

THE STATUTE OF  
BANK POLSKA KASA OPIEKI SPÓŁKA AKCYJNA

I. GENERAL PROVISIONS

§ 1

Bank Polska Kasa Opieki Spółka Akcyjna, established in 1929, is a bank organised in the form of a joint stock company, operating pursuant to the binding legal regulations, and in particular according to the Banking Law, regulations of the Code of Commercial Companies and provisions of this Statute.

§ 2

1. The name of the company shall be: "Bank Polska Kasa Opieki Spółka Akcyjna".
2. The Bank shall use the abbreviated name: "Bank Pekao S.A."

§ 3

The Bank shall have its registered seat in the capital city of Warsaw.

§ 4

1. The Bank shall operate within the territory of the Republic of Poland and abroad.
2. The Bank may own, establish and liquidate branches and other organizational units in the country and abroad.

§ 5

§ 5. The organisational structure of the Bank comprises:

- 1) the Head Office of the Bank,
- 2) operating units at the Head Office of the Bank,
- 3) other organisational units.

II. ACTIVITIES OF THE BANK

§ 6

1. The scope of the activities shall comprise the conducting of the following activities in Poland and abroad:
  - 1) Accepting cash as demand deposits or term deposits and keeping deposit accounts,
  - 2) Keeping other bank accounts,
  - 3) Granting credits and loans,
  - 4) Performing financial settlements in all forms accepted in domestic and international bank relations,
  - 5) Performing banking operations regarding bills of exchange and cheques,
  - 6) Accepting and making deposits in domestic and foreign banks,
  - 7) Giving and confirming sureties and bank guarantees and opening and confirming letters of credit,
  - 8) Conducting purchase and sale of foreign exchange values,
  - 9) Servicing state loans and managing funds on order,
  - 10) Issuing banking securities, trading in such securities and keeping securities accounts,
  - 11) Performing ordered activities related with the issue of securities,
  - 12) Safe-keeping of objects, documents and securities, and making available safe deposit boxes,
  - 13) Organizing and participating in bank syndicates,
  - 14) Trading and agency in financial debts,
  - 15) Performing term financial operations,
  - 16) Providing trustee services,

- 17) Providing payment services:
    - a) within the scope of issuing payment instruments and execution of payment operations with the use of such instruments,
    - b) as a paying agent,
    - c) within the scope of initiating payment transaction and
    - d) within the scope of access to account information and performing activities connected with these services,
  - 18) Keeping housing savings,
  - 19) Providing consulting and advisory services in financial matters,
  - 20) Acquisition or purchase of shares and rights attached to shares, shares of another legal person or participation units and investment certificates of investment funds,
  - 21) Taking up obligations relating to issuance of securities,
  - 22) Trading in securities,
  - 23) Carrying out conversion of debt into the debtor's property components, on terms and conditions agreed with the debtor,
  - 24) Purchasing and selling real estate,
  - 25) Organizing and rendering financial services in leasing and factoring,
  - 26) Performing activities in insurance brokerage,
  - 27) Rendering services in transportation of valuables,
  - 28) Safe-keeping and registering financial instruments,
  - 29) Performance of the function of a depository pursuant to provisions of the act on organization and operation of pension funds and the act on investment funds,
  - 30) Acting as an intermediary in carrying out money transfers and settlements in foreign exchange payments,
  - 31) Conducting vindication activity by order of banks,
  - 32) Conducting brokerage activity,
  - 33) Performing upon demand of other banks and credit institutions and the National Bank of Poland specified activities belonging to their scope of activity,
  - 34) Acting as an agent for investment company,
  - 35) The performance, pursuant to Article 70 paragraph 2 of the Act on Trading in Financial Instruments of activities which do not constitute brokerage activities, involving:
    - a) reception and transmission of orders to acquire or dispose of financial instruments,
    - b) execution of the orders referred to in point a, for the account of the customer,
    - c) acquisition or disposal for the own account of financial instruments,
    - d) placement of financial instruments,
    - e) investment advice,
    - f) the provision of services in performance of underwriting agreements entered into or the conclusion and performance of other contracts of a similar nature, if they relate to financial instruments,
  - 36) Providing trust services and issuing electronic means of identification as defined in the regulations on trust services,
  - 37) Performing acquisition activities for the benefit of entities offering employee capital plans and performing activities related to servicing participants of employee capital plans,
  - 38) Performing acquisition activities for the benefit of voluntary pension funds and servicing participants of voluntary pension funds,
  - 39) Keeping stock records under the concluded contracts.
2. Bank may perform activities reserved for banks in accordance with the Act of 11 February 2016 on State aid in the upbringing of children.

### III. BODIES OF THE BANK

The Bodies of the Bank are:

- 1) General Meeting,
- 2) Supervisory Board,
- 3) Management Board of the Bank.

