

**RESOLUTION No. /2024
of the Annual General Meeting of
Powszechna Kasa Oszczędności
Bank Polski Spółka Akcyjna
of 28 June 2024**

**on amending Resolution No 35/2020 of the Annual General Meeting of Powszechna Kasa
Oszczędności Bank Polski Spółka Akcyjna of 26 August 2020 on the adoption of the Policy for
remunerating members of the Supervisory Board and Management Board**

Acting pursuant to Article 90d(1) of the Act on public offering and the conditions for introducing financial instruments to the organised trading system, and on public companies of 29 July 2005 in conjunction with Article 2(2)(1) of the Act on the terms of setting the remuneration of managers of certain companies of 9 June 2016 and Article 392(1) of the Commercial Companies Code, the Annual General Meeting hereby resolves as follows:

§ 1.

The Resolution No 35/2020 of the Annual General Meeting of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna of 26 August 2020 on the adoption of the Policy for remunerating members of the Supervisory Board and Management Board shall be amended so that in appendix 1 thereto, which specifies the Policy for remunerating members of the Supervisory Board and Management Board:

1) § 2(1) shall now read as follows:

- „1. Monthly remuneration of members of the Supervisory Board is determined as a product of the base salary referred to in Article 1(3)(11) of the Act on the terms of setting the remuneration and the relevant multiplier:
- a. for the Chair of the Supervisory Board – 2.75;
 - b. for the Deputy Chair of the Supervisory Board – 2.6;
 - c. for the Secretary of the Supervisory Board – 2.6;
 - d. for the remaining members of the Supervisory Board – 2.5”,

2) in § 3, the following paragraph 6 shall be added after paragraph 5:

“6. Member of the Supervisory Board has the right to join the Employee Pension Scheme of PKO Bank Polski S.A. on the terms and conditions applicable to Bank employees, provided that this is permitted by the generally applicable regulations. In connection with the appointment to the Supervisory Board and joining the Employee Pension Scheme of PKO Bank Polski S.A., the Bank makes a basic contribution to the Employee Pension Scheme of PKO Bank Polski S.A. for the member of the Supervisory Board, which is charged on the remuneration paid, as referred to in § 2. The contribution is not included in the remuneration.”.

§ 2.

The resolution enters into force on the date of its adoption, subject to the proviso that the amendment indicated in § 1(1) applies to remuneration of members of the Supervisory Board from the 1st day of the month following the month in which the resolution was adopted.

Rationale

to the draft resolution on amending Resolution No 35/2020 of the Annual General Meeting of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna of 26 August 2020 on the adoption of the Policy for remunerating members of the Supervisory Board and Management Board

The proposed resolution of the Annual General Meeting provides for an increase in the remuneration for members of the Supervisory Board within the limits permitted by the Act on the terms of setting the remuneration of managers of certain companies of 9 June 2016 (Public Sector Salary Cap Act). Pursuant to Article 10(1)(5) of the Public Sector Salary Cap Act, monthly remuneration of members of the supervisory body may not exceed the product of the base salary and the multiplier of 2.75. In view of the above provision, it is proposed that starting from the month following the month in which the resolution was adopted, the monthly remuneration of members of the Supervisory Board is determined as the product of the base salary and the relevant multiplier:

- a. for the Chair of the Supervisory Board – 2.75 (no change vs. the current multiplier);
- b. for the Deputy Chair of the Supervisory Board – 2.6 (increase by 0.1 vs. the current multiplier);
- c. for the Secretary of the Supervisory Board – 2.6 (increase by 0.35 vs. the current multiplier);
- d. for the remaining members of the Supervisory Board – 2.5 (increase by 0.5 vs. the current multiplier).

In addition, the proposed resolution amends the Policy for remunerating members of the Supervisory Board and Management Board to the following extent:

- (i) it directly allows for joining the Employee Pension Scheme of PKO Bank Polski S.A. (PPE) by each member of the Supervisory Board in the period during which they receive remuneration from the Bank on account of their appointment to the Supervisory Board and
- (ii) it presents the required information about this scheme in accordance with Article 90d(3)(5) of the Act on public offering and the conditions for introducing financial instruments to the organised trading system, and on public companies of 29 July 2005.

Members of the supervisory board of a capital company became entitled to join the employee pension scheme of that company following the amendment of the Act on employee pension schemes of 20 April 2004 (PPE Act) made by way of the Act on employee capital plans of 4 October 2018. The legislator decided to expand the definition of employee – as a person entitled to join the employee pension scheme – by including the following persons:

- 1) persons performing outwork,
- 2) natural persons performing work under an agency contract, a contract of mandate or another service provision contract,
- 3) members of the supervisory board remunerated for holding this position.

In this way, the applicable provisions of the PPE Act formally permit members of the Supervisory Board to join the PPE on the terms and conditions applicable to the Bank employees.

As regards setting the remuneration of members of supervisory bodies in companies from whose shares the entities entitled to exercise the rights attached to shares exercise their rights within the meaning of the Public Sector Salary Cap Act, the decision to grant members of the supervisory board of a capital company with the right to join the employee pension scheme of that company, as an additional benefit apart from remuneration referred to in Article 10(1) of the Public Sector Salary Cap Act, pursuant to Article 392 § 1 of the Commercial Companies Code, may be made by the company's general meeting. Due to adopting the Policy for remunerating members of the Supervisory Board and Management Board by the Annual General Meeting of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna with effect from 31 August 2020, the above decision may be made by way of a resolution amending the appendix to Resolution No 35/2020 of 26 August 2020.

It should also be noted that the company pension agreement of 9 May 2013 provides for a right to join the PPE by the member of the Supervisory Board, provided that the General Shareholders' Meeting adopts a relevant resolution in this respect.

The benefits to which members of the Supervisory Board are entitled on account of their participation in the PPE are not subject to limitations for remuneration of members of supervisory boards arising from the Public Sector Salary Cap Act. Pursuant to Article 12b of that Act, the entities not covered by the Act are subject to the provision of Article 15aa of the Act on the remuneration of managers of certain legal entities of 3 March 2000 (Public Sector Salary Cap Act of 2000). According to that provision, the limitations arising from the Act apply to basic contributions, additional contributions, the welcome payment and annual extra payments made to employee capital plans. The provision does not include a similar stipulation concerning basic contributions to the employee pension scheme. It should also be pointed out that Article 15a of the Public Sector Salary Cap Act of 2000 indicates that the limitations arising from the Act do not apply to basic contributions made to employee pension schemes.

As a result, it is justified to conclude that in line with the intention of the legislator, basic contributions on account of participation in the employee pension scheme made for members of the supervisory board by an entity covered by the Public Sector Salary Cap Act are not included in the pool of remuneration and additional benefits subject to the limitations specified in the provisions of the Act.

In view of the above, it should be noted that currently, it depends exclusively on the Shareholders' decision whether members of the Supervisory Board will be entitled to join the PPE and receive additional benefits on this account from the Bank in the form of basic contributions to the PPE, determined in the amount and on the terms and conditions applicable to contributions for employees who submitted declarations on joining the PPE.

Therefore, a draft of this resolution was submitted to constitute the agenda of the Annual General Meeting.

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