



Bank Polski

Statement of compliance with the corporate governance principles

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1. APPLICATION OF THE CORPORATE GOVERNANCE PRINCIPLES

General corporate governance principles in place at PKO Bank Polski S.A. (the Bank), i.e. the internal regulations for the Bank's management and control of its operations taking into account the principles and expectations of all stakeholders, arise from the generally applicable legal regulations, including in particular the Commercial Companies Code and the Banking Law, the laws regulating the functioning of the capital market and the rules issued by the Warsaw Stock Exchange (Best Practices for companies listed at the WSE), the Polish Financial Supervision Authority (corporate governance principles for supervised entities and supervisory recommendations for the banking sector).

The Bank is subject to the following sets of corporate governance principles:

- „Best Practices for WSE Listed Companies 2021” (applicable to the Bank in connection with the listing of the Bank's shares on the WSE Main Market).
 - „Best Practices for WSE Listed Companies 2021” are available on the WSE website in the section on corporate governance issues of listed companies (<https://www.gpw.pl/best-practice2021>)
- „Corporate Governance Principles for Supervised Institutions” (applicable to the Bank in connection with its status as an institution supervised by the Polish Financial Supervision Authority (PFSA)).
 - “Corporate Governance Principles for Supervised Institutions” are available on the Polish Financial Supervision Authority's website (https://www.knf.gov.pl/dla_ryнку/regulacje_i_praktyka/zasady_ladu_korporacyjnego)

CORPORATE GOVERNANCE PRINCIPLES CONTAINED IN BEST PRACTICES FOR WSE LISTED COMPANIES 2021

The Supervisory Board of Giełda Papierów Wartościowych w Warszawie S.A. (“the Warsaw Stock Exchange”, “WSE”), by resolution No 13/1834/2021 of 29 March 2021, adopted a set of corporate governance principles for joint-stock companies issuing shares, convertible bonds or bonds with pre-emptive right, which are admitted to trading on a WSE regulated market, i.e. “Best Practices for WSE Listed Companies 2021” (“Best Practice 2021”), which entered into force on 1 July 2021.

Best Practice 2021 is addressed to all authorities of the company. The Management Board of PKO Bank Polski S.A. (hereinafter: the Bank's Management Board or the Management Board), the Supervisory Board of PKO Bank Polski S.A. (hereinafter: the Bank' Supervisory Board or the Supervisory Board) and the General Shareholders' Meeting of PKO Bank Polski S.A. (hereinafter: the General Shareholders' Meeting of the Bank or the General Shareholders' Meeting) expressed their opinion on the application of these practices – they all approved the Best Practice 2021 without any exceptions.

In 2023 none of the Bank's authorities declared any deviations from the principles of the Best Practice 2021.

The information on the scope of application of the aforementioned principles by the Bank (in the form stipulated in the WSE Rules) is available on the Bank's website (<https://www.pkobp.pl/investor-relations/corporate-governance/best-practice-for-wse-listed-companies-2021/>).

The Supervisory Board's assessment of the manner in which the Bank complies with its disclosure requirements under the WSE Rules and the regulations on current and periodic information disclosed by issuers of securities is contained in the annual reports of this body, which are available on the Bank's website.

INCIDENTAL BREACH OF BEST PRACTICES 2021

In 2023, there was no incidental breach of any of the principles contained in the Best Practice 2021.

CORPORATE GOVERNANCE PRINCIPLES FOR SUPERVISED INSTITUTIONS ISSUED BY THE POLISH FINANCIAL SUPERVISION AUTHORITY

The “Corporate Governance Principles for Supervised Institutions” issued by the PFSA on 22 July 2014 (the “Principles”) define the internal and external relations for institutions supervised by the PFSA, including the relations with the shareholders and customers, the organizational structure, the functioning of internal audit, the key internal systems and functions, the statutory bodies and the principles for their cooperation.

In 2014, the Bank accepted the Principles for use with respect to the competences and obligations of the Management Board, i.e. managing the Bank's affairs and its representation, in compliance with the generally binding laws and the Bank's Articles of Association. Nevertheless, it was assumed that Chapter 9 of the Principles, concerning the managing of assets at the customer's risk, will not be applied due to the fact that the Bank does not conduct such activities.

The Supervisory Board accepted the Principles for use with respect to the competences and obligations of the Supervisory Board, i.e. supervising the conduct of the Bank's affairs in compliance with the generally binding laws and the Bank's Articles of Association.

The General Meeting, within the scope of its powers, adopted the Principles for use, subject to departure from the following principles:

- § 10 (2) of the Principles, with respect to the introduction of personal rights or other special rights for shareholders;
- § 12 (1) of the Principles with reference to shareholders' responsibility for prompt recapitalisation of the supervised institution;
- § 28 (4) of the Principles with reference to the assessment by the decision-making body of whether the adopted remuneration policy promotes the development and operational security of the supervised institution.

In accordance with the justification presented by the State Treasury together with the proposed draft resolution of the General Shareholders' Meeting of 2015, waiving the application of the principle specified in §10 (2) and §12 (1) of the Principles was justified by the uncompleted process of the Bank's privatization by the State Treasury.

Waiving the application of the principle set out in § 28 (4) was justified by the excessive scope of the remuneration policy in question, which is subject to the assessment by the decision-making authority. In the opinion of the State Treasury, the policy for remunerating employees who perform key functions but are not members of the supervisory or management bodies should be assessed by their employer or principal (i.e. the Bank represented by the Management Board whose activities are supervised by the Supervisory Board).

Pursuant to § 27 of the Principles, the Bank's Supervisory Board performs a regular assessment of the application of the Principles and the results of this assessment are made available on the Bank's website and communicated to the other bodies of the Bank. To date, the Supervisory Board has made such an assessment on eight occasions - for 2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022 (in all these cases it gave a positive evaluation).

As of 1 January 2022, PKO Bank Polski S.A. has also applied the provisions of Recommendation Z, concerning internal governance principles in banks, issued by the PFSA. Recommendation Z supplements, details and develops issues in the field of issues which have already been regulated in the Principles. In the event that the scope of the Recommendation coincides with the scope of the Principles, the provisions of Recommendation Z shall take precedence. To the extent not regulated in Recommendation Z, the Principles shall apply.

The content of Recommendation Z is available on the PFSA website:

https://www.knf.gov.pl/knf/pl/komponenty/img/Rekomendacja_Z_70998.pdf.

INFORMATION ON THE APPLICATION OF THE PRINCIPLES CONTAINED IN THE BEST PRACTICE 2021 AND THE PFSA CORPORATE GOVERNANCE PRINCIPLES FOR SUPERVISED INSTITUTIONS

Information on the application of corporate governance principles is set out below. In accordance with the Commission Recommendation of 9 April 2014 on the quality of corporate governance reporting (2014/208/EU), the issues which, in the Bank's opinion, are the most important for the shareholders are described.

GENERAL SHAREHOLDERS' MEETING AND SHAREHOLDER RELATIONS

The Bank sets the place, date and form of the General Shareholders' Meetings taking into account the need to allow as many shareholders as possible to participate. The Bank did not organize any General Shareholders' Meetings using means of electronic communication (e-meeting) in 2023. As a result of adopting all principles contained in Best Practice 2021, as well as the waiver of the exemption of §8(4c) of the PFSA "Corporate Governance Principles for Supervised Institutions", the Bank allows the possibility of organizing e-meetings if it is expected by the shareholders. The Bank is able to provide the technical infrastructure necessary to hold them and is prepared in terms of procedures for the organisation of e-meetings (the Supervisory Board has adopted regulations for holding general meetings using electronic communication means). Irrespective of the above, in order to ensure maximum transparency of the decision-making process, the General Shareholders' Meetings are broadcast in real time and they are open to media representatives.

On 7 June 2021, the Annual General Shareholders' Meeting adopted all principles contained in Best Practices 2021, including the principle that draft resolutions must be presented not later than 3 days before the date of the meeting and that the candidates to the Supervisory Board must make the necessary statements. The General Meeting held in 2023 adhered to these principles.

As a rule, the Management Board and Supervisory Board members participate in the General Shareholders' Meetings. In 2023, their participation took different forms – either of the physical presence at the place of the meeting or of real time bilateral communication with the use of electronic means. These bodies were represented by persons capable of discussing the matters on the agenda and providing informed responses to any questions asked during the meeting. The Management Board presented the financial results and other relevant information contained in the financial statements and discussed significant events relating to the previous financial year, comparing the presented data to the preceding years.

In accordance with the Bank's dividend policy adopted in 2022, the Bank intends to distribute dividends in the long term in a stable manner, in compliance with the principle of prudent management of the Bank and the Bank's Group. At the present stage, the Bank does not identify any reasons not to apply Best Practice 2021 with respect to limiting the possibility of retaining the total profit earned in a given year at the Bank.

INFORMATION POLICY AND COMMUNICATION WITH INVESTORS

The Bank's overriding aim regarding information activities is to guarantee high standards of communication with the participants of the capital market, which are a sign of respect for the principles of universal and equal access to information. To achieve this aim, the Bank pursues its information policy in a manner that ensures proper, reliable and complete access to information about the Bank for all investors, with no preferences as regards any of them. The above rules have been formally adopted by the Bank in the "Principles of information policy of PKO Bank Polski S.A. regarding communication with investors and clients", available on the Bank's website ([Information disclosure policy - PKO Bank Polski \(pkobp.pl\)](#)).

The Bank communicates with the investors directly, by organizing online performance meetings, by participating in a wide range of investor conferences and bilateral meetings, and through its activity on the corporate website, which has a dedicated investor relations section. The website contains key information on the Bank and the securities issued, including the information on the Bank's strategy, financial statements, presentations, key financial data in a format that allows its direct use, contact details and other information which is usually published by companies, in accordance with the relevant recommendations.

The investor relations section at [Corporate Governance - PKO Bank Polski \(pkobp.pl\)](#) contains information on corporate governance principles, basic corporate documents, policies and reports, as well as information on the application of Best Practice 2021 and the PFSA's "Corporate Governance Principles for Supervised Institutions".

In view of the adoption of the Strategy for 2023-2025, and in order to ensure proper communication with stakeholders, the Bank has published information about the Strategy's objectives, measurable goals, including in particular long-term goals, and measures planned for its implementation on its website. This information is available in the investor relations section at [Strategy of PKO Bank Polski S.A. na lata 2023-2025 \(pkobp.pl\)](#).

The ESG area is one of the pillars of PKO Bank Polski S.A.'s strategy for 2023-2025. The Bank's ESG strategy includes a set of metrics in three areas of sustainability: environmental, social and corporate governance. Information on the ESG targets included in the 2023-2025 Strategy is available on the Bank's website: [Strategy of PKO Bank Polski S.A. na lata 2023-2025 \(pkobp.pl\)](#).

In addition to the regular meetings associated with the publication of results, dialogue with shareholders is carried out on an ongoing basis. The investors' questions are answered immediately after their receipt, not later than within 14 days. If more time is required due to special circumstances, the investor is notified in advance about the planned date of providing the response. The Bank does not limit the group of persons entitled to information to the shareholders. When answering questions, the Bank assesses the possibility of providing a response to a specific question taking into account the need to protect company secrets or a potential conflict with the applicable laws. It also evaluates the importance of the question in order to provide explanations within an appropriate time and at the appropriate level of detail.

The Bank also has recommended internal regulations in place concerning the provision of explanations and rectification of false, inaccurate or detrimental media reports.

MANAGEMENT BOARD AND SUPERVISORY BOARD OF THE BANK

Members of the Management Board and Supervisory Board are appointed in a manner allowing for the selection of persons having high qualifications, skills and experience that are adequate to their position and ensuring that the Management Board and Supervisory Board members (both individually and collectively) will issue independent opinions and decisions in all areas of the Bank's operations.

The above is reflected in the following policies in place at the Bank:

- The policy concerning the assessment of appropriateness of the candidates for members and members of the Supervisory Board of Powszechna Kasa Oszczędności Bank Polski S.A. (adopted by the General Shareholders' Meeting);
- The policy concerning the appropriateness of the Management Board members and key officers of the Bank and appropriateness assessment at the Bank's Group companies (adopted by the Supervisory Board of the Bank).

The policy for ensuring diversity of the composition of the Management Board and Supervisory Board is a part of the suitability policy.

The diversity policy defines diversity objectives and criteria and is designed to ensure that members of the Management Board and Supervisory Board are appropriately selected to obtain a broad range of competences, knowledge and skills that are adequate for the position and, at the same time, to ensure diversity in terms of age and gender. The competent authorities that select candidates for specific positions take into account the result of suitability assessment and aim at achieving a balance between genders or at least 30% representation of the less numerous gender. The aforementioned suitability policies also specify deadlines and methods for monitoring the achievement of diversity objectives.

In accordance with the Bank's Articles of Association, if the number of Supervisory Board members drops below five, the General Shareholders' Meeting must be convened to appoint an appropriate number of members.

The General Meeting and the Supervisory Board, as part of succession management, make decisions on the selection of new members respectively: of the Supervisory Board and the Management Board, bearing in mind: the objective of ensuring continuity in decision-making by the bodies as well as individually by the members of the Management Board in the area they supervise; the need to ensure the achievement of the Bank's strategic objectives; the principle of diversity in the composition of the bodies; and ensuring the collective suitability of the bodies.

Having regard to the representations made by the members of the Supervisory Board, as at 31 December 2023 the Supervisory Board was mostly composed of independent members. The Chair of the Supervisory Board does not combine his function with managing the work of the audit committee of the Supervisory Board. More information on the Supervisory Board is provided in section 8.

In accordance with the rules, the Supervisory Board members voting against a resolution may express a dissenting opinion which shall be recorded in the minutes. The Supervisory Board votes on resolutions by open ballot. Voting by secret ballot is ordered when personal issues are discussed or at the request of at least one Supervisory Board member.

Members of the Supervisory Board devote the necessary amount of time for the performance of their duties. The turnout is very high and any absences are justified.

The Supervisory Board may use the services of external advisors, experts or consultants at the Bank's cost.

Since the Bank has adopted all principles contained in Best Practice 2021, the Supervisory Board annual reports contain elements required by Best Practice 2021.

Serving on the Bank's Management Board is the main area of activity for the members of this body, who do not take any other professional activity if devoting their time to such activity would make it impossible for them to serve on the Management Board diligently.

Appointment of a Management Board member to the supervisory body of a company which does not belong to the Bank's Group requires the approval of the Supervisory Board.

INTERNAL SYSTEMS AND FUNCTIONS

PKO Bank Polski S.A. has a management system in place, comprising an internal control system and a risk management system. The Management Board is responsible for the design and implementation of these systems. These systems are designed to suit the size of the Bank as well as the nature and scale of its business. The Bank has separate units within its structure responsible for carrying out tasks in the aforementioned systems.

The internal control system supports the management of the Bank by ensuring the effectiveness and efficiency of the Bank's operations, the reliability of financial reporting, compliance with the Bank's risk management principles and compliance of the Bank's operations with generally applicable laws, the Bank's internal regulations, supervisory recommendations and market standards adopted by the Bank. The internal control system is arranged at the Bank on three independent levels:

The internal control system at PKO Bank Polski S.A. comprises:

- the control function which ensures compliance with controls relating, in particular, to risk management at the Bank; this function covers all of the Bank's units, and the organizational positions in these units responsible for the performance of tasks allocated to a particular function.
- the compliance function – the Compliance Department (CD), which is an organisationally separate, independent function with a key role in compliance and non-compliance risk management,
- the internal audit function – the Internal Audit Department (IAD), which is an independent and objective function performing assurance and advisory activities to assess the adequacy and effectiveness of the risk management system and the internal control system.

The Bank appoints an officer to head the internal audit function (IAD), who acts in accordance with the law, the supervisory regulations of the PFSA, as well as best practices and the International Standards for the Professional Practice of Internal Auditing published by the Institute of Internal Auditors.

The heads of IAD and CD report directly to the President of the Management Board and are appointed with the prior approval of the Supervisory Board. The IAD activities are subject to an independent external evaluation at least once in five years.

The Supervisory Board evaluates the internal control system and its components on an annual basis based on the information and reports provided by the Management Board, the Audit Committee of the Supervisory Board, the IAD and the CD, as well as the findings of the registered auditor and those resulting from the supervisory activities of authorised institutions. The Supervisory Board is supported in such activities by the Audit Committee of the Supervisory Board.

Other entities of the Bank's Group have internal control systems adapted to the specific nature of their activities. The manner of functioning of internal control systems depends on the business entity's size and scope of its operations.

The risk management process consists of the following main components: the risk management strategy adopted by the Management Board and approved by the Supervisory Board, the processes for managing the specific types of identified risk, and regular reviews of the aforementioned strategy and processes. The heads of the structures responsible for the management of other risks report to the Management Board member supervising the Risk Management Area.

CONFLICT OF INTEREST AND RELATED PARTY TRANSACTIONS

The Bank has adopted the principles for the management, identification and disclosure of conflicts of interest or potential conflicts of interest and taking actions to control such conflicts, minimize their occurrence and mitigate their adverse effect on the Bank's operations and its relations with the customers and other entities.

These principles regulate e.g. the responsibilities of the members of the Bank's bodies with respect to reporting potential and actual conflicts of interest and limiting the involvement of persons who have a potential conflict of interest in the matters to which such conflict of interest relates. In accordance with the rules and regulations of the Management Board and the Supervisory Board, their members have the right to express dissenting opinions, which are recorded in the minutes of the Management or Supervisory Board meeting.

