

## Resolution No. [●]/2021

### of the Ordinary General Meeting of Shareholders of Bank Polska Kasa Opieki Spółka Akcyjna on the distribution of profit of Bank Polska Kasa Opieki Spółka Akcyjna for the year 2020

Acting pursuant to Article 395 § 2 (2), Article 348 § 3–5, Article 396 § 4 of the Commercial Companies Code, § 13 (2) and (6) and § 33 (1) of the Statute of Bank Polska Kasa Opieki Spółka Akcyjna (the “**Bank**”), the Ordinary General Meeting of Shareholders hereby resolves as follows:

#### § 1

1. Provided that the position of the Polish Financial Supervision Authority regarding the dividend policy of commercial banks in the second half of 2021 and the supervisory recommendation of the Polish Financial Supervision Authority regarding the Bank's dividend policy in the second half of 2021 will allow at least the amount indicated in § 1 section 1 point 1 to be allocated to dividend (the “**75% Dividend Payment Condition**”) the Bank's net profit for 2020 in the amount of PLN 1,126,424,269.10 (in words: one billion one hundred twenty six million four hundred twenty four thousand two hundred sixty nine zlotys 10/100) is distributed as follows:
  - 1) 74.8% of the Bank's net profit for 2020, in the amount of PLN 842,528,809.14 (in words: eight hundred and forty two million five hundred and twenty eight thousand eight hundred and nine zlotys 14/100), shall be allocated to dividend;
  - 2) the amount of PLN 283,895,459.96 (in words: two hundred and eighty three million eight hundred and ninety five thousand four hundred and fifty nine zlotys, 96/100) shall be allocated to the reserve capital.
2. The amount of the dividend per share shall be PLN 3.21 (in words: three zlotys 21/100) gross.

#### § 2

1. Provided that the position of the Polish Financial Supervision Authority regarding the dividend policy of commercial banks in the second half of 2021 and the supervisory recommendation of the Polish Financial Supervision Authority regarding the Bank's dividend policy in the second half of 2021 will allow at least the amount indicated in § 2 section 1 point 1 to be allocated to dividend but lower than the amount indicated in § 1 section 1 point 1 (the “**50% Dividend Payment Condition**”) the Bank's net profit for 2020 in the amount of PLN 1,126,424,269.10 (in words: one billion one hundred twenty six million four hundred twenty four thousand two hundred sixty nine zlotys 10/100) is distributed as follows:
  - 1) 49.9% of the Bank's net profit for 2020, in the amount of PLN 561,685,872.76 (in words: five hundred and sixty one million six hundred and eighty five thousand eight hundred and seventy two zlotys 76/100), shall be allocated to dividend;
  - 2) the amount of PLN 283,895,459.96 (in words: two hundred and eighty three million eight hundred and ninety five thousand four hundred and fifty nine zlotys, 96/100) shall be allocated to the reserve capital;
  - 3) the remaining part of the Bank's net profit for 2020 in the amount of PLN 280,842,936.38 (in words: two hundred eighty million eight hundred forty two thousand nine hundred thirty six zlotys 38/100) shall be left undistributed.
2. The amount of the dividend per share shall be PLN 2.14 (in words: two zlotys 14/100) gross.

### § 3

1. Provided that the position of the Polish Financial Supervision Authority regarding the dividend policy of commercial banks in the second half of 2021 and the supervisory recommendation of the Polish Financial Supervision Authority regarding the Bank's dividend policy in the second half of 2021 will allow at least the amount indicated in § 3 section 1 point 1 to be allocated to dividend but lower than the amount indicated in § 2 section 1 point 1 (the "**25% Dividend Payment Condition**") the Bank's net profit for 2020 in the amount of PLN 1,126,424,269.10 (in words: one billion one hundred twenty six million four hundred twenty four thousand two hundred sixty nine zlotys 10/100) is distributed as follows:
  - 1) 24.9% of the Bank's net profit for 2020, in the amount of PLN 280,842,936.38 (in words: two hundred eighty million eight hundred forty two thousand nine hundred and thirty six zlotys 38/100), shall be allocated to dividend;
  - 2) the amount of PLN 283,895,459.96 (in words: two hundred and eighty three million eight hundred and ninety five thousand four hundred and fifty nine zlotys, 96/100) shall be allocated to the reserve capital;
  - 3) the remaining part of the Bank's net profit for 2020 in the amount of PLN 561,685,872.76 (in words: five hundred and sixty one million six hundred and eighty five thousand eight hundred and seventy two zlotys 76/100) shall be left undistributed.
2. The amount of the dividend per share shall be PLN 1.07 (in words: one zloty 7/100) gross.