## The General Meeting

### § 8

1. The General Meeting shall be convened by way of publishing an announcement on the Bank's internet site and in a manner determined for providing current information in accordance with the regulations on the public offer and terms of introducing financial instruments into the organised trading system and on public companies.
2. The Ordinary General Meeting shall be convened by the Bank Management Board.
3. The Ordinary General Meeting should be held in June at latest. Should the General Meeting be not convened by the Management Board within the time limit set out in this Statute, the Supervisory Board shall have the right to convene the Meeting.
4. The Extraordinary General Meeting shall be convened, if required, by the Management Board of the Bank on its own initiative or on the motion of the Supervisory Board or on demand of the shareholders representing at least 1/20 of the statutory capital. These shareholders may also require introducing specific matters in the agenda of this General Meeting.
5. Should the Management Board not satisfy the requirements of the shareholders within two weeks from the date the requirement was submitted, the shareholders shall have the right to convene the Extraordinary General Meeting pursuant to the authorisation of the court.
6. The Extraordinary General Meeting convened upon the request of the shareholders representing at least 1/20 of the statutory capital shall pass the resolution deciding on whether the costs of convening and holding the General Meeting shall be borne by the Bank.
7. The Extraordinary General Meeting may also be convened by the Supervisory Board once the Supervisory Board finds such Meeting justified or by shareholders representing at least half of the statutory capital or at least half of the votes within the Bank.
8. The shareholder or shareholders representing at least 1/20 of the statutory capital may require introducing specific matters in the agenda of next General Meeting. The requests for convening the General Meeting and for including specific matters in the agenda of the General Meeting should contain relevant justifications or the draft of a resolution concerning the proposed item of the agenda of the Meeting and shall be submitted to the Bank Management Board no later than 21 days prior to the scheduled date of the General Meeting.
9. The Management Board shall be obligated to announce instantly, but no later than 18 days prior to the scheduled date of the General Meeting, the changes to the meeting agenda introduced upon the shareholders' request. This announcement shall be made in a way appropriate to the convening of the General Meeting.
10. The shareholder or shareholders representing at least 1/20 of the statutory capital may, prior to the date of the General Meeting, submit to the Bank, in writing or by electronic means, drafts of resolutions concerning matters included in the agenda of the General Meeting or matters which are to be included in the agenda. Bank shall instantly publish the drafts of the resolutions on the Bank's internet site.
11. Each shareholder may, during the general meeting, submit drafts of resolutions concerning the matters included in the agenda.

### § 8a

1. The participation in the General Meeting with the use of electronic communication means is allowed, provided that the Management Board of the Bank adopts such decision. The Management Board shall take a decision referred to in the preceding sentence in case of fulfilling by the Bank the technical conditions necessary to participate in the General Meeting with the use of electronic communication means which includes in particular:

- 1) broadcasting the deliberations of the General Meeting in real time,
  - 2) two-way communication in real time whereby the shareholders may make their views known during the deliberations of the General Meeting while being present in a place other than the venue of the General Meeting,
  - 3) exercising the voting right, personally or by proxy, prior to or during the General Meeting.
2. In each case of convening the General Meeting, the Management Board of the Bank defines whether the participation in the General Meeting with the use of electronic communication means is possible and what are the requirements and limitations necessary to identify of shareholders and to ensure the safety of electronic communication.
  3. Detailed conditions of participation in the General Meeting with the use of electronic communication means are specified in regulation adopted by the General Meeting and notice of calling the General Meeting.

#### § 9

All matters to be submitted to the General Meeting shall be first submitted to the Supervisory Board for consideration.

#### § 10

1. Shareholders may participate in the General Meeting in person or through their attorneys. A power of attorney to attend and vote at the General Meeting shall be made in writing or in the electronic format and attached to the Minutes of the General Meeting under the pain of invalidity.
2. The General Meeting shall be capable of adopting valid resolutions irrespective of the number of shares represented thereat.
3. Resolutions of the General Meeting shall be adopted by an absolute majority of votes, subject to the provisions of the Code of Commercial Companies and the Statute of the Bank.
4. The removal from the agenda or abandoning the reconsideration of an issue placed in the Agenda upon a motion from shareholders requires the General Meeting to adopt a resolution by 3/4 majority of votes, upon prior consent of all present shareholders who submitted such motion.

#### § 11

1. Each share of the Bank shall give right to one vote.
2. The Shareholder may vote differently out of each share he or she owns.

#### § 12

1. The General Meeting shall be opened by the Chairman, or one of the Deputy Chairmen, or in their absence - by one of the members of the Supervisory Board. If these persons are absent, the General Meeting shall be opened by the President of the Management Board or a person designated by the Management Board.
2. Detailed procedure of conducting the sittings of the General Meeting shall be determined by the regulation adopted by the General Meeting.

#### § 13

The General Meeting, apart from other matters specified in law provisions, in particular in the Code of Commercial Companies, the Banking Law, in recommendations of the supervision authorities and in the Statute of the Bank, shall have the authority to:

- 1) Review and approve the report on the activities and the financial reports of the Bank for the previous reporting year,
- 2) Adopt resolutions regarding distribution of profits or covering losses,
- 3) Consideration and approval of the Supervisory Board's report,
- 4) Acknowledge the approval of duties by members of the Supervisory Board and the Management Board,
- 5) Review and approve the report on activities and the financial report of the Bank's capital Group,

- 6) Set the date of determining the right to dividend and the date of paying out the dividend,
- 7) Sell and lease of the enterprise, or its organised part, and establish a limited property right of usufruct thereof,
- 8) Amend the Statute of the Bank and establish its uniform text,
- 9) Increase or decrease the Bank's statutory capital,
- 10) Issue bonds, including bonds convertible into shares or the bonds with pre-emptive right to acquire shares, and subscription warrants,
- 11) Redeem shares and determine conditions of such redemption,
- 12) Carry out a merger, division or liquidation of the Bank,
- 13) Create and liquidate special funds,
- 14) Appoint and recall members of the Supervisory Board, taking into account assessment of fulfillment of suitability requirements,
- 15) Determine the rules of remunerating members of the Supervisory Board,
  - 15a) Determination of the principles of remuneration of members of the Management Board,
- 16) Conclude the agreement with a controlled company which provides for a management over the controlled company or a transfer of profit by such company,
- 17) *(repealed)*,
- 18) Deal with other matters falling within the scope of the Bank's activities which are submitted to the General Meeting.

