

# REPORT

**ON THE  
MANAGEMENT OF  
THE JOINT-STOCK  
LIMITED COMPANY  
'UKRPOSHTA'  
FOR 2025**



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# 1. Information about the Company (organisational structure and description of the company's activities)

Joint-Stock Company “Ukrposhta” (hereinafter referred to as “Ukrposhta”, or “the Company”, or “the Corporation”) is a business entity, 100% of whose shares are owned by the State of Ukraine. The Ministry of Development of Communities and Territories of Ukraine exercises the State’s corporate rights in relation to the Corporation. The Company is the legal successor to the Ukrainian State Postal Service ‘Ukrposhta’, registered on 15 December 1993. In March 2017, as a result of corporatisation, Ukrposhta was transformed into a public joint-stock company, and in 2018, a change in the company’s legal form from a public to a private joint-stock company was registered. As of the present date, the Company’s shares are not listed on international or national stock exchanges.

The Company’s mission is to provide modern postal and financial services throughout Ukraine and to ensure international postal exchange in relations with the 192 member countries of the Universal Postal Union (UPU). The objective of the Company’s activities is to generate profit from its business operations by providing postal services. At the same time, the state has entrusted the Company with a number of social obligations, in particular, the provision of universal postal services, the delivery of pensions and social benefits, ensuring the accessibility of financial services, and the distribution of subscription-based periodicals throughout Ukraine.

The Company’s main activity is the provision of universal postal services and other related services to the public, state and municipal institutions and organisations, and business entities, namely:

- postal services (the delivery of letters and parcels within Ukraine and abroad);
- payment and delivery of pensions and other social benefits to citizens;
- financial services (acceptance of payments, including for utility services; transfer of money remittances within Ukraine and payout of international postal money orders);
- distribution of periodical print media (subscription processing and delivery of periodical print media);
- trade in goods (including where the Company acts as a commercial intermediary and sells products belonging to other parties) and other services.

As the designated postal operator, the Company represents the State of Ukraine in the Universal Postal Union and has been a permanent member of the UPU since 1947.

Ukrposhta’s organisational structure is organised by functional areas, ensuring the achievement of its strategic objectives.

### **Today, Ukrposhta comprises:**

- 7,211 customer service outlets, including 2,032 mobile post offices, of which 1,854 are operational, serving 20,173 settlements;
- An average headcount of 27,835 full-time employees for 2025;
- In 2025, JSC 'Ukrposhta' handled 82.2 million items of domestic and international correspondence, 43.4 million parcels, and processed 87.2 million payments.

## **2. Results of the Company's operations**

More than four years have passed since the start of the Russian Federation's full-scale military invasion of Ukraine on 24 February 2022. During this time, martial law has been in force in Ukraine, accompanied by restrictions that have significantly impacted the economic environment and opportunities for conducting business activities in Ukraine. Due to the military actions, the Company has temporarily lost control of approximately 14% of its post offices, mostly in the temporarily occupied areas of the Luhansk, Donetsk, Kherson and Zaporizhzhia regions and in territories subject to potential or active hostilities (certain areas of the Sumy, Kharkiv and Dnipropetrovsk regions).

In 2025, the Company reported a net loss of UAH 206.6 million, failing to achieve its goal of breaking even. The main factors contributing to the loss in 2025 were:

- accelerated outflow of pensioners and a corresponding decline in other traditional services (payments, letters, periodicals);
- failure to meet growth targets for domestic parcels;
- downturn in international business (due to a stronger hryvnia against foreign currencies, the imposition of U.S. customs duties on postal flows, and gradual consolidation of import shipments);
- delays in property sales due to late approval from the shareholder.

Ukrposhta partially offset these challenges through personnel cost optimization and other expense reductions, but this was insufficient to reach profitability, as most of the Company's expenses are fixed.

At the same time, Ukrposhta halved its net loss compared to 2024 and continues to generate positive operating profit at the EBITDA level (UAH 503 million versus UAH 472 million in 2024).

<b>Indicator, UAH million</b>	<b>2024</b>	<b>2025</b>	<b>Change, %</b>
Net revenue	12 978,0	13 118,4	101
EBITDA	472,1	503,2	107
Net financial result	(413,2)	(206,6)	n/a

Positive operating profitability allows the Company to service its debt obligations on time and comply with all financial covenants under these credit agreements.

As of December 31, 2025, the Company's net assets reached UAH 2.2 billion, enabling compliance with the updated regulatory requirements for regulatory capital adequacy.

Throughout 2025, the Company paid UAH 3.6 billion in taxes, fees, and mandatory contributions, which is UAH 0.5 billion more than in 2024. JSC "Ukrposhta" has no outstanding debts to the state budgets or government-targeted funds.

To improve customer service, **new services were introduced in 2025.**

Ukrposhta began delivering PrivatBank bank cards to Slovenia, the USA and Switzerland. In 2024, card delivery was free for all customers who reissued an existing payment card or opened a new digital card via reissuance in Privat24.

In 2025, Ukrposhta received over 56,600 bank cards from Ukrainian banks for delivery abroad.

The designated operator Ukrposhta and the Ministry of Foreign Affairs of Ukraine signed a memorandum of cooperation and announced the launch of an updated service for the worldwide delivery of documents, primarily foreign passports, for which Ukrainian citizens had requested reissues. Using QR code-enabled electronic stamp technology, citizens of Ukraine living abroad could pay for the delivery of their foreign passports via their personal account on the Ukrposhta website. The flat-rate delivery fee to any country in the world was just 6 US dollars plus 16 UAH VAT. This initiative significantly streamlined the process for Ukrainian citizens to obtain passport documents abroad via . The prompt and timely delivery of these documents to applicants is of particular importance under martial law.

Thanks to this collaboration, in 2025, 2,233 foreign passports were accepted by the Ministry of Foreign Affairs of Ukraine and delivered abroad.

Ukrposhta has joined the government's strategy to support Ukrainian businesses, 'Made in Ukraine'. 'Made in Ukraine' is a new government economic strategy aimed at increasing the share of manufacturing enterprises in the country's GDP. As part of an information campaign, Ukrposhta specialists launched a series of webinars for Ukrainian entrepreneurs, explaining how to obtain grant funding for businesses, how to develop their businesses on international marketplaces, how to secure state support, and more.

In 2025, based on the E-Export School project, which Ukrposhta launched eight years ago, four series of projects were organised:

1. As part of the Sustainable Business Platform. The United Nations Development Programme (UNDP) Academy in Ukraine, with the support of the Government of Japan, held free in-person E-Export Intensive events in Lviv and Kyiv to help veterans, internally displaced persons and start-up entrepreneurs launch and develop their businesses on international trading platforms such as eBay, Etsy and Shopify;

2. A free online course on product analytics for Etsy, Amazon, Shopify and eBay was organised, comprising seven free webinars for entrepreneurs interested in expanding abroad;

3. As part of the E-Export School, 10 webinars featuring experienced entrepreneurs sharing their experiences of entering international marketplaces were recorded and made available to watch for free on Ukrposhta's YouTube channel;

4. Ukrposhta, in partnership with Payoneer, organised two training workshops in Kyiv. The events were designed to help Ukrainian entrepreneurs develop international sales, strengthen their brands' presence on global online platforms and work more effectively with foreign customers.