The principles of conflict management also apply to preventing preference of some shareholders over the others - all transactions and agreements must be concluded on an arm's length basis, in compliance with the generally applicable laws and the Bank's internal regulations.

REMUNERATION

Guided by prudent and stable risk, capital and liquidity management and with particular concern for the long-term prosperity of PKO Bank Polski S.A. and the interests of its shareholders, and having regard to external regulations in the area of remuneration, the Bank has introduced adequate internal regulations governing, inter alia, the remuneration principles for persons holding managerial positions, including members of the Bank's bodies. The remuneration rules put in place are designed to support the implementation of the Bank's strategy and long-term interests and to contribute to sound and effective risk management.

The Bank has a remuneration policy for members of the Supervisory Board and the Management Board adopted by the Annual General Shareholders' Meeting in 2020.

According to this policy, the total remuneration of a member of the Bank's Management Board consists of a fixed part and a variable part. The variable remuneration depends on the level of achievement of management objectives such as: achieving the net financial result of the Bank and the Bank's Group, achieving the indicated economic and financial indicators (including the customer satisfaction indicator), implementing the strategy of the Bank and the Bank's Group and maintaining the market position of the Bank. The Supervisory Board defines objectives for the individual Management Board members, which should also include such criteria as acting in the public interest, taking part in environmental protection and preventing potential adverse social effects of the Bank's operations. The total fixed and variable remuneration of each member of the Bank's Management Board is in line with the principle of gender neutrality.

PKO Bank Polski S.A. also adopts rules on the remuneration of employees whose activities have a significant impact on the Bank's risk profile (Material Risk Takers; hereinafter: MRT). The MRT's variable remuneration depends on the level of achievement of bonus targets, which, depending on the tasks assigned, may take into account the Bank's financial situation and the growth in its value and include e.g. customer satisfaction index or the level of execution of the Bank's strategy.

The heads of the internal audit function, the compliance function, the legal function, the organisational units in charge of risk management at the second level and the human resources function receive variable remuneration for the achievement of the objectives resulting from their functions, and their remuneration shall not depend on the financial performance of the areas of the Bank's operations controlled by them.

The payment of variable remuneration to both members of the Bank's Management Board and other MRTs is preceded each time by an assessment of the Bank's economic position, as well as a long-term evaluation of these individuals in terms of the proper performance of their duties.

The maximum ratio of the average total annual gross remuneration of the Bank's Management Board members to the average total annual gross remuneration of other employees of the Bank was set at 1:22.

The level of remuneration of members of the Bank's authorities and MRTs is adequate to the scope of tasks entrusted to particular persons. The work in committees of the Bank's Supervisory Board is taken into account in the remuneration of the members of these committees. The amount of remuneration of the Supervisory Board members does not depend on the Bank's short-term results.

OTHER BEST PRACTICES

The Bank has revised and redefined the applicable values. Three key values have been introduced for the successful implementation of the Bank's mission and strategy:

1. partnership - together we care about the best customer and employee experience, we build partner relations based on mutual respect, openness and trust;
2. growth - we embrace change and take on ambitious challenges, we nurture our own growth and support others in doing so, we offer support to customers to grow in a rapidly digitalising world;
3. impact - we act boldly, value proactivity, responsibility and commitment, are innovative in creating solutions and effective in achieving goals.

The values were formulated based on the opinions and proposals of employees and the Bank's Management Board. The values adopted by the Bank are communicated in particular by indicating the behaviours and attitudes that comply with these values and are taken into account in the management processes applied in the Bank.

Accordingly, the Bank's Management Board adopted the revised Code of Ethics of PKO Bank Polski S.A. in the form of a resolution on 15 December 2023 (Code of Ethics), which sets out the new values of the Bank. A draft resolution of the Supervisory Board approving the amended Code of Ethics is currently being processed.

The Code of Ethics sets out the framework for the mutual relations between individuals who work for the Bank, between the Bank's employees and those who act on behalf of the Bank, as well as between those who act on behalf of the Bank. The Bank's Code of Ethics also sets out the values, principles, standards of conduct and ethical attitudes in relations with customers and in the Bank's business activities and in the Bank's relations with the environment. The Code is directly related to the Bank's organizational culture; it supplements this culture and is a tool supporting the popularization and implementation of ethical values at the Bank.

The values, principles, standards of conduct and ethical attitudes outlined in the Bank's Code of Ethics apply to all employees of the Bank, as well as to persons acting on behalf of the Bank, including those performing banking and

factual activities related to banking activities, and to persons intermediating in their performance, including in particular persons representing the Bank and acting on behalf of the Bank.

Verification of compliance with the Bank's ethical principles is assessed by the Bank's Management Board on an annual basis. Information on the outcome of the assessment by the Management Board is communicated at least once a year to the Bank's Supervisory Board.

2. CONTROL SYSTEMS IN THE PROCESS OF PREPARING FINANCIAL STATEMENTS

The internal control system at PKO Bank Polski S.A. covers, among other things, the process of preparing financial statements to ensure effective and reliable operations, reliability of disclosures presented and compliance with laws, internal regulations and best market practices and standards. At all levels of the internal control system, the Bank's employees apply controls built into the processes and systems and IT applications that support the implementation of these processes. These controls are subject to independent monitoring on all internal control system levels, which includes testing and ongoing review of controls.

In the process of preparing financial statements, which is an essential process for achieving the objectives of the Bank's internal control system and business objectives, the Bank has established controls, and compliance with these controls is monitored independently at a frequency and to the extent specified in the control function matrix for this process.

The basis for the preparation of the consolidated financial statements of the PKO Bank Polski S.A. Group are the financial statements of the parent company, PKO Bank Polski S.A., and the financial information of consolidated companies and investment funds (so-called consolidation packages) supplemented by additional data and disclosures necessary in the consolidation process, provided by these companies and funds and the Bank's units participating in the process of preparing the consolidated financial statements.

The financial statements of PKO Bank Polski S.A. are based on the Bank's accounting records. Source data from the data warehouse is also used. The process of preparing financial data for reporting purposes is automated, and data preparation is subject to operational and acceptance procedures. The controls in place in the process of preparing the financial statements involve verifying and reconciling the reporting data with the accounting records and other documents underlying the preparation of the financial statements, as well as with the applicable regulations on accounting policies and the preparation of financial statements.

The process of preparing financial statements is subject to regular multi-stage verification (in particular with regard to the correctness of accounting reconciliations, substantive analysis and reliability of information), and the financial statements are subject to multi-stage approval. The Bank has embedded controls in the processing of financial data for reporting purposes, which include verification of the accuracy and reliability of the data presented. Manual corrections, including those resulting from management decisions, are subject to special verification.

The Bank's employees monitor changes in external reporting regulations on an ongoing basis, analyze market standards and apply best practices, and, if necessary, update internal regulations and implement changes in systems supporting the reporting process.

The financial reporting process uses reporting applications both for the preparation of the Bank's financial statements and for the consolidation process, as well as for the preparation of consolidated financial statements. IT systems used for reporting meet cyber security requirements.

The Accounting and Reporting Department, which reports to the Vice-President of the Bank's Management Board responsible for the Finance and Accounting Area, is responsible for the preparation and compilation of the financial statements of PKO Bank Polski S.A. and the PKO Bank Polski S.A. Group.

In terms of the qualitative and quantitative information contained in the financial statements concerning:

- risk management in the Bank and the Bank's Group;
- disclosures on tax issues;
- disclosures on segmentation;

the Accounting and Reporting Department cooperates with the Banking Risk Division, the Tax Department and the Planning and Controlling Department.

The Accounting and Reporting Department oversees the accuracy, completeness and consistency of the data contained in consolidation packages prepared by consolidated entities (companies and funds). This Department also

controls the consistency and completeness of the Bank's accounting records, as well as administers and manages the chart of accounts.

To ensure the completeness of the disclosures required by International Financial Reporting Standards in the annual financial statements, the Accounting and Reporting Department prepares a checklist based on the applicable standards. In addition, on 21 December 2021, a resolution of the Bank's Management Board introduced the Policy on Disclosure of Financial Instruments in the financial statements of PKO Bank Polski S.A. thus meeting the requirements of Recommendation R regarding the rules for classifying credit exposures, estimating and recognizing expected credit losses and credit risk management. Pursuant to section 36.6 of the Recommendation, the Bank's Management Board annually reviews the applied policies for disclosure of information on financial instruments. The Policy is reviewed in order to ensure its compliance with the Bank's risk profile, current market conditions, accounting standards and supervisory requirements. The last review for the period from 31 December 2022 to 31 December 2023 was adopted by the Management Board on 13 February 2024.

Annual and semi-annual financial statements and quarterly interim reports (comprising the Management Board's commentary and the consolidated financial statements of the PKO Bank Polski S.A. Group, together with the condensed financial statements of PKO Bank Polski S.A.):

- are submitted to the Management Board of PKO Bank Polski S.A., which, after preliminary approval, forwards them to the Audit Committee of the Supervisory Board and the Supervisory Board;
- are subject to review by the Audit Committee of the Supervisory Board and the Supervisory Board (whereby, in the case of the annual financial statements of the Bank and of the Group, the opinion of the Supervisory Board is expressed in the form of a resolution);
- are finally authorised for publication by the Bank's Management Board.

The statements bear a qualified electronic signature by all members of the Management Board.

Annual and semi-annual financial statements, in accordance with generally applicable legislation, are additionally subject to audit and review by an independent audit firm, as appropriate.

The Supervisory Board performs annual assessments of the compliance of the annual consolidated financial statements of the Bank's Group, the annual financial statements of the Bank and the Directors' Report on the operations of the Bank's Group and of the Bank with the books, documents and facts, pursuant to Article 382 (3) of the Commercial Companies Code.

PKO Bank Polski S.A. is committed to ensuring the highest reporting standards. Each year, it participates in The Best Annual Report competition, where it has been awarded the special prize "The Best of the Best" for the best annual report in the financial institutions category for several years now.

The Bank also exercises control functions with respect to the consolidated subsidiaries through its representatives on the supervisory bodies of the respective entities.

AUDIT FIRM

On 23 September 2021, pursuant to § 15(1)(2) of the Bank's Articles of Association, the Bank's Supervisory Board selected PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k. (PwC) as the audit firm to audit and review the financial statements of the Bank and of the Bank's Group for the years 2022-2023. PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k. with its registered office in Warsaw, ul. Polna 11, is entered in the list of audit firms maintained by the National Board of Registered Auditors under the number 144. On 31 January 2022, the Bank concluded an agreement with PwC for the audit and review of the financial statements of the Bank and the Bank's Group for the years 2022-2023. The financial statements of the Bank and the Bank's Group for 2020-2021 were also audited by PwC in accordance with the Supervisory Board's decision of 13 December 2018.

In 2023, PwC provided permitted non-audit services to the Bank, including review of the financial statements, review of consolidation packages prepared for the purpose of demonstrating disclosures related to the implementation of IFRS 17 "Insurance Contracts", issuance of comfort letters for the purpose of conducting the issuance, assurance services to assess the Bank's compliance with client asset custody requirements, evaluation of the report prepared by the Supervisory Board on the remuneration of the members of the Bank's Management and Supervisory Boards.

Table 1. Total net remuneration payable to PwC (in PLN '000)

Total net remuneration due to the audit firm auditing the financial statements for services of the Bank	2023	2022
for the audit of the financial statements of the Bank and the consolidated financial statements of the Bank's Group	1 913	1 549
for assurance services, including reviews of the financial statements	1 737	1 010
Total	3 650	2 559

On 15 December 2022, the Supervisory Board selected KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. as the audit firm to audit and review the financial statements of the Bank and of the Bank's Group for the years 2024-2026.

3. SHARE CAPITAL, SIGNIFICANT BLOCKS OF SHARES AND CONTROL POWERS

As at 31 December 2023, the share capital of PKO Bank Polski S.A. amounted to PLN 1,250,000,000 and was divided into 1,250,000,000 shares with a nominal value of PLN 1 each. All the Shares have been fully paid. The amount of the Bank's share capital did not change in 2023.

Table 2. Structure of the share capital of PKO Bank Polski S.A.

Series	Type of shares	Number of shares	Nominal value of 1 share	Nominal value of series
A Series	ordinary registered shares	312,500,000	PLN 1	312,500,000
A Series	ordinary bearer shares	197,500,000	PLN 1	197,500,000
B Series	ordinary bearer shares	105,000,000	PLN 1	105,000,000
C Series	ordinary bearer shares	385,000,000	PLN 1	385,000,000
D Series	ordinary bearer shares	250,000,000	PLN 1	250,000,000
		1,250,000,000		1,250,000,000

According to the best knowledge of PKO Bank Polski S.A., as at 31 December 2023 the following three shareholders held, directly or indirectly, significant blocks of shares (at least 5%): State Treasury, Nationale-Nederlanden Open Pension Fund and Allianz Polska Open Pension Fund.

Table 3. Shareholding structure of PKO Bank Polski S.A.

	As at 31.12.2023		As at 31.12.2022		Change in the share in the number of votes at the GSM
	Number of shares	Share in the number of votes at the GSM and in the share capital	Number of shares	Share in the number of votes at the GSM and in the share capital	
State Treasury	367,918,980	29.43%	367,918,980	29.43%	0.00%
Nationale-Nederlanden Open Pension Fund ¹⁾	115,594,152	9.25%	108,266,112	8.66%	0.59%
Allianz Poland Open Pension Fund ¹⁾	101,787,594	8.14%	106,567,559	8.53%	-0.39%
Other shareholders ²⁾	664,699,274	53.18%	667,247,349	53.38%	-0.20%
Total	1,250,000,000	100%	1,250,000,000	100%	0.00%

1) Calculation of shareholdings as at the end of the year published by PTE in bi-annual and annual information about the structure of fund assets and quotation from the WSE Statistic Bulletin.

2) Including Bank Gospodarstwa Krajowego, which as at 31 December 2023 held 24,487,297 shares carrying 1.96% of the votes at the GSM.

The shares of PKO Bank Polski S.A. and other securities issued by the Bank do not carry any specific control rights. The Bank is not aware of any agreements concluded in 2023, based on which any changes could occur in the future in the proportions of the shares held by the current shareholders or bond holders.

Table 4. Exposure of Open Pension Funds to the shares of PKO Bank Polski S.A.

Shareholder	Number of shares	Share in the number of votes at the GSM and in the share capital	Number of shares	Share in the number of votes at the GSM and in the share capital
	As at 31.12.2023		As at 31.12.2022	
Nationale-Nederlanden OFE	115,594,152	9.25%	108,266,112	8.66%
Allianz Poland OFE	101,787,594	8.14%	106,555,815	8.52%
PZU OFE	58,996,508	4.72%	56,683,943	4.53%
Vienna OFE (formerly; Aegon OFE)	33,777,391	2.70%	31,967,391	2.56%
Uniqa OFE (formerly; AXA OFE)	23,513,483	1.88%	23,513,483	1.88%
Generali OFE	52,899,640	4.23%	21,445,456	1.72%
Pocztylion OFE	6,443,630	0.52%	6,443,630	0.52%

4. RESTRICTIONS IMPOSED ON SHARES OF PKO BANK POLSKI S.A.

All shares of PKO Bank Polski S.A. carry the same rights and obligations. No shares are preference shares, in particular with respect to voting rights (one share carries one vote) or dividend.

The Articles of Association of PKO Bank Polski S.A. limit the voting right of shareholders holding more than 10% of the total number of votes at the General Shareholders' Meeting and prohibit these shareholders from exercising more than 10% of the total number of votes at the General Shareholders' Meeting. The above restriction does not apply to:

- those shareholders who on the date of passing the resolution of the General Shareholders' Meeting introducing the limitation of the voting rights had rights from the shares representing more than 10% of the total number of votes in PKO Bank Polski S.A. (i.e. the State Treasury and BGK);
- shareholders who have rights from A-series registered shares (the State Treasury);
- shareholders acting jointly with the shareholders referred to in the second bullet point based on agreements concluded concerning the joint execution of voting rights on shares.

The limitations to the voting rights of the shareholders expire at the moment when the share of the State Treasury in the Bank's share capital drops below 5%.

In accordance with:

- § 6 (2) of the PKO Bank Polski S.A.'s Articles of Association, the conversion of A-series registered shares into bearer shares and the transfer of these shares requires the approval of the Council of Ministers in the form of a resolution. The conversion into bearer shares or transfer of A-series registered shares, after obtaining such approval, results in the expiry of restrictions in respect of the shares subject to conversion into bearer shares or transfer, to the extent to which this approval was given;
- Article 13 (1) (26) of the Act of 16 December 2016 on the principles for public property management (apart from the statutory exceptions), the shares of PKO Bank Polski S.A. held by the State Treasury or rights from these shares cannot be sold;
- Article 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 Common Equity Tier 1 instruments issued by the Bank is only possible with the prior permission of the PFSa.

The Bank has not identified any other restrictions relating to transfer of the ownership rights arising from the Bank's securities.

5. PRINCIPLES OF APPOINTING AND DISMISSING MEMBERS OF THE MANAGEMENT BOARD OF PKO BANK POLSKI S.A.

The Management Board of PKO Bank Polski S.A. consists of three to nine members. Management Board members, including the President and Vice-Presidents, are appointed and dismissed by the Supervisory Board for a joint three-year term.

