vote to resolve any issue at the General Meeting of Shareholders, except for the cases of cumulative voting.

The Bank shareholders are obliged to:

- perform their duties to the Bank and the National Bank of Ukraine;
- comply with the statute and other internal documents of the Bank;
- comply with the decisions of the General Meeting of Shareholders and other bodies of the Bank;
- pay for shares in the amount, in the manner and by the means provided by the Bank statute;
- not to disclose commercial secrets and confidential information about the Bank activities;



- notify the Bank about changes in their details;
- promote the development of the Bank;
- not to take any actions that contradict the realization of the goals of the Bank's activity;
- perform other duties provided by the current laws of Ukraine.

Amount and term of dividend payout:

- Dividends are paid once a year based on the results of the calendar year, after the approval of the annual report no later than six months after the end of the reporting year;
- the dividends less tax in the calculation of interest per share are determined and approved by the General Meeting of Shareholders according to the register of owners of the Bank's registered shares;
- the right to receive dividends will have the persons who are registered with the register system at the beginning of the period for the payment of dividends set by the General Meeting of Shareholders, in proportion to the number of shares they own.

Other additional capital for UAH 22,184 thousand is represented by the forgiven part of the current subordinated debt from the shareholder FRONTMOST LIMITED (agreement dated 11 March 2013) totaling USD 850 thousand. The permission was granted to the Bank by the decision of the Committee for Supervision and Regulation of Banks, Supervision (Oversight) of NBU Payment Systems no. 223 dated 30 June 2017. On this basis, the Bank accounted for forgiveness in the amount of UAH 22,184 thousand as additional capital.

On 18 December 2023, the Extraordinary General Meeting of Shareholders decided to increase the authorised capital of the Bank by issuing additional shares with the existing par value through additional contributions (without making a public offer) and to issue shares of the Bank. The decision provides for the issue of 2,500,000,000 (two billion five hundred million) pieces of ordinary registered shares of the existing par value of 0.10 (ten kopecks) each, with a total par value of UAH 250,000,000.00 (two hundred and fifty million UAH 00 kopecks).

By the decision of the National Securities and Markets Commission of Ukraine dated 21 March 2024, no. 322, a temporary certificate of the shares issue registration was issued and the issue of 2,500,000,000 shares with a total nominal value of UAH 250,000,000.00 was registered. As at 31 December 2024, the placement of shares was completed in the amount of 2,416,960,000 pieces. The issue was at the stage of registration of the report on its placement. New shareholder of the Bank, Stichting fondsbecher DGGF local IKB (Stichting fondsbeheer DGGF lokal MKB), acquired ownership of 1,946,960,000 shares. responsAbility Participations AG acquired an additional 470,000,000 shares. The contributions to the authorized capital were paid in full in 2024.

The registration of the report on the share issue and, accordingly, the increase in the authorized capital to UAH 950,101,338.00 took place in January 2025.



Note 19. Movements in revaluation reserves (components of other comprehensive income)

Table 1. Movements in revaluation reserves (components of other comprehensive income)

(thousand UAH)

Line	Item	Notes	31 December 2025	31 December 2024
1	2	3	4	5
1	Balance at the beginning of the year		82,320	84,677
2	Revaluation of securities available-for-sale		-	-
3	Revaluation of property and equipment, and intangible assets		(1,427)	(1,989)
3.1	change in fair value revaluation		560	1,473
3.2	impairment		-	-
3.3	realized revaluation gain/(loss) allocated to retained earnings		(1,987)	(3,462)
4	Revaluation of hedging transactions		-	-
5	Accumulated foreign currency differences arising from the translation of the financial statements to the presentation currency		-	-
6	Share of other comprehensive income of the associate		-	-
7	Income tax resulting from:		(140)	(368)
7.1	change in securities available-for-sale revaluation reserves		-	-
7.2	change in property, equipment and intangible assets revaluation reserves		(140)	(368)
7.3	change in hedging transactions revaluation reserves		-	-
7.4	change in accumulated foreign currency differences revaluation reserves		-	-
7.5	share in change in other comprehensive income of associates		-	-
8	Total changes in revaluation reserves (other comprehensive income) less income tax		(1,567)	(2,357)
9	Balance at the year-end		80,753	82,320

Note 20. Maturity analysis of assets and liabilities

Table 1. Maturity analysis of assets and liabilities

(thousand UAH)

Line	Item	Notes	31 December 2025			31 December 2024		
			Less than 12 months	More than 12 months	Total	Less than 12 months	More than 12 months	Total
1	2	3	4	5	6	7	8	9
ASSETS								
1	Cash and cash equivalents		1,467,692	-	1,467,692	1,327,961	-	1,327,961
2	Other balances due to banks		-	150,707	150,707	405,831	149,405	555,236
3	Loans and advances to customers		5,084,153	5,969,045	11,053,198	3,201,901	5,672,095	8,873,996
4	Investments in securities		4,020,151	324,878	4,345,029	3,199,323	415,055	3,614,378
5	Deferred income tax assets		-	14,531	14,531	-	-	-
6	Property, plant and equipment		-	554,560	554,560	-	432,700	432,700
7	Intangible assets		-	46,013	46,013	-	51,075	51,075
8	Other financial assets		3,755	270	4,025	5,847	557	6,404
9	Other non-financial assets		49,428	3,408	52,836	44,170	5,566	49,736
10	Total assets		10,625,179	7,063,412	17,688,591	8,185,033	6,726,453	14,911,486
LIABILITIES								
11	Due to banks		-	-	-	355,024	-	355,024
12	Customer accounts		11,229,762	59,623	11,289,385	9,098,974	50,053	9,149,027
13	Other borrowings		1,354,374	2,284,462	3,638,836	667,618	2,457,617	3,125,235
14	Current income tax liabilities		29,845	-	29,845	105,410	-	105,410
15	Deferred income tax liabilities		-	-	-	-	8,140	8,140
16	Collateral for loan obligations and financial guarantee contracts		438	-	438	1,746	43	1,789
16	Other provisions		46,732	-	46,732	-	26,048	26,048
18	Other financial liabilities		181,310	224,014	405,324	284,408	130	284,538
19	Other non-financial liabilities		109,524	-	109,524	64,720	-	64,720
20	Subordinated debt		-	570,604	570,604	-	519,193	519,193
21	Total liabilities		12,951,985	3,138,703	16,090,688	10,577,900	3,061,224	13,639,124

Note 21. Interest income and expenses

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
INTEREST INCOME			
1	Loans and advances to customers	1,882,076	1,453,244
2	Securities in the Bank portfolio at amortised cost *	402,326	251,005
3	Correspondent accounts with other banks	4,309	6,828
4	Other balances due from banks	4,139	4,045
5	Other interest income	126	651
6	Total interest income	2,292,976	1,715,773
INTEREST EXPENSES			
7	Other borrowings	(452,904)	(274,739)
8	Term deposits from individuals	(354,493)	(312,046)
9	Current accounts	(216,669)	(166,911)
10	Term deposits from legal entities	(140,316)	(71,328)
11	Term funds from the National Bank of Ukraine	(42,309)	(48,563)
12	Interest expenses on subordinated debt	(25,518)	(10,586)
13	Lease liabilities	(9,846)	(14,594)
14	Total interest expense	(1,242,055)	(898,767)
15	Net interest income/(expenses)	1,050,921	817,006

* The item "Interest income on securities in the Bank portfolio accounted for at amortized cost" for 2025 includes accrued income on Certificates of Deposit of the National Bank of Ukraine in the amount of UAH 261,436 thousand (income amounts to 11.4% of the total interest income of the Bank for 2025).

* The item "Interest income on securities in the portfolio of the bank at amortized cost" for 2024 includes accrued income on Deposit certificates of the National Bank of Ukraine of UAH 178,879 thousand (income amounts to 10.42% of the total interest income of the Bank for 2024).

Note 22. Fee and commission income and expenses

Table 1. Fee and commission income and expenses

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
COMMISSION INCOME			
1	Cash and settlement transactions	232,454	218,977
2	Guarantees issued	328	321
3	Transactions with securities	-	8
4	Other	20,528	15,917
5	Total fee and commission income*	253,310	235,223
FEE AND COMMISSION EXPENSES			
6	Cash and settlement transactions	(49,969)	(60,197)
7	Guarantees issued	(40,284)	(21,098)
8	Transactions with securities	(920)	(814)
9	Other	(2,645)	-
10	Total fee and commission expense	(93,818)	(82,109)
11	Net commission income/expenses	159,492	153,114

* Total fee and commission income from customer transactions for 2025 amounted to UAH 252,982 thousand (2024: UAH 234,902 thousand).

Note 23. Other operating income

Table 1. Other operating income

(thousand UAH)

Line	Item	Notes	31 December 2025	31 December 2024
1	2	3	4	5
1	Other income		13,818	4,570
2	Gain on disposal of property, equipment, and intangible assets		4,068	763
3	Fines and penalties received by the Bank		1,664	4
4	Other operating income		1,594	1,475
5	Income from sub-lease		243	243
6	Income from financial advisory services provided		9	24
7	Total operating income		21,396	7,079

Note 24. Other administrative and other operating expenses

Table 1. Administrative and other operating expenses

(thousand UAH)

Line	Item	Notes	31 December 2025	31 December 2024
1	2	3	4	5
1	Maintenance of property, equipment and intangible assets, telecommunication and other operational services		(107,014)	(86,231)
2	Professional services		(91,648)	(57,945)
2.1	<i>including the cost of consulting services from I.D Inspiring Development GmbH</i>		<i>(60,042)</i>	<i>(42,318)</i>
3	Taxes, other than income tax		(45,986)	(39,223)
4	Marketing and advertisement		(7,013)	(9,311)
5	Travel expense		(3,903)	(2,106)
6	Fines, penalties paid by the bank		(2,795)	(296)
7	Cash collection and transportation		(1,763)	(1,466)
8	Insurance		(1,668)	(814)
9	Hospitality		(1,015)	(664)
10	Sponsorship and charity		(853)	(535)
11	Operating leasing expenses		(661)	(464)
12	Impairment of property, equipment and intangible assets		(97)	(400)
13	Other operating expenses		(3,674)	(4,578)
14	Other expenses		(10,821)	(9,779)
15	Total administrative and other operating expenses		(278,911)	(213,812)

In 2017, due to the acquisition of a share in the capital by a new shareholder, namely, responsAbility Participations AG (Switzerland), the Bank signed the Management Service Agreement for a period of 6 years with the German consulting company I.D. Inspiring Development GmbH (Frankfurt, Germany). In 2021, the management agreement was amended to extend its validity until 31 December 2026.

Note 25. Income tax expense

As at 31 December 2025, the base income tax rate applicable to taxable income was 25%, with the option to offset unused tax losses from prior years against the tax base (as of 31 December 2024, the income tax rate on taxable income was 50%, without the option to offset unused tax losses from prior years against the tax base).

Table 1. Income tax expense

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	Current income tax	(115,319)	(183,228)
2	Change of deferred income tax expense	21,941	7,825
3	Total income tax expense	(93,378)	(175,403)

Table 2. Reconciliation of accounting income (expense) and tax income (expense)

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	Profit before tax	418,499	329,698
2	Theoretical tax deductions at the appropriate tax rate (25%-50%)	(104,625)	(164,849)
ADJUSTMENT OF ACCOUNTING PROFIT (LOSS)			
3	Permanent differences between taxable income and accounting (financial) profit	(698)	(9,811)
4	Effect of a change in the tax rate	14,529	-
5	Other adjustments	(2,584)	(743)
6	Income tax expense	(122,750)	(182,483)

Table 3. Tax effects of deferred tax assets and liabilities recognized as at 31 December 2025

(thousand UAH)

Line	Item	Balances as at 1 January 2025	Recognised in other comprehensive income	Recognised in 2025 P&L	Balances as at 31 December 2025
1	2	3	4	5	6
1	Tax effect of temporary differences that decrease (increase) taxes and tax losses carrying forward	(8,140)	730	21,941	14,531
1.1	Property, plant and equipment	(16,639)	730	(217)	(16,126)
1.2	Provision for assets impairment	799	-	801	1,600
1.3	Accrued income (expenses)	7,700	-	21,357	29,057
2	Net deferred tax asset (liability)	(8,140)	730	21,941	14,531
3	Recognised deferred tax asset	-	-	14,531	14,531
4	Recognised deferred tax liability	(8,140)	730	7,410	-



Table 4. Tax effects of deferred tax assets and liabilities recognized for 2024

(thousand UAH)

Line	Item	Balances as at 1 January 2024	Recognised in other comprehensive income	Recognised in profit/loss for 2024	Balances as at 31 December 2024
1	2	3	4	5	6
1	Tax effect of temporary differences that decrease (increase) taxes and tax losses carrying forward	(16,298)	333	7,825	(8,140)
1.1	Property, plant and equipment	(17,123)	333	151	(16,639)
1.2	Provision for assets impairment	825	-	(26)	799
1.3	Accrued income (expenses)	-	-	7,700	7,700
2	Net deferred tax asset (liability)	(16,298)	333	7,825	(8,140)
3	Recognised deferred tax asset	-	-	-	-
4	Recognised deferred tax liability	(16,298)	333	7,825	(8,140)



Note 26. Financial risk management

1) Credit risk

Credit risk is the current or potential risk for proceeds and capital arising from the failure of a party that assumed an obligation to comply with the terms and conditions of any financial agreement with the bank or otherwise fulfil its obligations.

The Bank is consciously exposed to credit risk due to its lending activities (which are the basis of its business model). Credit risk is carefully managed within a defined limit system that is strictly controlled. As credit risk is the major risk for the Bank, there is a comprehensive set of policies and other internal regulations regulating the full lending cycle in detail.

Credit risks include:

- the risk of an individual borrower or transaction (individual);
- portfolio risk.

The source of individual credit risk is a specific counterparty of the Bank - the borrower, the debtor, the issuer of securities. That is, there emerges a risk that the borrower may default its obligations to the Lending Bank in terms of payment of the principal and interest specified in the terms and conditions of the agreement and the Bank will not be able to timely and fully use collateral to cover possible losses.

The main areas of individual credit risk evaluation include:

- creditworthiness (financial condition) of an individual counterparty, i.e. its individual ability to timely and fully settle its liabilities;
- credit project (profit margin, payback, deadlines, financial and material sources of its implementation);
- conditions of the borrower business (business risk);
- loan collateral (collateral quality, price, liquidity, use, insurance).

Portfolio credit risk is a decrease in the value of the Bank's assets (other than due to changes in the market interest rate). The source of portfolio credit risk is the total debt due to the Bank for transactions exposed to the credit risk, i.e. loan portfolio, securities portfolio, receivables portfolio, etc.

Portfolio credit risk evaluation involves: analysis of the balance sheet structure, working assets structure (in terms of items, currencies and the degree of their impact on the Bank's activities) and evaluation of the concentration and diversification of loans and other credit instruments.

The key principles based on which the Bank loan portfolio is created are those of the maximum diversification of the loan portfolio among individual borrowers and by types of economic activity (i.e. by sectors of the economy).

The key methods of credit risk management by the Bank include:

- evaluation of the financial condition of borrowers and counterparty banks, follow-up monitoring of their financial condition;
- provisioning;
- limits setting;
- loan portfolio diversification;
- control over the loans issued earlier
- collateral;
- segregation of staff authorities;
- setting of limit values of mandatory standards in accordance with current laws and internal regulations of the Bank.

As at 31 December 2025, the Bank complies with the NBU standards regarding the credit risk, namely: the maximum of credit risk per counterparty (H7), large credit risks (H8), and the maximum amount of credit risk for transactions with related parties (H9).

Decisions on lending are made by the Bank credit committees. The Bank has five-levels of Credit Committees for business clients and four levels of committees for retail clients. Members of Credit committees are set limits on making credit decisions. If the amount of debt for single or a group of related parties exceeds the equivalent of USD 1 mln. The decision is made by the Supervisory Board, based on the results of preliminary approval by the Highest Level Committee.

The basis for decision-making by the Credit Committee is the proposal for the financing and collateral structure, which is tailored to the customer needs and dependent on their risk profile. As a rule, the loans exposed to a higher risk are secured by appropriate collateral.

The Bank has introduced early risk-detection indicators and developed a comprehensive system of early warning indicators aimed at early detection in the financial condition, activities/behaviour of debtors/counterparties of the signs of potential problems and actions that indicate/may indicate an intention to avoid fulfilling the commitments to the Bank. The early

detection of increases in credit risk at the borrower level is incorporated into all lending-related processes, resulting in prompt identification and timely assessment of the financial difficulties faced by clients. Regular recording and analysis of these early warning indicators helps to manage the performing portfolio, identify potential default risks at an early stage and take the required measures to avoid a significant increase in credit risk.

The report on the loan portfolio analysis with detailed analysis of credit risk exposure per overall loan portfolio and per lending segment is presented to governing bodies of the Group on a monthly basis. In addition, the Bank adheres to the system of internal concentration limits for certain segments of the loan portfolio and concentration limits set for certain sectors of the economy. To prevent exceeding the concentration of the limits, they are monitored (controlled). Concentration limits are monitored on a monthly basis by the Credit Risk and Monitoring Authority. The monitoring results are included into the loan portfolio quality report.

Application of macroeconomic factors

As at 31 December 2025, the Bank has resumed the application of the macroeconomic impact model in assessing expected credit losses in accordance with IFRS 9 due to the stabilization of key economic indicators, the restoration of statistically significant relationships between macroeconomic variables and credit risk indicators based on the Bank's internal historical data. This provides a more representative and reasonable assessment compared to management's adjustments, previously used.

The table below shows the current macromodel coefficients as at 31 December 2025:

Indicator	2026	2027 and subsequent years
Macrofactor coefficient	0.99	0.979

The Bank uses the forecast values of macroeconomic indicators of the GDP level according to the NBU and the IMF to build a model using scenarios that are assigned the appropriate weights:

Script	Scenario Weight	GDP		Description and justification of the scenario
		2026	2027 and subsequent years	
Basic	50%	2.35%	2.6%	Using NBU forecasts for 2026-2027
Adverse	30%	0.35%	0.6%	Zero GDP growth is expected in 2026. The GDP indicators in 2026-2027 are 2 percentage points lower than the data in the baseline scenario.
Extreme	15%	n/a*	n/a*	The Bank uses the actual historical default rates observed in: <ul style="list-style-type: none"> • 2026: 17.4% The worst historical level of defaults is used (the start of the war in 2022). • 2027: 17.2% The 95th percentile of the Bank's worst historical default rates is used. The scenario was added taking into account the uncertainty caused by the current hostilities and the possibility of their escalation.
Optimistic	5%	4.85%	4.6%	Using IMF forecasts for 2026-2027.

* For the extreme scenario, historical default levels are applied.

The following is the sensitivity from the application of scenarios for the amount of provisions for impairment of loans and advances to customers as at 31 December 2025:

Scenarios	Scenario Weight	Macrofactor coefficient		Impact on the provision for impairment of loans and advances to customers, thousand UAH	
		2026 year	2027 and subsequent years	Charge	Release
1.					
Basic	100%	0.785	0.775		17 802
Adverse	0%				
Extreme	0%				
Optimistic	0%				
2.					
Basic	0%	0.861	0.851		11 301
Adverse	100%				
Extreme	0%				
Optimistic	0%				
3.					
Basic	0%	2.03	2.00	88 070	
Adverse	0%				
Extreme	100%				
Optimistic	0%				
4.					
Basic	0%	0.689	0.698		25 419
Adverse	0%				
Extreme	0%				
Optimistic	100%				

If management adjustments were used instead of macroeconomic factors in 2025, the increase of provision would amount to UAH 13,153 thousand.

Management adjustments

In order to take into account such factors as the possible severity and duration of economic shocks, increased credit risk in certain sectors of the economy and lending areas, the Bank in 2024 did not apply adjustments for forecast information and macroeconomic indicators when calculating the amount of expected credit losses (ECLs), replacing them with management's adjustment that reflects the significant uncertainty caused by military operations in Ukraine.

31 December 2024, in order to take into account the full impact of military actions on the borrowers' activities, the probability of default (PD) parameter was calculated using adjustments for the growth of default rates in Q2 2022- Q4 2024 comparing to historical defaults by segments for 2024. The effect of this adjustment on the amount of ECL was UAH 7,158 thousand in respect of loans assessed on a collective basis in Stages 1 and 2. The effect of the adjustment on PD parameters is presented below.

(thousand UAH)

Segment Type	Gross carrying amounts	Expected Credit Loss (ECL)	ECL for Stage 1-2 (collective basis)	Effect of adjustments by management	Effect of adjustments by management, %
1	2	3	4	5	6
Loans to corporate customers	7,227,292	(69,967)	(6,756)	(1,452)	21%
Loans granted to individual entrepreneurs	1,615,497	(41,167)	(15,484)	(2,156)	14%
Mortgage loans to individuals	33,535	(2,332)	(1,959)	(656)	33%
Consumer loans to individuals	131,556	(22,599)	(7,901)	(2,852)	36%
Other loans to individuals	2,291	(110)	(110)	(42)	38%
TOTAL	9,010,171	(136,175)	(32,210)	(7,158)	22%



For the loans measured on an individual basis, the average default rate for the Q2 2022 - Q4 2024 was less than historical defaults and the Bank decided not to apply any adjustments to the historical values.

2) Market risk

Market risk is the probability of losses or additional losses or loss of expected income due to adverse changes in foreign exchange rates, interest rates, and the value of financial instruments.

Market risk management is the process of managing the Bank's trading operations with parallel control of open trading positions, taking into consideration the aspects of hedging market risks and strict control over trading (arbitrage) transactions.

In the course of market (price) risk management, the Bank aims to:

- comply with risk appetite for market risks by setting limits (restrictions), implement instrument procedures and management reporting, both for individual groups of operations and at the portfolio level as a whole;
- assess the impact of market risks on the Bank's income and market value of capital;
- assess all material risk associated with the assets and liabilities of the Bank, positions in off-balance sheet accounts;
- use reliable tools to measure market risks;
- provide the Bank management bodies with an opportunity to have a consolidated view of market risks;
- control financial instruments associated with increased risks;
- optimal, in the understanding of the consolidated financial result, distribution of discrepancy limits (positions) among the Bank's profit centres;
- maintain diversified trading positions in currencies, financial instruments, issuers, etc.;
- ensure the implementation of banking operations strictly following the established limits, procedures and regulations;
- segregate the functions and responsibilities of the special committees and divisions of the bank in the process of market (price) risk management.

The Bank uses one of the following methods of market risk management:

- a single pool of common open positions (used for rapid analysis, when there is no opportunity or time to analyse the structure of open positions);
- expanded open positions in terms of currencies, financial instruments, issuers of securities, etc.

Market risks include the following risks:

- the risk of default arising from the issuer's default on a debt security or other instrument contained in the Bank's trading book, its contractual obligations;
- interest rate risk of the trading book, which arises due to adverse changes in market interest rates that affect the value of a debt security or other fixed income instrument, the value of a derivative financial instrument (derivative), the base variable of which is the market interest rate contained in the Bank's trading book;
- credit spread risk arising from the widening (increase) of the credit spread between the yield to maturity of a security or other fixed income financial instrument contained in the Bank's trading book and the risk-free yield to maturity (yield to maturity of domestic government bonds denominated in national currency) with a similar duration, which affects the market value of such instruments. The widening of the credit spread may be associated with a decrease in the credit quality of the issuer of the financial instrument, as well as with general changes in market conditions;
- stock risk arising from adverse changes in the market value of shares and other fixed income securities contained in the Bank's trading book;
- currency risk arising from adverse fluctuations in foreign exchange rates that affect the assets, liabilities and off-balance sheet items contained in the trading and banking books of the Bank;
- commodity risk arising from adverse changes in the market value of goods, including precious metals contained in the trading and banking books of the Bank;
- volatility risk arising from adverse changes in the volatility of market prices, interest rates, market indices and exchange rates that reduce the value of options, including embedded options in other financial instruments. The Bank evaluates the risk of volatility if the amount of options on its balance sheet, including embedded options in other financial instruments, the basic variables of which are market prices of shares or commodities, interest rates, market indices or exchange rates excluding the position sign, exceeds 1% of Bank regulatory capital.

The Bank uses the following instruments to measure market risks:

- for default risk - the procedure for evaluation of credit risk for asset banking operations, established by the NBU regulations;
- for interest rate risk of the trading book and credit spread risk - the method of modified duration, which evaluates the relative change in the fair value of debt instruments in the trading book of the Bank in case of change in their yield to maturity by one basis point;



- for volatility risk, stock, currency and commodity risks - the method of value at risk (VaR) or the method of expected losses (Expected Shortfall, ES).

Taking into account the specifics of its own business model, the Bank set zero risk-appetite for risks inherent in trading book instruments, namely default risk, interest rate risk of trading book, credit spread risk, volatility risk, stock risk and commodity risk.

The main goal of the Bank in managing and controlling market risk is to minimize actual and potential losses of the Bank's capital in the formation of assets and liabilities using foreign currencies. The Bank adheres to a conservative approach when it comes to currency risk, mitigating it by setting limits for the common open currency positions.

3) Currency risk

Table 1. Currency risk analysis

(thousand UAH)

Line	Currency	31 December 2025				31 December 2024			
		Monetary assets	Monetary liabilities	Derivative financial instruments	Net position	Monetary assets	Monetary liabilities	Derivative financial instruments	Net position
1	2	3	4	5	6	7	8	9	10
1	USD	2,372,916	2,374,423	-	(1,507)	1,898,657	1,900,364	-	(1,707)
2	EUR	2,142,644	2,141,796	-	848	1,991,572	1,992,962	-	(1,390)
3	British pounds	4,104	1,780	-	2,324	1,683	4	-	1,679
4	CAD	2,003	75	-	1,926	530	505	-	25
5	PLN	14,251	11,465	-	2,786	7,130	4,371	-	2,759
6	RUB	871	980	-	(109)	690	776	-	(86)
7	Total	4,536,789	4,530,521	-	6,268	3,900,262	3,898,982	-	1,280

Table 2. Sensitivity of profit or loss before tax and equity to potential changes in official UAH exchange rates at the reporting date, assuming that all other variables remain constant.

(thousand UAH)

Line	Item	31 December 2025		31 December 2024	
		Effect on profit (loss)	Effect on equity	Effect on profit (loss)	Effect on equity
1	2	3	4	5	6
1	US Dollar strengthening by 10%	(151)	(151)	(171)	(171)
2	10% weakening of USD	151	151	171	171
3	Euro strengthening by 10%	85	85	(139)	(139)
4	Euro weakening by 10%	(85)	(85)	139	139
5	GBP strengthening by 10%	232	232	168	168
6	GBP weakening by 10%	(232)	(232)	(168)	(168)
7	Strengthening of other currencies and banking metals	460	460	270	270
8	Weakening of other currencies and banking metals	(460)	(460)	(270)	(270)

Table 3. Changes in profit or loss and equity due to possible changes in the official exchange rates of UAH to foreign currencies set as a weighted average FX rate, provided that all other variables remain unchanged

(thousand UAH)

Line	Item	Weighted average FX rate - 2025		Weighted average FX rate - 2024	
		Effect on profit (loss)	Effect on equity	Effect on profit (loss)	Effect on equity
1	2	3	4	5	6
1	US Dollar strengthening by 10%	(148)	(148)	(163)	(163)
2	10% weakening of USD	148	148	163	163
3	Euro strengthening by 10%	80	80	(138)	(138)
4	Euro weakening by 10%	(80)	(80)	138	138
5	GBP strengthening by 10%	223	223	163	163
6	GBP weakening by 10%	(223)	(223)	(163)	(163)
7	Strengthening of other currencies and banking metals	437	437	263	263
8	Weakening of other currencies and banking metals	(437)	(437)	(263)	(263)

4) Interest rate risk

Interest rate risk of the banking book is the probability of losses or additional losses or loss of planned income due to the impact of adverse changes in interest rates on the banking book. The interest rate risk of the banking book affects the economic value of the Bank's capital and the Bank's net interest income.

The management of interest rate risk in the banking book is to form a structure of interest-bearing assets and liabilities of the Bank, which would not threaten with the unacceptable loss of net interest income from possible future changes in interest rates in the market.

The Bank measures the interest rate risk of the banking book as the amount of change in the economic value of the Bank's capital (EVE method) and the Bank's net interest income (NII method) based on a complete and economically sound list of changes in interest rates and stress scenarios.

The Bank sets interest rate risk limits for the banking book at least in terms of significant currencies in relation to:

- the maximum decline in the Bank's net interest income over the next 12 months, which is defined as the worst of the indicator values, calculated based on all scenarios of changes in interest rates used by the Bank;
- the maximum decline in the economic value of the Bank's capital, which is defined as the worst decrease in the value of this indicator, calculated based on all scenarios of changes in interest rates used by the Bank.

Additional information on interest rate risk management is provided in the following tables.

Table 4. Interest rate risk overview

In this Table, the financial assets and liabilities are stated at carrying amount at the dates when interest rates are revised in accordance with the agreements or maturities, whichever is earlier.

For the fixed rate assets and liabilities, maturity is determined based on the period from the balance sheet date to the maturity date under the contract, and for the variable rate assets and liabilities, based on the nearest term of interest rate review or maturity date, depending on whichever is earlier.

The net gap is calculated as the difference between assets and liabilities. If the liabilities exceed the assets, the net gap is indicated in parentheses.

Line	Item	On demand and less than 1 month	From 1 to 12 months	More than 1 year	Total
1	2	3	4	5	6
2025					
1	Total financial assets	8,533,235	4,015,246	2,541,322	15,089,803
2	Total financial liabilities	4,560,443	7,205,941	1,042,212	12,808,596
3	Net gap on financial assets with interest income/expenses accrued at the end of 2024	3,972,792	(3,190,695)	1,499,110	2,281,207
2024					
4	Total financial assets	7,824,497	1,758,714	2,741,377	12,324,588
5	Total financial liabilities	4,257,726	5,333,636	932,292	10,523,654
6	Net gap on financial assets with interest income/expenses accrued at the end of 2023	3,566,771	(3,574,922)	1,809,085	1,800,934

In the analysis of interest rate risk, the following assumptions were made regarding the mismatch between assets and liabilities sensitive to changes in interest rates:

- all loans issued to legal entities at a fixed rate fall due;
- all loans issued to individuals at a fixed interest rate fall due;
- all deposits attracted from legal entities at a fixed interest rate are due on time before the interest rate changes according to the maturity date.

Starting from 1 April 2025, the Bank has separated instruments with fixed and floating interest rates and applied different allocation mechanisms by time intervals:

- by maturity date — for instruments with a fixed interest rate;
- by the date of the next change in the index value — for instruments with a floating interest rate (the earlier of two dates is taken: either the instrument's final maturity date or the revaluation date (review of the floating rate) of that specific instrument).

Interest risk sensitivity analysis

To analyse the sensitivity to interest rate risk, the following scenarios for interest rate changes are used:

Line	Method	Description	UAH	USD	EUR
1	NII	Increase/ decrease in interest rates for maturities up to 1 year (parallel shock up/down)	+2% p.a.	+2% p.a.	+2% p.a.
2			-2% p.a.	-2% p.a.	-2% p.a.
3		Increase/ decrease in interest rates for maturities up to 6 months (short rates shock up / down)	+2% p.a.	+2% p.a.	+2% p.a.
4			-2% p.a.	-2% p.a.	-2% p.a.
5	EVE	Increase / decrease in rates for all terms (parallel shock up / down)	+2% p.a.	+2% p.a.	+2% p.a.
6			-2% p.a.	-2% p.a.	-2% p.a.
7		Increase/ decrease in interest rates for maturities up to 6 months (short rates shock up / down)	+2% p.a.	+2% p.a.	+2% p.a.
8			-2% p.a.	-2% p.a.	-2% p.a.

Based on data as at the end of 2025, under the worst-case scenarios, interest rate risk amounts to:

- using the NII method (as a potential change in net interest income over 1 year) – (23,225) thousand UAH, scenario – “Fall in rates for terms up to 6 months (short rates shock down) by UAH -2% per annum; USD -2% per annum; EUR -2% per annum”;
- using the EVE method (as a possible change in the economic value of capital) – (36,524) thousand UAH, scenario – “Fall in rates across all maturities (parallel shock down) by UAH -2% p.a.; USD -2% p.a.; EUR -2% p.a.”

Based on data as of the end of 2024, under the worst-case scenario, interest rate risk, as a possible change in net interest income over 1 year, amounts to UAH (23,149) thousand. (scenario – “Rate increases only for maturities up to and including 6 months (short rates shock up) by UAH +2% p.a.; USD +2% p.a.; EUR +2% p.a.”)

Table 5. Monitoring of interest rates on financial instruments

(%)

Line	Item	2025				2024			
		UAH	USD	EUR	other	UAH	USD	EUR	other
1	2	3	4	5	6	7	8	9	10
Assets									
1	Other balances due from banks	4.01	0.75	0.19	-	3.92	0.47	0.90	-
2	Loans and advances to customers	22.24	8.49	8.18	-	22.97	8.43	8.44	-
3	Investments in securities	15.51	3.93	2.02	-	14.30	5.03	2.41	-
Liabilities									
4	Due to banks	15.16	-	-	-	13.64	-	-	-
5	Customer accounts	-	-	-	-	-	-	-	-
5.1	current accounts	6.23	0.00	0.00	-	6.01	0.00	0.00	-
5.2	term deposits	14.60	2.11	1.25	-	15.05	2.05	1.29	-
6	Other borrowings	15.16	-	2.66	-	15.40	-	3.82	-
7	Subordinated debt	-	5.00	5.00	-	6.00	5.00	5.00	-

The Table presents the data on the weighted average interest rate. The interest rate is calculated as a percentage on an annualized basis.

At the same time:

- “Other bank balances” - interest is accrued at fixed rates;
- “Loans and advances to customers” - interest depending on the product type is accrued at fixed or floating rates;
- “Investments in securities” - the rate is a fixed one;
- “Due to banks” - interest is accrued at fixed rates;
- “Customers funds” - interest is accrued at fixed rates;
- “Other borrowed funds” - the rates for some borrowings are floating, and for others are fixed ones;
- “Subordinated debt” - the rate is a fixed one.

5) Geographic Risk

Concentrations demonstrate the sensitivity of the Bank's operations to the developments affecting a particular industry or geographical area. Concentration arises when several counterparties carry out the same economic activity in the same geographical region or have similar economic characteristics. The Bank determines its geographical concentration in accordance with the principles established by the NBU.

The Bank does not have a significant concentration of risks in certain industries, economic sectors or geographical regions.

Table 6. Analysis of the geographical concentration of financial assets and liabilities for 2025

(thousand UAH)

Line	Item	Ukraine	OECD	Other countries	Total
1	2	3	4	5	6
Assets					
1	Cash and cash equivalents	810,632	657,060	-	1,467,692
2	Other balances due to banks	150,707	-	-	150,707
3	Loans and advances to customers	11,034,745	18,453	-	11,053,198
4	Investments in securities	3,503,412	841,617	-	4,345,029
5	Other financial assets	3,870	98	57	4,025
6	Total financial assets	15,503,366	1,517,228	57	17,020,651
Liabilities					
7	Due to banks	-	-	-	-
8	Customer accounts	11,194,010	67,575	27,800	11,289,385
9	Other borrowings	900,647	2,738,189	-	3,638,836
10	Other provisions	28,199	18,533	-	46,732
11	Other financial liabilities	373,292	32,032	-	405,324
12	Subordinated debt	-	570,604	-	570,604
13	Total financial liabilities	12,496,148	3,426,933	27,800	15,950,881
14	Net position on financial instruments	3,007,218	(1,909,705)	(27,743)	1 069 770
15	Credit-related commitments	561,937	-	-	561,937

Table 7. Analysis of geographic concentration of financial assets and financial liabilities for 2024

(thousand UAH)

Line	Item	Ukraine	OECD	Other countries	Total
1	2	3	4	5	6
Assets					
1	Cash and cash equivalents	800,573	527,387	-	1,327,960
2	Other balances due to banks	555,236	-	-	555,236
3	Loans and advances to customers	8,857,886	16,110	-	8,873,996
4	Investments in securities	3,268,748	345,631	-	3,614,379
5	Other financial assets	6,335	50	19	6,404
6	Total financial assets	13,488,778	889,178	19	14,377,975
Liabilities					
7	Due to banks	355,024	-	-	355,024
8	Customer accounts	9,059,497	62,265	27,265	9,149,027
9	Other borrowings	656,514	2,468,721	-	3,125,235
10	Liabilities for share-based payment transactions	-	11,230	14,818	26,048
11	Other financial liabilities	281,013	3,524	1	284,538
12	Subordinated debt	-	519,193	-	519,193
13	Total financial liabilities	10,352,048	3,064,933	42,084	13,459,065
14	Net position on financial instruments	3,136,730	(2,175,755)	(42,065)	918,910
15	Credit-related commitments	432,301	-	-	432,301

6) Liquidity Risk

Liquidity risk is the risk of default.

The purpose of liquidity risk management is to ensure the Bank's ability to meet its obligations to all counterparties in a timely and complete manner.

Liquidity management is the balancing of the Bank's assets and liabilities by amounts and maturities, taking into account concentrations in the balance sheet structure, as well as the market environment.

In the course of liquidity risk management, the Bank aims to:

- comply with risk appetite for liquidity risks by setting limits (restrictions), implement instrument procedures and management reporting, both for individual groups of operations and at the portfolio level as a whole;
- make cash available in sufficient amount at the Bank to cover its operational and planned liquidity needs;
- comply with the requirements of the NBU on liquidity standards, mandatory reservation of borrowed funds on the correspondent account, etc.;
- make sure the Bank is able to cover the outflow of funds in a crisis scenario (in the event of a crisis related to the Bank itself, a systemic crisis or liquidity close to a systemic crisis) for a certain period, which is determined by the risk appetite;
- optimally distribute in the sense of the consolidated financial result of the Bank the liquidity limits distribution by time intervals and currencies;
- concentrate liquidity risk, and hence manage the risk centrally;
- segregate the functions and responsibilities of the governing bodies, special committees, and divisions of the bank in the process of liquidity risk management;
- ensure the implementation of banking operations strictly following the established limits, procedures and regulations.

In the process of liquidity management, the Bank is guided by the following basic principles:

- liquidity management is carried out daily and continuously;
- in making decisions, the Bank resolves the conflict between liquidity and profitability in favor of liquidity;
- any agreement that affects the liquidity situation shall take into account liquidity risk. When placing assets in various financial instruments, the Bank properly considers the urgency of the source of resources and its volume.

The Bank sets the following quantitative indicators of risk appetite for liquidity risk:

- the Bank's ability to fully and timely fulfil its payment obligations during a stressful situation without attracting loans from the National Bank for emergency support based on the results of stress testing in a specific scenario for the Bank;
- maximum risk during a stressful situation under the combined (worst case) scenario of the liquidity crisis as a percentage of the Bank's regulatory capital;
- the maximum negative cumulative GAP between the urgency of assets and liabilities as a percentage of assets;
- the maximum amount of funds of individuals as a percentage of the Bank's total liabilities;



- maximum amount of 20 largest depositors as a percentage of the Bank's total deposits portfolio (term and savings ones).

Table 8. Analysis of financial liabilities by maturity for 2025

This Table presents the maturities that are determined from the reporting date to the maturity under the relevant contract. The amounts are undiscounted cash flows that differ from the amounts reported in the balance sheet, since the amounts in the balance sheet are based on discounted cash flows. The derivative financial instruments calculated on a net basis are presented as net amount.

(thousand UAH)

Line	Item	On demand and less 1 month	From 1 to 12 months	12 months - 5 years	Over 5 years	Total
1	2	3	4	5	6	7
1	Due to banks	-	-	-	-	-
2	Customer accounts	6,771,509	4,650,802	60,441	23	11,482,775
2.1	Deposits from individuals	1,869,769	3,347,066	60,441	1	5,277,277
2.2	Other	4,901,740	1,303,736	-	22	6,205,498
3	Other borrowings	109,506	1,646,508	2,703,629	-	4,459,643
4	Other provision	-	-	46,732	-	46,732
5	Subordinated debt	2,461	26,517	664,782	-	693,760
6	Other financial liabilities	147,452	37,745	132,184	100,813	417,894
6.1	Lease commitments	3,792	36,095	132,184	100,813	272,884
7	Financial guarantees	6,610	-	-	-	6,610
8	Other credit commitments	3,085	-	-	-	3,085
9	Total contingent future payments under financial obligations	7,040,623	6,361,272	3,607,768	100,836	17,110,499

* The irrevocable commitments as at 31 December 2025 amounted to UAH 3,085 thousand.



Table 9. Maturity analysis for financial liabilities for 2024

(thousand UAH)

Line	Item	On demand and less 1 month	From 1 to 12 months	12 months - 5 years	Over 5 years	Total
1	2	3	4	5	6	7
1	Due to banks	4,070	394,001	-	-	398,071
2	Customer accounts	6,067,942	3,171,200	48,645	2,065	9,289,852
2.1	Deposits from individuals	1,593,384	2,694,862	48,645	1	4,336,892
2.2	Other	4,474,558	476,338	-	2,064	4,952,960
3	Other borrowings	173,850	851,388	2,931,173	-	3,956,411
4	Liabilities for share-based payment transactions	-	-	26,048	-	26,048
5	Subordinated debt	2,240	24,138	309,071	321,218	656,667
6	Other financial liabilities	106,302	28,810	99,500	77,674	312,286
6.1	Lease commitments	2,522	27,587	99,388	77,655	207,152
7	Financial guarantees	6,929	-	-	-	6,929
8	Other credit commitments	3,319	-	-	-	3,319
9	Total contingent future payments under financial obligations	6,364,652	4,469,537	3,414,437	400,957	14,649,583

* The irrevocable commitments as at 31 December 2024 amounted to UAH 3,319 thousand.

