

**REPORT**  
**of the Audit Committee**  
**of the Supervisory Board**  
**for H1, 2024**

Supervisory Board  
25 September 2024

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## 1. Introduction

The Audit Committee of the Supervisory Board was established (the “**Audit Committee**” or the “**Committee**”) by the decision of the Supervisory Board of the Bank dated 19.12.2023 (the Minutes No. 17\_23, Agenda Item 17).

According to the Audit Committee Regulation approved by the decision of the Supervisory Board dated 19.12.2023 (the Minutes No. 17\_23, Agenda Item 19), it is a standing collective body of the Bank, which is created for the purpose of preliminary study and preparation for consideration by the Bank's Supervisory Board of the issues defined by the Regulation.

The Audit Committee performs its functions according to the principles of independence and autonomy.

The Audit Committee has, inter alia, the following responsibilities:

- monitoring the integrity of financial information provided by the Bank, in particular reviewing the compliance and consistency of accounting methods used by the Bank;
- reviewing the effectiveness of the internal audit and risk management systems at least once a year;
- providing recommendations to the Supervisory Board regarding the selection, appointment, reassignment and dismissal of the head of the Internal Audit Department;
- drawing up the draft budget of the Bank's Supervisory Board and submitting it for approval;
- providing recommendations to the Shareholders and the Supervisory Board regarding the selection, appointment, reassignment and termination of the services of an external auditor (auditing firm) and the terms of the contract to be concluded with it, including the amount of remuneration;
- assessment of the independence of audit entities that provide statutory audit services;
- reviewing the effectiveness of the external audit process and the speed of management's response to recommendations provided by the external auditor;
- other issues stipulated by the Laws of Ukraine, the Bank's Charter or the Regulation.

## 2. Composition of the Audit Committee of the Supervisory Board

The current composition of the Audit Committee was approved by the Supervisory Board on 19.12.2023 (the Minutes No. 17\_23) and is aligned with the requirements of the Audit Committee Regulation. The Committee consists of three members of the Supervisory Board of the Bank the majority of whom is independent.

Members of the Committee are elected for unlimited period of time, and in any case until termination of their powers as the Supervisory Board Members.

As of 01.07.2024 the composition of the Audit Committee was as follows:

Chairman of the Audit Committee:

– Mr. Agkop Mardikian (independent)

Members of the Audit Committee:

– Mr. Emil Angelov (Shareholder's representative);

– Mr. Efstratios Hatzistefanis (independent).

**3. Activity of the Audit Committee of the Supervisory Board in H1, 2024**  
**The Audit Committee meetings in H1, 2024**

	No. of meetings / way of convening	Attendance	Main topics
Audit Committee	In total, during H1, 2024, 5 meetings were held (2 meetings by videoconference and 3 absentee votings, which are collectively referred to as the “meetings”)	<ul style="list-style-type: none"> <li>▪ Mr. Agkop Mardikian (5 of 5 meetings);</li> <li>▪ Mr. Emil Angelov (5 of 5 meetings);</li> <li>▪ Mr. Efstratios Hatzistefanis (5 of 5 meetings).</li> </ul>	<p>Preliminary consideration of:</p> <ul style="list-style-type: none"> <li>▪ Quarterly reports on IAD activities execution including the audit reports issued in the respective reporting period</li> <li>▪ Annual IAD report on audit assignments execution during the year ended 31.12.2023 with the statement regarding the IAD organizational and functional independence</li> <li>▪ Half-year reports regarding the implementation of recommendations for elimination of revealed violations issued based on the results of IAD inspections</li> <li>▪ Audited annual financial statements of the Bank as of 31.12.2023 in accordance with IFRS</li> <li>▪ Independent auditors report as of 31.12.2023</li> <li>▪ Supplemental Agreement No. 1 to the Audit Agreement for Y2023 with PJSC "KPMG Audit"</li> <li>▪ Report of the external auditor and proposal to the General Meeting of Shareholders of the Bank to approve it</li> </ul>

### 3. Activity of the Audit Committee of the Supervisory Board in H1, 2024

The Chairman of the Committee convened the meetings in presence by means of Zoom videoconferences as well as proposed to take decisions via absentee voting. The Chairman chaired the meetings, approved the agendas, ensured their observance, monitored the timely dispatch of materials to the Committee members.

Based on the results of attendance assessment it should be concluded that the Members of the Committee attended all the meetings of the Committee during H1, 2024, which demonstrates their high involvement in the activity of the Audit Committee.

In general, the Committee used the methods and procedures of activity defined in the Regulation on the Audit Committee, which allowed to effectively organize the process of implementing the assigned powers.

For the efficient and effective work of the Audit Committee and comprehensive preparation for making informed decisions, the Chairman and members of the Committee actively interacted with the Bank's Management Board, the control functions of the Bank and the Supervisory Board.

In the future, the Audit Committee plans to proceed with performing the assigned functions in accordance with the legislative acts and the Regulation on the Audit Committee and provide effective support to the Supervisory Board.

#### 4. Assessment of the independence of audit entity that provides statutory audit services

The external auditor of the Bank Private Joint-Stock Company “KPMG Audit” is included in the Register of Auditors and Auditing Entities of Ukraine.

On 06.09.2023 PrJSC “KPMG Audit” was approved by the Supervisory Board as an external auditor of the Bank for the period 2023 - 2025 for the purposes of audit of the Bank’s financial statements.

PrJSC “KPMG Audit” has performed the statutory audit of the Bank’s annual financial statements for the year ended 31.12.2023.

The members of the Audit Committee are not aware of any facts that could challenge the principles of independency while performing the audit of the Bank’s annual financial statements by the external auditor PrJSC “KPMG Audit”.

External auditor followed independence and other ethical requirements of the Code of Ethics of Professional Accountants, issued by Council on International Standards of Ethics of Professional Accountants, which is based on fundamental principles of honesty, objectivity, professional competence and proper diligence, confidentiality and professional conduct.