Ukrainians are keen to develop exports: 20,300 subscribers to Ukrposhta's YouTube channel, 27,765 registered for E-Export School projects, with each participant registering for an average of four events.

The pilot project 'Ukrposhta. Pharmacy', launched in 2023, now covers not only the Donetsk region but also the entire Sumy, Zaporizhzhia, Mykolaiv, Kharkiv, Kherson and Chernihiv regions. Having obtained licences for the retail and online retail sale of medicines, the company has already begun accepting orders and delivering them to customers.

Ukrposhta continues to implement **charitable and social initiatives**.

2025 has been yet another year of the Ukrainian people's struggle against Russian aggression and yet another year of wartime postage stamp issues.

Since the start of Russia's full-scale invasion, Ukrainian philately has taken on new significance. Postage stamps have become part of the nation's communication with the world, a language of symbols through which Ukraine tells of its struggle, pain and losses, and at the same time of its resilience and hope. That is why the vast majority of 2025's postal issues were dedicated to the theme of Ukraine's struggle against Russian aggression — from the heroism of the military and the tragedy of the occupation to international solidarity and the resilience of Ukrainian society.

Ukrposhta kicked off the philatelic year 2025 with an ambitious and inspiring stamp issue, 'I'm Fine'. The stamp design recreates the installation of the same name, presented by Ukrainian artists in 2024 at the Burning Man international contemporary art festival in the USA. The monumental sculpture was created from bullet-riddled road signs, fragments of solar panels, satellite dishes, damaged fences and other pieces of destroyed civilian infrastructure. Through art, the creators conveyed the paradoxical state of Ukrainians during wartime — when the question 'How are you?' is often met with a restrained and brief 'I'm fine', reflecting the resilience and inner strength of the Ukrainian people even in the most difficult moments of history.

In 2025, the tragic stamp series dedicated to the anniversaries of Russia's full-scale war against Ukraine was forced to continue. The fourth issue in the series was the 'By Sword and Will' stamp block, on which the artist Oleg Shuplyak depicted Ukraine as a force of light opposing imperial evil.

A technological breakthrough in the issue of Ukrainian postage stamps was the 'City of Heroes. Mariupol' stamps, coated with steel particles from the Azovstal steelworks, which became a symbol of the heroic resistance of Ukrainian defenders during the city's defence in 2022. The unique technology used on the stamps was provided by the French company Cartor Security Printers.

Following the results of the nationwide vote for Ukraine's Main Postage Stamp of 2025, first place went to the issue "SBU Special Operation 'Spider's Web'", presented by Ukrposhta to mark the 34th anniversary of Ukraine's independence. The stamp is dedicated to one of the boldest special operations of modern warfare, which resulted in the destruction of dozens of Russian Federation strategic aircraft. This issue symbolises the precision, composure and technical mastery of the Ukrainian special services — traits that have become an integral part of the Ukrainian resistance.

Second place in the vote went to the postage block 'Ukrainian Folk Costumes. Kursk Region. Belgorod Region. Kuban'. Its concept aims to restore the historical truth about the Ukrainian cultural presence in territories where Ukrainian ethnographic traditions have been formed over the centuries.

Honourable third place went to the charity postage stamp "In Honour of Infantry Day. Salt of the Earth". Proceeds from its sale were directed towards supporting projects to reconstruct the faces of Ukrainian defenders who suffered severe mine and explosive injuries during combat operations.

In 2025, Ukrposhta's charitable initiatives were not limited to a single issue. The "The Next Golden Ball Is Yours!" postage block combined philately and sport. It was dedicated to the legends of Ukrainian football — Oleg Blokhin, Andriy Shevchenko and Ihor Belanov, who in their time won the most prestigious football award, the Golden Ball. The issue had a charitable purpose: part of the proceeds from its sale went towards the development of children's and youth football as part of the 'Talantikos' project.

The philatelic year traditionally concluded with a Christmas issue. The 'Christmas Angel' postage stamp, depicted soaring above the bell tower of St Sophia's Cathedral, provided a fitting finale to the philatelic year, becoming a symbol of faith, light and hope with which Ukrainians welcome the New Year, even in times of war.

Every year, the Universal Postal Union conducts the ['UPU Integrated Index for Postal Development'](#) (2IPD)

**Designated operators** from the three regions that have made the most dynamic progress receive the **Rising Star** award.

During the 28th Congress of the Universal Postal Union (UPU), held in Dubai (UAE) in September 2025, three countries received the **Rising Star** award: Sri Lanka, Ukraine and Uruguay.

**Ukraine** received this award for demonstrating high performance in wartime conditions in the following areas:

- **Reliability** (90.1): on-time delivery of >90% of items thanks to process automation and the use of mobile post offices.
- **International reach** (88.6): new routes and high-quality data exchange – access to export channels for thousands of small and medium-sized businesses.
- **Market relevance** (53.7): delivery of pensions in frontline and rural areas, growth in the share of domestic e-commerce, and financial and digital inclusion in communities without access to banking services (*this figure would be higher if Ukrposhta held a banking licence*).
- **Resilience** (88.1): ensuring the uninterrupted operation of the postal network despite power cuts and shelling.

The Universal Postal Union noted Ukraine's **overall Postal Development Level (PDL)** and acknowledged that the country's designated operator is close to reaching its maximum potential. It has a positive impact on economic development by leveraging its strengths and mitigating the effects of any remaining shortcomings.

During the Congress, elections were held to the Union's governing bodies: the Administrative Council and the Postal Operations Council.

Ukrposhta actively worked on strengthening Ukraine's international image within the global postal community, which positively reflected in the results of the elections to the governing bodies of the Universal Postal Union (UPU).

As a result of all these proceedings, Ukraine was elected to both governing bodies and received the highest number of votes in its geographical group: **98 for the Administrative Council** and **110 for the Postal Operations Council**.

In addition, Ukraine was elected **Vice-Chair of the Administrative Council** from geographical group 2.

**In 2025, Ukrposhta strengthened its cooperation with international partners**, including DHL Global Forwarding (UK), ECS Group, APG, LOT, Lufthansa and airBaltic. The transit time for export postal items to Europe, the USA, Canada, Latin America and Australia was significantly reduced. In total, in 2025, JSC 'Ukrposhta' utilised 155 routes for the delivery of international closed dispatches worldwide. The average end-to-end delivery time for mail to the USA was reduced by 14%, from an average of 14 to 12 days.

