



Ponce Financial Group

CODE OF BUSINESS CONDUCT AND ETHICS

Approved by the Board of Directors – January 2025

PURPOSE AND SCOPE

The Board of Directors of Ponce Financial Group (“PFG”) (together with its subsidiaries and affiliates, (the “Company”) established this Code of Business Conduct and Ethics (“ Code”) to aid the Company’s directors, officers and employees in making ethical and legal decisions when conducting the Company’s business and performing their day-to-day duties.

A common theme you will hear as an employee of the Company is the importance of the positive reputation we have in the community and with our customers. The confidence and trust the community and our customers have for us is critical to our ongoing success, and each of us plays a critical role in maintaining and continuing to enhance this reputation. It is important that we hold ourselves to the highest ethical standards and professional conduct.

The Company’s Board of Directors is responsible for administering the Code and shall review and assess its effectiveness at least annually. The Board of Directors has delegated day-to-day responsibility for administering and interpreting the Code to the Compliance Officer.

The Company encourages its directors, officers and employees to refer to this Code frequently to ensure that they are acting within both the letter and the spirit of this Code. This Code will not contain the answer to every situation you may encounter. In these situations, or if you otherwise have questions or concerns about this Code, the Company encourages you to speak with your supervisor (if applicable) or, if you are uncomfortable doing that, with the Compliance Officer under this Code.

The Company’s directors, officers and employees generally have other legal and contractual obligations to the Company. This Code is not intended to reduce or limit the

other obligations that they may have to the Company. Instead, the standards in this Code should be viewed as the *minimum standards* that the Company expects from its directors, officers and employees in the conduct of the Company’s business. All directors, officers and employees are expected to be familiar with this Code, and may periodically be asked to undergo training regarding their obligations under the Code and the requirements and prohibitions contained in it.

The Compliance Officer will be responsible for obtaining acknowledgements of this Code and any subsequent amendments to it, as well as related recordkeeping, from each Company director; and the Compliance Officer will be responsible for obtaining and maintaining the same from each Company officer and employee.

STANDARDS OF CONDUCT

Conflicts of Interest

The Company recognizes and respects the right of its directors, officers and employees to engage in outside activities, which they may deem proper and desirable, provided that these activities do not impair or interfere with the performance of their duties to the Company or their ability to act in the Company's best interests. In most, if not all, cases this will mean that directors, officers and employees must not commence or continue any relationship that might, even by implication, cause embarrassment or create the appearance of a potential or actual conflict of interest or impropriety or that might adversely affect the Company's interests, public image, or good name.

A "conflict of interest" occurs when a director, officer or employee's personal interest interferes with the Company's interests. Conflicts of interest may arise in many situations. For example, conflicts of interest can arise when a director, officer or employee takes an action or has an outside interest, responsibility or obligation that may make it difficult for him or her to perform the responsibilities of his or her position objectively or effectively in the Company's best interests. Conflicts of interest may also occur when a director, officer or employee or his or her immediate family member receives some personal benefit (whether improper or not) as a result of the director, officer or employee's position with the Company. For example, a director, officer or employee who has a personal financial interest or family relationship in a business or venture, or who serves on the board of a nonprofit organization, that conducts business with the Company may have a conflict of interest with the Company. Each individual's situation is different, and, in evaluating his or her own situation, a director, officer or employee will have to consider many factors.

Directors, officers and employees may not personally transact business or process information for themselves or on accounts in which they have a direct or indirect

interest, nor receive remuneration (in the form of commissions, etc.) for such business or account activity. This includes, but is not limited to, accounts owned by immediate family members (i.e., parents, siblings, children, grandchildren, including in-laws and adoptive relationships, and any other members of your household) or involving any other close personal relationship which could be construed as a conflict of interest. Transacting business includes, but is not limited to, branch transactions (e.g., cashing checks, taking deposits or payments, processing travelers checks or savings bonds); account opening/modifying or file maintenance; charging, modifying or waiving fees; taking a loan or deposit application; serving as account officer, relationship manager, or trustee; or any other processing, modifications, or approvals.

