

**PRUDENTIAL BANCORP, INC.
AND
PRUDENTIAL BANK**

CODE OF CONDUCT AND ETHICS

INTRODUCTION

In order to assure the proper and ethical performance of our business and to maintain the confidence of the public, our customers and our shareholders in Prudential Bancorp, Inc. and our subsidiary, Prudential Bank, all of our directors, officers and employees are expected to act in accordance with the highest standards of personal and professional integrity in all aspects of their activities, to comply with applicable laws, rules and regulations and to avoid misconduct and conflicts of interest and the appearance of conflicts of interest. To promote these standards and values, our Board of Directors has established and adopted this Code of Conduct and Ethics to provide guidance concerning the standards of ethical conduct by and responsibilities of our directors and persons employed by us or our subsidiaries.

This Code outlines the broad principles of legal and ethical business conduct embraced by Prudential Bancorp, Inc. and our subsidiary, Prudential Bank. However, a written code cannot answer all questions raised in the context of business relationships. Therefore, this Code must be applied using common sense and good judgment. Issues with respect to conflicts, legality or ethics may not always be clear cut and officers and employees should consult with higher levels of management or the Compliance Officer. Directors should discuss the matter with the Compliance Officer or outside counsel.

1. **GENERAL POLICIES AND GUIDELINES OF LEGAL AND ETHICAL STANDARDS**

The maintenance of high standards of honesty, integrity, impartiality and conduct is essential to assure the proper performance of our business and the maintenance of the public's trust. The preservation of that trust and of our reputation requires close observance of these standards on the part of our directors, officers and employees.

Officers, directors and employees of Prudential Bank should be aware of the Federal Bank Bribery Law, 18. U.S.C. Section 215 which provides that whoever:

"(1) corruptly gives, offers, or promises anything of value to any person, with intent to influence or reward an officer, director, employee, agent or attorney of a financial institution in connection with any business or transaction of such institution; or

(2) as an officer director, employee, agent, or attorney of a financial institution, corruptly solicits or demands for the benefit of any person, or corruptly accepts or agrees to accept anything of value from any person, intending to be influenced or rewarded in connection with any business or transaction of such institution, shall be (guilty of an offense)."

The penalty provision under this statute states that if the value of the thing offered or received exceeds \$100.00, the offense is a felony punishable by up to five (5) years imprisonment and a fine of \$5,000.00 or three (3) times the value of the bribe or gratuity, whichever is greater. If the value does not exceed \$100.00, the offense is a misdemeanor punishable by up to one (1) year imprisonment and a maximum fine of \$1,000.00.

There are certain exceptions to the above rule concerning the receipt of gifts which are set forth in Section 4 of this Code.

Prudential Bancorp, Inc. and Prudential Bank require that all directors, officers, employees, and other representatives avoid possible misconduct and conflicts of interest through informed judgment and careful regard for the standards of conduct and responsibilities as set forth. In all situations, including those where there are no applicable legal principles or the law is unclear or in conflict, bank directors, officers, and employees are expected to conduct themselves in such a manner that can be supported by Prudential Bancorp, Inc. and Prudential Bank and to exercise good judgment in the discharge of their responsibilities.

Compliance with this Code will be the responsibility of every representative of Prudential Bancorp, Inc. and Prudential Bank.

The needs of the community are also to be given consideration in making business decisions.

2. CONFIDENTIAL INFORMATION

The use of confidential information obtained through or as a consequence of your employment or service as a director must be limited to the proper conduct of our business. Neither Prudential Bancorp, Inc., Prudential Bank nor any of our directors, officers, or employees may use or permit others to use such confidential information for the purpose of furthering a private interest or as a means of making a profit.

Confidential Information Regarding Customers and Others: You must take all reasonable measures to protect the confidentiality of non-public information about us or our subsidiaries and our customers, shareholders and suppliers obtained or created in connection with your activities and to prevent the unauthorized disclosure of such information unless required by applicable law or regulation or legal or regulatory process.

Permissible Dissemination of Confidential Information: Dissemination of confidential customer information among our subsidiaries is permissible. Notwithstanding the foregoing, all queries of a legal nature that involve confidential information relating to our customers must be directed to outside counsel.

Confidential Information Regarding Current or Former Directors and Employees: All requests for information regarding current or former directors or employees must be referred to our Human Resources Department. Our internal procedures and applicable laws limit the amount of information our Human Resources Department may provide.