Note 27. Capital management

To ensure the ongoing operation of the Bank, its capital shall be maintained at a level sufficient to cover the risks that the Bank accepts in the course of its operations, as well as the risks that may arise in a crisis situation.

To maintain capital at a sufficient level, the Bank uses:

- capital planning (business plan for the next periods of activity or capitalization program);
- monitoring of capital adequacy in the current activity of the Bank under normal conditions (compliance with standards and limits on capital adequacy);
- assessment of capital adequacy under adverse conditions (the impact of the results of stress testing of risks on capital adequacy).

The National Bank of Ukraine, as the main regulatory authority, sets the capital requirements for the Bank as a whole and monitors compliance with these requirements based on reporting according to national standards. The Bank and its individual operations are under direct supervision by national regulatory authorities.

In August 2024, the process of implementing the requirements of the new Regulation on the procedure for determining the amount of regulatory capital by banks of Ukraine, approved by Resolution of the NBU Board no. 196 dated December 28, 2023, was completed. From 6 August 2024, the calculation of regulatory capital and capital adequacy ratios is carried out in accordance with the new regulatory requirements for the three-tier capital structure, as well as taking into account the minimum amount of market risk.

As at 31 December 2025, the specified minimum regulatory capital adequacy ratio was 10%, the minimum Tier 1 capital adequacy ratio was 7.5%, the minimum Tier 1 core capital adequacy ratio was 5.625% (in accordance with the new regulatory requirements for calculating capital adequacy), as at 31 December 2024, the minimum regulatory capital adequacy ratio was 8.5%, and the minimum core capital adequacy ratio was 5.625%. The Bank complies with regulatory requirements for capital level indicators as of 31 December 2025 and 31 December 2024.

As at 31 December 2025, and 2024, the regulatory capital adequacy ratio was 14.5% and 13.18% and exceeds the regulatory level set by the NBU (10% as at 31 December 2025 and 8.5% as at 31 December 2024).

The capital structure of the Bank, calculated on the basis of the Basel I Capital Accord

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	Tier 1 capital		
1.1	Issued capital	955,066	955,066
1.2	Share premium	1,661	1,661
1.3	Accumulated surplus	230,054	191,094
	Total Tier 1 capital	1,186,781	1,147,821
2	Tier 2 capital		
2.1	Revaluation surplus	80,753	82,320
2.2	Subordinated debt	440,539	137,575
	Total Tier 2 capital	521,292	219,895
3	Total regulatory capital	1,708,073	1,367,716
4	Total risk-weighted assets	11,687,926	9,020,769
	Capital ratios		
5	Total regulatory capital expressed as a percentage of total risk-weighted assets	14.6%	15.2%
6	Total Tier 1 capital expressed as a percentage of total risk-weighted assets	10.2%	12.7%

Note 28. Contingent liabilities of the Bank

1) Litigations

In the ordinary course of business, the Bank is subject to legal actions and complaints. Management believes that the ultimate liability, if any, arising from such actions or complaints will not have a material adverse effect on the financial condition or the results of future operations.

2) Tax contingencies

The management believes that the Bank's operations fully comply with applicable laws and that the Bank has assessed all relevant taxes and paid all tax liabilities, and, therefore, the financial statements do not including provisions for tax contingencies.

The Bank performs its operations in Ukraine and therefore within the jurisdiction of the Ukrainian tax authorities. The Ukrainian tax system can be characterised by numerous taxes and frequently changing legislation which may be applied retroactively, open to wide interpretation and in some cases are conflicting. Instances of inconsistent opinions between local, regional, and national tax authorities and between the Ministry of Finance and other state authorities are not unusual. Tax declarations are subject to review and investigation by a number of authorities that are enacted by law to impose severe fines, penalties and interest charges. A tax year remains open for review by the tax authorities during the three subsequent calendar years, however under certain circumstances a tax year may remain open longer.

These facts create tax risks substantially more significant than typically found in countries with more developed systems. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

3) Capital investments commitments

As at 31 December 2025 and 2024, the Bank had no capital commitments under contracts for premises and equipment.

Table 1. Credit-related commitments structure

(thousand UAH)

Line	Item	Notes	31 December 2025	31 December 2024
1	2	3	4	5
1	Undrawn credit facilities		552,258	425,868
2	Guarantees given		10,118	6,929
3	Provision for credit-related commitments		(438)	(496)
4	Total credit-related commitments less provision		561,938	432,301

The undrawn credit facilities as at the end of 2025 in the amount of UAH 549,173 thousand are revocable (2024: UAH 422,549 thousand are revocable). The irrevocable liabilities amounted to UAH 3,085 thousand as at 31 December 2025 and UAH 3,319 thousand as at 31 December 2024.



Table 2. Credit quality of credit-related commitments as at 31 December 2025

Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
1	Undrawn credit facilities of legal entities	524,589	56	-	524,645
2	Undrawn credit facilities of individuals-entrepreneurs	16,981	-	-	16,981
3	Undrawn credit facilities of individuals	10,627	4	-	10,631
4	Guarantees given	10,118	-	-	10,118
5	Total credit-related commitments	562,315	60	-	562,375
6	Provision for credit-related commitments	(438)	-	-	(438)
7	Total credit-related commitments less provision	561,877	60	-	561,937

Table 3. Credit quality of credit-related commitments as at 31 December 2024

Line	Item	Stage 1	Stage 2	Stage 3	Total
1	2	3	4	5	6
1	Undrawn credit facilities of legal entities	377,280	396	-	377,676
2	Undrawn credit facilities of individuals-entrepreneurs	39,866	-	-	39,866
3	Undrawn credit facilities of individuals	8,326	-	-	8,326
4	Guarantees given	6,929	-	-	6,929
5	Total credit-related commitments	432,401	396	-	432,797
6	Provision for credit-related commitments	(496)	-	-	(496)
7	Total credit-related commitments less provision	431,905	396	-	432,301

Table 4. Outstanding credit-related commitments by currency

(thousand UAH)

Line	Item	31 December 2025	31 December 2024
1	2	3	4
1	UAH	411,472	353,942
2	USD	105,507	14,299
3	EUR	45,396	64,556
4	Other	-	-
5	Total	562,375	432,797

Note 29. Fair values of financial assets and liabilities

Fair value measurements are analysed by level in the fair value hierarchy as follows:

- Level 1: the quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: the measurement methods the inputs for which, having a material impact on fair values recognised in the financial statements, are based on observable market data, either directly or indirectly.
- Level 3: the measurement methods the inputs for which, having a material impact on fair values recognised in the financial statements, are not based on observable market data.

Assets which fair value is approximately equal to their carrying amount

The book value of the liquid or short-term (up to 3 months) financial assets and financial liabilities are believed to be approximately equal to the fair value. This assumption also applies to deposits on-demand, savings deposits without a fixed maturity, financial instruments with a variable interest rate.

Fixed rate financial instruments

The fair value of unquoted fixed-interest rate instruments was estimated based on estimated future expected cash flows discounted at the current weighted average interest rate for new instruments with similar credit risk and maturity.

Office property and investment property

The fair value of the property item is estimated using a market-based comparable methodology based on market prices for sale-purchase contracts for similar items adjusted accordingly for the difference in characteristics, location and condition of the real estate item.

As at 31 December 2025, no signs of impairment of the real estate and land owned by the Bank based on private property rights were identified. As at 31 December 2025 and 31 December 2024, the difference between the carrying value and the market value of buildings and land was insignificant, and, therefore, no revaluation was conducted.

For revaluation, income and comparative approaches were used. The profits approach is based on the principles of expectation and the most efficient use. The comparative approach is based on the principles of replacement and demand and supply of similar property with appropriate adjustments for differences between the items.

In 2024-2025, the Bank did not transfer financial assets between levels of the hierarchy.

The table below contains an analysis of the assets measured at fair value by the level of the fair value hierarchy into which the fair value measurement is categorised. The amounts in the table are based on the values recognized in the statement of financial position:

Table 1. Financial instruments of the Bank presented in the Bank financial statements at fair value for 2025

(thousand UAH)

Line	Item	Level 1	Level 2	Level 3	Total
1	2	3	4	5	6
Assets measured at fair value					
1	Loans and advances to customers	-	-	557	557
2	Premises	-	-	214,826	214,826
3	Total assets measured at fair value	-	-	215,383	215,383

Table 2. Financial instruments of the Bank presented at fair value in the financial statements of the Bank for 2024

(thousand UAH)

Line	Item	Level 1	Level 2	Level 3	Total
1	2	3	4	5	6
Assets measured at fair value					
1	Loans and advances to customers	-	-	2,370	2,370
2	Premises	-	-	145,253	145,253
3	Total assets measured at fair value	-	-	147,623	147,623

The fair value of loans and advances to customers has been categorised as Level 3 of the fair value hierarchy.



Movements on loans and advances to customers at fair value and classified in Level 3 of the fair value hierarchy during 2024-2025 were as follows:

Line 1	Item 2	2025 3	2024 4
1	Balances at 1 January	2,370	8,460
2	Loans issued	-	-
3	Loans repaid within the period	(1,767)	(5,928)
4	Commission income accrued	196	701
5	Commission income paid	(242)	(863)
6	Change in fair value	-	-
7	Balances at 31 December	557	2,370

The Tables below contain the comparison of the fair value and book value of classes and subclasses of financial instruments not reported at fair value in the Bank's financial statements. The Tables include no fair values of non-financial assets and non-financial liabilities.

Table 3. Fair value of financial assets and financial liabilities not measured at fair value and levels of the input hierarchy for 2025

(thousand UAH)

Line	Item	Fair value by different measurement methods			Total fair values	Total carrying value
		Quoted market price (Level 1)	Valuation technique with observable inputs (Level 2)	valuation technique with significant unobservable inputs (Level 3)		
1	2	3	4	5	6	7
I. ASSETS						
1	Cash and cash equivalents	-	1,467,692	-	1,467,692	1,467,692
2	Other balances due to banks	-	150,707	-	150,707	150,707
3	Loans and advances to customers	-	-	11,795,393	11,795,393	11,053,198
4	Investments in securities	841,617	3,517,750	-	4,359,367	4,345,029
5	Other financial assets	-	4,025	-	4,025	4,025
6	Total assets	841,617	5,140,174	11,795,393	17,777,184	17,020,651
II. LIABILITIES						
7	Due to banks	-	-	-	-	-
8	Customer accounts	-	11,336,247	-	11,336,247	11,289,385
9	Other borrowings	-	-	3,660,394	3,660,394	3,638,836
10	Other provisions	-	-	46 732	46 732	46 732
11	Other financial liabilities	-	405,324	-	405,324	405,324
12	Subordinated debt	-	-	570,604	570,604	570,604
13	Total liabilities	-	11,741,571	4,277,730	16,019,301	15,950,881

Table 4. Fair value of financial assets and financial liabilities not measured at fair value and levels of the input hierarchy for 2024

(thousand UAH)

Line	Item	Fair value by different measurement methods			Total fair values	Total carrying value
		Quoted market price (Level 1)	Valuation technique with observable inputs (Level 2)	valuation technique with significant unobservable inputs (Level 3)		
1	2	3	4	5	6	7
I. ASSETS						
1	Cash and cash equivalents	-	1,327,961	-	1,327,961	1,327,961
2	Other balances due to banks	-	555,236	-	555,236	555,236
3	Loans and advances to customers	-	-	9,685,287	9,685,287	8,871,626
4	Investments in securities	345,631	3,314,576	-	3,660,207	3,614,378
5	Other financial assets	-	6,404	-	6,404	6,404
6	Total assets	345,631	5,204,177	9,685,287	15,235,095	14,375,605
II. LIABILITIES						
7	Due to banks	-	355,024	-	355,024	355,024
8	Customer accounts	-	9,181,030	-	9,181,030	9,149,027
9	Other borrowings	-	-	3,149,071	3,149,071	3,125,235
10	Other provisions	-	-	26 048	26,048	26,048
11	Other financial liabilities	-	284,538	-	284,538	284,538
12	Subordinated debt	-	-	519,193	519,193	519,193
13	Total liabilities	-	9,820,592	3,694,312	13,514 ,904	13,459,065



Note 30. Presentation of financial instruments by measurement category

Table 1. Financial Assets by Valuation Category for 2025

Row- ok	Item	Financial assets measured at amortised cost	Financial assets measured at FVOCI	Financial assets measured at FVTPL	Total
1	2	3	4	5	6
ASSETS					
1	Cash and cash equivalents	1,467,692	-	-	1,467,692
2	Other balances due to banks	150,707	-	-	150,707
2.1	Deposits with other banks	150,707	-	-	150,707
3	Loans and advances to customers	11,052,641	-	557	11,053,198
3.1	corporate loans	9,243,268	-	557	9,243,825
3.2	Loans to individuals-entrepreneurs	1,705,792	-	-	1,705,792
3.3	Mortgage loans to individuals	23,598	-	-	23,598
3.4	Loans for current needs to individuals	77,174	-	-	77,174
3.5	Other loans to individuals	2,809	-	-	2,809
4	Investments in securities	4,345,029	-	-	4,345,029
5	Other financial assets	4,025	-	-	4,025
5.1	Receivables from operations with payment cards	2,892	-	-	2,892
5.2	Other financial assets	1,133	-	-	1,133
6	Total financial assets	17,020,094	-	557	17,020,651
7	Due to banks	-	-	-	-
8	Customer accounts	11,289,385	-	-	11,289,385
9	Other borrowings	3,638,836	-	-	3,638,836
10	Other provisions	46,732	-	-	46,732
11	Other financial liabilities	405,324	-	-	405,324
12	Subordinated debt	570,604	-	-	570,604
13	Total financial liabilities	15,950,881	-	-	15,950,881

Table 2. Financial assets by measurement category for 2024

Row- ok	Item	Financial assets measured at amortised cost	Financial assets measured at FVOCI	Financial assets measured at FVTPL	Total
1	2	3	4	5	6
ASSETS					
1	Cash and cash equivalents	1,327,961	-	-	1,327,961
2	Other balances due to banks	555,236	-	-	555,236
2.1	Deposits with other banks	555,236	-	-	555,236
3	Loans and advances to customers	8,871,626	-	2,370	8,873,996
3.1	corporate loans	7,156,315	-	1,010	7,157,325
3.2	Loans to individuals-entrepreneurs	1,572,970	-	1,360	1,574,330
3.3	Mortgage loans to individuals	31,202	-	-	31,202



3.4	Loans for current needs to individuals	108,957	-	-	108,957
3.5	Other loans to individuals	2,182	-	-	2,182
4	Investments in securities	3,614,378	-	-	3,614,378
5	Other financial assets	6,404	-	-	6,404
5.1	Receivables from operations with payment cards	2,737	-	-	2,737
5.2	Other financial assets	3,667	-	-	3,667
6	Total financial assets	14,375,605	-	2,370	14,377,975
7	Due to banks	355,024			355,024
8	Customer accounts	9,149,027			9,149,027
9	Other borrowings	3,125,235			3,125,235
10	Other provisions	26,048			26,048
11	Other financial liabilities	284,538			284,538
12	Subordinated debt	519,193			519,193
13	Total financial liabilities	13,459,065			13,459,065

Note 31. Transactions with related parties

Table 1. Key management remuneration

Item	2025		2024	
	Expenses	Accrued liability	Expenses	Accrued liability
1	2	3	4	5
Current payments to	51,006	7,147	37,552	2,901
Payments upon termination	-	-	1,353	-
Payments settled in the bank's equity instruments based on shares	11,177	28,199	5,719	14,818

Table 2. Assets and liabilities of the related parties as at 31 December 2025

Item	Entities under common control	Key management personnel	Other related parties	Total related parties
1	2	3	4	5
Assets				
Loans and advances to customers*	12,417	6,239	-	18,656
Other non-financial assets	158	2	2	162
Total assets	12,575	6,241	2	18,818
Liabilities				
Customer accounts	1,885	46,195	1,821	49,901
Other liabilities	-	7,147	14,611	21,758
Provision		28,199	18,533	46,732
Total liabilities	1,885	81,541	34,965	118,391

* Loan interest rates range from 17.46% to 29.00% in UAH.

** Customer deposit interest rates range from 4.00% to 9.00% in UAH, 0.01% to 2.75% in USD, and 0.01% to 1.50% in EUR.

Table 3. Assets and liabilities of the related parties as at 31 December 2024

Item	Entities under common control	Key management personnel	Other related parties	Total related parties
1	2	3	4	5
Assets				
Loans and advances to customers*	9,207	6,597	-	15,804
Other non-financial assets	75	-	3	78
Total assets	9,282	6,597	3	15,882
Liabilities				
Customer accounts**	5,007	50,610	2,862	58,479
Other financial liabilities	-	17,719	18,706	36,425
Total liabilities	5,007	68,329	21,568	94,904

*Loan interest rates range from 18.77% to 21.59% in UAH.

**Customer deposit interest rates range from 1.56% to 2.32% in USD.

Table 4. Income and expenses of the related parties for 2025

Item	Entities under common control	Key management personnel	Other related parties	Total related parties
1	2	3	4	5
Income and expenses				
Interest income	2,164	974	-	3,138
<i>Interest income calculated using effective interest method</i>	<i>2,164</i>	<i>974</i>	<i>-</i>	<i>3,138</i>
Interest expense	(143)	(977)	-	(1,120)
Fee and commission income	15	32	-	47
Other income	169	-	-	169
Gain on impairment and reversal of impairment loss (impairment loss) recognized in accordance with IFRS 9	196	302	-	498
Other administrative and operational	-	-	(60,042)	(60,042)
Profit (loss) from ordinary activities	2,401	331	(60,042)	(57,310)

Table 5. Income and expenses of the related parties for 2024

Item	Entities under common control	Key management personnel	Other related parties	Total related parties
1	2	3	4	5
Income and expenses				
Interest income	154	851	-	1,005
<i>Interest income calculated using effective interest method</i>	<i>154</i>	<i>851</i>	<i>-</i>	<i>1,005</i>
Interest expense	(1,527)	(1,116)	(455)	(3,098)
Fee and commission income	39	8	20	67
Other income	46	-	-	46
Gain on impairment and reversal of impairment loss (impairment loss) recognized in accordance with IFRS 9	389	(244)	-	145
Other administrative and operational	-	-	(42,318)	(42,318)
Profit (loss) from ordinary activities	(899)	(501)	(42,753)	(44,153)



Note 32. Subsequent events

At the date of these financial statements authorisation for issue, military operations continue, and war-related uncertainties are high. The military forces of the Russian Federation continue to destroy infrastructure and production facilities, and part of the territory of Ukraine is under occupation.

In March 2026, the NBU issued Resolution No. 23, which introduces changes to the minimum levels of capital ratios from 31 December 2026:

- Regulatory capital (Total capital) adequacy ratio – 8% (current requirement 10%);
- Tier 1 ratio (Tier 1) – 6% (current requirement 7.5%);
- Common equity Tier 1 (CET1) ratio – 4.5% (current requirement 5.625%);
- Capital Conservation Buffer of 2.5% of total risk exposure is introduced;

The Bank expect to comply with the introduced changes to the capital ratios.

On 11 March 2026, it was announced that an agreement had been signed between shareholders of JSC “Credit Agricole Bank” and shareholders of JSC JSCB “Lviv” about intent to acquire up to 100% of the share capital of the Bank. Completion of the transaction will depend on the fulfilment of a number of conditions, including obtaining regulatory approvals from the National Bank of Ukraine and the Antimonopoly Committee of Ukraine, and is expected to take place in 2026.

MANAGEMENT REPORT

Management report date	The management report was prepared as of 31 December 2025 and for the year ended on that date.
Name of the reporting entity	Joint Stock Company Joint-Stock Commercial Bank “Lviv”, abbreviated as JSC JSC “Lviv”, hereinafter referred to as JSC JSC “Lviv” or the Bank.
Disclosure of the information about activities and organizational structure	
Disclosure of the information about the main activity	The main purpose of the Bank operations is to generate profit by providing banking and other financial services in national and foreign currencies and carrying out other activities that may be permitted for banks in accordance with the current legislation of Ukraine. If the types of activities provided for by the Charter require obtaining licenses or consents (approvals) from the National Bank of Ukraine, the National Securities and Stock Market Commission or any other bodies, the Bank shall carry out such activities only after obtaining the relevant licenses or permits (approvals).
Disclosure of the information about the purpose, objectives and strategies for achieving these objectives	<p>The Bank offers services to individuals and legal entities that share its principles of long-term economic growth and development of Western Ukraine. The main focus is on servicing small and medium-sized businesses. Due to their flexibility, innovation and connection with local culture, such enterprises are drivers of economic growth and provide jobs. Special emphasis is placed on the manufacturing sector, in particular on agricultural producers, which make a significant contribution to the economy of Ukraine in terms of production volumes and the number of jobs. The Bank does not work with enterprises whose activities harm the environment or society.</p> <p>The Bank serves individuals, including employees, retirees, students, and business owners, offering convenient and reliable financial services tailored to their needs. The Bank flexible and attractive deposit products direct investments into the real economy and regional prosperity. The Bank offers personal financing services, including loans for home improvement and energy efficiency projects.</p> <p>Customer service is the basic principle of the Bank operations, and the Bank services and business methods are aimed at meeting the needs of customers. Efficiency, transparency and legality of processes, simplicity and convenience of banking services and minimal bureaucracy are the basis of the Bank approach to banking. Being a regional bank located close to its customers, the Bank strives to promptly serve each client using an individual approach.</p> <p>The Bank business model provides an appropriate level of income that is sufficient to maintain the Bank capital and liquidity at a level that will enable it to conduct profitable operating activities and comply with the requirements of the regulatory legal acts of the National Bank of Ukraine.</p> <p>By the decision of the General Meeting of Shareholders dated 30 April 2025, the following main areas of activity of JSC JSCB "Lviv" for 2025 were determined:</p> <ol style="list-style-type: none"> 1) Improving market positions as a leading Bank in financing small and medium-sized businesses. 2) Increasing the Bank attractiveness to domestic and foreign investors, informing about the range of its products and services. 3) Strengthening the positive image as a reliable and innovative financial institution. 4) Conducting negotiations and further communication with international financial institutions in order to maintain and increase funding received from them. 5) Continuing work on increasing the Bank regulatory capital by raising subordinated debt and increasing core capital. 6) Opening of a Bank branch in Vinnytsia. 7) Ensuring the Bank profitability as one of the sources of increasing its own and regulatory capital. 8) Maintaining conservative approaches to risk assessment, ensuring proper recognition of credit risk/provisioning and maximizing capital requirements. 9) Maintaining the business continuity plan up to date, ensuring the continuity of banking services. 10) Improving cybersecurity to protect the Bank customer data and ensure the security of financial transactions. 11) Sustainable development and social responsibility of the Bank.

Disclosure of the information about subsidiaries	There are no subsidiaries. The Bank is not a controller or member of a non-bank financial group.
Disclosure of the information on the existence of branches or other separate structural units	<p>The organizational structure of the Bank includes the following structural divisions of the Bank:</p> <ul style="list-style-type: none"> • Main Bank; • Departments. <p>The Main Bank performs the functions of a strategic management centre that forms the Bank policy, in particular regarding: the Bank strategy; financial planning; offering products and services tailored to customer needs; introducing new technologies; compliance with organizational structures; limiting risk and ensuring the Bank security; ensuring the functioning and development of internal control; personnel policy and developing internal regulatory documents; and also implements certain operational tasks.</p> <p>The Branch is a structural unit of the Bank, the main task of which is to attract and serve clients in order to ensure the implementation of the goals set in the Bank Financial Plan and the planned tasks of the Branch.</p> <p>The Bank branch network covers seven regions of Ukraine (21 branches, including 7 in Lviv, 7 in Lviv region, and one each in Kyiv, Ivano-Frankivsk, Uzhhorod, Ternopil, Rivne, Lutsk, and Vinnytsia).</p>
Disclosure of the information about organizational structure and management	<p>The Bank structure creates favourable conditions for implementing the Bank goals and ensuring the security of the Bank operations, meeting the expectations of customers, shareholders and employees of the Bank.</p> <p>The Bank management bodies are:</p> <ol style="list-style-type: none"> 1) General Meeting of Shareholders, 2) Supervisory Board of the Bank, 3) The Bank Board of Directors. <p>The Bank control bodies are:</p> <ol style="list-style-type: none"> 1) Chief Risk Manager and Risk Management Vertical, 2) Chief Compliance Manager and Compliance Service. 3) Internal Audit Service. <p>The duties and powers of the Bank management and control bodies are determined by the Charter, the Principle (Code) of Corporate Governance, the Regulations on the Supervisory Board of the Bank, the Regulations on the Management Board of the Bank, the Regulations on the Organization of the Main Bank, the organizational regulations of the relevant structural divisions, and issues not regulated by these regulations are regulated by the Law of Ukraine "On Banks and Banking Activities", other legislative acts of Ukraine and regulatory legal acts of the National Bank of Ukraine.</p> <p>The Bank operations are carried out within functionally and organizationally separated verticals that unite the structural divisions of the Main Bank. Supervision of the verticals is carried out by the Members of the Bank Management Board/Executive Risk Director. Supervision of the areas is carried out by Executive Directors (except for the areas of the Risk Verticals).</p>
Disclosure of the information about the impact of the economic situation on the financial position and performance	<p>Despite the challenges of a large-scale war, the NBU remains committed to its mandate to ensure price and financial stability as a guarantee of a sustainable economic recovery. At the current stage, price stability is achieved through a flexible inflation targeting regime and is ensured by a coordinated combination of interest rate and exchange rate policy instruments, as well as exchange rate restrictions in accordance with the Basic Principles of Monetary Policy for the Medium Term and the Strategy for Easing Exchange Rate Restrictions, Transitioning to Greater Exchange Rate Flexibility, and Returning to Inflation Targeting.</p> <p>Thus, the monetary policy is aimed at bringing inflation, measured by the annual consumer price index, to a target of 5% over an appropriate policy horizon of no more than three years. The flexibility inherent in the current monetary regime allows for moderate and relatively short-term deviations of inflation from the quantitative target under the influence of internal and external factors. This approach, on the one hand, contributes to the adaptation of the Ukrainian economy to shocks and supports its recovery, and on the other hand, allows for maintaining control over the inflation targeting.</p>

The NBU is making efforts to strengthen the effectiveness of monetary transmission channels and further restore the effectiveness of the key (discount) rate in fulfilling its role as a monetary instrument. The dynamics of the discount rate and adjustments to the operational design of interest rate policy take into account significant changes in the balance of risks and are primarily aimed at maintaining the stability of the foreign exchange market and ensuring price stability.

The managed flexibility regime provides for changes in the exchange rate both in the direction of strengthening and weakening depending on changes in market conditions. To ensure flexibility in both directions, the NBU compensates for the structural deficit of foreign exchange in the private sector by directing currency from the public sector (received mostly as international aid) into the economy. Combined with smoothing out excessive exchange rate volatility, this helps to keep inflation and exchange rate expectations under control, maintain confidence in the hryvnia, and bring inflation to the target of 5%. At the same time, exchange rate flexibility makes it possible to strengthen the resilience of the Ukrainian economy and the foreign exchange market to internal and external shocks and reduces the risk of accumulating foreign trade imbalances.¹

In the fourth quarter, there was an intensive inflow of funds from the population and businesses to banks, and throughout 2025, customer funds remained the main source of funding for the growing sector. Net hryvnia loans to businesses and households increased by more than a third over the year. This was a constant driver of the growth of the sector's net assets during the year. Over the year, the volume of hryvnia loans on market terms increased significantly faster than subsidized ones. The share of non-performing loans decreased the most in over 15 years. The most intensive reduction occurred in the last quarter, primarily in state-owned banks. According to the results of the year, changes in rates on loans to businesses and households were relatively insignificant. The sector's net interest margin remains high. The sector remained profitable primarily due to a high net interest margin with insignificant provisioning, the contribution of state-owned banks to the financial result decreased. European standards for banks are being consistently introduced, and a new regular assessment of sustainability has begun.

In the fourth quarter, the number of operating banks in Ukraine did not change and amounted to 60.

From March to December 2025, the NBU discount rate remained unchanged at 15.5% per annum. In January 2026, taking into account the progressive weakening of inflationary pressure, the NBU switched to a cycle of easing monetary conditions, reducing the discount rate by 0.5 pp. Accordingly, there were no significant changes in bank rates on new borrowings during the fourth quarter. For actual hryvnia transactions (including funds on demand) with individuals, the rate increased by 0.1 pp. to 10.4% per annum. Similarly, the UIRD indicator increased by 0.1 pp. per quarter. Rates on one-year deposits continued to exceed rates on three-month deposits by 0.4 pp. Interest rates on deposits of business entities increased slightly in October, but in December returned to the September value – 10.1% per annum. Overall, over the year, the value of new deposits from businesses grew faster than that of household funds, especially in the first half of the year.

Market rates on hryvnia loans to businesses temporarily increased in November, but already in December they decreased to 15.2% per annum, which is 0.5 p. p. higher than in December 2024. Some decrease in the price of loans at the end of the year is mainly explained by the terms of agreements with small and medium-sized enterprises. The lowest average rate in December was still offered by foreign banks - 13.5% per annum, the highest by private banks - 18.4% per annum. Loans to households increased in price by 1.3 p. p. to 28.7% per annum during the quarter. Fluctuations around the rate of about 28% per annum have been going on for two and a half years.

Since the beginning of the year, the NBU has begun its traditional resilience assessment. It will include stress testing of the 26 largest banks, which account for over 90% of the banking system's assets. In the spring, the NBU will publish the stress test methodology.

The NBU also continues to implement regulatory changes in line with European standards. According to recent decisions, banks shall develop internal regulations by the end of October this year and conduct test calculations of the maximum significant exposure (LEX)

¹https://bank.gov.ua/admin_uploads/article/IR_2026-Q1.pdf?v=16

	<p>standard by the end of February next year. From the beginning of 2027, financial institutions will disclose information on risk management within the framework of Pillar III requirements. It is expected that from August, banks will take into account the regulator recommendations on integrating sustainable development principles into the corporate governance system. At the same time, the NBU has improved approaches to banks assessment of credit risk in accordance with the Lending Development Strategy in order to facilitate further credit expansion.</p> <p>In accordance with previously announced decisions, banks shall develop regulations by the end of February on determining the minimum size of credit risk-weighted exposures; from March they shall take into account the risk of credit assessment adjustment in capital adequacy, and by the end of May test calculations of settlement risk shall be carried out.</p> <p>Although management believes that it is taking appropriate measures to support the stable operation of the Bank, as required by the current circumstances, further instability in operating conditions may have a negative impact on the results of operations and financial condition of the Bank, the nature and consequences of which cannot be determined at this time. These financial statements reflect management's current assessment of the impact of operating conditions in Ukraine on the Bank operations and financial condition. Future operating conditions may differ from management assessment ².</p>
<p>Disclosure of the information about liquidity and liabilities</p>	<p>At the end of the reporting year, the Bank had a sufficient level of liquidity, which is confirmed by exceeding the liquidity limits for commercial banks established by the NBU:</p> <ul style="list-style-type: none"> • the value of the liquidity coverage ratio (LCR) for all currencies was 164.81% and in foreign currency – 5 01.64% (the standard – not less than 100%), • The value of the Net Stable Funding Ratio (NSFR) was 123.84% (the standard - not less than 90%) .
<p>Disclosure of the information on environmental aspects</p>	<p>In its actions, the Bank is guided by the postulates of the Sustainable Development Strategy, which has been implemented at the system level since 2020, and is accompanied by the expertise of one of the Bank shareholders - the Nordic Environmental Finance Corporation (NEFCO).</p> <p>Environmental activities are focused on five main areas, which, in the Bank opinion, allow generating a significant contribution to sustainable development through its own and client activities:</p> <ul style="list-style-type: none"> • environmental and social risk management; • internal operations of the Bank; • products and services; • partnership; • education and engagement. <p>The Bank cares about the environment and pays attention to the impact of its activities on the environment. The preference is given to businesses using energy-efficient technologies that reduce harmful environmental impacts, as well as to suppliers that pay attention to the ecological balance and measurement of relevant indicators.</p> <p>The Bank takes steps to conduct operations safely, minimize negative environmental impacts and reduce carbon emissions. The Bank expects its suppliers of services and goods to comply with our standards. The Bank seeks to do business with environmentally sound companies. Financing or participating in any operations or projects that pose a risk of significant and long-term negative environmental impacts is not in line with the Bank business conduct.</p> <p>When making every decision regarding operations or projects – especially regarding financing – the Bank employees shall consider the potential negative impact on the environment and the associated potential risk of damage to the Bank reputation.</p> <p>The bank has been publishing its own regular environmental impact reports since 2020.</p>

² https://bank.gov.ua/admin_uploads/article/Banking_Sector_Review_2026-02.pdf ? v = 16

<p>Disclosure of the information on social aspects and human resources policy</p>	<p>The Bank main non-financial resource is human resources (the Bank staff) and their intellectual capital.</p> <p>The purpose of the Bank personnel policy is to ensure an optimal balance of the processes of renewal and preservation of the number and quality of the personnel, in accordance with the Bank needs to achieve planned financial results and in compliance with the requirements of the current legislation and taking into account the state of the labour market.</p> <p>The Bank recruits and evaluates personnel based on the principle of equality. All employees are provided with equal opportunities throughout their career at the Bank.</p> <p>The Bank adheres to the highest ethical standards in every policy, procedure and agreement. Social responsibility and tolerance apply to colleagues and business relationships with customers. In the Bank daily activities, responsibility can be observed in the following areas:</p> <ol style="list-style-type: none"> 1) The Bank carries out responsible lending operations. 2) The Bank applies an approach that creates a “win-win” effect for all parties involved. The Bank does not enter into an agreement if one of the parties does not benefit from the arrangement. 3) The bank does not seek to maximize profits at any cost. 4) The Bank does not finance the following: the harmful or exploitative forms of forced labour; production or trade in any product or activity being illegal under the laws, regulations; hazardous industries; gambling, casinos.
<p>Disclosure of the information regarding the fight against corruption</p>	<p>The Bank has adopted the principle of zero tolerance for corruption and bribery, taking a clear position of rejecting all forms of corruption and providing full support in the fight against corruption.</p> <p>A Bank employee shall not give or accept gifts (money or other valuables, services, etc.) for their own incentive to act in the interests of the person giving them or in the interests of third parties, or in circumstances where third parties may view such an act as an opportunity to influence a particular business decision or when such an act may be considered a bribe. Bank employees and the Bank as a whole, when carrying out their activities, shall avoid situations where there may even be a suspicion that the Bank or its employees are influencing or attempting to influence government authorities.</p> <p>A Bank employee shall not use his/her official position to promote (provide an advantage in cooperation) the interests of individual partners of the Bank (insurance companies, notaries, property appraisers, etc.), including for the purpose of obtaining additional benefits from the partner.</p> <p>Bribery or corrupt practices by staff, suppliers or others with whom the Bank does business or who act on its behalf are unacceptable. The Bank will not enter into any transaction if it has reason to believe that it involves bribery or corrupt practices.</p>
<p>Employment Disclosure</p>	<p>The Bank adheres to competitive remuneration conditions that support the business strategy, values and long-term goals, and includes measures to avoid conflicts of interest.</p> <p>Fair and equitable hiring practices not only ensure that the Bank complies with applicable labour laws but also contribute to a culture of respect. The Bank strives to be a company where the best people want to work, where people are hired and promoted on merit (based on performance and professional experience), where opportunities for development are available, and where a reasonable work-life balance can be achieved.</p>
<p>Disclosure of the information regarding respect for human rights</p>	<p>The Bank pays great attention to respect for human rights, which is an important component of corporate social responsibility. The Bank actively support the principles of equality and non-discrimination in all aspects of our activities, ensuring fair working conditions for our employees and creating a favourable environment for its customers, regardless of their origin, gender, age or other characteristics. THE internal policies and procedures of the Bank are aimed at protecting human rights in the context of banking operations, including transparency of financial services and ethical practices in business.</p>

Disclosure of the information about the use of financial instruments if it had a significant effect on the measurement of assets, liabilities, financial position and income or expenses

<p>Financial risk management objectives and policies, including policies for hedging each major type of forecasted transaction for which hedging transactions are used</p>	<p>The Bank operations entail the existence of a wide range of risks in various areas: financial instruments, business processes, types of activities, etc. Risk management and their minimization (risk management) are priorities in the Bank operations. The main approach to minimizing banking risks is to determine their qualitative and quantitative parameters and develop risk management methods.</p> <p>The Bank operations are based on the following basic principles of organizing and operating the risk management system:</p> <ol style="list-style-type: none"> 1) The principle of efficiency is to ensure an objective assessment of the size of the Bank risks and the completeness of risk management measures with optimal use of financial resources, personnel and information systems for managing the Bank risks. 2) The principle of timeliness - ensuring timely (at an early stage) identification, measurement, monitoring, control, reporting and mitigation of all types of risks at all organizational levels. 3) The principle of structuring is a clear distribution of functions, responsibilities and authorities for risk management among all structural divisions and employees of the Bank, and their responsibilities in accordance with such distribution. 4) The principle of segregation of duties (separation of the control function from the implementation of the Bank operations) - avoiding a situation in which the same person carries out the Bank operations and performs control functions. 5) The principle of comprehensiveness and complexity – covering all types of the Bank operations at all organizational levels and in all its structural divisions, assessing the mutual impact of risks. 6) The principle of proportionality – the compliance of the risk management system with the Bank business model, its systemic importance, as well as the level of complexity of the operations carried out by the Bank. 7) The principle of independence is freedom from circumstances that pose a threat to the impartial performance of their functions by the Chief Risk Manager, Chief Compliance Manager, risk management units and the Compliance Service. 8) The principle of confidentiality is the restriction of access to information that shall be protected from unauthorized access. 9) The principle of transparency – the Bank disclosure of the information regarding its risk management system and risk profile. 10) The principle of compliance with legal requirements and best practices is the organization of risk management processes in accordance with regulatory requirements and best market practices. <p>Given the current business model, the Bank considers the following types of risks as the significant ones, listed in order of their scale:</p> <ul style="list-style-type: none"> • credit risk; • operational risk, • liquidity risk; • interest rate risk; • market risks; • compliance risk. <p>The Bank identifies the following types of additional risks that are subject to general qualitative control and for which the Bank plans to develop management and control tools in the future:</p> <ul style="list-style-type: none"> • model risk; • strategic risk, • reputational risk. <p>The main objectives of risk management are:</p> <ul style="list-style-type: none"> • ensuring the implementation of business objectives that allow increasing the value of the Bank by determining the Bank level of risk tolerance; • delimitation of functions and responsibilities of the Supervisory Board, Management Board, specialized committees and divisions of the Bank in the risk management process; • establishing a unified methodology for identifying and assessing risks when conducting active operations by the Bank; • establishing an effective system to support management decision-making, considering the level of risks to which the Bank is exposed;
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- ensuring that banking transactions are carried out in accordance with established policies, procedures and regulations;
- ensuring the viability of the Bank in crisis situations (in the event of a systemic crisis or a crisis close to a systemic crisis);
- optimization of expected profits and expenses and reduction of unexpected losses;
- optimization of the risk control process in all organizational units;
- ensuring timely optimization of risks and taking measures to optimize them;
- resolving conflicts of interest arising in the process of risk management activities and forming reserves to cover possible losses.

The Bank manages its:

- credit risk – by limiting losses on the loan portfolio and minimizing the risk of debt arising with loss of value, while maintaining the expected level of profitability and the size of the loan portfolio;
- operational risk – by ensuring the sustainable development of the Bank and achieving its business goals by maintaining an effective control system and ensuring business continuity;
- liquidity risk – by timely fulfilment of current and future (in particular, potential) obligations, taking into account the nature of current activities and needs that may arise as a result of changes in the market environment by forming the structure of the balance sheet and off-balance sheet obligations in a way that provides the necessary amount of resources;
- interest rate risk in the banking book – by reducing its possible losses due to changes in market interest rates to the acceptable level by forming an appropriate structure of balance sheet and off-balance sheet items;
- market risk – by limiting its possible losses due to changes in the market value of financial instruments to the acceptable level by optimizing the set of instruments vulnerable to changes in these market parameters, including limiting possible losses due to changes in currency rates to an acceptable level by forming the currency structure of balance sheet and off-balance sheet positions;
- compliance risk – by ensuring the Bank compliance with the legislation, accepted standards of conduct and the functioning of the Bank as an institution that is trustworthy, honest, and diligent, by eliminating compliance risk, counteracting the likelihood of the Bank losing its reputation or image as a reliable institution, and counteracting the risk of incurring financial losses or imposing sanctions that may result from violating established requirements and principles of conduct;
- business risk – by keeping at the acceptable level the negative financial consequences resulting from adverse changes occurring in the business environment, making wrong decisions, incorrect implementation of decisions made, or failure to take appropriate actions that should be a response to changes occurring in the business environment;
- macroeconomic change risk – by the identification of macroeconomic factors that have a significant impact on the Bank operations and taking actions to limit the adverse impact of potential changes in the macroeconomic situation on the Bank financial condition;
- model risk – by mitigating the risk of negative financial consequences or reputational damage resulting from making erroneous business decisions based on the operating models;
- reputational risk – by protecting the Bank image and limiting the likelihood of reputational damage.