#### The Supervisory Board

##### §14

1. The Supervisory Board consists of seven to nine members appointed by the General Meeting for a joint term of office lasting three full financial years.
2. The number of members of the Supervisory Board shall be determined by the General Meeting.
3. At least half of the members of the Supervisory Board, including the Chairman of the Supervisory Board, should possess testimonials of good knowledge of the banking market in Poland due to the joint fulfillment of the following criteria:
  - 1) possession of professional experience on the Polish market suitable for the performed supervisory function in the Bank,
  - 2) permanent place of domicile in Poland,
  - 3) knowledge of the Polish language.
4. Independent members shall constitute at least half of the composition of the Supervisory Board. The independent members of the Supervisory Board shall be free of any associations that might bear a material impact upon their capacity of to take impartial decisions.
5. An independent member of Supervisory Board is considered to be a person, who meets jointly the following conditions:
  - 1) is not and has not been in the period of the last 3 years employed at the Bank, its subordinated units as defined in the accounting act or in its parent company,
  - 2) does not perform and has not performed in the period of the last 5 years in the Bank, its subordinated units as defined in the accounting act or in its parent company a function of a member of the Management Board or other managerial function,
  - 3) is not and has not been in the period of the last 3 years a chartered public accountant, a partner or an employee of an entity providing, now or in the last 3 years, auditing services in favour of the Bank, its subordinated units as defined in the accounting act or parent company,
  - 4) is not a shareholder with the right to execute 5% or more votes at the General Meeting, is not employed by such a shareholder, does not represent - in any manner whatsoever - such a shareholder, or does not have other direct or indirect relations with such shareholder,
  - 5) has not received and is not receiving any additional remuneration in a major amount, from the Bank, its subordinated units as defined in the accounting act or its parent company, apart from the remuneration for membership in the Supervisory Board or fixed amount remuneration

- within a pension plan for past work in the Bank, its subordinated unit as defined in the accounting act or its parent company, if a prerequisite for disbursement of such remuneration is not continuation of employment,
- 6) is not maintaining and has not maintained for the past year significant commercial relationships with the Bank, its subordinated unit as defined in the accounting act or its parent company, directly or as a partner, shareholder, member of the body or employee holding a managerial function,
  - 7) is not a management board member in another company in which the member of the Management Board of the Bank is a supervisory board member and does not have any major relation with Bank Management Board members through shares in other companies or membership in other bodies,
  - 8) is not and has not been in the period of the last 3 years a member of a close family of a Bank Management Board member, does not have other direct or indirect relations with a Bank Management Board member, and is not and has not been in the period of the last 3 years a member of close family of an employee occupying a managerial position in the Bank or persons referred to in items 1-7 above,
  - 9) does not have direct or indirect relations with the Supervisory Board members,
  - 10) does not have direct or indirect relations with companies affiliated with Bank's major shareholders, as defined in the Code of Commercial Companies.
  - 11) is not a member of the Bank's Supervisory Board for longer than 12 years.
- 5a. The majority of the members of the Supervisory Board, being the members of the Audit Committee, including its chairman, shall meet the independency conditions within the meaning of art. 129 para. 3 of the act of 11 May, 2017 on chartered auditors, auditing companies and public supervision. Members of the Supervisory Board being the members of the Audit Committee shall have the knowledge and skills in the fields of the Bank's operations, whereas the condition is considered met if at least one member of the Audit Committee has the knowledge and skills in these fields or individual members have the knowledge and skills in these fields within some specific scopes. At least one member of the Supervisory Board being the member of the Audit Committee shall have the knowledge and skills in accountancy and auditing of financial statements.
  - 5b. A candidate for a member of the Supervisory Board suggested by a company with State Treasury shareholding, which remains in relation to the Bank a dominant enterprise within the meaning of Article 4 point 3 of the Act of 16 February 2007 on competition and consumer protection should meet the requirements set out in Article 19 par. 1-3 and 5 of the Act of 16 December 2016 on the principles of managing state property.
  - 5c. The General Meeting takes immediate action to dismiss a member of the Supervisory Board who does not meet the requirements set forth in the par. 5b.
  - 5d. The obligation referred to in par. 5c does not apply to members of the Supervisory Board indicated by an entity other than a company with State Treasury shareholding, which in relation to the Bank remains a dominant enterprise within the meaning of Article 4 point 3 of the Act of 16 February 2007 on competition and consumer protection.
  6. Members of the Supervisory Board shall perform their duties only in person.
  7. The Supervisory Board shall elect its Chairman, two Deputy Chairmen and Secretary from among its members. The Deputy Chairman may simultaneously perform the function of the Secretary.
  8. The Supervisory Board shall act in accordance with the Rules of Procedure adopted by it.