The powers of the Supervisory Board include suspending, for important reasons, individual or all members of the Management Board and delegating members of the Supervisory Board, for a period of no more than three months, to temporarily perform the duties of members of the Management Board who have been dismissed, have resigned or are unable to perform their duties for other reasons.

The Management Board members should meet the requirements of Article 22aa of the Banking Law, i.e. have higher education, at least five years of experience in employment or business activity, including at least three years on a management or independent position or as a person running business activity on their own.

In accordance with the "Suitability policy concerning the Management Board members and key officers of the Bank and suitability assessment at the Bank's Group companies" (the "Suitability Policy"):

- Management Board members are appointed by the Supervisory Board after completing the qualification process;
- the process of selection of Management Board members ensures appointment of competent persons and guarantees their suitability and proper performance of their obligations, taking into account the principle of diversity in the composition of the Bank's Management Board.

Suitability of the candidates and members of the Management Board is verified in the form of assessment of their individual suitability and the collective suitability of Management Board members. The suitability assessment is performed by the Nominations and Remuneration Committee of the Supervisory Board each time a new Management Board member is appointed and once a year as part of the periodical assessment. The suitability assessment is approved by the Supervisory Board. The Supervisory Board may also perform an additional suitability assessment in other, justified situations, which affect the requirements addressed to the Management Board or its individual members.

The suitability criteria set out in the Management Board Suitability Policy include an assessment of their qualifications, understood as knowledge, experience and skills in terms of their suitability for their functions and duties assigned, as well as in terms of the Bank's management principles, the structure of the Bank's Group and potential conflicts of interest that may be related to their functions and duties assigned, and an assessment of their reputation.

In addition, the assessment criteria include, among others, an assessment of the integrity and ethicality of conduct, the ability to form independent judgement and the ability to devote sufficient time to the responsibilities assigned.

Following the annual review of the Management Board Suitability Policy, in December 2023 the Bank's Supervisory Board adopted amendments to the Policy.

The major changes included:

- specifying the deadline and method of achieving the gender diversity objectives on the Management Board by assuming that the target achievement of at least a minimum level of gender diversity (i.e. 30%) in the composition of each Bank's Management Board should take place starting from the appointment of the Bank's Management Board for a new joint term after 31 December 2025, and that the achievement of this target will be achieved by applying the principle of equal opportunities in the selection of Management Board members and fostering a culture of diversity in the organisation.

Before a Management Board member is appointed for another term, the assessment of his/her performance during the previous terms (including the previous suitability assessments) is taken into account.

Appointing the President of the Management Board and the Board Member responsible for managing material risk in the Bank's operations requires the consent of the PFSA.

The term of office of a Management Board member expires not later than on the day of the General Shareholders' Meeting approving the financial statements for the last full financial year of his/her term. The term of office of a Management Board member also expires upon his/her death, resignation or dismissal. The mandate of a Management Board member appointed during a term of office of the Management Board expires at the end of the term of office for which he/she was appointed.

Pursuant to the Commercial Companies Code, the General Shareholders' Meeting also has the right to dismiss or suspend a Management Board member.

The rights of the Management Board members, including those relating to decisions concerning the issue or redemption of shares, are described in section 9.

6. PRINCIPLES FOR AMENDING THE ARTICLES OF ASSOCIATION OF PKO BANK POLSKI S.A.

An amendment to the Articles of Association of PKO Bank Polski S.A. (the Bank's Articles) requires a resolution of the General Shareholders' Meeting of PKO Bank Polski S.A., the approval of the PFSA and entry in the National Court Register.

Pursuant to the provisions of the Commercial Companies Code, resolutions on amendments to the Bank's Articles require a qualified majority of three-fourths of the votes. Resolutions regarding an amendment to the Bank's Articles increasing benefits for shareholders or limiting the rights granted personally to the individual shareholders require the consent of all the shareholders concerned.

AMENDMENTS INTRODUCED TO THE BANK'S ARTICLES IN 2023

On 21 June 2023, the Bank's Annual General Meeting adopted Resolution No 32/2023 on amendments to the Bank's Articles pursuant to which the Bank's Articles were amended as follows:

- the following point e is added in § 4(2)(15) after point d:
"e) executing orders to buy and/or sell financial instruments on behalf of the principal,"

The amendment resulted from the need to bring internal regulations into line with the requirements of Recommendation A of the Polish Financial Supervision Authority of October 2022 on management of risk related to derivative operations by banks. In accordance with the aforesaid recommendation, the conclusion by an investment firm of a transaction service on its own behalf, referred to in Article 69(2)(3) of the Act on trading in financial instruments, should be considered execution of clients' orders. The Bank was obliged to implement such a service.

- § 7(4) shall read as follows:
"4. Purchase of own shares by the Bank for cancellation shall require a resolution of the General Meeting and consent of the Polish Financial Supervision Authority."

The amendment resulted from the need to bring the regulations into line with the recommendations of the PFSA Office, as set out in its letter of 27 May 2022, in which the PFSA Office obliged banks operating in the form of joint-stock companies to review their articles of association with regard to the presence of provisions concerning the acquisition of own shares for cancellation. The PFSA Office placed special emphasis on the need to reflect, in

the wording of the statutes of banks, the obligation to obtain the consent of the Polish Financial Supervision Authority for the purchase of the bank's own shares for cancellation. In response to the said letter from the PFSA Office, the Bank declared that it would take action to make the necessary changes to the Articles.

On 23 January 2024, the District Court for the capital city of Warsaw in Warsaw, 13th Commercial Division of the National Court Register entered the aforementioned amendments to the Bank's Articles in the Register.

7. GENERAL SHAREHOLDERS' MEETING OF PKO BANK POLSKI S.A. AND THE SHAREHOLDERS' RIGHTS

The General Shareholders' Meeting of PKO Bank Polski S.A. is the highest authority of the Bank. The rights of the General Shareholders' Meeting, the manner of convening it and the principles for participation in the General Shareholders' Meeting are set out in: the Code of Commercial Companies, the Bank's Articles (in particular, § 9-10) and the Rules and Regulations of the General Shareholders' Meeting. The text of the Bank's Articles and the Rules and Regulations of the General Shareholders' Meeting are available on the Bank's website in the Investor relations section at [Corporate governance principles - PKO Bank Polski \(pkobp.pl\)](#).

The General Shareholders' Meeting of PKO Bank Polski S.A. is held as the annual or extraordinary meeting, in accordance with the provisions of the Commercial Companies Code, the Bank's Articles and the Rules of the General Shareholders' Meeting.

An amendment to the Rules and Regulations of the General Shareholders' Meeting requires a resolution of the General Shareholders' Meeting passed by an absolute majority of the votes in a vote by open ballot. Amendments are applied for the first time during the General Shareholders' Meeting convened after the GSM that introduced such amendments, unless the resolution provides otherwise.

On 21 June 2023, the Annual General Meeting of PKO Bank Polski S.A. adopted new Rules of the General Meeting of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna. The Regulations, in addition to amendments of an editorial, updating and organising nature, provide for changes resulting from the amendment of the Commercial Companies Code made by the Act of 18 November 2020 on electronic delivery.

The General Shareholders' Meeting is convened by the Management Board, the annual GSM is convened once a year within six months of the end of the year. The Supervisory Board may convene the Annual General Shareholders' Meeting if it has not been convened by the Management Board within the statutory deadline and it may convene the Extraordinary General Shareholders' Meeting as it sees fit. In the situations defined in the Commercial Companies Code, also the shareholders have the right to convene the Extraordinary General Shareholders' Meeting or demand that it be convened.

THE PRINCIPLES OF FUNCTIONING AND COMPETENCES OF THE GENERAL SHAREHOLDERS' MEETING

In addition to matters stipulated in generally binding legal regulations, the competences of the General Shareholders' Meeting include passing resolutions on:

- appointing and dismissing members of the Supervisory Board;
- approving the Rules of the Supervisory Board;
- purchasing shares of the Bank for the purpose of their redemption and determining consideration for the shares redeemed;
- establishing and releasing special funds created from net profit;
- disposal of real estate, share in real estate or perpetual usufruct right by the Bank if the value of the real estate or the right being subject to such an act exceeds 25% of the share capital; such consent is not required if the real estate, share in real estate or perpetual usufruct right has been purchased within the framework of enforcement, bankruptcy or restructuring proceedings, or based on another agreement with the Bank's debtor;
- issuance of convertible bonds, bonds with a pre-emptive right or subscription warrants;
- laying down the principles for remuneration of members of the Management Board and Supervisory Board;
- approval of: financial statements (of the Bank and the Bank's Group), Directors' Reports (on the operations of the Bank and the Bank's Group) and reports on the activities of the Supervisory Board;
- approving the proper discharge of duties by members of the Management Board and the Supervisory Board;
- profit distribution or offset of loss;
- determining the dividend day and the date of dividend payment;

- disposal and leasing out of the enterprise or an organized part thereof and creation of a limited property right thereon;
- amendments to the Bank's Articles of Association;
- increase or decrease in the Bank's share capital.

Unless the Commercial Companies Code provides otherwise, the General Shareholders' Meeting is valid irrespective of the number of shares represented.

In accordance with the Bank's Articles and within the scope specified in the Rules of the Supervisory Board, the Supervisory Board should express an opinion on matters placed on the agenda of the General Shareholders' Meeting, and the shareholders should be given enough time to understand that opinion.

Resolutions of the General Shareholders' Meeting shall be passed by an absolute majority of votes unless generally binding legal provisions or provisions of the Bank's Articles of Association provide otherwise.

In accordance with the Bank's Articles:

- removing a matter from the agenda or desisting from further consideration of a matter placed on the agenda at the request of shareholders shall require a resolution of the General Shareholders' Meeting passed by a three-quarter majority of the votes after obtaining the consent of all shareholders present at the General Shareholders' Meeting who requested that the matter be placed on the agenda;
- resolutions of the General Shareholders' Meeting on share preferences and issues concerning the Bank's merger by transfer of all of its assets to another company, its liquidation, decrease of the share capital by redeeming a part of the shares without a simultaneous share capital increase or changing the scope of the Bank's activities resulting in the discontinuation of its banking activities require a 90% majority of the votes cast.

The General Shareholders' Meeting may adjourn sessions by a majority of two-thirds of the votes. Such adjournment may not exceed a total of thirty days.

The General Shareholders' Meeting passes resolutions in an open vote, with the reservation that a secret ballot shall be ordered in respect of:

- elections of members of the Bank's authorities;
- motions to bring members of the authorities or liquidators of PKO Bank Polski S.A. to justice;
- personnel matters;
- at the request of at least one shareholder present or represented at the General Shareholders' Meeting;
- in other situations, specified in generally binding legal regulations.

The General Shareholders' Meeting is convened by announcement published on the Bank's website and in the manner specified for the disclosure of current information by public companies. An announcement, including the materials presented to the shareholders, is available on the Bank's website in the section "Investor relations" at [General meeting - PKO Bank Polski \(pkobp.pl\)](#) from the date of convening the General Shareholders' Meeting

The General Shareholders' Meetings are held in the registered office of PKO Bank Polski S.A. or in another location in Poland, which is indicated in the announcement on convening the meeting. The meetings are broadcast online in real time. Representatives of the media are allowed to participate in the General Shareholders' Meetings.

The General Shareholders' Meetings may be recorded with the use of devices recording sound or sound and image. Personal data is processed in compliance with the principles defined in the announcement on convening the General Meeting. The recordings of the General Shareholders' Meetings are published by the Bank on its website in the section "Investor relations" at [Video and teleconferences - PKO Bank Polski \(pkobp.pl\)](#).

RIGHTS OF THE SHAREHOLDERS

The most important rights of the shareholders of PKO Bank Polski S.A. include:

- participation in profit recognized in the Bank's financial statements (audited by a registered auditor) and earmarked by the General Shareholders' Meeting for payment to the shareholders;
- the possibility of participation in the General Shareholders' Meeting, including the right to vote, put forward motions, make objections and ask questions.

Shareholders representing at least half of the share capital or the total number of votes at the Bank can convene the Extraordinary General Shareholders' Meeting.

A shareholder or shareholders representing at least one-twentieth of the total number of votes or the total number of shares may request that the Extraordinary General Shareholders' Meeting be convened and certain matters be placed on its agenda. They also may, before the date of the General Shareholders' Meeting, submit to the Bank in writing or via electronic means of communication draft resolutions on matters placed on the agenda or matters which are planned to be placed on the agenda.

Additionally, during the General Shareholders' Meeting the shareholders have the right to present draft resolutions or propose amendments or supplements to draft resolutions included in the agenda of the General Shareholders' Meeting.

Each shareholder's right to vote is limited to 10% of the total number of votes existing at the Bank on the day on which the General Shareholders' Meeting is held. The exemptions from this limitation and its principles are described in § 10 of the Bank's Articles.

The right to participate in the General Shareholders' Meeting is granted to the persons who were shareholders of the Bank sixteen days before the date of the GSM.

Pledges and users with voting rights have the right to participate in the General Shareholders' Meeting if the limited property right established in their favour is registered in the securities account on the date of registering participation in the General Shareholders' Meeting.

Shareholders may participate in the General Shareholders' Meeting and exercise their voting rights in person (or, in the case of shareholders who are not natural persons, through a person authorized to make statements of intent on their behalf) or by proxy.

A power of attorney to participate in the General Shareholders' Meeting and exercise voting rights must be given in writing or in an electronic form.

A Member of the Management Board, a member of the Supervisory Board, a liquidator and an employee of PKO Bank Polski S.A. or a member of the governing bodies or an employee of a company or cooperative which is a subsidiary of the Bank may act as the shareholders' proxies at the General Shareholders' Meeting of PKO Bank Polski S.A.

A shareholder may not, either personally or by proxy, or as a proxy of another person, vote on resolutions concerning his/her liability to PKO Bank Polski S.A. on whatever account, including the acknowledgement of the fulfilment of his/her duties, exemption from any duty towards PKO Bank Polski S.A., or any dispute between him/her and PKO Bank Polski S.A.

Members of the Bank's Management Board and the Bank's key registered auditor, within the limits of their competence and to the extent necessary for the resolution of the matters discussed by the General Meeting, are required to answer a question concerning information about the Bank to a participant in such a meeting if this is justified for the assessment of a matter on the agenda.

If there are compelling reasons for doing so, the Bank's Management Board may provide the participant in the General Meeting with the information in writing, no later than two weeks from the date of the request at the General Meeting.

The questions asked at the Annual General Shareholders' Meeting on 21 June 2023 and the answers to these questions are published on the website in the section "Investor relations" at [Report no 18/2023 – answers to shareholder's questions raised at the Annual General Meeting on 21 June 2023 \(pkobp.pl\)](#)

8. SUPERVISORY BOARD OF PKO BANK POLSKI S.A. - COMPOSITION, POWERS AND PRINCIPLES OF FUNCTIONING

The Supervisory Board of PKO Bank Polski S.A. consists of 5 to 13 members appointed for a three-year joint term of office.

The number of Supervisory Board members is set by the Eligible Shareholder (as defined below), also in the case of putting forward a motion for electing the Supervisory Board by voting in separate groups.

The State Treasury, as the Eligible Shareholder, pursuant to § 11(1) of the Bank's Articles of Association, set the number of members of the Supervisory Board at 11.

A shareholder having the right to exercise the biggest number of votes arising from the shares in the Bank's share capital at the General Shareholders' Meeting electing the Supervisory Board members, hereinafter called "the Eligible Shareholder", shall present the candidates for the number of Supervisory Board members determined in accordance

with the formula described below. The candidates for the other seats on the Supervisory Board may be presented by all shareholders, including the Eligible Shareholder.

The number of seats on the Supervisory Board reserved for the candidates presented by the Eligible Shareholder shall be calculated in accordance with the following formula:

$$N = 13 * S, \text{ where:}$$

N - is the number of seats on the Supervisory Board reserved for candidates presented by the Eligible Shareholder. If N is not a whole number, the number of seats on the Supervisory Board is equal to N rounded up to the nearest whole number; at the same time, the total number of seats on the Supervisory Board reserved for the candidates presented by the Eligible Shareholder must not exceed 8 (eight);

S - is the share of the Eligible Shareholder in the share capital of the Bank, calculated as the quotient of the number of shares from which the Eligible Shareholder may vote at the General Shareholders' Meeting electing the Supervisory Board members and all shares in the Bank's share capital outstanding as at the date of the General Shareholders' Meeting.

If the General Shareholders' Meeting appoints a smaller number of Supervisory Board members than the number resulting from the above formula, the Eligible Shareholder shall have the right to present and put to the subsequent votes at the same General Shareholders' Meeting a number of candidates not bigger than twice the difference between the number of Supervisory Board members calculated in accordance with that formula and the number of members appointed from among the candidates previously presented by the Eligible Shareholder.

Members of the Supervisory Board shall be appointed and dismissed by the General Shareholders' Meeting. The process of their selection shall ensure the appointment of competent persons and guarantee their suitability and proper performance of their obligations. The Supervisory Board members shall be selected taking into account the requirements of the individual and collective suitability assessment described in the "Policy for the suitability assessment of candidates for members and members of the Supervisory Board of Powszechna Kasa Oszczędności Bank Polski S.A." (the "Supervisory Board Suitability Policy") and taking into account the principle of diversity in the composition of the Supervisory Board.

The suitability assessment of the candidates and members of the Supervisory Board is performed taking into account in the first place the requirements of Article 22aa of the Banking Law.