Except with prior Company authorization, Company employees and officers shall not sign on any customer's deposit account, have access to customers' safe deposit boxes, or otherwise represent customers. This does not, however, preclude a Company officer or employee from signing on a customer's account on behalf of the Company, as when needed to perfect a security interest, accomplish a collateral pledge, or to otherwise protect the Company's interests; or, when acting in

any ownership capacity, or because of a close family relationship with the customer, or as an officer or other authorized representative on behalf of a recognized nonprofit organization.

Any transaction involving a director, officer or employee of the Company must be conducted at arm's length, on terms not less favorable than terms available to an unaffiliated third party under the same or similar circumstances. In accordance with Regulation O, any transaction with a director or officer of the Company requiring action of the Board of Directors shall be disclosed to the Board of Directors prior to any action being taken, and any such transaction not requiring the Board of Directors' approval shall be reported to the Board of Directors at least annually.

Any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest should be reported promptly to the Compliance Officer. The Compliance Officer may notify the Board of Directors or a committee thereof as he or she deems appropriate. Actual or potential conflicts of interest involving a director, executive officer or member of the Human Resources of the Company should be disclosed directly to the Chairman of the Board of Directors.

Outside Employment and Activities

Outside employment for officers and employees is permissible if it does not interfere, compete or conflict with the Company's interests. Such employment may not hinder in any way the employee's ability to meet the responsibilities or demands of his or her work for the Company or conflict with or adversely affect in any way the image of the Company. Any outside employment for officers must be approved in advance by the

Compliance Officer. For all other employees, any outside employment that is directly or indirectly related to the financial industry or the Company's functions, activities or other similar fields must be approved in advance by the Compliance Officer. The Company, acting through the Compliance Officer, will have full authority and discretion to make all determinations relating to the permissibility of outside employment, and any such determination will be binding on the employee.

In order to enhance the stature of the Company in the community and to discharge our proper civic responsibilities, directors, officers and employees are encouraged to accept appointments as trustees, directors, or officers of nonprofit organizations such as educational, religious, and health and welfare institutions, with prior notification to the Compliance Officer. Employees should also take the opportunity to serve on civic committees and other local or professional organizations. The holding of such positions may at times raise questions of conflict of interest, especially where the handling of funds is involved and personal bond may be required. In such an event, if the local organization has legal counsel, he or she should be asked to rule on any conflict of interest question, and the opinion of the Company's legal counsel Compliance Officer should also be sought.

Compliance with Laws, Rules and Regulations

The Company seeks to conduct its business in compliance with both the letter and the spirit of applicable laws, rules and regulations. No director, officer or employee shall engage in any unlawful activity in conducting the Company's business or in performing his or her day-to-day company duties, nor shall any director, officer or employee instruct others to do so.

Protection and Proper Use of the Company's Assets and Technology

Loss, theft and misuse of the Company's assets (including, without limitation, the Company's intellectual property or work product created by Company employees using Company intellectual property) have a direct impact on the Company's business and its profitability, and such activities are prohibited. Employees, officers and directors are expected to protect the Company's assets that are entrusted to them and to protect the Company's assets in general. Employees, officers and directors are also expected to take steps to ensure that the Company's assets are used only for legitimate business purposes.

Information, whether on a computerized system or other media, is an asset of the Company. The Company has the right to review all information on any of its systems. A director, officer or employee's use of the Company's technology, software and

equipment, including personal computers and telecommunication systems, must be consistent with that individual's job function and applicable Company policies. Limited use of Company- licensed software and equipment for non-profit organizations is acceptable with prior written approval of the relevant department manager of the Company. It is illegal and against Company policy to make any unauthorized copies of Company software.

No director, officer or employee may use official Company stationery, email, phones, fax or other media identifying the Company for improper personal gain or in personal matters where such use would imply endorsement from the Company.