The complete process of managing significant risks consists of the following elements:

- risk identification;
- risk measurement;
- risk control (management actions, including limits, insurance, rejection, acceptance, etc.);
- risk monitoring.

The process of managing additional risks is simplified in relation to the mandatory standards for significant risks and focuses on the implementation of such organizational and methodological solutions that contribute to limiting these types of risks and allow for general control of the magnitude and trends of the appearance of the risks in activities.

The Bank reacts to the identified banking risks as follows:

	<ul style="list-style-type: none"> • risk acceptance – consists of determining an acceptable level of risk and developing emergency action plans in case the specified level is exceeded; • risk reduction – mitigating the impact of risk factors or the consequences of its materialization (for example, by diversifying risk exposure, setting limits, using collateral); • risk transfer – transfer of responsibility for covering possible losses (for example, by transferring the risk to another entity using legal instruments such as insurance contracts, storage contracts or contracts for the protection of the object, acceptance of guarantees); • risk avoidance – refusal of activities that generate risk or elimination of the probability of a risk factor occurring, in particular, by establishing zero tolerance for risk. <p>The Bank uses the following banking risk management tools:</p> <ul style="list-style-type: none"> • risk tolerance limits; • other limits and thresholds; • financial, quality, and performance goals used in the motivation system; • security, insurance and guarantees; • emergency plans; • system of control mechanisms. <p>Depending on the scale, specificity and materiality of this type of risk and the degree of detail of the indicator, limits and threshold values are set at the level of:</p> <ul style="list-style-type: none"> • the Supervisory Board; • the Board/Board member; • the relevant Committee; • some other level of decision-making, determined by the Bank internal regulatory documents.
Vulnerability to price risks	<p>Another price risk arises when the Bank invests in securities. Securities risk is the risk of incurring losses and not receiving income associated with an unfavourable change in the value of securities on the stock market.</p> <p>The goal of securities risk management is to identify the scope of securities risk, determine its size, and take measures aimed at limiting the securities risk.</p> <p>As of the end of 2024-2025, the Bank had no securities subject to the price risk.</p>
Vulnerability to liquidity risk	<p>The purpose of liquidity risk management is to ensure the Bank ability to meet its obligations to all counterparties in a timely and full manner.</p> <p>The liquidity management consists of balancing the Bank assets and liabilities by amounts and maturities, taking into account concentrations in the balance sheet structure, as well as the market environment.</p> <p>In the process of liquidity management, the Bank aims to:</p> <ul style="list-style-type: none"> • compliance with risk appetite for liquidity risk by setting limits (restrictions), implementing instrument procedures and management reporting, both in relation to individual groups of transactions and at the portfolio level as a whole; • ensuring that the Bank has sufficient cash to cover operational and planned liquidity needs; • compliance with the NBU's requirements regarding liquidity standards, mandatory reserving of attracted funds on a correspondent account, etc.; • ensuring the Bank ability to cover the outflow of cash under a crisis scenario (in the event of a crisis related to the Bank itself, a systemic crisis or a liquidity crisis close to a systemic crisis) for a certain period determined by the risk appetite; • optimal, in terms of the Bank consolidated financial result, distribution of liquidity limits across time intervals and currencies; • concentration of liquidity risk, and, therefore, centralized management of the risk;

	<ul style="list-style-type: none"> • delimitation of functions and responsibilities of management bodies, specialized committees and divisions of the Bank in the process of liquidity risk management; • ensuring that banking transactions are carried out in strict accordance with established limits, procedures and regulations. <p>In the process of liquidity management, the Bank is guided by the following basic principles:</p> <ul style="list-style-type: none"> • liquidity management is carried out daily and continuously. • When making decisions, the Bank resolves the conflict between liquidity and profitability in favour of liquidity. • Every transaction that affects liquidity shall take liquidity risk into account. When placing assets in various financial instruments, the Bank strictly takes into account the urgency of the source of resources and its volume. <p>The Bank establishes the following quantitative indicators of risk appetite for liquidity risk:</p> <ul style="list-style-type: none"> • the duration of the period of full and timely fulfilment by a bank of its payment (settlement) obligations during a stress situation without attracting loans from the National Bank for emergency liquidity support and the necessary volume of high-quality liquid assets. • Cumulative GAP between bank claims and liabilities for time intervals up to one year. • Concentrations of bank funding by the five and ten largest depositors and other creditors of the bank / groups of related counterparties, persons related to the bank. • Liquidity Coverage Ratio (LCR) across all currencies. • Foreign currency liquidity coverage ratio (LCR). • Net Stable Funding Ratio (NSFR).
Vulnerability to cash flow risk	<p>Interest rate risk of the banking book is the risk of financial losses due to adverse changes in interest rates on the Bank assets, liabilities and off-balance sheet instruments. There is usually no full match between the maturity of the loan portfolio and the deposit portfolio and other sources of funding. Nevertheless, the Bank actively manages the risk and keeps it within strict limits.</p> <p>Interest rate risk management is carried out for all assets and liabilities of the Bank, as well as off-balance sheet accounts that are associated with the occurrence of interest rate risk.</p> <p>The Bank determines the following quantitative indicators of risk appetite for interest rate risk in the banking book:</p> <ul style="list-style-type: none"> • the maximum fall in the Bank net interest income over the next 12 months as a percentage of regulatory capital; • the maximum decline in the economic value of the Bank capital as a percentage of regulatory capital.
Vulnerability to currency risk	<p>The Bank is exposed to the currency risk due to open positions in different currencies and bank metals. These positions are calculated as the difference between assets and liabilities in the same currency at the reporting date. The Bank assesses, monitors and sets limits for long and short open currency positions, using the Ukrainian hryvnia as the base currency.</p> <p>The Bank takes a conservative approach to currency risk, limiting it by setting conservative limits on total open currency positions.</p> <p>The Bank determines the following quantitative indicators of risk appetite for currency risk:</p> <ul style="list-style-type: none"> • maximum value at risk for currency risk as a percentage of regulatory capital; • the size of open currency positions in significant currencies in absolute terms or as a percentage of regulatory capital; • maximum total long currency position as a percentage of regulatory capital; • maximum total short currency position as a percentage of regulatory capital. <p>On 31 December 2025, the Bank adheres to the open currency position limits set by the National Bank - the long position limit is 0.54% of regulatory capital, the short position limit is 0.11% (the standard - no more than 5%).</p>
Vulnerability to credit risk	<p>Credit risk is the actual or potential risk to revenues and capital that arises from the inability of a party that has assumed obligations to fulfil the terms of any financial agreement with the bank or otherwise to fulfil its obligations.</p> <p>The Bank consciously accepts credit risk through its lending activities (which are the basis of its business model). Credit risk is carefully managed within a defined limit system that is strictly controlled. Since credit risk is the most important risk for the Bank, there is a comprehensive set of policies and other internal regulatory documents that regulate the full lending cycle in detail.</p>

Credit risks are divided into:

- risk of a single borrower or transaction (individual);
- briefcase.

The source of individual credit risk is a specific counterparty of the Bank - a borrower, debtor, issuer of securities. That is, there is a risk that the borrower will not fulfil its obligations to the creditor Bank in terms of paying the principal amount of the debt and interest established by the terms of the agreement, and at the same time the Bank will not be able to use the loan collateral in a timely and full manner to cover possible losses.

The main areas of individual credit risk assessment include the assessment of:

- the creditworthiness (financial condition) of an individual counterparty, i.e. its individual ability to pay its obligations on time and in full;
- credit project (profitability, payback, terms, financial and material sources of its implementation);
- the borrower business conditions (business risk);
- loan collateral (collateral quality, price, liquidity, use, insurance).

Portfolio credit risk is a decrease in the value of the Bank assets (other than due to a change in the market interest rate). The source of portfolio credit risk is the aggregate debt to the Bank under transactions that are inherently subject to credit risk, i.e., the loan portfolio, securities portfolio, receivables portfolio, etc.

Portfolio credit risk assessment involves: analysis of the balance sheet structure, structure of working assets (by items, currencies and determination of the degree of their impact on the Bank operations) and assessment of the concentration and diversification of loans and other credit instruments.

The main principles by which the Bank loan portfolio is formed are the principle of maximum diversification of the loan portfolio between individual borrowers and by types of economic activity (sectors of the economy).

The Bank main credit risk management methods are:

- assessment of the financial condition of borrowers and counterparty banks, further monitoring of their financial condition;
- provisioning;
- setting limits;
- diversification of the loan portfolio;
- control over loans issued previously;
- software;
- delimitation of employees authority;
- establishing the limit values of mandatory standards in accordance with current legislation and the Bank internal regulations.

The Bank establishes the following quantitative indicators of risk appetite for credit risk:

- maximum amount of debt to one debtor/group of debtors as a percentage of the Bank regulatory capital;
- maximum amount of significant loans as a percentage of the Bank regulatory capital;
- maximum amount of total debt of persons related to the Bank as a percentage of regulatory capital;
- maximum amount of debt for one debtor/group of debtors as a percentage of the total volume of the Bank loan portfolio;
- maximum growth in the volume of the loan portfolio as a percentage of its value at the beginning of the year;
- maximum concentration of the loan portfolio of one sector of the economy as a percentage of the total volume of the business loan portfolio:
 - agriculture
 - trade
 - manufacturing (except agriculture)
 - services

	<ul style="list-style-type: none"> • maximum amount of unsecured loans in the portfolio of business clients (legal entities and individual entrepreneurs); • maximum amount of unsecured loans in the portfolio of individuals; • maximum total volume of the portfolio of credit lines and overdrafts as a percentage of the Bank total credit portfolio; • maximum volume of loans overdue for more than 90 days as a percentage of the total loan portfolio; • ratio of written-off loans to the average loan portfolio over the last 12 months; • minimum coverage by reserves of loans overdue for more than 90 days in percentage (LLP/PAR90). <p>On 31 December 2025, the Bank complies with all regulatory requirements of the NBU: the value of the standard for the maximum amount of credit risk per counterparty (N7) is 17.19% of regulatory capital (normative value - no more than 25%), the standard for large credit risks (N8) - 79.64% (normative value - no more than 800%), the maximum amount of credit risk for transactions with persons related to the bank (N9) - 2.10% (normative value - no more than 25 %).</p>
Vulnerability to market risk	Taking into account the specifics of its own business model, the Bank defines a zero risk appetite for risks inherent in trading book instruments, namely default risk, trading book interest rate risk, credit spread risk, volatility risk, equity risk and commodity risk.
Vulnerability to other risks	<p>Operational risk.</p> <p>In the course of its activities, the Bank is exposed to operational risk. The key factor for mitigating operational risk is the construction and improvement of an effective internal control system and well-trained personnel. Mitigation of operational risks is supported by special tools for its maximum reduction, namely by building a three-level internal control system, process automation, information security risk management and ICT risks, as well as maintaining an up-to-date Business Continuity Plan and other emergency plans.</p> <p>The main components of operational risk, which are subject to regulation in the Bank, are the commission of unauthorized transactions, errors in the work of personnel, violations and failures in the operation of computer networks and equipment.</p> <p>In order to detect and identify operational risk, as well as assess possible losses (losses), the Bank continuously identifies and collects data on internal and external factors of operational risk. Based on the information received, an analytical database is formed on incurred operational losses, which reflects information on the types and amounts of operational losses in terms of the Bank areas of activity, individual banking transactions and other transactions, the circumstances of their occurrence and detection. The Bank risk division analyses and assesses operational risk.</p> <p>The Bank determines the risk appetite for operational risk through the indicator of the maximum losses from operational risk events over the next 12 months.</p> <p>Compliance risk.</p> <p>An important aspect of the Bank policy, as well as one of the foundations of its organizational culture, is careful compliance with laws and applicable regulatory norms. Achieving business objectives shall at all times comply with the applicable laws and the best practices.</p> <p>The Bank establishes a strong governance structure, policies, procedures, systems and effective audit to avoid any risk regarding supervision and management of prudential standards and laws affecting the Bank.</p>
Disclosure of the information regarding research and innovation activities	The Bank conducts marketing research on the banking market in order to identify promising areas for promoting its products and services. The data from this research is used to develop and improve the Bank product line.
Disclosure of the information regarding the acquisition of own shares	During the reporting period, the Bank did not purchase its own ordinary registered shares for its own account.
Disclosure of the information regarding relationships with shareholders/participants and related parties, the impact of	<p>The relations between shareholders and the Bank are carried out in line with the Charter and the Law of Ukraine “On Joint-Stock Companies”.</p> <p>The influence of shareholders on the results of the Bank operations and their management is carried out through decisions made by the General Meeting of Shareholders.</p>

these relationships on the results of operations and their management	
Disclosure of the information about financial investments	The Bank financial investments include purchased domestic government bonds, certificates of deposit of the National Bank of Ukraine , as well as government bonds of foreign governments (USA and Austria). The Bank investments in securities less reserves as at 31 December 2025 is UAH 4,345,029 thousand (31 December 2024: UAH 3,614,378 thousand).
Disclosure of the information about likely future development prospects, including information about mergers or acquisitions	The Bank strategy was approved by the decision of the Supervisory Board of JSC JSCB "Lviv" dated 23 November 2021 for 2022-2026. After the end of the martial law, the Bank will update its business strategy and business model, taking into account current macroeconomic forecasts and an assessment of the consequences of military aggression. The Bank does not plan to carry out any mergers or acquisitions.
Disclosure of other information of material importance	There is no other information that may be material to the assessment of the financial condition and performance of the Bank.
Disclosure of the information on corporate governance	
Disclosure of the information about the corporate governance code	In order to ensure the long-term stability of the Bank, achieve the best results of its activities, gain the ability to instil confidence in the Bank partners and clients in the Bank economic potential, avoid conflicts of interest, promote the protection of the interests of the Bank shareholders, maintain the trust of depositors, creditors and the public, a new edition of the Principles (Code) of Corporate Governance of the Bank was approved by the decision of the General Meeting of Shareholders dated December 8, 2022. The document is posted on the Bank website at https://www.banklviv.com/wp-content/uploads/2022/12/Pryntsy-py-Kodeks-korporatyvnoho-upravlinnia-AT-AKB-Lviv-1.pdf In 2025, the Bank adhered to the Corporate Governance Code, did not deviate from its provisions, and did not make decisions not to apply some provisions of the Corporate Governance Code. There are no corporate governance practices applied beyond the requirements specified by law.
Disclosure of the information about the main internal control, audit and risk management systems, including those related to the financial reporting process	The Bank creates a comprehensive, effective and adequate internal control system in compliance with the following principles: 1) comprehensiveness and comprehensiveness - internal control procedures (hereinafter referred to as control procedures) are built into all significant business processes in all divisions of the Bank at all organizational levels. The Bank shall ensure the implementation of internal control also in relation to the Bank operations that are outsourced to other persons on a contractual basis. 2) Effectiveness - procedures and control measures are effective and ensure the Bank achieves its defined business objectives and provides reasonable assurance that: <ul style="list-style-type: none"> • the operations carried out by the Bank are efficient and effective; • operations are displayed correctly; • financial, statistical, management, tax and other reporting is reliable; • the Bank risk management system is comprehensive, effective, adequate, ensures the identification, measurement (assessment), monitoring, reporting, control and mitigation of all material risks of the Bank and meets the requirements of the "Risk Management Strategy of JSC JSCB "Lviv"" and the Bank Material Risk Management Policies; • The Bank complies with the requirements of the legislation, regulatory legal acts and administrative acts of the National Bank, intra-bank documents; • The Bank has implemented each of the five components of the internal control system in its activities and ensures their implementation in an integrated manner, i.e. the results of the implementation of such a component are used in the implementation of other components of the internal control system; • Bank employees have the necessary information regarding the components of the internal control system and ensure the implementation of these components within the scope of competence and authority defined by job descriptions;

	<ul style="list-style-type: none"> • The Bank ensures the identification and assessment of deficiencies in the internal control system and takes timely, adequate and sufficient corrective measures to correct such deficiencies; <ol style="list-style-type: none"> 3) adequacy - the internal control system corresponds to the specifics of the Bank operations, including size, business model, scale of activities, types, complexity of operations, risk profile of the Bank (hereinafter referred to as the specifics of the Bank operations); 4) Prudence - the Bank provides sufficient confidence to the Bank managers that the Bank will achieve its business objectives, based on conservative assumptions and taking into account a certain probability of erroneous judgments or decisions by the Bank managers and/or employees; 5) risk-oriented - the Bank ensures the organization and functioning of the internal control system, based on a risk-oriented approach, which involves the application of more in-depth and more frequent control measures to those areas of the Bank activity that are characterized by higher risks; 6) integrated - control procedures are an integral part of all significant processes of the Bank operations and corporate governance; 7) Timeliness - the ability of the internal control system to ensure the identification of potential threats of negative impact on the Bank operations before such threats actually arise; 8) independence - avoidance of circumstances that may pose a threat to the impartial performance of their functions by the subjects of the internal control system; 9) proper distribution of duties and powers - ensuring the distribution of duties and responsibilities of the Bank personnel while simultaneously fulfilling at least the following conditions: <ul style="list-style-type: none"> • employees of the Bank divisions that perform internal control functions do not perform any operational tasks that fall within the scope of their control; • the Bank managers responsible for implementing internal control are independent of those responsible for managing the activities subject to such control; • remuneration of employees of the Bank divisions performing internal control functions is not related to the performance indicators of the Bank business divisions controlled by these employees; 10) continuity - the implementation of internal control activities allows for timely prevention, detection and elimination of deficiencies in the internal control system on an ongoing basis; 11) Confidentiality - preventing the disclosure of the information to persons who are not authorized to receive it. <p>The Bank internal control system:</p> <ol style="list-style-type: none"> 1) consists of the following components: <ul style="list-style-type: none"> • control environment; • management of risks inherent in the Bank operations; • control activities in the Bank; • control over the Bank information flows and communications; • monitoring the effectiveness of the Bank internal control system; 2) ensures the achievement of operational, informational, and compliance objectives of the Bank operations; 3) is implemented at each organizational level of the Bank. <p>The Bank internal control system should ensure the achievement of the following objectives:</p> <ol style="list-style-type: none"> 1) operational objectives - ensuring that control procedures are focused on the effectiveness of the Bank asset management in order for the Bank to achieve profitability of its activities, avoiding or limiting losses due to the impact of negative internal and external factors, implementing a systematic process of identifying, measuring, monitoring, controlling, reporting and mitigating all types of risks at all organizational levels of the Bank;
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	<p>2) informational goals - ensuring the integrity, completeness and reliability of financial and management information used to make management decisions; creating information systems both vertically and horizontally within the Bank organizational structure. Such information includes external and internal financial reporting on financial and non-financial issues;</p> <p>3) Compliance objectives - ensuring the organization of the Bank operations in compliance with the requirements of the legislation, regulatory and administrative acts of the National Bank, internal bank documents, and standards of professional associations, the effect of which applies to the Bank.</p> <p>The Supervisory Board and the Management Board of the Bank ensure the creation and functioning of the control environment as a component of the internal control system in the Bank.</p> <p>The Bank implements an internal control system, an integral part of which is the Bank risk management system.</p> <p>The Bank has established a risk management system that should ensure continuous risk analysis in order to make timely and adequate management decisions to mitigate risks and reduce related losses (damages) and is based on the distribution of responsibilities between the Bank divisions using the three lines of defence model:</p> <ol style="list-style-type: none"> 1) the first line of defence – at the level of the Bank business units and support units. These units initiate, execute or reflect transactions, assume risks in the course of their activities and are responsible for the ongoing management of these risks, and implement control measures; 2) the second line of defence – at the level of the Risk Management Vertical, Compliance Service; 3) The third line of defence is at the level of the Internal Audit Service, which carries out an independent assessment of the effectiveness of the first and second lines of defence and an overall assessment of the effectiveness of the internal control system, taking into account the NBU requirements for organizing internal audit in Ukrainian banks. <p>The Bank assesses risks that arise/may arise due to the influence of internal and external factors.</p> <p>External factors affecting the Bank risks include:</p> <ul style="list-style-type: none"> • economic - changes in the macro- and microeconomic environment in which the Bank operates; • regulatory - changes in legislative norms, regulatory and administrative acts of the National Bank; • business - changes in market practices for attracting customers, affecting the list of products and services of the Bank, pricing for the Bank products and services, and communication mechanisms with its customers; • technological - changes in technologies (technological solutions) used in the Bank operations; • physical - force majeure circumstances that may lead to temporary suspension of the Bank operations. <p>Internal factors affecting the Bank risks include:</p> <ul style="list-style-type: none"> • operational - decisions on the use of the Bank resources that may affect its operations and/or other actions regarding the use of the Bank infrastructure; • management - changes in the organizational structure, distribution of powers in the Bank, which may affect the implementation of procedures and control measures; • personnel - the availability, level of competence and motivation of the Bank employees who carry out internal control in the Bank; • security - the level of organization of the physical and/or information security system in the Bank; • technological - the possibility of failures in the operation of the Bank information systems, which may negatively affect its activities. <p>The Bank assesses the materiality of the risk, taking into account the following criteria:</p> <ul style="list-style-type: none"> • the probability of risk occurrence and the extent of its impact on the Bank operations; • the speed of possible impact of external and internal factors on the relevant risks of the Bank; • the duration of the possible impact of external and internal factors on the relevant risks of the Bank. <p>The Bank manages risks by:</p>
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	<ul style="list-style-type: none"> • risk acceptance - consists of determining an acceptable level of risk and developing emergency action plans in case the specified level is exceeded; • risk reduction - mitigating the impact of risk factors or the consequences of its materialization (for example, by diversifying risk exposure, setting limits, using collateral); • risk transfer - the transfer of responsibility for covering possible losses (for example, by transferring the risk to another entity using legal instruments such as insurance contracts, storage contracts or contracts for the protection of the object, acceptance of guarantees); • risk avoidance - refusal of activities that generate risk or elimination of the probability of a risk factor occurring, in particular, by establishing zero tolerance for the risk.
Disclosure of the information about the rights of shareholders/participants and methods of their exercise, which apply in addition to the requirements specified by law	<p>Each ordinary share of the Bank grants the shareholder the same set of rights, including:</p> <ul style="list-style-type: none"> • participation in the management of the Bank; • receiving dividends; • receiving, in the event of liquidation of the Bank, part of its property or the value of part of the Bank property; • obtaining information about the Bank operations, except for the information constituting banking secrecy; • other rights provided for by applicable law. <p>An ordinary share of the Bank entitles the shareholder to one vote to resolve each issue at the General Meeting of Shareholders, except in cases of cumulative voting.</p> <p>There are no rights of shareholders/participants and methods of their implementation that apply beyond the requirements specified by the law.</p>
Disclosure of the information about the supreme management body	
Name and composition of the supreme management body	The highest governing body of the Bank is the Meeting of Shareholders of the Bank. Persons included in the list of shareholders entitled to such participation, or their representatives, may participate in the Meeting of Shareholders of the Bank.
Powers of the supreme management body	<p>The exclusive competence of the Meeting of Shareholders of the Bank includes their resolution on:</p> <ol style="list-style-type: none"> 1) the main areas of activity of the Bank; 2) approval of the principles (code) of corporate governance of the Bank; 3) the amendments to the Bank Charter; 4) change the type of joint-stock company; 5) change the Bank management structure; 6) the issue of shares by the Bank, except for cases provided for by the legislation of Ukraine; 7) cancelling the shares repurchased or otherwise acquired by the Bank; 8) the sale by the Bank of its own shares that have been purchased from shareholders or acquired in another way; 9) the issue of securities that can be converted into shares, as well as on the issue of securities for an amount exceeding 25 percent of the value of the Bank assets; 10) increase the authorized capital of the Bank (except for the merger of the Bank or the change by the Bank of the organizational and legal form of a legal entity); 11) reducing the Bank authorized capital; 12) splitting or consolidating shares; 13) the regulations on the Meeting of Shareholders of the Bank, the Supervisory Board of the Bank; 14) approval of the regulations on remuneration of members of the Supervisory Board of the Bank, the requirements for which are established by the National Bank of Ukraine; 15) approval of the report on the remuneration of members of the Supervisory Board of the Bank, the requirements for which are established by the National Bank of Ukraine;

	<ol style="list-style-type: none"> 16) consideration of the report of the Bank Supervisory Board, making a decision based on the results of consideration of such report; 17) consideration of the report of the Bank Management Board and adoption of a decision based on the results of consideration of such report, except in cases where the Bank Charter places the issue of appointment and dismissal of the Chairman and members of the Bank Management Board within the exclusive competence of the Bank Supervisory Board; 18) review of the conclusions of the audit report of the audit entity and approval of measures based on the results of the review of such report; 19) appointment of an audit entity in accordance with the requirements of Article 29 of the Law of Ukraine "On Audit of Financial Statements and Auditing Activities"; 20) approval of the results of the Bank financial and economic activities for the relevant year, distribution of profits or approval of the procedure for covering the Bank losses; 21) on the redemption by the Bank of its placed shares, except for cases of mandatory redemption of shares specified by the Law of Ukraine "On Joint-Stock Companies"; 22) the Bank shareholders not to exercise their pre-emptive right to purchase additional shares; 23) the payment of dividends on the Bank common shares, approving the amount of annual dividends taking into account the requirements stipulated by the legislation of Ukraine, and the method of their payment; 24) the procedure for holding the Meeting of Shareholders of the Bank, approving the regulations of the Meeting of Shareholders of the Bank; 25) the election and termination of the powers of members of the Supervisory Board of the Bank; 26) approval of the terms of civil law agreements, employment agreements (contracts) concluded with members of the Supervisory Board of the Bank, establishment of the amount of their remuneration, election of a person authorized to sign agreements (contracts) with members of the Supervisory Board of the Bank; 27) the termination of the powers of members of the Supervisory Board of the Bank, except for cases established by the Law of Ukraine "On Joint-Stock Companies"; 28) election of members of the counting commission, as well as adoption of a decision on termination of the powers of members of the counting commission (if the Bank Charter provides for the creation of a permanent counting commission of the Meeting of Shareholders of the Bank); 29) adoption, in cases provided for by the Law of Ukraine "On Joint-Stock Companies", of a decision to enter into a significant transaction, to provide prior consent to enter into a significant transaction, or to enter into transactions with an interested party; 30) the separation and termination of the Bank (except for merger with another Bank), on the liquidation of the Bank, election of a liquidation commission, approval of the procedure and terms of liquidation, the procedure for distribution among the shareholders of the Bank of property remaining after satisfying the claims of creditors, approval of the liquidation balance sheet; 31) on the application of the Corporate Governance Code approved by the National Securities and Stock Market Commission, or the corporate governance code of an operator of an organized capital market, an association of legal entities, or another corporate governance code; 32) election of members of the Bank winding-up commission; 33) resolution of other issues that the Bank Charter places under the exclusive competence of the Bank Shareholders' Meeting.
Functioning of the supreme governing body	<p>In 2025, the following were carried out:</p> <p>On 30 April 2025, the next annual meeting of shareholders was held with the agenda as follows:</p> <ol style="list-style-type: none"> 1. Election of the counting commission of the general meeting of shareholders of the Bank. 2. Consideration of the report of the Bank Board of Directors and adoption of a decision based on the results of its consideration. 3. Consideration of the report of the Bank Supervisory Board and adoption of a decision based on the results of its consideration.

4. Consideration of the conclusions of the audit report of the audit entity and approval of measures based on the results of consideration of such report.
5. Approval of the results of the Bank financial and economic activities for 2024 and the Bank annual report.
6. Profit distribution (approval of the procedure for covering losses) of the Bank.
7. Approval of the report on the remuneration of the members of the Bank Supervisory Board.
8. Amendments to the “Regulations on the remuneration of members of the Supervisory Board of JSC JSCB “Lviv”.
9. Determining the main areas of activity of the Bank for 2025.
10. Amendments and additions to the Charter of JSC JSCB "Lviv", by setting out the Charter of the Bank in a new edition, and approving the new edition of the Charter of JSC JSCB "Lviv".
11. Election of an authorized person to sign the new version of the Bank Charter and take all necessary actions regarding the state registration of the new version of the Charter of JSC JSCB "Lviv".
12. Termination of the powers of the Chairman and members of the Supervisory Board of the Bank.
13. Election of members of the Supervisory Board of the Bank.
14. Approval of the terms of civil law agreements concluded with members of the Supervisory Board. Election of a person authorized to sign civil law agreements with members of the Supervisory Board of the Bank.
15. Buyback of shares of JSC JSCB "Lviv".

Disclosure of the information on the list of persons who directly or indirectly own significant interests (including persons who exercise control over the reporting entity), their compliance with the requirements established by law and changes in their composition during the year

The persons who directly or indirectly own a significant block of shares of the Bank as of 12/31/2025 were:

No. salary	Surname, first name and patronymic of an individual or full name of a legal entity	Type persons	Type of significant interest ³	Details	Relationship between the person and the bank
1	2	3	4	5	6
1.	responsAbility Participations AG	YuO	P	Switzerland, 8005, Zurich, Josefstrasse 59, (Switzerland, 8005, Zurich, Josefstrasse 59). Registration number - 338680458	A shareholder of the bank, who owns 41.151 580 % of the Bank shares (decision of the Committee on Supervision and Regulation of Banking Activities, Supervision (Oversight) of Payment Systems of the National Bank of Ukraine No. 169 dated 06/23/2018)
2.	Stichting Fondsbecher DGGF local IKB (Stichting fund management DGGF local MKB)	YuO	P	Netherlands , 1083 H G, Amsterdam, ul. Mensinge, 78 (Netherlands, 10 8 3 H G , Amsterdam, Mensinge 78). Registration number - 61 172863	A shareholder of the bank, who owns 20.4 92129 % of the Bank shares (decision of the Committee on Supervision and Regulation of Banking Activities, Supervision (Oversight) of Payment Systems of the National Bank of Ukraine No. 24/670-pk dated 06/20/2024)
3.	Limited Liability Company 'NEW PROGRESS HOLDINGS'	YuO	P	Ukraine, 01054, Kyiv, Gogolivska St. 17. Registration number - 33694814	A shareholder of the bank, who owns 20.865962 % of the Bank shares (written permission of the National Bank of Ukraine to purchase shares in accordance with Decision No. 17/1 of March 24, 2006).
4.	Nordic Environment Finance Corporation (Nordic Environment Finance Corporation)	MFP	P	Finland, 00171, Helsinki, Fabianinkatu 34, (Finland, 00171, Helsinki, Fabianinkatu 34).	A shareholder of the bank, who owns 10.39 0996 % of the Bank shares (decision of the Committee on Supervision and Regulation of Banking Activities, Supervision (Oversight) of Payment Systems of the National Bank of Ukraine No. 111 dated March 25, 2021)

³ P – direct/O – indirect

	5. Private Limited Liability Company "Tangent Holding International B.V." (Tangent Holding International BV)	YuO	AT	Netherlands, 1076AZ, Amsterdam, Locatellikade 1, (Netherlands, 1076AZ, Amsterdam, Locatellikade 1). Registration number - 852481007	Participant of the Limited Liability Company "New Progress Holding" (share 79.334169%), which owns 20.86 5962 % of the Bank shares (decision of the Committee on Supervision and Regulation of Banking Activities, Supervision (Oversight) of Payment Systems of the National Bank of Ukraine No. 633 dated 12/30/2015)
	6. Peturson Margeir (Petursson Margeir)	FO	AT	Citizenship: Iceland. Iceland, Reykjavik (Citizen of Iceland. Iceland, Reykjavik)	<p>1. Controller:</p> <ul style="list-style-type: none"> • Limited Liability Company "New Progress Holding" (100%: directly 20.665831% and indirectly 79.334169%); • Limited liability company "Tangent Holding International B.V." (100%); • Limited Liability Company "Frontmost Limited" (100%); • private limited liability company "Orange International Investments (UK) Limited" (100%); • private enterprise "Business Center "Sofiyivskyi Spusk"" (100%). <p>2. The acquired indirect significant participation in the bank by Margeir Peturson was approved on December 30, 2015 by decision of the Committee on Supervision and Regulation of Banking Activities, Supervision (Oversight) of Payment Systems of the National Bank of Ukraine No. 633.</p>

In 2025, the persons who directly own a significant stake included Stichting fondsbeheer DGGF lokaal MKB. As of 31.12.2025, Stichting fondsbeheer DGGF lokaal MKB is the owner of 20.492129% of the Bank shares based on the decision of the Committee on Supervision and Regulation of Banking Activities, Payment Infrastructure Oversight of the National Bank of Ukraine No. 24/670-pk dated 20.06.2024.

Disclosure of the information about the supervisory body that oversees the activities of the executive body and represents the interests of the supreme management body, and the committees that report to such a body

Name and composition of the supervisory body	<p>To protect the rights of the Bank shareholders, and within the scope of competence determined by the Charter and current legislation of Ukraine, to control and regulate the activities of the Bank Management Board, the Bank has established a Supervisory Board.</p> <p>In accordance with the Charter, the election of members of the Supervisory Board of the Bank, and the adoption of a decision on the termination of the powers of members of the Supervisory Board of the Bank are within the exclusive competence of the Meeting of Shareholders of the Bank.</p> <p>As of the end of the reporting period - 31 December 2025, the number of members of the Bank Supervisory Board was 7 persons.</p> <p>During 2025, the Supervisory Board of the Bank operated in the following composition:</p> <ul style="list-style-type: none"> • Pospelovsky Andrew - Chairman of the Supervisory Board, independent director; • Peturson Margeir – member of the Supervisory Board, shareholder representative; • Richards Robert Scott - member of the Supervisory Board, shareholder representative; • Pott Philipp Georg - member of the Supervisory Board, shareholder representative; • Kvashnina Marina Volodymyrivna - member of the Supervisory Board, independent director; • Nazar Ivanovich Kupibida - member of the Supervisory Board, independent director; • Zhizhilashvili Tamari - member of the Supervisory Board, shareholder representative (in accordance with the requirements of Part 12, Article 42 of the Law of Ukraine "On Banks and Banking Activities", Zhizhilashvili Tamari took up the position of member of the Supervisory Board after approval by the NBU on 28 July 2025).
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<p>Procedure for appointment and dismissal of officials of the supervisory body</p>	<ul style="list-style-type: none"> - The procedure for the work of the Chairman and members of the Supervisory Board of the Bank and the payment of their remuneration is determined by the norms of the legislation of Ukraine, the Charter of the Bank. The Regulation on the Supervisory Board of the Bank, the Regulation on the remuneration of members of the Supervisory Board of the Bank, other internal documents and decisions adopted by the General Meeting of Shareholders of the Bank, as well as a civil law or employment agreement (contract) concluded with a member of the Supervisory Board of the Bank. Such an agreement or contract shall be signed on behalf of the Bank by the Chairman of the Board of the Bank or another person authorized by the General Meeting of Shareholders of the Bank on the terms and conditions approved by the decision of the General Meeting of Shareholders of the Bank. In the event of concluding a civil law contract with a member of the Bank Supervisory Board, such a contract may be for a fee or free of charge. - The Supervisory Board of the Bank consists of at least 5 (five) members, including the Chairman of the Supervisory Board of the Bank. - Members of the Supervisory Board of the Bank may be independent members of the Supervisory Board of the Bank, shareholders (participants) of the Bank and representatives of shareholders (participants) of the Bank. - At least one-third of the Bank's Supervisory Board consists of independent members of the Supervisory Board of the Bank. - The Supervisory Board of the Bank includes at least three independent members of the Supervisory Board of the Bank. - Members of the Supervisory Board of the Bank may not be members of the Management Board of the Bank, as well as hold other positions in the Bank under the terms of an employment agreement (contract) or provide services to the Bank in accordance with a civil law agreement. A member of the Supervisory Board of the Bank may not be a manager, official and/or member of the board of a bank or other management body of another bank registered in Ukraine, except for cases provided for by the legislation of Ukraine. - Only an individual can be a member of the Bank Supervisory Board. - Members of the Supervisory Board of the Bank are elected by the General Meeting of Shareholders of the Bank from among the shareholders of the Bank (or their representatives) and independent members for a term of 3 years. - When electing members of the Supervisory Board of the Bank, along with information about each candidate (surname, first name, patronymic (name) of the shareholder, the size of the share package owned by him) as members of the Supervisory Board of the Bank, the cumulative voting ballot shall indicate information on whether such candidate is a shareholder/representative of a shareholder/representative of a group of shareholders (with information about this shareholder or shareholders) or whether he or she is an independent director. - The election of members of the Supervisory Board of the Bank is carried out exclusively by cumulative voting. - Persons elected as members of the Supervisory Board of the Bank may be re-elected for a new term an unlimited number of times. - The Chairman and members of the Supervisory Board of the Bank shall take office after their approval by the National Bank of Ukraine. - The shareholder(s), whose representative(s) is/are elected as a member of the Supervisory Board of the Bank, may limit the powers of their representative as a member of the Supervisory Board of the Bank. - If the number of members of the Supervisory Board of the Bank, whose powers are valid, is half or less than half of the quantitative composition elected in accordance with the requirements of the Law of Ukraine "On Joint-Stock Companies" by the General Meeting of Shareholders of the Bank, the Supervisory Board of the Bank may not make decisions, except for decisions on convening an extraordinary General Meeting of Shareholders of the Bank to elect members of the Supervisory Board of the Bank by cumulative voting - to elect the entire composition of the Supervisory Board of the Bank. - The Chairman of the Supervisory Board of the Bank is elected by the members of the Supervisory Board of the Bank from among them by a simple majority of votes from the quantitative composition of the Supervisory Board of the Bank. A member of the Supervisory Board of the Bank who was the Chairman of the Management Board of the Bank during the previous year cannot be elected as the Chairman of the Supervisory Board of the Bank. - By a separate decision of the Supervisory Board of the Bank, a Deputy Chairman of the Supervisory Board of the Bank may be elected from among the members of the Supervisory Board of the Bank by a simple majority of votes from the quantitative composition of the Supervisory Board of the Bank.
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	<ul style="list-style-type: none"> - The Supervisory Board of the Bank has the right to re-elect the Chairman of the Supervisory Board of the Bank at any time. - Early termination of the powers of a member of the Supervisory Board of the Bank is carried out in accordance with the current legislation of Ukraine in the following cases: <ul style="list-style-type: none"> - at his personal request, provided that he notifies the Bank in writing two weeks in advance; - in case of inability to fulfil the duties of a member of the Supervisory Board of the Bank due to health reasons; - in the event of a court verdict or decision entering into legal force, by which he was sentenced to punishment; - in the event of death, recognition of him as incapacitated, with limited legal capacity, missing, or deceased; - in the event that the Bank receives a written notification about the replacement of a member of the Supervisory Board of the Bank who is a representative of a shareholder. - The General Meeting of Shareholders of the Bank may decide on the early termination of the powers of the members of the Supervisory Board of the Bank and the simultaneous election of new members of the Supervisory Board of the Bank. - A member of the Supervisory Board elected as a shareholder representative may be recalled or replaced by such shareholder at any time. In the event of replacement of a member of the Supervisory Board - a shareholder representative, the powers of the recalled member of the Supervisory Board shall be terminated, and the new member of the Supervisory Board shall assume powers from the moment the Bank receives a written notification from the shareholder represented by the relevant member of the Supervisory Board and after its approval by the National Bank of Ukraine (if necessary). The powers of other members of the Supervisory Board shall not be terminated. - With the termination of the powers of a member of the Supervisory Board of the Bank, the agreement (contract) concluded with him shall simultaneously terminate.
Powers of the supervisory body	<p>The competence of the Supervisory Board includes: according to the Law of Ukraine “On Banks and Banking Activities”:</p> <ol style="list-style-type: none"> 1) approval and control over the implementation of the Bank strategy, business plan, plans for the Bank recovery, financing the Bank in crisis situations, ensuring the continuity of the Bank operations; 2) ensuring the organization of effective corporate governance in accordance with the principles (code) of corporate governance approved by the general meeting of the Bank participants; 3) approval and control over the implementation of the Bank budget, including funding of risk management, compliance and internal audit departments; 4) approval and control over the implementation of the Bank problem asset management strategy and operational plan; 5) ensuring the functioning and monitoring the effectiveness of the Bank comprehensive and adequate internal control system, including the risk management system and internal audit system; 6) approval and monitoring of compliance with risk management strategies and policies, risk appetite declaration, list of limits (restrictions) on the Bank risks; 7) approval and monitoring of compliance with the code of conduct (ethics), policy for preventing, identifying and managing conflicts of interest in the Bank; 8) introduction and monitoring of the functioning of the mechanism for confidential reporting of unacceptable behavior in the Bank and response to such reports; 9) determining sources of capitalization and other financing of the Bank; 10) determining the Bank credit policy; 11) approval of the Bank organizational structure, as well as the structure of risk management, compliance, and internal audit units; 12) approval of internal regulations on the Bank Management Board, on committees of the Bank Supervisory Board, on structural units of the Bank for risk management, compliance control, internal audit, and on other structural units directly subordinated to the Bank Supervisory Board, which, in particular, shall include the procedure for reporting to the Bank Supervisory Board;