In 2025, the quality of delivery for international inbound (import) items was improved. Together with key international partners (e-commerce platforms and transit partners), Ukrposhta managed to significantly speed up and optimise the process of delivering goods in international postal items from Asia and their transit through key hubs in Europe. As a result of refining the integration with customs, a paperless (electronic) customs clearance process was achieved for 100% of international shipments. Moreover, over 97% of inbound shipments are processed 'in one go', and for 70% of international shipments, Ukrposhta receives a decision from customs in less than three hours.

These improvements, together with the completion of the automation process for all Ukrposhta sorting facilities, have enabled the total delivery time (end-to-end, from the moment of ordering on the website to the post office in Ukraine) for key commercial partners (Aliexpress, Temu) to be reduced to 9–12 days, with the entire process of customs clearance, sorting and delivery ( ) across Ukraine completed within 3 days for over 80% of shipments. Furthermore, in 2025, the new 'Kyiv-Lyviy' international terminal was opened, significantly expanding capacity and making the process of receiving and processing incoming international shipments more flexible.

In November 2025, Ukrposhta became the key operator for the payment of state aid amounting to 1,000 UAH ("Winter e-Support" program).

The company ensured the delivery of funds to pensioners and people with disabilities who receive payments by post, and also accepted written applications at branches from those who do not use the 'Diya' app.

The company's infrastructure was in a state of significant disrepair. However, between 2016 and 2025, Ukrposhta has been continuously implementing **large-scale infrastructure modernisation projects and initiatives to improve the operational efficiency of its business**

**processes.** In particular, projects to modernise and rebrand the Company's branches, automate the sorting infrastructure, standardise and replace the ageing vehicle fleet, and improve the provision of computer equipment to staff whilst simultaneously automating processes and implementing modern IT systems.

Ukrposhta is renewing its vehicle fleet using EBRD loan funds: in 2025, the fleet was expanded with 160 new MAN and Iveco vehicles. 100 MAN vehicles (5 tonnes) are intended for inter-regional transport, restoring logistics links between transport hubs damaged by the war, whilst 60 Iveco vehicles (20 tonnes) are for large-scale inter-regional transport.

This is a continuation of the large-scale modernisation programme that began last year: at that time, Ukrposhta received 250 Citroën Jumpers. Some of these vehicles were converted into mobile branches operating in frontline communities where permanent offices have been destroyed or are unsafe to operate. Thanks to their manoeuvrability, the company has optimised routes, reduced delivery times, and also compensated for some of the vehicles lost due to shelling in frontline areas.

Ukrposhta has fully completed the automation of its sorting facilities. From now on, 100% of parcels in the country will be processed on robotic lines, ensuring a technological leap in the speed of processing and delivery.

The new sorting lines will increase sorting speed and accuracy eightfold, meaning that parcels can be delivered between major cities and regional centres in Ukraine as early as the day after dispatch. Thanks to this modernisation, Ukrposhta can now process up to two million items per day, with a processing speed of up to five parcels per second.

Investment in the modernisation amounted to one billion hryvnias of the company's own funds. All sorting centres are equipped with the latest equipment and software produced in Ukraine by UIS.

Currently, fully automated lines are operating at seven key hubs: Kyiv-Right, Kyiv-Left, Odesa, Kharkiv, Khmelnytskyi, Lviv and Dnipro, as well as at 17 logistics centres across Ukraine, where semi-automated lines are in use.

All sorting centres are equipped with powerful industrial generators, ensuring uninterrupted operation even in the absence of a power supply.

Along with the launch of automated lines, Ukrposhta has introduced a new logistics model. Optimising routes between terminals, logistics centres and depots allows for reduced delivery times: initially between regional centres and major cities — as early as the next day — and subsequently to every corner of Ukraine.

#### **Key areas of capital investment utilization in 2025:**

1) Measures: Purchase of vehicles.

Impact: Replacement of obsolete vehicles, creation of conditions to improve the quality and efficiency of postal transport, increase in postal volumes, reduction in operating costs.

Investment, million UAH: 821.3.

2) Measures: Establishment of unified operational centres.

Effect: Increased throughput, optimisation of staffing levels, improved working conditions and enhanced service quality.

Investment, million UAH: 231.6.

3) Measures: Postal and mail-processing equipment.

Effect: Ensuring maximum reduction in the time taken to sort postal items and reducing labour costs.

Investment, million UAH: 62.9.

4) Measures: Purchase of equipment to open new branches, refurbish existing ones and further automate operations.

Effect: Expanding the network of postal service facilities and creating conditions for improving the quality and efficiency of operations.

Investment, million UAH: 51.0.

5) Measures: Purchase of software (ERP, CRM, New Front).

Effect: Automation of all point-of-sale functions to ensure their accounting, control, rapid staff adaptation and quality of customer service; organisation of a unified accounting system.

Investment, million UAH: 32.1.

6) Measures: Replacement of obsolete IT equipment.

Effect: Minimisation of IT equipment downtime and losses, reduction in operational time (including time spent on customer service), improvement in the level of IT services, ensuring PC information security, the ability to use modern software, standardisation of workstations, and enhancement of the company's image.

Investment, million UAH: 9.4.

7) Measures: Major refurbishment of postal facilities.

Impact: Reduction in operating costs, improvement in the quality and accessibility of postal services, increase in the company's revenue and improvement in working conditions.

Investments, UAH million: 3.1.

The actual volume of capital investments utilised in 2025 amounts to UAH 1,211.4 million. Investment activities during 2025 were carried out using the company's own funds and borrowed funds.

The company was one of the first state-owned enterprises to start leasing property through 'ProZorro.Sales'. Following the results of electronic auctions, the Company leased non-residential premises with a total area of 74,760 m<sup>2</sup> to third-party organisations of various forms of ownership, comprising 1,060 properties, in accordance with the concluded lease agreements. The total rent under the aforementioned agreements amounted to 112,967,000 UAH excluding VAT.

Also, through 'ProZorro.Sales' in 2025, Ukrposhta disposed of (sold) 9 properties with a total area of 3,070.6 m<sup>2</sup>. The proceeds from the sale amounted to UAH 183,400 excluding VAT.

In addition, the Company received 4,930 properties from third-party organisations for the temporary lease of non-residential premises with a total area of 351,678 m<sup>2</sup>.

### 3. Liquidity and liabilities

The current financial position of JSC "Ukrposhta" and its operational plans for 2026 will allow it to maintain a sufficient liquidity buffer to fund its investment program and repay its loans.

The Company's largest creditor is the European Bank for Reconstruction and Development (EBRD).