No employee may review customer (including customers whose employees) information unless such employee has a demonstrated valid business purpose. Account surfing or the casual review of customer account or other information is prohibited.

Data that is composed, transmitted, accessed, received, via the Internet, the e-mail system, the computer network, the telephones or the voicemail system must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating or disruptive to any employee, customer or other person. Examples of unacceptable content may include, but are not limited to, sexual commentary or images, racial slurs, gender-specific comments, or any comments or images that could reasonably offend someone on the basis of race, color, age, sex, religion, national origin, ancestry, citizenship, disability, marital status, sexual orientation, veterans status, uniformed military service, genetic information, or any other category protected by law. In

addition, it is inappropriate to use any form of technology to send out chain letters or mass mailings, to access on-line shopping, gambling or to download pirated software.

Employees are prohibited from sending unencrypted information that contains confidential information through any internet-based delivery mechanism including, but not limited to, e-mail and File Transfer Protocol.

Passwords and user IDs are assigned to each user and should not be shared with or divulged to any other party, including other employees. All employees who are authorized to transport non- public customer information or other confidential information outside of Company premises must take appropriate security and safety precautions to ensure against the loss, destruction, or unauthorized access of such data. Care should be taken to protect such information from casual viewing by unauthorized individuals.

Such information should be returned to Company premises as soon as practicable. In no event should any nonpublic customer information or other confidential information be stored off Company premises, unless specifically authorized.

It is the responsibility of each director, officer and employee to abide by all Company technology policies.

Corporate Opportunities

Employees, officers and directors owe a duty to the Company to advance its legitimate business interests when the opportunity to do so arises. Each employee, officer and director is prohibited from:

- diverting to himself or herself or to others any opportunities that are discovered through the use of the Company's property or information or as a result of his or her position with the Company unless such opportunity has first been presented to, and rejected by, the Company;
- using the Company's property or information or his or her position for improper personal gain; and
- Competing with the Company.

Confidentiality

Financial institutions, like the Company, by their very nature generate, gather, and have access to a variety of confidential information, which plays a vital role in a company's business, prospects and ability to compete. "Confidential information" includes all non- public information that might be of use to competitors or harmful to the Company or its customers if disclosed, including commercial, personal and financial information. Directors, officers and employees may not disclose or distribute the Company's confidential information, except when disclosure is authorized by the Company or required by applicable law, rule or regulation or pursuant to an applicable legal proceeding. Directors, officers and employees shall use confidential information

solely for legitimate Company purposes. Directors, officers and employees must return all of the Company's confidential or proprietary information in their possession to the Company when they cease to be employed by or to otherwise serve the Company.

The same rules apply to confidential information relating to the Company's customers and to other companies with which we do business. In the course of the Company's business or in the many pending or proposed transactions that the Company has under consideration at any given time, there is a great deal of non-public information relating to other persons to which the Company's employees, officers and directors may have access. All such information is strictly confidential, including the fact that such a person has or is considering a relationship with the Company. No such information may be disclosed to anyone outside the Company without prior Company authorization, except as expressly authorized by the customer, other company, or as required by law. No director, officer or employee may disclose to any person outside the Company any such information that has been obtained during the course or as a result of his or her employment or position at the Company, except as may be required in connection with the performance of his or her Company duties.

This policy extends to the disclosure or use of such information, to or by family members and close friends. Particular care must be taken to avoid inadvertent disclosure of confidential customer and Company information through conversation in public and common areas (such as elevators, lobbies, corridors, restrooms, parking lots, buses, trains, restaurants, etc.) or discussions with spouses, relatives, and friends, whether at home, at cocktail or dinner parties, or at other social gatherings. Disclosures of confidential information could include "material" information that is likely to affect these customers, other companies, or the value of their securities. No director, officer or employee may take written or electronic customer information with him or her when leaving the Company.

