



ABLV

Riga, 6 March 2020

Statement of Corporate Governance for 2019

Statement of Corporate Governance for 2019 of ABLV Bank, AS in liquidation (hereinafter referred to as the Company) has been prepared in compliance with the requirements of part three of Section 56.² of the Financial Instrument Market Law.

Information about the main elements of the capital company's internal control and risk management system that are applied to financial reporting.

Internal control

The internal control system is aimed at providing grounded confidence that the Group's and the Company's assets are protected against loss and unauthorised possession and use, the activity risks are continuously monitored and managed, the capital is adequate for covering risks associated with activity, transactions within liquidation are processed in accordance with the Group's and the Company's procedures and properly recorded, as well as the Group and the Company operate in a sensible, prudent and efficient manner, fully complying with requirements of the laws, liquidation plan and other legal acts.

The Group's and the Company's management is responsible for establishment, implementation and use of internal control system with regard to preparation of financial statements and fair representation. The responsibility is carried out by selecting and applying appropriate accounting methods, which are described in internal normative documents.

With the approval of the Company's self-liquidation in 12 June 2018, the functions of the Board and the Council are performed by the Company's Liquidation Committee, which ensures the establishment and efficient functioning of the internal control system, whereas the independent supervision of the Company's internal control system, as well as its sufficiency and efficiency assessment is performed by the Company's Internal audit. The Company has set up the Audit Committee, the functions of which include monitoring the efficiency of the internal control and risk management system. Pursuant to the liquidation plan, the Company continues to comply with all requirements of the Laws and Regulations on the Prevention of Money Laundering and Financing of Terrorism and sanctions, which are applicable to credit institutions.

The Group and the Company have developed an accounting policy, which is aimed at setting the main principles of accounting and representing the operations (transactions), the flow and existence of financial assets and financial liabilities, as well as business transactions, so that the accounting information provided is true, comparable, timely, relevant, understandable, proper, and complete. In addition, the Group and the Company have developed normative documents that set forth the financial reporting procedures.

The Group's and the Company's financial reports are subject to independent audit, under which the independent auditors prepare statement, whether, according to their opinion, the financial reports give a true and fair view of the Group's and the Company's financial position, operating results and cash flow and are prepared in accordance with the International Financial Reporting Standards adopted by the European Union.

Likvidējamā ABLV Bank, AS
Skanstes iela 7 k-1,
Rīga, Latvija, LV-1013

Tel: +371 6777 5555
Fakss: +371 6777 5200
E-pasts: info@ablv.com

www.ablv.com

Risk management

Information about the elements of the risk management system can be found in the Group's consolidated and the Company's separate financial report for the year 2019, as well as in the Statement on Information Disclosure published at the Company's web site **www.ablv.com**.

The Group's consolidated and the Company's separate financial report for the year 2019 is publicly available at the Company's premises at 7 k-1 Skanstes street in Riga, as well as electronically – on the Company's web site **www.ablv.com**.

The Statement is publicly available at the Company's premises at 7 k-1 Skanstes street in Riga, as well as electronically – on the Company's web site **www.ablv.com**.

ABLV Bank, AS in liquidation
Liquidator Andris Kovaļčuks

ABLV Bank, AS in liquidation
Liquidator Lauma Bērziņa