Cash and non-cash changes related to this loan are shown below:

<i>UAH million</i>	<b>2025</b>	<b>2024</b>
<b>Opening balance as of January 1</b>	<b>1 099</b>	<b>1 008</b>
<b>Cash flows</b>		
Interest payments	(59)	(64)
Loan repayments	(342)	(232)
Funds received	773	302
<b>Non-cash flows</b>		
Amortization of discount (premium)	(16)	(21)
Interest accrued during the period	57	64
Exchange rate-related expenses accrued during the period	168	43
<b>Closing balance as of December 31</b>	<b>1 680</b>	<b>1 099</b>

## 4. Environmental aspects

As part of a comprehensive approach to energy conservation, the Company is progressively implementing an analytical programme to calculate energy consumption by its property assets: monitoring, analysis, development of organisational and technical measures, and implementation.

In 2025, automatic and semi-automatic monitoring of the operation and management of high-power generators (16 kW and above) was introduced. A system for monitoring and analysing the operation of small generators within the Company's network was implemented.

In 2025, the company implemented enhancements to the ERP software (IT\_Enterprise) with the aim of introducing, based on this platform, the 'Energy Management' module, which addressed energy efficiency and energy savings in relation to all the Company's facilities, and the allocation of these across EIS codes.

The consumption of key energy products, such as natural gas, by the Company's facilities is recorded in the IT systems of the "Information Platform of JSC Ukrtransgaz" and LLC "Gas Transmission System Operator of Ukraine" on a daily basis, whilst electricity consumption is recorded on a monthly basis.

The Company has submitted an application to the State Agency for Energy Efficiency and Energy Saving of Ukraine for the installation of photovoltaic modules at the Company's logistics centres.

Inverter storage systems have been installed at some of the Company's facilities, enabling electricity to be stored whilst connected to the grid and released during power cuts, thereby reducing the use of generators to power the Company's facilities.

At some of the Company's facilities, solid-fuel stoves have been replaced with economical 'Webasto' diesel heaters, which has reduced harmful emissions in the urban agglomeration.

Despite the challenges of managing operations during the war, the Company has banned the use of fluorescent lamps since 2024 and has switched to LED lighting in all production and office premises across its facilities. Heating of the Company's facilities during the autumn–winter period takes place without the use of coal or fuel oil. At those facilities where it is impossible to implement heating without the use of solid fuel, the Company uses energy-efficient fuel briquettes, which are far superior in terms of efficiency and emissions compared to ordinary firewood.

When implementing modern logistics centres, the use of energy-saving technologies is planned, in particular energy recovery, alternative renewable energy sources and energy-efficient equipment for lighting and maintaining indoor air quality. **In accordance with European standards on the conservation of natural resources, the company does not use materials containing asbestos during the construction process or as building materials, and minimises the use of timber as a building material.**

## 5. Social aspects and human resources policy

As at 31 December 2025, the Company's registered headcount stood at 29,152. The average headcount for 2025 was 27,835. In the Company's gender breakdown, the proportion of women (72%, or 20,945 people) exceeds that of men (28%, or 8,207 people), which is due to the nature of the production activities. The Company's senior management includes 11 women, accounting for 33% of its total composition.

Of the total number of permanent staff in 2025, administrative and managerial staff accounted for 8%, and production staff for 92%. Of the total production staff, 21.7% were post office managers,

14.6% were post office operators, and 19.8% were postmen.

The average age of the Company's staff is 48.8 years, for administrative and managerial staff — 44.9 years, and for operational staff — 49.1 years. In 2025, the staff turnover rate across the Company as a whole stood at 37.5%.

In 2025, Ukrposhta had approximately 15 regulations in place regarding the motivation of employees in various staff groups based on performance outcomes, depending on the functions performed.

At the same time, management staff are incentivised for meeting key performance indicators ( ).

At the same time, one-off incentives are provided to employees for the completion of particularly important tasks, which have become a significant component during a period when employees have to work under martial law. Payments in the form of financial assistance continue, linked to the consequences of the hostilities.

In 2025, 23,758 employees underwent training, retraining and professional development (through face-to-face and online learning), of whom:

- 6,445 employees were trained, retrained and taught other professions in the workplace, including 1,700 postal operators. 2,605 mentors were involved in the training process for newly recruited employees; they underwent 'Effective Mentoring' training and received post-training support. 2,605 mentors conducted 15,128 training sessions for 6,420 company employees who successfully passed their vocational training assessment.

- 17,791 employees enhanced their qualifications through internal and external training activities.

478 company employees took part in external training and development events (courses, webinars, conferences, summits, festivals, etc.). The training covered topics such as corporate culture within the company, public procurement, the organisation and maintenance of military records for conscripts, those liable for military service and reservists at enterprises of all forms of ownership, the new IFRS 18: Presentation and Disclosure of Information in Financial Statements, risk management, etc. In particular, 273 employees of the Company underwent compulsory training on occupational health and safety, the handling of firearms and ammunition, conducting target practice, and the assignment of electrical safety clearance groups. Furthermore, with a view to enhancing their professional skills, 25 employees of the Company underwent certification.

Internal training sessions and masterclasses were held for 17,313 employees on effective mentoring, communication, team management, management skills, negotiation, service standards and quality service, customer communication and conflict management, product knowledge, service design and sales, effective sales and the art of customer engagement, employee actions in emergency situations during martial law, self-help and first aid in crisis situations, and mental health.

Over 30,000 employees have been covered by distance learning, comprising around 110 distance learning sessions, covering approximately 650,000 participant-hours. The main target audience comprises staff at all post offices, new recruits, administrative staff, logistics terminal specialists and technical staff. Through interactive training, they learnt about Ukrposhta's products and services, financial monitoring requirements, first aid procedures, fire safety and occupational health and safety regulations, protocols for responding to aviation threats or artillery fire, the basics of mental health, the development of soft and hard skills, internal company policies, and more. They also practised practical skills in using software products with the help of remote simulators.

In 2025, work placements were organised and carried out in departments for 513 students (2nd–3rd year), including from the following educational institutions: Kyiv Vocational College of Communications, Kyiv Professional College with Enhanced Military and Physical Training, Dnipro Higher Vocational School, Ternopil Centre for Vocational and Technical Education, Kropyvnytskyi Higher Vocational School, Kyiv Professional College of Civil Engineering, and others.

Work placements were organised for 26 higher education students at JSC 'Ukrposhta' (Kyiv National Economic University named after V. Hetman, National Transport University, Ternopil National Technical University, Kyiv Aviation Institute State University, Taras Shevchenko National University of Kyiv, Kyiv Vocational College of Computer Technologies and Economics, and others).

Regular visits were made to educational institutions, meetings were held with students, and presentations on careers at JSC “Ukrposhta” were conducted, among other activities.

During 2025, 56 graduates from educational institutions were employed by the HR Department of JSC ‘Ukrposhta’.

## 6. Occupational safety

To ensure fire safety and civil protection at Ukrposhta JSC’s postal facilities, a range of organisational and engineering-technical measures were implemented, namely:

- two modular, rapidly deployable civil defence shelters were purchased and installed to provide cover for the Company’s employees, at a total cost of 1,998,300 UAH (excluding VAT);
- Maintenance was carried out on 10,000 fire extinguishers for a total of 690,000 UAH (excluding VAT);
- 544 fire extinguisher brackets and stands were purchased for a total of 21,810 UAH (excluding VAT);
- 2,311 items of printed materials were purchased, including magazines, safety signs and civil defence stands, as well as brackets and stands for fire extinguishers, totalling 32.98 thousand UAH (excluding VAT);
- Monthly maintenance was organised for 152 fire protection systems located at the Company’s postal facilities.