Company Resources; Proprietary Information: You are prohibited from selling, disclosing, or otherwise using our physical resources or proprietary information for personal benefit or for the benefit of any other party. The definition of our "physical resources or proprietary information" includes all of our intellectual property, including but not limited to any written materials, any computer or network-based information, data, any other types of information or data developed for us by an employee or a vendor, supplier or other contractor.

Example: Employees are prohibited from using our marketing research for a personal venture or disclosing proprietary information to a competitor.

Insider Trading: In the course of your duties, you may become privy to "insider information" within the meanings of state or federal laws. This means material, non-public information that might have an effect on our stock price if the information were publicly known. You should also be aware that the same prohibition against insider trading applies to trading in the stock of our customers, suppliers or any other company if you have inside information about them. Employees are strictly prohibited from providing inside information to other persons as this information might influence their trading activities or financial transactions.

Examples of such "inside information" may include: expansion plans, major management changes, future dividend rates, declaration of stock split or offerings of additional securities, current or future earnings projections, new contract or projects, mergers, acquisitions or divestitures or other such material matters. It should be noted that either positive or negative information may be material.

You are also prohibited from trading in put options or in short selling or in any other trade which would gain from a decrease in our stock price.

It is your responsibility to understand laws and policies that may apply to you. Further information on blackout periods, pre-clearance and other matters related to insider trading are contained in the Statement of Policy and Procedures Governing Trading in Shares of Prudential Bancorp, Inc. of Pennsylvania.

3. CONFLICT OF INTEREST

Corporate Policy: It is the policy of Prudential Bancorp, Inc. and Prudential Bank that all directors, officers, employees and other representatives must avoid potential conflicts of interest. A potential conflict exists whenever a director, officer, employee or other representative has an outside interest - direct or indirect - which conflicts with the individual's duty to Prudential Bancorp, Inc. and/or Prudential Bank or adversely affects the individual's judgment in the discharge of his/her responsibilities at Prudential Bancorp, Inc. and/or Prudential Bank. The appearance of a conflict of interest may be just as damaging to our reputation as a real conflict.

Employees are prohibited from self-dealing or otherwise trading on their positions with Prudential Bancorp, Inc. and/or Prudential Bank or accepting from one doing or seeking to do business with Prudential Bancorp, Inc. and/or Prudential Bank a business opportunity not available to other persons or that is made available because of such official's position with Prudential Bancorp, Inc. and/or Prudential Bank.

Prudential Bancorp, Inc. or Prudential Bank's name is not to be used as leverage by directors, officers or employees to enhance their own opportunities when dealing with others in their political, investment or retail purchasing activities.

As soon as it is discovered, all officers and employees must report any violations or suspected violations of federal criminal law to the Compliance Officer and the Chief Executive Officer ("CEO") who in turn is required to investigate and report the matter to the Federal Bureau of Investigation, the U.S. Attorney, the Federal Deposit Insurance Corporation, the Pennsylvania Department of Banking and the bonding company.

In the event a potential conflict of interest does arise involving an officer or employee, its nature and extent should be fully disclosed immediately to the CEO of Prudential Bank, who, after making a thorough review of the circumstances, will report to the Board of Directors who will determine appropriate action to be taken. Officers and employees must disclose all potential and actual conflicts of interest, including those in which they have been inadvertently placed due to

either business or personal relationships with customers, suppliers, business associates, or competitors of the financial institution.

In the event a potential conflict of interest does arise involving a member of the Board of Directors, its nature and extent should be fully disclosed immediately to the Chairman of the Board of Directors ("Chairman") and the CEO.

Personal Investments: Directors must disclose to the Chairman of the Board and employees must disclose to their direct supervisor when they know of any ownership or beneficial interest which they or members of their immediate families have with our customers or suppliers if they have responsibility for the account relationship. You and your immediate families are prohibited from investing in securities of customers or suppliers if you or they hold or share any responsibility for the account relationship, unless the securities are publicly traded and the purchase or sale is based upon information available to the general public, or unless approval is granted by a majority vote of the Board of Directors. In those instances where a personal investment in a given customer has been approved, you must avoid participation in any decisions concerning that customer.

Example: An employee who is the account officer for or deals with the loan account of ABC Company (a customer) may not invest personally in ABC Company without receiving prior approval of the Board of Directors.

Fiduciary Appointments: Except for a member of an officer or employee's immediate family, prior approval by the Chairman and its CEO is required before acceptance by an officer or employee of appointment as fiduciary or co-fiduciary (executor, administrator, guardian, or trustee) of customers of Prudential Bank or either with another person, firm, or corporation. Immediate family is defined as spouses, parents, children, and/or siblings.