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| | <p>13) appointment and termination of the powers of the Chairman and members of the Bank Management Board, appointment and dismissal of the Chief Risk Manager, Chief Compliance Manager, Head of the Internal Audit Unit;</p> <p>14) monitoring the activities of the Bank Management Board, the Bank risk management units, compliance control, internal audit and making recommendations for its improvement;</p> <p>15) conducting an annual assessment of the effectiveness of the Bank Management Board in general and each member of the Bank Management Board in particular, risk management, compliance control, internal audit units, assessing the compliance of the members of the Bank Management Board, the Chief Risk Manager, the Chief Compliance Manager, the Head of the Internal Audit Unit with the qualification requirements, assessing the compliance of the collective suitability of the Bank Management Board with the size of the Bank, complexity, volumes, types, nature of the operations carried out by the Bank, the organizational structure and risk profile of the Bank, taking into account the specifics of the Bank operations as systemically important (if such status exists) and/or the activities of the banking group to which the Bank belongs, as well as taking measures to improve the mechanisms of the Bank Management Board and risk management, compliance control, internal audit units based on the results of such assessment;</p> <p>16) determining the work procedures and work plans of the internal audit unit;</p> <p>17) determining an audit firm to conduct an external audit, including for conducting an annual audit of the Bank financial statements, approving the terms of the contract concluded with the audit firm, and establishing the amount of payment for services;</p> <p>18) consideration of the external audit report and preparation of recommendations to the Bank Shareholders' Meeting for decision-making on the external audit report;</p> <p>19) control over the elimination of deficiencies identified by the National Bank of Ukraine and other state authorities and management bodies, which, within their competence, supervise the activities of the Bank, the internal audit unit and the audit firm based on the results of the external audit;</p> <p>20) making decisions on the creation, reorganization and liquidation of legal entities, the establishment of branches and representative offices of the Bank in the territory of other states, approval of their charters and regulations, as well as on the Bank participation in legal entities, which amounts to 10 (ten) percent or more of their authorized capital;</p> <p>21) approval of the terms of employment agreements (contracts) concluded with members of the Bank Management Board, the head and employees of the internal audit unit, the chief risk manager, the chief compliance manager, and establishment of the amount of their remuneration;</p> <p>22) control over the timeliness of the Bank provision (publication) of reliable information about its activities in accordance with the requirements of the legislation of Ukraine, including regulatory legal acts of the National Bank of Ukraine;</p> <p>23) approval and control over compliance with the procedure for conducting transactions with persons related to the Bank, which, in particular, shall contain requirements for identifying and controlling transactions with persons related to the Bank;</p> <p>24) determining the remuneration policy at the Bank in accordance with the requirements established by the National Bank of Ukraine, as well as monitoring its implementation;</p> <p>25) conducting an annual assessment of the effectiveness of the Bank Board in general and each member of the Bank Supervisory Board in particular, of the committees of the Bank Supervisory Board, assessing the compliance of the collective suitability of the Bank Supervisory Board with the size of the Bank, complexity, volumes, types, nature of the operations carried out by the Bank, organizational structure and risk profile of the Bank, taking into account the specifics of the Bank operations as systemically important (if such status exists) and/or the activities of the banking group to which the Bank belongs, as well as taking measures to improve the mechanisms of the Bank Supervisory Board's activities based on the results of such assessment;</p> <p>according to the norms of the Law of Ukraine "On Joint Stock Companies":</p> <p>1) approval of internal regulations regulating the Bank operations, except for those that fall within the exclusive competence of the Meeting of Shareholders of the Bank in accordance with the Law of Ukraine "On Joint Stock Companies", and those that are submitted for approval to the Bank Management Board by decision of the Bank Supervisory Board;</p> |
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- 2) preparation and approval of the draft agenda and the agenda of the Meetings of Shareholders of the Bank, decision-making on the date of their holding and on the inclusion of proposals in the draft agenda, except in cases where the shareholders convene an extraordinary Meeting of Shareholders of the Bank;
- 3) formation of a temporary counting commission in the event of convening a Meeting of Shareholders of the Bank by the Supervisory Board of the Bank, unless otherwise established by the Bank Charter;
- 4) approval of the form and text of the ballot;
- 5) making a decision to hold an annual or extraordinary Meeting of Shareholders of the Bank in accordance with the Bank Charter and in cases established by the legislation of Ukraine;
- 6) making a decision on the placement by the Bank of securities other than shares;
- 7) making a decision on the redemption of securities other than shares placed by the Bank;
- 8) approval of the market value of the Bank property in cases provided for by the Law of Ukraine "On Joint-Stock Companies";
- 9) election and termination of powers of the Chairman and members of the Bank Management Board;
- 10) approval of the terms of contracts concluded with members of the Bank Management Board, establishment of the amount of their remuneration; determination of the person who will sign contracts (agreements) with the Chairman and members of the Bank Management Board on behalf of the Bank;
- 11) making a decision to remove the Chairman or member of the Bank Management Board from exercising his powers, and to elect a person who will temporarily exercise the powers of the Chairman of the Bank Management Board;
- 12) election and termination of powers of the Chairman and members of other bodies of the Bank;
- 13) appointment and dismissal of the head of the internal audit unit (internal auditor);
- 14) approval of the terms of employment contracts concluded with employees of the internal audit department (with the internal auditor) of the Bank, establishment of the amount of their remuneration, including incentive and compensation payments;
- 15) monitoring the timeliness of the Bank publication of information on the principles (Code) of corporate governance used by the Bank;
- 16) consideration of the report of the Bank Management Board and approval of measures based on the results of its consideration;
- 17) election of members of the registration commission, except for cases provided for by the Law of Ukraine "On Joint-Stock Companies";
- 18) agreeing the terms of the contract for the provision of audit services to the Bank and selecting a person authorized to sign such a contract with the auditor;
- 19) approval and provision of recommendations to the Meeting of Shareholders of the Bank based on the results of consideration of the audit report of the entity conducting auditing activities on the financial statements of the Bank for decision-making on it;
- 20) determining the date of compiling the list of persons entitled to receive dividends, the procedure and terms of payment of dividends within the time limit specified by the Law of Ukraine "On Joint-Stock Companies";
- 21) determining the procedure established by the Law of Ukraine "On Joint Stock Companies" of the date of compiling the list of shareholders who shall be notified of the Bank Shareholders' Meeting and who have the right to participate in the Bank Shareholders' Meeting;
- 22) resolving issues regarding the Bank participation in industrial and financial groups and other associations;
- 23) resolving issues regarding the creation of legal entities by the Bank and/or the Bank participation in any legal entities, their reorganization and liquidation;
- 24) resolving issues on the creation, reorganization and/or liquidation of separate structural units and/or structural divisions of the Bank, except for cases when, by decision of the Supervisory Board of the Bank, the resolution of these issues is delegated to the Management Board of the Bank;
- 25) resolving issues falling within the competence of the Bank Supervisory Board in accordance with the Law of Ukraine "On Joint Stock Companies", in the event of a merger, acquisition, division, separation or transformation of the Bank;
- 26) making a decision to increase the authorized capital of the Bank in cases of termination of the Bank through merger by acquisition;
- 27) making a decision on amendments to the Bank Charter in cases of termination of the Bank by merger, division or spin-off;

	<p>28) making a decision to enter into significant transactions or transactions with an interested party in cases provided for by the Law of Ukraine “On Joint-Stock Companies”;</p> <p>29) determining the probability of the Bank being declared insolvent as a result of its assumption of obligations or their fulfilment, including as a result of the payment of dividends or the purchase of treasury shares;</p> <p>30) making a decision on selecting the Bank property appraiser and approving the terms of the contract concluded with him, establishing the amount of payment for his services;</p> <p>31) making a decision on the selection (replacement) of a depository institution that provides additional services to the Bank, approving the terms of the agreement concluded with it, and establishing the amount of payment for its services;</p> <p>32) sending an offer to the owners of the Bank shares as a result of the acquisition of a controlling stake or a significant controlling stake in the Bank shares;</p> <p>33) approval of the regulations on committees of the Bank Supervisory Board, which regulate the issues of formation and activities of the said committees.</p> <p>The Bank Charter may also include other issues within the exclusive competence of the Bank Supervisory Board.</p>
<p>Functioning of the supervisory body</p>	<p>The Bank Board carries out its activities within the limits of the powers and functions defined by the current legislation of Ukraine, the Bank Charter and the Regulations on the Supervisory Board.</p> <p>In accordance with the Bank Charter and the Regulations on the Supervisory Board, meetings of the Bank Supervisory Board are held as necessary with the frequency determined by the Bank Charter, but not less than once a quarter.</p> <p>The meeting of the Supervisory Board of the Bank is held in the form of joint presence of the members of the Supervisory Board of the Bank in a designated place for discussion of agenda items and voting thereon. Joint presence includes the possibility of remote participation of the members of the Supervisory Board of the Bank in the meeting, including using electronic communication means (video and voice conferences, etc.) provided that each member of the Supervisory Board of the Bank participating in such a conference can see and hear (or at least hear) and communicate with all other participants in the meeting of the Supervisory Board of the Bank.</p> <p>During 2025, 43 meetings of the Bank Supervisory Board were held, of which 7 meetings were held in person and via video conferencing and 36 in absentia - via survey.</p> <p>Participation of Supervisory Board members in meetings:</p> <ul style="list-style-type: none"> • Pospelovsky Andrew – 43 meetings (2 of them – physical presence) – 100%; • Peturson Margeir – 43 meetings (of which 4 were physical presence) – 100%; • Richards Robert Scott – 43 meetings (2 of which were in person) – 100%; • Pott Philipp Georg – 43 meetings (2 of them – physical presence) – 100%; • Kupibida Nazar Ivanovych – 42 meetings (of which 2 were physically present) – 97.67%; • Kvashnina Maryna Volodymyrivna – 43 meetings (of which 1 was in person) – 100%; • Zhizhilashvili Tamara – 15 meetings (of which 1 was in person) – 100% from the date of approval by the National Bank of Ukraine). <p>At the meetings of the Board, in particular, the quarterly report of the Management Board, the report on credit, operational and financial risks, the report on the status of work on NPLs, the reports of the Internal Audit Service on current audits of the Bank operations, the report on compliance risks, the report on work on NPLs, the report on the work of the Charitable Foundation of Bank "Lviv", information on the status of implementation of the sustainable development strategy are heard. Considerable attention of the Supervisory Board was paid to attracting funds from international financial organizations.</p> <p>The Supervisory Board meetings also addressed issues regarding:</p> <ul style="list-style-type: none"> • approval of the draft agenda of the General Meeting of Shareholders;

	<ul style="list-style-type: none"> • approval of the Bank annual financial report; • approval of the Bank activity strategy and business plan; • approval of the Bank organizational structure; • reports on stress testing of financial risks and their impact on the Bank revenues and capital; • making significant transactions; • appointment and termination of powers of a member of the Bank Management Board; • determining the remuneration policy; • adoption of a decision on the establishment of a committee of the Bank Supervisory Board; • approval of regulations and other internal regulatory documents of the Bank, as well as amendments to them; • and other important aspects of the Bank operations. <p>The Bank has not appointed an external auditor of the Supervisory Board.</p>
Annual remuneration of supervisory board members	<p>The 5 members of the Supervisory Board were paid the following remuneration for 2025:</p> <ul style="list-style-type: none"> • Annual fixed remuneration of members of the Supervisory Board: UAH 5,002 thousand (2024 – UAH 3,296 thousand); • Annual variable remuneration of members of the Supervisory Board: UAH 0 thousand (2024 – UAH 0 thousand); • Total annual remuneration of members of the Supervisory Board: UAH 5,002 thousand (2024 – UAH 3,296 thousand). <p>The total amount of funds paid by the Bank to the members of the Supervisory Board in the reporting financial year, including the amount of payments as remuneration for the previous financial year: UAH 5,002 thousand (2024 – UAH 3,296 thousand).</p> <p>There are no amounts of unpaid deferred remuneration and amounts of deferred remuneration for previous financial years paid to the members of the Supervisory Board during the reporting financial year.</p> <p>There were no payments to the members of the Supervisory Board upon hiring made during the financial year.</p> <p>During 2025, the Bank did not make any payments to the members of the Supervisory Board upon dismissal.</p>
Changes in the composition of the supervisory body during the year	<p>Member of the Supervisory Board, shareholder representative (in accordance with the requirements of Part 12, Article 42 of the Law of Ukraine “On Banks and Banking Activities”, Zhizhilashvili Tamari assumed the position of a member of the Supervisory Board after approval by the NBU on 07/28/2025)</p>
Names and composition of committees reporting to the supervisory body	<p>The Audit Committee, the Remuneration and Nomination Committee, and the Sustainable Development and Environment Committee have been established under the Supervisory Board of the Bank.</p> <p>During 2025, until 6 6 November 2025, the Audit Committee of the Supervisory Board of JSC JSCB "Lviv" operated in the following composition:</p> <ul style="list-style-type: none"> • Nazar Ivanovich Kupibida – Chairman of the Committee; • Pospelovsky Andrew – member of the committee; • Richards Robert Scott – member of the committee.

	<p>In accordance with decision of the Supervisory Board, minutes No. 037/2025 dated 6 November 2025, the following personal composition of the Audit Committee of the Supervisory Board of JSC JSCB "Lviv" was approved:</p> <ul style="list-style-type: none"> • Nazar Ivanovich Kupibida – Chairman of the Committee (independent director); • Pospelovsky Andrew – member of the committee (independent director) ; • Zhizhilashvili Tamari - member of the committee (independent director). <p>During 2025, until 6 November 2025, the Remuneration and Appointments Committee of the Supervisory Board of JSC JSCB "Lviv" operated in the following composition:</p> <ul style="list-style-type: none"> • Pospelovsky Andrew – Chairman of the Committee, • Peturson Margeir – member of the committee, • Nazar Ivanovich Kupibida – member of the committee. <p>In accordance with the decision of the Supervisory Board, minutes No. 037/2025 dated 6 November 2025, the following personal composition of the Remuneration and Appointments Committee of the Supervisory Board of JSC JSCB "Lviv" was approved:</p> <ul style="list-style-type: none"> • Pospelovsky Andrew – Chairman of the Committee (independent director); • Kvashnina Marina Volodymyrivna - member of the committee (independent director); • Peturson Margeir – member of the committee (shareholder representative); • Nazar Ivanovich Kupibida – member of the committee (independent director). <p>During 2025, until 6 November 2025, the Sustainable Development and Environment Committee of the Supervisory Board of JSC JSCB "Lviv" operated in the following composition:</p> <ul style="list-style-type: none"> • Pospelovsky Andrew – Chairman of the Committee; • Pott Philipp Georg – Deputy Chairman of the Committee; • Richards Robert Scott – member of the committee. <p>In accordance with the decision of the Supervisory Board, minutes No. 037/2025 dated 6 November 2025, the following personal composition of the Committee on Sustainable Development and Environment of the Supervisory Board of JSC JSCB "Lviv" was approved:</p> <ul style="list-style-type: none"> • Richards Robert Scott – Committee Chairman (shareholder representative); • Pott Philipp Georg – Deputy Chairman of the Committee (shareholder representative); • Pospelovsky Andrew – Committee member (independent director).
<p>Powers of committees reporting to the supervisory body</p>	<p>The Mission (Purpose) of the Audit Committee is to assist the Board in fulfilling its control and oversight responsibilities in the financial reporting process, internal control system, audit processes and monitoring compliance with laws and regulations (compliance) and the code of corporate ethics in the Bank.</p> <p>“The Regulations on the Audit Committee of the Supervisory Board of JSC JSCB “Lviv” were approved by the decision of the Supervisory Board, minutes No. 028/2021 dated 27 April 2021.</p> <p>The Mission (Goal) of the Sustainable Development and Environment Committee of the Supervisory Board of JSC JSCB “Lviv” is to assist the Board in fulfilling its control and supervisory responsibilities in the process of implementing the Bank “Sustainable Development Strategy”, and in positioning the Bank as environmentally responsible.</p>

	<p>“Regulations on the Sustainable Development and Environment Committee of the Supervisory Board of JSC JSCB “Lviv”, approved by the decision of the Supervisory Board, minutes No. 029/2020 dated 30 September 2020 and reviewed for the absence of the need to make changes, minutes of the Supervisory Board No. 041/2021 dated 17 August 2021.</p>
<p>Functioning of committees accountable to the supervisory body</p>	<p>The Board committees hold their meetings, as a rule, at least once a quarter and extraordinary meetings as necessary. The Audit Committee invites representatives of the Bank management, internal and external auditors, and independent consultants to its meetings as necessary to obtain information according to the agenda.</p> <p>The Remuneration and Appointments Committee shall preliminarily study, prepare and submit to the Supervisory Board draft decisions, conclusions, and proposals on issues related to remuneration and appointments. To ensure the completeness and quality of the preparation of materials for the meetings, the Committee shall have the right to engage legal, financial, and other independent experts for professional advice.</p> <p>The Sustainability and Environment Committee invites representatives of the Bank management, heads of control units, independent consultants/partners to its meetings as necessary to obtain information according to the agenda. A representative of the Bank shareholder - the Nordic Environmental Finance Corporation (NEFCO) is invited to all meetings of the Sustainability and Environment Committee as a permanent guest.</p> <p>During 2025, 9 meetings of the Audit Committee, 7 meetings of the Remuneration and Nomination Committee, and 4 meetings of the Sustainability and Environment Committee were held. Participation of Audit Committee members in meetings: Kupibida Nazar Ivanovych - 9 meetings (of which - 2 - physical presence) - 100%; Pospelovsky Andrew - 9 meetings (of which 2 were physical presence) - 100%; Richards Robert Scott - 7 meetings (of which 2 were physical presence) - 88.89% by the date of approval of the updated composition. Zhizhilashvili Tamara – 1 meeting – 100% from the date of appointment.</p> <p>Participation of members of the Remuneration and Nomination Committee: Pospelovsky Andrew – 7 meetings (of which 2 were physical presence) – 100%; Peturson Margeir – 7 meetings (2 of them - physical presence) – 100%; Kupibida Nazar Ivanovich – 7 meetings (of which 2 were physical presence) – 100%. Kvashnina Maryna Volodymyrivna – 1 meeting – 100% from the date of appointment.</p> <p>Participation of members of the Sustainable Development and Environment Committee in meetings: Pospelovsky Andrew - 4 meetings (of which - 2 - physical presence) - 100%; Pott Philipp Georg – 4 meetings (of which 2 were in person) – 100%; Richards Robert Scott - 4 meetings (of which 2 were in person) - 100%.</p>
<p>Disclosure of the information about the executive body and committees reporting to such body</p>	
<p>Name and composition of the executive body</p>	<p>The Management Board is the collegial executive body of the Bank, which, within the scope of competence determined by the legislation of Ukraine and the Bank Charter, manages its current activities, forms funds necessary for the statutory activities of the Bank, and is responsible for the efficiency of its work in accordance with the principles and procedure established by the Bank Charter, decisions of the Shareholders' Meeting and the Supervisory Board.</p> <p>As of the end of the day on 31 December 2025, the Board acted as a collegial executive body consisting of 4 people:</p>

	<ul style="list-style-type: none"> • Chairman of the Board - Ashot Hamletovich Abrahamyan (Vertical of general management, legal protection, work with problem loans, credit administration, administration and treasury); • Deputy Chairman of the Board, Member of the Board - Osadchiy Natalia (Business, Marketing and Personnel Vertical); • Deputy Chairman of the Board, Member of the Board - Tamar Khelidze (Retail Business Vertical, IT, Project Management and Payments); • Deputy Chairman of the Board, member of the Board – Kuzio Volodymyr Viktorovych (Vertical of Finance, Financial Monitoring and Accounting).
<p>Procedure for appointment and dismissal of officials of the executive body</p>	<p>- The members of the Bank Management Board are appointed by the decision of the Bank Supervisory Board in the amount of at least 3 persons for a term of 3 years. The quantitative composition of the Bank Management Board may be changed from time to time by the Supervisory Board depending on the current need. If the quantitative composition of the Bank Management Board has not been determined separately, but the number of members of the Bank Management Board elected by the Supervisory Board is at least 3 (three) persons, it is considered that the quantitative composition of the Bank Management Board is equal to the number of elected members of the Bank Management Board. The Supervisory Board may determine a different individual term of office of the members of the Bank Management Board upon their appointment.</p> <p>- Any member of the Bank Management Board (including the Chairman of the Bank Management Board) may be prematurely recalled or replaced. A decision on prematurely recalling or replacing members of the Bank Management Board may be made in respect of all members of the Bank Management Board or only in respect of individual members. A decision on prematurely recalling or replacing members of the Bank Management Board (including the Chairman of the Bank Management Board) shall be made in the same manner as their election. The powers of the Chairman of the Bank Management Board shall be terminated by decision of the Bank Supervisory Board with the simultaneous adoption of a decision on the appointment of the Chairman of the Bank Management Board, or a person who will temporarily exercise his powers.</p> <p>- The Member of the Bank Management Board Responsible for Financial Monitoring is appointed and dismissed from his position by the Supervisory Board of the Bank in agreement with the National Bank of Ukraine in cases provided for by the current legislation of Ukraine.</p> <p>- Members of the Bank Supervisory Board cannot be appointed as members of the Bank Management Board.</p> <p>- The Supervisory Board may appoint a Deputy (Deputies) of the Chairman of the Bank Management Board from among the members of the Bank Management Board.</p> <p>- The order on the appointment and/or dismissal of the Chairman and/or members of the Bank Management Board, based on the relevant decision of the Bank Supervisory Board, is issued by the Chairman of the Bank Management Board.</p> <p>- The Chairman and members of the Bank Management Board shall meet the requirements determining their professional suitability and impeccable business reputation established by the current legislation of Ukraine.</p> <p>- The Chairman of the Bank Management Board is an official of the Bank, manages all activities of the Bank in accordance with the powers granted to him by the Charter, the General Meeting of Shareholders of the Bank and the Supervisory Board, and bears personal responsibility for the performance of the tasks assigned to the Bank Management Board.</p> <p>The Chairman of the Bank Management Board is elected by the Bank Supervisory Board.</p> <p>The term of office and grounds for termination of the powers of the Chairman of the Bank Management Board are determined by the Supervisory Board of the Bank upon his appointment and are specified in the contract made with him.</p>
<p>Powers of the executive body</p>	<p>The competence of the Bank Management Board includes resolving all issues related to the management of the Bank current activities, except for issues that fall within the exclusive competence of the Bank Shareholders Meeting and the Bank Supervisory Board.</p> <p>The Bank Management Board is responsible for:</p> <ol style="list-style-type: none"> 1) the security and financial stability of the Bank; 2) compliance of the Bank operations with the legislation of Ukraine; 3) ensuring the ongoing management of the Bank;

- 4) implementation of decisions of the Meeting of Shareholders of the Bank and the Supervisory Board of the Bank;
 - 5) daily management and control of the Bank operations;
 - 6) implementation of the Bank strategy and business plan;
 - 7) compliance of the Bank operations with the risk appetite declaration.
- The Bank Management Board:
- 1) resolves all issues of the Bank operations (except for those that fall within the exclusive competence of the Meeting of Shareholders of the Bank and the Supervisory Board of the Bank);
 - 2) ensures the preparation for approval by the Supervisory Board of the Bank of the draft budget of the Bank, the strategy and business plan of the Bank development;
 - 3) implements the Bank development strategy and business plan;
 - 4) implements the risk management strategy and policy approved by the Bank Supervisory Board, ensures the implementation of procedures for identifying, assessing, controlling and monitoring risks;
 - 5) forms the organizational structure of the Bank determined by the Supervisory Board of the Bank, approves the staffing list of the Bank;
 - 6) develops regulations regulating the activities of separate structural divisions/structural units of the Bank in accordance with the Bank development strategy;
 - 7) ensures the security of the Bank information systems and systems used to store the assets of the Bank clients;
 - 8) informs the Supervisory Board of the Bank about the Bank performance indicators, identified violations of the law, internal regulatory documents of the Bank, and any deterioration in the Bank financial condition or the threat of such deterioration, and the level of risks arising in the course of the Bank operations;
 - 9) monitors the Bank compliance with the requirements of current legislation;
 - 10) resolves issues of organizing operations by the Bank, storage of cash and valuables of the Bank, accounting and reporting, internal control and other issues of the Bank operations;
 - 11) establishes committees under the Bank Management Board, approves regulations on committees under the Bank Management Board and makes amendments to them, makes decisions on the election (change) of committee members;
 - 12) considers and approves the regulations and other internal regulatory documents of the Bank, as well as amendments thereto, which the Chairman of the Bank Management Board or other members of the Bank Management Board consider appropriate or necessary to submit for collective consideration by the Bank Management Board, and the approval of which does not fall within the competence of the Meeting of Shareholders of the Bank and/or the Supervisory Board of the Bank, including those regulating the Bank business processes;
 - 13) makes decisions on the execution of transactions within the powers determined by the Supervisory Board of the Bank;
 - 14) makes a decision to conclude a transaction in the event that the value of obligations under one transaction or several related transactions does not exceed the equivalent of 1,000,000 (one million) US dollars in the national currency of Ukraine at the exchange rate of the National Bank of Ukraine on the day of making such a decision, unless the Supervisory Board of the Bank has established other limits on the powers of the Bank Management Board;
 - 15) prepares draft resolutions for approval by the Bank Supervisory Board regarding the conclusion of transactions, decisions on the conclusion of which fall within the powers of the Bank Supervisory Board;
 - 16) prepares the estimate of income and expenses, the annual report of the Bank;
 - 17) taking into account the requirements of the legislation of Ukraine, determines the nature of information that is not subject to disclosure;
 - 18) after making a decision to reduce the Bank authorized capital, within 30 days, notifies in writing each creditor whose claims to the Bank are not secured by collateral/guarantee/surety about such a decision;
 - 19) submits proposals to the Supervisory Board of the Bank regarding holding regular/extraordinary Shareholders' Meetings of the Bank;

	<p>20) requires the convening of an extraordinary Meeting of Shareholders of the Bank in the event of initiation of proceedings to declare the Bank bankrupt or the need to conclude a significant transaction, as well as in other cases provided for by the Bank Charter and the legislation of Ukraine;</p> <p>21) requires the convening of meetings of the Bank Supervisory Board;</p> <p>22) at the request of the Supervisory Board of the Bank, members of the Management Board of the Bank participate in the meeting of the Supervisory Board of the Bank or in the consideration of individual issues on the agenda of its meeting;</p> <p>23) in the event of an audit of the Bank operations at the request of a shareholder(s) of the Bank who own(s) more than 10 percent of the Bank shares, within 10 (ten) calendar days from the date of receipt of a request from such shareholder(s) of the Bank for an audit, provides a response with information on the date of commencement of the audit;</p> <p>24) in the event of an audit of the Bank at the request of a shareholder who owns more than 10 percent of the Bank shares, provides certified copies of all documents at his request within 5 (five) days from the date of receipt of the relevant request from the audit firm;</p> <p>25) gives consent to shareholders receiving additional information about the Bank operations, if the provision of such information is not mandatory in accordance with the current legislation of Ukraine and the Bank Charter;</p> <p>26) resolves issues regarding the Bank participation in unions and associations that do not aim to make a profit, without violating the competence of the Bank Supervisory Board, as provided for by the Bank Charter and the legislation of Ukraine;</p> <p>27) considers issues that the Chairman of the Bank Management Board or other members of the Bank Management Board consider appropriate or necessary to submit to the collective resolution by the Bank Management Board;</p> <p>28) exercises other powers stipulated by the legislation of Ukraine, decisions of the Meeting of Shareholders of the Bank and the Supervisory Board of the Bank.</p>
Functioning of the executive body	<p>The organizational form of the work of the Board, as a collegial body, is the Board meeting.</p> <p>To ensure the proper level of management of the Bank, regular meetings were held at least twice a month.</p> <p>In cases where there is a justified need for the Board to make decisions, extraordinary in-person/absentee meetings of the Board are held. A meeting of the Board is held in the form of a joint presence of Board members in a designated place to discuss agenda items and vote. Joint presence includes the possibility of remote participation of Board members in a meeting, including using electronic communication means (video and voice conferences, etc.), provided that each Board member participating in such a conference can see and hear (or at least hear) and communicate with all other participants in the Board meeting.</p> <p>Members of the Supervisory Board, the Head of the Internal Audit Service with the right to an advisory vote, the Head of the Risk Vertical and the Head of the Compliance Service have the right to be present at the meeting of the Management Board.</p> <p>Upon agreement with the Chairman of the Board, other persons may be invited to the meeting, but only when discussing issues related to their areas of work or those that concern them personally.</p> <p>All decisions made at the Board meeting are recorded in the minutes of the Board meeting. The minutes of the Board meeting are kept by the Corporate Secretary.</p> <ul style="list-style-type: none"> • During 2025, 65 meetings of the Board were held (including those held in the working order), at which, in particular, issues related to the Bank operations were resolved within the competence of the Board, as determined by the current legislation of Ukraine and the Bank Charter.
Annual remuneration of members of the executive body	<p>All members of the Management Board were paid a cash remuneration in 2025:</p> <ul style="list-style-type: none"> • Annual fixed remuneration of the members of the Management Board: UAH 20,208 thousand (2024 – UAH 18,314 thousand); • Annual variable remuneration of members of the Management Board: UAH 19,321 thousand (2024 – UAH 11,036 thousand);

	<ul style="list-style-type: none"> Total annual remuneration of the members of the Management Board: UAH 39,529 thousand (2024 – UAH 33,277 thousand). <p>In 2025, members of the Management Board were paid travel expenses in the amount of UAH 4,536 thousand, which were included in the total amount of funds paid by the Bank.</p> <p>The total amount of funds paid by the Bank to the members of the Management Board in the reporting financial year, including the amount of payments as remuneration for the previous financial year: UAH 39,529 thousand (2024 – UAH 33,277 thousand).</p> <p>There are no amounts of unpaid deferred remuneration and amounts of deferred remuneration for previous financial years paid to members of the Management Board during the reporting financial year.</p>									
Changes in the composition of the executive body during the year	There were no changes in the composition of the executive body in 2025.									
Names and composition of executive body committees	<p>Committees are established by the Management Board to ensure the minimization of banking risks, ensuring effective decision-making in various areas of the Bank activity in accordance with the granted powers and internal regulatory documents of the Bank.</p> <p>The Bank has the following standing committees of the Board:</p> <ol style="list-style-type: none"> Credit Committee (CC); Operational Risk Management, Compliance and Information Security Committee (ORCIC); Credit Risk and Reserve Committee (CRRC); Assets, Liabilities and Tariffs Management Committee (ALMT); Human Resources Management Committee (HRMC); IT Project Management Committee (IPMC); Committee on Cost Control and Tender Organization (CCTO); Committee on Sustainable Development and Environment (CSDE); Committee "Charity Fund Council" (Charity Fund Council). <p>The composition of the committees as of 31 December 2025 was as follows:</p> <table border="1" data-bbox="595 965 2074 1444"> <thead> <tr> <th data-bbox="595 965 663 1027">No.</th> <th data-bbox="663 965 871 1027">Committee name</th> <th data-bbox="871 965 2074 1027">Committee members</th> </tr> </thead> <tbody> <tr> <td data-bbox="595 1027 663 1350">1.</td> <td data-bbox="663 1027 871 1350">Credit Committee</td> <td data-bbox="871 1027 2074 1350"> <p>The composition of the Credit Committee depends on the individual decision-making limits of its members. The following decision-making categories are provided for the Credit Committee:</p> <ul style="list-style-type: none"> Category “B” - for business employees; Category “P” - for employees of the credit risk department; Category “Y” - for employees of the Legal Protection Department; Category “P” - for employees of the Department for Working with Problem Loans; “BM” category - for Board Members; Category “GP” - for the Chairman of the Board. <p>The rights and levels of authority to make decisions at the Credit Committee meeting are nominal and are granted to personnel in accordance with their position, qualifications, and are approved by decision of the Board.</p> </td> </tr> <tr> <td data-bbox="595 1350 663 1444">2.</td> <td data-bbox="663 1350 871 1444">Assets, Liabilities and Tariffs</td> <td data-bbox="871 1350 2074 1444"> <ul style="list-style-type: none"> Chairman of the Board; Deputy Chairman of the Board, responsible for the Finance, Financial Monitoring and Accounting Vertical (Deputy Chairman of the Committee); </td> </tr> </tbody> </table>	No.	Committee name	Committee members	1.	Credit Committee	<p>The composition of the Credit Committee depends on the individual decision-making limits of its members. The following decision-making categories are provided for the Credit Committee:</p> <ul style="list-style-type: none"> Category “B” - for business employees; Category “P” - for employees of the credit risk department; Category “Y” - for employees of the Legal Protection Department; Category “P” - for employees of the Department for Working with Problem Loans; “BM” category - for Board Members; Category “GP” - for the Chairman of the Board. <p>The rights and levels of authority to make decisions at the Credit Committee meeting are nominal and are granted to personnel in accordance with their position, qualifications, and are approved by decision of the Board.</p>	2.	Assets, Liabilities and Tariffs	<ul style="list-style-type: none"> Chairman of the Board; Deputy Chairman of the Board, responsible for the Finance, Financial Monitoring and Accounting Vertical (Deputy Chairman of the Committee);
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2.	Assets, Liabilities and Tariffs	<ul style="list-style-type: none"> Chairman of the Board; Deputy Chairman of the Board, responsible for the Finance, Financial Monitoring and Accounting Vertical (Deputy Chairman of the Committee); 								

	Management Committee (ALMT)	<ul style="list-style-type: none"> • Deputy Chairman of the Board, responsible for the Retail Business Vertical, IT, Project Management and Payments; • Deputy Chairman of the Board, responsible for the Business, Marketing and Human Resources Vertical; • Executive Risk Director; • Executive Director (small and medium-sized business area); • Executive Director (retail business); • Executive Director (Investor Relations, Finance and Treasury) (Chairman of the Committee); • Head of the Treasury and Cash Management Department; • Head of the Financial and Market Risks Department; • Head of Corporate Business Department; • Chief Economist-Dealer of the Treasury Department of the Treasury and Cash Management Department/Project Manager of the Finance and Investor Relations Department (Secretary, non-voting).
3.	Credit Risk and Reserve Committee (CRRC)	<ul style="list-style-type: none"> • Chairman of the Board (Deputy Chairman of the Committee); • Executive Risk Director (Chairman of the Committee); • Executive Director (Legal Protection, Problem Loans and Credit Administration); • Deputy Executive Director for Risk; • Head of the Credit Risk and Portfolio Analysis Department (secretary).
4.	Operational Risk Management, Compliance and Information Security Committee (ORCIC)	<ul style="list-style-type: none"> • Deputy Chairman of the Board, responsible for the Finance, Financial Monitoring and Accounting Vertical (Chairman of the Committee); • Deputy Chairman of the Board, responsible for the Retail Business Vertical, IT, Project Management and Payments; • Executive Risk Director (Deputy Chairman of the Committee); • Executive Director (Project Management and Payments); • Head of Compliance Service; • Head of the Operational Risk and Control Department (Secretary); • Head of the Information Security Department.
5.	Human Resources Management Committee (HRMC)	<ul style="list-style-type: none"> • Chairman of the Board; • Deputy Chairman of the Board, responsible for the Finance, Financial Monitoring and Accounting Vertical; • Deputy Chairman of the Board, responsible for the Retail Business Vertical, IT, Project Management and Payments (Deputy Chairman of the Committee); • Deputy Chairman of the Board, responsible for the Business, Marketing and Human Resources Vertical (Chairman of the Committee); • Head of the Human Resources Department (secretary).
6.	IT Project Management Committee (IPMC)	<ul style="list-style-type: none"> • Deputy Chairman of the Board, responsible for the Retail Business Vertical, IT, Project Management and Payments (Committee Chairman); • Executive Director (Digital Business and Business Architecture) (Deputy Chairman of the Committee); • Executive Director (Project Management and Payments);

			<ul style="list-style-type: none"> • Head of IT Department (secretary).
	7.	Committee on Cost Control and Tenders (CCTT)	<ul style="list-style-type: none"> • Chairman of the Board;* • Deputy Chairman of the Board, responsible for the Finance, Financial Monitoring and Accounting Vertical (Chairman of the Committee); • Deputy Chairman of the Board, responsible for the Retail Business Vertical, IT, Project Management and Payments;* • Deputy Chairman of the Board, responsible for the Business, Marketing and Human Resources Vertical;* • Executive Director (Legal Protection, Problem Loans and Credit Administration) (Deputy Chairman of the Committee); • Head of Compliance Service; • Deputy Head of the Internal Reporting, Budgeting and Controlling Department (secretary). <p>The presence of two Board Members is mandatory at the committee meeting. * Other Board Members who oversee the departments that initiate expenditures/investments. Vote when considering tenders.</p>
	8.	Committee on Sustainable Development and Environment (CSDEN)	<ul style="list-style-type: none"> • Deputy Chairman of the Board, responsible for the Business, Marketing and Human Resources Vertical (Chairman of the Committee); • Executive Director (SMEs) (Deputy Chairman of the Committee); • Deputy Executive Director for Risk; • Coordinator of the implementation of the Sustainable Development Strategy (secretary); • Head of the Administrative and Economic Department; • Head of Marketing Department.
	9.	Committee "Charity Fund Council" (Charity Fund Council)	<ul style="list-style-type: none"> • Deputy Chairman of the Board, responsible for the Business, Marketing and Human Resources Vertical (Chairman of the Committee); • Deputy Chairman of the Board, responsible for the Retail Business Vertical, IT, Project Management and Payments; • Executive Director (Project Management and Payments); • Executive Director (small and medium-sized business direction); • Executive Director (retail business).
Powers of executive body committees	1)	<p>The Credit Committee makes decisions on the following issues:</p> <ul style="list-style-type: none"> • approval of a financial limit for the client; • loan approval and refinancing; • approval of an extension of an existing loan; • approval of changes to lending conditions; • restructuring of existing loans; • granting exceptions to standard product terms and conditions and the Bank internal regulatory documents for individual loans; • reduction/forgiveness of accrued interest, commissions, fines, and penalties; • reduction/forgiveness of the principal debt on the loan. 	
	2)	<p>The Assets, Liabilities and Tariffs Management Committee is a permanent collegial body of the Bank that makes decisions, makes recommendations and defines tasks regarding:</p>	

	<ul style="list-style-type: none"> • ensuring effective resource management to achieve the required operational results; • managing the Bank short-term liquidity to ensure the Bank necessary margin between interest-bearing assets and liabilities to achieve the optimal balance between risk and profitability; • creation and improvement of effective liquidity management mechanisms of the Bank to ensure the implementation of the optimality principle: minimum level of excess liquidity and avoidance of liquidity gaps; • ensuring the maintenance of the necessary liquidity reserve to protect the Bank from financial consequences associated with possible changes in the money market and fluctuations in interest rates; • creation and improvement of interest rate risk management tools to keep risk indicators within acceptable limits; • ensuring that the acceptable currency risk is maintained; • ensuring the implementation of effective tariff and interest rate policies to ensure the Bank competitiveness, customer satisfaction and achievement of the necessary financial results. <ol style="list-style-type: none"> 3) The Credit Risk and Reserves Committee is a permanent collegial body of the Bank, which makes decisions on approving the amount of insurance reserves formed for loans in accordance with approved procedures, and monitors credit risk indicators. 4) The Operational Risk Management, Compliance and Information Security Committee is a permanent collegial body of the Bank that makes decisions, makes recommendations and defines tasks for managing the Bank operational risk, compliance and information security in accordance with the requirements of the legislation of Ukraine and regulatory legal acts of the National Bank of Ukraine. 5) The Human Resources Management Committee is a permanent collegial body of the Bank, which provides recommendations and conclusions for decision-making regarding the Bank personnel (hiring, transfer, reduction, dismissal), review of employees' salaries, disciplinary measures and incentives. The Committee approves the annual training plan, measures aimed at positioning the Bank as an effective employer. 6) The IT Project Management Committee is a permanent collegial body of the Bank, which is authorized to determine, review and approve priorities for IT projects, provide IT support for the implementation of new products/services and changes to existing ones, and support the Management Board in overseeing and controlling the Bank operations and IT-related events. 7) The Committee on Cost Control and Tender Organization is a permanent collegial body of the Bank, which is authorized to ensure an effective process of selecting suppliers of goods and services, avoiding conflicts of interest, and their regular analysis. 8) The Sustainable Development and Environment Committee is a permanent collegial body of the Bank, which is authorized to manage the process of implementing the Bank "Sustainable Development Strategy". The Committee determines priorities, approves new projects within the framework of the Strategy implementation, and reviews and monitors the implementation of current projects and tasks. 9) The "Charity Fund Council" Committee is a permanent collegial body of the Bank that determines the priorities of the activities of the "Charity Organization "Charity Fund of the Bank Lviv", controls and regulates the work of the executive body of the Fund regarding the implementation of charitable programs (projects) of the Fund, and approves new projects within the framework of charitable activities.
<p>Functioning of executive body committees</p>	<p>The frequency of committee meetings as of 12/31/2025 is determined by the Regulations on Committees of JSC JCB "Lviv" (approved by the decision of the Board of JSC JCB "Lviv", minutes No. 038/2024 dated 2 July 2024), the Regulations on the Bank Credit Committee and Making Credit Decisions (approved by the decision of the Board of JSC JCB "Lviv", minutes No. 021/2024 dated 23 April 2024), the Regulations on the Committee "Council of the Charitable Foundation of JSC JCB "Lviv" (approved by the decision of the Board of JSC JCB "Lviv", minutes No. 045/2022 dated 27 September 2022).</p> <p>The procedure for submitting and considering issues is defined in the relevant Regulations.</p>

	<p>Issues considered by the committees are recorded in minutes, which are signed by all members of the relevant committee present at the meeting.</p>
<p>Disclosure of the information about the prospects for development and improvement of corporate governance</p>	<p>The Bank strategy was approved by the decision of the Supervisory Board of JSC JSCB “Lviv” dated 23 November 2021 for the period 2022-2026. After the end of martial law, the Bank will update its business strategy and business model, taking into account current macroeconomic forecasts and an assessment of the consequences of military aggression.</p>
<p>Disclosure of other information that had a significant impact on the state of corporate governance of the reporting entity</p>	<p>Protection by the Bank of the rights of financial services consumers</p> <p>The Bank protects the rights and legitimate interests of consumers of financial services by ensuring good faith behaviour, an appropriate institutional environment, and financial literacy.</p> <p>The Bank strives to provide relevant and reliable information to the client, ensuring the completeness and clarity of this information. For the effective processing of client applications received by the Bank, the necessary procedures have been developed and implemented, those responsible for processing applications have been identified, effective control over the timeliness and completeness of responses has been introduced, including the submission of relevant information to the Bank management bodies. In advertising and information materials available to clients, the Bank displays information about the real cost of financial services in formats understandable to clients that fully comply with the legislation of Ukraine.</p> <p>The Bank offers various channels of communication with clients to obtain information about dissatisfaction with the Bank services (contact centre, Bank website, written applications, etc.).</p> <p>The complaint review mechanism is regulated by the Procedure for Registration, Review and Processing of Appeals to the Bank from Citizens, Legal Entities, and State Bodies, and Review and Processing of Negative Information on the Internet Regarding the Bank (approved by the decision of the Board of JSC JSCB “Lviv”, minutes No. 49/2019 dated 11/25/2019, a new version was approved by the decision of the Board No. 001/2023 dated 01/17/2023). All appeals/complaints are subject to mandatory registration, review and response in accordance with the requirements of the legislation of Ukraine. The person authorized to review complaints is the Executive Director (Retail Business Direction) Ulyana Ivanivna Pyatak.</p> <p>During 2025, the Bank received 369 complaints and requests from customers, of which 65 related to deposits/current accounts, 33 - loans, 21 - individual safes, 113 - requests for certificates and 137 - other requests. The Bank responded to all customer requests and complaints in a timely manner, and appropriate measures were taken to improve the quality of service.</p> <p>As of 31 December 2025, the Bank is a defendant in six litigations.</p> <p>The amount of remuneration per year for influential people</p> <p>Influential persons include the Head of the Internal Audit Service, the Executive Director for Risks, the Head of the Compliance Service, the Head of the Financial Monitoring Department, and other persons whose professional activities have a significant impact on the Bank risk profile (except for members of the management body).</p> <p>In 2025, 9t influential persons were paid a monetary reward:</p> <ul style="list-style-type: none"> • Annual fixed remuneration to influential people: UAH 109,004 thousand; • Annual variable remuneration to influential persons: UAH 20,355 thousand;

- Total annual remuneration to influential people: UAH 129,359 thousand.