Fair Dealing

Competing vigorously, yet lawfully, with competitors and establishing advantageous, yet fair, business relationships with customers and suppliers is a part of the foundation for long-term success. However, unlawful and unethical conduct, which may lead to short-term gains, may damage a company's reputation and its long-term business prospects. Accordingly, it is the Company's policy that directors, officers and employees must endeavor to deal ethically and lawfully with the Company's customers, suppliers, competitors and their respective employees in all business dealings on the Company's behalf. No director, officer or employee should take unfair advantage of another person in business dealings on the Company's behalf through the abuse of privileged or confidential information or through improper manipulation, concealment or misrepresentation of material facts. Moreover, all directors, officers and employees must comply with the antitrust, unfair competition and trade regulation laws of the United States and all of the other countries in which the Company does business.

Accuracy of Records

The integrity, reliability and accuracy in all material respects of the Company's books, records and financial statements is fundamental to the Company's continued and future business success. No director, officer or employee may cause the Company to enter into a transaction with the intent to document or record it in a deceptive or unlawful manner. In addition, no director, officer or employee may create any false or artificial documentation or book entry for any transaction entered into by the Company. Similarly, officers and employees who have responsibility for accounting and financial reporting matters have a responsibility to accurately record all funds, assets and transactions on the Company's books and records.

Each director, officer and employee has a responsibility to ensure that all Company documents and reports for which he or she is responsible are prepared and maintained properly and free of any false, misleading, incomplete or otherwise improper information.

Records should always be retained or destroyed according to our record retention policies. There are legal requirements that certain records be retained for specific periods of time. If you are unsure about the need to keep particular documents you should consult with the Compliance Officer, so that a judgment can be made as to the likelihood that the documents will be needed.

Whenever it becomes apparent that documents of any type may be required in connection with a lawsuit or government investigation, all possibly relevant documents should be preserved, and ordinary disposal or alteration of documents pertaining to the subjects of the litigation or investigation should be immediately suspended. If you are uncertain whether documents under your control should be preserved because they might relate to a lawsuit or investigation, you should contact the Compliance Officer.

Quality of Public Disclosures

The Company is committed to providing its shareholders with complete and accurate information about its financial condition and results of operations as required by the securities laws of the United States and, if applicable, other foreign jurisdictions. It is the Company's policy that the reports and documents it files with or submits to the U.S. Securities and Exchange Commission (the "SEC"), and its earnings releases and similar public communications made by the Company, include fair, timely and understandable disclosure. Officers and employees who are responsible for these filings and disclosures, including the Company's principal executive, financial and accounting officers, must use reasonable judgment and perform their responsibilities honestly, ethically and objectively in order to ensure that this disclosure policy is fulfilled.

The Company's periodic reports and other documents filed with the SEC, including all financial statements and other financial information, must comply with applicable federal securities laws and SEC rules.

Each director, officer and employee who is involved in the Company's disclosure process must be familiar with and comply with the Company's disclosure controls and procedures and its internal control over financial reporting and take all necessary steps within his or her area of responsibility to ensure that all filings with the SEC and all other public communications about the financial and business condition of the Company provide full, fair, accurate, timely and understandable disclosure.

Directors, officers and employees are prohibited from making any false entries and from knowingly taking any action that results in the making of a false entry in the books, records, and financial accounting information of the Company. Company employees and officers shall promptly bring to the attention of their immediate supervisor any information that may materially affect the Company's financial reporting and disclosure.

The Chief Executive Officer and the Chief Financial Officer shall promptly bring to the attention of the Audit Committee any information they may have concerning: significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to accurately and timely record, process, summarize, and report financial data; or, any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's financial reporting, disclosures, or internal controls.