The General Shareholders' Meeting performs the suitability assessment of the individual Supervisory Board members and the collective assessment of the whole Supervisory Board each time a new Supervisory Board member is appointed and once a year as part of the periodical assessment. The General Shareholders' Meeting may also perform an additional suitability assessment in other, justified situations, which affect the requirements addressed to the Supervisory Board or its individual members. Such additional assessments shall be initiated by the Bank.

The suitability criteria set out in the Supervisory Board Suitability Policy include an assessment of their qualifications, understood as knowledge, experience and skills in terms of their suitability for their functions and duties assigned, as well as in terms of the principles for supervising the Bank's activities, and potential conflicts of interest that may be related to their functions and duties assigned, and an assessment of their reputation.

In addition, the assessment criteria include, among others, an assessment of the integrity and ethicality of conduct, the ability to form independent judgement and the ability to devote sufficient time to the responsibilities assigned.

No amendments were made to the Supervisory Board Suitability Policy in 2023.

The Chair and Deputy Chair of the Supervisory Board shall be appointed by Eligible Shareholder from among the appointed Supervisory Board members, also if the Supervisory Board has been elected by voting in separate groups. The Supervisory Board's term of office began on 26 August 2020 and ran for three consecutive full financial years (i.e. ended 31 December 2023). The term of office of a Supervisory Board member expires not later than on the day of the General Shareholders' Meeting approving the financial statements for the last full financial year of his/her term.

CHANGES IN THE COMPOSITION OF THE SUPERVISORY BOARD IN 2023

The following changes in the composition of the Supervisory Board of the Bank took place in 2023:

- with effect from 24 March 2023, Mr Maciej Łopiński resigned as Chair of the Bank's Supervisory Board,

- The Minister of State Assets, acting as an Authorised Shareholder within the meaning of § 11(2) of the Bank's Articles of Association, in consideration of § 35(1) of the Bank's Articles of Association, in accordance with § 12(1) of the Bank's Articles of Association, appointed Mr Robert Pietryszyn as Chair of the Bank's Supervisory Board as of 24 March 2023.
- Mr Krzysztof Michalski resigned as a member of the Bank's Supervisory Board with effect from 20 December 2023. The resignation of a member did not adversely affect the collective suitability of the entire body.

In accordance with the Policy on the Assessment of Suitability of Candidates for Members and Members of the Supervisory Board of Powszechna Kasa Oszczędności Bank Polski S.A., on 21 June 2023, the Bank's Annual General Meeting conducted a periodic assessment of the suitability of the Bank's Supervisory Board, confirming the individual suitability of the Supervisory Board members and the collective suitability of the entire body.

Pursuant to section 2.3 of "Best Practices for WSE Listed Companies 2021", at least two Supervisory Board members satisfy the independence criteria referred to in the Act on registered auditors, audit firms and public oversight of 11 May 2017 and have no real and significant relationships with any shareholder holding at least 5% of the total number of votes.

Due to adopting the aforementioned principle by the Bank, as part of the assessment of individual suitability, each Supervisory Board member made a declaration of compliance or non-compliance with such independence criteria. According to these declarations, in the composition of the Supervisory Board as at 31 December 2023: eight Supervisory Board members (i.e. Mariusz Andrzejewski, Andrzej Kisielewicz, Rafał Kos, Maciej Łopiński, Tomasz Kuczur, Robert Pietryszyn, Bogdan Szafranski, Agnieszka Winnik-Kalemba) satisfy the independence criteria set out in the Best Practice 2021, and two Supervisory Board members (i.e. Wojciech Jasiński, Dominik Kaczmarek) do not satisfy the independence criteria. Krzysztof Michalski did not meet the independence criterion as at the date of resignation as a member of the Bank's Supervisory Board.

As at 31 December 2023, the Supervisory Board consisted of 10 persons.

COMPOSITION OF THE SUPERVISORY BOARD OF PKO BANK POLSKI S.A. AS AT 31 DECEMBER 2023

ROBERT PIETRYSZYN – CHAIR OF THE SUPERVISORY BOARD

On 18 October 2022 he was appointed to the Supervisory Board for the current term of office.

He graduated in law from the University of Wrocław and MBA from the Wrocław Academy of Economics.

Experienced manager, entrepreneur. He started his career in the investment boutique Profes. In the years 2006-2008 he was cooperating with the KGHM Group, then until 2011 he conducted consulting activities. Since 2011, he has been responsible for the largest investment in the post-war history of Wrocław.

On 24 March 2023, the Bank's Management Board received a letter from the Minister of State Assets informing, that the Minister of State Assets, acting as an Authorised Shareholder within the meaning of § 11(2) of the Bank's Articles of Association, in consideration of § 35(1) of the Bank's Articles of Association, in accordance with § 12(1) of the Bank's Articles of Association, appointed Mr Robert Pietryszyn as Chair of the Bank's Supervisory

In his professional career, he was a member of the Management Board of PZU S.A., PZU Życie S.A. and the President of Lotos Group.

At present, he is a partner in a consulting company.

Lecturer in strategic management, member of many Supervisory Boards.

Independent member of the Supervisory Board.

Board as of 24 March 2023.

Year of birth: 1979

WOJCIECH JASIŃSKI – DEPUTY CHAIR OF THE SUPERVISORY BOARD

Member of the Supervisory Board since 25 February 2016.	A graduate of the Faculty of Law and Administration of the University of Warsaw (1972). From 1972 to 1986, he worked in Płock, among other things, at the National Bank of Poland, the Branch in Płock, at the Town Hall, as legal counsel in the Tax Chamber. In 1990-1991, he organized the local government structures in the Płockie Voivodeship, as a Representative of the Government Plenipotentiary for Local Government Reform. From 1992 to 1997 he worked in the Supreme Audit Office (NIK) as director of the NIK Branch Office in Warsaw, Finance and Budget Team, and State Budget Department. In 1997-2000, he was a member and then President of the Management Board of Srebrna, a company with its registered office in Warsaw. He was a member of the Supervisory Board of Bank Ochrony Środowiska S.A. in 1998-2000. From September 2000 to July 2001 he was Undersecretary of State at the Ministry of Justice. In 2006-2007, he was Minister of the State Treasury.
On 26 August 2020, he was appointed to the Supervisory Board for the current term of office.	Since 2001, he has been a member of the Polish Parliament (during the 4th, 5th, 6th, 7th and 8th terms) where he was Chairman of the Standing Subcommittee for the Banking System and Monetary Policy, Chairman of the Economy Committee, and Chairman of the Public Finance Committee. He was also a member of the State Treasury Committee in the Sejm.
On 7 June 2021 he was appointed Deputy Chair of the Supervisory Board by the State Treasury.	President of the Management Board of PKN ORLEN S.A. from 16 December 2015 to 5 February 2018. From June 2018 to July 2019 – plenipotentiary of the Management Board of Energa S.A. for the development of investments and energy markets. He was a Chair of the Supervisory Board of PKN ORLEN S.A. From 1 July 2022, adviser to the President of the NBP. Dependent member of the Supervisory Board.

Year of birth: 1948

DOMINIK KACZMARSKI – SECRETARY OF THE SUPERVISORY BOARD

On 7 June 2021, he was appointed to the Supervisory Board for the current term of office.	Dominik Kaczmarcki graduated from the Faculty of Law and Administration of the University of Warsaw with a Master of Arts degree in law and a Master of Science degree in quantitative methods in economics and information systems from the Warsaw School of Economics. He has a tax advisor qualification. He has an MBA in Finance & Technology from the School of Business of the Warsaw University of Technology. He passed the second level of the CFA programme in November 2022.
On 8 June 2021 he was appointed Secretary of the Supervisory Board.	He gained professional experience working in the largest international advisory firms (PwC in 2012-2014 and Deloitte in 2014-2016) as an expert in taxation of the financial sector. From February 2016 to January 2020, he worked at the Ministry of Finance as Deputy Director of the Sectoral, Local and Gambling Taxes Department, and subsequently as the Deputy Director and Department Director of the Tax System Department. He dealt with tax on certain financial institutions and participated in the sealing of the tax system in the area of CIT and VAT, among others through the STIR (Clearing House Data Communications System) regulation. He performed the following functions: Secretary of the Anti-Tax Avoidance Council, member of the State Examination Board for Tax Advisors, member of the General Tax Law

Codification Commission, and member of the team of corporate law experts working as part of the Commission for Corporate Governance Reform.

From March 2020 to June 2021, Mr Kaczmarski was a member of the Supervisory Board of PKN Orlen S.A., and since June 2020 he has been a member of the Supervisory Board of Giełda Papierów Wartościowych w Warszawie S.A. (the Warsaw Stock Exchange) (and its chair since July 2020).

He performed the function of Director of the Analyses and Reporting Department at the Ministry of State Assets.

Dependent member of the Supervisory Board.

Year of birth: 1989

MARIUSZ ANDRZEJEWSKI – MEMBER OF THE SUPERVISORY BOARD

Member of the Supervisory Board since 22 June 2017.

On 26 August 2020, he was appointed to the Supervisory Board for the current term of office.

He works as a university professor at the Kraków University of Economics, where he also serves as the head of the Department of Financial Accounting. He served as Dean of the Faculty of Finance and Law from 2016 to 2019 and as Dean of the College of Economics, Finance and Law from 2019 to 2020. He holds a full doctoral degree in economics. In 2013-2019, he worked as associate professor at the School of Banking and Management in Kraków. In 2003-2013, he worked in the Bielsko-Biała School of Finances and Law, where he was also head of the Finance Department.

He graduated from three faculties, studied accounting at the Faculty of Management at the Kraków Academy of Economics, automatics and robotics, specializing in artificial intelligence, and computer science at the Faculty of Electrical Engineering, Automatics and Electronics at the AGH University of Science and Technology in Kraków. During his studies, he received a scholarship of the Minister of National Education three times. In 2001, during the execution of a grant by the State Committee for Scientific Research, he wrote and defended his doctoral thesis, which was published as a book by Wydawnictwo Naukowe PWN under the title "Accounting and Disclosure of Information by Listed Companies".

He obtained business experience while sitting on supervisory boards of companies including: Zakłady Chemiczne Alwernia S.A., Kombinat Koksochemiczny Zabrze S.A., Północ Nieruchomości S.A. (a company listed on NewConnect), PolRest S.A. (a company listed on the WSE), Media Nieruchomości S.A., Przedsiębiorstwo Inżynierii Miejskiej sp. z o.o. w Czechowicach-Dziedzicach, AWSA Holland II BV. He was also President of the Management Board of Altair Sp. z o.o., member of the Management Board in charge of finance of TBS Złocień Sp. z o.o. and advisor to the Management Board at the Institute of Business Law and Foreign Investments (Instytut Prawa Spotek i Inwestycji Zagranicznych – IPSiZ Sp. z o.o.). He was an Arbitrator at the Arbitration Court at the Polish Financial Supervision Authority. Currently he is the Chair of the Supervisory Board of PKP Polskie Linie Kolejowe S.A., Chair of the Supervisory Board of INSTAL Kraków S.A. and Deputy Chair of the Supervisory Board of Tauron Sprzedaż sp. z o.o. He holds a professional title of registered auditor. In 2005-2006 he was Undersecretary of State in the Ministry of Finance.

He is a member of the European Accounting Association (EAA) and the International Association for Accounting Education & Research (IAAER). He also is a member of the Polish Economic Society (PTE) and the Scientific Council of the Accountants Association in Poland.

Author or co-author of over 150 academic publications and several dozen expert opinions on economics.

Independent member of the Supervisory Board.

Year of birth: 1971

ANDRZEJ KISIELEWICZ – MEMBER OF THE SUPERVISORY BOARD

Member of the Supervisory Board since 25 February 2016.

On 26 August 2020, he was appointed to the Supervisory Board for the current term of office.

Professor of mathematical sciences. He works at the Wrocław University of Technology, at the Faculty of Mathematics. He obtained his full doctoral degree from the University of Wrocław, and was awarded a PhD. in mathematics from the Polish Academy of Sciences. A graduate of the University of Wrocław. He gained his professional experience in various academic centres, including: Vanderbilt University (Nashville, USA), Polish Academy of Sciences, Technische University (Darmstadt, Germany), The University of Manitoba (Winnipeg, Canada), Blaise Pascal University (Clermont-Ferrand, France). He has experience as a member of supervisory boards. At present he is also a member of the Supervisory Board of KGHM Polska Miedź S.A.

He is the author of more than 85 academic publications in foreign journals on mathematics, logic and computer science as well as many books (e.g. Sztuczna inteligencja i logika [Artificial Intelligence and Logic], Wprowadzenie do informatyki [An Introduction to Computer Science], etc.). He is also the author of many opinions, reviews and expert opinions, including for the National Science Centre and the European Commission. His professional interests include the application of mathematics, logic and computer science in practice, artificial intelligence, business intelligence, digitization and argumentation theory.

Independent member of the Supervisory Board.

Year of birth: 1953

RAFAŁ KOS – MEMBER OF THE SUPERVISORY BOARD

On 26 August 2020, he was appointed to the Supervisory Board for the current term of office.

Attorney at Law, partner in the law office Kubas Kos Gałkowski. Doctor of Laws (Jagiellonian University), studied International Business Law at UC Davies (California), completed postgraduate studies in American Business Law at CUA Columbus School of Law (Washington, DC).

Vice-President of the Court of Arbitration at the Lewiatan Confederation in Warsaw. Appointed a Permanent Arbitrator and Conciliator of the Court of Arbitration at the General Counsel to the Republic of Poland (since 2020). Member of The Board of Visitors Columbus School of Law, CUA in Washington DC (since 2017). Expert of the Parliamentary Committee on Justice and Human Rights on the draft law on the enforcement of claims in class actions (2009), member of the Team for amendments to the Bankruptcy and Reorganization Law of the Minister of Justice (2012), Team for systemic solutions in the field of amicable methods of resolving economic disputes, facilitating the performance of economic activity of the Minister for the Economy (2013), the Team for Economic Law of the Minister for Development (2015) and the Commission for Corporate Governance Reform and the Expert Teams to the Minister of State Assets: on increasing the efficiency of supervisory boards and on corporate law (2020).

Recommended as an expert in litigation and arbitration by, among others, Who's Who Legal, Chambers and Partners, Rzeczpospolita daily.

Independent member of the Supervisory Board.

Year of birth: 1971

TOMASZ KUCZUR – MEMBER OF THE SUPERVISORY BOARD

On 12 October 2021, he was appointed to the Supervisory Board for the current term of office.

Lawyer and expert in political science. A graduate of the Faculty of Law and Administration of the University of Warmia and Mazury and the Bydgoszcz Academy (now the Kazimierz Wielki University in Bydgoszcz). He obtained a PhD in law from the Faculty of Law and Administration of the University of Warmia and Mazury. He obtained a full doctorate in social science at the University of Wrocław. Professor in social

sciences. Head of the Department of Contemporary Political and Administrative Systems. Professor at the Kazimierz Wielki University in Bydgoszcz.
Independent member of the Supervisory Board.

Year of birth: 1973

MACIEJ ŁOPIŃSKI – MEMBER OF THE SUPERVISORY BOARD

Appointed to the Supervisory Board for the current term of office on 7 June 2021 and on the same day the State Treasury appointed him Chair of the Supervisory Board.

A graduate of the University of Wrocław. Editor-in-chief of Tygodnik Gdański, journalist at Głos Wyrzeża and Tygodnik Czas. Deputy to the Sejm (the Polish Parliament) of the 7th term. In the years 2005-2010, Secretary of State at the Chancellery of the President of Poland, Lech Kaczyński, and in the years 2015-2016 - at the Chancellery of the President of Poland, Andrzej Duda. Mr Łopiński has many years of experience in corporate law and corporate governance gained at the supervisory bodies of various companies, including PZU S.A., KGHM Polska Miedź S.A., PZU Asset Management S.A., Telewizja Polska S.A.

Independent member of the Supervisory Board.

On 24 March 2023, Mr Maciej Łopiński announced his resignation as Chair of the Bank's Supervisory Board as of that date. Notwithstanding his resignation from the aforementioned function, Mr Maciej Łopiński remained a member of the Supervisory Board

Year of birth: 1947

BOGDAN SZAFRAŃSKI – MEMBER OF THE SUPERVISORY BOARD

On 12 October 2021, he was appointed to the Supervisory Board for the current term of office.

An economist and Americanist, expert in strategic financial management, capital market, US politics and economy and Polish-American relations. He obtained a PhD in management science at the Faculty of Management of the Warsaw University and passed the Chartered Financial Analyst (CFA) exam at level 2.

A graduate of the University of California Irvine (UCI), where he obtained an MBA in finance from the Merage School of Business. Before that he studied at the Faculty of Management of the University of Warsaw and the Faculty of Foreign Trade of the Warsaw School of Economics (SGH). He also took a PhD course in economics at the University of California Los Angeles (UCLA).

He worked in California, USA for high tech companies, such as Digital Corporation, Advanced Photonics, Inc. and Xsirus Superconductivity, Inc. He was a member and then the chair of the Supervisory Board of Polam Credit Union in Los Angeles (the Polish credit unions SKOK are based on the CU model).

Subsequently, he was President of the ZEM Celma S.A. Group, Vice-President for Finance and Administration of Kapsch Telecom Sp. z o.o., Vice-President of the Management Board for Strategic Shareholder Cooperation at a telecommunications joint venture Energis Polska Sp. z o.o. (National Grid, Energis, PKP), Strategy and Development Director at Tel-Energo S.A., Vice-President for Finance of PKP Cargo S.A., advisor to the Management Board of Petrolot Sp. z o.o. for financial restructuring, and Management Board member for Finance and Business at PLK S.A.