In 2025, influential persons were paid travel expenses in the amount of UAH 6,194 thousand, which were included in the total amount of funds paid by the Bank.

The total amount of funds paid by the Bank to influential persons in the reporting financial year, including the amount of payments as remuneration for the previous financial year: UAH 135,553 thousand.

There are no amounts of unpaid deferred compensation and amounts of deferred compensation for previous financial years paid to influential persons during the reporting financial year.

There were no payments to influential persons during recruitment made during the financial year.

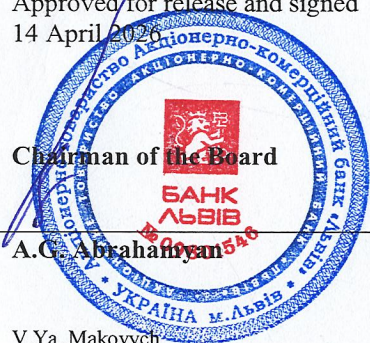
The Bank did not make any payments to individuals upon dismissal during 2025.

Approved for release and signed
14 April 2026

Chairman of the Board

A.G. Abrahamyan

V.Ya. Makovych
(032)232-36-40



Chief Accountant

M.M.Chypurko

Executive Report (for issuers of securities)
Joint Stock Company Joint Stock Commercial Bank “Lviv”
Letter to Shareholders/Participants and Other Stakeholders from the Chair of the Board

Dear shareholders and stakeholders of Bank Lviv,

We have gone through another challenging year as we continue to implement our strategy to transform JSC JSCB “Lviv” into a strong, distinctive, and highly profitable financial institution. Despite constant changes, we remain the same for our clients and partners: always by your side, ready to solve any business problem.

The strength of our company lies not in the absence of challenges, but in our ability to turn these challenges into opportunities - together! We grew even during the pandemic - and we continue to do so amid a full-scale war. We attracted new investors during the war - NEFCO and DGGF. Over this period, we have completed four successful capital-raising rounds, and shareholders have reinvested all profits back into the company, demonstrating deep faith in our shared vision.

We will continue to attract new capital by seeking new investors. There is currently very strong investment interest in Ukraine, and we can see this in the number of those interested in becoming shareholders of Bank Lviv.

Our potential investors will receive the solid foundation that we have built together!

I would like to thank all of you for your understanding and dedication.

Pospelovski, Chairman of the Supervisory Board of JSC JSCB “Lviv”

Letter to shareholders/participants and other stakeholders from the chief executive

Dear business partners and customers of the Bank,

Although Ukraine is currently engaged in a full-scale war with the Russian Federation, Bank “Lviv” remains a reliable partner for its customers. Last year, JSC JSCB “Lviv” celebrated its 35th anniversary. This year has been the most successful in the history of our financial institution. Due to the hard work of every employee, JSC JSCB “Lviv” achieved a record net profit of 325.121 million hryvnias, the highest figure in the Bank history. As of January 1, 2026, Bank Lviv has 50,000 clients, with a deposit portfolio of 11.29 billion hryvnias and a loan portfolio of 11.05 billion hryvnias.

Our significant capital reserve creates a solid foundation for the financial institution strategic development, and its financial stability and creditworthiness have been confirmed by an upgrade in its national credit rating from uaAAA to uaAAA+.

The modern Corporate Center of JSC JSCB “Lviv” has become a comfort zone for the employees and customers of the Bank; in early 2025, virtually all of the branches of the Bank, which were previously scattered throughout the central part of Lviv, were relocated there. Last fall, Bank “Lviv” opened a branch in Vinnytsia. Now our Bank is represented in 8 regions of Ukraine. The Bank has established strategic partnerships with leading global financial institutions and funds, enabling it to effectively contribute to the development of the Ukrainian economy. We continue to grow as a reliable financial institution. Based on the results of the “Banks of the Year 2025” rating vote in the “Small Private Banks” category, JSC JSCB “Lviv” was named the winner in the “Best Corporate Bank” and “Best Bank for International Trade” categories.

According to Forbes Ukraine, Bank “Lviv” ranked 36th among the 50 best employers in Ukraine in 2025.

All these successes are the result of our joint, coordinated efforts. Over the past 7 years, the Bank has undergone a major transformation: from a small, loss-making bank, we have become a recognized leader for small and medium-sized businesses. We are entering the next phase with a desire to create something truly meaningful for our clients and for the Ukrainian economy.

Corporate Governance Report

Part 1. Information on the corporate governance code followed by the entity and/or the entity corporate governance practices that go beyond the requirements established by law

Information on the corporate governance code followed by the entity

A decision has been made to apply a different code

Name of the governing body that made the decision to approve the application of some other code

Annual (Regular) Shareholders GM of JSC JSCB "Lviv"

Date of the decision regarding the approval of the application of some other code

April 28, 2023

URL address with the text of the code

https://banklviv.ua/about-bank/general-information?info_9=4

Information on the entity corporate governance practices that go beyond the requirements established by law

The entity Statute and/or internal documents set forth the objective of creating long-term sustainable value in the interests of the entity and its stakeholders

Yes

Description of the existing corporate practice/justification for difference 1

The primary objective of JSC JSCB "Lviv" is to generate profit by providing banking and other financial services in national and foreign currencies and conducting other activities permitted for banks under the current legislation of Ukraine

Whether the following information is included in the Statute or internal regulations: shareholders and stakeholders

Shareholders' rights

Yes

Description of the existing corporate practice/justification for difference 2

In accordance with Article 27 of the Law of Ukraine "On Joint-Stock Companies," each ordinary share of a joint-stock company grants its owner - the shareholder - an equal set of rights, including the rights to:

- 1) participate in the management of the company;
- 2) receive dividends;
- 3) receive, in the event of the company liquidation, a portion of its assets or the value of a portion of the company assets;
- 4) receive information about the company business activities.

One common voting share of the company grants the shareholder one vote on each matter at the GM, except in cases of cumulative voting.

Shareholders - owners of the company common shares - may have other rights provided for by law and the company Statute.

Rights of Minority Shareholders

Yes

Description of existing corporate practice/justification for difference 3

Paragraph 5.3 of Section V of the Statute of JSC JSCB "Lviv" defines the rights of the Bank shareholders. The Statute and/or internal documents of JSC JSCB "Lviv" do not contain information

regarding the rights of JSC JSCB “Lviv” shareholders beyond the requirements established by applicable law.

Whether the following information is included in the Statute or internal regulations: Shareholders GM

Persons entitled to participate in the GM have the opportunity to receive additional information sufficient to form an informed opinion on all matters to be considered at the GM no later than 30 days prior to the date of the meeting

Yes

Description of the existing corporate practice/justification for difference 4

From the date of sending the notice of the Bank Shareholders GM (GM) until the date of the meeting, shareholders of JSC JSCB “Lviv” have the opportunity to review the documents necessary for making decisions on matters included in the draft agenda and the agenda, at the location of JSC JSCB “Lviv” on business days during business hours and in an accessible place specified in the notice of the Bank Shareholders GM, and on the day of the Shareholders GM - also at the venue of the meeting.

Biographical information about candidates for the management bodies, including their education and professional experience, is disclosed simultaneously with the notice of the GM

No

Description of the existing corporate practice/justification for difference 5

The provisions of the Law of Ukraine “On Joint-Stock Companies” do not require the disclosure of biographical information regarding candidates for the Bank governing bodies simultaneously with the notice of the GM of the joint-stock company. Information about candidates for membership on the Bank Board, including details about them in accordance with the requirements established by the National Securities and Stock Market Commission, is disclosed in the cumulative voting ballot.

Persons entitled to participate in the GM may vote and receive materials related to the GM remotely (via electronic means of communication, etc.)

Yes

Description of the existing corporate practice/justification for difference 6

Article 11.5 of Section XI of the Statute of JSC JSCB “Lviv” establishes the procedure for providing shareholders with meeting materials and other documents that shareholders may review while preparing for the Bank Shareholders GM. Documents necessary for making decisions on matters included in the draft agenda and the agenda of the Bank Shareholders GM may be provided via electronic means in electronic form or in another manner specified by the shareholder in the request to review the documents.

The CEO, CFO, a majority of the board members (a majority of the non-executive directors of the board of directors), and the external auditor participate in the annual GM

Yes

Description of the existing corporate practice/justification for difference 7

Paragraph 11.3.1 of Section XI of the Statute of JSC JSCB “Lviv” stipulates that, at the invitation of the person convening the Bank Shareholders GM, a representative of the Bank auditing entity (audit firm) of the Bank and officials of JSC JSCB “Lviv” may attend the meeting, regardless of whether they hold shares in the Bank, as well as a representative of the body that, in accordance with the Bank Statute, represents the rights and interests of the workforce.

Persons eligible to participate in the GM may raise oral questions regarding items on the agenda and receive answers to them

Yes

Description of the existing corporate practice/justification for difference 8

Paragraph 74 of Section 7 of the “Regulations on the Shareholders GM of JSC JSCB ‘Lviv’” stipulates that any participant in the Bank Shareholders GM (shareholder/his representative) has the right to speak in the debate by submitting a corresponding written statement to the secretary of the meeting. A shareholder/his representative may speak only on an item on the agenda of the Bank Shareholders GM

that is being discussed. Statements are accepted until the end of the discussion of the relevant item on the agenda of the Bank Shareholders GM, are registered in the order of their receipt, and are forwarded to the chair of the meeting.

Detailed rules for conducting the GM are set forth in the Statute or internal regulations

Yes

Description of existing corporate practice/justification for difference 9

The rules for holding the GM of the Bank shareholders are set forth in the Statute of JSC JSCB "Lviv" and the "Regulations on the Shareholders GM of JSC JSCB "Lviv."

Minutes and resolutions of the GM (including the number of votes cast "for" and "against" each resolution), as well as responses to key items raised during the GM, are disclosed within 5 business days of the date of the GM

Yes

Description of the existing corporate practice/justification for difference 10

The minutes of the Bank Shareholders GM are posted on the website of JSC JSCB "Lviv" within 5 business days of their preparation, but no later than 10 days from the date of the Bank Shareholders GM.

The entity website address ensures the provision of all information necessary for shareholders to facilitate their participation in the GM and to inform them of the decisions adopted during the GM

Yes

Description of the existing corporate practice/justification for difference 11

https://banklviv.ua/about-bank/general-information?info_9=2

Whether the following information is included in the Statute or internal regulations: interaction with shareholders

The Board has approved and disclosed a shareholder engagement policy that defines the parameters of the relationship between the company and its shareholders

No

Description of existing corporate practice/justification for difference 12

Relations between the Bank and its shareholders are defined by the Statute of JSC JSCB "Lviv" and the provisions of applicable law.

A department (function) for investor/shareholder relations has been established, which responds to investor inquiries and facilitates shareholder participation in the management of the entity, as well as provides an opportunity for minority shareholders to bring their views to the attention of the Board

No

Description of the existing corporate practice/justification for difference 13

The Bank organizational structure does not provide for the operation of a separate department for investor/shareholder relations at JSC JSCB "Lviv". The Bank corporate secretary is directly responsible for investor relations (shareholders of JSC JSCB "Lviv").

Whether the following information is included in the Statute or internal regulations: acquisitions

The Board has established the principles for how it will act in the event of a takeover bid

No

Description of existing corporate practice/justification for difference 14

The provisions of the Law of Ukraine "On Joint-Stock Companies" do not contain such provisions.

Whether the following information is included in the Statute or internal regulations: other stakeholders

The Board has approved and disclosed a stakeholder engagement policy that defines the parameters of the relationship between the company and its stakeholders

No

Description of existing corporate practice/justification for difference 15

Interaction with stakeholders takes place in accordance with the requirements of current legislation and regulatory documents of the National Securities and Stock Market Commission.

The entity has identified a list of its stakeholders, including those with whom direct interaction must be established

No

Description of existing corporate practice/justification for difference 16

The list of stakeholders of JSC JSCB “Lviv” has not been determined. Establishing interaction with stakeholders in resolving any items related to the financial and economic activities of JSC JSCB “Lviv” is carried out by the Bank Management Board.

The entity discloses a report on aspects of stakeholder engagement

No

Description of the existing corporate practice/justification for difference 17

The Bank does not disclose a report on aspects of interaction with stakeholders.

Whether the following information is included in the Statute or internal regulations: Supervisory Board

Members of the Supervisory Board do not serve on the supervisory boards of more than 3 other legal entities

No

Description of existing corporate practice/justification for difference 18

As of December 31, 2025, Andrew Pospelowski, a member of the Supervisory Board, was also a member of the Supervisory Board at JSC “Kredo” (Georgia), Chairman of the Supervisory Board at ‘3Bank’ (Serbia), and a member of the Supervisory Board at “Yelo Bank” (Azerbaijan). As of December 31, 2025, Supervisory Board member Nazar Kupybida was also Chairman of the Supervisory Board at JSC ZNVKIF “Broaden” (Ukraine), Secretary of the Supervisory Board at JSC ZNVKIF “Dayton” (Ukraine); Chairman of the Supervisory Board at JSC ZNVKIF “Nimfey” (Ukraine), Chairman of the Supervisory Board at JSC ZNVKIF ‘Antares’ (Ukraine), and Secretary of the Supervisory Board at JSC ZNVKIF “Rimini” (Ukraine); Member of the Supervisory Board of PrJSC “Concern Khlibprom” (Ukraine).

The individual keeps track of attendance at meetings of the Supervisory Board and its committees

Yes

Description of current corporate practice/reason for difference 19

The minutes of Supervisory Board meetings, which are prepared by the corporate secretary following each meeting, contain information regarding the Supervisory Board members present at the meeting and all persons invited to the meeting.

The entity Statute and/or its internal documents define and explain the duty of Supervisory Board members to perform their functions in good faith and to adhere to the principle of loyalty to the entity

Yes

Description of the existing corporate practice/justification for difference 20

The Bank Statute and the “Regulations on the Supervisory Board of JSC JSCB “Lviv” define a clear list of the rights and duties of Supervisory Board members, including the duty to perform their functions in good faith . This duty is enshrined in a civil law contract concluded with each member of the Supervisory Board.

The Supervisory Board and its members are provided with access to any information necessary for the effective performance of their duties

Yes

Description of the existing corporate practice/justification for difference 21

In accordance with the “Regulations on the Supervisory Board of JSC JSCB “Lviv,” in the course of performing their duties, members of the Supervisory Board have the opportunity to receive complete, accurate, and timely information about the Bank necessary for the performance of their functions (including information constituting banking secrecy, subject to the provisions of the Law of Ukraine “On Banks and Banking Activities” regarding banking secrecy); review the Bank documents, receive copies thereof, as well as copies of documents of legal entities of which the Bank is a founder or participant (the aforementioned information and documents shall be provided to members of the Supervisory Board within 7 (seven) business days from the date the Bank receives a corresponding written request addressed to the Chair of the Bank Board (if the request is sent via electronic means of communication, such transmission shall be carried out through secure communication channels).

The Supervisory Board regularly evaluates the performance of the Bank and its executive body in accordance with the Bank objectives

Yes

Description of the existing corporate practice/justification for difference 22

The Supervisory Board of the Bank evaluates the performance of JSC JSCB “Lviv” by reviewing the quarterly report of the Bank Board on the key financial indicators of JSC JSCB “Lviv,” areas of activity, the status of budget and strategic task implementation, capital adequacy, key achievements and events, etc. During the reporting period, the Management Board reports also contained information regarding the current situation at the Bank related to the state of war in Ukraine, in particular regarding the status of loan portfolios, provisions formed, etc. Each year, the Board of the Bank submits a report on its activities for the calendar year to the Supervisory Board for review. The Board Chair and his deputies report to the Supervisory Board of the Bank on the activities of the Management Board by area of responsibility. The Supervisory Board of the Bank may also decide to hear a separate report from any member of the Management Board regarding their work in the relevant area of the Bank operations for which they are responsible. If necessary, periodic online working meetings may be held between members of the Management Board and members of the Supervisory Board to discuss the results of the implementation of the Bank Strategy for the period 2022–2026, approved by a decision of the Supervisory Board of the Bank (minutes of the meeting dated November 23, 2021) and the Bank financial results by business segment.

The entity Statute and/or its internal documents stipulate that the Supervisory Board has no right to interfere in the day-to-day management of the entity, including in matters falling within the scope of responsibility of the executive body, except in cases of extraordinary circumstances duly defined

Yes

Description of existing corporate practice/justification for difference 23

In accordance with the Statute of JSC JSCB “Lviv,” the Supervisory Board of the Bank does not participate in the day-to-day management of the financial institution activities.

The size and skills of the members of the Supervisory Board meet the needs of the entity, its size, and the complexity of its activities

Yes

Description of the existing corporate practice/justification for difference 24

Based on the results of the assessment of the Supervisory Board effectiveness in 2025, the composition of the elected Supervisory Board of JSC JSCB “Lviv” and the number of independent directors comply with the requirements of current legislation, as well as the size and nature of the Bank activities, the nature and scope of banking and other financial services, the Bank risk profile, the Bank systemic importance, and is optimal for the effective performance of its functions. All members of the Supervisory Board meet the NBU established qualification requirements regarding business reputation and professional suitability, and possess the experience and skills to effectively manage the Bank. Independent directors meet the requirements regarding their independence as established by applicable law. Members of the Supervisory Board have experience in strategic planning, business development, corporate governance, risk management, and the establishment of an effective internal control system,

as well as in the management of non-performing assets and accounting, and possess knowledge specific to the Bank field of activity.

The Supervisory Board has established and regularly reviews the qualification requirements for candidates for membership on the Supervisory Board

No

Description of the existing corporate practice/justification for difference 25

The Supervisory Board of the Bank did not establish qualification requirements for candidates for membership on the Supervisory Board of JSC JSCB “Lviv”; instead, it followed the requirements established by the National Bank of Ukraine for candidates for executive positions in banks

The selection and appointment of Supervisory Board members is based on professional qualities, achievements, and the candidates’ compliance with specific criteria, as well as taking into account the need for periodic renewal of the Board composition

Yes

Description of the existing corporate practice/justification for difference 26

Candidates for membership on the Supervisory Board of JSC JSCB “Lviv” must meet the qualification requirements regarding professional suitability established by applicable law. A candidate professional suitability is determined, in particular, by assessing: - the candidate overall knowledge, skills, and professional and managerial experience, necessary for the proper performance of the duties assigned to them, taking into account the Bank main areas of activity, strategy, and business plan, as well as their functional workload and scope of responsibility; - relevant specialized education related to the Bank areas of activity; - relevant work experience in the banking and/or financial sector, depending on the position for which the candidate is applying or being selected; - knowledge of corporate governance principles in banks and knowledge of legislative acts regulating the banking sector. Evidence of a high level of professional training may include successful prior experience in management positions at other banks or financial institutions (domestic or international investment, consulting, or auditing firms, institutions with high international ratings, and a significant number of departments and employees). A candidate for the position of Supervisory Board member must possess knowledge in the areas of corporate governance and banking operations and their regulation to the extent necessary for the effective performance of duties on the Bank Supervisory Board. Possess skills in defining the Bank strategy, analyzing the business plan, evaluating management activities and financial reporting, and ensuring a thorough analysis of the Bank financial condition and the riskiness of its operations, taking profitability into account. The process of forming the composition of the Supervisory Board takes into account the size, development strategy, and specific nature of the Bank operations, the nature and scope of banking services, the Bank risk profile, and its systemic importance, and ensures the collective suitability of the collegial body, as well as the development and maintenance of the skills, experience, and qualifications necessary for Supervisory Board members to effectively exercise their powers. During the election of Supervisory Board members and throughout their tenure, the collective competence of the Bank collegial body is ensured. To this end, the Remuneration and Appointments Committee determines the alignment of a specific candidate profile for membership on the Supervisory Board with the overall profile of the Supervisory Board in accordance with the Supervisory Board skills matrix (profile).

The Bank has a formalized procedure for vetting candidates for the Supervisory Board, which specifically includes checks on integrity, conflicts of interest, competence, skills, and experience of the candidate

Yes

Description of the existing corporate practice/justification for difference 27

Candidates for membership on the Supervisory Board of JSC JSCB “Lviv” undergo a review regarding integrity, the presence or absence of conflicts of interest, level of competence, professional skills, and practical work experience.

The selection procedure provides for the possibility of engaging external advisors and/or an open recruitment process

Yes

Description of the existing corporate practice/justification for difference 28

The Supervisory Board of the Bank provided for the possibility of engaging a recruitment firm in the process of searching for experienced candidates for the management bodies of JSC JSCB “Lviv” with knowledge of capital markets and the operations of financial institutions, presenting a shortlist of candidates to the Bank Supervisory Board for approval.

The Supervisory Board develops succession plans for members of the Supervisory Board and the executive body

Yes

Description of the existing corporate practice/justification for difference 29

In order to form and maintain a qualified, optimal, and balanced composition of the Supervisory Board of JSC JSCB “Lviv” that best meets the Bank strategic goals and objectives, a succession planning procedure is implemented. The work on organizing succession planning for members of the Supervisory Board of JSC JSCB “Lviv” and ensuring the proper, thorough, and objective selection of candidates for its composition is carried out by the Remuneration and Appointments Committee of the Supervisory Board.

The Supervisory Board has approved a policy regarding the diversity of the composition of the Supervisory Board and the executive body

No

Description of the existing corporate practice/justification for difference 30

The Supervisory Board of JSC JSCB “Lviv” has not approved an internal policy regarding gender diversity in the Bank governing bodies.

Representatives of one gender constitute at least 40% of the Supervisory Board

No

Description of the existing corporate practice/justification for difference 31

As of December 31, 2025, the Supervisory Board of JSC JSCB “Lviv” included two female representatives (28.57% of the total membership of the Bank Board).

Independent members of the Supervisory Board constitute at least half of its total membership

No

Description of the existing corporate practice/justification for difference 32

As of December 31, 2025, the Supervisory Board of JSC JSCB “Lviv” consisted of three independent directors (42.85% of the total membership of the Bank Supervisory Board), which complies with the requirements of current legislation regarding the number of independent directors on the Supervisory Board.

Members of the Supervisory Board undergo an induction training program following their election, which, among other things, covers

Yes

Description of the existing corporate practice/justification for difference 33

To ensure the fastest and most effective adaptation, comprehensive familiarization with the Bank activities, and the development of an understanding of their role within the Bank and the collegial body, newly elected members of the Supervisory Board of JSC JSCB “Lviv” undergo an induction program. The onboarding program is designed with the needs of each individual newly elected member of the Supervisory Board of J , and includes: - helping Supervisory Board members understand the nature of the Bank activities; - helping newly elected members of the Supervisory Board understand the role of the Supervisory Board, the functions and powers of the collegial body and its committees, the rules and procedures governing their work, as well as their primary functional duties, rights, and responsibilities; familiarizing members with the Bank key documents as soon as possible; - facilitating communication between Supervisory Board members, the Management Board, and key personnel of the Bank; - participating in collegial bodies of the Management Board, working meetings, and Board

meetings regarding the Bank main areas of activity, development strategy, and other material items; - completing mandatory e-learning courses on general banking topics (regarding the structure and functioning of the Bank risk management and compliance systems, internal control systems, banking security, handling of banking secrecy, responding to unlawful acts and unforeseen situations, and others) and functional courses (in accordance with the activity profile); - attending external and internal general education programs.

The Supervisory Board develops a training plan that identifies the topics on which its members must undergo additional training

Yes

Description of the existing corporate practice/justification for difference 34

To expand and update knowledge, as well as develop the competencies of Supervisory Board members at JSC JSCB "Lviv," special training events on various topics are organized. The professional development of Supervisory Board members is ensured through their participation in conferences, forums, roundtables, and seminars on relevant economic and business topics, etc.

The Chair of the Supervisory Board is elected from among the independent members

Yes

Description of the existing corporate practice/justification for difference 35

Independent Director Andrew Pospelowski was elected Chairman of the Supervisory Board of JSC JSCB "Lviv."

The Chair of the Supervisory Board is provided with the opportunity to communicate with shareholders, including majority shareholders

Yes

Description of the existing corporate practice/justification for difference 36

The Chair of the Supervisory Board has the opportunity to communicate with the shareholders of JSC JSCB "Lviv" (or their authorized representatives) regarding the Bank activities. Each year, the Supervisory Board of the Bank prepares a report on its activities and submits it for approval to the Shareholders GM of JSC JSCB "Lviv".

The functions of the Chair of the Supervisory Board are defined in the Bank internal documents

Yes

Description of the existing corporate practice/justification for difference 37

The functions of the Chair of the Supervisory Board are defined in the Statutes of JSC JSCB "Lviv," the "Regulations on the Supervisory Board of JSC JSCB "Lviv," and in the civil law contract concluded with him. The Chair of the Supervisory Board:

- 1) organizes the work of the Supervisory Board, monitors the implementation of the work plan approved by a resolution of the Supervisory Board, and is responsible for its effective operation;
- 2) distributes responsibilities among the members of the Supervisory Board and ensures effective information exchange among them;
- 3) convenes Supervisory Board meetings, presides over them, approves the meeting agenda, and ensures adherence to the meeting agenda;
- 4) organizes priority discussion of strategic items regarding the Bank activities at Supervisory Board meetings;
- 5) ensures that decisions of the Supervisory Board are made based on documents and information that the Bank Supervisory Board receives in advance of the meeting, so as to be able to review the matter (conduct a comprehensive assessment of the information provided) and make a well-considered decision regarding it;
- 6) encourages and facilitates open and critical discussion of items at Supervisory Board meetings, and ensures that opinions differing from the majority view are expressed and discussed before a final decision is made;
- 7) ensures that minutes of Supervisory Board meetings are prepared and properly archived;

- 8) organizes the formation of Supervisory Board committees, the appointment of Supervisory Board members to these committees, and coordinates the activities and interactions of the committees with each other and with other bodies and officials of the Bank;
- 9) prepares a report and reports to the supreme body on the activities of the Supervisory Board, the general condition of the Bank, and the measures taken by it to achieve the Bank objectives;
- 10) ensures the evaluation of the Supervisory Board performance;
- 11) maintains regular contact with other bodies and officials of the Bank;
- 12) exercises other powers provided for in the Bank Statute and the “Regulations on the Supervisory Board of JSC JSCB “Lviv”.”

The position of Corporate Secretary has been established and the Corporate Secretary has been appointed

Yes

Description of existing corporate practice/justification for difference 38

The position of Corporate Secretary was established at JSC JSCB “Lviv” in 2021. Tetyana Romanivna Krachkovska has been performing the duties of the Bank Corporate Secretary from March 1, 2021, to the present. The Corporate Secretary reports to and is accountable to the Bank Supervisory Board. The legal status, appointment procedure, scope of authority, and job responsibilities are defined in the “Regulations on the Corporate Secretary of JSC JSCB “Lviv.”

Whether the following information is included in the Statute or internal regulations: Committees of the Supervisory Board

The Supervisory Board has established committees and approved internal documents governing their activities

Yes

Description of existing corporate practice/justification for difference 39

As of December 31, 2025, the following committees have been established and are operating under the Bank Supervisory Board: - Audit Committee (established in 2019); - Sustainable Development and Environment Committee (established in 2020); - Remuneration and Appointments Committee (established in 2024). The scope of powers and the procedure for their activities are defined: - in the “Regulations on the Sustainable Development and Environment Committee of the Supervisory Board of JSC JSCB “Lviv,” approved by a resolution of the Supervisory Board dated September 30, 2020 (Minutes of Meetings No. 029/2020); - in the “Regulations on the Audit Committee of the Supervisory Board of JSC JSCB “Lviv,” approved by a resolution of the Supervisory Board dated April 27, 2021 (Minutes No. 028/2021); - in the “Regulations on the Remuneration and Appointments Committee of the Supervisory Board of JSC JSCB “Lviv,” approved by a resolution of the Supervisory Board dated April 25, 2024 (Minutes No. 021/2024). The Supervisory Board of the Bank did not establish the mandatory Risk Management Committee required by the provisions of the Law of Ukraine “On Banks and Banking Activities.” Pursuant to the decision of the Supervisory Board of JSC JSCB “Lviv” dated May 7, 2025 (meeting minutes No. 014/2025), the Supervisory Board of the Bank decided to perform the functions of the Risk Management Committee itself without establishing a separate Committee.

The Audit Committee consists of independent members of the Supervisory Board who possess knowledge in the field of finance, industry experience, and expertise in accounting, auditing, control, and risk management

Yes

Description of the existing corporate practice/justification for difference 40

The Audit Committee of the Supervisory Board consists of 3 members. Two members of the Audit Committee are independent directors. The Audit Committee is chaired by an independent director. Committee members have knowledge and experience in finance, industry experience, and expertise in accounting, auditing, control, and risk management.

Members of the Audit Committee do not serve on other committees of the Supervisory Board

No

Description of the existing corporate practice/justification for difference 41

One member of the Audit Committee is a member of another Supervisory Board committee, which is not prohibited by applicable law.

The Nomination Committee consists of independent members of the Supervisory Board who possess expertise in human resources management and the skills to recruit professionals for the Supervisory Board and the executive body

Yes

Description of the existing corporate practice/justification for difference 42

The Bank Supervisory Board has established a single Remuneration and Appointments Committee, consisting of three members. Two members of the Remuneration and Appointments Committee are independent directors. The Remuneration and Appointments Committee is chaired by an independent director. Committee members have expertise in human resources management and in the search for professionals to serve on the Supervisory Board and the executive body.

The Remuneration Committee consists of independent members of the Supervisory Board who have expertise in remuneration practices and incentives for the effective performance of duties

Yes

Description of the existing corporate practice/justification for difference 43

A single Remuneration and Appointments Committee has been established under the Bank Supervisory Board, consisting of three members. Two members of the Remuneration and Appointments Committee are independent directors. The Remuneration and Appointments Committee is chaired by an independent director. Committee members have knowledge of practices for determining remuneration and incentives for effective performance of duties.

The majority of the Risk Committee consists of independent members

No

Description of the existing corporate practice/justification for difference 44

The Supervisory Board of JSC JSCB “Lviv” has not established a Risk Committee. Since JSC JSCB “Lviv” is not recognized by the National Bank of Ukraine as a systemically important bank, the establishment of such a committee is a right of the Supervisory Board, which as of today remains unexercised.

Whether the following information is included in the Statute or internal regulations: of the executive body

The executive body develops a strategy, which is approved by a decision of the Supervisory Board

Yes

Description of existing corporate practice/justification for difference 45

Upon the recommendation of the Bank Board, the Supervisory Board of JSC JSCB “Lviv” approved the Bank Development Strategy for the period 2022–2026 by its resolution dated November 23, 2021. After the end of martial law, the Bank will update its business strategy and business model, taking into account current macroeconomic forecasts and an assessment of the consequences of military aggression.

The Supervisory Board sets key performance indicators for the Executive Body to track progress toward achieving the Bank goals

Yes

Description of the existing corporate practice/justification for difference 46

The Supervisory Board of JSC JSCB “Lviv” sets key performance indicators for the Bank Board to track progress toward achieving the set goals.

The Executive Body regularly reports to the Supervisory Board on progress in implementing the Bank strategy

Yes

Description of the existing corporate practice/justification for difference 47

Every six months, the Bank Board submits a report to the Supervisory Board of JSC JSCB “Lviv” on the progress of implementing the Bank Development Strategy for the period 2022–2026.

Whether the following information is included in the Statute or internal regulations: remuneration

The remuneration of members of the Board and the executive body is determined on the basis of and corresponds to market indicators in the industry for such positions

Yes

Description of existing corporate practice/justification for difference 56

The remuneration policy at JSC JSCB “Lviv” stipulates that the remuneration of Supervisory Board members corresponds to their level of qualifications, professional experience, functional workload, and level of organizational responsibility in accordance with the distribution of powers among members of the Supervisory Board of JSC JSCB “Lviv,” is reasonably justified in relation to comparable (or similar) market remuneration levels. The remuneration of Board members reflects the level of professional experience, the scope of their duties, the level of responsibility, as well as the market level of remuneration provided for such positions among competing banks.

The amount of remuneration for the executive body is linked to the individual performance

Yes

Description of the existing corporate practice/justification for difference 57

The amount of fixed remuneration for Board members reflects the degree of influence on the achievement of the financial results of JSC JSCB “Lviv”. The amount of additional payments (bonuses) depends on the Bank achievement of annual financial indicators (results) and the percentage of fulfillment of key performance indicators by members of the Management Board of JSC JSCB “Lviv”.

The remuneration of Board members (non-executive directors) is fixed and does not depend on the individual achievement of financial indicators

Yes

Description of the existing corporate practice/justification for difference 58

The remuneration of Supervisory Board members is fixed and does not depend on the performance of JSC JSCB “Lviv” at the end of the financial year.

Whether the following information is included in the Statute or internal regulations: disclosure of information and transparency

The entity has approved and published a disclosure policy that defines the information the entity is required to disclose

Yes

Description of existing corporate practice/justification for difference 59

"Regulations on the Disclosure of Public Information by JSC JSCB “Lviv,”" approved by a resolution of the Supervisory Board (minutes of the meeting dated March 1, 2023, No. 008/2023).

The Board (non-executive directors of the Board of Directors) supervises the executive body (executive directors of the Board of Directors) in the preparation of financial statements and ensures that the entity financial statements are prepared in accordance with applicable laws and international financial reporting standards

Yes

Description of the existing corporate practice/justification for difference 60

The functions of the Supervisory Board of JSC JSCB “Lviv” include, in particular, exercising control over the activities of the Bank Board, monitoring the timeliness of disclosure, disclosure, and provision by JSC JSCB “Lviv” of reliable information regarding its activities in accordance with the requirements of Ukrainian legislation, including the regulatory acts of the National Bank of Ukraine.

The entity website contains a separate section dedicated exclusively to corporate governance items

Yes

Description of existing corporate practices/justification for difference 61

Corporate governance items are covered in separate sections of the Bank website: "Corporate Governance," "Documents and Reporting" ("Information for Shareholders and Stakeholders," "Financial Reporting," "Constitutive and Registration Documents"), "Other Documents," and "Compliance and Financial Monitoring."

Whether the following information is included in the Statute or internal regulations: control systems and ethical standards

The company has established an internal control system that corresponds to the "three lines of defense" model

Yes

Description of the existing corporate practice/justification for difference 62

The internal control system at JSC JSCB "Lviv" is based on the three lines of defense model.

The "first line of defense" consists of business units and support units, whose primary function is to identify potential risks. The units that carry out banking operations and provide support for them are involved in the process of identifying, assessing, and monitoring of risks, comply with the Bank internal regulatory documents on risk management, and take the level of risk into account when conducting operations.

The "second line of defense" consists of the risk management units and the Compliance Control Department, whose main functions include developing risk management mechanisms, methodologies, assessing and monitoring risk levels, preparing risk reports, conducting aggregated risk assessments, and evaluating the ratio of risk to the established risk appetite.

The "third line of defense" consists of the Internal Audit Department, which conducts an independent assessment of the effectiveness of the risk management system, corporate governance, and internal control systems, identifies violations, and provides recommendations for their improvement.

JSC JSCB "Lviv" Supervisory Board, the Bank Board, and the Committee on Operational Risk Management, Compliance, and Information Security (KORKIB) continuously monitor the adequacy and effectiveness of the internal control system in accordance with the methodology approved by the Bank, and the Internal Audit Department of JSC JSCB "Lviv" conducts an annual assessment of the internal control system effectiveness for the Bank Supervisory Board.

The Board (non-executive directors of the Board of Directors) has internal control mechanisms in place and has the ability to engage an internal auditor and an external auditor

Yes

Description of the existing corporate practice/justification for difference 63

The Supervisory Board of JSC JSCB "Lviv" has the following internal control mechanisms in place: - an Internal Audit Department has been established, which reports directly to the Bank Supervisory Board and is an integral part of the internal control system at JSC JSCB "Lviv"; - the possibility of appointing an independent (external) audit entity.

The compliance and risk management function reports to the Board (non-executive directors of the Board of Directors)

Yes

Description of the existing corporate practice/justification for difference 64

JSC JSCB "Lviv" has established permanent risk management units and a compliance unit (Compliance Department), ensuring that these units perform their duties independently, objectively, and effectively. The following structural units are responsible for ensuring effective risk management: 1) risk management units reporting to the Deputy Chairman of the Management Board for Risk

Management (CRO, Chief Risk Officer): - credit risks: Corporate Client Risk Department; Small Business Risk Management Department; Retail Risk Department; Microcredit Risk Management; Collateral Management; - operational risk, market risk, financial institution risk, and liquidity risk: General Banking Risks Department. 2) Compliance Department, reporting to the Head of the Department (CCO) (Chief Compliance Officer). Organizationally and functionally, these units are separate from the units (unit heads) of the first and third lines of defense. The CRO and CCO report to and are accountable to the Bank Supervisory Board.

A risk management policy has been approved

Yes

Description of the existing corporate practice/justification for difference 65

Until May 2025, a separate risk management policy had not been approved at JSC JSCB “Lviv.” Instead, the Bank operated in accordance with the provisions of the “Strategic Risk Management Policy of PrJSC JSCB “Lviv,” the “Foreign Exchange Risk Management Policy of PrJSC JSCB “Lviv,” and the “Regulations on Reputational Risk Management of PrJSC JSCB “Lviv,” approved by the Resolutions of the Bank Board dated December 28, 2011 (Minutes of Meeting No. 168). By a resolution of the Supervisory Board dated May 8, 2025 (Minutes of Meeting No. 015/2025), the “Risk Management Strategy at JSC JSCB “Lviv” and the “Regulations on the Risk Management Hierarchy at JSC JSCB “Lviv” were approved and entered into force on May 12, 2025.

A risk appetite statement was approved

Yes

Description of current corporate practices/justification for difference 66

In early 2025, the Bank applied the “Risk Appetite Statement of JSC JSCB “Lviv,” approved by a resolution of the Supervisory Board dated March 1, 2023 (Minutes of Meeting No. 008/2023). A new version of this internal banking regulatory document was approved by a resolution of the Supervisory Board dated May 8, 2025 (meeting minutes No. 015/2025) and entered into force on May 12, 2025.