Although the Company has a policy of maintaining good relations with all news media and tries to accommodate media inquiries, there is much information concerning the Company that should not be made available to the public. This includes material, non-public information about the Company; confidential or personal, non-public information about the Company's customers, which the Company has a responsibility not to divulge; and information that may be valuable to a competitor. For these and other reasons, directors, officers and employees should not under any circumstances provide information or discuss matters involving the Company with the news media, any broker-dealer, analyst, investment banker, investment advisor, institutional investment manager, investment company or stockholder, even if contacted directly by such persons, without express prior authorization. This restriction applies whether or not one identifies oneself as associated with the Company. Please refer all such contact or inquiries to the Chief Financial Officer.

All directors, officers and employees of the Company are prohibited from making any comments or postings about the Company, or responding to comments or postings about the Company or the Company's business made by others, in Internet chatrooms, bulletin boards, blogs, forums, wikis, Facebook, Twitter, LinkedIn or any other social networking media. One may encounter information about the Company on the Internet that is harmful or inaccurate or other information that is true or beneficial for the Company. Although one may have a natural tendency to deny or confirm such information, any sort of response, even if it presents accurate information, could be considered improper disclosures and could result in legal liability.

Improper Influence of Auditors

No director, officer or employee of the Company may take any action to fraudulently influence, coerce, manipulate or mislead the Company's auditor of the Company's

financial statements for the purpose of rendering those financial statements materially misleading.

Concerns regarding questionable accounting, internal accounting controls or auditing matters may be reported anonymously, as described elsewhere in this Code.

The Audit Committee shall be responsible for reviewing complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.

Investments

Prior to becoming a partner or stakeholder in a business or economic venture (other than that of a passive investor holding a 5% interest or less), an officer or employee of the Company must obtain the approval of the Compliance Officer, and a director must notify the Compliance Officer.

No director, officer or employee of the Company may invest, directly or indirectly, in any of the Company's customers, borrowers, guarantors, or suppliers without prior approval of the Compliance Officer, except as outlined in this section.

Investments are permitted in a company which is a customer, borrower, guarantor, or supplier of the Company if such company's securities are listed on an organized exchange; the investment would amount to 5% or less of such company's total outstanding equity; and it is otherwise evident and clear that such investments are not being made on any terms that are more favorable than those terms available to the general public, subject to the following restrictions:

- No director, officer or employee may accept preferential treatment in the form of an allocation of "hot" issues by a broker, investment banker, issuer, or other seller of securities.
- As discussed in this Code, it is illegal to trade in the securities of a company while in the possession of material, non-public information about the company.

Commissions paid to brokers by or through the Company to purchase or sell securities for the Company or for customers must never be used to obtain special concessions from brokerage firms for personal benefit. Directors, officers and employees of the Company shall not solicit or accept benefits of any kind from brokers or other third party service providers doing business with or on behalf of the Company or its trust or investment accounts except in conformity with this Code.

Individuals responsible for authorizing trading activity (buying or selling of investments and or loans) on behalf of the Company must disclose any personal account

relationship (or lack thereof) with any approved broker-dealers to the Board of Directors on an annual basis.

Individuals who have responsibility for making Company investment decisions are prohibited from “in-and-out or speculative trading” of Company securities or those of customers. For these purposes, in-and-out or speculative trading means trading of securities, including so-called “ day trading”, unless the transactions were made in accordance with a preexisting investment program or, in the case of securities held for a customer, were made at the written direction of such customer.

Certain Company employees who meet the definition of “employees subject to reporting” are required to provide quarterly disclosure statements for securities transactions in personally owned accounts in which the employee has the authority to direct buys and sells. The disclosure is required, within ten days of hire and thereafter, for each reporting quarter. The employee subject to reporting is to complete the required form and provide detail of buys and sells incurred during that reporting period in excess of \$10,000 of cumulative buys and sells. This dollar threshold exempts reporting of mutual funds and government securities. The reporting will be made in compliance with the Company’s Special Trading Procedures for Insiders and will be maintained by the Compliance Department.

