

JSC PIRAEUS BANK ICB
Revision Commission conclusions
about the year 2016 results

General information

PIRAEUS BANK ICB (the “Bank”) is a legal entity under the laws of Ukraine performing its activity under the law and regulations of Ukraine and is subject to regulatory supervision by the National Bank of Ukraine (the “NBU”).

Mr. Sergiy Naumov was a Chairman of the Management Board and reports to the Supervisory Board chaired by Mr. Yannis Kyriakopoulos as the Chairman of the Supervisory Board of Bank.

The Bank is 99.99% owned by Piraeus Bank S.A. (Athens, Greece) making the part of Piraeus Group.

Inspections of the Bank

In 2016 the Bank was subject to a series of inspections arranged by regulatory authorities of Ukraine such as National bank of Ukraine, Fund of guaranteeing deposits of private individuals, the Group Internal Audit of the Piraeus Group, internal Audit Department of the Bank and the external audit carried out by PJSC «Deloitte & Touche USC» in compliance with International Financial Reporting Standards.

All mentioned inspections found bank to be in good standing and with proper processes arranged and some minor gaps following to their results were corrected.

Group Internal Audit performed Treasury Department activities audit. All comments were properly presented to the management of the Bank.

Internal Audit of the Bank performed a sufficient job in inspection of all Bank’s branches as well as performance of separate Bank’s departments and activities due to which it became possible to improve significantly Bank’s operation and processes in general and in specific directions.

Financial Statements

The External auditor PJSC «Deloitte & Touche USC» has performed a regular annual audit of the bank and have confirmed the bank’s annual Financial Statements including Statement of Financial Position, Statement of Comprehensive Income, and Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements.

Conclusions

The Revision Commission appreciate bank’s transparency and in general wants to point that 2016 appeared to be a year of significant changes first of all in view of improvement of the Bank’s structure, processes and procedures set up in compliance with Piraeus Group requirements in particular as well as international standards in general.

The Revision Commission has reviewed the main potential risks in the Bank’s operations and believes the Bank has a fair understanding and assessment of these risks and a proper program of covering or mitigating them.

The Revision Commission considers the Internal and External Audits results and recommendations as adequate and their implementation and follow up by the Bank as satisfactory.

The Revision Commission recommends to the General Shareholders Meeting to approve 2016 financial statements of the Bank.

Sincerely,


Mr. Alkiviadis Alexandrou
Revision Commission Chairman
PIRAEUS BANK ICB