## § 15

1. Any member of the Supervisory Board may be recalled at any time by the General Meeting.
2. Mandates of the members of the Supervisory Board shall expire:
  - 1) Upon expiry of his or her term of office, as of the date of the General Meeting approving the financial statements for the last full financial year of his or her service on the Supervisory Board, save as otherwise provided for in Section 3,
  - 2) In the event of resignation of a member of the Supervisory Board from his position,
  - 3) In the event of recalling a member of the Supervisory Board by the General Meeting,

- 4) In case of death of a member of the Supervisory Board.
3. Mandate of the member of the Supervisory Board, which has been appointed before the end of the term of the Supervisory Board, shall expire simultaneously with the expiry of the mandates of the remaining members of the Supervisory Board.

#### § 16

1. Meetings of the Supervisory Board shall be held as necessary, however, not less frequently than every two months.
2. Meetings of the Supervisory Board are convened and chaired by the Chairperson of the Supervisory Board, and in the event of his/her absence, successively by the Vice-Chairperson of the Supervisory Board appointed by the Chairperson of the Supervisory Board, another Vice-Chairperson of the Supervisory Board, the Secretary of the Supervisory Board, on his/her own initiative and at the request of the Management Board or a member of the Supervisory Board.
3. If the Chairman of the Supervisory Board does not convene the meeting within two weeks after receiving the motion mentioned in Section 2, the proposer of the motion can convene it on his own giving the date, place and the proposed agenda.

#### §17

1. The Supervisory Board shall adopt resolutions if at least half of its members, including its Chairman, or one of the Deputy Chairmen, are present during the meeting and all the members have been invited.
2. Members of the Supervisory Board may also take part in adoption of the Board's resolutions by casting their vote in writing through other member of the Supervisory Board, excluding the resolutions on matters introduced into agenda at the meeting.
- 2a. During the meeting, the Supervisory Board may adopt resolutions on matters not included in the agenda if all members of the Supervisory Board are present and all members of the Supervisory Board agree to it.
3. Resolutions of the Supervisory Board shall be adopted by an absolute majority of votes unless the provisions of law stipulate otherwise.
4. In special situations, a resolution may be adopted in writing (by correspondence) or with the use of means of distance communication. The procedure of adopting resolutions in writing and with the use of means of distance communication is set out in the Rules of procedure of the Supervisory Board.
5. *(repealed)*

#### § 18

Besides other rights and obligations provided for in the law provisions, particularly in the Code of Commercial Companies, the Act on Banking Law, in recommendations of the supervision authorities and in the Bank's Statute, the following matters shall fall in particular into the authority of the Supervisory Board:

- 1) Review of the report of the Management Board on activities of the Bank and review of the Bank's financial report for the previous reporting year,
- 2) Review of the motions of the Management Board regarding distribution of profits or covering losses,
- 3) Review of the report on activities and financial report of the Bank's Capital Group,
- 4) Submission to the General Meeting of the annual written report of the Supervisory Board for the previous financial year, taking into account, in particular, the results of the assessment referred to in points 1-3,
- 4a) Consideration of the Management Board's report on representation expenses as well as expenses associated with legal services, marketing services, human relations (public relations) services as well as social communication and management consulting services.
- 4b) Consideration of the report on the application of good practices referred to in Article 7 par. 3 point 2 of the Act on the principles of managing state property.

- 5) *(repealed)*,
- 6) Applying to the Financial Supervisory Authority for approval to appoint the President of the Management Board and the member of the Management Board supervising the management of significant risk in Bank operations and to entrust this function to the appointed member of the Management Board,
- 7) Appointing, upon approval of the Financial Supervisory Authority, and recalling the President of the Management Board of the Bank, taking into account assessment of fulfillment of suitability requirements,
- 8) Appointment and dismissal of the Vice-Presidents and Members of the Management Board of the Bank, with the results of the suitability assessment taken into consideration,
- 9) Suspending in their duties for significant reasons individual or all members of the Management Board,
- 10) Delegating the members of the Supervisory Board for a period not exceeding three months, to perform the duties of the members of the Management Board, which were dismissed, resigned, or for other reasons are incapable of performing their duties,
- 11) Determination of the terms and conditions of contracts regulating the legal relationship binding members of the Management Board with the Bank, conclusion, termination or amendment of contracts with members of the Management Board and determination of the principles of remunerating them and the remunerations, taking into account the principles defined by the General Meeting, in line with § 13 point 15a,,
- 12) Issue opinions on motions of the Management Board of the Bank regarding the establishing and access by the Bank as a shareholder (stockholder) into other companies, and selling shares (stocks) should such investments be of long-term and strategic nature,
- 13) Approving long-term development programmes of the Bank and the Bank's capital group issuing opinions on the annual financial plans of the Bank and the Bank's capital group,
- 14) Issue of approval for creation and liquidation of foreign branches and representative offices of the Bank,
- 15) Adoption of regulations concerning the creation and use of funds provided for in the Bank's Statute on request of the Management Board,
- 16) Approving motions of the Management Board of the Bank regarding acquisition, encumbering or sale of real estate or a share in real estate, or perpetual usufruct, in the event that its value exceeds 5,000,000 PLN,
- 17) Approval of motions of the Management Board concerning incurring obligations or disposal of assets which overall value in relation to one entity exceeds 5 % of equity funds of the Bank,
- 18) Approving requests of the Bank's Management Board regarding purchase, encumbrance or sale of real property or share in real property or perpetual usufruct, if their value exceeds PLN 5,000,000.00. In all other cases the decision is made by the Bank's Management Board without the need to obtain the Supervisory Board's consent, subject to § 18a,,19) Presentation to the General Meeting, once a year, of a report on evaluation of functioning of the Bank's remuneration policy,
- 20) Performance of regular assessment of the Bank's application of Corporate Governance Rules for Supervised Institutions,
- 21) Assessment of the intent to terminate the agreement with audit firm authorised to audit financial statements,
- 22) Approving and supervision over risk management strategy implementation in the Bank's activity,
- 23) Giving permission to the Management Board members to perform functions in the bodies of the companies outside the Bank's Capital Group,
- 24) Approval of the Bank Recovery Plan or Group Recovery Plan, prepared under the regulations of the Banking Law,
- 25) supervising the implementation of the internal governance at the Bank and assessing its adequacy and effectiveness. The internal governance at the Bank and its implementation should be assessed by the Supervisory Board at least once a year,