Bribes, Kickbacks and Other Improper Payments

The Company does not permit or condone bribes, kickbacks or other improper payments, transfers or receipts. No director, officer or employee should offer, give, solicit or receive any money, item, service, information, or other consideration of value for the purpose of obtaining, retaining or directing business or bestowing or receiving any kind of favored treatment. In particular, the U.S. Foreign Corrupt Practices Act (“FCPA”) prohibits any U.S. individual or business from authorizing, offering or paying money or anything else of value, directly or indirectly, to any foreign official or employee, political party, or candidate for public office for the purpose of obtaining or maintaining business or for any other business advantage. Violation of the FCPA could subject the Company and its individual directors, officers and employees to serious fines and criminal penalties. Anyone aware of a person offering, giving, soliciting, or accepting an offer of a bribe, kickback or other improper payment, transfer or receipt to influence a business transaction affecting the Company should report the same to the Compliance Officer.

Further, no director, officer or employee, nor any spouse, child or other member of the household of a director, officer or employee, is permitted to solicit, retain, or accept any of the following items from an existing or prospective Company customer, supplier, competitor or person doing business with the Company:

- non-cash gifts (other than non-cash gifts with a market value of less than \$50 on an annual basis);

- entertainment that includes services or price concessions not available to the general public;
- cash, gift cards, gift certificates, other cash equivalents, or securities; or
- personal benefits (i.e., any type of favor, service, loan, fee, discount or other compensation).

The Company recognizes that customers, suppliers and others who do business with the Company may on occasion be motivated to make gifts or provide items of value to directors, officers or employees by particular relationships, considerations, or circumstances and not to secure corrupt advantage in business dealings with the Company. Gifts of any amount may never be solicited and, in all cases, the giving of gifts should be politely discouraged. However, the Company has determined that “things of value” may be accepted by any director, officer or employee in the following circumstances without violating this Code:

- Gifts, gratuities, amenities or favors based on obvious family or personal relationships (such as those between the parents, children or spouses of Company directors, officers or employees) where the circumstances make it clear that it is those relationships were the motivating factors, rather than the business of the Company.
- Meals, refreshments, entertainment, accommodations or travel arrangements, all of reasonable value, in the course of a meeting or other occasion, the purpose of which is to hold bona fide business discussions or to foster better business relations, provided that the expense would be paid for by the Company as a reasonable business expense if not paid for by another party. In determining reasonable value, a general guideline is a total value that does not exceed both (i) an aggregate per person limit of \$200 annually; and (ii) an aggregate per event limit of \$500 to all benefiting directors, officers or employees. Any officer or employee intending to rely on this exception should confer with his or her immediate supervisor to confirm that the expense in question would be paid for by the Company if not paid by another party.
- In order to be considered a bona fide business purpose, the other party must be in attendance at the event. Further, employees, officers and directors are prohibited from accepting meals, refreshments, entertainment, accommodations or travel arrangements extended to a spouse or other guests.
- Entertainment, accommodations or travel arrangements should not be accepted from a vendor who is participating in an active Request for Proposal (“RFP”) process or whose aggregate potential or actual revenue paid by the Company to the vendor exceeds \$50,000 annually regardless of RFP status. Meals and refreshments of nominal value are acceptable.
- Client events (sponsored by a vendor of the Company) are exempted from this rule, provided that the event is offered to a group of clients and intended for educational

or client networking purposes. Charitable events are also exempted from this rule, provided their value is not excessive.

- If a gift, entertainment, or personal benefit does not clearly fall within the exceptions noted in this section, the recipient must either tactfully refuse, citing this Code, or consult with the Compliance Officer.

Political Contributions

The Company's funds, credit, information, property and services may not be used, directly or indirectly, to support any government official, political party, political organization, political action committee, or candidate for public office, unless such contributions are expressly pre-approved by the Chief Executive Officer of the Company with the concurrence of the Compliance Officer. The Company encourages its directors, officers and employees, as individuals, to lawfully support government officials, political parties, political organizations, political action committees and candidates for public office on their own time and at their own expense. However, directors, officers and employees may not represent personal views as being those of the Company. The Company will not reimburse or subsidize any director, officer or employee in any way for such political participation.