In 1994, he passed the exam for candidates for supervisory board members, and since then he has been a member of a number of supervisory boards, including the supervisory boards of companies with the participation of the State Treasury (PFR S.A., Lotos Terminale S.A., ZEM Celma S.A., KWB Konin S.A., PKP PLK S.A.).

He carried out independent consulting activities at MetaStrategy Consulting in the area of strategic management, economic value added (EVA) management, valuation of enterprises and M&A consultancy.

He is a lecturer in finance at the Faculty of Management and the Centre for American Studies at the University of Warsaw and at the Lazarski University. He is a commentator of economic and political events in TVP Info, TVN24 BiŚ and author of articles on management, privatization and finance. A member of the Polish-US think tank Polonia Institute.

Independent member of the Supervisory Board.

Year of birth: 1958

AGNIESZKA WINNIK-KALEMBA – MEMBER OF THE SUPERVISORY BOARD

On 7 June 2021, she was appointed to the Supervisory Board for the current term of office.

Ms. Winnik-Kalemba graduated from the Faculty of Law and Administration of the University of Wrocław in 1995. In 1995-1997, she participated in the post-graduate scholarship programme funded by the US government at Georgetown University in Washington D.C. and the University of Kentucky the James W. Martin School of Public Policy and Administration. In the years 1999-2003, she trained to become an attorney-at-law.

Since 2003, she has run her own law firm – Kancelaria Adwokacka Adw. Agnieszka Winnik-Kalemba. In 1986-1989, she cooperated with the Regional Executive Committee of the “Solidarity” Trade Union – the Lower Silesia Region (Regionalny Komitet Wykonawczy NSZZ Solidarność Region Dolny Śląsk) and the “Solidarity” Committee for Interventions and the Rule of Law (Komisja Interwencji i Praworządności NSZZ Solidarność) run by Zofia and Zbigniew Romaszewski. In 1989-2000, she worked for: the Executive Office of the “Solidarity” Trade Union - the Lower Silesia Region; the Law Offices of Bowles, Keating, Matuszewich & Fiordalisi a Partnership of Professional Corporation, Chicago USA (as a legal assistant); the Chairman of the Chamber of Regions of the Council of Europe (as a legal assistant); the Vivodship Sejmik of Wrocław Voivodship; the Legal Office of the Lower Silesian Marshal Office in Wrocław (as its director).

In 2006-2008, Ms. Winnik-Kalemba was a member of the Supervisory Board of PKO Bank Polski S.A., and in 2016 she was Deputy Chair of the Supervisory Board of PKO Bank Polski S.A.

She was the Chair of the Supervisory Board of KGHM Polska Miedź S.A.

Year of birth: 1969

PRINCIPLES OF FUNCTIONING OF THE SUPERVISORY BOARD

The Supervisory Board functions based on generally applicable legal regulations, the Articles of Association and the Rules passed by the Supervisory Board and approved by the General Shareholders' Meeting. Meetings of the Supervisory Board are held at least once a quarter.

On 21 June 2023, the Annual General Shareholders' Meeting of PKO Bank Polski S.A. approved the Rules of Procedure of the Supervisory Board of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna adopted by the Supervisory Board. The new Regulations of the Supervisory Board, include, in particular, the following amendments vs. the previous Regulations of the Supervisory Board:

- § 3 item 1 – introduction of the provision on the Supervisory Board issuing opinions on matters put on the agenda of the General Meeting, consistent with Best Practices for WSE listed companies 2021;

- § 7 – taking into account the standard resulting from Article 382¹ of the Code of Commercial Companies, governing the cooperation of the Supervisory Board with external advisors;
- § 8 (2) – adjusting the time limit for convening meetings at the request of a Member of the Supervisory Board or the Management Board to the time limit of 2 weeks required by the Code;
- § 8 (5) added – introduction of the possibility for the Supervisory Board to hold meetings also without formal conveying, in accordance with Article 389 § 6 of the Code of Commercial Companies;

The Supervisory Board performs its duties collectively.

The Supervisory Board passes resolutions by an absolute majority of votes, in the presence of at least half of the members, including the Chair or Deputy Chair, except for resolutions specified in the Bank's Articles, which require (apart from the quorum indicated) a qualified majority of 2/3 of the votes. The members of the Supervisory Board to whom the given voted matter relates do not participate in the vote.

The work of the Supervisory Board is managed by the Chair, and in his/her absence – by the Deputy Chair. The Chair represents the Supervisory Board before the other authorities of PKO Bank Polski S.A., regulatory authorities and other persons.

Meetings of the Supervisory Board are convened by the Chair or, in his/her absence, by the Deputy Chair on his/her own initiative or at the request of a member of the Supervisory Board or at the request of the Management Board.

Meetings of the Supervisory Board may be convened with the possibility of participation (and passing of resolutions) via remote communication channels, in accordance with the “Rules for participation in a meeting of the Supervisory Board of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna by means of direct remote communication” adopted by the Supervisory Board (the Rules of e-meetings).

With the exception of matters specified in the Bank's Articles of Association, the Supervisory Board may also pass resolutions outside the meeting in writing (by circulation) or using means of direct remote communication, in particular e-mail.

In 2023 the Supervisory Board held 11 meetings and passed 171 resolutions.

The participation of the Supervisory Board members in the meetings in 2023 is presented in the following table.

Table 5. Attendance of members of the Supervisory Board of the Bank in 2023

Full name	Attendance*
Mariusz Andrzejewski	11/11
Wojciech Jasiński	11/11
Dominik Kaczmarowski	9/11
Andrzej Kisielewicz	9/11
Rafał Kos	10/11
Tomasz Kuczur	11/11
Maciej Łopiński	9/11
Krzysztof Michalski	11/11
Robert Pietruszyn	10/11
Bogdan Szafrański	11/11
Agnieszka Winnik-Kalemba	9/11

* Attendance at meetings / number of meetings in the period of performing the function.

All absences were considered justified by resolutions of the Supervisory Board.

COMPETENCES AND RESPONSIBILITIES OF THE SUPERVISORY BOARD

The Supervisory Board exercises continuous supervision over the Bank's activities in all areas of its operations.

In addition to other powers and duties stipulated by generally applicable legal regulations and the provisions of the Articles of Association of PKO Bank Polski S.A., the competences of the Supervisory Board include passing resolutions pertaining, in particular to:

- approving the following documents adopted by the Management Board: policies, rules and regulations, including: the Bank's strategy, the risk management strategy, the Bank management strategy, the dividend policy, the remuneration policy, the policy for internal capital assessment and capital management, and review of strategies

and procedures for internal capital assessment and capital management, the compliance policy of the Bank, internal control system, regulations of the Management Board, regulations for the management of special funds created from net profit, organizational rules of the Bank, compliance and internal audit unit regulations;

- approving the annual financial plan adopted by the Management Board;
- approving the overall risk tolerance level determined by the Management Board;
- appointing an audit firm to conduct the audit or review of the Bank's financial statements and the consolidated financial statements of the Bank's Group;
- passing the Rules:
 - of the Supervisory Board;
 - for granting loans, advances, bank guarantees and warranties to members of the Management Board and Supervisory Board, persons holding managerial positions in the Bank and to entities related to these persons by capital or organizational links;
- appointing and dismissing, by secret ballot, the President of the Management Board, the Vice-Presidents and the members of the Management Board;
- suspending, for important reasons, individual or all members of the Management Board and delegating members of the Supervisory Board, for a period of no more than three months, to temporarily perform the duties of members of the Management Board who have been dismissed, have resigned or are unable to perform their duties for other reasons;
- giving its prior consent for actions fulfilling statutory criteria, including, among other things, disposal of fixed assets (intangible assets, tangible fixed assets, long-term investments), taking up, the purchase or sale of shares in another company, subscription or purchase of bonds convertible to shares, concluding a material agreement by PKO Bank Polski S.A. with a shareholder holding at least 5% of the total number of votes in the Bank or with a related entity, concluding a contract for legal services, marketing services, public relations and social communication services or management consultancy services, donation agreements or similar agreements, debt release agreements and other similar agreements whose value exceeds the amount indicated in the Bank's Articles;
- applying to the Polish Financial Supervision Authority for consent for the appointment of the President of the Management Board and a Management Board member supervising the management of risk material to the Bank's activities, and for entrusting the function of Management Board member supervising the management of risk material to the Bank's activities to a current Management Board member who has not supervised the management of this risk to date;
- evaluation of the functioning of the Bank's remuneration policy and presentation of a relevant report to the Annual General Shareholders' Meeting;
- opinion on the application of the "Principles of corporate governance for supervised institutions" by the Bank;
- granting approval for opening or closing a foreign branch.
- issuing opinions on the matters put on the agenda of the General Meeting by the Management Board, whereas the Supervisory Board must not issue opinions with reference to those which refer solely to the Supervisory Board or Supervisory Board Members;
- considering information received from the Management Board on all important matters concerning the activities of the Bank and risk relating to the activities conducted and the manner of managing such risk;
- preparing annual reports presented to the Annual General Meeting in compliance with the Best Practices or with the Corporate Governance Principles.

The Supervisory Board also presents an annual report on the activities of the Supervisory Board to the General Meeting, which includes, among other things, an assessment of the Directors' Report on the activities (of the Bank's Group, including the Bank) and the financial statements (of the Bank and the Bank's Group) for the previous year in terms of their conformity with the books, documents and facts, and an assessment of the Management Board's proposals for the distribution of profit or coverage of loss.

In order to fulfil its duties, the Supervisory Board may, in particular, examine all documents of the Bank, review the Bank's assets and request the Bank to prepare or submit any information, documents, reports or explanations concerning the Bank (in particular its activities or assets) and information, reports or explanations concerning its

subsidiaries or related companies. The Management Board may not restrict the members of the Supervisory Board from accessing information, documents, reports or explanations requested by them.

The Supervisory Board may use the services of external advisors, experts or consultants at the Bank's cost.

In the performance of their duties, members of the Supervisory Board should exercise the diligence required by the professional nature of their activities and maintain their loyalty to the Bank.

Members of the Supervisory Board are not in breach of their duty of care arising from the professional nature of their activities if, in acting loyally towards the company, they act within the limits of reasonable economic risk, including on the basis of information, analyses and opinions that should be taken into account in the circumstances in making a careful assessment.

COMMITTEES OF THE SUPERVISORY BOARD

In accordance with the Bank's Articles, the Supervisory Board appoints from among its members committees which it is required to appoint under the binding legislation. The Supervisory Board may also appoint other committees from among its members. The committees of the Supervisory Board act on the basis of Rules adopted by the Supervisory Board.

The Supervisory Board, in accordance with its rules, appoints in particular a nomination and remuneration committee, a risk committee, an audit committee and a strategy committee.

The Nominations and Remuneration Committee appointed by the Supervisory Board functions in accordance with the provisions of Annex I to the Commission Recommendation 2005/162/EC on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board.

In 2023, all rules of the Supervisory Board committees were amended.

Committees appointed by the Supervisory Board.

AUDIT COMMITTEE OF THE SUPERVISORY BOARD

TASKS

- monitoring the financial reporting process, including the review of interim and annual financial statements (separate and consolidated);
- monitoring the adequacy, effectiveness and efficiency of the internal control system, including with respect to financial reporting, and the quality of the internal audit work in assessing the adequacy of the internal control system;
- monitoring the effectiveness of the risk management system with respect to financial reporting, in particular by analyzing information received from the Risk Committee;
- monitoring the audit activities, in particular performance of the audit by the audit firm, taking into account all conclusions and findings of the Polish Agency for Audit Oversight, which is referred to in the Act on registered auditors, resulting from inspections carried out in the audit firm;
- controlling and monitoring the independence of the registered auditor and the audit firm carrying out the audit of the financial statements, in particular when the audit firm also provides services other than audit to the Bank's Group;
- informing the Supervisory Board of the audit results and explaining how the audit contributed to the fairness of the Bank's financial reporting and explaining the role of the Committee in the audit process;
- assessing the independence of the registered auditor and consenting to the provision of permissible services other than audit to the Bank and the Bank's Group by the audit firm's related entities or a member of the audit firm's network, in accordance with the policy;
- developing a policy for selecting the audit firm to conduct an audit and providing the Supervisory Board with recommendations as to adopting the policy;
- developing a policy for the provision of services other than audit by the audit firm performing the audit, its related entities and a member of the audit firm's network, and providing the Supervisory Board with recommendations as to adopting the policy;
- developing a procedure for selecting an audit firm to conduct an audit and providing the Supervisory Board with recommendations as to adopting the policy;
- providing the Supervisory Board with recommendations as to the appointment of the audit firm to conduct the audit;
- submitting recommendations aimed at ensuring the fairness of the Bank's financial reporting to the Supervisory Board;

- submitting recommendations to the Supervisory Board with regard to the statement concerning the audit firm conducting the audit of the annual financial statements of the Bank and consolidated financial statements of the Bank's Group;
- developing the rules for the process of disclosing and exchanging data and information between the PFSA, the audit firm, the key registered auditor and the Bank, and recommending their adoption to the Supervisory Board;
- presenting to the Supervisory Board, at least once a year, issues that may have a significant impact on the financial performance of future periods or the position of the Bank and the Bank's Group.

AS AT 31 DECEMBER 2022, THE AUDIT COMMITTEE CONSISTED OF:

		Date of the appointment to the Committee*
Chair:	Agnieszka Winnik-Kalemba	15 June 2021
Deputy Chair:	Mariusz Andrzejewski	24 September 2020
Members:	Dominik Kaczmarski	15 June 2021
	Rafał Kos	24 September 2020
	Bogdan Szafranski	16 December 2021

* During the present term of the Supervisory Board

INDEPENDENCE CRITERIA AND COMPETENCES

In 2023, as part of the periodic suitability assessments of members of the Supervisory Board carried out in June, it was assessed whether the candidate and members of the Supervisory Board meet the requirements necessary to serve on the Audit Committee of the Supervisory Board.

According to the aforementioned assessments, the members of the Audit Committee jointly meet the conditions of independence and qualifications in accordance with the Act on registered auditors, audit firms and public oversight of 11 May 2017.

Including as at 31 December 2023:

- Chair of the Audit Committee Agnieszka Winnik-Kalemba and Mariusz Andrzejewski, Rafał Kos and Bogdan Szafranski are independent, i.e. the majority of the Audit Committee members, are independent;
- The following members have the most adequate knowledge and experience in the scope of the Audit Committee's activity, including competences in accounting and auditing of financial statements:
 - Mariusz Andrzejewski – competences confirmed by a PhD. in economics and qualifications of a registered auditor; member of Polish and international accounting and bookkeeping associations; additionally, skills resulting from professional experience related to performing management and supervisory functions and working as a registered auditor;
 - Dominik Kaczmarski – competences resulting from knowledge and skills gained within the educational programme connected with the title of tax advisor and with applying for the title of Chartered Financial Analyst, completed MBA Finance & Technology studies and a master's degree in quantitative methods in economics and information systems at the SGH Warsaw School of Economics; in addition, he has professional experience in bank tax reviews and calculations, as well as in the process of auditing financial statements (with regard to tax components);
 - Bogdan Szafranski – knowledge and skills gained within the educational programme at the University of California Irvine (UCI), where he completed MBA studies at the Merage School of Business in the area of finance, as well as resulting from his experience as a lecturer in the Faculty of Finance and Banking of the Lazarski University in Warsaw (mainly in the area of financial and management accounting);
- all members of the Audit Committee collectively have knowledge and skills in the area of banking resulting from, among other things, their education, professional experience and functions performed (as more fully described in the biographical notes in this chapter).

NUMBER OF MEETINGS There were 8 Audit Committee meetings in 2023.

ATTENDANCE OF MEMBERS OF THE AUDIT COMMITTEE OF THE SUPERVISORY BOARD AT COMMITTEE MEETINGS IN 2023.

Name and Surname	Attendance *
Mariusz Andrzejewski	8/8
Dominik Kaczmarek	7/8
Rafał Kos	8/8
Bogdan Szafrąński	8/8
Agnieszka Winnik-Kalemba	6/8

* Attendance at meetings / number of meetings in the period of performing the function.

THE POLICY FOR THE APPOINTMENT OF AN AUDIT FIRM AND THE POLICY FOR THE PROVISION OF SERVICES

The main purpose of the Policy for selecting the audit firm to audit the financial statements of the Bank and the Bank's Group (hereinafter: the Selection Policy) and the Policy for the provision of permissible services other than audit to the Bank and the Bank's Group companies by the audit firm performing the audit, its related entities or members of its network (hereinafter: the Policy for providing the services), is to ensure the compliance of the audit firm selection process and the provision of services by this firm to the Bank and the Group with the applicable laws and recommendation L of the Polish Financial Supervision Authority, in particular in terms of ensuring the audit firm's independence and objectivity and satisfaction of the requirements concerning mandatory rotation and cooling off periods.

The Selection Policy defines the following principles of mandatory rotation and cooling off periods with respect to the audit firm and the key registered auditor.