In collaboration with the Department of Recruitment, Onboarding, and Personnel Development, distance learning and knowledge assessments were organised for the Company’s employees under the Training Programme for Officials on Fire Safety at JSC ‘Ukrposhta’ and the Special Training Programme (basic fire safety and technical training) for JSC “Ukrposhta” employees engaged in work involving increased fire risk, followed by the preparation of knowledge assessment reports and the issuance of certificates upon successful completion of the assessment. As of the end of December 2025, 4,500 people had received such certificates. Thanks to the programmes agreed with the State Emergency Service of Ukraine, the Company was able to conduct training using its own resources without involving specialist organisations. The average market cost of training per person in 2025 was 700 UAH, which resulted in savings of over 3 million UAH for the Company’s budget.

Throughout 2025, training sessions involving practical exercises in the use of fire extinguishers were held at the Company’s facilities, with 875 employees taking part.

In addition, to raise the Company’s employees’ awareness of fire safety and civil protection issues, nine e-learning courses were developed/updated and published on the ‘Poshtovh’ educational platform.

Compared to the previous year, the number of fires at postal facilities decreased by 35%

378 inspections of civil defence shelters owned by the Company were carried out (252 by the Company’s own staff, and 126 comprehensive and unscheduled inspections involving representatives of state authorities). Based on the results of these inspections, reports assessing the state of readiness of civil defence structures were drawn up, and corrective measures were developed.

In addition, active work was carried out on reviewing court case materials relating to claims filed by the State Emergency Service (SES) seeking to suspend operations at certain Company facilities. As a result, a number of violations cited in the claims were resolved, and expenditure on fire protection for the Company’s facilities was minimised by over 2 million UAH.

Throughout the year, specialists directly carried out preventive measures on civil protection and fire safety, aimed at preventing the occurrence of hazardous incidents and emergencies at postal facilities. Work was also carried out on the development (updating) of regulatory documents on fire safety and civil protection.

JSC “Ukrposhta” conducts its activities and builds its strategy based on the principles of

sustainable and socially responsible business development, paying particular attention to employee safety both in day-to-day operations and in strategic planning. At the same time, work to enhance the protection of people is an ongoing process, and the Company makes every effort to improve it. The Company strives not only to comply with legal requirements but also to take additional measures necessary to reduce potential risks.

JSC “Ukrposhta” was named Leader of the Year for implementing a risk management system under martial law, according to the scientific and industrial journal “Occupational Safety”.

Throughout 2025, the Company continued to pursue its strategic objectives in the field of occupational health and safety, adapting processes to the conditions of martial law and focusing on digitalisation and the minimisation of occupational risks.

As of the reporting period, 100% of the annual action plan had been completed, which significantly improved safety indicators: the total recordable injury frequency rate (TRIfR) fell to 0.09542, and the lost-time injury frequency rate (LTIfR) fell by 48% compared to 2024 figures.

With the aim of improving industrial safety and responding to current threats, a range of organisational and technical measures were implemented, namely:

- a risk management system was introduced, under which 31 risks were recorded and analysed (71% classified as ‘acceptable’); measures were developed and implemented to minimise new threats, including the risks of attack by enemy drones and dog bites (the ‘Dog Paw’ programme, provision of pepper spray to employees);

- processes have been digitised through the automation of mandatory medical examination records in the corporate ERP system and the introduction of remote monitoring of compliance with health and safety requirements;

- An Occupational Health and Safety Department has been established with an updated structure, staffing and regulatory framework;

- Units in frontline regions were supplied with tactical first-aid kits and personal protective equipment;

- A remote employee onboarding scheme and a remote safety monitoring system were introduced.

Staff training and social support have become key areas of focus. Induction training has been improved through the creation of a training video, remote training courses and testing on occupational health and safety regulations have been introduced, and a draft Policy on Psychosocial Support for Employees during Wartime and the Post-War Period has been developed. Specialised training was organised on mine safety and the provision of first aid for employees in high-risk areas. In addition, continuous medical monitoring of the health of employees in high-risk groups was ensured, and the safe operation of racking equipment at logistics facilities was organised.

The recognition of JSC ‘Ukrposhta’ as the ‘Leader of the Year’ for implementing a risk management system under martial law, as named by the magazine ‘Occupational Safety’, served as the key indicator of the effectiveness of the chosen strategy. In 2025, the Company managed not only to adapt its safety system to the critical challenges of the modern era, but also to achieve a significant reduction in workplace injury rates: the LTIfR rate fell by 48%.

## **7. Compliance and Anti-Corruption Activities**

Throughout 2025, the Company’s compliance function continued to develop consistently, strengthening its role as a key element of the corporate governance system. The main focus was on building a professional team of compliance specialists and fully integrating them into the Company’s management processes. This included defining roles and responsibilities, establishing a clear reporting

structure and mechanisms for interaction with the Company's organisational units.

The activities of the compliance function in 2025 were aimed at further strengthening the corporate culture of integrity. To this end, a range of measures was implemented to raise employee awareness: regular training modules, themed webinars and interactive courses on the internal 'Poshtovh' platform. The use of this platform ensured high staff engagement, standardised training programmes and enabled the tracking of progress in knowledge acquisition. As a result, a significant proportion of employees acquired practical skills in identifying compliance risks and taking action in the event of violations.

Throughout 2025, the Company's Anti-Corruption Programme was implemented to a satisfactory standard. Furthermore, in 2025, the compliance function laid the groundwork for close integration with the Company's ESG strategy and adherence to the benchmarks set by the Universal Postal Union, aimed at ensuring sustainable development, improving energy efficiency, further ensuring the accessibility and inclusivity of services, staff development, ensuring financial inclusion, including digital financial inclusion, and further strengthening the Company's social responsibility.

For the coming period, further expansion of the compliance department's remit is planned, with a focus on managing compliance risks using a systematic approach: conducting an updated iteration of risk identification, their quantitative and qualitative assessment, as well as implementing measures to minimise priority risks.

Particular attention will be paid to improving the corporate governance system and responding promptly to changes in the regulatory environment. This involves regular monitoring of regulatory initiatives, updating internal policies, and conducting training for managers on new requirements. The aim is to ensure not only compliance with national legislation but also the effective implementation of international standards in the areas of compliance and ESG.

Thanks to these measures, the compliance function is set to become a proactive driver of the Company's sustainable development, helping to build trust among customers, partners and regulators, as well as strengthening the organisation's reputation at both national and international levels.

