

Announcement of competitive selection of an independent auditor for conducting audit procedures

JSC CB "PrivatBank" (hereinafter - the Bank) invites audit firms to participate in the competition for the selection of an independent auditor to conduct mandatory audit of annual financial statements for 2023 – 2025 with the possibility of extending the provision of services for the next two years (hereinafter - the Competition).

Audit firms that meet the following criteria are invited to participate in the Competition:

- compliance with the qualification requirements of applicants specified in Section 5 of the Procedure on selection of the audit company, approved by the minutes of the Bank's Supervisory Board No. 17/21 dated 25.03.2021;¹;
- inclusion of the auditing entity in the section of the Register of auditors and auditing entities, which gives the right to conduct a mandatory audit of the financial statements of public interest entities;
- the auditing entity has at least five years of experience in conducting a mandatory annual audit of the financial statements of state-owned banks of Ukraine and / or systemically important banks, the list of which is determined by the National Bank;
- absence of the audited entity included, its head and / or auditors of any penalties applied during the last three years by the body that regulates / regulated the audit activity;
- the auditor does not have an existing and / or potential conflict of interest and threats to independence in the provision of audit services;
- failure to apply special economic and other restrictive measures to the auditing entity, owners of its significant participation or related persons during the last 12 months by Ukraine and / or foreign member states of the Organization for Economic Cooperation and Development and / or the European Union.

Tasks include:

- audit of separate annual financial statements of JSC CB "PrivatBank" and audit of consolidated financial statements of PrivatBank Group, prepared in accordance with international financial reporting standards, requirements of the legislation of Ukraine, regulations of the National Bank on supervision and regulation of banks, and is subject to promulgation in the manner prescribed by the legislation of Ukraine;
- providing the independent auditor's report, which will contain an opinion on whether the above separate and consolidated financial statements are presented reliably, in all material respects, in accordance with International Financial Reporting Standards;

¹ Link to the Procedure on selection of the audit company posted on the official website of the Bank: https://static.privatbank.ua/files/poryadok_provedenya_konkursu_subyektiv.pdf

- providing services for the first stage of assessing the stability of the bank in accordance with the requirements of the National Bank of Ukraine;
- providing the report on the results of the first stage of assessing the stability of the bank ;
- providing the independent auditor's report in accordance with the requirements of the National Bank of Ukraine ;
- providing a letter of information to the Supervisory Board and the Management Board based on the results of the audit;
- providing (if necessary) at the request of the Bank an audit report, including the section "Report on regulatory and other requirements" in accordance with the requirements of the National Commission on Securities and Stock Market .

Information and documents submitted by the Contestant:

- Commercial proposal, which contains a list of procedures and actions that will be performed during the provision of audit services; terms (terms) of providing audit services; hourly rates and number of working hours depending on the position, the cost of audit services for the audit for 2023; projected cost of audit services for 2024 - 2025; terms of payment;
- Letter of confirmation of compliance with the qualification requirements specified in Section 5 of the Procedure on selection of the audit company on the official letterhead of the firm signed by the head of the firm or the authorized person (Appendix 1);
- Letter of confirmation on the existence of all selection criteria specified in Section 6 of the Procedure on selection of the audit company on the official letterhead of the firm signed by the head of the firm or the authorized person (Appendix 2);
- Documents according to the list given in Annex 3 to this Announcement .

If necessary, the Bank has the right to request additional documents / relevant explanations to the submitted documents

Competition schedule:

The deadline for the competition is December 24, 2021.

Submission of competitive documentation by November 24, 2021.

Competitive documentation are submitted by Contestants:

- in paper form in an envelope marked "For the competition for the selection of the auditor" to the address: 01001, Kyiv, Museum Lane 10, to the attention of Lech Denis;

- send to e-mail ekaterina.majkova@privatbank.ua with a mandatory copy to Irina.Pilipenko.04@privatbank.ua та valentyna.yarmolenko@privatbank.ua

Additional (special) information:

The Winner of the Competition acquires the right to provide the Bank with services for conducting a mandatory audit of the Bank's annual financial statements for 2023 – 2025 with the possibility of extending the provision of services for the next two years.

In connection with the election of the audited entity as an independent auditor of the bank for a period of more than 1 year, (i) the contract is concluded on an annual basis; and (ii) prior to the signing of the contract for the second and each subsequent years, the winning audit firm annually confirms compliance with the qualification requirements and selection criteria in accordance with the Procedure on selection of the audit company posted on the Bank's official website, current legislation of Ukraine prohibitions.

In the event that the Bank and the winner of the Competition do not agree on all material terms of services, the Bank has the right to terminate cooperation with the selected company and announce a new Competition.

Contact person:

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Audit Committee of JSC CB "PrivatBank"**Letter of confirmation of compliance with the qualification requirements specified in
Section 5 of the Procedure on selection of the audit company of JSC CB
"PrivatBank"**

This letter /name of the Contestent/ (hereinafter - the Contestent), in person /Authorized Person/, confirms the Contestent's compliance with the qualification requirements for the provision of services for mandatory audit of financial statements of JSC CB "PrivatBank", namely:

Of the Law of Ukraine "On Audit of Financial Statements and Audit Activities"