- the maximum period of uninterrupted performance of statutory audit engagements by the same audit firm, an audit firm related to that firm or any member of a network operating in the European Union of which these audit firms are members is 10 audited financial years. This period may be extended (with PFSA's approval) by two years, to a maximum of 12 audited financial years, if more than one audit firm is engaged in the joint audit formula, provided that the statutory audit results in the preparation of a joint audit report;
- an agreement for audit of the financial statements shall be concluded for a period not shorter than 2 financial years and not longer than 3 financial years, with an option of extending it for the following audited period of at least two financial years;
- after the end of the maximum period of uninterrupted performance of engagements referred to in item 1, the audit firm may perform a statutory audit again not earlier than 4 years after the end of the previous audit of the financial statements of the Bank and the Bank's Group;
- a key registered auditor must not perform a statutory audit of the financial statements for a period longer than 5 audited financial years;
- a key registered auditor may perform a statutory audit of the financial statements again not earlier than three years after the end of the last statutory audit of the financial statements of the Bank and the Bank's Group.

In accordance with the Selection Policy, the Supervisory Board conducts the proceedings for signing an agreement for the audit of the financial statements of the Bank and the Bank's Group in the form of an open tender. Having completed the selection procedure organized by the Bank, the Audit Committee provides to the Supervisory Board a recommendation concerning the audit firm selection. Unless it is recommended to renew the audit engagement, the recommendation presents at least two audit firms to be selected from and an indication of the preferred one (with a justification). The Supervisory Board selects the audit firm based on the Audit Committee's recommendation. Clear and unbiased criteria are applied in the selection of the audit firm on the basis of the proposals submitted. These criteria include in particular:

- approach to the activities, internal arrangements to ensure independence and compliance with other applicable provisions of law, professional standards, quality control standards and principles of professional ethics, and the reputation of the audit firm;
- the audit approach, including the proposed audit methodology, areas of particular interest, the overall audit plan, the communication strategy, the IT tools used;
- professional experience in the industry in which the Bank and the Bank's Group operate, experience in cooperation with the Bank and the Bank's Group companies and geographical reach taking into account the scope of the Bank's Group's activities;

- assessment of the members of the team assigned to carry out the audit, their qualifications and training, team management, customer relationship management and interpersonal skills;
- the amount of remuneration expected and the estimated labour intensity;
- auditor and audit firm insurance and liability coverage.

The Audit Committee recommendations for the selection of the audit firm to audit the financial statements for the years 2020-2021 and 2022-2023 satisfied the applicable requirements and were prepared based on the selection procedures organized by the Bank, which satisfied the applicable criteria.

In accordance with the Policy for providing the services, the provision of permissible services other than audit by the audit firm performing the audit, its related entities or members of its network to the Bank requires approval of the Audit Committee of the Supervisory Board of the Bank. The approval of the Audit Committee of the Supervisory Board is also required in the case of permissible services other than audit provided to a company of the Bank's Group (on the request of such company). The company requesting such approval must present the approval of its Audit Committee or its Supervisory Board.

In 2023, the audit firm PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k. provided permissible non-audit services to the Bank. Before concluding the agreement on providing permissible non-audit services, the Supervisory Board Audit Committee conducted evaluation of the independence of the audit firm and approved providing such services.

NOMINATIONS AND REMUNERATION COMMITTEE OF THE SUPERVISORY BOARD

TASKS

Expressing opinions and monitoring the remuneration rules set out in the Remuneration Policy adopted by the Bank on an ongoing basis and supporting the Bank's authorities in developing and implementing this policy.

In particular, the Committee is responsible for the performance of the following tasks:

- expressing opinions on the general rules for remunerating persons whose professional activities have a material impact on the Bank's risk profile to be approved by the Supervisory Board;
- conducting periodical reviews of the Remuneration Policy and presenting their results to the Supervisory Board;
- presenting to the Supervisory Board proposals of principles for hiring and remunerating members of the Management Board;
- presenting or giving an opinion on the remuneration decisions to be taken by the Supervisory Board - in particular on the remuneration of members of the Management Board, including severance payments for members of the Management Board;
- assessing the MbO targets set for and pursued by the members of the Management Board, their value and importance, and providing an opinion to the Supervisory Board in this regard;
- assessing tools and systems adopted to guarantee that the remuneration system in the Bank's Group properly accounts for all types of risk, liquidity and equity levels and that the Remuneration Policy complies with the proper and effective risk management principles, supports such management and is consistent with the business strategy, goals, corporate culture and values, and the long-term interests of the Bank's Group;
- overseeing the fixed remuneration of heads of units performing independent control functions, including the compliance, internal audit and risk management units;
- providing opinions and monitoring variable remuneration components of leaders of the compliance, internal audit and risk management units;
- presenting opinions to the Supervisory Board on the settlement of MbO targets for members of the Management Board for a given assessment period approved by the Supervisory Board;
- reviewing the report of the internal audit function's review of the implementation of the remuneration policy;
- preparing a draft report on the evaluation of the functioning of the Remuneration Policy in the Bank, which is presented by the Supervisory Board to the General Shareholders' Meeting.

Additionally, the Committee's tasks include:

- expressing opinions on the diversity policy relating to the composition of the Management Board;

- assessing the suitability of and recommending to the Supervisory Board candidates for the Management Board, including taking into account the necessary knowledge, competence and experience of the Management Board as a whole necessary to manage the Bank and taking into account diversity in the composition of the Management Board;
- defining the scope of duties for the candidate to the Management Board approved by the Supervisory Board, as well as defining the requirements concerning the knowledge and competences and the expected involvement in terms of the amount of time necessary to perform the function of a Management Board member;
- determining the target representation of the gender which is under-represented in the Management Board, to be approved by the Supervisory Board;
- periodically (at least once a year) assessing the structure, size, composition and effectiveness of the functioning of the Management Board and recommending respective changes to the Supervisory Board;
- periodically (at least once a year) assessing the suitability, including assessing the knowledge, competences and experience of the Management Board as a whole and of its individual members, and informing the Management Board of the results of the assessment;
- periodically assessing the Management Board's policy in respect of the selection and appointment of persons to managerial positions at the Bank having a significant impact on the Bank's risk profile and submitting respective recommendations to the Management Board;
- giving an opinion on, including an annual review of the suitability policy concerning the Management Board members and key officers of the Bank and suitability assessment at the Bank's Group companies and recommending amendments to this policy to the Supervisory Board;
- giving an opinion on policy on assessing the suitability of candidates for members and members of the Bank's Supervisory Board as part of its review by the Supervisory Board.

AS AT 31 DECEMBER 2022, THE NOMINATIONS AND REMUNERATION COMMITTEE CONSISTED OF:

		Date of the appointment to the Committee*
Chair:	Wojciech Jasiński	24 September 2020
Deputy Chair:	Dominik Kaczmarski	8 June 2021
Members:	Andrzej Kisielewicz	24 September 2020
	Tomasz Kuczur	14 October 2021
	Robert Pietryszyn	9 November 2022
	Bogdan Szafrąński	14 October 2021

* During the present term of the Supervisory Board

NUMBER OF MEETINGS There were 9 meetings of the Nominations and Remuneration Committee in 2023.

ATTENDANCE OF MEMBERS OF THE NOMINATIONS AND REMUNERATION COMMITTEE AT COMMITTEE MEETINGS IN 2023.

Name and Surname	Attendance *
Wojciech Jasiński	9/9
Dominik Kaczmarski	7/9
Andrzej Kisielewicz	7/9
Tomasz Kuczur	9/9
Robert Pietryszyn	8/9
Bogdan Szafrąński	9/9

* Attendance at meetings / number of meetings in the period of performing the function.

RISK COMMITTEE OF THE SUPERVISORY BOARD

TASKS

- evaluating the overall current and future readiness of the Bank to take risks, taking into account the risk profile of the Bank Group, including, in particular, the strategic tolerance limits adopted by the Management Board on particular risks for the Bank and the Bank's Group;
- expressing opinions on the Bank's operational risk management strategy adopted by the Management Board and information on the implementation of this strategy submitted by the Management Board, as well as other periodic reports on risk management and capital adequacy, taking into account the annual assessment of the adequacy and effectiveness of the risk management system, information on the implementation of the risk management strategy, a review of scenarios, including stress scenarios (to determine the response of the Bank's risk profile to external and internal events) and findings from stress tests;
- expressing opinions on the approval policy for new products adopted by the Management Board and recommending its approval to the Supervisory Board;
- expressing opinions on the disclosure policy adopted by the Management Board and recommending its approval to the Supervisory Board;
- expressing opinions on other resolutions of the Management Board in respect of risk management and capital adequacy which are subject to approval by the Supervisory Board;
- supporting the Supervisory Board in overseeing the implementation of the Bank's operational risk management strategy;
- reviewing whether the prices of assets and liabilities offered to customers fully envision the Bank's business model and its strategy in terms of risk and suggesting corrective actions to the Management Board;
- assessing the risks associated with the financial products and services offered;
- expressing opinions on solutions for reducing business risk with the use of the Bank's property insurance and civil liability insurance for members of the Bank's authorities and proxies;
- ongoing monitoring of the risk management system and providing the Supervisory Board with information on the results of this monitoring;
- expressing opinions on the information on the risk management strategy and risk management system disclosed by the Bank to the general public;
- carrying out an annual review of the remuneration policy for employees of the Bank and the Bank's Group, and in particular evaluating whether incentives arising from this policy and remuneration practice take into account risk, capital and liquidity, as well as the probability and time perspective of generating profits by a company of the Group, as well as approving the report on this review, submitted for information to the Supervisory Board;
- ongoing monitoring of the implementation of risk management strategy and making recommendations to the Supervisory Board on necessary adjustments to the risk strategy resulting, inter alia, from changes in the Bank's business model, market events or recommendations made by the Risk Management unit;
- advising on the selection of external advisors, experts and consultants in the event that the Supervisory Board wishes to use their services;
- evaluating recommendations of external and internal auditors and follow-up in the form of appropriate implementation of the respective measures;
- cooperating with the Nominations and Remuneration Committee in connection with the Committee's opinions on the suitability policy concerning the Management Board members and key officers of the Bank and suitability assessment at the Bank's Group companies to maintain this policy in line with effective and sound risk management;
- performing other tasks specified by the Supervisory Board with regard to risk management at the Bank.

AS AT 31 DECEMBER 2022, THE RISK COMMITTEE CONSISTED OF:

		date of appointment to the Committee*
Chair:	Mariusz Andrzejewski	24 September 2020
Deputy Chair:	Dominik Kaczmarek	15 June 2021
Members:	Wojciech Jasiński	24 September 2020

	Andrzej Kisielewicz	24 September 2020
	Bogdan Szafranski	14 October 2021

* During the present term of the Supervisory Board.

Krzysztof Michalski was also a member of the Risk Committee until 20 December 2023 (date of resignation).

NUMBER OF MEETINGS There were 8 meetings of the Risk Committee in 2023.

ATTENDANCE OF MEMBERS OF THE RISK COMMITTEE AT COMMITTEE MEETINGS IN 2023

Name and Surname	Attendance *
Mariusz Andrzejewski	8/8
Wojciech Jasiński	8/8
Dominik Kaczmarek	6/8
Andrzej Kisielewicz	6/8
Krzysztof Michalski	8/8
Bogdan Szafranski	8/8

* Attendance at meetings / number of meetings in the period of performing the function.

STRATEGY COMMITTEE OF THE SUPERVISORY BOARD

TASKS

- expressing opinions on the Bank's strategy adopted by the Management Board, the approval of which is the competence of the Supervisory Board;
- supporting the Supervisory Board in overseeing the implementation of the strategy, in particular by analyzing periodic information on the implementation thereof presented by the Management Board;
- expressing opinions on strategic activities of the Bank, which require the prior consent of the Supervisory Board, in particular on their compliance with the binding strategy of the Bank;
- performing other tasks specified by the Supervisory Board with regard to the implementation of the strategic goals and key projects of the Bank.

AS AT 31 DECEMBER 2022, THE STRATEGY COMMITTEE CONSISTED OF:

		date of appointment to the Committee*
Chair:	Dominik Kaczmarek	15 June 2021
Deputy Chair:	Bogdan Szafranski	14 October 2021
Members:	Mariusz Andrzejewski	24 September 2020 roku
	Andrzej Kisielewicz	24 September 2020 roku
	Tomasz Kuczur	14 October 2021
	Robert Pietryszyn	9 November 2022

* During the present term of the Supervisory Board.

Krzysztof Michalski was also a member of the Strategy Committee until 20 December 2023 (date of resignation).

NUMBER OF MEETINGS There were 3 meetings of the Strategy Committee in 2023.

ATTENDANCE OF MEMBERS OF THE STRATEGY COMMITTEE AT COMMITTEE MEETINGS IN 2023.

Name and Surname	Attendance *
Mariusz Andrzejewski	3/3
Dominik Kaczmarek	3/3
Andrzej Kisielewicz	3/3
Tomasz Kuczur	3/3

Krzysztof Michalski	3/3
Robert Pietryszyn	1/3
Bogdan Szafranski	3/3

* Attendance at meetings / number of meetings in the period of performing the function.

9. MANAGEMENT BOARD OF PKO BANK POLSKI S.A. - COMPOSITION, POWERS AND PRINCIPLES OF FUNCTIONING

The Management Board of PKO Bank Polski S.A. consists of three to nine members. The Management Board members are appointed by the Supervisory Board for a joint three-year term. Appointing the President of the Management Board and the Board member responsible for overseeing the management of material risk in the Bank's operations requires the consent of the PFSA.

The current term of office of the Management Board began on 3 July 2020.

CHANGES IN THE COMPOSITION OF THE MANAGEMENT BOARD

In 2023, composition of the Bank's Management Board changed as follows:

- Mr Andrzej Kopyrski joined the Bank's Management Board on 1 January 2023, pursuant to a decision of the Bank's Supervisory Board of 15 December 2022;
- Mr Paweł Gruza resigned, effective at the end of 12 April 2023, from managing the work of the Bank's Management Board and from applying for the position of President of the Bank's Management Board; the resignation submitted did not mean Mr Paweł Gruza's resignation from participation in the composition of the Management Board of the Bank or from the function of the Vice-President of the Management Board of the Bank;
- Mr Mieczysław Król resigned as a member of the Bank's Management Board with effect from 13 April 2023;
- The Bank's Supervisory Board dismissed Mr Maks Kraczkowski from the Bank's Management Board with effect from 13 April 2023;
- The Supervisory Board appointed Mr Dariusz Szwed as Vice-President of the Bank's Management Board, effective 14 April 2023, for the current joint term of office of the Bank's Management Board, which commenced on 3 July 2020, and at the same time appointed Mr Dariusz Szwed as President of the Bank's Management Board, subject to the approval of the Polish Financial Supervision Authority and as of the date of such approval;
- The Polish Financial Supervision Authority unanimously approved the appointment of Mr Dariusz Szwed as President of the Bank's Management Board effective 31 August 2023;

Due to the above changes in the composition of the Bank's Management Board, the Supervisory Board approved amendments to the internal division of responsibilities on the Bank's Management Board, which came into effect on 14 April 2023. In addition, in 2023 the Bank's Supervisory Board approved changes to the internal division of responsibilities unrelated to the change in the composition of the Bank's Management Board, which came into effect on 1 July, 1 September and 4 October 2023.

Following changes in the composition of the Bank's Management Board and changes in the division of responsibilities, the Nominations and Remuneration of the Bank's Supervisory Board carried out an assessment, as a result of which it confirmed:

- the individual suitability of the new member of the Bank's Management Board, Mr Dariusz Szwed, and the collective suitability of the entire Management Board;
- the individual suitability of the members of the Bank's Management Board affected by the above change in responsibilities, including: Maciej Brzozowski (in April and in June), Marcin Eckert (in April), Paweł Gruza (in April) and Andrzej Kopyrski (in April and in August), Dariusz Szwed (in October).

The suitability assessment was approved by the Bank's Supervisory Board.

Additionally, in connection with the Vice-President Marcin Eckert taking up a function in the Supervisory Board of Bank Pocztowy, as well as with the change in the structural assignment of the Bank's organisational entity in the supervision of corporate and strategic corporate clients, the Nominations and Remuneration Committee of the Bank's Supervisory Board carried out an assessment of the impact of the above circumstances on the individual assessment of suitability of the Vice-Presidents, as a result of which the continued suitability of the Vice-Presidents to perform

the function in the Bank's Management Board was confirmed. The suitability assessment was approved by the Bank's Supervisory Board.

Taking the above into account, in 2023 the Nominations and Remuneration Committee of the Supervisory Board carried out:

- preliminary suitability assessment - related to the appointment of a new member to the Management Board (April);
- additional suitability assessment - related to the change in the division of competences in the Bank's Management Board and to the occurrence of the aforementioned other circumstances that may affect the individual suitability assessment of the members of the Bank's Management Board (February, April, June, August and October);
- periodical suitability assessments - related to the annual assessment of the suitability of the members of the Bank's Management Board (December);
- collective suitability assessments of the Management Board (additional assessment related to the change in the composition of the Management Board and periodic assessment) - taking into account the personnel changes made and changes in the internal division of competences within the Management Board (April and December).

The suitability assessments were performed in accordance with the "Suitability policy concerning the Management Board members and key officers of the Bank and suitability assessment at the Bank's Group companies".

As a result of the above assessments, the Nominations and Remuneration Committee of the Supervisory Board confirmed the individual suitability of the members of the Bank's Management Board and the collective suitability of the Management Board. The above suitability assessments were approved by the Supervisory Board.

As at 31 December 2023, the Bank's Management Board consisted of 8 people.