## 8. Risks

Risk management is an integral part of JSC "Ukrposhta"'s internal control system and is aimed at ensuring proper corporate governance and compliance with the requirements of Ukrainian legislation, in particular the Law of Ukraine "On Payment Services", as well as the regulatory acts of the National Bank of Ukraine regarding the activities of non-bank payment service providers.

The Company applies a risk-based approach to management, which involves integrating risk identification, assessment and monitoring processes into strategic and operational management. This ensures the timely identification of potential threats, improves the quality of management decisions and contributes to the resilience of business processes.

The risk management process is governed by the Company's internal regulatory documents (policies, regulations, rules and orders), which are approved by the Supervisory Board and the Company's CEO. In its operations, the Company also takes into account the requirements of the National Bank of Ukraine and the Ministry of Community and Territorial Development of Ukraine.

### **Organisational risk management model**

The Company's risk management system operates on the basis of a three-line-of-defence model, which ensures a clear division of powers and responsibilities between organisational units:

The first line of defence consists of business process owners who carry out operational activities, accept risks within the scope of their activities, and ensure their ongoing management and control.

The second line of defence — risk management and compliance functions, which provide methodological support, monitor risks, develop the Company's risk profile and ensure compliance with internal policies and regulatory requirements.

The third line of defence is the internal audit department, which conducts an independent assessment of the effectiveness of the internal control and risk management systems.

In 2025, the organisational framework for the risk management function was finalised, including

the establishment of a risk management unit, which operates as a second line of defence and reports to the Chief Risk Officer.

An important element of the risk management system is the development of a risk management culture among the Company's employees, which involves an awareness of responsibility for risk management at all levels of the organisation and proper communication of risks that may affect the Company's operations.

### **Risk Appetite Statement and Key Risk Categories**

In 2025, the Company developed and approved the JSC 'Ukrposhta' Risk Appetite Statement for the first time, which defines approaches to managing key risk categories and establishes acceptable limits for their acceptance. The introduction of this document was an important step in the development of the risk management system and the integration of risk management into management decision-making processes.

In accordance with the Declaration, the following main categories of material risks have been identified in the Company's operations:

- strategic risks associated with the implementation of the Company's long-term development strategy, reputational resilience and the effective management of investment resources;
- compliance risks arising from non-compliance with legislation, regulatory acts, and the Company's internal policies and procedures;
- financial risks associated with liquidity management, the fulfilment of financial obligations, interactions with counterparties and tax liabilities;
- operational risks arising in the course of operational activities and related to deficiencies in internal processes, human error, information system failures or external events.

For each risk category, risk exposure levels, key risk indicators and thresholds have been defined to ensure systematic risk monitoring and timely response to deviations.

### **Key risk factors and the development of the risk management system**

In 2025, the Company's risk management activities were conducted taking into account the heightened uncertainty of the external environment caused by the Russian Federation's ongoing military aggression against Ukraine, as well as macroeconomic and social factors.

Military operations create additional risks for the Company's operations, in particular those related to damage to infrastructure, disruptions to logistics and financial processes, and threats to employee safety. To minimise the impact of such risks, the Company is developing a business continuity management system. In 2025, in particular, the implementation of internal policies in this area was initiated and a Business Impact Analysis was conducted for specific areas of operation.

Furthermore, the Company's operations continue to be affected by macroeconomic factors, in particular inflationary pressures and staff shortages linked to mobilisation processes and population migration. To minimise staffing risks, measures are being implemented to retain critical staff and optimise the use of human resources.

### **Further development of the risk management system**

In 2026, the Company's main efforts in the area of risk management will be directed towards:

- further developing the operational risk management system;
- automating the processes of recording operational incidents, monitoring risks and generating reports;
- developing the business continuity management system;
- integrating risk indicators into strategic and operational planning processes.

The Company continues to consistently develop its risk management system in accordance with international corporate governance practices and regulatory requirements, which will help to improve the effectiveness of internal controls, strengthen the resilience of business processes and enhance the Company's ability to respond promptly to changes in the external environment.

## 9. Internal Audit

The Internal Audit Department of JSC “Ukrposhta” is an independent structural unit of the Company reporting to the Supervisory Board. The size of the internal audit unit and its organisational structure correspond to the size of the Company and the nature and scale of its operations.

The Internal Audit Department organises and ensures the conduct of internal audits in accordance with the plan approved by the Audit Committee, in compliance with the requirements of applicable legislation and the International Standards for the Professional Practice of Internal Auditing. The main tasks of the Internal Audit Department are to assess and improve the Company’s management and internal control systems with a view to assisting the Supervisory Board, the Audit Committee and the Company’s management in achieving the Company’s objectives through a systematic, structured approach to assessing and enhancing the effectiveness of risk management, control and corporate governance processes.

The Department’s activities are free from any interference by other departments and officers of the Company, including with regard to the selection of the subject and scope of the audit, procedures, frequency, timing of audits and the content of audit reports, in order to ensure the independence of internal auditors.

The responsibilities of the Internal Audit Department include:

- independent assessment of the adequacy and effectiveness of the internal control and risk management systems;
- assessing the compliance of the Company’s activities with the requirements of Ukrainian legislation;
- assessing the compliance of the Company’s activities with the requirements of its internal administrative and regulatory documents;
- assessing the effective use of the Company’s available resources;
- monitoring the implementation of recommendations made following internal audits;
- cooperation with external auditors and state regulatory authorities as required;
- conducting unscheduled audits where facts or events are identified that require immediate action to detect and assess any damage, loss or risk mitigation, as well as where factors associated with the risk of fraudulent activity are present.

Based on the results of its activities during the year, the Internal Audit Department prepares a report on the implementation of the annual internal audit plan and submits it to the Company’s Supervisory Board for approval.

## 10. Development Prospects

The characteristics of the postal sector’s development in Ukraine are in line with key global trends: the growth of e-commerce has driven the rapid expansion of the parcel and courier delivery market and a decline in the volume of the postal market. The money transfer market is also growing. In large and medium-sized cities, there is increasing competition in the provision of financial services and trade. At the same time, a significant proportion of the population living in rural areas has extremely limited access to financial services and the cashless economy.

To achieve its objectives, the company plans to implement key strategic projects, such as:

- Development of financial services – launching banking services to ensure financial inclusion across 100% of Ukraine;
- Implementation of activities to develop digital channels of communication with customers and improve NPS – development of a mobile app for customers, development of a personal customer account on the company’s website, launch of a loyalty programme and a communication programme to rebrand;
- Modernisation of the branch network – updating the format of postal branches, increasing

the number of freight branches for e-commerce, continuing the project to introduce mobile branches, equipping postmen and couriers with electric bikes, and introducing modular postal branches in frontline areas;

- Implementation and scaling of a network of parcel lockers and partner postal pick-up points;
- Modernisation of the logistics network and sorting infrastructure – improving the hub-and-spoke sorting model whilst optimising the main transport route system, 100% digitalisation of all processes and the handling of parcels, letters and printed media;
- Implementation of social projects – creating a barrier-free environment for customers and employees, reintegrating veterans upon their return, retraining and providing necessary assistance, including medical, psychological and prosthetic support;
- Modernisation of IT infrastructure – implementation of a new ‘Front’ system and CRM;
- Effective asset management – sale of non-core assets and relocation to modern sorting centres and depots, improving the energy efficiency of existing buildings.