- 26) supervising compliance with the Bank's policies and, when required by law, recommendations of supervisory authorities, approving the policies adopted by the Management Board of the Bank,
- 27) approval of the rules for making changes to the organisational structure adopted by the Management Board of the Bank, and supervising activities of the Management Board of the Bank related to their implementation,
- 28) selecting an audit firm to audit the financial statements.

#### § 18a

The following shall require the Supervisory Board's consent:

- 1) conclusion of an agreement for legal services, marketing services, human relations (public relations) services as well as social communication and management consulting services, if the value of the remuneration envisaged for the services jointly in such agreement or other agreements concluded with that same entity exceeds net PLN 500,000.00 annually,
- 2) amendment of an agreement for legal services, marketing services, human relations (public relations) services as well as social communication and management consulting services increasing the aforementioned remuneration amount referred to in item 1,
- 3) conclusion of an agreement for legal services, marketing services, human relations (public relations) services as well as social communication and management consulting services in which the maximum value of remuneration is not envisaged,
- 4) conclusion of the following agreements:
  - a) donation agreement or another agreement to the same effect of a value exceeding PLN 20,000.00 or 0.1% of the sum of the assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the last approved financial statement,
  - b) debt release agreement or another agreement to the same effect of a value exceeding PLN 50,000.00 or 0.1% of the sum of the assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the last approved financial statement.”;
- 5) disposal of fixed assets within the meaning of the Accounting Act of 29 September 1994, classified under intangible assets, property, plant and equipment or long-term investments, including as contribution to the company or cooperative, if the market value of those assets exceeds 5% of the sum of the assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the last approved financial statement, as well as lending these assets for use by another entity, for a period exceeding 180 days during a calendar year, on the basis of a legal transaction, if the market value of the subject of the legal transaction exceeds 5% of the sum of the assets, however, lending the assets for use in case of:
  - a) rental, lease agreements or other agreements lending an asset for use for payment to other entities – the market value of the subject of the legal transaction means the value of the benefits for:
    - a year – if the asset has been lent on the basis of agreements concluded for an unspecified period of time,
    - the entire term of the agreement – in case of agreements concluded for a specified period of time,
  - b) lending agreements or other agreements lending the asset free of charge for use to other entities - the market value of the subject of the legal transaction means the equivalent of the benefits that would be payable in case of a rental or lease agreement, for:
    - a year – if the asset is lent on the basis of an agreement concluded for an unspecified period of time,
    - the entire term of the agreement – in case of agreements concluded for a specified period of time,
- 6) purchase of fixed assets within the meaning of the Accounting Act of 29 September 1994, of a value exceeding:
  - a) PLN 100,000,000.00 or
  - b) 5% of the sum of the assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the last approved financial statement;
- 7) take-up or purchase of shares in another company of a value exceeding:
  - a) PLN 100,000,000.00 or
  - b) 10% of the sum of the assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the last approved financial statement;

- 8) sale of shares in another company of a value exceeding:
- a) PLN 100,000,000.00 or
  - b) 10% of the sum of the assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the last approved financial statement.

#### §19

The Chairman of the Supervisory Board and, in his absence, the Deputy Chairman indicated by the Chairman of the Supervisory Board, shall be entitled to sign agreements concluded by the Bank with members of the Management Board of the Bank, acting on behalf of the Supervisory Board.