### § 4

If the 75% Dividend Payment Condition, 50% Dividend Payment Condition and 25% Dividend Payment Condition (hereinafter jointly: "**Dividend Payment Conditions**") are not met, the Bank's net profit for 2020 in the amount of PLN 1,126,424,269.10 (in words: one billion one hundred twenty six million four hundred twenty four thousand two hundred sixty nine zlotys 10/100) is divided as follows:

- 1) the amount of PLN 283,895,459.96 (in words: two hundred and eighty three million eight hundred and ninety five thousand four hundred and fifty nine zlotys, 96/100) shall be allocated to the reserve capital;
- 2) the remaining part of the Bank's net profit for 2020 in the amount of PLN 842,528,809.14 (in words: eight hundred and forty two million five hundred and twenty eight thousand eight hundred and nine zlotys 14/100) shall be left undistributed.

### § 5

1. The Bank's Management Board is obliged to adopt a resolution on the fulfilment or non-fulfilment of the individual Dividend Payment Conditions at the latest on September 2, 2021, and if the position of the Polish Financial Supervision Authority regarding the dividend policy of commercial banks in the second half of 2021 and the supervisory recommendation of the Polish Financial Supervision Authority regarding the Bank's dividend policy in the second half of 2021 are not issued by August 31, 2021 (inclusive) none of the Dividend Payment Conditions are met.
2. The Bank immediately after adopting by the Bank's Management Board the resolution referred to in § 5 section 1, will inform about its content in the form of a current report.

§ 6

Provided that any of the Dividend Payment Conditions is met:

- 1) the date of the dividend record day is September 10, 2021;
- 2) the dividend payout date is September 29, 2021.

§ 7

The resolution enters into force as of the date of its adoption.

## **Justification for the draft resolution of the Ordinary General Meeting of Shareholders of Bank Polska Kasa Opieki Spółka Akcyjna on the distribution of the profit of Bank Polska Kasa Opieki Spółka Akcyjna for the year 2020**

1. On December 16, 2020, the Polish Financial Supervision Authority (the “**PFSA**”) adopted a position on the dividend policy regarding inter alia commercial banks. The PFSA considered it necessary to suspend the payment of dividends by commercial banks in the first half of 2021. At the same time, the PFSA indicated that the position of the PFSA on the dividend policy of commercial banks in the second half of 2021 will be presented separately after analysing the financial situation of the banking sector in the first half of the year.
2. On January 14, 2021, Bank Polska Kasa Opieki S.A. (the “**Bank**”) published in the form of a current report No. 3/2021 that it had received a supervisory recommendation from the PFSA, according to which the Bank: (1) should refrain from paying dividends in the first half of 2021 (including retained earnings from previous years) and (2) should not undertake in the first half of 2021, without prior consultation with the supervisory authority, other activities outside the scope of current business and operating activities that may result in a reduction of the capital base, including buyouts of own shares. The above recommendation of the supervisory authority indicates that the position of the PFSA on the dividend policy of commercial banks in the second half of 2021 will be presented separately, after analysing the situation of the banking sector in the first half of 2021.
3. Pursuant to Article 395 § 2 point 2 of the Act of September 15, 2000, Code of Commercial Companies (the “**CCC**”), the subject of the ordinary general meeting of a joint-stock company should be the adoption of a resolution on profit distribution or loss coverage. A majority of commercial law doctrine representatives are of the opinion that a resolution on profit distribution may only be adopted by an ordinary general meeting of shareholders. Therefore, the resolution on the distribution of the Bank's net profit for 2020 and the possible payment of dividend should be adopted by the Ordinary General Meeting of the Bank convened for June 11, 2021.
4. The CCC does not exclude the possibility of adopting a resolution on profit distribution upon fulfilment of a condition. Such an approach is also approved by representatives of the doctrine, and is also included in the regulations of the Central Securities Depository of Poland S.A. (KDPW S.A.) and in the Code of Best Practice for WSE Listed Companies 2016. There is also market practice in the above scope. Therefore, it is possible for the Ordinary General Meeting of the Bank to adopt a resolution on the distribution of profit for 2020 providing for the payment of dividend under certain conditions referring to the contents of the future position and the supervisory recommendation of the PFSA regarding the payment of dividends in the second half of 2021.
5. The draft resolution provides that, depending on the contents of the position and the supervisory recommendation of the PFSA regarding the dividend policy in the second half of 2021, the Bank's net profit for 2020 in the amount of PLN 1,126,424,269.10 (in words: one billion one hundred twenty six million four hundred twenty four thousand two hundred sixty nine zlotys 10/100) will be divided in one of four ways:

