

**RESOLUTION no. / 2022
of the Annual General Meeting
of Powszechna Kasa Oszczędności
Bank Polski Spółka Akcyjna
of 12 May 2022**

on granting consent to the Bank's acquisition of its own shares, defining the rules of acquiring own shares, creating a reserve capital (fund) intended for the acquisition of own shares and separating a part of the amount accumulated in the supplementary capital and transferring it to the reserve capital (fund) intended for the acquisition of own shares

§ 1.

Pursuant to Article 362 § 1 point 5 and 8 and § 2 and Article 396 § 5 of the Commercial Companies Code, as well as § 7 sec. 4, § 29 section 3 and § 30 of the Bank's Articles of Association, the Annual General Meeting adopts the following:

1. The Bank's Management Board is authorized to purchase one-off or multiple, for redemption, fully paid-up own shares of the Bank, including those traded on the regulated market operated by the Warsaw Stock Exchange ("WSE") ("Own Shares"). The authorization of the Bank's Management Board to purchase Own Shares is granted for a period of 2 years from the day following the entrance into force of this resolution, but no longer than until the funds allocated for the purchase of Own Shares are exhausted.
2. Purchase of Own Shares by the Bank will be made according to the following rules:
 - 1) the total nominal value of the Own Shares purchased shall not exceed 10% (ten percent) of the Bank's share capital, i.e. 125,000,000 (in words: one hundred and twenty-five million) shares with a nominal value of PLN 1 (in words: one zloty) each;
 - 2) the purchase of Own Shares may take place at the price for one Own Share: not lower than 1% and not higher than 150% of the book value in PLN per Own Share, indicated in the last interim or annual financial (standalone) report of the Bank published before the date of purchase of Own Shares;
 - 3) The Bank may purchase Own Shares in the following way:
 - a) in transactions on the regulated market operated by the WSE taking into account the principles set out in Article 5 of Regulation (EU) No. 596/2014 of European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and the Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC and in Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No. 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards on the conditions applicable to buy-back programs and stabilization measures; or
 - b) by launching calls for tenders for the sale of Own Shares outside the regulated market operated by the WSE, addressed by the Bank to all the Bank's shareholders, with the

proviso that the purchase price for the Own Shares will be the same for all the Bank's shareholders, who responded to a given invitation.

If the number of Own Shares offered by the shareholders for purchase by the Bank is higher than the total number of Own Shares specified by the Bank in the announced invitation to submit offers, the Management Board will proportionally reduce the shareholders' offers by rounding the fraction number of Own Shares down to the nearest whole number, so that the total number of Own Shares is equal to the maximum number indicated by the Bank in the invitation. In the event that the application of the above rule of rounding the fractional number of Own Shares down to the nearest whole number (allocation rule) does not allow covering the entire number of Own Shares intended for purchase by the Bank in the invitation, the Bank will acquire the remaining Own Shares after applying the above rounding (i.e. the number of shares constituting the difference between the maximum number of Own Shares subscribed for and the shareholders' bids reduced and rounded down) from the shareholder who submitted a sale offer for the largest number of Own Shares, and in the case of offers for the same number of Own Shares, from the shareholder who made an offer earlier;

- 4) the acquisition of Own Shares may only take place after the Bank has obtained the relevant approvals of the Polish Financial Supervision Authority.
3. The Bank's Management Board is authorized to take any factual and legal actions necessary to acquire Own Shares (including the determination of the price and other rules for the acquisition of Own Shares to the extent not regulated in this § 1, as well as the commencement, completion, suspension, renewal or resignation from the acquisition Own Shares - in whole or in part - at any time during the period of authorization granted in § 1 section 1 of this resolution).
4. The Bank's Management Board may convene the Bank's General Meetings in order to adopt resolutions on the redemption of Own Shares and on the reduction of the share capital and on amendments to the Bank's Articles of Association with regard to some or all of the Own Shares acquired before or after the expiry of the deadline for the authorization to purchase Own Shares.
5. It is decided to establish in the Bank, subject to the provisions of Art. 348 § 1 of the Commercial Companies Code, as part of reserve capitals - reserve capital (fund) in the amount of PLN 6,500,000,000.00 (in words: six billion five hundred million zlotys), credited in accordance with sec. 6 below, for the purpose of settling the total purchase price of Own Shares, increased by the costs of acquiring Own Shares, in accordance with the provisions of this § 1. The Bank's Management Board is authorized to spend the amounts accumulated on this reserve capital (fund) on the terms set out in this § 1.
6. The total amount of PLN 6,500,000,000.00 (in words: six billion five hundred million zlotys) is separated from the Bank's supplementary capital, created from the profit from previous years

intended for distribution, and transferred to the reserve capital (fund) created in accordance with the provisions of sec. 5 above, for the purpose of settling the total purchase price of Own Shares increased by the costs of acquiring Own Shares, in accordance with the provisions of this § 1.

§ 2.

This resolution shall come into force as of the date of its adoption.

Rationale

to the draft resolution on consenting to the acquisition of own shares by the Bank, defining the rules of acquiring own shares, creating a reserve capital (fund) intended for the acquisition of own shares and separating a part of the amount accumulated in the supplementary capital and transferring it to the reserve capital (fund) intended for acquisition of own shares

Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna (the "Bank") currently has a significant capital surplus above the supervisory requirements, which it will be able to distribute to shareholders in the future, taking into account the recommendations of the Polish Financial Supervision Authority regarding the Bank's dividend policy. One of the forms of such distribution is share buy-back, allowed pursuant to § 7 sec. 4 and § 30 sec. 1 of the Bank's Articles of Association. In connection with the above, the Bank wants to define the rules for the purchase of own shares, the creation of a reserve capital (fund) intended for the purchase of own shares and the separation of a part of the amount accumulated in the supplementary capital in order to transfer it to the reserve capital (fund), intended for the acquisition of own shares and to enable such transactions.

The authorization to acquire the Bank's own shares will also be an important tool to increase the value of the remaining Bank's shares that will not be acquired by the Bank.

In order to carry out the purchase, in accordance with Art. 362 § 2 point 3 in connection with Art. 362 § 1 point 8 of the Commercial Companies Code, it is necessary to create a reserve capital (fund) as part of the reserve capital for the purpose of settling the total purchase price of shares, increased by purchase costs, which is the sole competence of the Bank's General Meeting. The proposed amount of reserve capital (fund) results from the adopted conditions regarding the number of shares and price conditions.

In the opinion of the Management Board, the Bank has a surplus of capital, and hence own funds, reflected by the levels of solvency ratios and leverage, which allow for the implementation of the share buy-back program. Taking into account the liquidity situation of the Bank, defined, inter alia, through the liquidity ratios, the Bank will be able to finance the purchase of up to 10% of its own shares and this will not deteriorate the Bank's liquidity. The proposed structure of the buy-back of own shares will enable interested

shareholders to participate in it on equal and transparent terms, and taking into account the Bank's capital resources being at a safe level, it will not interfere with the development of business activities and the achievement of strategic goals. In addition, the Bank will maintain a capital buffer in the event of adverse events, as well as to cover any additional capital needs related to exposure to foreign currency loans.

At the same time, pursuant to Art. 77 of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, amending Regulation (EU) No. 648/2012 any reduction, redemption or repurchase of Tier I issued by the Bank will be possible only after obtaining the prior consent of the Polish Financial Supervision Authority.

The project of the resolution has received the positive opinion of the Supervisory Board.