## 11. Corporate Governance

With the aim of implementing best corporate governance practices and achieving a balance between the Company’s governing bodies, as well as a clear division of their powers, a transparent corporate governance structure has been established within the Company.

The founder and sole shareholder of the Company is the State, represented by the Ministry of Community and Territorial Development of Ukraine (registered office: 14 Peremohy Avenue, Kyiv, 01135; identification number 37472062). The Company’s shareholder has the rights defined by the current legislation of Ukraine and the Company’s Articles of Association, the observance and protection of which are ensured by the Company. The priorities according to which the State exercises the Company’s corporate rights are set out in the state ownership policy, approved by Resolution of the Cabinet of Ministers of Ukraine No. 1369 of 29 November 2024.

The General Meeting is the supreme governing body of the Company. The powers of the Company’s General Meeting are exercised by the shareholder alone and may not be delegated to other bodies of the Company.

The powers of the General Meeting of Shareholders are defined by the current legislation of Ukraine and the Company’s Articles of Association.

The Annual General Meeting is held no later than 30 April of the year following the reporting year. All other General Meetings, apart from the Annual General Meeting, are considered extraordinary.

In 2025, an annual General Meeting was held in accordance with the law, as well as an extraordinary General Meeting. Pursuant to Article 60 of the Law of Ukraine “On Joint-Stock Companies”, the provisions of Articles 40–57 of this Law regarding the procedure for convening and holding General Meetings of Shareholders do not apply to a company with a single shareholder. The powers of the general meeting, as provided for in Article 39 of this Law and the internal documents of the joint-stock company, are exercised by the shareholder alone. The shareholder’s decisions on matters falling within the competence of the general meeting are recorded by him in writing (in the form of orders).

The Supervisory Board of the Company is a collegial body that protects the rights of the Company’s shareholders and, within the scope of competence defined by the Company’s Articles of Association and applicable legislation, manages the Company, as well as supervises and regulates the activities of its executive body. The powers, structure, working procedures, rights, duties and responsibilities of the Supervisory Board are determined by the applicable legislation of Ukraine, the Articles of Association and the Regulations on the Company’s Supervisory Board.

As at 1 January 2025, the Company's Supervisory Board consisted of 4 independent directors and 2 members representing the state, with the Chairman of the Supervisory Board being an independent director.

Composition of the Company's Supervisory Board as at 1 January 2025 (approved by the resolution of the General Meeting of Shareholders dated 15 May 2023, Order of the Ministry of Community, Territorial and Infrastructure Development of Ukraine No. 401, and by the resolution of the General Meeting of Shareholders dated 22 November 2024, Order of the Ministry of Community and Territorial Development of Ukraine No. 1406):

1. Igor Oleksandrovykh Mitiukov, Chairman of the Supervisory Board, independent director of the Supervisory Board
2. Serhiy Anatoliyovych Derkach, Deputy Chairman of the Supervisory Board, member – state representative
3. Rinat Abdrasilov, independent director of the Supervisory Board
4. Gary John Carroll, independent director of the Supervisory Board
5. Olena Oleksandrivna Malynska, independent director of the Supervisory Board
6. Timur Firuddinovich Tkachenko, member – state representative

In 2025, the composition of the Supervisory Board underwent the following changes on five occasions:

1. Pursuant to the statement dated 15 May 2025 regarding the termination of powers, the powers of Timur Firuddinovich Tkachenko as a member of the Supervisory Board – state representative – were terminated with effect from 29 May 2025.

2. Pursuant to Order No. 1273 of the Ministry of Community and Territorial Development of Ukraine dated 19 August 2025, the powers of Serhii Anatoliyovych Derkach as a member of the Supervisory Board – state representative – were terminated with effect from 26 August 2025.

3. Pursuant to Order No. 1306 of the Ministry of Community and Territorial Development of Ukraine dated 26 August 2025, the powers of Olena Oleksandrivna Malynska as an independent member of the Supervisory Board were terminated with effect from 26 August 2025.

4. Pursuant to the letter from the Ministry of Community, Territories and Infrastructure of Ukraine No. 13872/16/10-24 dated 30 July 2024 and the notice of termination of powers submitted by electronic means on 24 August 2025, the powers of Rinat Abdrasilov as an independent member of the supervisory board have been terminated with effect from 8 September 2025.

5. Pursuant to Order No. 1313 of the Ministry of Community and Territorial Development of Ukraine dated 27 August 2025 “On Certain Issues Concerning the Supervisory Board of the Joint-Stock Company ‘Ukrposhta’” and pursuant to Directive No. 900 of the Cabinet of Ministers of Ukraine dated 26 August 2025 “Issues of the Supervisory Board of the joint-stock company ‘Ukrposhta’”, Iryna Oleksandrivna Chala and Oleksandr Yosypovych Yarema have been appointed as members of the Supervisory Board – representatives of the state.

The composition of the Supervisory Board of JSC “UKRPOSHTA” as at 31 December 2025 is as follows:

1. Ihor Oleksandrovykh Mitiukov, Chairman of the Supervisory Board, independent director of the Supervisory Board
2. Oleksandr Yosypovych Yarema, Deputy Chairman of the Supervisory Board, member – state representative
3. Gary John Carroll, independent director of the Supervisory Board
4. Iryna Oleksandrivna Chala, member – state representative

The powers of the Company's Supervisory Board are defined by the current legislation of Ukraine, the Company's Articles of Association and the Regulations on the Company's Supervisory Board.

The Company's Supervisory Board may form standing or ad hoc committees from among its members to examine in advance and prepare for consideration at meetings matters falling within the competence of the Supervisory Board.

In 2025, the following committees of the Supervisory Board were in operation at JSC “UKRPOSHTA”:

1. The Audit Committee of the Supervisory Board of JSC “UKRPOSHTA”;
2. Appointments and Remuneration Committee of the Supervisory Board of JSC “UKRPOSHTA”.

In accordance with Article 85 of the Law of Ukraine “On Joint-Stock Companies”, the position of corporate secretary has been established within the Company. The working procedures, rights and duties of the corporate secretary, as well as the procedure for paying his remuneration, are determined by the Law of Ukraine “On Joint-Stock Companies”, the articles of association of the joint-stock company, the regulations on the corporate secretary, and the employment contract (agreement) concluded with the corporate secretary.