Beneficiary (or Legatee) Under a Will or Trust: Officers and employees must report to the Chairman and the CEO any gift of a beneficial interest or legacy under Wills or Trusts of customers of Prudential Bank, other than a relative, at such time as the officer or employee learns of the designation. The objective of such a notification requirement is to allow for consideration of all the facts in each case to make certain there are no real conflicts of interest and that a reasonable, disinterested third party could not allege a conflict of interest upon the officer or employee in receipt of the benefits.

Lending Relationships: It is the position of Prudential Bank that lending services be available to serve the legitimate and deserving credit needs of all customers on an equal basis. Loan terms and conditions shall be based upon a borrower's credit worthiness and total underwriting requirements.

Prohibited Lending Practices: Lending officers are not permitted to process loan applications or to extend credit to members of their immediate family. Immediate family is defined as spouses, parents, children and/or siblings. Any such loan application must be referred to another lending officer.

Extending credit to companies in which the lending officer has an interest as a director, officer, controlling person, or partner, or in which a member of the lending officer's immediate family has such an interest is not permitted.

No loans to directors or officers will be made under terms and conditions different from those stated in the lending policy.

Outside Employment: Full time officers and employees should carefully scrutinize outside employment, including the performance of any services for compensation, to avoid potential conflicts of interest and excessive demands on one's time. Outside employment may be undertaken unless objected to by the CEO or Executive Committee of Prudential Bank's Board of Directors on the grounds that such outside employment interferes with the job performance or has the appearance of a conflict of interest with Prudential Bank.

Participation in Public Affairs: It is our philosophy to encourage on the part of our officers and employees a full awareness and interest in civic and political responsibility. Each officer and employee shall have the opportunity to support community activities or the political process as he/she desires.

Voluntary efforts for civic activities normally take place outside of regular business hours. If voluntary work requires Prudential Bank time, prior approval should be obtained from the CEO.

Corporate Directorships, Public Offices, and Commissions: Officers and employees must be constantly aware when considering election or appointment to corporate boards, public offices, or commissions, that serving in such capacity will not place them in a position where a potential conflict of interest may exist.

4. **IMPROPER USE OF CORPORATE POSITION OR PROPERTY; RECEIPT OF GIFTS**

We expect all directors, officers, and employees to render efficient and courteous service to our customers at all times without expectation of reward for employment. To avoid even implication of any impropriety, it is important that each staff member decline any cash or gifts, the acceptance of which would raise even the slightest doubt of improper influence. If an officer or employee is offered or receives something of value from a customer, in excess of \$100.00, the officer or employee must disclose that fact to the CEO. We will keep contemporaneous written reports of such disclosures. The Board of Directors will review the disclosures to determine whether or not what is offered or accepted is reasonable and not a threat to the integrity of Prudential Bancorp, Inc. or Prudential Bank.

It is recognized, however, that certain gift giving may occur without an intent to influence or reward an officer corruptly in connection with our business. Exceptions to the general prohibition of accepting things of value in connection with the business include acceptance of:

- a. Gifts, gratuities, amenities, or favors based on obvious family or personal relationships (such as those between parents, children, or spouse of a financial

institution official) where the circumstances make it clear that it is those relationships rather than the business of the financial institution concerned which are the motivating factors;

- b. 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 Prudential Bancorp, Inc. or Prudential Bank as a reasonable business expense if not paid for by another party.
- c. Loans from other financial institutions on customary terms to finance proper and usual activities of financial institution officials, such as home mortgage loans, except where prohibited by law;
- d. Advertising or promotional material of reasonable value, such as pens, pencils, note pads, key chains, calendars, and similar items;
- e. Discounts or rebates on merchandise or services that do not exceed those available to other customers;
- f. Gifts of reasonable value that are related to commonly recognized events or occasions, such as promotion, new job, wedding, retirement, holiday or birthday;
- g. Civic, charitable, educational, or religious organization awards for recognition of service and accomplishment.

Preferential Treatment: None of our directors, officers or employees shall acquire or appropriate to his own personal use any of our property, service, or profits opportunity of the basis of, or under situations not available to members of the public.

5. GENERAL CONDUCT

Each officer or employee will be expected to monitor his/her personal conduct so as not to bring discredit to Prudential Bancorp, Inc. or Prudential Bank. Officers and employees shall conduct themselves while at or away from Prudential Bancorp, Inc. or Prudential Bank in such a manner so as not to bring discredit to themselves or to Prudential Bancorp, Inc. or Prudential Bank. Individuals should refer promptly any questionable matter for guidance and resolution to our CEO.