#### The Management Board of the Bank

#### § 20

1. The Management Board consists of 5 to 9 members. The Management Board of the Bank shall consist of the:
  - 1) President of the Management Board of the Bank,
  - 2) Vice Presidents of the Management Board of the Bank,
  - 3) Members of the Management Board of the Bank.
2. At least half of the members of the Management Board of the Bank, including the President of the Management Board of the Bank should possess testimonials of good knowledge of the banking market in Poland due to the joint fulfillment of the following criteria:
  - 1) possession of professional experience on the Polish market suitable for the performed managerial function in the Bank,
  - 2) permanent place of domicile in Poland,
  - 3) knowledge of the Polish language.
3. The Management Board of the Bank shall operate on the basis of the Rules of procedure adopted by it. Rules of procedure shall in particular define the matters which require joint consideration by the Management Board. The Rules of procedure shall define the principles of holding the Board's meetings, including the Board's meetings using the means of distance communication, and the principles of adopting resolutions by written procedure or by using the means of distance communication.
- 3a. The Bank's Management Board draws up and presents to the Supervisory Board a report on representation expenses as well as expenses associated with legal services, marketing services, human relations (public relations) services as well as social communication and management consulting services.
- 3b. The Management Board prepares and submits a report to the Supervisory Board on the application of good practices referred to in Article 7 par. 3 point 2 of the Act on the principles of managing state property.
4. Resolutions of the Bank Management Board may be adopted after all members have been duly notified of the Management Board meeting. Resolutions are deemed valid when adopted at the Board's meeting in the presence of at least half of the Management Board members.
5. Resolutions shall be adopted by an absolute majority of votes unless the provisions of law stipulate otherwise.
6. *(repealed)*

#### § 21

1. The members of the Bank's Management Board are appointed for a joint term of office lasting three full financial years.
  - 1a. Members of Management Board are appointed after conducting a qualifying procedure whose aim is to check and assess the qualifications of the candidates and to select the best candidate.
  2. Mandates of the members of the Management Board shall expire:

- 1) Upon expiry of his/her term of office, as from the date of the General Meeting approving the financial statements for the last full financial year in which he/she served as a member of the Management Board, save as otherwise provided for in Section 3,
  - 2) In the event of resignation of a member of the Management Board from his position,
  - 3) In the event of recalling a member of the Management Board by the Supervisory Board,
  - 4) In case of death of a member of the Management Board.
3. Mandate of the member of the Supervisory Board appointed before the end of the term of the Management Board shall expire simultaneously with the expiry of the mandates of the remaining members of the Management Board.

#### § 21a

A Member of the Bank's Management Board:

- 1) can be a person who jointly fulfils the following criteria:
  - a) has higher education or higher education obtained abroad which is recognized in the Republic of Poland, on the basis of separate regulations,
  - b) has at least 5 years of employment under a contract of employment, appointment, selection, nomination, cooperative employment contract, or provision of services under any other contract, or contract or performance of business activities on his/her own account,
  - c) has at least 3 years of experience in managerial or independent positions or resulting from self-employment,
  - d) meets requirements other than those listed in letters a-c, set out in separate regulations, in particular does not violate restrictions or prohibitions on holding the position of a member of a managing body in commercial companies,
- 2) cannot be a person who fulfils at least one of the following criteria:
  - a) serves as a social collaborator or is employed in the office of a Member of Parliament, is employed by an office of a Member of Parliament, a Senator, a Deputy-Senator or an office of a Member of the European Parliament on the basis of an employment contract or performs work on the basis of a mandate contract or another contract of a similar nature,
  - b) is a member of a political party body representing the political party externally and authorized to enter into commitments,
  - c) is employed by a political party on the basis of an employment contract or provides work on the basis of a mandate contract or another contract of a similar nature,
  - d) holds an elected position in a company's trade union organization or a trade union organization of a company in the capital group,
  - e) whose social or gainful activity gives rise to a conflict of interest with respect to the Bank's activities.

#### § 22

1. The President of the Management Board shall:
  - 1) Convene and preside over meetings of the Management Board of the Bank,
  - 2) Present the standpoint of the Management Board of the Bank towards the organs of the Bank and in external relations, in particular towards the State organs,
  - 3) Issue internal orders, rules of procedure and other regulations governing the Bank's operations. The President of the Management Board may authorize other persons to issue internal regulations of the Bank,
  - 4) Coordinate the activities of the members of the Management Board of the Bank,
  - 5) Supervise in particular the following areas of the Bank's activity: internal audit, compliance and corporate communication, including investor relations.
2. During the absence of the President of the Management Board of the Bank, his duties shall be taken over by a member of the Management Board of the Bank appointed by the President of the Management Board.

3. The Vice President of the Management Board, appointed upon the approval of the Financial Supervision Authority, supervises the area of risk management, including credit risk, with exception of the compliance risk.
4. The Bank's Management Board manages the Bank's affairs and represents the Bank. All matters not reserved, pursuant to the provisions of law or the Articles of Association, to the competence of other bodies, are within the scope of competence of the Bank's Management Board. Subject to § 18 point 16 and § 18a of the Bank's Articles of Association, the exclusive competence of the Bank's Management Board, without the need to obtain a resolution of the General Meeting, includes purchase, encumbrance or sale of real property, perpetual usufruct or share in real property or in perpetual usufruct. Members of the Bank's Management Board coordinate and supervise the Bank's operations according to the distribution of tasks adopted by the Bank's Management Board and approved by the Supervisory Board..
5. The Management Board of the Bank is responsible for implementing the internal governance at the Bank and ensuring that it is complied with, and for periodic assessment and verification to adjust the internal governance at the Bank to the changing internal situation and the environment of the Bank.
6. The Management Board of the Bank drafts and adopts in the form of a resolution the rules for making changes to the organisational structure, i.e. creating new and changing or liquidating the existing organisational units and ensures their implementation.