1. In accordance with sub-clause 21 of part 1 of Article 1 of this Law /name of the Contestent/ meets the criteria for determining the subject of audit activity.
2. In accordance with Article 5 of this Law:
 - the total share of founders (participants) /name of the Contestent/ who are not auditors and / or audit firms in the authorized capital does not exceed 30 percent;
 - the official who, in accordance with the constituent documents, carries out the management /name of the Contestent/, is only the auditor;
 - the head /name of the Contestent/ is not the head of another legal entity carrying out business activities by types incompatible with auditing activities;
 - an audit firm of a foreign state conducts audit activities on the territory of Ukraine, subject to its admission to audit activities in accordance with the national legislation of the country of origin of such audit firm, if the key partner of this firm will audit legal entities, representative offices of foreign of an entity registered in Ukraine meets the requirements of this Law to the auditor, the compliance of the audit firm with the requirements specified by this Law, as well as after its inclusion in the Register of auditors and audit entities.
3. In accordance with Article 43 of this Law /name of the Contestent/ has a valid contract of insurance of civil liability of the audited entity to third parties, concluded in accordance with the standard form of insurance contract approved by the National Bank of Ukraine, in agreement with the Public Oversight Audit Authority.
4. In accordance with Part 4 of Article 4, the auditor has no outstanding or unresolved conviction or no administrative penalty for corruption offenses during the last year, as well as no application of penalties during the last year of exclusion from the Register of Auditors and

auditing entities for submission of unreliable information to the Register of auditors and auditing entities.

5. /name of the Contestent/ has no restrictions related to ensuring the requirements of independence and objectivity in the provision of services for the statutory audit of financial statements, in accordance with the requirements of Article 10 of this Law;

6. /name of the Contestent/ has no restrictions related to ensuring the requirements of independence and objectivity in the provision of services for the statutory audit of financial statements, in accordance with the requirements of Part 4 of Article 6 and Part 4 of Article 27 of this Law.

7. In accordance with Part 3 of Article 27 of the Audit Law, if a member of the audit network to which the audited entity providing statutory audit services of the Bank's financial statements belongs provides the services specified in part four of Article 6 of the Audit Law to a non-resident, which is the parent company and / or a subsidiary of the Bank, such an auditing entity shall, in this regard, assess the threats to independence. An auditing entity may continue to perform the statutory audit of the Bank's financial statements only if it can be demonstrated that the provision of services by a member of the audit network to the parent company (non-resident) and / or a subsidiary (non-resident) of the Bank does not affect the independence of the entity. auditing activity, its professional judgment and audit report.

8. In accordance with to Part 3 of Article 26 of this Law for the previous annual reporting period, the amount of remuneration from each of the public interest entities to which the services of statutory audit of financial statements were provided during this period did not exceed 15 percent of the total income from audit services and there are no restrictions on the length of service provided to the enterprise.

9. In accordance with Part 5 of Article 30 of this Law /name of the Contestent/ will ensure the rotation of auditors involved in the task of mandatory audit of financial statements.

Of the Law of Ukraine "On Banks and Banking"

10. /name of the Contestent/ has no restrictions related to the duration of services provided by JSC CB "PrivatBank" (not more than seven consecutive years) in accordance with the requirements of Article 70 of this Law.

Other requirements

11. information on /name of the Contestant/ is not entered in the Unified State Register of Persons Who Have Committed Corrupt or Corruption-Related Offenses.

Name, position of authorized person

signature, seal

Audit Committee of JSC CB "PrivatBank"**Letter of confirmation on the existence of all selection criteria specified in Section 6 of the Procedure on selection of the audit company of JSC CB "PrivatBank"**

This letter /name of the Contestent/ (hereinafter - the Contestent), in person /Authorized Person/, confirms the selection criteria for the provision of services for mandatory audit of financial statements of JSC CB "PrivatBank", namely:

- /name of the Contestent/ inclusion of the auditing entity in the section of the Register of auditors and auditing entities, which gives the right to conduct a mandatory audit of the financial statements of public interest entities;
- /name of the Contestent/ has at least five years of experience in conducting a mandatory annual audit of the financial statements of state-owned banks of Ukraine and / or systemically important banks, the list of which is determined by the National Bank;
- the /name of the Contestent/, its head and / or auditors do not have any penalties applied during the last three years by the body that regulates / regulated auditing activities;
- /name of the Contestent/ does not have an existing and / or potential conflict of interest and threats to independence in the provision of audit services;
- no special economic or other restrictive measures have been applied to the /name of the Contestent/, its owners or related parties during the last 12 months by Ukraine and / or foreign member states of the Organization for Economic Cooperation and Development and / or the European Union.

Name, position of authorized person

signature, seal

List of documents to be submitted by the Contestent

1. Statute
2. Code EDRPOU
3. Individual taxpayer's number
4. Taxpayer status
5. Information on the ultimate beneficial owner (controller) according to the Unified State Register of Legal Entities, Individuals - Entrepreneurs and Public Associations.
6. Document on the appointment of the head of the audit firm.
7. Information on the person authorized to sign the tender offer (document on appointment, power of attorney).
8. Registration number of the Participant in the Register of auditors and auditing entities.
9. Data on inclusion of the Participant in the section "Audit entities that have the right to conduct a mandatory audit of financial statements of enterprises of public interest" (information certificate issued by the Audit Chamber of Ukraine).
10. Information on the number of full-time qualified employees of the Participant who will be involved in the audit of the bank's financial statements and confirmed qualifications in accordance with Article 19 of the Law of Ukraine "On Auditing Financial Statements and Auditing" or have valid certificates (diplomas) of professional organizations high level of knowledge of international financial reporting standards.
11. Information on the absence (presence) of the Participant, its manager and / or auditors working for the Participant (at the main place of work or part-time), any penalties applied during the last three years by the body that regulates / regulated the audit activity (information certificates issued by the Audit Chamber of Ukraine / Public Oversight Body for Audit Activities and the National Bank of Ukraine).
12. Data of the certificate on passing the inspection of the quality control system, issued to the participant by the Audit Chamber of Ukraine, or the document issued by the Quality Assurance Inspection of the Public Oversight Body for auditing activities.
13. Contract of insurance of civil liability to third parties.