COMPOSITION OF THE MANAGEMENT BOARD OF PKO BANK POLSKI S.A.

Composition of the Management Board as at 31 December 2023.

DARIUSZ SZWED - PRESIDENT OF THE MANAGEMENT BOARD SUPERVISING THE MANAGEMENT BOARD PRESIDENT AREA

Member of the Management Board since 14 April 2023.

The Supervisory Board of the Bank appointed Mr Dariusz Szwed (with effect from 14 April 2023) as the President of the Bank's Management Board, subject to the consent of the PFSA and upon obtaining such consent. Until that consent was obtained, Mr Dariusz Szwed was the Vice President of the Bank's Management Board managing the work of the Bank's Management Board. On 31 August 2023, the Polish Financial Supervision Authority unanimously approved the appointment of Mr Dariusz Szwed as President of the Bank's Management Board.

Dariusz Szwed has got almost 30 years' experience in the financial sector. Since 2021, he was the Member of the Management Board of Bank Gospodarstwa Krajowego in which he recently supervised the area of business and banking operations, following supervising earlier the areas of IT, European funds and implementation of the internal pillar "Digital and process transformation, within bank's strategy 2021-2025".

In the years 2019-2021 he was the Vice President of the management board of Alior Bank, where he supervised the entire bank's business - sales and products for retail and business customers, treasury activities, private banking area and a brokerage office. At the same time, he was the president of the management board of Alior TFI. He was also a member of several committees, including the credit committee. Previously, since 1995, he worked in Santander Bank Polska, recently as the director of the private banking department, where he was responsible for supervision over comprehensive business activities, including operational, credit and reputational risk in this area. He also supervised the retail activity of the bank's brokerage office. He was also a member of the team managing the merger of Santander Bank Polska and the separated part of Deutsche Bank, where he was responsible for the analysis and implementation of business solutions in the merged bank.

Graduate of the banking and finance faculty of WSB University of Poznan and management faculty of Czestochowa University of Technology. He also holds a diploma from the SGH Warsaw School of Economics.

Year of birth: 1973

Functions performed in the Bank's standing committees in 2023	Risk Committee (Chair) - since 31 August, Transformation Committee (Chair) - since 31 August, IT Security Committee (Chair) - since 31 August, Asset and Liability Management Committee (Chair) - since 31 August, Asset and Liability Management Committee (member) - from 14 April to 30 August, Sustainable Development Committee (Chair) - since 10 July, Strategy Committee (Chair) - from 14 April,
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MACIEJ BRZOWSKI – VICE-PRESIDENT OF THE BANK'S MANAGEMENT BOARD IN CHARGE OF THE RETAIL AND CORPORATE BANKING AREA,

Member of the Management Board since 25 March 2022.	<p>He graduated from the Faculty of Management at the University of Warsaw. He holds the Master of Business Administration title.</p> <p>Maciej Brzowski has been working in the banking sector since the beginning of his professional career. He started his career in 1996 at PKO Bank Polski S.A. Since 1999 he was involved in sales and risk area at Kredyt Bank S.A. He also coordinated the optimization of business processes in the organization. He participated in works related to building models determining the risk of default for corporate entities and calculating capital requirements.</p> <p>Since 2008 to 2012 he held managerial functions in the Risk Assessment Department and the Inspection Department in the Polish Financial Supervision Authority Office, where he was responsible, among others, for the area of banking regulations and validation of advanced credit risk models for calculating banks' capital requirements.</p> <p>In 2017-2020, he has dealt with the issues of risk and stability of the financial system and influence of EU regulations on functioning of the banking sector at the National Bank of Poland as deputy director of the Financial Stability Department. His responsibilities also included cooperation with the European Systemic Risk Board in the area of systemic risk.</p> <p>Member of the Management Board of Alior Bank S.A. until 24 March 2022, responsible for risk management (obtained approval from the Polish Financial Supervision Authority). He oversaw the areas of credit, debt recovery and restructuring, market, liquidity and operational risks and capital requirements. He chaired and was a member of the relevant committees in this regard.</p> <p>He was a member of the Supervisory Boards of Alior TFI S.A. and Alior Leasing Sp. z o.o.</p> <p>Member of the Management Board of PKO Bank Polski S.A. since 25 March 2022. He also serves as Chair of the Supervisory Board of PKO Towarzystwo Funduszy Inwestycyjnych S.A. and Deputy Chair of the Supervisory Board of PKO Bank Hipoteczny S.A.</p> <p>He lectured on the basics of financial risk at the Social College of Entrepreneurship and Management in Łódź.</p>
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Year of birth: 1973

Functions performed in the Bank's standing committees in 2023	Credit Committee of the Bank (Member); Risk Committee (Member); Strategy Committee (Member); Asset and Liability Management Committee (Member); Sustainable Development Committee (Member).
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MARCIN ECKERT – VICE-PRESIDENT OF THE MANAGEMENT BOARD OF THE BANK IN CHARGE OF THE FINANCE AND ACCOUNTING AREA

Member of the Management Board since 8 June 2021.

Graduate of the Advanced Management Program at the Harvard Business School. He also completed the Leadership Academy for Poland programme and graduated from the Faculty of Law and Administration at the Nicolaus Copernicus University in Toruń.

Previously he worked for the PZU Group as the Managing Director for Corporate Matters (from 2017). In the years 2019-2021, he was a member of the Management Board of PZU S.A. and PZU Życie S.A. At the PZU Group, he was responsible for the strategy and projects, the Administration Office, the Corporate Governance Office, the Office of Supervision of Foreign Companies and the Information Technology Function. In 2018-2020, he was a member and Deputy Chair of the Supervisory Board of Alior Bank S.A. and Chair of the Supervisory Board of PZU Zdrowie S.A., from June 2020 to June 2021 he was Deputy Chair of the Supervisory Board of Bank Pekao S.A. At present, Mr Eckert is the Chair of the Supervisory Board of Totalizator Sportowy sp. z o.o. and PKO BP BANKOWY PTE S.A. and Deputy Chair of the Supervisory Board of Bank Pocztowy S.A.

He has been an attorney-at-law since 2001, specializing in commercial law, tax law and labour law. Before joining the PZU Group he worked as Senior Associate at Bird & Bird Szepietowski i Wspólnicy (as the Benefits & Compensation practice leader). Before that, he worked for TGC Tax Advisers sp. z o.o. (as director of the Tax Department), Mazars Audyt Sp. z o.o. (as director of the Tax and Legal Department) and Ernst & Young (Senior Manager).

Year of birth: 1971

Functions performed in the Bank's standing committees in 2023

Data Quality Committee (Deputy Chair);
Risk Committee (Member);
Operational Risk Committee (Member);
Strategy Committee (Member);
Transformation Committee (Member);
Assets and Liabilities Management Committee (Member);
Sustainable Development Committee (Member).

PAWEŁ GRUZA – VICE-PRESIDENT OF THE BANK'S MANAGEMENT BOARD IN CHARGE OF THE OPERATIONS AND INTERNATIONAL BANKING AREA

Member of the Management Board since 10 August 2022.

He graduated from the University of Warsaw's Faculty of Law and Administration.

From 10 September 2018 he held the position of the Vice President of the Management Board (International Assets) in KGHM Polska Miedź S.A. An Undersecretary of State in the Ministry of Finance since November 2016. Co-author of the tax reform. An Undersecretary of State in the Ministry of the State Treasury from April to November 2016. He managed a portfolio of companies with State Treasury ownership and state legal entities. He worked on reforming supervision over State Treasury companies. An expert and a management board member of Fundacja Republikańska (Republican Foundation) from 2007 to 2016. As a representative of the minister responsible for financial institutions he was also a member of the Polish Financial Supervision Authority.

He was a partner and a management board member of MMR Consulting sp. z o.o., as well as a partner in the tax consultant office GWW Tax from 2007 to 2016. In 2000-2006 he worked in consultancy companies, Arthur Andersen and

Year of birth: 1977	Ernst & Young. He managed interdisciplinary consultant projects for Polish and international companies from the industrial and financial sector. Author and co-author of numerous publications on taxes and social security.
Functions performed in the Bank's standing committees in 2023	Risk Committee (Member) – since 26 May; Operational Risk Committee (Member) – since 27 April; Strategy Committee (Member); Asset and Liability Management Committee (member) - from 1 February to 12 April; Sustainable Development Committee (Member).

WOJCIECH IWANICKI – VICE-PRESIDENT OF THE MANAGEMENT BOARD OF THE BANK IN CHARGE OF THE ADMINISTRATION AREA

Member of the Management Board since 14 October 2021.	He graduated from the Faculty of Philosophy and Sociology of the Maria Curie-Skłodowska University (UMCS) in Lublin. He obtained the Executive Master of Business Administration title. He has several years of professional experience in the management of administration, logistics, infrastructure, human resources and IT. In 2017 he joined the PZU Group, where he performed the functions of director of the Administration Office at PZU S.A., PZU Życie S.A., PZU Centrum Operacji S.A., TUW PZUW. He was also a director in charge of administration and finance in the Public Procurement Office. In the years 2014-2016, director of the Office of the President of the General Counsel to the State Treasury. From 2006 to 2010, deputy director in the office of the President of the Republic of Poland. Deputy Chair of the Supervisory Board of Sigma BIS S.A. since October 2019.
Year of birth: 1974	
Functions performed in the Bank's standing committees in 2023	Risk Committee (Member) – since 26 May; Strategy Committee (Member); Sustainable Development Committee (Member).

ANDRZEJ KOPYRSKI – VICE-PRESIDENT OF THE BANK'S MANAGEMENT BOARD IN CHARGE OF THE CORPORATE AND ENTERPRISE BANKING AREA

Member of the Management Board since 1 January 2023.	He is a graduate of Warsaw University of Technology and University of Strathclyde in Glasgow. He started his banking career in Bank Pekao S.A. in 1992. In 1993-1996 he worked in corporate banking in ING Bank Polska S.A. and later he headed structured finance operations in Deutsche Bank Polska S.A. and since 1997 till 2001 he was Director in ABN Amro Bank (Polska) in charge of structured finance and capital markets. Since 2001 he held a position of Member of the Management Board in HSBC Financial Services (Poland). Since April 2002 he worked in Bank BPH S.A. as Managing Director responsible for Sales, Structured Finance and Capital Markets Area and after merger with Bank Pekao S.A. he took the responsibility for Investment Banking and Structured Finance Department. In 2008-2018 he was the Vice President of the Management Board of Bank Pekao S.A. managing the corporate and investment banking operations. Then he worked at the Polish Development Fund (PFR), where he was responsible for the Investment Division, supervising capital investments and the support program for large companies.
Year of birth: 1965	

Functions performed in the Bank's standing committees in 2023	Credit Committee of the Bank (Member); Risk Committee (Member); Strategy Committee (Member); Asset and Liability Management Committee (member) - since 27 April; Sustainable Development Committee (Member).
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ARTUR KURCWEIL - VICE-PRESIDENT OF THE BANK'S MANAGEMENT BOARD IN CHARGE OF THE TECHNOLOGY AREA

Member of the Management Board since 14 September 2021.	<p>Artur Kurcweil has more than 20 years of experience in IT management. In the years 2011-2021 he worked for the PZU Group: until 2019 as IT director, and from 2020 as the managing director for digitization. He was in charge of digital transformation of the PZU Group services, IT projects, ensuring business continuity and cyber security implementations. He also performed the function of director in charge of the Innovations Lab, a unit of the PZU Group dealing with cooperation with international start-ups, testing and implementing innovations. Before 2011, he worked at IBM for 5 years and at the Siemens Group for 8 years. During three years of work in the Siemens head office in Munich he gained international project experience and knowledge of consulting and international IT management.</p> <p>In his work, Artur Kurcweil is focused on innovation, digitization and effectiveness of processes and dynamic development of multi-channel business. Thanks to his professional experience gained both as a customer and a service provider, he understands the needs of the market and fast changes in the area of new technologies.</p> <p>He graduated from the SGH Warsaw School of Economics, where he completed studies in cyber security management, and from the West Pomeranian Business School in Szczecin, where he obtained BSc in information technology and econometrics and M.A. in economics.</p> <p>He is a member of the Supervisory Board of Krajowa Izba Rozliczeniowa S.A. and is a member of the Electronic Banking Council of the Polish Bank Association.</p>
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Year of birth: 1973

Functions performed in the Bank's standing committees in 2023	IT Architecture Committee (Chair); Data Quality Committee (Chair); IT Security Committee (Deputy Chair); Risk Committee (Member); Operational Risk Committee (Member); Strategy Committee (Member); Transformation Committee (Member); Sustainable Development Committee (Member).
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PIOTR MAZUR - VICE-PRESIDENT OF THE BANK'S MANAGEMENT BOARD IN CHARGE OF THE RISK MANAGEMENT AREA

Member of the Management Board since 8 January 2013.	<p>He is Vice-President of the Management Board of PKO Bank Polski S.A. in charge of the Risk Management Area, upon the approval of the PFSA granted on 8 January 2013.</p> <p>He graduated from the Faculty of Organization and Management at the Academy of Economics in Wrocław.</p> <p>He has more than 30 years of experience in banking – mainly in the areas of risk, restructuring and loans, and in international financial groups operating in Europe, the USA and South America. A member of supervisory boards, creditors' committees, a member and chairman of key risk management committees. He participated in the development of the strategy of Bank Zachodni WBK S.A., was</p>
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directly responsible for risk management, optimization of debt collection and restructuring processes, and cooperated with the regulators in Poland and abroad.

He started his professional career in 1991 at Bank BPH S.A., in the loans area. In 1992, he joined Bank Zachodni S.A. and, following the merger with Wielkopolski Bank Kredytowy S.A., with BZ WBK S.A. In 1992-2000, he worked in the Capital Investments Department and in 2000-2005 he held the position of Director of the Credit Quality Control Department. In the years 2005-2008 he was the Director of Business Intelligence and Risk Management Area, and in the years 2008-2010 - Deputy Chief Risk Officer. From January 2011 he was Chief Credit Officer and from March 2012 also Deputy Chief Risk Officer. Moreover, he was Chair of the Credit Committee at BZ WBK S.A., Deputy Chair of the Credit Risk Forum, and Deputy Chair of the Risk Model Forum.

He was a member of the Supervisory Boards of the following PKO Bank Polski S.A. Group companies: PKO Bank Hipoteczny S.A., PKO Leasing S.A. and PKO Faktoring S.A.

He is a member of the Supervisory Board of Biuro Informacji Kredytowej S.A. and System Ochrony Banków Komercyjnych S.A.

Year of birth: 1966

Functions performed in the Bank's standing committees in 2023

The Bank's Credit Committee (Chair);
Operational Risk Committee (Chair);
Risk Committee (Deputy Chair);
Sustainable Development Committee (Deputy Chair);
IT Security Committee (Member);
Data Quality Committee (Member);
Strategy Committee (Member);
Asset and Liability Management Committee (Member).

PRINCIPLES OF OPERATION OF THE MANAGEMENT BOARD

The Management Board of the Bank operates on the basis of generally applicable laws, the Bank's Articles and the Rules of the Management Board adopted by the Management Board and approved by the Supervisory Board.

The Management Board manages the Bank's affairs and represents the Bank. The Bank informs the Supervisory Board of all significant issues concerning the Bank's operations.

The Management Board performs its activities at the Management Board meetings. The Management Board meetings are organized on an as needed basis, not less frequently than once a week.

The President of the Management Board manages the work of the Management Board, i.e. convenes the Management Board meetings and presides over them and presents the Management Board's position to other bodies of the Bank and third parties.

The Management Board makes decisions in the form of resolutions at meetings or outside meetings by circulation (in writing). The Management Board may make decisions with the use of the means of direct remote communication, including in particular e-mail.

Resolutions of the Management Board are required with respect to all matters exceeding the scope of the Bank's ordinary business. Resolutions concerning risk management may be passed in the absence of the Management Board member in charge of material risk in the Bank's operations in exceptional cases only. If the vote of the Management Board member in charge of the material risk in the Bank's operations on a resolution concerning risk management is different from the vote of a majority of the Management Board members or from the preliminary proposal included in the draft resolution, such member should provide a written explanation of his/her decision. The Management Board shall be obliged to notify the Supervisory Board of this fact immediately and provide it with a written explanation of the reasons behind the votes of the Management Board and the Management Board member in charge of the material risk in the Bank's operations.

Resolutions of the Management Board are passed by an absolute majority of votes. In the event of an equal number of votes, the President of the Management Board has the casting vote.

The Management Board's working procedures and matters that require a Management Board resolution are specified in the Rules of the Management Board.

By Resolution No 33/2023 of the Supervisory Board of 9 March 2023, the Supervisory Board approved the Regulations of the Management Board of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna adopted by the Management Board.

The amendment to the Regulations of the Management Board was intended to streamline the process of preparing Management Board meetings and to clarify and adapt the provisions of the Regulations to current practice with regard to the preparation and approval of materials for Management Board meetings, their placement on the meeting agenda and the signing of resolutions and minutes.

The powers of the President of the Management Board have also been clarified and it has been indicated that regulations issued by the President of the Management Board apply to the preparation and approval of meeting materials and the placing of topics on the agenda of Management Board meetings. The catalogue of amendments also includes provisions adapting the scope of the information contained in the minutes of the Management Board meeting to the current practice of the body. In addition, the possibility for the Management Board to receive information material using the electronic communication systems in place at the Bank was sanctioned.