The Board (non-executive directors of the Board of Directors) reviews the risk management report

Yes

Description of the existing corporate practice/justification for difference 67

The Bank Supervisory Board reviews management reports on risks and controls at quarterly in-person meetings and, if necessary, makes decisions regarding the implementation of adequate measures to mitigate risks or improve controls.

A code of ethics has been approved and published

Yes

Description of the existing corporate practice/justification for difference 68

Throughout 2025, the Bank applied the “Code of Corporate Ethics of JSC JSCB “Lviv,” approved by a resolution of the Supervisory Board (minutes of the meeting dated April 27, 2021, No. 028/2021). The new version of this internal regulatory document was approved by a decision of the Supervisory Board, dated December 18, 2025 (meeting minutes No. 041/2025) and published on the Bank website at <https://banklviv.ua/about-bank/compliance-and-financial-monitoring>. The Code of Corporate Ethics of JSC JSCB “Lviv” outlines the fundamental principles of conduct and social interaction for the Bank employees and reflects the commitment to the highest standards of employee conduct. The principles enshrined in this Code are binding on all employees of JSC JSCB “Lviv”.

The Bank provides a mechanism for anonymously and securely reporting improper or unethical conduct

Yes

Description of existing corporate practice/justification for difference 69

Throughout 2025, the Bank applied the “Policy on Confidential Reporting of Unacceptable Conduct / Violations in the Activities of JSC JSCB “Lviv,” approved by a resolution of the Supervisory Board dated December 30, 2024 (Minutes of Meeting No. 067/2024). A new version of this internal banking

regulatory document was approved by a resolution of the Supervisory Board dated December 18, 2025 (Minutes of Meeting No. 041/2025) and published on the Bank website at <https://banklviv.ua/about-bank/compliance-and-financial-monitoring>.

The anti-corruption policy has been approved and published

No

Description of existing corporate practice/justification for difference 70

The Bank has not approved the “Policy on the Prevention of Corruption at JSC JSCB “Lviv.”

The entity has approved and published a policy on conflicts of interest

Yes

Conflict of Interest, Prevention and Management of Conflict of Interest

Yes

Transactions with a conflict of interest

Yes

Insider trading

Yes

Abuse of office

Yes

Description of the existing corporate practice/justification for difference 71

Throughout 2025, the Bank applied the “Policy on the Prevention of Conflicts of Interest of JSC JSCB “Lviv,” approved by a resolution of the Supervisory Board dated December 29, 2021 (minutes of meeting No. 067/2021). A new version of this internal banking regulatory document was approved by a resolution of the Supervisory Board dated December 18, 2025 (meeting minutes No. 041/2025) and published on the Bank website at <https://banklviv.ua/about-bank/compliance-and-financial-monitoring>.

Whether the following information is included in the Statute or internal regulations: corporate governance assessments

A formalized procedure for the annual self-assessment of board members

Yes

Description of existing corporate practice/justification for difference 72

The Bank has a formalized procedure for the annual self-assessment of members of the Supervisory Board of JSC JSCB “Lviv”.

Based on the results of the annual self-assessment of board members, an action plan is developed to improve the effectiveness of board members and corporate governance practices

No

Description of the existing corporate practice/justification for difference 73

An action plan to improve the performance of Supervisory Board members may be developed as needed and in the event that deficiencies are identified based on the results of the annual assessment of members of the Supervisory Board of JSC JSCB “Lviv” (optional).

A comprehensive assessment of the corporate governance system is conducted every three years with the involvement of an independent external expert

No

Description of the existing corporate practice/justification for difference 74

The Bank does not engage an independent external expert to assess the corporate governance system at JSC JSCB “Lviv”.

Part 2. Information on the Shareholders GM (Participants) and a general description of the decisions adopted at such meetings

Number of GMs convened

1

How many GMs took place

1

Information on the Shareholders GM (Participants) and a general description of the resolutions adopted at such meetings

GM 1

Date

April 30, 2025

Method of Conduct

Voting (remotely) [component]

Convening Entity

JSC JSCB "Lviv" Supervisory Board

Agenda items and resolutions adopted

Item no. 1

On the election of the counting commission of the Bank Shareholders GM.

Resolution no. 1

1. To approve the decision of the Supervisory Board regarding the election (appointment) of the members of the counting commission for the tallying of votes at the Shareholders GM of JSC JSCB "Lviv".
2. The powers of the counting commission shall terminate after it has performed all necessary actions regarding the preparation of documents for the Company Shareholders GM in accordance with the requirements of the Law of Ukraine "On Joint-Stock Companies" and the "Procedure for Convening and Conducting Remote GMs of Shareholders," approved by the Resolution No. 236 of the National Securities and Stock Market Commission dated March 6, 2023

Item no. 2

On the review of the Board of the Bank report and making a decision based on the results of its review.

Resolution no. 2

1. To approve the report of the Management Board of JSC JSCB "Lviv" for 2024.
2. To deem it inappropriate to approve measures based on the results of the review of the report of the Board of JSC JSCB "Lviv".

Item no. 3

On the review of the Supervisory Board report and making a decision based on the results of its review.

Resolution no. 3

1. Approve the report of the Supervisory Board of JSC JSCB "Lviv" for 2024.
2. To deem it inappropriate to approve measures based on the results of the review of the report of the Supervisory Board of JSC JSCB "Lviv"

Item no. 4

On the review of the conclusions of the audit report of the audit firm and the approval of measures based on the results of the review of such report.

Resolution no. 4

1. To approve the report and conclusions of PrJSC "KPMG Audit" - the external auditor of JSC JSCB "Lviv" - regarding the completeness and reliability of the financial statements of JSC JSCB "Lviv" for 2024, prepared in accordance with the requirements of International Financial Reporting Standards.
2. To deem it inappropriate to approve an action plan based on the results of the review of the report and conclusions of PrJSC "KPMG Audit," as no recommendations were provided by the external auditor

Item no. 5

On the approval of the results of the Bank financial and economic activities for 2024 and the Bank annual report.

Resolution no. 5

1. To approve the results of the financial and economic activities of JSC JSCB “Lviv” for 2024.
2. To approve the annual report of JSC JSCB “Lviv” (regular information of the itemr of securities) for 2024, which includes the financial statements of JSC JSCB “Lviv” for 2024, prepared in accordance with the requirements of international financial reporting standards and confirmed by the opinion of an external auditor.
3. To approve the overall result of the financial and economic activities of JSC JSCB “Lviv” in 2024, as confirmed by the external auditor opinion - a profit of UAH 154,295,156.17 (profit after tax)

Item no. 6

On the distribution of the Bank profit (approval of the procedure for covering losses).

Resolution no. 6

Taking into account the restrictions established by the provisions of paragraph 3 of Resolution No. 23 of the Board of the National Bank of Ukraine dated February 25, 2022, "On Certain Items Concerning the Activities of Ukrainian Banks and Banking Groups" (as amended by the Resolution of the Board of the National Bank of Ukraine No. 173 dated December 20, 2023), to approve the following procedure for the distribution of net profit earned by JSC JSCB “Lviv” based on the results of its financial and economic activities in 2024: - UAH 7,714,757.81 (seven million seven hundred fourteen thousand seven hundred fifty-seven hryvnias 81 kopecks) of JSC JSCB “Lviv” after-tax profit to be allocated to increase the Bank reserve fund (account 5021 “Reserve Funds”); - UAH 146,580,398.36 (one hundred forty-six million five hundred eighty thousand three hundred ninety-eight hryvnias 36 kopecks) of the profit of JSC JSCB “Lviv” shall remain undistributed; - not to accrue or pay dividends on the ordinary registered shares of JSC JSCB “Lviv”.

Item no. 7

On the approval of the report on remuneration of members of the Supervisory Board.

Resolution no. 7

To approve the report on the remuneration of members of the Supervisory Board of JSC JSCB “Lviv” for 2024

Item no. 8

On amendments to the “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB “Lviv””.

Resolution no. 8

To deem it inappropriate to amend the “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB “Lviv””, approved by a resolution of the Bank Shareholders GM on April 29, 2024.

Item no. 9

On determining the main areas of the Bank activities for 2025.

Resolution no. 9

To approve the Main Areas of Activity of JSC JSCB “Lviv,” set forth in a separate document.

Item no. 10

On amending and supplementing the Statute of JSC JSCB “Lviv” by revising the Bank Statute and approving the new version of the Statute of JSC JSCB “Lviv”

Resolution no. 10

In connection with the entry into force of the Law of Ukraine dated January 9, 2025, No. 4196-IX “On the Specifics of Regulating the Activities of Legal Entities of Certain Organizational and Legal Forms During the Transition Period and Associations of Legal Entities” to introduce and approve amendments and additions to the Statute of JSC JSCB “Lviv” by revising it.

Item no. 11

On the election of an authorized person to sign the new version of the Bank Statute and to take all necessary actions regarding the state registration of the new version of the Statute of JSC JSCB “Lviv”.

Resolution no. 11

1. To authorize the Chair of the Bank Board (or the person acting in his stead) to sign the new version of the Statute of JSC JSCB “Lviv”. 2. To instruct the Board Chair (or the person acting in his capacity) to take the necessary steps, in accordance with applicable law, to register the new version of the Statute of JSC JSCB “Lviv” with the state authorities, after obtaining prior approval from the National Bank of Ukraine.

Item no. 12

On the termination of the powers of the Chair and members of the Supervisory Board.

Resolution no. 12

1. Pursuant to the provisions of the first paragraph of Part 6 of Article 72 of the Law of Ukraine “On Joint-Stock Companies” and in connection with a change in the composition of the owners of significant stakes in the Bank, to dismiss the Supervisory Board of JSC JSCB “Lviv” in the following composition: Andrew Pospelowski – Chairman of the Supervisory Board; Margere Peturson – member of the Supervisory Board; Scott Robert Richards – member of the Supervisory Board; Philip Georg Pott – member of the Supervisory Board; Nazar Ivanovich Kupibida – member of the Supervisory Board; Marina Volodymyrivna Kvasnina – member of the Supervisory Board.

2. The date of termination of the powers of the current composition of the Supervisory Board shall be the date of adoption of this resolution by the Shareholders GM of JSC JSCB “Lviv”

Item no. 13

On the election of members of the Supervisory Board.

Resolution no. 13

To elect to the Supervisory Board of JSC JSCB “Lviv”:

- 1) Marina Volodymyrivna Kvashnina (as an independent director);
- 2) Nazar Ivanovych Kupybida (as an independent director);
- 3) Peturson Margiera (as a representative of New Progress Holding LLC);
- 4) Andrew POSPELOVSKI (as an independent director);
- 5) Philip Georg Pott (as a representative of responsAbility Participations AG);
- 6) Robert Scott Richards (as a representative of responsAbility Participations AG);
- 7) Tamara Zhizhilashvili (as a representative of "Stiching Fondsbeheer DGGF lokaal MKB")

Item no.14

On the approval of the terms of civil law contracts concluded with Supervisory Board members. Election of a person authorized to sign civil law contracts with Supervisory Board members.

Resolution no. 14

1. To approve the terms of civil law contracts to be concluded with members of the Supervisory Board of JSC JSCB “Lviv” and to establish the amount of remuneration for Supervisory Board members specified therein.

2. To grant the Board Chair of JSC JSCB “Lviv” the authority to sign, on behalf of the Bank, civil law contracts to be concluded with the Chair and members of the Supervisory Board of JSC JSCB “Lviv,” as well as any other documents related to their conclusion

Item no. 15

On the repurchase of shares of JSC JSCB “Lviv”.

Resolution no. 15

1. Pursuant to the provisions of the second paragraph of Part 2 of Article 100 of the Law of Ukraine No. 2465-IX “On Joint-Stock Companies” and with the consent of the Bank shareholder - Private Enterprise “Business Center “Sofiiivskyi Spusk” (legal entity identification code 39253493), to repurchase, by October 1, 2025, the shares belonging to the shareholder of JSC JSCB “Lviv” 130,006,663 (one hundred thirty million six thousand six hundred sixty-three) ordinary registered shares in electronic form for their subsequent sale to the Bank shareholders. The repurchase price of

the shares of JSC JSCB “Lviv” shall be determined in accordance with the procedure established by Article 9 of the Law of Ukraine No. 2465-IX “On Joint-Stock Companies.”

2. To authorize the Chairman of the Bank Board (or the person acting in his capacity) to sign with PP “Business Center “Sofiivskiy Spusk” a contract for the sale and purchase of shares of JSC JSCB “Lviv” and other necessary documents required by applicable law

3. To instruct the Board Chair (or the person acting in his capacity) to take the necessary steps, in accordance with the procedure established by applicable law, to re-register the ownership rights to the shares of JSC JSCB “Lviv”.

URL of the minutes of the GM

https://banklviv.ua/about-bank/general-information?info_9=2

Part 4. Board

Board member 1

Board member name

Andrew POSPELOVSKI (from January 1, 2025 to December 31, 2025)

Chair / Vice Chair of the Board

X

Chairman / Board committee member

Committee name – Audit Committee

V

Committee name - 2

X

Committee name – 2

X

Board member 2

Board member name

Marina Volodymyrivna Kvasnina (from January 1, 2025, to December 31, 2025)

Board member 3

Board member name

Nazar Ivanovich Kupybida (from January 1, 2025 to December 31, 2025)

Chairman / Board committee member

Committee name - Audit Committee

X

Committee name - 2

V

Board member 4

Board member name

PETERSON Marger (from January 1, 2024, to December 31, 2025)

Chairman / Board committee member

Committee name - 2

V

Board member 5

Board member name

RICHARDS Robert Scott (from January 1, 2025 to December 31, 2025)

Chairman / Board committee member

Committee name - Audit Committee

V

Committee name - 2

V

Board member 6

Board member name

Pott Philipp Georg (from January 1, 2025 to December 31, 2025)

Chairman / Board committee member

Committee name - 2

V

Board member 7

Board member name

Tamara Zhizhilashvili (from May 7, 2025 to December 31, 2025)

Additional information about the composition of the Board and its Committees

The Audit Committee of the Supervisory Board of JSC JSCB “Lviv” (hereinafter referred to as the Audit Committee) was established in 2019.

Requirements regarding its composition, powers, and duties, as well as the procedure for its activities, are defined in the “Regulations on the Audit Committee of the Supervisory Board of JSC JSCB “Lviv,” approved by a resolution of the Supervisory Board (minutes of the meeting dated April 27, 2021, No. 028/2021).

To obtain information on agenda items, the Audit Committee of the Supervisory Board of JSC JSCB “Lviv” invites representatives of the Bank management, internal and external auditors, and independent consultants to its meetings (as necessary).

The Sustainable Development and Environment Committee of the Supervisory Board of JSC JSCB “Lviv” was established in 2020.

The requirements regarding its composition, powers, and duties, as well as its operating procedures, are set forth in the “Regulations on the Sustainable Development and Environment Committee of the Supervisory Board of JSC JSCB “Lviv,” approved by a resolution of the Supervisory Board (meeting minutes dated September 30, 2020, No. 029/2020).

The Sustainable Development and Environment Committee of the Supervisory Board of JSC JSCB “Lviv” invites representatives of the Bank management, heads of control departments, and independent consultants/partners to its meetings (as necessary) to obtain information on agenda items. A representative of the Nordic Environment Finance Corporation (NEFCO) - a shareholder of JSC JSCB “Lviv” - is invited as a permanent guest to all meetings of the Sustainable Development and Environment Committee of the Supervisory Board of JSC JSCB “Lviv”.

The Remuneration and Appointments Committee of the Supervisory Board of JSC JSCB “Lviv” was established in 2024.

The requirements regarding its composition, powers, and duties, as well as its operating procedures, are set forth in the “Regulations on the Remuneration and Appointments Committee of the Supervisory Board of JSC JSCB “Lviv,” approved by a resolution of the Supervisory Board (minutes of the meeting dated April 25, 2024, No. 021/2024).

The Remuneration and Appointments Committee of the Supervisory Board of JSC JSCB “Lviv” preliminarily reviews, prepares, and submits for consideration by the Supervisory Board draft decisions, conclusions, and proposals on matters related to remuneration and appointments. To ensure the completeness and quality of materials and expert advice for participation in meetings (as necessary), lawyers, financial experts, and other independent experts are engaged.

Additional Information

to Section 11. Information on the remuneration of members of the executive body and/or the board of the entity

Governing body	Board
Name/body of the official	Zhizhilashvili Tamara i
Position	Member of the Supervisory Board
Date of appointment	May 7, 2025
Amount of remuneration in national or foreign currency paid (to be paid) during the reporting period and/or for which a payment decision was made during the reporting period	Paid out: 379,506
Forms of remuneration paid and/or to be paid during the reporting period and/or for which a payment decision was made during the reporting period	Paid out: Cash
Amount of the fixed portion of remuneration paid and/or to be paid during the reporting period and/or for which a decision to pay was made during the reporting period	Paid out: 379,506
The amount of the variable portion of remuneration that was paid and/or is to be paid during the reporting period and/or for which a decision to pay was made during the reporting period	Paid out: 0
Criterion for evaluating performance, based on which the variable portion of compensation was calculated	In accordance with the “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB “Lviv,”” approved by a resolution of the Bank Shareholders GM on December 8, 2022, a variable remuneration system is not provided for. There are no grounds for the payment, deferral, reduction, or refund of variable compensation to members of the Supervisory Board of JSC JSCB “Lviv.”
Information regarding severance pay or compensation to be paid upon termination	The “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB “Lviv,”” approved by a resolution of the Bank Shareholders GM on December 8, 2022, does not provide for the payment to members of the Supervisory Board of JSC JSCB “Lviv” Supervisory Board, remuneration or compensation to be paid in the event of termination.
URL of the official website where the remuneration report is posted	https://banklviv.ua/about-bank/general-information?info_9=4

Information on board meetings held and a general description of decisions adopted

Description of key decisions of the Board

The meetings of the Supervisory Board of JSC JSCB “Lviv” addressed the following items: - convening and holding the Bank Shareholders GM; - approval of the Bank annual financial report; - approval of financial limits; - the selection of an audit firm to conduct the Bank external audit; - the approval of the Bank regulations and other internal regulatory documents, as well as amendments

thereto and other important aspects of the Bank operations; - the execution of significant transactions, etc.

	Number of Board meetings during the reporting period		
	Total	of these in person	of these remotely
	68	5	63

Information on Council Committee meetings held and a general description of the decisions adopted

Council committee name	Number of Council Committee meetings during the reporting period	
	Total	of these held remotely
Audit Committee	9	9
Committee on Sustainable Development and the Environment	3	3
Compensation and Nominating Committee	7	7

Committee 1

Description of the Committee Key Decisions

List of items considered during 2025 at meetings of the Audit Committee of the Supervisory Board of JSC JSCB “Lviv”:

1. Review and approval of the Report on audits conducted by the Internal Audit Department for the fourth quarter of 2024 and for 2024 as a whole.
2. Assessment of the independence of PrJSC “KPMG Audit” - the audit entity providing statutory audit services.
3. Review of the audit report “Loans to Retail Customers, Their Administration and Monitoring.”
4. Review of the audit report “Bank payment cards regarding the processes of opening an account/issuing/delivering a card to a client, and card transactions at the request of clients at JSC JSCB “Lviv.”
5. Review of the results of the annual calculation of the internal quality assessment of the internal audit function for 2024.
6. Review of the annual financial statements and the report and conclusions of the Bank external auditor, PrJSC “KPMG Audit,” for 2024.
7. Review and approval of the Report of the Audit Committee of the Supervisory Board of JSC JSCB “Lviv” for the period from September 30, 2024, to March 31, 2025.
8. Review of the audit report “Effectiveness of control over deposit operations of individuals regarding compliance with processes and requirements for early termination and closure of deposits at JSC JSCB “Lviv.”
9. Review of the audit report “Credit Risk Management at JSC JSCB “Lviv.”
10. Review of the Report on audits conducted by the Internal Audit Service for the first quarter of 2025.
11. Approval of the new version of the “Regulations on the Internal Audit Service (IAS) of JSC JSCB “Lviv”.
12. Review of the requirements of the new internal audit standards - coordination with the Supervisory Board.

13. Review of the letter (information) from PrJSC "KPMG Audit" to the Audit Committee regarding the results of the audit of the 2024 financial statements and approval of the Action Plan for its implementation.
14. Approval of the appointment of Iryna Vasylivna Rachynska to the position of Internal Audit Function Auditor at JSC JSCB "Lviv".
15. Approval of the new version of the "Regulations on the Internal Audit Service (IAS) of JSC JSCB "Lviv".
16. Review of the audit report "Product and Business Process Management at JSC JSCB "Lviv."
17. Review of the Report on the Internal Audit Service audits for the second quarter of 2025.
18. On the implementation of the Action Plan for implementing the recommendations of PrJSC "KPMG Audit".
19. On the implementation of the Action Plan for implementing the recommendations of the National Bank of Ukraine, provided based on the results of the SREP assessment as of January 1, 2024.
20. Review of the Report on the external assessment of the effectiveness and quality of the work of the internal audit department of JSC JSCB "Lviv".
21. Review of the draft Action Plan based on the results of the external assessment of the effectiveness and quality of the internal audit department of JSC JSCB "Lviv".
22. Review of the draft Internal Audit Strategy for 2026–2028.
23. Review of the Internal Audit Function Plan for 2026 (Internal Audit Plan and the plan-program for the continuous professional development of internal auditors).
24. Review of the results of the audit report "Handling of Problem Loans at JSC JSCB "Lviv."
25. Review of the results of the audit report "Accounting and Transactions of Legal Entities and SMEs at JSC JSCB "Lviv."
26. Review of the findings of the audit report "Liquidity Risk Management at JSC JSCB "Lviv"."
27. Review of the results of the audit report "Loans to corporate (medium) clients, their administration and monitoring at JSC JSCB "Lviv".
28. Review and approval of the Report on audits conducted by the Internal Audit Department for the third quarter of 2025.
29. On the implementation of the Action Plan for implementing the recommendations of PrJSC "KPMG Audit."
30. On the implementation of the Action Plan for the implementation of the recommendations of the National Bank of Ukraine, provided based on the results of the SREP assessment as of January 1, 2025.
31. Review and approval of the Report of the Audit Committee of the Supervisory Board of JSC JSCB "Lviv" for the period from March 31, 2025, to September 30, 2025.
32. Approval of the terms of remuneration for employees of the Internal Audit Function of JSC JSCB "Lviv" (consideration of the matter in closed session).
33. Approval of the budget for the Internal Audit Function for 2026.

Assessment of the independence of audit entities providing statutory audit services

By a resolution of the Supervisory Board dated X 2025, Minutes No. X, the Supervisory Board confirmed the independence of PrJSC “KPMG Audit,” the external auditor of JSC JSCB “Lviv” in 2025, based on the Conclusion of the Internal Audit Function of JSC JSCB “Lviv” regarding the results of the assessment of the independence of the external auditor of JSC JSCB “Lviv” in 2025, approved by the decision of the Supervisory Board dated X 2025 (Minutes No. X of the Supervisory Board meeting dated X 2025, item X). The independence of the external auditor was not compromised, and the legal requirements regarding the independence of the external auditor were not violated.

Information on the activities of the Bank external auditor

Pursuant to the decision of the Supervisory Board of JSCB “Lviv” dated X (Minutes No. X), PrJSC “KPMG Audit” (EDRPOU code 31032100, located at 32/2 Knyaziv Ostrozkykh St., Kyiv, 01001, Ukraine) was appointed as the audit firm (audit entity) to conduct the audit of the annual financial statements of JSC JSCB “Lviv” for the years 20XX–20XX.

Pursuant to the decision of the Supervisory Board dated X (Minutes No. X), which approved and adopted the terms of the audit services agreement, an audit services agreement dated October 26, 2023, No. 82-SA/2023, was concluded between the Bank and the Auditor.

The Bank annual financial statements for the year ended December 31, 2025, have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS) itemd by the International Accounting Standards Board (“IFRS”), and the requirements of the Law of Ukraine “*On Accounting and Financial Reporting in Ukraine.*”

The following information is provided regarding the Bank external auditor, specifically:

- *total experience in auditing:*

Date of issuance of the APU certificate: January 26, 2001 (25 years).

- *Number of years providing audit services to this financial institution:*

PrJSC “KPMG Audit” has been providing financial statement audit services to the Bank for the period 2020–2025.

- *Information on the amount of remuneration for auditing the annual financial statements:*

Below is a list and the amount of remuneration for audit and non-audit services provided by PrJSC “KPMG Audit” during 2025 and as of the date of issuance of the Bank 2025 annual financial statements:

Services provided	Fee amount, USD (excl. VAT)	Fee amount, UAH excluding VAT
<i>Audit services</i>		
Statutory audit of the 2024 annual financial statements	124,848	5,258,791
Mandatory audit of annual financial statements for 2025	119,966	5,085,095
Review of the condensed interim financial statements for the six months ended June 30, 2025	50,000	2,089,048
Review of the interim condensed financial statements for the 9 months ended September 30, 2025	35,000	1,479,162
<i>Non-audit services</i>		
Asset quality assessment for 2024 (as of January 1, 2025)	50,010	2,106,827

Asset quality assessment for 2025 (as of January 1, 2026)	50,014	2,119,983
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- *Instances of conflicts of interest and/or concurrent performance of internal auditor functions:*
There were no instances of conflicts of interest and/or conflicts of interest arising from the internal auditor duties.

- *Rotation of auditors at the financial institution over the past five years*
The audit of the annual financial statements of JSC JSCB “Lviv” for 2020–2025 was conducted by the audit firm PrJSC “KPMG Audit.”

- *Penalties imposed on the auditor by the Audit Chamber of Ukraine during the year, and instances of the financial institution submitting inaccurate financial statements, as confirmed by the auditor opinion, identified by the authorities responsible for state regulation of financial services markets:*

Over the past year, no sanctions were imposed on PrJSC “KPMG Audit” by the Audit Chamber of Ukraine, and there is no information regarding instances of a financial institution submitting inaccurate financial statements, as confirmed by an audit opinion, identified by the authorities responsible for state regulation of financial services markets.

The members of the Audit Committee had no comments regarding the independence of the audit firm PrJSC “KPMG Audit” or regarding the independence of the external audit of the financial statements of JSC JSCB “Lviv”.

Committee 2

Description of the Committee Key Decisions

List of items considered during 2025 at meetings of the Committee on Sustainable Development and the Environment of the Supervisory Board of JSC JSCB “Lviv”:

- 1) Review and approval of the 2024 sustainability report of JSC JSCB “Lviv.”
- 2) Financing of JSC JSCB “Lviv” business investments for the implementation of measures in the field of renewable energy.
- 3) Partnership projects of JSC JSCB “Lviv” on energy efficiency for small and medium-sized businesses.

Committee 3

Description of the Committee Key Decisions

List of items considered during 2025 at meetings of the JSC JSCB “Lviv” Supervisory Board Remuneration and Appointments Committee:

1. On the formation of a reserve for the Long-Term Incentive Program for Key Employees for 2024.
2. Review and approval of the Report on the remuneration of members of the Supervisory Board of JSC JSCB “Lviv” for 2024.
3. On the review and approval of the Report on the remuneration of members of the Management Board of JSC JSCB “Lviv” for 2024.
4. Review and approval of the Report on the remuneration of key personnel of JSC JSCB “Lviv” for 2024.
5. Discussion and approval of bonus payments based on the results of the 2024 annual performance evaluation (consideration of the item in closed session).
6. Consideration and approval of the Report of the Remuneration and Appointments Committee of the Supervisory Board of JSC JSCB “Lviv”.

7. Review and approval of the Report on the remuneration of the Management Board of JSC JSCB “Lviv” for 2023 and the Report on the remuneration of the Management Board of JSC JSCB “Lviv” for 2024.

8. Review and approval of draft revisions to internal regulatory documents: “Regulations on Remuneration Policy at JSC JSCB “Lviv,” “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB “Lviv,” “Regulations on Remuneration for Members of the Management Board of JSC JSCB “Lviv” and “Regulations on Remuneration for Key Personnel of JSC JSCB “Lviv” .

9. On conducting a review of the compliance with qualification requirements of the Bank executives, the Chief Risk Officer, the Chief Compliance Officer, the head of the internal audit department, and the Bank officer responsible for financial monitoring.

10. On the evaluation of the Management Board, Supervisory Board committees, Management Board committees, Supervisory Board members and the Management Board, members of the Supervisory Board committees, the risk management and compliance departments, the Chief Risk Officer, and the Chief Compliance Officer of the Supervisory Board, the self-assessment of the Supervisory Board, and the assessment of the collective suitability of the Supervisory Board and the Management Board of JSC JSCB “Lviv”.

11. On the approval of the terms of agreements (employment contracts) with the head of the internal audit department, the Chief Risk Manager, and the Chief Compliance Manager of JSC JSCB “Lviv”.

12. On amending the terms of employment contracts with the Chairman and Members of the Management Board of JSC JSCB “Lviv”.

13. On the approval of the terms of remuneration for employees of the Internal Audit Function of JSC JSCB “Lviv”.

14. On the approval of the membership of the Remuneration and Appointments Committee, the Audit Committee, and the Sustainable Development and Environment Committee of the Supervisory Board of JSC JSCB “Lviv”.

15. On the approval of amendments to the Long-Term Incentive Program for Key Personnel of JSC JSCB “Lviv”.

16. On the approval of the Succession Planning Policy of JSC JSCB “Lviv”.

17. Consideration of the assessment of the effectiveness of the Committee on Appointments and Remuneration of the Supervisory Board of JSC JSCB “Lviv,” and measures to improve its activities and strengthen control over the performance of its assigned functions.

18. On the review and approval of the terms of remuneration for the Executive Director of Risk Management and members of the Management Board of JSC JSCB “Lviv” (consideration of the item in closed session).

Board Report

Assessment of the composition, structure, and activities of the Board as a collegial body (collective effectiveness of the Board)

Report of the Supervisory Board

of the Joint-Stock Commercial Bank “Lviv” (“JSC JSCB “Lviv”) for 2025

The Supervisory Board is a collegial management body of JSC JSCB “Lviv” (hereinafter referred to as the Bank), which, within the scope of authority defined by the legislation of Ukraine and the Bank Statute, exercises control over the activities of the Bank Board and is responsible for ensuring the strategic management of JSC JSCB “Lviv”.

The Supervisory Board acts in the interests of the Bank and protects the rights of depositors, other creditors, and shareholders of the Bank.

The Supervisory Board scope of authority includes:

- in accordance with the provisions of the Law of Ukraine “On Banks and Banking Activities”:

- 1) approving and monitoring the implementation of the Bank strategy, business plan, plans for resuming the Bank operations, financing the Bank in crisis situations, and ensuring the Bank continuous operations;
- 2) ensuring the organization of effective corporate governance in accordance with the principles (code) of corporate governance approved by the GM of the Bank shareholders;
- 3) approving and monitoring the implementation of the Bank budget, including the funding of risk management, compliance, and internal audit departments;
- 4) approval and oversight of the implementation of the Bank strategy and operational plan for managing non-performing assets;
- 5) ensuring the functioning and monitoring the effectiveness of the Bank comprehensive and adequate internal control system, including the risk management and internal audit systems;
- 6) approval and oversight of compliance with risk management strategies and policies, the risk appetite statement, and the list of risk limits (restrictions) for the Bank;
- 7) approval and monitoring of compliance with the code of conduct (ethics), and policies for the prevention, identification, and management of conflicts of interest at the Bank;
- 8) implementing and monitoring the functioning of the confidential reporting mechanism for unacceptable conduct at the Bank and responding to such reports;
- 9) identifying sources of capitalization and other financing for the Bank;
- 10) determining the Bank credit policy;
- 11) approving the Bank organizational structure, as well as the structure of the risk management, compliance, and internal audit departments;
- 12) approving internal regulations regarding the Bank Board, the Supervisory Board committees, the Bank structural units for risk management, compliance, internal audit, and other structural units reporting directly to the Bank Supervisory Board, which, in particular, must include procedures for reporting to the Bank Supervisory Board;
- 13) the appointment and termination of the powers of the Chair and Board members, the appointment and dismissal of the Chief Risk Officer, the Chief Compliance Officer, and the Head of the Internal Audit Department;
- 14) exercising control over the activities of the Bank Board, the Bank risk management, compliance, and internal audit departments, and making recommendations for their improvement;
- 15) conducting an annual assessment of the effectiveness of the Board of the Bank as a whole and of each member of the Board of the Bank individually, as well as the risk management, compliance, and internal audit departments, and assessing the suitability of Board members, the Chief Risk Officer, the Chief Compliance Officer, and the Head of the Internal Audit Department against qualification requirements; assessing the suitability of the Board of the Bank collective competence relative to the Bank size, complexity, the volume, types, and nature of the Bank operations, the organizational structure, and the Bank risk profile, taking into account the specific nature of the Bank activities as a systemically important institution (if such status exists) and/or the activities of the banking group to which the Bank belongs, as well as taking measures to improve the operational mechanisms of the Bank Board and its risk management, compliance, and internal audit departments based on the results of such an assessment;
- 16) establishing the operating procedures and work plans for the internal audit department;
- 17) selecting an audit firm to conduct the external audit, including the annual audit of the Bank financial statements, approving the terms of the agreement to be entered into with the audit firm, and determining the fee for services;
- 18) reviewing the external audit report and preparing recommendations for the Bank Shareholders’ Meeting regarding the external audit report;
- 19) monitoring the rectification of deficiencies identified by the National Bank of Ukraine and other state authorities and administrative bodies that, within their jurisdiction, supervise the Bank activities, the internal audit department, and the audit firm based on the results of the external audit;
- 20) making decisions regarding the establishment, reorganization, and liquidation of legal entities, the establishment of branches and representative offices of the Bank in other countries, the approval of

their charters and regulations, as well as regarding the Bank participation in legal entities holding 10 (ten) percent or more of their authorized capital;

21) approval of the terms of employment agreements (contracts) concluded with members of the Bank Board, the head and employees of the internal audit department, the chief risk manager, and the chief compliance manager, and determination of the amount of their remuneration;

22) monitoring the timely provision (disclosure) by the Bank of accurate information regarding its activities in accordance with the requirements of Ukrainian legislation, including the regulatory acts of the National Bank of Ukraine;

23) approving and monitoring compliance with the procedure for conducting transactions with persons related to the Bank, which, in particular, must include requirements for identifying and monitoring transactions with persons related to the Bank;

24) establishing the Bank remuneration policy in accordance with the requirements set by the National Bank of Ukraine, as well as monitoring its implementation;

25) conducting an annual assessment of the effectiveness of the Bank Supervisory Board as a whole and of each Supervisory Board member individually, as well as of the Supervisory Board committees; assessing the adequacy of the Supervisory Board collective competence in relation to the Bank size, complexity, the scope, types, and nature of the Bank operations, the Bank organizational structure, and risk profile, taking into account the specific nature of the Bank activities as a systemically important (if such status exists) and/or the activities of the banking group to which the Bank belongs, as well as taking measures to improve the Supervisory Board operational mechanisms based on the results of such an assessment;

- in accordance with the provisions of the Law of Ukraine “On Joint-Stock Companies”:

1) approval of internal regulations governing the Bank activities, except for those falling within the exclusive competence of the Bank Shareholders’ Meeting in accordance with the Law of Ukraine “On Joint-Stock Companies,” and those delegated by a resolution of the Supervisory Board to the Bank Management Board for approval;

2) preparation and approval of the draft agenda and agenda of the Bank Shareholders’ Meeting, making decisions regarding the date of such meetings and the inclusion of proposals in the draft agenda, except in cases where shareholders convene an extraordinary Shareholders’ Meeting of the Bank;

3) forming a temporary counting commission in the event of a Bank Shareholders’ Meeting being convened by the Supervisory Board of the Bank, unless otherwise provided by the Bank Charter;

4) approving the form and text of the voting ballot;

5) making decisions on holding annual or extraordinary GMs of the Bank shareholders in accordance with the Bank Statute and in cases established by the laws of Ukraine;

6) making decisions regarding the issuance by the Bank of securities other than shares;

7) making decisions regarding the redemption of securities other than shares itemd by the Bank;

8) approving the market value of the Bank assets in cases provided for by the Law of Ukraine “On Joint-Stock Companies”;

9) electing and terminating the powers of the Chairman and Board members;

10) approving the terms of contracts entered into with members of the Bank Board, determining the amount of their remuneration; designating the person who will sign contracts (agreements) with the Board Chair and Board members on behalf of the Bank;

11) making decisions regarding the suspension of the Chairman or a member of the Bank Board from performing their duties, and regarding the appointment of a person to temporarily perform the duties of the Chairman of the Bank Board;

12) electing and terminating the powers of the Chair and members of other bodies of the Bank;

13) appointing and dismissing the head of the internal audit department (internal auditor);

14) approval of the terms of employment contracts concluded with employees of the Bank internal audit department (with the internal auditor), and determination of the amount of their compensation, including incentive and severance payments;

15) monitoring the Bank timely publication of information regarding the corporate governance principles (Code) adopted by the Bank;

16) reviewing the report of the Bank Board and approving measures based on the results of such review;

- 17) electing members of the registration commission, except in cases provided for by the Law of Ukraine “On Joint-Stock Companies”;
- 18) approving the terms of the agreement for the provision of audit services to the Bank and electing a person authorized to sign such an agreement with the audit firm;
- 19) approving and providing recommendations to the Bank Shareholders’ Meeting based on the results of the review of the audit firm report on the Bank financial statements for the purpose of making a decision thereon;
- 20) determining the date for compiling the list of persons entitled to receive dividends, as well as the procedure and deadlines for dividend payments within the time limit specified by the Law of Ukraine “On Joint-Stock Companies”;
- 21) determining, in accordance with the procedure established by the Law of Ukraine “On Joint-Stock Companies,” the date for compiling the list of shareholders who must be notified of the Bank Shareholders’ Meeting and who are entitled to participate in the Bank Shareholders’ Meeting;
- 22) deciding on the Bank participation in industrial and financial groups and other associations;
- 23) deciding on the establishment by the Bank of legal entities and/or the Bank participation in any legal entities, as well as their reorganization and liquidation;
- 24) deciding on the establishment, reorganization, and/or liquidation of separate structural units and/or structural units of the Bank, except in cases where, by decision of the Supervisory Board, the resolution of such matters has been delegated to the Bank Management Board;
- 25) resolving items falling within the competence of the Supervisory Board in accordance with the Law of Ukraine “On Joint-Stock Companies” in the event of a merger, acquisition, division, spin-off, or transformation of the Bank;
- 26) making decisions regarding an increase in the Bank authorized capital in cases of the Bank dissolution through a merger;
- 27) making decisions on amendments to the Bank Statute in cases of the Bank dissolution through merger, division, or spin-off;
- 28) making decisions regarding the execution of significant transactions or related-party transactions in cases provided for by the Law of Ukraine “On Joint-Stock Companies”;
- 29) determining the likelihood of the Bank being declared insolvent as a result of its assumption or fulfillment of obligations, including as a result of the payment of dividends or the repurchase of shares;
- 30) making decisions regarding the appointment of an appraiser of the Bank property and approving the terms of the agreement to be concluded with such appraiser, as well as determining the amount of remuneration for their services;
- 31) making decisions regarding the selection (replacement) of a depositary institution providing additional services to the Bank, approving the terms of the agreement to be concluded with it, and determining the amount of remuneration for its services;
- 32) sending an offer to the Bank shareholders following the acquisition of a controlling stake or a significant controlling stake in the Bank;
- 33) approving regulations on the Supervisory Board committees, which govern the formation and activities of such committees.

The Statute of JSC JSCB “Lviv” may also assign other matters to the exclusive competence of the Supervisory Board.

Composition, Structure, and Activities of the Supervisory Board of JSC JSCB “Lviv”

In accordance with the Bank Statute, the election of Supervisory Board members and the decision to terminate their powers fall within the exclusive competence of the Bank Shareholders’ Meeting.

The composition of the Supervisory Board of JSC JSCB “Lviv” is balanced and complies with the requirements of the applicable laws of Ukraine, including those regarding the minimum number of Supervisory Board members and the minimum number of independent members (directors).

By a resolution of the regular Shareholders GM of JSC JSCB “Lviv,” held on April 30, 2025 (date of the minutes of the meeting: May 7, 2025), in connection with the arrival of a new investor in the Bank and amendments to the Statute of JSC JSCB “Lviv” regarding the number of Supervisory Board members, the entire composition of this governing body, elected by cumulative voting, was dismissed:

- 1) Andrew Pospelowski – Chairman of the Supervisory Board;
- 2) Margera Peturson – Member of the Supervisory Board;
- 3) Scott Robert Richards – Member of the Supervisory Board;
- 4) Philipp Georg Pott – Supervisory Board member;
- 5) Nazar Ivanovich Kupibida – Supervisory Board member;
- 6) Marina Volodymyrivna Kvashnina – Supervisory Board member.

At the regular Shareholders GM of JSC JSCB “Lviv” held on April 30, 2025 (date of the minutes of the meeting: May 7, 2025), the following were elected to the Supervisory Board:

- 1) Marina Volodymyrivna Kvashnina (as an independent director);
- 2) Nazar Ivanovych Kupybida (as an independent director);
- 3) Marguerite Peturson (as a representative of New Progress Holding LLC);
- 4) Andrew POSPELOVSKI (as an independent director);
- 5) Philipp Georg Pott (as a representative of responsAbility Participations AG);
- 6) Robert Scott Richards (as a representative of responsAbility Participations AG);
- 7) Tamara Zhizhilashvili (as a representative of Stichting Fondsbeheer DGGF lokaal MKB).