#### § 23

The Management Board of the Bank may issue commercial powers of attorney only to employees of the Bank. The commercial power of attorney may be revoked by any member of the Management Board.

### IV. PROCEDURE FOR SUBMITTING STATEMENTS REGARDING PROPERTY RIGHTS AND OBLIGATIONS OF THE BANK

#### § 24

1. The following persons are authorised to make statements regarding property rights and obligations of the Bank and to sign on behalf of the Bank:
  - 1) Two members of the Management Board or a member of the Management Board with a commercial attorney,
  - 2) Two commercial attorneys,
  - 3) Member of the Management Board or a commercial attorney acting jointly with an attorney,
  - 4) Attorneys acting individually or jointly within the limits of their powers of attorney.
2. Persons empowered to submit statements regarding property rights and obligations shall place their signatures under the name of the Bank.

### V. CAPITAL AND FUNDS OF THE BANK

#### § 25

Basic capital (funds) of the Bank include:

- 1) Statutory capital,
- 2) Obligatory reserve equity,
- 3) Reserve equities, including the fund for conducting brokerage activity,
- 4) General risk fund for unidentified risk of the bank activity,
- 5) Revaluation reserve,
- 6) Retained result from previous years,
- 7) Net result of the current reporting period.

#### § 26

1. Bank may create and liquidate special funds during and at the end of the financial year, on the basis of resolutions of the General Meeting.
2. Bank shall create funds under the principles provided for in the applicable legal acts.

#### § 27

1. The statutory capital of the Bank amounts to 262.470.034,- (two hundred sixty two million four hundred seventy thousand thirty four) PLN and is divided into 137.650.000 (one hundred thirty seven million six hundred and fifty thousand) Series A bearer shares with the nominal value of 1,- (one) PLN per share, 7.690.000 (seven million six hundred and ninety thousand) Series B bearer shares of the Bank with the nominal value of 1,- (one) PLN per share, 10.630.632 (ten million six hundred thirty thousand six hundred and thirty two) Series C bearer shares with the nominal value of 1,- (one) PLN per share, 9.777.571 (nine million seven hundred seventy seven thousand five hundred and seventy one) Series D bearer shares with the nominal value of 1,- (one) PLN per share, 373.644 (three hundred seventy three thousand six hundred and forty four) Series E bearer shares with the nominal value of 1 (one) PLN per share, 621,411 (six hundred twenty one thousand four hundred eleven) Series F bearer shares with the nominal value of 1,- (one) PLN per share, 603.377 (six hundred three thousand three hundred seventy seven) Series G bearer shares with the nominal value of 1,- (one) PLN per share, 359.840 (three hundred fifty nine thousand eight hundred and forty) Series H bearer shares with the nominal value of 1,- (one) PLN per share and 94,763,559 (ninety four million seven hundred sixty three thousand five hundred and fifty nine) Series I bearer shares with the nominal value of 1,- (one) PLN each.
2. Statutory capital of the Bank may be increased through the issue of new bearer shares, or through the increase of the nominal value of the existing shares. The General Meeting may increase the statutory capital earmarking for this purpose the funds from reserve capital or other funds set up from profit, provided they can be used for this purpose in compliance with the Code of Commercial Companies and the Bank's Statute.
3. Shares may be issued as collective shares certificates.
4. Shares may be redeemed on conditions determined by the General Meeting.
5. The redemption of shares requires the consent of the Polish Financial Supervision Authority.

#### § 28

1. Obligatory reserve equity shall be created out of annual write-offs from the net profit to cover possible balance sheet losses, as may result from operations of the Bank. Annual write-offs into obligatory reserve equity shall amount to at least 8 % of net profit and shall be continued until the obligatory reserve equity reaches at least 1/3 part of statutory capital of the Bank. The surplus achieved by the issue of shares over their nominal value shall be transferred to the obligatory reserve equity and other surplus - after the cover of cost of issue.
2. The amount of any such write-off shall be determined by the General Meeting.
3. The General Meeting shall decide about using of obligatory reserve equity. However, a part of this equity in the amount of one-third part of statutory capital may be only used to cover the loss showed in the financial report.

#### § 29

1. The general risk fund shall be established out of write-offs from net profit for unidentified risks associated with banking activities.
2. The amount of any such write-offs shall be determined by the General Meeting.

#### § 30

1. The reserve equities shall be established out of write-offs from net profit for the equities.
2. Amount of any such write-offs shall be determined by the General Meeting.

3. The reserve equities may be used to cover specific losses or expenses, the acquisition of own shares by the Bank in cases provided for by law, as well as increasing the share capital and paying out of the dividend.
4. The General Meeting of shall decide about using the reserve equities.

#### § 31

1. Special funds shall be established out of write-offs from net profit made pursuant to a resolution of the General Meeting, which, in each case, shall determine the amount of the write-off to be allocated to each particular fund, unless the obligation to create such funds results from a legal act.
2. Rules of procedure of establishing and using of special funds shall be adopted by the Supervisory Board.

### VI. FINANCIAL MANAGEMENT OF THE BANK, DISTRIBUTION OF PROFIT, COVERING OF LOSSES, ACCOUNTING

#### § 32

The financial management of the Bank shall be conducted on the basis of annual financial plans.