- 1) provided the fulfilment of 75% Dividend Payment Condition: (i) 74.8% of the Bank's net profit for 2020, i.e. the amount of PLN 842,528,809.14 (in words: eight hundred and forty two million five hundred and twenty eight thousand eight hundred and nine zlotys 14/100) shall be allocated to dividend, (ii) the amount of PLN 283,895,459.96 (in words: two hundred and eighty three million eight hundred and ninety five thousand four hundred and fifty nine zlotys 96/100) shall be allocated to the reserve capital;
  - 2) provided the fulfilment of 50% Dividend Payment Condition: (i) 49.9% of the Bank's net profit for 2020, i.e. the amount of PLN 561,685,872.76 (in words: five hundred and sixty one million six hundred and eighty five thousand eight hundred and seventy two zlotys 76/100) shall be allocated to dividend, (ii) the amount of PLN 283,895,459.96 (in words: two hundred and eighty three million eight hundred and ninety five thousand four hundred and fifty nine zlotys 96/100) shall be allocated to the reserve capital, and (iii) the remaining part of the Bank's net profit for 2020 in the amount of PLN 280,842,936.38 (in words: two hundred eighty million eight hundred forty two thousand nine hundred thirty six zlotys 38/100) shall be left undistributed;
  - 3) provided the fulfilment of 25% Dividend Payment Condition: (i) 24.9% of the Bank's net profit for 2020, i.e. the amount of PLN 280,842,936.38 (in words: two hundred eighty million eight hundred forty two thousand nine hundred and thirty six zlotys 38/100) shall be allocated to dividend, (ii) the amount of PLN 283,895,459.96 (in words: two hundred and eighty three million eight hundred and ninety five thousand four hundred and fifty nine zlotys 96/100) shall be allocated to the reserve capital, (iii) the remaining part of the Bank's net profit for 2020 in the amount of PLN 561,685,872.76 (in words: five hundred and sixty one million six hundred and eighty five thousand eight hundred and seventy two zlotys 76/100) shall be left undistributed;
  - 4) in the event of failure to meet any of the conditions for dividend payment (that is 75% Dividend Payment Condition, 50% Dividend Payment Condition; 25% Dividend Payment Condition) the distribution of Bank's net profit for 2020 shall be conducted according to the recommendation of the Management Board of the Bank disclosed by the Bank in a form of a current report No. 15/2021 dated May 5, 2021, that is: (i) the amount of PLN 283,895,459.96 (in words: two hundred and eighty three million eight hundred and ninety five thousand four hundred and fifty nine zlotys 96/100) is allocated to the reserve capital, (ii) and the amount of PLN 842,528,809.14 (in words: eight hundred and forty two million five hundred and twenty eight thousand eight hundred and nine zlotys 14/100) shall be left undistributed.
6. In accordance with the draft resolution, the determination of the fulfilment or non-fulfilment of individual Dividend Payment Conditions (i.e.: 75% Dividend Payment Condition, 50% Dividend Payment Condition, 25% Dividend Payment Condition) has been entrusted to the Bank's Management Board and is to be made in the form of a resolution of the Bank's Management Board, no later than on September 2, 2021. If the PFSA fails to issue by August 31, 2021 (inclusive) a position regarding the dividend policy of commercial banks in the second half of 2021 and the supervisory recommendation of the PFSA regarding the Bank's dividend policy in the second half of

2021, none of the Dividend Payment Conditions is met, thus the method of distributing the Bank's net profit for 2020 specified in § 4 of the resolution takes effect.

7. The purpose of the resolution is to make the method of distributing the Bank's net profit for 2020 dependent on the position and supervisory recommendation of the PFSA regarding the dividend policy in the second half of 2021. Fulfilment of each of the Dividend Payment Conditions requires that the dividend payment in the assumed amount is permitted by both, the position and the supervisory recommendations. As indicated above, in accordance with the information included in the PFSA recommendation regarding the retention of profit in the first half of 2021 and provided by the Bank in the current report No. 3/2021 of January 14, 2021, the position of the PFSA on the dividend policy of commercial banks in the second half 2021 will be presented separately, after analysing the financial situation of the banking sector in the first half of the year. Therefore, it is not known as of the date of submission of this draft resolution.
8. In accordance with rule IV.Z.17. of the Code of Best Practice for WSE Listed Companies 2016, in force as at the date of submission of this draft resolution, a resolution of the general meeting on the payment of a conditional dividend may only contain such conditions, the possible fulfilment of which will take place before the dividend record date. Additionally, Article 348 § 4 of the CCC, the first sentence stipulates that the ordinary general meeting of a joint-stock company shall set the dividend record date not earlier than five days and not later than three months from the date of adopting the resolution on the distribution of profit. Bearing in mind the above, the dividend date is set for September 10, 2021. Information on the fulfilment or non-fulfilment of the condition should be published in the form of a current report, after prior adoption of a relevant resolution by the Bank's Management Board on this matter (which is to take place on September 2, 2021 at the latest). If the relevant condition is met, the dividend payment date will be September 29, 2021.