As of the end of the reporting period - December 31, 2025 - the Supervisory Board of JSC JSCB “Lviv” consisted of 7 members:

- Andrew POSPELOVSKI - Supervisory Board Chairman, independent member;
- Peturson Margier - Supervisory Board member, shareholder representative;
- RICHARDS Robert Scott - Supervisory Board member, shareholder representative;
- Philipp Georg Pott - Member of the Supervisory Board, shareholder representative;
- Marina Volodymyrivna Kvasnina - Supervisory Board member, independent member;
- Kupybida Nazar Ivanovich - Supervisory Board member, independent member;
- Zhizhilashvili Tamara - Member of the Supervisory Board, shareholder representative.

The structure of the Supervisory Board ensures that the Supervisory Board can properly perform its functions.

The Bank conducted a review of Supervisory Board members to ensure they meet the qualification requirements established by Ukrainian law for the respective positions. Based on the results of the analysis and review, it was established that the members of the Supervisory Board fully meet the qualification requirements established for the positions they hold. Additionally, the compliance of independent Supervisory Board members with the legal requirements for an “independent director” was confirmed, as were their professional competence and business reputation.

Based on the results of the assessment, the Bank has determined that the collective competence of the Supervisory Board is sufficient for the Bank size, the complexity, volume, types, and nature of the Bank operations, its organizational structure, and its risk profile.

The Chair and members of the Board possess the knowledge and experience necessary to perform their duties and are able to devote sufficient time to their work on the Supervisory Board.

In accordance with the Bank Statute and the Regulations “On the Supervisory Board of JSC JSCB ‘Lviv’,” meetings of the Supervisory Board are held as necessary at the frequency specified in the Bank Statute, but no less than once a quarter.

Meetings of the Supervisory Board are held in the form of a physical gathering of Supervisory Board members at a designated location to discuss agenda items and vote. A physical gathering includes the possibility of remote participation by Supervisory Board members in the meeting, including via electronic means (video and voice conferences, etc.), provided that each member of the Supervisory Board participating in such a conference can see and hear (or at least hear) and communicate with all other participants in the Supervisory Board meetings.

At a meeting of the Supervisory Board, each member of the Supervisory Board has one vote. Decisions of the Supervisory Board at a meeting held in person are adopted by open vote, by a simple majority of the members of the Supervisory Board who are present at the meeting and eligible to vote. In the event of a tie, the Chair of the Supervisory Board has the casting vote.

During 2025, 43 Supervisory Board meetings were held, of which 7 were conducted in person and via video conferencing, and 36 were held via video conferences, teleconferences, or by means of a poll using technical communication tools.

Attendance of Supervisory Board members at meetings:

- Andrew POSPELOVSKI - 43 meetings (of these 2 - in person) - 100%;
- PETERSON Marger - 43 meetings (of these 4 - in person) - 100%;
- Robert Scott RICHARDS - 43 meetings (of which 2 were in person) - 100%;
- Philipp Georg Pott - 43 meetings (of which 2 were in person) - 100%;
- Kupybida Nazar Ivanovich - 42 meetings (of these 2 - in person) - 97.67%;
- Marina Volodymyrivna Kvasnina - 43 meetings (of these 1 - in person) - 100%;
- Zhizhilashvili Tamara - 15 meetings (of these 1 - in person) - 100% as of the date of approval by the National Bank of Ukraine).

At Board meetings, in particular, the following were reviewed on a quarterly basis: the Management Board report, the report on credit, operational, and financial risks, the report on compliance with regulatory requirements, internal audit reports regarding ongoing reviews of the Bank operations, a report on compliance risks, a report on the work of the Lviv Bank Charitable Foundation, and information on the status of implementation of the Sustainable Development Strategy. The Supervisory Board devoted significant attention to raising funds from international financial organizations.

In connection with the Russian Federation military aggression against Ukraine and the imposition of martial law in Ukraine, throughout the year, the Bank Supervisory Board paid special attention to items regarding the assessment of the impact of the consequences of military aggression on the operations of JSC JSCB "Lviv" and ways to overcome them, improve the situation, and prevent excessive negative impact.

The Supervisory Board meetings also addressed items regarding:

- approval of the draft agenda for the Shareholders GM;
- approval of the Bank annual financial report;
- approval of financial limits;
- selection of an audit firm to conduct the Bank external audit;
- approval of the Bank regulations and other internal regulatory documents, as well as amendments thereto and other important aspects of the Bank operations;
- entering into significant transactions, etc.

As of December 31, 2025, the Bank Supervisory Board has an Audit Committee, a Remuneration and Appointments Committee, and a Sustainable Development and Environment Committee.

All committees of the Supervisory Board are chaired by independent members of the Supervisory Board.

Mission (primary objective) Audit Committee - assisting the Supervisory Board of JSC JSCB "Lviv" in fulfilling its control and supervisory duties regarding financial reporting, the internal control system, audit processes, and compliance with legislation, regulations, and the Bank code of corporate ethics.

Audit Committee:

- oversees the accuracy and completeness of the Bank financial and other public reporting;
- participates in the development of internal audit and financial reporting policies;

- oversees the implementation of internal control systems at the Bank, relying on the work of internal and external audit and the Bank control departments;
- promotes compliance with legal requirements and the Bank internal procedures;
- receives and analyzes reports from internal auditors and brings information on internal control matters to the attention of the Management Board and the Supervisory Board;
- reviews and approves the scope and frequency of audits;
- oversees the Bank establishment of accounting policies and methods;
- reviews third-party opinions regarding the development and effectiveness of general risk management principles and the internal control system.

Mission (main task) of the Remuneration and Appointments Committee - preliminary review, preparation, and submission to the Supervisory Board of JSC JSCB "Lviv" of draft decisions, conclusions, and proposals regarding remuneration and appointments.

The mission (primary objective) of the Sustainable Development and Environment Committee is to assist the Supervisory Board of JSC JSCB "Lviv" in fulfilling its control and supervisory duties in the process of the Bank implementation of the "Sustainable Development Policies," approved by a decision of the Supervisory Board of JSC JSCB "Lviv" Supervisory Board dated September 3, 2024 (Minutes of Meeting No. 045/2024), and positioning the Bank as an environmentally responsible financial institution.

Sustainable Development and Environment Committee:

- oversees the accuracy and completeness of the Bank public non-financial reporting on sustainable development and the environment;
- oversees the implementation of a smart resource management system for the Bank business operations by reviewing and analyzing smart system indicators. Approves decisions to improve resource consumption metrics;
- promotes compliance with Ukrainian legislation and the Bank internal procedures regarding sustainable development and the environment;
- receives and analyzes reports from the Head Office structural units on areas related to the implementation of "Sustainable Development Policies" and brings this information to the attention of the Bank Management Board and Board of Directors;
- reviews third-party opinions regarding the development and effectiveness of general principles for the implementation of the "Sustainable Development Policies."

Composition of the Supervisory Board committees during the reporting period and their participation in committee meetings throughout 2025:

During 2025, the Audit Committee (AC) consisted of the following members:

- Kupybida Nazar Ivanovich (Committee Chairman) - attended 9 meetings (7 of these remotely) - 100%;
- Andrew POSPELOVSKI (Committee Member) – attended 9 meetings (7 of which were remote) – 100%;
- Robert Scott RICHARDS (Committee Member) – attended 7 meetings (5 of which were remote) – 88.89%.
- Zhizhilashvili Tamara (Committee member) - attended 1 meeting - 100% since the date of appointment.

Throughout 2025, the Remuneration and Appointments Committee operated with the following composition:

- Andrew POSPELOVSKI (Committee Chairman) - attended 7 meetings (5 of these remotely) - 100%;
- PETERSON Marger (Committee member) - attended 7 meetings (5 of which were held remotely) - 100%;
- Kupybida Nazar Ivanovich (Committee member) - attended 7 meetings (5 of them remotely) - 100%;

- Marina Volodymyrivna Kvasnina (Committee member) - attended 1 meeting - 100% since appointment.

Throughout 2025, the Sustainable Development and Environment Committee (KSRNS) operated with the following membership:

- Andrew POSPELOVSKI (Committee Chairman) - attended 4 meetings (2 of which were remote) - 100%;

- Pott Philipp Georg (Committee Deputy Chair) – attended 4 meetings (2 of which were remote) – 100%;

- RICHARDS Robert Scott (Committee member) – attended 4 meetings (2 of which were remote) – 100%.

During the reporting period, JSC JSCB “Lviv” Supervisory Board, within the scope of its authority, carried out activities aimed at ensuring control over the implementation of the Bank strategy and Business Plan in accordance with the main areas of activity defined by the resolutions of the Shareholders GM of JSC JSCB “Lviv,” and the organization of effective corporate governance, and made decisions regarding the Bank stable operations under martial law, including the Bank continuous operations.

Part 5. Executive Body

Executive body member 1

Name

ABRAMYAN Ashot

Term of office during the reporting period

(from January 1, 2025 to December 31, 2025)

Chair / Deputy Chair of the executive body

X

Executive body member 2

Name

Natalia Osadchiy

Term of office during the reporting period

(from January 1, 2025 to December 31, 2025)

Chair / Deputy Chair of the executive body

Y

Executive body member 3

Name

TAMARA TCHELIDZE

Term of office during the reporting period

(from January 1, 2025 to December 31, 2025)

Chair / Deputy Chair of the executive body

Y

Executive body member 4

Name

Volodymyr Viktorovych KUZIO

Term of office during the reporting period

(from January 1, 2025, to December 31, 2025)

Chair / Deputy Chair of the executive body

Y

Chair / Member of the Executive Body

Committee name - 1

X

Executive body member 5

Name

Vladislav Ihorovych SHYPERKO

Term of office during the reporting period

(from January 1, 2025 to December 31, 2025)

Chair / Member of the Executive Body Committee

Committee name - 1

V

Executive body member 6

Name

Olga FILIPENKO

Term of office during the reporting period

(from January 1, 2025 to December 31, 2025)

Chair / Member of the Executive Body Committee

Committee name - 1

V

Executive body member 7

Name

Ulyana Pyatak

Term of office during the reporting period

(from January 1, 2025 to December 31, 2025)

Executive body member 8

Name

RUBACHA Oksana

Term of office during the reporting period

(from January 1, 2025 to December 31, 2025)

Executive body member 9

Name

Rostyslav Yuriyovych TURKEVYCH

Term of office during the reporting period

(from January 1, 2025 to December 31, 2025)

Additional information on the composition of the collegial executive body and its committees

List of committees under the Management Board of JSC JSCB "Lviv":

1) Credit Committee (CC)

The Credit Committee makes decisions on the following matters:

- approval of a credit limit for a client;
- approval of loans and refinancing;
- approval of the extension of an existing loan;
- approval of changes to loan terms;
- restructuring of existing loans;
- granting exceptions to standard product terms and the Bank internal regulations for specific loans;
- reduction/waiver of accrued interest, fees, penalties, and late fees;

- reduction/forgiveness of the principal debt on the loan.

2) Committee for Asset, Liability, and Tariff Management (KUAPiT)

The Committee for Asset, Liability, and Tariff Management is a standing collegial body of the Bank that makes decisions, items recommendations, and sets objectives regarding:

- ensuring effective resource management to achieve the necessary operational results;
- managing the Bank short-term liquidity to ensure the necessary margin between interest-bearing assets and liabilities to achieve an optimal balance between risk and return;
- creating and improving effective mechanisms for managing the Bank liquidity to ensure the implementation of the principle of optimality: maintaining a minimum level of excess liquidity and avoiding liquidity risks;
- ensuring the maintenance of the necessary liquidity reserve to protect the Bank from the financial consequences associated with possible changes in the money market and interest rate fluctuations;
- developing and improving interest rate risk management tools to keep risk indicators within acceptable limits;
- ensuring that acceptable currency risk is maintained;
- ensuring the implementation of effective pricing and interest rate policies to ensure the Bank competitiveness, customer satisfaction, and the achievement of necessary financial results.

3) Credit Risk and Reserves Committee (KKRR)

The Credit Risk and Reserves Committee is a standing collegial body of the Bank that makes decisions regarding the approval of the amount of loan loss reserves formed in accordance with approved procedures and monitors credit risk indicators.

4) Operational Risk, Compliance, and Information Security Committee (KORKIB)

The Operational Risk, Compliance, and Information Security Committee is a standing collegial body of the Bank that makes decisions, provides recommendations, and sets objectives for the management of operational risk, compliance, and information security at the Bank in accordance with the requirements of Ukrainian legislation and the regulatory acts of the National Bank of Ukraine.

5) Human Resources Committee (KUP)

The Human Resources Committee is a standing collegial body of the Bank that provides recommendations and conclusions for decision-making regarding the Bank personnel (hiring, transfers, downsizing, and terminations), review of employee salaries, disciplinary measures, and incentives. The Committee approves the annual training plan and initiatives aimed at positioning the Bank as an effective employer.

6) IT Project Management Committee (KUIT)

The IT Project Management Committee is a standing collegial body of the Bank authorized to determine, review, and approve priorities for IT projects, provide IT support for the implementation of new products/services and changes to existing ones, and support the Management Board in overseeing and monitoring the Bank activities and IT-related events.

7) Committee on Cost Control and Tender Organization (KKVT)

The Committee on Cost Control and Tender Organization is a standing collegial body of the Bank authorized to ensure an effective process for selecting suppliers of goods and services while avoiding conflicts of interest, and to conduct regular analyses of such suppliers.

8) Sustainable Development and Environment Committee (KSRNS)

The Sustainable Development and Environment Committee is a standing collegial body of the Bank authorized to manage the Bank implementation of the "Sustainable Development Strategy." The Committee sets priorities, approves new projects within the framework of the Strategy implementation, and reviews and monitors the implementation of ongoing projects and tasks.

9) Charitable Foundation Board (CB Board)

The Charitable Foundation Board is a standing collegial body of the Bank that determines the priorities of the activities of the "Charitable Organization "Lviv Bank Charitable Foundation," supervises and regulates the work of the Foundation executive body regarding the implementation of the Foundation charitable programs (projects), and approves new projects within the framework of charitable activities.

Information on meetings held by the collegial executive body and a general description of decisions adopted

Description of key decisions of the collegial executive body

During 2025, 75 meetings of the Board of JSC JSCB “Lviv” were held (including those held on an ad hoc basis), at which decisions were made regarding:

- approval of financial statements, approval of interim financial statements;
- approval of reports on stress testing of financial risks and their impact on the Bank income and capital;
- review of reports on operational and financial risks;
- approval of the compliance risk report;
- approving the report on the internal control system;
- reviewing reports on audits;
- items related to the management of money laundering and terrorist financing risks;
- approval of tender results;
- determining the list of persons associated with the Bank;
- approval of the Bank staffing table;
- the sale of property that has become the Bank property as a pledgee;
- plans and cost estimates for the implementation of specific investment projects;
- approving the Bank regulations and other internal policy documents, as well as amendments thereto;
- consideration of matters regarding the provision of charitable assistance.

	Number of meetings of the collegial executive body		
	Total	of these in person	of these remotely
	75	71	4

Information on meetings held by the committees of the collegial executive body and a general description of the decisions adopted

Committee name of the collegial executive body	Number of meetings of the committee of the collegial executive body		
	Total	of these in person	of these remotely
Credit Committee	392	368	24
KUAPiT	58	58	-
KORKIB	11	11	-

Committee 1

Description of key decisions made by the Committee, a collegial executive body

The Credit Committee reviewed loan proposals and made credit decisions regarding the execution (or modification of the terms and conditions) of credit transactions within the limits of authority established by the Bank Management Board.

Committee 2

Description of key decisions of the Committee as a collegial executive body

KUAPiT reviewed the cost of liabilities and the profitability of assets and made decisions regarding the interest margin, reviewed the maturity matching of assets and liabilities, and provided recommendations to the relevant Bank departments on resolving discrepancies.

Committee 3

Description of key decisions of the Committee as a collegial executive body

KORKIB reviewed reports on operational risks; compliance risks; monitoring the effectiveness of the internal control system; incidents and measures to enhance information security, etc.

Report of the executive body

Assessment of the composition, structure, and activities of the executive body

Report of the executive body

Report of the Management Board of the Joint-Stock Company Joint-Stock Commercial Bank “Lviv” (“JSC JSCB “Lviv”) for 2025.

The Management Board is the collegial executive body of JSC JSCB “Lviv” (hereinafter referred to as the Bank), which, within the scope of authority defined by the legislation of Ukraine and the Statute of the Bank, manages its current operations, forms the funds necessary for the Bank statutory activities, and is responsible for the effectiveness of its operations in accordance with the principles and procedures established by the Bank Statute, resolutions of the Shareholders’ Meeting, and the Supervisory Board.

The Board of the Bank is responsible for resolving all matters related to the management of the Bank current operations, except for matters falling within the exclusive competence of the Bank Shareholders’ Meeting and the Supervisory Board.

The Bank Board is responsible for:

- 1) the Bank security and financial stability;
- 2) ensuring that the Bank activities comply with Ukrainian law;
- 3) ensuring the day-to-day management of the Bank;
- 4) implementing the decisions of the Bank Shareholders’ Meeting and the Supervisory Board;
- 5) day-to-day management and oversight of the Bank operations;
- 6) implementation of the Bank strategy and business plan;
- 7) ensuring that the Bank activities comply with the risk appetite statement.

Board of the Bank:

- 1) resolves all items related to the Bank activities (except those falling within the exclusive competence of the Bank Shareholders’ Meeting and the Supervisory Board);
- 2) ensures the preparation of the Bank budget drafts, strategy, and business plan for the Bank development for approval by the Supervisory Board;
- 3) implements the Bank strategy and business development plan;
- 4) implements the risk management strategy and policy approved by the Bank Supervisory Board and ensures the implementation of procedures for the identification, assessment, control, and monitoring of risks;
- 5) establishes the Bank organizational structure as determined by the Bank Supervisory Board and approves the Bank staffing table;
- 6) develops regulations governing the activities of the Bank separate structural units/structural divisions in accordance with the Bank development strategy;
- 7) ensures the security of the Bank information systems and systems used to safeguard the Bank clients’ assets;
- 8) informs the Bank Supervisory Board about the Bank performance indicators, identified violations of legislation and the Bank internal regulatory documents, and about any deterioration in the Bank financial condition or the threat of such deterioration, the level of risks arising in the course of the Bank operations;
- 9) monitors the Bank compliance with applicable laws;
- 10) resolves items regarding the organization of the Bank operations, the safekeeping of the Bank funds and valuables, accounting and reporting, internal control, and other items related to the Bank activities;
- 11) establishes committees under the Bank Management Board, approves regulations governing such committees and amends them, and decides on the appointment (replacement) of committee members;
- 12) reviews and approves regulations and other internal regulatory documents of the Bank, as well as amendments thereto, which the Bank Board Chair or other members of the Bank Board deem appropriate or necessary to submit for collegial consideration by the Bank Board, the approval of which does not fall within the competence of the Bank Shareholders’ Meeting and/or the Supervisory Board, including those regulating the Bank business processes;
- 13) makes decisions regarding the execution of legal transactions within the scope of authority defined by the Bank Supervisory Board;
- 14) makes decisions regarding the execution of a transaction in cases where the value of obligations under a single transaction or several related transactions does not exceed the equivalent of 1,000,000

(one million) U.S. dollars in the national currency of Ukraine at the exchange rate of the National Bank of Ukraine on the date of such decision, unless the Supervisory Board of the Bank has established other limits on the Board authority;

15) prepares drafts for approval by the Supervisory Board of the Bank regarding the execution of transactions, the decision to execute which falls within the authority of the Supervisory Board;

16) prepares the Bank income and expense estimates and annual report;

17) taking into account the requirements of Ukrainian law, determines the nature of information that is not subject to disclosure;

18) within 30 days of making a decision to reduce the Bank authorized capital, notifies in writing each creditor whose claims against the Bank are not secured by a pledge, guarantee, or surety of such decision;

19) submits proposals to the Bank Supervisory Board regarding the holding of regular/extraordinary Meetings of the Bank Shareholders;

20) requests the convening of an extraordinary meeting of the Bank shareholders in the event of the initiation of bankruptcy proceedings against the Bank or the need to enter into a significant transaction, as well as in other cases provided for by the Bank Statute and the laws of Ukraine;

21) requires the convening of meetings of the Supervisory Board;

22) at the request of the Supervisory Board, members of the Bank Board participate in a meeting of the Supervisory Board or in the consideration of specific items on the agenda of its meetings;

23) in the event of an audit of the Bank activities at the request of a shareholder (shareholders) of the Bank who owns (own) more than 10 percent of the Bank shares, within 10 (ten) calendar days from the date of receipt of a request from such shareholder(s) of the Bank regarding the audit, provide a response containing information regarding the start date of the audit;

24) in the event of an audit of the Bank at the request of a shareholder who owns more than 10 percent of the Bank shares, shall provide certified copies of all documents at the shareholder request within 5 (five) days from the date of receipt of the relevant request from the audit firm;

25) grants consent for shareholders to receive additional information regarding the Bank activities, provided that the provision of such information is not mandatory under the applicable laws of Ukraine and the Bank Charter;

26) resolves items regarding the Bank participation in non-profit unions and associations, without infringing upon the Supervisory Board authority as provided for in the Bank Charter and the laws of Ukraine;

27) considers items that the Bank Board Chair or other members of the Bank Board deem appropriate or necessary to refer to the Bank Board for a collective decision;

28) exercises other powers provided for by the laws of Ukraine, resolutions of the Bank Shareholders' Meeting, and the Supervisory Board.

The organizational form of the Management Board work, as the collegial executive body of JSC JSCB "Lviv," is meetings.

For the purpose of effective management of the Bank, regular meetings are held twice a month. In cases where there is a justified need for the Management Board to make decisions, extraordinary in-person/remote meetings of the Management Board are held.

Meetings of the Bank Management Board are held in person, with members of the Management Board gathering at a designated location to discuss agenda items and vote. In-person attendance includes the possibility of remote participation by members of the Management Board of JSC JSCB "Lviv" in the meeting, including through the use of electronic communication means (video and voice conferences, etc.), provided that each member of the Management Board participating in such a conference can see and hear (or at least hear) and communicate with all other participants in the Management Board meetings.

Members of the Supervisory Board, the Head of the Internal Audit Function (with an advisory vote), the Head of the Risk Division, and the Head of the Compliance Function are entitled to attend meetings of the Management Board of JSC JSCB "Lviv."

With the approval of the Chairman of the Management Board, other persons may be invited to the meetings, but only when discussing items related to their areas of work or those that concern them personally.

All decisions adopted at the Bank Board meetings are recorded in the minutes of the JSC JSCB “Lviv” Management Board meetings, which are kept by the Bank Corporate Secretary.

During 2025, 65 meetings of the Board of JSC JSCB “Lviv” were held (including those held on an ad hoc basis), at which, in particular, decisions were made regarding:

- approval of financial statements, approval of interim financial statements;
- approval of reports on stress testing of financial risks and their impact on the Bank income and capital;
- review of reports on operational and financial risks;
- approval of the compliance risk report;
- approving the report on the internal control system;
- reviewing reports on audits;
- items related to the management of money laundering and terrorist financing risks;
- approval of tender results;
- determining the list of persons associated with the Bank;
- approval of the Bank staffing table;
- the sale of property that has become the Bank property as a pledgee;
- plans and estimates for the implementation of specific investment projects;
- approval of regulations and other internal regulatory documents of the Bank, as well as amendments thereto;
- consideration of matters regarding the provision of charitable assistance.

As of the close of business on December 31, 2025, the Bank Board of Directors functioned as a collegial executive body consisting of 4 (four) members:

- Board Chair - Ashot Abrahamyan (General Management, Legal Protection, Non-Performing Loans, Credit Administration, Administration, and Information Security);
- Deputy Chair of the Board, Member of the Board - Nataliya Osadchiy (Business, Marketing, and Human Resources Division);
- Deputy Chairman of the Management Board, Member of the Management Board - Tamar Tkheldze (Retail Business, IT, Project Management, and Payments);
- Deputy Chairman of the Management Board, Member of the Management Board - Volodymyr Viktorovych Kuzio (Finance, Investor Relations, Treasury, Reporting, and Accounting);

There were no changes in the composition of the Management Board of JSC JSCB “Lviv” during the reporting period.

The competence and effectiveness of each member of the Bank Board are adequate.

The Chairman and Deputy Chairmen of the Management Board duly performed their duties and exercised their powers as provided for in the Bank Statute and the “Regulations on the Management Board of JSC JSCB “Lviv.”

The decisions adopted by the Bank Board during the reporting period were valid due to the presence of the required quorum and the absence of objections regarding the format of meetings or decision-making and/or agenda items.

The committees of the Bank executive body are established to minimize banking risks and ensure effective decision-making in various areas of JSC JSCB “Lviv” operations in accordance with the powers granted and the Bank internal regulatory documents.

The following standing committees of the Bank Board have been established and are operating at JSC JSCB “Lviv”:

1) Credit Committee (CC) – a collegial body of the Bank established to assess credit risk and make decisions regarding lending that involve significant credit risk for the Bank.

The Credit Committee makes decisions on the following matters:

- approval of a credit limit for a client;
- approval of loans and refinancing;
- approval of the extension of an existing loan;
- approval of changes to loan terms;
- restructuring of existing loans;
- granting exceptions to standard product terms and the Bank internal regulations for specific loans;
- reduction/waiver of accrued interest, fees, penalties, and late fees;
- reduction/forgiveness of the principal debt on the loan.

2) Committee for Asset, Liability, and Tariff Management (KUAPiT) – a standing collegial body of the Bank that makes decisions, items recommendations, and sets objectives regarding:

- ensuring effective resource management to achieve the necessary operational results;
- managing the Bank short-term liquidity to ensure the necessary margin between interest-bearing assets and liabilities to achieve an optimal balance between risk and return;
- creating and improving effective mechanisms for managing the Bank liquidity to ensure the implementation of the principle of optimality: a minimum level of excess liquidity and the avoidance of liquidity risks;
- ensuring the maintenance of the necessary liquidity reserve to protect the Bank from the financial consequences associated with possible changes in the money market and interest rate fluctuations;
- developing and improving interest rate risk management tools to keep risk indicators within acceptable limits;
- ensuring that acceptable currency risk is maintained;
- ensuring the implementation of effective pricing and interest rate policies to ensure the Bank competitiveness, customer satisfaction, and the achievement of necessary financial results.

3) Credit Risk and Reserves Committee (KKRR) – a standing collegial body of the Bank that makes decisions regarding the approval of the amount of loan loss reserves formed in accordance with approved procedures and monitors credit risk indicators.

4) Operational Risk, Compliance, and Information Security Committee (KORKIB) – a standing collegial body of the Bank that makes decisions, makes recommendations, and sets objectives for managing the Bank operational risk, compliance, and information security in accordance with the requirements of Ukrainian legislation and the regulatory acts of the National Bank of Ukraine.

5) Human Resources Committee (KUP) – a standing collegial body of the Bank that provides recommendations and conclusions for decision-making regarding the Bank personnel (hiring, transfer, dismissal), review of employee salaries, disciplinary measures, and incentives. The Committee approves the annual training plan and initiatives aimed at positioning the Bank as an effective employer.

6) IT Project Management Committee (KUIT) – a standing collegial body of the Bank authorized to determine, review and approve priorities for IT projects, provide IT support for the implementation of new products/services and changes to existing ones, and support the Management Board in overseeing and monitoring the Bank activities and IT-related events.

7) Committee on Cost Control and Tender Organization (KKVT) – a standing collegial body of the Bank authorized to ensure an effective process for selecting suppliers of goods and services while avoiding conflicts of interest, and to conduct regular analyses of such suppliers.

8) Sustainable Development and Environment Committee (KSRNS) – a standing collegial body of the Bank authorized to manage the Bank implementation of the “Sustainable Development Strategy.” The

Committee sets priorities, approves new projects within the framework of the Strategy implementation, and reviews and monitors the implementation of ongoing projects and tasks.

9) Committee "Charitable Foundation Board" (CB Board) – a standing collegial body of the Bank that sets the priorities for the activities of the "Charitable Organization "Lviv Bank Charitable Foundation," supervises and regulates the work of the Foundation executive body regarding the implementation of the Foundation charitable programs (projects), and approves new projects within the framework of charitable activities.

By a resolution of the Bank regular Shareholders GM held on April 30, 2025, the following main areas of activity for JSC JSCB "Lviv" for 2025 were determined:

1. Improving market positions as a leading bank in financing small and medium-sized businesses.
2. Increasing the Bank attractiveness to domestic and foreign investors and raising awareness of its range of products and services.
3. Strengthening the positive image as a reliable and innovative financial institution.
4. Conducting negotiations and maintaining ongoing communication with international financial institutions to preserve and increase funding received from them.
5. Continuing efforts to increase the Bank regulatory capital by raising subordinated debt and increasing its core capital.
6. Opening a Bank branch in the city of Vinnytsia.
7. Ensuring the Bank profitability as one of the sources for increasing its equity and regulatory capital.
8. Maintaining a conservative approach to risk assessment, ensuring proper recognition of credit risk/provisioning, and maximizing the assessment of capital requirements.
9. Keeping the business continuity plan up to date and ensuring the uninterrupted provision of banking services.
10. Improving cybersecurity to protect the Bank customer data and ensure the security of financial transactions.
11. The Bank sustainable development and social responsibility.

Part 6. Information about the corporate secretary, as well as a report on the results of his activities

Name

Tetyana Romanivna Krachkovska

Documents governing the activities of the corporate secretary

"Regulations on the Corporate Secretary of JSC JSCB "Lviv," approved by the Supervisory Board of the Bank (minutes of the meeting dated February 26, 2021, No. 011/2021). "Regulations on the Supervisory Board of JSC JSCB "Lviv," approved by a resolution of the Bank Shareholders GM (minutes of the meeting dated April 28, 2023). Statute of JSC JSCB "Lviv."

The governing body that made the decision to appoint the corporate secretary

JSC JSCB "Lviv" Supervisory Board

Date and Registration No. of the resolution appointing the corporate secretary

Date

February 9, 2021

Reg. No.

007/2021

Date and Reg. No. of the resolution approving the corporate secretary report for the reporting period

Date

April 24, 2025

Reg. No.

Not approved

Key provisions of the report on the corporate secretary performance for the reporting period

A separate report on the results of the activities of the corporate secretary of JSC JSCB "Lviv" for 2025 was not presented to the Supervisory Board of the Bank. Information prepared and provided by the corporate secretary to the Supervisory Board for the purpose of properly informing its members was reviewed during meetings of the Supervisory Board of JSC JSCB "Lviv," Supervisory Board, in particular information on the implementation of decisions from previous Supervisory Board meetings and information for the Governance Report. The aforementioned items were not recorded as separate minutes of decisions and therefore did not receive formal approval from the Supervisory Board of JSC JSCB "Lviv" in accordance with established procedures.

Part 7. Description of the main characteristics of the entity internal control systems, as well as a list of the entity structural units that perform key duties to ensure the functioning of internal control systems

The internal control system provides for a three-line-of-defense model

Yes

Description of the functions of the first line of defense units and a list of key units

The internal control system of JSC JSCB "Lviv" is based on a three-line defense model. The "first line of defense" consists of business units and support units, whose primary function is to identify potential risks. The departments that carry out banking operations and provide support for them are involved in the process of identifying, assessment, and monitoring of risks, comply with the requirements of internal regulatory documents regarding risk management, and take the level of risk into account when conducting operations.

List of units and description of the functions of the second line of defense

The "second line of defense" consists of the risk management units and the Compliance Department, whose primary functions include developing risk management mechanisms, methodologies, assessing and monitoring risk levels, preparing risk reports, conducting aggregated risk assessments, and evaluating the relationship between risk and the established risk appetite.

List of units and description of the functions of the third line of defense

The Internal Audit Department is part of the "third line of defense"; it conducts an independent assessment of the effectiveness of the risk management system, corporate governance, and internal control system, identifies violations, and makes recommendations for improving these systems. The Supervisory Board, Management Board, and Credit Risk and Reserves Committee of JSC JSCB "Lviv" continuously monitor the adequacy and effectiveness of the internal control system in accordance with the methodology approved by JSC JSCB "Lviv," and the Internal Audit Department of JSC JSCB "Lviv" conducts an annual assessment of the effectiveness of the internal control system for the Bank Supervisory Board.

Existence of an approved document (documents) defining the internal control system policy (including the compliance and internal audit systems)

Yes

List of key internal documents regarding the internal control system (including the compliance and internal audit systems)

"Procedure for Monitoring the Effectiveness of Internal Control at JSC JSCB "Lviv," approved by the Bank Supervisory Board (minutes of the meeting dated July 6, 2021, No. 038/2021). "Methodology for Identifying and Assessing Compliance Risk for Internal Processes at JSC JSCB "Lviv," approved by the Bank Management Board (Minutes of the Meeting dated December 7, 2021, No. 035/2021). "Regulations on the Principles of Organizing Internal Audit and Internal Control Functions at PJSC JSCB Lviv," approved by the Bank Supervisory Board (minutes of the meeting dated November 2, 2009).

Date and Reg. No. of the resolution approving the report on the internal control system (including compliance risks)

Date

11/02/2009

Reg. No.

none

Key provisions of the internal control system report (including compliance risks)

The Bank establishes a comprehensive, effective, and adequate internal control system in accordance with the following principles:

1) comprehensiveness and integrity - internal control procedures (hereinafter “control procedures”) are integrated into all material business processes in all Bank departments at all organizational levels. The Bank must also ensure the implementation of internal control over the Bank operations that have been outsourced to other parties on a contractual basis;

2) effectiveness - control procedures and measures are effective and ensure that the Bank achieves its defined operational objectives and provides reasonable assurance that:

- the operations carried out by the Bank are efficient and effective;
- transactions are recorded accurately;
- financial, statistical, management, tax, and other reports are reliable;
- the Bank risk management system is comprehensive, effective, and adequate, ensuring the identification, measurement (assessment), monitoring, reporting, control, and mitigation of all material risks of the Bank and complies with the requirements of the “Risk Management Strategy of JSC JSCB “Lviv” and the Bank Material Risk Management Policies;
- The Bank complies with the requirements of legislation, regulatory and administrative acts of the National Bank of Ukraine, and internal bank documents;
- The Bank has implemented each of the five components of the internal control system into its operations and ensures their implementation in an integrated manner, meaning that the results of one component are utilized in the implementation of other components of the internal control system;
- The Bank employees possess the necessary information regarding the components of the internal control system and ensure the implementation of these components within the scope of their competencies and authorities as defined by their job descriptions;
- The Bank ensures the identification and assessment of deficiencies in the internal control system and takes timely, adequate, and sufficient corrective actions to address such deficiencies;

3) Adequacy - the internal control system is appropriate to the Bank specific characteristics, including its size, business model, scope of operations, types and complexity of transactions, and risk profile (hereinafter referred to as the Bank specific characteristics);

4) Prudence - The Bank provides sufficient assurance to the Bank management regarding the Bank achievement of its operational objectives, based on conservative assumptions and taking into account a certain probability of erroneous judgments or decisions by the Bank management and/or employees;

5) Risk-Oriented - The Bank ensures the organization and functioning of the internal control system based on a risk-oriented approach, which involves applying more in-depth and frequent control measures to those areas of the Bank operations that are subject to higher risks;

6) Integration - control procedures are an integral part of all material business processes and the Bank corporate governance;

7) Timeliness - the ability of the internal control system to identify potential threats of negative impact on the Bank operations before such threats actually arise;

8) independence - avoiding circumstances that could pose a threat to the impartial performance of their functions by the entities of the internal control system;

9) appropriate separation of duties and authorities - ensuring the separation of duties and responsibilities among the Bank personnel while simultaneously meeting at least the following conditions:

- employees of the Bank departments who perform internal control functions do not perform any operational tasks that fall within the scope of their control;
 - Bank managers responsible for internal control are independent of those responsible for managing the activities subject to such control;
 - the compensation of employees of the Bank departments performing internal control functions is not linked to the performance indicators of the Bank business units controlled by these employees;
- 10) continuity - the performance of internal control activities allows for the timely prevention, detection, and correction of deficiencies in the internal control system on an ongoing basis;
- 11) confidentiality - preventing the disclosure of information to persons who are not authorized to receive it.

The Bank internal control system:

1) consists of the following components:

- control environment;
 - management of risks inherent in the Bank activities;
 - control activities within the Bank;
 - control over the Bank information flows and communications;
 - monitoring the effectiveness of the Bank internal control system;
- 2) ensures the achievement of the Bank operational, information, and compliance objectives;
- 3) is implemented at every organizational level of the Bank.

The Bank internal control system must ensure the achievement of the following objectives:

- 1) operational objectives - ensuring that control procedures are focused on the effective management of the Bank assets to enable the Bank to achieve profitability in its operations, while avoiding or limiting losses resulting from the impact of negative internal and external factors; implementing a systematic process for identifying, measuring, monitoring, controlling, reporting, and mitigating all types of risks at all organizational levels of the Bank;
- 2) Information objectives - ensuring the integrity, completeness, and reliability of financial and management information used for management decision-making; establishing information systems both vertically and horizontally within the Bank organizational structure. Such information includes external and internal financial reporting on financial and non-financial matters;
- 3) Compliance objectives - ensuring that the Bank operations are conducted in compliance with the requirements of legislation, regulatory and administrative acts of the National Bank, internal bank documents, and standards of professional associations applicable to the Bank.

The Supervisory Board and the Management Board of JSC JSCB "Lviv" ensure the establishment and functioning of a control environment as a component of the Bank internal control system.

The Bank implements an internal control system, an integral part of which is the Bank risk management system.

The Bank has established a risk management system designed to ensure continuous risk analysis for the purpose of making timely and adequate management decisions to mitigate risks and reduce associated losses (losses) and is based on the distribution of responsibilities among the Bank departments using a three-line-of-defense model:

- 1) the first line of defense - at the level of the Bank business units and operational support units. These units initiate, execute, or record transactions, assume risks in the course of their activities, and are responsible for the day-to-day management of these risks, implementing control measures;
- 2) the second line of defense - at the level of the Risk Management Vertical and the Compliance Function;
- 3) the third line of defense - at the level of the Internal Audit Function, which conducts an independent assessment of the effectiveness of the first and second lines of defense and an overall assessment of

the effectiveness of the internal control system, taking into account the NBU requirements for the organization of internal audit in Ukrainian banks.

The Bank assesses risks that arise or may arise as a result of internal and external factors.

External factors affecting the Bank risks include:

- economic - changes in the macro- and microeconomic environment in which the Bank operates;
- regulatory - changes in legislation, regulatory and administrative acts of the National Bank;
- business-related - changes in market practices for attracting customers that affect the Bank product and service offerings, pricing of the Bank products and services, and mechanisms for communicating with its customers;
- technological - changes in technologies (technological solutions) used in the Bank operations;
- Physical – force majeure events that may lead to a temporary suspension of the Bank operations.

Internal factors affecting the Bank risks include:

- operational - decisions regarding the use of the Bank resources that may affect its operations and/or other actions related to the use of the Bank infrastructure;
- managerial - changes in the organizational structure and distribution of authority within the Bank that may affect the implementation of control procedures and measures;
- personnel-related – the availability, competence, and motivation of Bank employees who perform internal control at the Bank;
- security-related - the level of organization of the Bank physical and/or information security system;
- technological – the possibility of disruptions in the operation of the Bank information systems that could negatively impact its operations.

The Bank assesses the materiality of a risk, taking into account the following criteria:

- the likelihood of the risk occurring and the extent of its impact on the Bank operations;
- the speed at which external and internal factors may affect the Bank relevant risks;
- the duration of the potential impact of external and internal factors on the Bank relevant risks.

The Bank manages risks by:

- risk acceptance - which involves determining an acceptable level of risk and developing contingency plans in the event that the defined level is exceeded;
- risk reduction - mitigating the impact of risk factors or the consequences of their materialization, for example, by diversifying risk exposure, setting limits, or using collateral);
- risk transfer - shifting the responsibility for covering potential losses (for example, by transferring risk to another entity using legal instruments such as insurance contracts, custody agreements, or security agreements, or by accepting guarantees);
- risk avoidance - refraining from activities that generate risk or eliminating the likelihood of a risk factor occurring, in particular by establishing a zero-tolerance policy toward risk.

Existence of an approved risk appetite statement

Yes

Description of the main provisions of the risk appetite statement

Key provisions of the “Risk Appetite Statement of JSC JSCB “Lviv,” which defines:

- the overall level of risk appetite and the types of risks the Bank intends to take on and retain to achieve its business objectives;
- the maximum level of risk acceptable to the Bank (Risk Capacity);
- quantitative and qualitative indicators of risk appetite, which take into account capital adequacy, liquidity, operational profitability, and the cost of risk;
- the level of risk appetite for each type of risk (individual level), which should serve as the basis for setting limits, as well as a minimum list of quantitative and qualitative risk appetite indicators for each type of risk;
- the calculation used to determine the risk appetite and a list of assumptions used by the Bank in such calculation.

