|  |
| --- |
| **Appendix 11** to the form summarising information on the criteria for initial suitability assessment of  Mr/Ms ……………….  - candidate for a member of the Supervisory Board of PKO Bank Polski S.A.  **COMPETENCES REGARDING REQUIREMENTS FOR THE POSSIBLE PARTICIPATION**  **IN THE SUPERVISORY BOARD’S AUDIT COMMITTEE[[1]](#footnote-1)** |

|  |
| --- |
| **SECTION 1 – to be completed by the person under assessment – candidate for a Supervisory Board member** |
| |  |  | | --- | --- | | 1. **Declarations on meeting the independence criteria[[2]](#footnote-2)** | | | 1. I am, or during the last 5 years from the date of my appointment I was, a member of senior management, which includes me being or having been, a member of the management board or other governing body of the entity conducting the assessment or its related entity\*.   *\* in accordance with the Best practices with respect to the rules of appointment, composition and functioning of the audit committee, PFSA, 24 December 2019 - the term “related entity” should be interpreted in accordance with Article 3 section 1(43) of the Accounting Act:*  ***related entities*** *- mean two or more entities comprising a given capital group; capital group - means a parent company together with its subsidiaries*  [*Composition of the PKO Bank Polski S.A. Capital Group (click here*](https://www.pkobp.pl/grupa-pko-banku-polskiego/spolki-w-grupie-pko/)*) or go to: www.pkobp.pl/grupa-pko-banku-polskiego/spolki-w-grupie-pko/* | yes  no | | 1. I am, or during the last 3 years from the date of my appointment I was, an employee of the entity conducting the assessment or its related entity *(this does not apply where a member of the audit committee is a non-senior management employee who has been elected to the supervisory board or other supervisory or control body of the entity conducting the assessment as an employee representative).* | yes  no | | 1. I exercise control, within the meaning of Article 3 section 1 (37)(a)-(e) of the Accounting Act of 29 September 1994\*, or represent persons or entities that exercise control over the entity conducting the assessment.   *\* Article 3 section 1(37) (a)-(e) of the Accounting Act*  ***parent entity*** *- means an entity that is a commercial company or state-owned enterprise and controls a subsidiary, in particular one that:*   1. *holds directly or indirectly a majority of the total number of votes in a subsidiary’s decision-making body, including by virtue of agreements with other entities entitled to vote that exercise their voting rights in accordance with the parent company’s will, or* 2. *is a shareholder in a subsidiary and has the power to govern the subsidiary’s financial and operating policies, either independently or through persons or entities designated by the parent entity under an agreement concluded with other holders of voting rights who, under the company’s articles of association or company deed, together with the parent company, hold a majority of the total number of votes in a decision-making body, or* 3. *is a shareholder in a subsidiary and has the power to appoint and remove a majority of the members of that subsidiary’s governing, supervisory or administrative bodies, or* 4. *is a shareholder in a subsidiary of which more than half of the members of the governing, supervisory or administrative bodies in the preceding financial year, during the current financial year and until the preparation of the financial statements for the current financial year are persons appointed to perform those functions as a result of the parent entity’s exercise of the voting right in that subsidiary’s bodies, unless another entity or person has the rights referred to in items (a), (c) or (e) in relation to that subsidiary, or* 5. *is a shareholder in a subsidiary and has the power to govern the subsidiary’s financial and operating policies on the basis of an agreement concluded with that subsidiary or of that subsidiary’s articles of association or company deed* | yes  no | | 1. I receive or have received additional substantial amount of remuneration\* from the entity conducting the assessment or its related entity, with the exception of remuneration received as a member of the supervisory board or other supervisory or control body, including the audit committee.   *\* Article 129 section 4 of the Act on Statutory Auditors, Audit Firms and Public Oversight*  ***Additional remuneration****:*  *1) includes participation in a share option scheme or other performance-based remuneration scheme;*  *2) does not include the receipt of fixed amounts of remuneration under a pension scheme (including deferred remuneration) for prior service with a public interest entity, where payment of such remuneration is not conditional on continued employment with that public interest entity* | yes  no | | 1. I maintain, or during the last year from the date of my appointment I maintained, significant economic relations with the entity conducting the assessment or its related entity, either directly or as an owner, partner, shareholder, member of the supervisory board or other supervisory or control body, or as a member of senior management (including a member of the management board or other governing body) of the entity maintaining such relations. | yes  no | | 1. I am, or during the last 2 years from the date of my appointment I was: | | | 1. an owner, partner (including a general partner) or shareholder of the current or previous audit firm auditing the financial statements of the entity conducting the assessment or its related entity; | yes  no | | 1. a member of the supervisory board or other supervisory or control body of the current or previous audit firm auditing