

INFORMATION FOR THE SHAREHOLDERS OF BNP PARIBAS BANK POLSKA S.A.

Rationale for the resolutions included in the agenda of the Ordinary General Meeting convened for 16 April 2024

The Management Board of BNP Paribas Bank Polska S.A. ("the Bank"), acting pursuant to Article 395 of the Code of Commercial Companies and Partnerships ("the Code") and § 8 para. 2 of the Articles of Association of the Bank, has convened the Ordinary General Meeting of BNP Paribas Bank Polska S.A. ("OGM") to be held on 16 April 2024 at 10:00 a.m., proposing at the same time adoption of the resolutions included in the OGM's agenda, as presented in the published Announcement.

I. Justification for the agenda of the Ordinary General Meeting of BNP Paribas Bank Polska S.A.

Pursuant to Article 395 § 2-2¹ and § 5 of the Code of Commercial Companies and Partnerships, the agenda of an Ordinary General Meeting ("OGM") should comprise:

- 1) review and approval of the management board's report on the company's activities and the financial statements for the previous financial year;
- 2) adoption of a resolution on profit distribution or loss coverage;
- 3) granting a vote of acceptance to the members of the company's bodies for the fulfilment of their duties;
- 4) adoption of a resolution on the opinion on the Supervisory Board's report on the remuneration;
- 5) review and approval of the financial statements of the group.

There may also be other matters on the agenda of an Ordinary General Meeting.

On 29 February 2024, the Supervisory Board of BNP Paribas Bank Polska S.A. expressed a favourable opinion on the agenda of the OGM convened for 16 April 2024. (Resolution no. 2/2024 of the Supervisory Board dated 29 February 2024).



II. Justification for item 8 of the agenda - Resolutions nos. 3-6

- a) Resolution no. 3 on the review and approval of the Separate Financial Statements of BNP Paribas Bank Polska S.A. for the year ended 31 December 2023
- b) Resolution no. 4 on the review and approval of the Consolidated Financial Statements of BNP Paribas Bank Polska S.A. Group for the year ended 31 December 2023
- c) Resolution no. 5 on the review and approval of the Management Board's Report on the activities of BNP Paribas Bank Polska S.A. Group in 2023 (including the Report of the Management Board on the activities of BNP Paribas Bank Polska S.A. in 2023)
- d) Resolution no. 6 on the review and approval of the Report presenting non-financial information of BNP Paribas Bank Polska S.A. Group in 2023 (including non-financial information of BNP Paribas Bank Polska S.A. in 2023)

The adoption by the OGM of resolutions on the above matters is required by Article 395 § 2 item 1 and § 5 in conjunction with Article 393 item 1 of the Code of Commercial Companies and Partnerships and § 12 para. 1 item 1) and 2) of the Articles of Association of BNP Paribas Bank Polska S.A.

The statements indicated above were made public on 1 March 2024. They are available at <https://www.bnpparibas.pl/en/investor-relations/stock-exchange-reports/periodic-reports>

The Management Board's Report on the activities of BNP Paribas Bank Polska S.A. Group in 2023 (including the Management Board's Report on the activities of BNP Paribas Bank Polska S.A. in 2023) offers a comprehensive view of the Bank's operations, integrating financial and business performance with environmental and social impact, and corporate governance (ESG).

To comply with Article 49b para. 9 of the Accounting Act, the Bank has prepared a separate Report on non-financial information of BNP Paribas Bank Polska S.A. Group in 2023 (including non-financial information of BNP Paribas Bank Polska S.A. in 2023), which includes non-financial information as required by the Act. The Report includes, among others, non-financial information on the management of the ESG area, i.e. environmental and social impact, regarding appropriate business practices and organisational governance, including respect for human rights and the prevention of corruption and frauds.

The Supervisory Board has favourably assessed the annual financial statements, annual Management Board's Report on the activities and the Report presenting non-financial information (Resolution no. 4/2024 of the Supervisory Board dated 29 February 2024) and recommended that they be adopted by the General Meeting.



III. **Justification for item 9 of the agenda - Resolution no. 7 on the distribution of the profit of BNP Paribas Bank Polska S.A. and dividend payment for the financial year 2023**

The adoption of a resolution on profit distribution falls within the competence of the Ordinary General Meeting, pursuant to Article 395 § 2 item 2 of the Code of Commercial Companies and Partnerships. The Management Board's justification for the proposed profit distribution is presented as an attachment to the OGM's draft resolution on that matter.