Declarations on behalf of the Bank may be made by:

- the President of the Management Board acting independently;
- two members of the Management Board acting jointly or one member of the Management Board acting jointly with a proxy;
- two proxies acting jointly;
- attorneys acting independently or jointly, within the framework of the power of attorney granted.

As at 31 December 2023, there were four proxies at the Bank. One proxy was revoked in 2023.

In 2022, the Bank's Management Board held 55 meetings and passed 690 resolutions.

The participation of the Bank's Management Board members in the meetings in 2023 is presented in the following table.

Table 6. Attendance of Management Board members in 2023

Name and Surname	Attendance *
Dariusz Szwed	38/39
Maciej Brzozowski	51/55
Marcin Eckert	45/55
Paweł Gruza	50/55
Wojciech Iwanicki	51/55
Andrzej Kopyrski	45/55
Artur Kurcweil	47/55
Piotr Mazur	48/55

* Attendance at meetings / number of meetings in the period of performing the function.

COMPETENCES AND RESPONSIBILITIES OF THE MANAGEMENT BOARD

The competences of the Management Board include all matters related to managing the affairs of PKO Bank Polski S.A. that do not fall within the competences of the General Shareholders' Meeting or the Supervisory Board in accordance with the provisions of the generally applicable law or the Bank's Articles.

In accordance with the Management Board Rules, the competences of the Bank's Management Board include in particular:

- defining the Bank's strategy and the Bank management strategy, taking into account the risk of the operations and the principles of prudent and stable management of the Bank;
- defining the risk management strategy and the overall risk tolerance level;

- establishment and liquidation of the Bank's standing committees and defining their characteristics;
- establishing, transforming and liquidating the Bank's entities in Poland and abroad;
- defining the Rules for managing special funds created from net profit, the Bank's Organizational Rules and the Management Board Rules;
- appointing proxies and defining the rules for appointing attorneys at the Bank;
- defining the principles for the functioning of the management system, including in particular: the principles for the functioning of the internal control system, the principles for management of specific risks, the non-compliance risk management policy assumptions, the principles of the information policy with respect to capital adequacy, the principles for capital adequacy and equity management concerning the processes of internal capital estimation, capital planning and dividend policy;
- defining the annual financial plan for the Bank and the Bank's Group;
- defining the principles for the identification of business models and performing tests of contractual cash flow characteristics;
- defining accounting policies;
- adopting annual and interim financial statements of the Bank, consolidated financial statements of the Bank's Group and quarterly reports of the Bank's Group;
- defining bancassurance policies;
- defining the remuneration policy, which is also applicable to the Bank's subsidiaries;
- defining bank products and other banking and financial services;
- defining the principles of the Bank's participation in companies and other organizations;
- making decisions on the payment of interim dividend to the shareholders.

Decisions on the acquisition of the Bank's shares for the purposes of their redemption and determining the value of remuneration for shares redeemed, and on increasing or reducing the Bank's share capital are not within the competences of the Management Board – they are taken by the General Shareholders' Meeting.

Members of the Management Board supervise the areas of activities allocated to them and make decisions on matters of ordinary management within the areas supervised by them.

As at the end of 2023, the internal division of responsibilities within the Bank's Management Board is as follows:

- The President of the Management Board (overseeing the President's Area) is in particular in charge of matters related to supervision of the operation of the Bank's bodies, supervision of the operation of the Bank's standing committees, macroeconomic strategy and analysis, internal audit, security, compliance risk, conduct risk, reputation risk, legal services, human resources management, communication and marketing as well as corporate governance and coordination of ESG activities;
- The Vice-President of the Management Board in charge of the Retail and Corporate Banking area is responsible in particular for matters relating to the development of the product offering for private individuals, including the design of the investment banking and insurance offering, product sales and services to private individuals and companies;
- The Vice-President of the Management Board in charge of the Corporate and Enterprise Banking Area is responsible in particular for matters relating to institutional banking, the development of the Bank's treasury product offering and its own activities in the financial market, the development of the product offering for companies, enterprises and corporate and public sector banking customers, the sale of products to these customers, excluding companies;
- The Vice-President of the Management Board in charge of the Finance and Accounting Area is responsible in particular for the following matters: financial planning and controlling, accounting and financial reporting, and taxes;
- The Vice-President of the Management Board in charge of the Administration Area is responsible in particular for the Bank's property management and procurement matters;
- The Vice-President of the Management Board in charge of the Operations and International Banking area is responsible, in particular, for the handling of operations, the customer advocacy function, the provision of

fiduciary services, the sale of products and the servicing of international banking customers, the servicing of customers via means of remote communication, product administration and cash management;

- The Vice-President of the Management Board in charge of the Technology Area is responsible in particular for telecommunications and IT matters;
- The Vice-President of the Management Board in charge of the Risk Management Area is responsible in particular for the management of all risks relating to the Bank's activities, excluding compliance risk, conduct risk and reputation risk, as well as matters relating to the restructuring and recovery of the Bank's receivables.

The current organisational chart of the Bank, including the areas of responsibility of individual members of the Management Board, is available on the Bank's website in the Investor Relations section at [Corporate governance principles - PKO Bank Polski \(pkobp.pl\)](https://www.pkobp.pl/corporate-governance-principles).

In the performance of their duties, members of the Management Board should exercise the diligence required by the professional nature of their activities and maintain their loyalty to the Bank.

Members of the Management Board are not in breach of their duty of care arising from the professional nature of their activities if, in acting loyally towards the company, they act within the limits of reasonable economic risk, including on the basis of information, analyses and opinions that should be taken into account in the circumstances in making a careful assessment.

BANK COMMITTEES COMPRISING MEMBERS OF THE MANAGEMENT BOARD

As at the end of 2023, the following standing committees functioned in the Bank with the participation of members of the Management Board:

ASSET AND LIABILITY COMMITTEE

PURPOSE	Managing assets and liabilities by influencing the structure of the balance sheet of the Bank and its off-balance sheet items in a manner conducive to achieving the optimum financial result.
TASKS	Supporting the Management Board in the following activities of the Bank and its Group: <ul style="list-style-type: none">- shaping the structure of the Bank's balance sheet;- capital adequacy management;- managing profitability, taking into account the specific nature of the individual areas of activity and the respective risks;- managing financial risk, including market and liquidity risks, business risk, and credit risk (settlement and pre-settlement risk) of the transaction on the wholesale market.

RISK COMMITTEE

PURPOSE	Setting strategic directions and tasks with respect to banking risk in the context of the Bank's strategy, the macroeconomic situation and the regulatory environment, analyzing periodic reports related to banking risks and developing appropriate guidance based thereon, as well as preparing the banking risk management strategy and its periodic reviews.
TASKS	Monitoring the integrity, adequacy and effectiveness of the banking risk management system, capital adequacy and allocation of internal capital to individual business lines and implementing the risk management policy pursued as part of the Bank's Strategy. Analysing and evaluating the utilization of strategic risk limits set in the Banking Risk Management Strategy. Expressing opinions on periodic risk reports submitted for approval to the Supervisory Board and taking into account information from these reports when issuing opinions.

CREDIT COMMITTEE

PURPOSE	Management of credit risk occurring when taking lending decisions or decisions concerning liabilities managed by responsible units of the Bank, as well as management of the risk of incurring losses as a result of taking wrong business decisions on the basis of the credit risk models.
TASKS	Making decisions on the segregation of duties to make credit or sales decisions and claims management decisions.

Making lending decisions concerning the biggest matters of the Bank's Customers, as well as issuing recommendations for the Bank's Management Board in lending matters.
Making decisions in matters concerning restructured receivables.
Setting industry limits, limits concerning appetite for portfolio credit risk and exposure concentration risk.
Making decisions concerning the implementation of credit risk models and anti-fraud models in lending processes, in particular with respect to scoring or rating.
Making decisions on the implementation of a model for determining allowances for expected credit losses on financial assets.
Accepting reports on the monitoring or review of models and loan portfolio quality, in which credit risk models are used.
Accepting monthly and quarterly credit risk reports.

OPERATIONAL RISKS COMMITTEE

PURPOSE Effective management of operational risk to improve the safety of the Bank's operations.

TASKS Determining the directions of operational risk management development.
Supervising the functioning of operational risk management, including the tasks concerning continuity of the Bank's operations.
Coordination of operational risk management.
Determining measures to be taken in the event of an emergency which exposes the Bank to reputational risk and results in operating losses.
Making decisions about implementing and changing the model for legal risk related to mortgage loans.

TRANSFORMATION COMMITTEE

PURPOSE Ensuring the effective transformation of the Bank in line with its development directions, including ensuring the consistency of business objectives and maximization of the business value of changes in the Bank (e.g. within formations and projects).

TASKS Operational management of the Bank's Strategy implementation.
Performing key roles in the New Management Model (NMM) in accordance with the Bank's internal regulations concerning the New Model of Work and the New Management Model.
Making decisions on the implementation of and changes to projects, as well as decisions pertaining to tangible costs and other operating costs.
Allocation of funds for urgent purchases resulting from the business continuity plan in the event of a crisis.
Overseeing projects and development initiatives, particularly work progress, project budgets, financial and non-financial benefits.
Initiating activities enhancing the Bank's effectiveness.
Managing the annual financial limit for the implementation of projects; and development initiatives.
Solving disputes within the area of competences of the Committee, on lower decision-making levels

STRATEGY COMMITTEE

PURPOSE Oversight of the strategic planning process and management of the Bank's strategy.

TASKS Managing the activities relating to Strategy development and implementation.
Making decisions, recommendations, recommendations or opinions on strategic planning and management of the Strategy.
Oversight of the implementation of the Strategy and the achievement of the strategic objectives.
Resolving any disputes arising during the development and implementation of the Strategy.

IT ARCHITECTURE COMMITTEE

PURPOSE Development of the IT architecture ensuring the implementation of the Bank's Strategy.

TASKS Development of key assumptions of the IT architecture of the Bank (principles).
Periodic evaluation of the IT architecture functioning at the Bank.
Development of a target architecture model.
Initiating activities aimed at implementing the target architecture model.

IT SECURITY COMMITTEE

PURPOSE Increasing the effectiveness of supervision and control over the IT system safety at the Bank (SIB).

TASKS Issuing recommendations on the SIB safety, in particular related to:

- coordination and monitoring of work related to the SIB safety;
- setting the directions of the activities of the Bank with respect to SIB safety;
- specifying actions, which should be taken in the event of emergency situations which put the Bank's image at risk and cause operating or financial losses in the area of SIB safety;
- monitoring the risk related to SIB safety.

DATA QUALITY COMMITTEE

PURPOSE Setting strategic directions of the activities relating to data quality management and data architecture at the Bank in the context of the Data Management System (DMS), oversight of its functioning and assessment of its effectiveness and the activities undertaken by the individual organizational units of the Bank.

TASKS Taking decisions on data management in the Bank, including in particular decisions pertaining to:

- DMS development directions;
- determining the conditions for non-compliance with data quality requirements, in particular in cases justified by the continuity of the Bank's operations.

Making recommendations to the Bank's units on data management, in particular with regard to:

- activities carried out by the Bank's units;
- introducing new or changing existing data management solutions;
- preparing drafts of new internal regulations or amendments to existing regulations of the Bank;
- prioritization of activities within the DMS and prioritisation of action plans.

Making recommendations to the Bank's Management Board on data management, in particular:

- on the strategic directions of the development of the DMS;
- the adoption of Management Board resolutions that affect data quality.

SUSTAINABLE DEVELOPMENT COMMITTEE

PURPOSE Making or developing the decisions needed to achieve the Bank's and the Bank Group's strategic objectives in terms of sustainability and overseeing the operation of an integrated system for managing the impact of ESG (Environmental, Social, Governance) factors on the Bank and the Bank's Group (ESG Governance);

TASKS Oversight of the implementation of ESG policies, strategies, regulations and standards at the Bank and the Bank's Group to ensure compliance with sustainability regulations, including in particular:

- Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment (taxonomy);
- Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector (SFDR);
- Directive 2014/95/EU of the European Parliament and of the Council amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups (NFRD);

- Directive (EU) 2022/2464 of the European Parliament and of the Council of amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting (CSRD).

Oversight of the implementation within the Bank and the Bank's Group of the data infrastructure and IT solutions needed for ESG management, including the aggregation and systematisation of data based on the principles arising from the regulations indicated above.

Determination of climate and environmental impact targets for the Bank and the Bank's Group and oversight of their implementation.

Oversight of the classification of assets in terms of Taxonomy (eligible assets).

In addition to the aforementioned functions, members of the Bank's Management Board were also members of non-standing committees established within the framework of projects. The Bank also has the Investment Committee and the Sponsorship Committee. Members of the Management Board are not members of these committees.

10. DIVERSITY POLICY IN THE COMPOSITION OF THE BANK'S MANAGEMENT BOARD AND SUPERVISORY BOARD

THE IMPLEMENTED DIVERSITY POLICY

The diversity policy for the members of the Bank's Management and Supervisory Boards is an important part of the Bank's suitability assessment policies, i.e.:

- The suitability policy concerning the Management Board members and key officers of the Bank and suitability assessment at the Bank's Group companies;
- The policy on assessing the suitability of candidates for members and members of the Bank's Supervisory Board.

The provisions implemented by the Bank set the directions for selecting, appointing and planning succession, including staff resources and suitability assessment of the Management Board members and key officers of the Bank. These persons are assessed in terms of their competences, knowledge and skills, experience adequate to the position and reputation understood as sufficiently unblemished opinion, honesty and ethical behaviour. Based on the regulations implemented, the General Shareholders' Meeting makes decisions on the selection and suitability assessment of the candidates and members of the Bank's Supervisory Board, the Supervisory Board makes decisions on the selection and suitability assessment of the Management Board members, and the Management Board members make decisions on the selection and suitability assessment of the MRT (Material Risk Takers). The Bank's Supervisory Board monitors the effectiveness of the policy applied and, if appropriate, makes changes taking into account the recommendations of the Nominations and Remuneration Committee.

Following the annual review of the Management Board Suitability Policy, in December 2023 the Bank's Supervisory Board adopted amendments to the provisions of the Diversity Policy regarding:

- specifying the deadline and method of achieving the gender diversity objectives on the Management Board by assuming that the target achievement of at least a minimum level of gender diversity (i.e. 30%) in the composition of each Bank's Management Board should take place starting from the appointment of the Bank's Management Board for a new joint term after 31 December 2025, and that the achievement of this target will be achieved by applying the principle of equal opportunities in the selection of Management Board members and fostering a culture of diversity in the organisation.

Equivalent changes to the diversity policy for members of the Bank's Supervisory Board are planned for 2024.

DIVERSITY POLICY ASSUMPTIONS

- The policies for assessing the suitability of candidates and members of the Bank's Management Board and candidates and members of the Bank's Supervisory Board include the Bank's/General Shareholders' Meeting's commitment to take into account the principles of diversity in selecting candidates for members of the aforementioned bodies.
- The principle of diversity in selecting the Bank's Supervisory Board and Management Board members is based on objective substantive criteria in terms of education, skills and professional experience. The additional criteria which support diversity in the composition of these bodies are age and gender.

- When making changes to the composition of the Bank's Management Board, including the selection of members of the Management Board for a new term of office, the Bank's Supervisory Board shall each time analyse the possibility of taking into account gender diversity objectives.
- The policies contain the commitment to monitor the effectiveness of their application, including in terms of diversity objectives.
- The suitability assessment policy contains an obligation for the Bank's subsidiaries to introduce regulations regarding the principles of suitability – respective regulations are in place in the Group entities.

STRUCTURE OF THE MANAGEMENT AND SUPERVISORY BODIES AND MRT (MATERIAL RISK TAKERS)

Table 7. Diversity by gender, age and experience – statistics as at 31 December 2023.

Gender	Women	Men
Supervisory Board	1	9
Management Board	-	8
MRT (Material Risk Takers)	17	58

Age	30-40	41-50	51-60	above 60
Supervisory Board	1	2	3	4
Management Board	-	5	3	-
MRT (Material Risk Takers)	6	44	24	1

Years of service at the Bank	up to 5 years	5-10 years	10-15 years	15-20 years	above 20 years
Supervisory Board	7	3	-	-	-
Management Board	6	1	1	-	-
MRT (Material Risk Takers)	22	18	12	9	14

Years of service at the Bank: for members of the Management Board and Supervisory Board there are years at the position in the Management Board and Supervisory Board.

OBJECTIVES OF DIVERSITY OF THE COMPOSITION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

- The application of the diversity policy is aimed at ensuring appropriate selection of the Management Board and Supervisory Board members in order to obtain a wide range of competences, knowledge and skills adequate to a particular position and ensure that the Management Board and Supervisory Board members (both individually and collectively) issue top quality, independent opinions and decisions in all areas of the Bank's operations.
- In their selection of members of the Bank's bodies, the General Shareholders' Meeting and the Supervisory Board of the Bank try to achieve gender balance in the composition of the Bank's Supervisory Board and Management Board, respectively, or at least to achieve a minimum representation of the less numerous gender at 30%, taking into account the results of the suitability assessments.
- The target achievement of at least a minimum level of gender diversity in the composition of each Bank's Management Board should take place starting from the appointment of the Bank's Management Board for a new joint term after 31 December 2025.
- The diversity targets relating to the composition of the Supervisory Board and the Management Board of the Bank are considered in the selection of members of these bodies only to the extent that it does not have an adverse effect on their functioning and suitability.