



Bank Polski

POLICY FOR REMUNERATING MEMBERS OF THE SUPERVISORY BOARD AND MANAGEMENT BOARD OF PKO BANK POLSKI S.A.

§ 1.

1. Policy for remunerating Members of the Supervisory Board and Management Board of PKO Bank Polski S.A. (hereinafter: the “**Policy**”) remains consistent with the rules for setting the remuneration of Members of the Management Board and the rules for remunerating Members of the Supervisory Board of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna (hereinafter: the “**Bank**”) set out in resolutions of the General Meeting of the Bank adopted pursuant to Article 2(2)(1) and Article 10 of the Act of 9 June 2016 on the rules for setting the remuneration of persons managing certain companies (hereinafter: the “**Remuneration Rules Act**”).
2. Whenever this Policy refers to:
 - 1) **Group** – shall mean a group of companies in which the Bank is the parent undertaking within the meaning of the Act of 29 September 1994 on accounting,
 - 2) **Policy-Covered Person** – shall mean a member of the Management Board of the Bank or a member of the Supervisory Board of the Bank,
 - 3) **Supervisory Board** – shall mean the Supervisory Board of the Bank,
 - 4) **Act** – shall mean the Act of 29 July 2005 on public offering and the conditions for introducing financial instruments to the organised trading system, and on public companies,
 - 5) **Management Board** – shall mean the Management Board of the Bank.
3. Given that the remuneration of Members of the Supervisory Board and the Management Board is subject to the Remuneration Rules Act, the working and pay conditions of other employees of the Bank were not taken into account when establishing the Policy, except for the rules set out in § 5.
4. The Remuneration Policy contributes to the implementation of the strategy of the Bank and the Group, which sets out the direction of business activities, the long-term interests and the stability of the Bank and the Group. The strategy serves as the basis for setting the market, performance or loyalty targets applicable in a given period, the achievement of which is closely linked to the level of remuneration of the Management Board.
5. The rules for remunerating the Policy-Covered Person set out in the Remuneration Policy contribute to the implementation of the strategy and targets by ensuring:
 - 1) the full commitment of the Policy-Covered Person to the performance of their duties,
 - 2) the motivation of the Policy-Covered Person to implement the strategy,
 - 3) the lasting attachment of the Policy-Covered Person to the Bank,
 - 4) attitudes that preclude the Policy-Covered Person from taking excessive risk in the performance of their duties.

§ 2.

1. Members of the Supervisory Board are appointed by the General Meeting for a joint three-year term.
2. Members of the Management Board are appointed by the Supervisory Board for a joint three-year term.

3. A management services agreement is concluded with each Member of the Management Board for the duration of their term in office, with an obligation to perform the services personally.

§ 3.

1. Members of the Bank's Supervisory Board receive fixed remuneration in the amount set in accordance with the relevant resolution on the rules for remunerating Members of the Supervisory Board.
2. Other components of remuneration or additional benefits for Members of the Supervisory Board may be introduced solely pursuant to the relevant resolution of the General Meeting.
3. As regards Members of the Bank's Management Board, in respect of:
 - 1) determining the range of fixed remuneration;
 - 2) specifying the general rules for awarding variable remuneration and identifying the principal management targets;
 - 3) the rules for concluding agreements;
 - 4) severance pay;
 - 5) the non-compete clause;
 - 6) other benefits

the provisions of the relevant resolutions of the Bank's General Meeting on the rules for remunerating Members of the Management Board and the provisions of the Policy further specifying those rules shall apply – together with the provisions of § 4 and § 5.

§ 4.

The Management Targets of individual Members of the Management Board should, in line with their respective area of responsibility, also take into account criteria such as the Bank's commitment to considering the public interest and the Bank's contribution to environmental protection and to the prevention or elimination of any potential adverse social impacts of the Bank's activities.

§ 5.

A Member of the Management Board has the right to join the Employee Pension Programme of PKO Bank Polski S.A. on the same programme terms as employees of the Bank, insofar as this is permitted by generally applicable laws. In connection with joining this programme and serving as a Member of the Management Board, the Bank pays into the programme, for the benefit of the Member of the Management Board, a basic contribution calculated on the fixed and variable components of remuneration paid to that Member of the Management Board. The contribution is not included in either the fixed or the variable component of remuneration.

§ 6.

In the performance of their duties, a Member of the Management Board shall avoid situations that may give rise to a conflict of interest in connection with the Policy.

§ 7.

1. The remuneration policy is established by way of a resolution of the General Meeting adopted on the basis of an opinion of the Supervisory Board.
2. Where necessary, but no less frequently than every four years, the Policy is reviewed and the Supervisory Board submits the outcome of the review to the General Meeting. The Policy may be amended by way of a resolution of the General Meeting adopted on the basis of an opinion of the Supervisory Board.

§ 8.

The Supervisory Board is authorised to approve a separate remuneration policy for employees of the Bank and the Group, and to adopt – in accordance with the resolutions of the Bank’s General Meeting referred to in § 1(1), the Policy and generally applicable laws – additional rules for the employment and remuneration of Members of the Bank’s Management Board, further specifying, among other things, the provisions of the Policy concerning Members of the Management Board arising from the resolution of the General Meeting, including with regard to deferral periods for payment and the possibility of non-payment of, or a demand by the Bank for the return of, the Variable Remuneration.