In accordance with the guidelines of the Polish Financial Supervision Authority, the Bank meets the requirements of the dividend policy concerning dividend payment up to 75% of the net profit generated in the financial year 2023.

The Management Board of the Bank requests the Ordinary General Meeting to resolve to distribute the profit of PLN 1,007,827,538.15 (one billion seven million eight hundred twenty-seven thousand five hundred thirty-eight and 15/100 zloty) earned in 2023 as follows:

- to allocate to the dividend PLN 503,997,556.70 (PLN 3.41 per share),
- to allocate the remaining part of the profit of PLN 503,829,981.45 to the reserve capital.

The Supervisory Board gave a favourable opinion on the Management Board's profit distribution recommendation (Resolution no. 5/2024 of the Supervisory Board dated 29 February 2024).



IV. Justification for the resolutions included in item 10 of the agenda - Resolutions nos. 8-17 on granting a vote of acceptance to the Members of the Management Board of the Bank for the fulfilment of their duties in the financial year 2023

The adoption by the OGM of Resolutions on granting a vote of acceptance to the Members of the Management Board arises from the obligation for the Bank to apply the provisions of Article 395 § 2 item 3 in conjunction with Article 393 item 1 of the Code of Commercial Companies and Partnerships.

Following the review and assessment of the financial statements and the Report on the activities of BNP Paribas Bank Polska S.A. in 2023, the Supervisory Board, by means of the resolutions dated 29 February 2024, requested the General Meeting to grant a vote of acceptance to the Members of the Management Board for the fulfilment of their duties in 2023, which simultaneously confirms the positive assessment by the Supervisory Board of the correctness and effectiveness of the actions taken by the Members of the Management Board of the Bank.



V. Justification for item 11 of the agenda - [Resolution no. 18 on the review and approval of the Report on the activities of the Supervisory Board of BNP Paribas Bank Polska S.A. in 2023](#)

The adoption g by the OGM of the above resolution is required by Article 382 § 2 of the Code of Commercial Companies and Partnerships, Rule 2.11 of the Best Practice for WSE Listed Companies 2021, § 28 paras. 3 and 4 of the Principles of Corporate Governance for the Supervised Institutions, recommendation 8.9 of Recommendation Z of the PFSA, and the guidelines of the European Banking Authority EBA/GL/2021/06 dated 2 July 2021 on the assessment of the suitability of members of the management body and key function holders.

The Supervisory Board confirmed that it duly exercised continuous oversight over the Bank's activity in all its areas pursuant to the applicable law and the Bank's Articles of Association. In the opinion of the Supervisory Board, its composition guaranteed a high level of qualifications, while the professional experience and diversified competences of particular members of the Supervisory Board enabled them to examine the topics in a thorough manner and provide opinions thereon, and to express a wide range of views while assessing the work of the Management Board and the functioning of the Bank..

The Supervisory Board also favourably assessed the cooperation with the Management Board of the Bank, emphasising the reliability, accuracy and high substantive value of the information provided by the Management Board. With respect to the internal control system, the Supervisory Board positively assessed the internal control model integrating all three lines of defence, implemented at the Bank in compliance with the PFSA Recommendation H. The compliance risk management by the Bank was also viewed as effective. In the opinion of the Supervisory Board, the Management Board of the Bank duly fulfilled the disclosure obligations arising from the principles set out in the "Best Practice for WSE Listed Companies 2021", the obligations arising from the WSE Rules and from regulations concerning the performance of disclosure obligations s by publicly listed companies. The Supervisory Board did not identify any violations by the Bank of the Principles of Corporate Governance for the Supervised Institutions in the period covered by the report.

As regards the assessment of the rationality of the sponsorship, charitable and CSR policy, the Supervisory Board is of the view that the Bank's sponsorship and charitable policy is pursued in a prudent and effective manner. The Bank's activities support, in a reasonable manner, the pursuit of the business mission and the GOeyond Business Strategy for the years 2022-2025, as well as fostering and strengthening the Bank's positive image as a socially responsible and committed institution.

Furthermore, the Supervisory Board had a positive opinion on the best practices applied by the Bank in regard to the diversity policy towards all of the Bank's employees, regardless of their position, with special focus on the suitability of the governing bodies of the Bank and its key managers.



VI. Justification for item 12 of the agenda - Resolution no. 19 on the approval of the periodic individual and collective suitability assessment of the Supervisory Board Members of BNP Paribas Bank Polska S.A.