Name of the body that approved the risk appetite statement

JSC JSCB “Lviv” Supervisory Board.

Date and Reg. No. of the decision approving the risk appetite statement

Date

May 8, 2025

Reg. No.

015/2025

Part 8. Information regarding persons who directly or indirectly hold a significant stake in the entity

Name or full name of the shareholder	Size of the significant shareholding	Size of the shareholding held directly and (indirectly)
responsAbility Participations AG	41.151580	41.151580
New Progress Holding Limited Liability Company	20.865962	20.865962
Stichting Fondsbeheer DGGF Lokaal MKB / Stichting Fondsbeheer DGGF lokaal MKB	20.492129	20.492129
Nordic Environment Finance Corporation	10.390996	10.390996
Frontmost Limited	5.703114	5.703114
PETERSON Marger / Petursson Margeir	0	37.469202

Part 10. Information regarding the procedure for appointing/dismissing officials (other than the board and executive body) of the entity

Person 1

Official name

CHYPURKO Maria Mykhailivna

Position description

Chief Accountant

The body responsible for appointing the official

Supervisory Board of PrJSC JSCB “Lviv”

Date of the decision

April 12, 2011

Key powers of the official

The key powers of the Chief Accountant include:

1. Determining the Bank accounting policy and its components.
2. Providing methodological support for accounting policies.
3. Organizing tax accounting and settlements with the budget.
4. Organizing the control system (accounting and control over compliance with tax legislation and settlements with the budget).
5. Organizing the reporting system.
6. Determination of the accounting and settlement specifics of accounting technologies and systems.
7. Support for audits of financial statements and internal control systems (in accordance with IFRS and National Standards).
8. Support for inspections by regulatory authorities regarding accounting, settlements, taxes, and reporting.
9. Ensuring the review of the state of accounting in the Bank separate divisions.

Procedure for Appointment and Dismissal of an Officer

The Bank Chief Accountant is appointed to and dismissed from the position based on the relevant orders of the Chairman of the Management Board of JSC JSCB “Lviv”.

Official 2

Official name

Dmytro Valeriyovych Khodorovskyi

Position description

Head of the Internal Audit Function

The body responsible for appointing the official

Supervisory Board of JSC JSCB “Lviv”

Date of the decision

August 28, 2009

Key Powers of the Official

The key powers of the Head of the Internal Audit Function include:

1. Developing an audit plan based on a risk analysis that defines internal audit priorities and aligns with the Bank objectives, determining the scope and subjects of the audit, and making decisions on the frequency of audits.
2. Exercising general management and operational control over the Function activities, defining the strategy and principles of internal audit at the Bank, the internal audit organization process at the Bank level, and ensuring the application of uniform methodological principles during the conduct of internal audits at the Bank.
3. Ensuring the adequacy, sufficiency, and effective use of the Function resources to carry out the Bank annual audit plan.
To this end, annually, no later than the last working day of the first month of the year, develop and submit to the Supervisory Board of JSC JSCB “Lviv” activity plans for the Function, containing schedules for conducting audits and information on the necessary resources (human, financial, and other) for the following calendar year. If necessary, incorporate into the plan any changes initiated by the Supervisory Board of JSC JSCB “Lviv” (Audit Committee).
4. Notification of the Supervisory Board of JSC JSCB “Lviv” regarding the impact of resource constraints on internal audit activities. In the event of the identification of significant risks in the Bank operations or changes in available resources, the Head of the Function may initiate amendments to the approved annual audit plan, which are subject to approval by the Supervisory Board of JSC JSCB “Lviv”.
5. Ensuring the continuous operation of the Function in accordance with the internal Regulations and internal audit standards established by the Supervisory Board of JSC JSCB “Lviv”.
6. Staffing the Function with highly qualified personnel possessing the necessary skills, including the ability to effectively and professionally evaluate the Bank performance and exert influence at the highest levels of the Bank management. Ensure continuous professional development and training for internal auditors.
7. Define the policies and audit procedures to be applied by internal auditors when conducting audits, in accordance with the requirements of the Bank Audit Policy.
8. Prepare reports on the implementation of the annual audit plan and submit them for approval to the Supervisory Board of JSC JSCB “Lviv” and the Audit Committee no later than the last day of the first month of the year following the reporting year, with confirmation of the Function organizational independence.
9. Ensuring the submission to the heads of structural units [participants in the processes subject to audit] to the Management Board and the Supervisory Board of the Bank (Audit Committee) of reports on the results of audits so that they may take appropriate organizational (corrective) measures.
10. Developing and maintaining a system to monitor the implementation by the Bank management of recommendations (proposals) provided based on the results of audits, while avoiding conflicts of interest.
11. In the event of circumstances that prevent the Bank internal auditors from performing their duties, or interference by Bank officials in the Function activities, identifying a level of risk that is

unacceptable for the Bank operations, and providing written notification thereof to JSC JSCB “Lviv” SB so that it may make appropriate decisions or take responsive measures.

12. Developing and maintaining a program to ensure and improve the quality of the Bank internal audit, taking into account the requirements of global internal audit standards, and reporting to the Supervisory Board and the Management Board of the Bank on its implementation.

13. Preparing and submitting to the National Bank of Ukraine a report on the Function activities and other documents based on the results of the Bank internal audit.

14. Written notification to the National Bank of Ukraine regarding distortions in the Bank financial statements identified during the audit, violations and shortcomings in the Bank operations, as well as any events in the Bank activities that may negatively affect the Bank solvency, security, and reliability, if the Board of the Bank has not taken timely measures to eliminate these violations and shortcomings, and the Supervisory Board of the Bank has not considered the appeal from the Head of the Function regarding the inaction of the Board of the Bank and, following the consideration of this appeal, has not taken appropriate measures.

15. Ensuring the conduct of periodic inspections of the Bank compliance with legal requirements in the area of preventing money laundering/terrorist financing (including regarding the adequacy of the Bank risk management measures for money laundering and terrorist financing).

16. Ensuring, within the scope of his/her authority, ongoing cooperation with external auditors, government and regulatory authorities that supervise the Bank activities within their respective jurisdictions, including the National Bank of Ukraine.

Procedure for Appointment and Dismissal of an Officer

The Head of the Internal Audit Function at JSC JSCB “Lviv” is appointed to and dismissed from the position by order of the Chairman of the Bank Board based on a prior decision of the Supervisory Board. The Head of the Function assumes the position after his or her candidacy is approved by the National Bank of Ukraine. The decision to dismiss the Head of the Function must be approved by the National Bank of Ukraine (except in cases of dismissal at the employee own request, by mutual agreement, or due to the expiration of the employment contract).

Official 3

Official name

Tetyana Romanivna Krachkovska

Job Description

Corporate Secretary

The body responsible for appointing the official

Supervisory Board of PrJSC JSCB “Lviv”

Date of the decision

January 26, 2021

Reg. No. of the decision

011/2021

Key Powers of the Official

The key powers of the Corporate Secretary of JSC JSCB “Lviv” include:

1. Organizing the preparation and conduct of the Bank GMs of shareholders in accordance with the requirements of applicable law, the Statute, and other internal documents of the Bank.
2. Ensuring the functioning of the Supervisory Board of JSC JSCB “Lviv” and overseeing the work of the Supervisory Board committees
3. Interacting with the Bank shareholders regarding compliance with the Bank corporate procedures, protecting the rights and legitimate interests of shareholders, and participating in the prevention of corporate conflicts,
4. Performing other functions, namely:
 - 4.1. Ensuring compliance with established rules and procedures, including the procedure for approving significant transactions and related-party transactions, the procedure for additional issuance of the

Bank shares, the exercise of shareholders' rights upon such issuance, and other procedures aimed at protecting the rights and property interests of shareholders.

4.2. Ensuring the exchange of information between the Bank collegial bodies, as well as between the Bank and shareholders and other stakeholders.

4.3. Supporting and providing information (within the scope of the Corporate Secretary authority at JSC JSCB "Lviv") during inspections of the Bank regarding compliance with corporate governance requirements.

4.4. Ensuring the preparation and timely submission of the Bank reports on corporate governance, as required by regulatory authorities.

4.5. Interacting with the National Bank of Ukraine, the National Securities and Stock Market Commission, and professional capital market participants on corporate governance matters.

4.6. Organizing the preparation, updating, and disclosure of information on corporate governance items posted on the website of JSC JSCB "Lviv" as well as on other official resources, and providing information upon request from counterparties and stakeholders.

4.7. Providing methodological and consulting support, and approving drafts of internal bank documents within the corporate governance system.

4.8. Maintaining documents reflecting the Bank legal status, including the Bank Statute, licenses, and other documentation.

4.9. Systematically analyzing prospective legislation (providing and consolidating comments on draft laws, developing draft legislative initiatives); participating in working groups of banking associations, committees, unions, and other internal working groups of the Bank, etc., in the development of draft laws/regulatory acts of the National Bank of Ukraine and other bodies regarding the development and functioning of the corporate governance system.

4.10. Conducting ongoing monitoring and analysis of Ukrainian legislation, and informing the relevant Bank departments of changes in Ukrainian legislation pertaining to corporate governance.

Procedure for Appointment and Dismissal of an Officer

The Corporate Secretary of JSC JSCB "Lviv" is appointed by a decision of the Supervisory Board. The Corporate Secretary of the Bank must be a natural person with full legal capacity, sufficient professional competence to perform their duties, an impeccable reputation, and the trust of shareholders, and who also meets the requirements established by Ukrainian legislation and the National Securities and Stock Market Commission. Additional requirements for the Bank corporate secretary are established by the National Bank of Ukraine. The same person may be appointed to the position of corporate secretary of the Bank more than once. The procedure for the selection, appointment, and powers of the corporate secretary of JSC JSCB "Lviv" is approved by the Bank Supervisory Board. An employment or civil law contract is concluded with the corporate secretary of JSC JSCB "Lviv," which defines the procedure for their work, rights and obligations, liability, terms and procedure for remuneration, and grounds for dismissal from office or suspension from duties. The terms of the agreement with the Corporate Secretary of JSC JSCB "Lviv" are approved by the Supervisory Board of the Bank. The term of office of the corporate secretary of JSC JSCB "Lviv" is established by a resolution of the Supervisory Board. The legal grounds for early termination of the corporate secretary powers at JSC JSCB "Lviv" without a resolution of the Supervisory Board are determined by the legislation of Ukraine.

Official 4

Official name

Vladislav Ihorovych SHIPERKO

Position description

Executive Director for Risk

The body responsible for appointing the official

Date of the decision

November 5, 2019

Decision Reg. No.

015/2019

Key powers of the official

The main powers of the Executive Director for Risk (the Bank Chief Risk Officer) include:

Procedure for Appointment and Dismissal of the Official

The Chief Risk Manager of JSC JSCB “Lviv” is appointed to and dismissed from the position by order of the Chairman of the Bank Board based on a prior decision of the Supervisory Board. The Bank Chief Risk Manager assumes office after his candidacy is approved by the National Bank of Ukraine. A decision to dismiss the Bank Chief Risk Manager must be approved by the National Bank of Ukraine (except in cases of dismissal at the employee own request, by mutual agreement, or due to the expiration of the employment contract).

Part 11. Information on the remuneration of members of the executive body and/or the board of the entity

Executive body member/board 1

Governing body

Name/body of the official

ABRAMYAN Ashot

Position

Board Chair

Date of appointment

September 14, 2017

Performance evaluation criteria used to calculate the variable portion of compensation

There are no performance criteria used to calculate the variable portion of compensation for members of the Bank Board.

Information regarding severance pay or compensation to be paid upon termination

In accordance with the provisions of Section 8 of the “Regulations on Remuneration Policy at JSC JSCB “Lviv,” approved by a resolution of the Supervisory Board dated July 22, 2025 (Minutes of Meeting No. 026/2025), severance pay is provided upon termination based on a decision by the Chairman of the Bank Board, subject to the termination of the employment agreement (contract) with a member of the Management Body / key personnel for any reasons other than a breach by the member of the Management Body / influential person of the main obligations arising from the employment agreement (contract). During the reporting financial year, no payments (remuneration or compensation) related to the dismissal of Board members were made.

URL of the official website where the remuneration report is posted

https://banklviv.ua/about-bank/general-information?info_9=4

Executive body member/board 2

Governing body

Name/body of the official

Natalia OSADCHYI

Position

Deputy Chair of the Board

Date of appointment

November 1, 2017

Performance evaluation criteria used to calculate the variable portion of compensation

There are no performance criteria used to calculate the variable portion of compensation for members of the Bank Board.

Information regarding severance pay or compensation to be paid upon termination

In accordance with the provisions of Section 8 of the “Regulations on Remuneration Policy at JSC JSCB “Lviv,” approved by the Supervisory Board resolution dated July 22, 2025 (Minutes of Meetings No. 026/2025), severance pay is provided upon termination based on a decision by the Chairman of the Bank Board, subject to the termination of the employment agreement (contract) with a member of the Management Body / key employee for any reasons other than a breach by the member of the Management Body / influential person of the main obligations arising from the employment agreement (contract). During the reporting financial year, no payments (remuneration or compensation) related to the dismissal of Board members were made.

URL of the official website where the remuneration report is posted

https://banklviv.ua/about-bank/general-information?info_9=4

Executive body member/board 3

Governing body

Name/body of the official

TAMAR THELIDZE

Position

Deputy Chair of the Board

Date of appointment

November 1, 2017

Performance evaluation criteria used to calculate the variable portion of compensation

There are no performance criteria used to calculate the variable portion of compensation for members of the Bank Board.

Information regarding severance pay or compensation to be paid upon termination

In accordance with the provisions of Section 8 of the “Regulations on Remuneration Policy at JSC JSCB “Lviv,” approved by the Supervisory Board resolution dated July 22, 2025 (Minutes of Meeting No. 026/2025), severance pay is provided upon termination based on a decision by the Chairman of the Bank Board, subject to the termination of the employment agreement (contract) with a member of the Management Body / key person for any reasons other than a breach by the member of the Management Body / influential person of the main obligations arising from the employment agreement (contract). During the reporting financial year, no payments (remuneration or compensation) related to the dismissal of Board members were made.

URL of the official website where the remuneration report is posted

https://banklviv.ua/about-bank/general-information?info_9=4

Executive body member/board 4

Governing body

Name/body of the official

Volodymyr Viktorovych KUZIO

Position

Deputy Chairman of the Board

Date of appointment

September 30, 2024

Performance evaluation criteria used to calculate the variable portion of compensation

There are no performance criteria used to calculate the variable portion of compensation for members of the Bank Board.

Information regarding severance pay or compensation to be paid upon termination

In accordance with the provisions of Section 8 of the “Regulations on Remuneration Policy at JSC JSCB “Lviv,” approved by the Supervisory Board resolution dated July 22, 2025 (Minutes of Meeting No. 026/2025), severance pay is provided upon termination based on a decision by the Chairman of the Bank Board, subject to the termination of the employment agreement (contract) with a member of

the Management Body / key employee for any reasons other than a breach by the member of the Management Body / influential person of the main obligations arising from the employment agreement (contract). During the reporting financial year, no payments (remuneration or compensation) related to the dismissal of Board members were made.

URL of the official website where the remuneration report is posted

https://banklviv.ua/about-bank/general-information?info_9=4

Executive body member/board 5

Governing body

Name/title of the official

Andrew POSPELOVSKI

Position

Chairman of the Supervisory Board

Date of appointment

November 1, 2024

Performance evaluation criteria used to calculate the variable portion of compensation

In accordance with the “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB ‘Lviv’,” approved by a resolution of the Bank Shareholders GM on April 29, 2024, no variable compensation system is provided for. There are no grounds for the payment, deferral, reduction, or refund of variable compensation to members of the Supervisory Board of JSC JSCB “Lviv.”

Information regarding severance pay or compensation to be paid upon termination

The “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB ‘Lviv’,” approved by a resolution of the Bank Shareholders GM on April 29, 2024, do not provide for the payment of remuneration or severance pay to members of the Supervisory Board of JSC JSCB “Lviv” in the event of their dismissal.

URL of the official website where the remuneration report is posted

https://banklviv.ua/about-bank/general-information?info_9=4

Member of the executive body/board 6

Governing body

Name/body of the official

Marina Volodymyrivna Kvasnina

Position

Member of the Supervisory Board

Date of appointment

November 1, 2024

Performance evaluation criteria used to calculate the variable portion of compensation

In accordance with the “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB ‘Lviv’,” approved by a resolution of the Bank Shareholders GM on April 29, 2024, no variable compensation system is provided for. There are no grounds for the payment, deferral, reduction, or refund of variable compensation to members of the Supervisory Board of JSC JSCB “Lviv.”

Information regarding severance pay or compensation to be paid upon termination

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URL of the official website where the remuneration report is posted

https://banklviv.ua/about-bank/general-information?info_9=4

Executive body member/board 7

Governing body

Name/body of the official

Nazar Ivanovych KUPYBIDA

Position

Member of the Supervisory Board

Date of appointment

November 1, 2024

Criteria for evaluating performance, based on which the variable portion of compensation was calculated

In accordance with the “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB ‘Lviv’,” approved by a resolution of the Bank Shareholders GM on April 29, 2024, no variable compensation system is provided for. There are no grounds for the payment, deferral, reduction, or refund of variable compensation to members of the Supervisory Board of JSC JSCB “Lviv.”

Information regarding severance pay or compensation to be paid upon termination

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URL of the official website where the remuneration report is posted

https://banklviv.ua/about-bank/general-information?info_9=4

Member of the executive body/board 8

Governing body

Name/body of the official

PETERSON Marger

Position

Member of the Supervisory Board

Date of appointment

November 1, 2024

Criteria for evaluating performance, based on which the variable portion of compensation was calculated

In accordance with the “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB ‘Lviv’,” approved by a resolution of the Bank Shareholders GM on April 29, 2024, no variable compensation system is provided for. There are no grounds for the payment, deferral, reduction, or refund of variable compensation to members of the Supervisory Board of JSC JSCB “Lviv.”

Information regarding severance pay or compensation to be paid upon termination

The “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB ‘Lviv’,” approved by a resolution of the Bank Shareholders GM on April 29, 2024, does not provide for the payment of remuneration or severance pay to members of the Supervisory Board of JSC JSCB “Lviv” in the event of their dismissal.

URL of the official website where the remuneration report is posted

https://banklviv.ua/about-bank/general-information?info_9=4

Member of the executive body/board 9

Governing body

Name/body of the official

RICHARDS Robert Scott

Position

Member of the Supervisory Board

Date of appointment

November 1, 2024

Performance evaluation criteria used to calculate the variable portion of compensation

In accordance with the “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB ‘Lviv’,” approved by a resolution of the Bank Shareholders GM on April 29, 2024, no variable compensation system is provided for. There are no grounds for the payment, deferral, reduction, or refund of variable compensation to members of the Supervisory Board of JSC JSCB “Lviv.”

Information regarding severance pay or compensation payable upon termination

"Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB “Lviv””, approved by a resolution of the Bank Shareholders GM on April 29, 2024, do not provide for the payment of remuneration or severance pay to members of the Supervisory Board of JSC JSCB “Lviv” in the event of their dismissal.

URL of the official website where the remuneration report is posted

https://banklviv.ua/about-bank/general-information?info_9=4

Executive body member/board 10

Governing body**Name/body of the official**

POTT Philipp Georg

Position

Member of the Supervisory Board

Date of appointment

November 1, 2024

Criterion for evaluating performance, based on which the variable portion of compensation was calculated

In accordance with the “Regulations on Remuneration for Members of the Supervisory Board of JSC JSCB ‘Lviv’,” approved by a resolution of the Bank Shareholders GM on April 29, 2024, no variable compensation system is provided for. There are no grounds for the payment, deferral, reduction, or refund of variable compensation to members of the Supervisory Board of JSC JSCB “Lviv.”

Information regarding severance pay or compensation to be paid upon termination

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URL of the official website where the remuneration report is posted

https://banklviv.ua/about-bank/general-information?info_9=4

Remuneration paid and/or to be paid during the reporting period and/or for which a payment decision was made during the reporting period

	Amount of remuneration in national or foreign currency	Amount of the fixed portion of remuneration	Amount of the variable portion of remuneration
Executive body member/board 1			
Paid out	12,242,696	9,507,148	964,564
Executive body member/board 2			
Paid out	10,387,679	8,314,302	964,564

Remuneration paid and/or to be paid during the reporting period and/or for which a payment decision was made during the reporting period

	Amount of remuneration in national or foreign currency	Amount of the fixed portion of remuneration	Amount of the variable portion of remuneration
Executive body member/board 3			
Paid out	9,238,524	7,377,884	964,564
Executive body member/board 4			
Paid out	7,660,861	6,296,788	603,645
Executive body member/board 5			
Paid out	1,191,848	1,191,848	-
Executive body member/board 6			
Paid out	758,650	758,650	-
Executive body member/board 7			
Paid out	866,897	866,897	-
Executive body member/board 8			
Paid out	1,046,581	1,046,581	-
Executive body member/board 9			
Paid out	758,650	758,650	-

Part 15. Information required by law regarding activities and regulation in the financial services market

Assessment of environmental protection and social responsibility activities for the reporting period

1	Assessment of environmental protection and social responsibility activities for the reporting period:
	<p>In its daily operations, JSC JSCB “Lviv” adheres to a responsible policy of environmentally safe and long-term rational use of natural resources, strives to continuously reduce its negative impact on the environment, and to promote awareness of environmental items among its employees, customers, and suppliers through the implementation of consistent and environmentally responsible measures.</p> <p>The Bank primary impact on the environment occurs through the financing it provides to its clients and, consequently, through the impact of those clients’ activities on the environment.</p> <p>The Bank also impacts the environment in terms of energy and water consumption, the use of paper and other materials, transportation, waste generation, and services are provided by external suppliers and consumed by the Bank.</p>

	<p>The implementation of all aspects of the "Environmental Management Policy of PrJSC JSCB 'Lviv'" is carried out</p> <p>in accordance with the Bank Environmental Strategy, which is reviewed every three years or, if necessary, more frequently.</p>		
2	<p>Key risks and challenges regarding environmental protection and social responsibility, plans to address them, and their impact on the achievement of strategic goals:</p>		
	<table border="1"> <tr> <td data-bbox="252 443 635 790"> <p>1. List of environmental and social responsibility risks that affect individuals:</p> </td> <td data-bbox="635 443 1390 790"> <p>Risks related to the Bank environmental protection and social responsibility:</p> <ol style="list-style-type: none"> 1) assessment of environmental impact through evaluation of the Bank own CO2 emissions from operational activities; 2) assessment of the environmental and social risks of the Bank clients prior to making a financing decision, categorization of risks; 3) the Bank team own commitment to offsetting CO2 emissions from the Bank direct operations in the future by planting trees in the region. </td> </tr> </table>	<p>1. List of environmental and social responsibility risks that affect individuals:</p>	<p>Risks related to the Bank environmental protection and social responsibility:</p> <ol style="list-style-type: none"> 1) assessment of environmental impact through evaluation of the Bank own CO2 emissions from operational activities; 2) assessment of the environmental and social risks of the Bank clients prior to making a financing decision, categorization of risks; 3) the Bank team own commitment to offsetting CO2 emissions from the Bank direct operations in the future by planting trees in the region.
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	<table border="1"> <tr> <td data-bbox="252 790 635 2007"> <p>2. Measures planned or currently being implemented to minimize or eliminate each of the risks:</p> </td> <td data-bbox="635 790 1390 2007"> <p>JSC JSCB "Lviv" is actively working to improve its environmental and social performance and minimize its impact on the environment. The Bank has implemented an ESG management approach to better understand and optimize its own energy consumption and environmental impact. Environmental items are an integral part of the Risk Management System training for Bank employees.</p> <p>To minimize/eliminate risks, the Bank carries out:</p> <ol style="list-style-type: none"> 1) monitoring and assessing emission levels, with discussions of their volumes at the Supervisory Board level, and prioritizing energy-efficient equipment and technologies; 2) ensuring that loan applications are assessed for the categorization of environmental and social risks prior to a decision on client financing by the relevant Bank department through the implementation of procedures and policies using an eco-form; 3) Participation since 2020 in regional tree-planting events in the Lviv region. <p>The Bank has an ESG Manager responsible for monitoring ESG indicators and coordinating efforts aimed at achieving 10 strategic objectives.</p> <p>The Bank assesses the quality of its loan portfolio by economic activity type, based on established environmental and social criteria, for activities that may pose a potential threat to the environment. The Bank seeks to promote the development of economic activities that are as environmentally balanced as possible.</p> <p>The Supervisory Board and the Board of the Bank uphold a zero-tolerance policy regarding fraud and intentional misconduct by staff and mobilize the employees of JSC JSCB "Lviv" to act in the interests of the Bank, its owners (shareholders), and to ensure the preservation of entrusted resources and prevent abuse of rights and authority. Intentional actions by staff that violate ethical standards in customer service (e.g., rudeness,</p> </td> </tr> </table>	<p>2. Measures planned or currently being implemented to minimize or eliminate each of the risks:</p>	<p>JSC JSCB "Lviv" is actively working to improve its environmental and social performance and minimize its impact on the environment. The Bank has implemented an ESG management approach to better understand and optimize its own energy consumption and environmental impact. Environmental items are an integral part of the Risk Management System training for Bank employees.</p> <p>To minimize/eliminate risks, the Bank carries out:</p> <ol style="list-style-type: none"> 1) monitoring and assessing emission levels, with discussions of their volumes at the Supervisory Board level, and prioritizing energy-efficient equipment and technologies; 2) ensuring that loan applications are assessed for the categorization of environmental and social risks prior to a decision on client financing by the relevant Bank department through the implementation of procedures and policies using an eco-form; 3) Participation since 2020 in regional tree-planting events in the Lviv region. <p>The Bank has an ESG Manager responsible for monitoring ESG indicators and coordinating efforts aimed at achieving 10 strategic objectives.</p> <p>The Bank assesses the quality of its loan portfolio by economic activity type, based on established environmental and social criteria, for activities that may pose a potential threat to the environment. The Bank seeks to promote the development of economic activities that are as environmentally balanced as possible.</p> <p>The Supervisory Board and the Board of the Bank uphold a zero-tolerance policy regarding fraud and intentional misconduct by staff and mobilize the employees of JSC JSCB "Lviv" to act in the interests of the Bank, its owners (shareholders), and to ensure the preservation of entrusted resources and prevent abuse of rights and authority. Intentional actions by staff that violate ethical standards in customer service (e.g., rudeness,</p>
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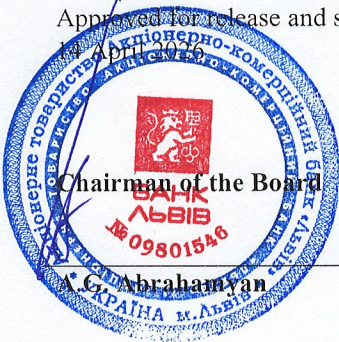
		<p>overly familiar behavior toward a customer, extortion, and bribery) are unacceptable. Such behavior contradicts the Code of Corporate Ethics of JSC JSCB "Lviv" and negatively affects the Bank reputation.</p> <p>The Bank declares zero tolerance for the risk of money laundering (legalization) of funds obtained by criminal means and the financing of terrorism, which means that the Bank considers any violations of legislation in the field of financial monitoring to be unacceptable.</p>
3	Key provisions of the policy on environmental protection and social responsibility:	
	List of environmental protection and social responsibility policies and a description of the items these policies are designed to address:	<p>The Bank key documents on environmental protection and social responsibility:</p> <ol style="list-style-type: none"> 1. "Procedure for Managing Environmental and Social Risks in Lending," approved by a resolution of the Management Board of PrJSC JSCB "Lviv" dated July 8, 2019 (Minutes of Meeting No. 29/2019). 2. "Environmental Management Policy," approved by a resolution of the Supervisory Board of PrJSC JSCB "Lviv" dated November 5, 2019. 3. "Sustainable Development Policy," approved by a resolution of the Supervisory Board of PrJSC JSCB "Lviv" dated September 3, 2024 (Minutes of Meeting No. 045/2024).
4	List of items and decisions adopted regarding environmental protection and social responsibility that were considered by the Board and the executive body:	
	1. List of items considered by the executive body and a summary of the decisions adopted:	The Bank Management Board reviewed and approved the 2024 sustainability report of JSC JSCB "Lviv" (at the level of the Committee on Sustainability and the Environment).
	2. List of items considered by the Board and a summary of the decisions adopted:	<p>The Supervisory Board of JSC JSCB "Lviv," at the level of the Committee on Sustainable Development and the Environment, considered items related to environmental protection and social responsibility:</p> <ol style="list-style-type: none"> 1) Review and approval of the 2024 sustainability report of JSC JSCB "Lviv." 2) Financing of JSC JSCB "Lviv" business investments to implement measures in the field of renewable energy. 3) Partnership projects of JSC JSCB "Lviv" on energy efficiency for small and medium-sized businesses.
5	List of key stakeholders affected by the individual activities, with an explanation of the nature of such impact:	
	<p>The following stakeholder groups have a significant impact on the activities of JSC JSCB "Lviv"</p> <ol style="list-style-type: none"> 1. The Bank shareholders. JSC JSCB "Lviv" is a joint-stock company and a financial institution whose purpose is to generate profit in the interests of its shareholders. The combination of commercial and socially responsible objectives obliges the Bank to take into account the interests of all shareholders of JSC JSCB "Lviv" in the most balanced manner possible. Close interaction with shareholders, as well as the observance and protection of their rights and legitimate interests, is an indispensable condition for increasing the Bank market capitalization. The Bank shareholder engagement system is designed to maintain informational 	

	<p>transparency in accordance with global best practices, expand available communication channels, and enhance the financial institution investment appeal.</p> <p>2. The Bank Clients. The consumers of JSC JSCB “Lviv” financial and non-financial products and services are corporate and retail clients. The Bank supports the development of large, medium, small and micro businesses. JSC JSCB “Lviv” serves as a financial institution for many enterprises and organizations seeking to fulfill their role in the country economic stability and development. The bank is guided by the growing needs of its clients and offers high-quality products, services, and the latest customer service technologies.</p> <p>3. Bank Employees. One of the core values of JSC JSCB “Lviv” is its workforce. Caring for employees is a key priority for the Bank, as they are the Bank primary asset; they interact directly with clients and shape the Bank reputation. In addition, the Bank employees ensure the implementation of JSC JSCB “Lviv” strategic goals and objectives.</p> <p>4. The Bank counterparties. JSC JSCB “Lviv” strives to build long-term relationships with its counterparties. The most important aspect of corporate social responsibility for the Bank is transparency in its relationships with counterparties, suppliers, and partners.</p> <p>5. The State (represented by the government authorities of Ukraine). JSC JSCB “Lviv” is a major taxpayer and a partner of the state in the implementation of significant projects and government programs.</p> <p>6. Regulatory Authorities. Regulatory authorities overseeing activities in capital markets, including JSC JSCB “Lviv” compliance with regulatory requirements, establish the fundamental principles governing the Bank operations and those of its management bodies.</p> <p>7. Residents of local communities in Ukraine where JSC JSCB “Lviv” has separate branches, as well as local government bodies and public organizations. The Bank is represented in Western and Central Ukraine and actively participates in social processes and the implementation of local socially significant projects and programs. In the regions where it operates, JSC JSCB “Lviv” actively cooperates with public organizations and local government bodies.</p> <p>8. Mass Media. Periodicals, radio, and television cover the activities of JSC JSCB “Lviv” in the media, facilitating effective communication with consumers of financial services and the dissemination of information necessary for the successful implementation of programs and projects, particularly in the areas of ESG and sustainable development.</p> <p>9. Capital market participants. JSC JSCB “Lviv” is a financial institution and is closely connected with capital market participants - other banks, financial sector companies, insurance companies, investment firms, and intermediaries (consultants, brokers, advisors). This cooperation enables the development of responsible financing practices and the effective realization of financial organizations’ potential to promote sustainable development.</p> <p>10. Associations and Professional Organizations. JSC JSCB “Lviv” is a member of numerous associations and is involved in the development and implementation of programs, projects, and initiatives. The Bank experts’ opinions are valued during decision-making.</p> <p>11. International organizations, particularly in the field of ESG and sustainable development. JSC JSCB “Lviv” takes a systematic approach to sustainable development, establishes uniform principles and approaches to activities in the field of sustainable development, and adheres to these approaches in all aspects of its operations: during strategic planning, during project implementation, and at all levels of management. The Bank ensures respect for human rights, inclusivity, diversity, and fair and equal treatment of all segments of the population in its operations.</p>
6	List of stakeholders who influence the achievement of the Bank strategic goals, with an explanation of the nature of such influence:
7	Key provisions of the policy on engagement with stakeholders, including shareholders/participants:

In implementing the provisions of the "Environmental Management Policy" and "Sustainable Development Policies," the Bank is guided by the following principles:

- 1) assessing the environmental risk of its clients as part of credit risk analysis, seeking to minimize environmental risk in its portfolio, and encouraging clients to address and minimize environmental risk;
- 2) the Bank participation in finding ways to reduce, reuse, and recycle materials and solid waste, as well as the Bank involvement in energy conservation and efficiency measures, and the ongoing search for opportunities to use energy from renewable sources;
- 3) the Bank involvement in measures to reduce environmental pollution; however, environmental pollution is permissible only if pollution prevention proves impossible.

Approved for release and signed



Chairman of the Board

A.C. Abrahamyan

V.Ya. Makovych
(032)232-36-40

Chief Accountant

M.M.Chypurko



Independent Auditors' Report

To the Shareholders of Joint-Stock Company Joint Stock Bank "Lviv"

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Joint-Stock Company Joint Stock Bank "Lviv" (the "Bank"), which comprise:

- the statement of financial position (balance sheet) as at 31 December 2025;
- the statement of profit or loss (income statement) for the year then ended;
- the statement of other comprehensive income for the year then ended;
- the statement of changes in equity (statement of equity) for the year then ended;
- the statement of cash flows by indirect method for the year then ended; and
- notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Law of Ukraine "On accounting and financial statements in Ukraine" on preparation of the financial statements.

Private Joint-Stock Company "KPMG Audit"

32/2 Kniaziv Ostrozkykh Str., Kyiv, Ukraine 01010
tel. +380 44 490 5507, fax +380 44 490 5508, kpmg.ua

PJSC "KPMG Audit", a company incorporated under the Laws of Ukraine, a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Registration No. 31032100 in the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations.

Registration No. 2397 in the Register of Auditors and Auditing Entities.



Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Bank in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Ukraine. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. Key audit partner and the audit firm remained independent of the Bank during the audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes the Bank's exposure arising from operating in a war-affected environment in Ukraine and management's assessment of the related uncertainties. As also stated in Note 1, these events or conditions, along with other matters as set forth in that Note, indicate that a material uncertainty exists that may cast significant doubt on the Bank's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section of our report, we have determined the following key audit matter:

Expected credit losses on loans and advances to customers

The net carrying amount of loans and advances to customers at amortised cost as at 31 December 2025: UAH 11,052,641 thousand.

Allowance for expected credit losses for loans and advances to customers as at 31 December 2025: UAH 124,657 thousand.

Refer to the Notes 2, 6, 11 and 26 to the financial statements.

Key audit matter	Our response
<p>For collectively assessed loans and advances to customers measured at amortised cost, the Bank estimates expected credit losses ("ECL") using IFRS 9 models incorporating exposure at default ("EAD"), probability of default ("PD") and loss given default ("LGD"), and forward-looking macroeconomic scenarios.</p>	<p>The following are the primary procedures we performed to address this key audit matter:</p> <ul style="list-style-type: none"> Models and parameters – evaluating whether the ECL models used by the Bank were consistent with the requirements of IFRS 9 and the Bank's accounting policy; testing key inputs used in determining PD and LGD parameters and independently recalculating selected models' outputs.

<p>For larger exposures with EAD above UAH 5 000 thousand, LGD is estimated individually based on the collateral securing the exposure.</p> <p>In the current war-affected economic environment, estimation uncertainty is heightened and the estimation of ECL involves significant judgement, particularly in:</p> <ul style="list-style-type: none"> • developing PD and LGD parameters based on historical default and recoveries and current portfolio characteristics; • determining forward-looking macroeconomic scenarios including selection of macroeconomic factors; and • identifying whether a significant increase in credit risk (“SICR”) or a default has occurred and determining the appropriate stage classification of exposures. <p>Due to the significance of the loan portfolio and the judgement involved in estimating ECL, we identified expected credit losses on loans and advances to customers as a key audit matter.</p>	<ul style="list-style-type: none"> • Macroeconomic scenarios (with our credit risk specialists) – assessing the reasonableness of the macroeconomic forecasts used in the ECL models and comparing them with external economic forecasts. • Staging assessment – evaluating the criteria used by the Bank to identify SICR and default and testing, on a sample basis, the consistent application of these criteria to loan exposures, including inspection of credit monitoring documentation. • Financial statements disclosures – assessing whether the related disclosures appropriately describe the methodology, key assumptions and estimation uncertainty associated with the Bank’s ECL calculations in accordance with the applicable financial reporting framework.
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Other Information

Management is responsible for the other information. The other information comprises:

- the Management Report and the Executive Report (for issuers of securities) as set out in separate reports prepared by management,
- additional information included to the Annual Information of the Issuer of Securities,

but does not include the financial statements and our auditors’ report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, unless and to the extent explicitly specified in our report.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and the requirements of the Law of Ukraine “*On accounting and financial statements in Ukraine*” on preparation of the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore



the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Pursuant to the Article 14(4) of the Law of Ukraine “*On audit of financial statements and auditing*”, the “*Instruction on the procedure for preparation and publication of financial statements of banks of Ukraine*” approved by the Decision of the Board of the National Bank of Ukraine (“NBU”) No. 373 dated 24 October 2011 (the “*Instruction No. 373*”), and the “*Regulation on the procedure for submission to the National Bank of Ukraine of the audit report based on the results of the annual audit of the financial statements of a bank, a banking group, and on conducting the audit of the financial statements of a participant of a banking group*” approved by the Decision of the Board of the NBU No. 90 dated 2 August 2018, we provide the following information in addition to that required by ISAs.

Appointment of the Auditor and Period of Engagement

We were appointed by the Supervisory Board of the Bank on 22 August 2023 to audit the financial statements of the Bank as at and for the year ended 31 December 2025. Our total uninterrupted period of audit engagements is six years.

Provision of Non-audit Services and Disclosure of Fee-related Information

We declare that no prohibited non-audit services referred to in the Article 6(4) of the Law of Ukraine “*On Audit of Financial Statements and Auditing*” were provided.

For the period to which our statutory audit relates, we and other KPMG network firms have not provided any other services to the Bank which are not disclosed in the Executive Report (for securities issuers) or in the financial statements.

Additional Report to the Audit Committee

We confirm that our auditors' report is consistent with the additional report to the Audit Committee.

Reporting on the Management Report and the Executive Report (for issuers of securities)

Solely based on the work we have performed in connection with our audit of the financial statements, in our opinion:

- the Management Report and the Executive Report (for issuers of securities) are consistent, in all material respects, with the financial statements;
- the Management Report contains the elements required by the Section IV of the Instruction No. 373;
- the Executive Report (for issuers of securities) contains the elements required by clauses 1-9 of Article 127(3) of the Law of Ukraine “*On Capital Markets and Organized Commodity Markets*”.

If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report and the Executive Report (for issuers of securities), we are required to report that fact. We have nothing to report in this regard.

Reporting on the requirements of the NBU

Our audit was performed to express an opinion on the financial statements as a whole. In planning the scope of our audit procedures, we did not seek to obtain audit evidence to express an opinion on individual components of the financial statements and, accordingly, we do not express such an opinion.

We also did not perform procedures to express an opinion on the effectiveness of internal control, internal audit, or other internal processes and procedures and, accordingly, we do not express such an opinion.

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed procedures to consider compliance with certain requirements of the regulatory legal acts of the NBU, where non-compliance could have a direct and material effect on the amounts recognised in the financial statements. Providing a separate opinion on compliance with these requirements was not an objective of our audit and, accordingly, we do not express such an opinion.

For the purpose described above, the following matters, among others, were considered in designing our audit procedures:

- the presentation of the maturity distribution of assets and liabilities as at 1 January 2026 (closing balance as at 31 December 2025) reported in the statistical reporting form A7X “*Data on assets and liabilities’ maturity structure*”;
- the Bank’s compliance with the requirements established by the regulatory legal acts of the NBU for:
 - organisation of internal control;
 - organisation of internal audit;
 - determining the amount of credit risk for active banking operations;
 - identification of persons related to the Bank and conducting transactions with them;
 - adequacy of the Bank’s capital; and
 - the Bank’s compliance with the accounting requirements applicable to banks.

Based on the procedures performed for the purpose described above:

- We did not identify matters indicating that the maturity distribution of assets and liabilities as at 1 January 2026 (closing balance as at 31 December 2025) is not appropriately presented, in all material respects, in the statistical reporting form A7X “*Data on assets and liabilities’ maturity structure*”.
- We did not identify instances of non-compliance with the NBU requirements relating to the matters listed above that could have a direct and material effect on the amounts recognised in the financial statements.

The engagement partner on the audit resulting in this independent auditors’ report is:



Oleksandr Gavryluk
Registration No. 101470 in the Register of Auditors and Auditing Entities
Deputy Director

PJSC “KPMG Audit”

14 April 2026

Kyiv, Ukraine