The corporate secretary is appointed to the post by the Supervisory Board. No other officer of the company may serve as corporate secretary. The term of office of the corporate secretary is established by a resolution of the Supervisory Board. By decision of the Supervisory Board, the corporate secretary’s term of office may be terminated early. The corporate secretary’s term of office shall be terminated early:

- 1) at their own request, provided that the joint-stock company is given two weeks’ written notice;
- 2) if the corporate secretary is unable to perform their duties due to ill health;
- 3) if a court judgment or decision convicting him of an offence that precludes the performance of the duties of the company secretary becomes final;
- 4) in the event of death, or if the corporate secretary is declared legally incapacitated, partially incapacitated, missing, or deceased;
- 5) in the circumstances provided for in Part 3 of Article 88 of the Law “On Joint-Stock Companies”.

In the event of the termination of the corporate secretary’s powers by decision of the supervisory board, the relevant agreement (contract) with that person shall be deemed terminated.

The day-to-day management of the Company is carried out by a sole executive body – the Company’s Chief Executive Officer, who is accountable to the General Meeting and the Supervisory Board and organises the implementation of their decisions.

The Chief Executive Officer is appointed by the Supervisory Board in accordance with the procedure established by law, following a competitive selection process based on integrity, professionalism and merit. On behalf of the Company, the employment contract with the Chief Executive Officer is signed by a person authorised to do so by the Supervisory Board. The term for which the Chief Executive Officer is appointed or re-appointed is established by a decision of the Supervisory Board in accordance with the law. A person may be appointed or re-appointed as Chief Executive Officer on multiple occasions, subject to the restrictions set out in the law.

The Company’s Articles of Association and the contract concluded with the Chief Executive Officer define his powers, rights and duties. The powers of the Chief Executive Officer include, but are not limited to:

- the Chief Executive Officer is accountable to the General Meeting and the Supervisory Board and ensures the implementation of their decisions. The Chief Executive Officer acts on behalf of the Company within the limits established by these Articles of Association and the law;
- managing the Company’s operational activities;
- disposing of the Company’s assets and funds, subject to the restrictions established by law, these Articles of Association and the Company’s internal documents (regulations, rules, etc.);
- developing and submitting to the Supervisory Board and the General Meeting, for

subsequent approval/endorsement/adoption in accordance with the law, the annual financial plan, medium-term investment plans (three to five years), the strategic development plan, business plans (operational plans), investment programmes, other plans of the Company, and reports on their implementation;

- ensuring the implementation of annual business plans (operational plans), annual financial plans, annual and long-term investment and development plans, strategic development plans, and other plans of the company, as approved in accordance with the established procedure;

- conducting a preliminary review of matters to be discussed at general meetings and meetings of the supervisory board, preparing the materials necessary for the consideration of such matters, and organising the implementation of the plans and decisions of the general meeting and the supervisory board;

- resolving issues relating to the management of legal entities of which the Company is a shareholder (founder, participant), as well as branches, representative offices and other separate divisions;

- drafting and approving any internal regulatory documents of the Company, except for internal regulatory documents whose approval is, under these Articles of Association or legislation, reserved for the exclusive competence of the general meeting and/or the supervisory board, unless such powers have been delegated to the Chief Executive Officer;

- approving and amending the regulations governing the Company's branches and representative offices, the articles of association of enterprises (companies) established by the Company, and the articles of association of legal entities of which the Company is the sole founder (shareholder, participant);

- approving the Company's anti-corruption programme, as well as ensuring regular assessment of corruption risks in the Company's activities and the implementation of appropriate anti-corruption measures;

- resolving issues relating to the organisation of economic activities, financing, accounting and reporting, and securities operations;

- exercising other powers conferred upon the Chief Executive by resolutions of the general meeting or the Supervisory Board.

At the end of the year, the Chief Executive Officer reports to the Company's Supervisory Board.

In accordance with the requirements of current Ukrainian legislation, the Company has developed a Corporate Governance Code, approved by Order of the Ministry of Infrastructure of Ukraine No. 395 of 29 July 2021 ([https://www.ukrposhta.ua/doc/issuer-reporting/kodeks\\_korporatyvnoho\\_upravlinnia\\_29\\_07\\_2021.pdf](https://www.ukrposhta.ua/doc/issuer-reporting/kodeks_korporatyvnoho_upravlinnia_29_07_2021.pdf)).

## ***Internal control system***

The Company's internal control system is designed to prevent, detect and take measures to correct material errors, ensure the protection and preservation of assets, compliance with the applicable legislation of Ukraine, and the completeness and accuracy of accounting records, and includes administrative and accounting controls.

The Company's internal control and risk management system is ensured by:

- compliance by all participants in the Company's operational management processes and activities with applicable Ukrainian legislation and regulatory documents of the Ministry of Community and Territorial Development of Ukraine;

- policies, regulations, procedures, provisions, standards, etc., approved by orders, minutes of meetings and other documents of the Company, which govern the performance, compliance and accountability of employees of structural units at all levels of operational processes, management and reporting.

## 12. Dividend Policy

The Company is a joint-stock company, 100% of whose shares are owned by the State of Ukraine. Accordingly, the Company's dividend policy is determined in accordance with:

- the Law of Ukraine 'On the Management of State Property';
- The Resolution of the Cabinet of Ministers of Ukraine "On the Approval of the Base Rate for the Allocation of a Share of Profit to be Used for the Payment of Dividends Based on the Results of Financial and Economic Activities in 2025 of Business Entities in Whose Share Capital the State Holds Corporate Rights".

## 13. Development and improvement of corporate governance

With the aim of establishing a transparent corporate governance structure for the Company, as well as a clear division of powers and control over the management of the Company, the Shareholder has implemented a number of measures, namely:

- The Company's Supervisory Board has been formed, the Chair of the Supervisory Board and his deputy have been elected, and standing committees under the Supervisory Board have been established;

- The Regulations on the Company's Supervisory Board have been approved, which, in particular, define the legal status of the Supervisory Board, its composition and powers, the requirements for members of the Supervisory Board, their election and termination of powers, the powers and duties of members of the Supervisory Board, as well as the procedure for convening the Supervisory Board and the procedure for holding meetings.

- The State Ownership Policy, approved by a resolution of the Cabinet of Ministers of Ukraine, has been introduced; this policy defines the objectives and priorities according to which the state holds the Company's corporate rights, the principles of managing the Company, and the expected results of the Company's activities;

- The owner's letter of expectation for 2025 has been approved;

- By decision of the Supervisory Board, the Internal Audit Department, the Compliance Unit, and the Risk Management Unit were established, all of which report to the Audit Committee and are accountable to the Supervisory Board of the Company;;

- A code of ethics and business conduct was developed and approved;

- In 2025, the Company updated and, by a resolution of the Supervisory Board, approved the strategic development plan for 2025–2027

- The Company's policies on procurement, business continuity, risk management and remuneration were developed and approved by a resolution of the Supervisory Board.

- The procedure for issuing powers of attorney within the Company was updated and approved, optimising and digitising the aforementioned process.