the financial statements of the entity conducting the assessment; | yes  no | | 1. an employee or a member of senior management, including a member of the management board or other governing body, of the current or previous audit firm auditing the financial statements of the entity conducting the assessment or its related entity; | yes  no | | 1. other natural person whose services were used or supervised by the current or previous audit firm or by an auditor acting on its behalf. | yes  no | | 1. I am a member of the management board or other governing body of an entity where a member of the supervisory board or other supervisory or control body is a member of the management board or other governing body of the entity conducting the assessment. | yes  no | | 1. I have been a member of the supervisory board or other supervisory or control body of the entity conducting the assessment for more than 12 years. | yes  no | | 1. I am a spouse, a person in cohabitation, a lineal relative or kinsman or a collateral relative or kinsman up to the fourth degree of affinity, of a member of the management board or other governing body of the entity conducting the assessment or of a person referred to in items 1–8. | yes  no | | 1. I am in a relation of adoption, guardianship or custody with a member of the management board or other governing body of the entity conducting the assessment or a person referred to in items 1–8. | yes  no |  |  |  | | --- | --- | | 1. **Declarations on meeting the criteria of knowledge and skills in the field of accounting or auditing of financial statements[[3]](#footnote-3)** | | | 1. Knowledge of accounting or auditing of financial statements of a public interest entity (Bank)  |  | | --- | | *If you meet the criterion, please describe the circumstances in which you gathered expertise in the above-mentioned fields:* | | yes  no | | 1. Skills (acquired through professional experience) in the field of accounting or auditing of financial statements of a public interest entity (Bank)  |  | | --- | | *If you meet the criterion, please describe the circumstances in which you gathered experience in the above-mentioned fields:* | | yes  no |  |  |  | | --- | --- | | 1. **Declarations on meeting the criterion of having the knowledge of banking**[[4]](#footnote-4) | | | 1. Knowledge of banking  |  | | --- | | *If you meet the criterion, please describe the circumstances in which you gathered experience in the above-mentioned fields:* | | yes  no | | 1. Banking skills  |  | | --- | | *If you meet the criterion, please describe the circumstances in which you gathered experience in the above-mentioned fields:* | | yes  no |  |  |  | | --- | --- | | 1. **Declarations regarding compliance with an additional recommendation issued by the National Revenue Administration (KAS)** | | | 1. Experience and knowledge of tax matters, as evidenced by holding the title of statutory auditor, tax advisor or an equivalent internationally recognised certificate, or by holding an academic degree in tax law, accounting or financial review.[[5]](#footnote-5)  |  | | --- | | *If you meet the criterion, please describe the circumstances in which you gathered experience in the above-mentioned fields:* | | yes  no |  |  |  | | --- | --- | | Date and signature of the candidate for a Supervisory Board member: |  | |

1. The supervisory authority’s guidelines provide for the possibility of having both independent and non-independent members of the Supervisory Board, however, the majority of the Audit Committee members (including the Chairman of the Audit Committee) must meet the independence criterion. [↑](#footnote-ref-1)
2. for the purposes of assessing independence in the context of a possible participation in the audit committee; marking a “yes” box in at least one of the declarations is evidence that the declarant may not possess the attribute of independence. [↑](#footnote-ref-2)
3. **Requirement regarding knowledge and skills in the area of accounting or auditing of financial statements** – means the entire knowledge acquired by a member of the audit committee int. al. through his/her education that is directly related to accounting or auditing of financial statements, as evidenced by a university degree, licences or certificates held and/or diplomas and attestations, as well as skills acquired through professional experience in accounting or auditing of financial statements, in particular those acquired in connection with work at e.g. accounting, finance-accounting, controlling and/or actuarial departments or at an audit firm. [↑](#footnote-ref-3)
4. Members of the audit committee have knowledge of and skills associated with the industry in which a public interest entity (Bank) operates. This condition is considered met if at least one member of the audit committee has knowledge of and skills associated with that industry, or if individual members within specific areas have knowledge of and skills associated with that industry. [↑](#footnote-ref-4)
5. Additional, non-mandatory but advisable recommendations regarding the qualifications of audit committee members issued by KAS, the non-fulfilment of which does not prevent one’s appointment as member of the Bank’s Supervisory Board or participation in the audit committee. In accordance with the KAS recommendation, in order to address tax considerations with the utmost care, the audit committee should be composed of at least one member with relevant experience and knowledge of tax matters (evidenced by holding the title of statutory auditor, tax advisor or an equivalent internationally recognised certificate, or by holding an academic degree in tax law, accounting or financial review). [↑](#footnote-ref-5)