Gifts to Public Officials

State and federal laws prohibit anyone, other than as provided by law for the proper discharge of official duty, from directly or indirectly giving, offering, or promising anything of "substantial value" to any federal, state, or municipal employee. Any entertainment or gifts provided to a public official costing in excess of \$50 will, for purposes of the Code, be deemed to be something of "substantial value."

The policy of the Company regarding gifts offered or made, or expenses incurred, in connection with activities involving public officials is as follows:

- No gift or entertainment costing in excess of \$50 may be given or offered to any public official by or on behalf of any Company director, officer or employee.
- Entertainment provided to a public official and a guest of that official will be considered as provided to the public official and aggregated for purposes of determining compliance within the \$50 limitation. (Example:

two dinners for a public official and a guest of the public official at \$15 each would be permitted, but would not be permitted at \$30 each.)
- Multiple gifts given by or on behalf of any one or more Company directors, officers or employees to the same public official in close proximity to each other, as part of a pattern or for the same occasion will be cumulated in order to determine compliance with this limit. (Example: A lunch every week would not be permitted since it would establish a pattern of expenses, which would exceed \$50.)

- All gifts to public officials must be reported immediately to the Compliance Officer so that control may be exercised over giving by multiple Company directors, officers or employees to the same public official.

Any loan given by the Company to any public official for his or her personal use must be on the same general terms and conditions as are offered to the general public.

Recommendations to Customers

Directors, officers and employees of the Company may not recommend attorneys, accountants, insurance agents, stockbrokers, real estate agents, or similar individuals or companies to customers or others asking for the Company's input, unless several names are provided without any indication of preference.

Financial Responsibility

All directors, officers and employees of the Company should conduct their financial affairs in a responsible manner.

Nepotism

Direct or indirect reporting relationships between family members are prohibited. In the event family members are employed by the Company, the Compliance Officer must approve the conditions of their continued employment. For purposes of this section, "family members" shall mean spouses, domestic partners, parents, grandparents, children, grandchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, aunts, uncles, nieces, nephews and first cousins.

COMPLIANCE PROCEDURES

Communication of Code

All directors, officers and employees will be supplied with a copy of the Code upon beginning service at the Company and will be asked to review and sign an acknowledgment regarding the Code on a periodic basis. Updates of the Code will be

provided from time to time. A copy of the Code is also available to all directors, officers and employees by requesting one from the human resources department or by accessing the Company's website at www.poncebank.com.

Monitoring Compliance and Disciplinary Action

The Company's management, under the supervision of its Board of Directors or a committee thereof or, in the case of accounting, internal accounting controls, auditing or securities law matters, the Audit Committee, shall take reasonable steps from time to time to (i) monitor and audit compliance with the Code, including the establishment of monitoring and auditing systems that

are reasonably designed to investigate and detect conduct in violation of the Code; and (ii) when appropriate, impose and enforce appropriate disciplinary measures for violations of the Code.

Grounds for disciplinary action include the failure to promptly report a known or reasonably suspected violation of the Code and the failure to cooperate in internal investigations of apparent or suspected violations.

Disciplinary measures for violations of the Code will be determined in the Company's sole discretion and may include, but are not limited to, counseling, oral or written reprimands, warnings, probation or suspension with or without pay, demotions, reductions in salary, termination of employment or service, and restitution. Certain violations of the Code may also constitute violations of law that could subject the Company and the individual responsible to criminal penalties, regulatory sanctions, and civil liability.

The Company's management shall periodically report to the Board of Directors or a committee thereof on these compliance efforts including, without limitation, periodic reporting of alleged violations of the Code and the actions taken with respect to any such violation.

