

Report No. 5/2024 on an incidental breach of the Best Practices for GPW Listed Companies

Pursuant to §29 (3a) of the Rules of the Warsaw Stock Exchange, PKO Bank Polski S.A. hereby provides information on an incidental breach of the Best Practices for GPW Listed Companies 2021.

The Rule which was breached

MANAGEMENT BOARD, SUPERVISORY BOARD

2.2. Decisions to elect members of the management board or the supervisory board of companies should ensure that the composition of those bodies is diverse by appointing persons ensuring diversity, among others in order to achieve the target minimum participation of the minority group of at least 30% according to the goals of the established diversity policy referred to in principle 2.1.

This rule was breached incidentally.

The company's commentary on an incidental breach of the above rule:

On 9 December 2024, the Extraordinary General Meeting of the Bank appointed a new member to the Supervisory Board for the current joint three-year term of office of this body, which started on 28 June 2024. There are eight members of the Bank's Supervisory Board, two of whom are women, representing 25% of the Board's composition, and therefore the target minimum ratio of women on this body (30%) has not been achieved.

The selection of the members of the Bank's Supervisory Board is made taking into account the principle of suitability and diversity in the composition of the bodies, i.e. in a manner that enables the selection of persons representing high competence, skills and experience adequate to the position entrusted, and that ensures that the members of the Supervisory Board - individually and as a body - give independent opinions and decisions on the entire range of the Bank's activities, ensuring the prudent and stable conduct of the Bank's affairs.

Suitability also implies the guarantee of due performance of duties in terms of the members of the body being distinguished by their honesty, ethics and independence of judgement and their ability to devote sufficient time to the performance of their duties. Additional criteria to promote diversity in the composition of the body, i.e. gender and age, shall also be taken into account in the selection of the members of the body.

Bearing in mind the primacy of the requirement for the suitability of the members of the bodies, gender diversity objectives are taken into account in the selection only to the extent that the functioning and suitability of the body will not be adversely affected.

The Bank's General Meeting, taking into account the outcome of the suitability assessment, when selecting the members of the Bank's Supervisory Board, shall in each case strive to achieve a balance in gender representation in the composition of the Bank's Supervisory Board, or at least to achieve a minimum gender minority proportion of 30%.

In accordance with the suitability policy applicable to members of the Bank's Supervisory Board the target of achieving at least a minimum level of gender diversity in the composition of each Bank's Supervisory Board should be achieved starting with the appointment of the Bank's Supervisory Board for a new joint term after 31 December 2025.

The achievement of the minimum level of gender diversity will be achieved by applying the principle of equal opportunities in the selection of members of the Bank's Supervisory Board, shaping a culture of diversity within the organisation and analysing the possibility of taking gender diversity objectives into account each time the composition of the Bank's Supervisory Board changes.

Since the entry into force of the Best Practices for WSE Listed Companies 2021, i.e. since 1 July 2021 until today, there have been two incidental breaches of Rule 2.2, as reported by the Bank in Report No. 3/2024 and Report No. 4/2024.