

JSC PIRAEUS BANK ICB
Revision Commission conclusions
about the year 2018 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. Sergey Naumov is the Chairman of the Management Board and reports to the Supervisory Board of the Bank chaired by Mr. Ioannis Kyriakopoulos. The Bank is 99.99% owned by Piraeus Bank S.A. (Athens, Greece) making it part of Piraeus Group.

Inspections of the Bank

In 2018, the Bank was subject to a series of inspections arranged by the Group Internal Audit of the Piraeus Group, Internal Audit Department of the Bank and the External Auditor PJSC 'Deloitte & Touche USC' in compliance with International Financial Reporting Standards. No high risk findings regarding the adequacy and effectiveness of the Internal Control System were revealed in the reported period, as stated in the Internal Audit Annual Report.

Group Internal Audit performed a number of specific inspections in IT operations (including BCP and DRP review) and Change Management (systems' modification) areas.

Internal Audit of the Bank performed a thorough inspection of all Bank's branches as well as a range of audits at the Head Office level due to which it became possible to suggest a number of improvements in the Bank's operations and processes in general and in specific areas.

Financial Statements

The External Auditor PJSC "Deloitte & Touche USC" has performed a regular annual audit of the Bank and has 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 governance framework and highlights that the year of 2018 appeared to be another year of challenges, 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 in terms of international standards in general.

The Revision Commission has reviewed the main potential risks in the Bank's operations that have been identified through audit inspection and acknowledges that the Bank has taken satisfactory Risk Management initiatives to address those risks.

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

The Revision Commission recommends to the General Shareholders Meeting to approve 2018 financial statements of the Bank.

Sincerely,



Mr. Alkiviadis Alexandrou
Audit Committee Chairman
PIRAEUS BANK ICB