Reporting Concerns/Receiving Advice

Be Proactive. Every employee is expected to act proactively by asking questions, seeking guidance and reporting suspected violations of the Code and other policies and procedures of the Company, as well as any violation or suspected violation of applicable law, rule or regulation arising in the conduct of the Company's business or occurring on the Company's property. If any employee believes that actions have taken place, may be taking place, or may be about to take place that violate or would violate the Code or any law, rule or regulation applicable to the Company, he or she must bring the matter to the attention of the Company.

Seeking Guidance. The best starting point for an officer or employee seeking advice on ethics-related issues or reporting potential violations of the Code will usually be his or her supervisor. However, if the conduct in question involves his or her supervisor, if the employee has reported the conduct in question to his or her supervisor and does not believe that he or she has dealt with it properly, or if the officer or employee does not feel that he or she can discuss the matter with his or her supervisor, the employee may raise the matter with the Human Resources department of the Company.

Communication Alternatives. The whistleblowing procedure is intended to be used for serious and sensitive issues. Serious concerns relating to financial reporting, unethical or illegal conduct should be reported in either of the following ways:

- English speaking USA and Canada: (844)- 990-0002
- Spanish speaking North America: (800)- 216-1288
- Website: www.lighthouse-services.com/poncebank
- E-mail: reports@lighthouse-services.com (must include Company name with report)

- Fax alternative for written documents: 215-689-3885 (must include Company name with report)

Reporting Accounting, Securities Law and Similar Concerns. Any concerns or questions regarding potential violations of the Code, any other company policy or procedure or applicable law, rules or regulations involving accounting, internal accounting controls, auditing or securities law (including FCPA) matters should be directed to the Audit Committee or a designee of the Audit Committee. Officers and employees may communicate anonymously with the Audit Committee or its designee by writing to 2244 Westchester Ave Bronx NY 10462.

Cooperation. Employees are expected to cooperate with the Company in any investigation of a potential violation of the Code, any other company policy or procedure, or any applicable law, rule or regulation.

Misuse of Reporting Channels. Employees must not use these reporting channels in bad faith or in a false or unreasonable manner.

Reporting; Anonymity

When reporting suspected violations of the Code, the Company prefers that directors, officers and employees identify themselves in order to facilitate the Company's ability to take appropriate steps to address the report, including conducting any appropriate investigation. However, the Company also recognizes that some people may feel more comfortable reporting a suspected violation anonymously.

If a director, officer or employee wishes to remain anonymous, he or she may do so, and the Company will use reasonable efforts to protect the confidentiality of the reporting person subject to applicable law, rule or regulation or to any applicable legal proceedings. In the event the report is made anonymously, however, the Company may not have sufficient information to look into or otherwise investigate or evaluate the allegations. Accordingly, persons who make reports anonymously should provide as much detail as possible to permit the Company to evaluate the matter(s) set forth in the anonymous report and, if appropriate, commence and conduct an appropriate investigation.

No Retaliation

The Company expressly forbids any retaliation against any officer or employee who, acting in good faith and on the basis of a reasonable belief, reports suspected misconduct. Specifically, the Company will not discharge, demote, suspend, threaten, harass or in any other manner discriminate against such an officer or employee in the terms and conditions of his or her employment. Any person who participates in any such retaliation is subject to disciplinary action, including termination.

Waivers and Amendments

No waiver of any provisions of the Code for the benefit of a director or an officer (including, without limitation, for purposes of this Code, the Company's principal executive, financial and accounting officers) shall be effective unless (i) approved by the Board of Directors or, if permitted, a committee thereof; and (ii) if applicable, such waiver is promptly disclosed to the Company's shareholders in accordance with applicable U.S. securities laws and the rules and regulations of the exchange or system on which the Company's shares are traded or quoted, as the case may be.

Any waivers of the Code for other employees may be made by the Compliance Officer, the Board of Directors or committee thereof.

All amendments to the Code must be approved by the Board of Directors or a committee thereof and, if applicable, must be promptly disclosed to the Company's shareholders in accordance with applicable U.S. securities laws and the rules and regulations of the exchange or system on which the Company's shares are traded or quoted, as the case may be.