6. SPECIAL ETHICS OBLIGATIONS FOR EMPLOYEES WITH FINANCIAL REPORTING RESPONSIBILITIES

As a public company, it is critical that Prudential Bancorp, Inc.'s filings with the Securities and Exchange Commission ("SEC") be accurate and timely. Depending on your position with us, you may be called upon to provide information to assure that our public reports are complete, fair and understandable. We expect you to take this responsibility seriously and to provide prompt and accurate answers to inquiries related to our public disclosure requirements.

All directors, officers and employees bear a special responsibility for promoting our integrity. The CEO, the CFO and other employees who participate in the preparation or review of our SEC filings ("Participating Employees") have a special role both to adhere to these principles and also to ensure that our corporate culture ensures the fair and timely reporting of our financial results and condition.

Because of this special role, our CEO, CFO and all other Participating Employees are bound by the following standards, and by signing the Agreement of Compliance attached to this Code, each agrees that he or she will:

- § Act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships;
- § Provide information that is accurate, complete, objective, relevant, timely and understandable to ensure full, fair, accurate, timely, and understandable disclosure in reports and documents that we file with, or submit to, government agencies and in other public communications made by us;
- § Comply with rules and regulations of federal, state and local governments, and other appropriate regulatory agencies; Act in good faith, responsibly, and with due care, competence and diligence, without misrepresenting material facts or allowing one's independent judgement to be impaired; and
- § Promptly report to the Audit Committee of our Board of Directors any conduct that the individual believes to be a violation of law or business ethics or of any provision of this Code, including any transaction or relationship that reasonably could be expected to give rise to a conflict of interest.

Violations of these standards, including failures to report potential violations by others, are a serious matter that may result in disciplinary action, including termination of employment. If you believe that a violation of these standards has occurred, you should contact the Audit Committee of the Board of Directors.

7. ADMINISTRATION OF THE CODE OF CONDUCT AND ETHICS

The Board of Directors has adopted this Code of Conduct and Ethics and delegated to the CEO the responsibility for its administration.

It is the responsibility of every employee to be familiar with this Code and to abide by the letter and spirit of its provisions at all times. All new employees are to be provided with a copy of the Code at the time of their orientation. Supervising officers are expected to make every reasonable effort to ensure that their staff continue to comply with the provisions of the Code.

Reporting Violations: The procedures for handling concerns and complaints regarding questionable accounting or auditing matters as adopted by the Audit Committee from time to time are outlined in our Whistleblower Policy.

Anyone who seeks advice, raises a concern or reports misconduct or a violation of this Code is following the requirements of this Code and the desires of our Board of Directors. We encourage such action. The procedures for handling reports of illegal or unethical behavior are also set forth in Whistleblower Policy. Retaliation against anyone who makes a good faith report of misconduct is illegal and will not be tolerated.

8. CONCLUSION

We conduct ourselves and our business dealings so as to comply with all applicable laws and regulations. Where the requirements of such laws and regulations are unclear, the advice of the Compliance Officer or outside counsel must be sought to secure interpretation and to ensure compliance. You must understand our internal policies and procedures and the legal and regulatory framework within which we operate and must take those steps necessary to ensure that any persons working with or under your supervision understand them. You are urged to reread this Code from time to time to refresh your recollection of the statutory and regulatory matters and the policies outlined herein. This Code may be amended or modified by our Board of Directors. Waivers of this Code may only be granted by the Board of Directors or a committee of the Board with specific delegated authority. Waivers will be disclosed to shareholders as required by the Exchange Act and the rules thereunder and the applicable rules of the Nasdaq Stock Market.

Approved without amendment at a regular meeting of the Board of Directors held on July 20, 2016

Approved as amended at a regular meeting of the Board of Directors held on July 19, 2017

Approved without amendment at a regular meeting of the Board of Directors held on July 18, 2018

Approved without amendment at a regular meeting of the Board of Directors held on June 19, 2019

Approved without amendment at a regular meeting of the Board of Directors held on July 15, 2020

AGREEMENT OF COMPLIANCE

I, the undersigned, hereby certify that I have received a copy of Prudential Bancorp, Inc.'s and Prudential Bank's Code of Conduct and Ethics and understand what is required of me by the provisions of it. Further, I hereby certify that by the setting of my hand to this instrument, I agree to comply in good faith with the provisions and the spirit of the aforementioned Code.

Date

**Signature of Director, Officer
or Employee**