#### § 33

1. Annual net profit may be allocated for the following purposes, in amounts to be resolved upon by the General Meeting:
  - 1) Obligatory reserve fund,
  - 2) General risk fund,
  - 3) Reserve equities, including the fund for conducting brokerage activity,
  - 4) Dividend,
  - 5) Special funds,
  - 6) Other purposes.
2. Any claim for dividend shall expire after three years. The Bank shall pay no interest on the uncollected dividend.

#### § 33a

1. The Management Board is authorized to make an advance payment of anticipated dividend for the end of the financial year, provided that the Bank has sufficient funds for such a payment and that the financial statement for the previous year indicates a profit.
2. The disbursement of such advance payment requires the approval of the Supervisory Board and arrangements with the Financial Supervision Authority.
3. The advance payment for dividend may be no more than half of the Bank's profit made since the end of the previous financial year, as indicated in the audited financial statements, increased by the reserve capitals created from profit which may be available to the Bank's Management Board for the payment of advances and reduced by uncovered losses and own shares.

#### § 33b

1. The Bank sells fixed assets within the meaning of the Accounting Act of 29 September 1994 by a tender or an auction in the case of assets whose market value exceeds 0.1% of the sum of the assets, determined on the basis of the last approved financial statement, unless the market value of such assets does not exceeds PLN 20,000.00.
2. Subject to par. 4 and 5, the Bank may dispose of fixed assets referred to in par. 1 without holding a tender or an auction:

- 1) if the sale of the above assets takes place within the framework of the Bank's activity referred to in Article 6 of the Banking Law Act,
  - 2) if the disposal of the above assets is related to the satisfaction of the Bank's claims against the debtor in connection with the acquired collateral of the Bank's receivables,
  - 3) in justified cases, upon consent of the Management Board by way of a resolution with positive opinion of the Supervisory Board.
3. The principles concerning the manner and mode of conducting the tender or auction referred to in par. 1 are specified in the Regulations of the tender or auction established by the Bank's Management Board.
  4. If the consent of the Supervisory Board is required for the disposal of fixed assets, the Bank may perform legal transaction aimed at the disposal of such fixed assets, provided that consent of the Supervisory Board is obtained.
  5. If the disposal of fixed assets is made with the consent of the Supervisory Board, the application of the tender or auction procedure is not required.

#### § 34

The Bank shall create a general risk reserve to debit the costs in order to cover rights connected with conducting banking operations.

#### § 35

Balance sheet losses shall be covered from obligatory reserve equity and reserve equities in the manner specified by a resolution of the General Meeting.

#### § 36

The Bank shall conduct accounting on the basis of the plan of accounts and in accordance with the binding legal regulations. The organization and method of accounting shall be determined by the Management Board of the Bank.

#### § 37

Financial year shall be equivalent to the calendar year.

### VII. INTERNAL CONTROL AND RISK MANAGEMENT

#### § 38

1. The purpose of the Bank's internal control system is to ensure:
  - 1) effectiveness and efficiency of the Bank's operations,
  - 2) reliability of financial reporting,
  - 3) observance of risk management principles in the Bank,
  - 4) compliance of the Bank's operations with the provisions of law, internal regulations and market standards.
2. The Internal Control System shall involve - in different roles - authorities of the Bank, individual units and organizational cells of the Bank, as well as all employees of the Bank, and consists of:
  - 1) a control function whose task is to ensure observance of control mechanisms involving, in particular, risk management in the Bank, which comprises positions, groups of people or organizational units responsible for performing tasks assigned to this function;
  - 2) independent compliance unit whose task is to identify, evaluate, control and monitor the risk of non-compliance of Bank's operations with law, internal regulations and market standards and to present relevant reports;
  - 3) an independent Internal Audit unit whose task is to examine and evaluate, in an independent and objective manner, adequacy and effectiveness of the risk management system and the internal control system, excluding the internal audit unit.
3. The following authorities of the Bank shall be involved in the Internal Control System:
  - 1) The Management Board - responsible for designing, implementing and operating the Internal Control System, adjusted to size and profile of the risk related to the operations of the Bank,

- 2) the Supervisory Board - exercising supervision over the Internal Control System and assessing its adequacy and effectiveness through the Audit Committee and the Internal Audit.
4. The President of the Management Board of the Bank shall publish in the form of the order the By-laws of internal control.
5. As part of the risk management system, the Bank:
  - 1) applies formalized rules for determining the amount of risk taken and risk management principles,
  - 2) applies formal procedures aimed at identifying, measuring or estimating and monitoring the risk occurring in the Bank's operations, also taking into account the expected level of risk in the future,
  - 3) applies formalized limits to reduce the risk and rules of conduct in case of exceeding the limits.
  - 4) applies the adopted system of management reporting enabling monitoring of the level of risk,
  - 5) has an organizational structure adjusted to the size and profile of the risk borne by the Bank.

#### VIII. FINAL PROVISIONS

##### § 39

In case of liquidation of the Bank, the General Meeting at the request of the Supervisory Board shall appoint one or more liquidators and determine the method of carrying out the liquidation.

##### § 40

Obligatory notices, which must be published according to the Commercial Companies Code, excluding the notice specified in Par. 8 Section 1 of the Statute shall be published by the Management Board of the Bank in the Court and Business Monitor.