

Report
on the assessment of application
by Bank Polska Kasa Opieki Spółka Akcyjna
in 2021
of the Principles of Corporate Governance for Supervised
Institutions issued by the Polish Financial Supervision
Authority on 22 July 2014



**Assessment of application by Bank Polska Kasa Opieki Spółka Akcyjna in 2021
of the Principles of Corporate Governance for Supervised Institutions
issued by the Polish Financial Supervision Authority on 22 July 2014**

On 14 October 2014 by the Resolution No. 356 /X/14 the Management Board of Bank Polska Kasa Opieki Spółka Akcyjna (the "Bank") adopted for application by the Bank the Principles of Corporate Governance for Supervised Institutions issued by the Polish Financial Supervision Authority on 22 July 2014 (hereinafter 'Principles'). On 5 November 2014, The Bank's Supervisory Board by the Resolution No. 33/14 issued a positive opinion on the adoption of the Principles by the Bank. Due to the fact that some of the recommendations were addressed to the shareholders, the Bank's Ordinary General Meeting on 30 April 2015 passed resolution No. 25 on the adoption of the Principles for application.

In order to meet the requirements of § 27 of the *Principles*, according to which the supervising body evaluates the application of the Principles on a regular basis and the results of that evaluation are published on the website of the supervised institution and communicated to other bodies of the supervised institution, and in relation to § 18 p 20 of the Statute of Bank Polska Kasa Opieki Spółka Akcyjna and § 4 item 2 of the Rules of procedure of Supervisory Board, an analysis of the application of the Principles by the Bank in 2021 was conducted.

As a result of this analysis carried out on the basis of information provided by the Bank's units responsible for the application of individual Principles, it was established that in 2020 the Bank applied the Principles with the exception of:

- chapter 9 regarding management of assets at customer risk due to the fact that the Bank does not pursue any activity in this area,
- § 49 item 4 and § 52 item 2 due to the fact that the Bank has an audit and a compliance unit and therefore these provisions do not apply to the Bank.

Rule defined in § 21 item 2 of the Principles regarding the composition of supervisory body, with respect to the chairperson of the Supervisory Board, the Bank applied partially. The election of the chairperson of the Supervisory Board was made on the basis of the criterion of knowledge and experience, including that of managing the work of the body, and skills that confirm the competence necessary to properly perform the duties of supervision. Considering the above, the independence criterion was waived in relation to the chairperson of the Supervisory Board. The composition of the Supervisory Board meets the criteria of independence set forth in the Bank's Statute and Best Practices of WSE Listed Companies.

ASSESSMENT OF SUPERVISORY BOARD

The Bank's Supervisory Board, acting on the basis of § 27 of the Principles, having acknowledged the results of the analysis of the application of the Principles by the Bank in 2021, has not identified any misconduct in their application. The Bank's Supervisory Board positively assesses the Bank's actions in this respect as adequate and consistent with the requirements of the said rules.