The competence, and at the same time the obligation, of the General Meeting, to approve the Nomination Committee's assessment of the individual and collective suitability of the Members of the Supervisory Board results directly from § 12 para. 2 item 8 of the Articles of Association of BNP Paribas Bank Polska S.A. in conjunction with item 3.1 sub-section 2 and item 2.1.2 of the Policy on the Assessment of Suitability of the Members of the Supervisory Board of BNP Paribas Bank Polska S.A., as adopted by Resolution no. 5 of the Extraordinary General Meeting dated 17 January 2023 on the adoption of the Policy on the Assessment of Suitability of the Members of the Supervisory Board of BNP Paribas Bank Polska S.A.

The obligation to carry out annually a (periodic) re-assessment of the individual and collective suitability of the Members of the Supervisory Board who continue in office, with regard to their fulfilment of the requirements set forth in Article 22aa of the Act of 29 August 1997 – Banking Law is imposed on supervised institutions by the European Banking Authority's Guidelines dated 2 July 2021 on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06), as well as recommendation 7.3 of Recommendation Z concerning the principles of internal governance in banks, as adopted by Resolution no. 289/2020 of the Polish Financial Supervision Authority dated 9 October 2021, and the Methodology for the assessment of suitability of members of the bodies of supervised entities, prepared and published by the Polish Financial Supervision Authority on 27 January 2020, as amended.

On 26 February 2024, the Nomination Committee carried out a periodic suitability assessment of the Members of the Supervisory Board of BNP Paribas Bank Polska S.A., concluding that the individual Members of the Supervisory Board have the knowledge, skills and experience required to perform the function of a supervisory board member and offer a guarantee of due performance of their duties, and thus meet the requirements set forth, among others, in Article 22aa of the Banking Law. At the same time, the Nomination Committee concluded that the individual competencies of the Members of the Supervisory Board complement each other in such a way as to enable the Supervisory Board to exercise an appropriate level of collective oversight over all of the Bank's areas, as well as enable the Supervisory Board to effectively challenge and monitor decisions made by the Management Board and understand the Bank's activities, including the risks that are relevant to the Bank's operations.

The Nomination Committee has also assessed the competence in ESG risk management and ML/FT risk management and concluded that the knowledge of the Supervisory Board members in this area is adequate. At the same time, the Nomination Committee concluded that the Supervisory Board in the aforementioned composition ensures an appropriate level of diversity as required by the Bank's Diversity Policy. The proportion of women on the Supervisory Board of the Bank is 42% and the proportion of men is 58 %.

By Resolution no. 20/2024 dated 29 February 2024, the Supervisory Board of BNP Paribas Bank Polska S.A. positively assessed the results of the Nomination Committee's periodic assessment of the individual and collective suitability of the Members of the Supervisory Board, and gave a positive opinion on the draft resolution of the General Meeting on the approval of the periodic assessment of the individual and collective suitability of the Members of the Supervisory Board of BNP Paribas Bank Polska S.A.



VII. Justification for item 13 of the agenda - Resolution no. 20 on assessment of the adequacy of the Bank's internal regulations regarding the functioning of the Supervisory Board and the effectiveness of its operation

The need to assess the adequacy of the Bank's internal regulations regarding the functioning of the Supervisory Board and the effectiveness of its operation arises from recommendation 8.9 of Recommendation Z of the Polish Financial Supervision Authority on the principles of internal governance in banks, issued by Resolution no. 289/2020 of the Polish Financial Supervision Authority dated 9 October 2020.

In accordance with the position of the Polish Financial Supervision Authority expressed in the letter of 31 March 2023 regarding compliance with the requirements for adequacy assessment of internal regulations on the functioning and effectiveness of the supervisory board, resulting from Recommendation Z of the Polish Financial Supervision Authority concerning the principles of internal governance in banks, the adequacy assessment of the regulations referred to above should be carried out by the General Meeting on the basis and to the extent of all the information and documents that can be made available to the General Meeting, including but not limited to:

- 1) a resolution of the Supervisory Board on the self-assessment of the adequacy of internal regulations regarding the functioning and effectiveness of the Supervisory Board;
- 2) a list of the Bank's internal regulations on the functioning of the Supervisory Board;
- 3) contents of the Bank's internal regulations on the functioning of the Supervisory Board, which, in the opinion of the Bank's Management Board, can be made available to the General Meeting;
- 4) expert reports, audit reports or opinions on the Bank's internal regulations regarding the functioning and effectiveness of the Supervisory Board, prepared by external advisors at the Bank's request, subject to the observance of the necessary rules of confidentiality and for the purposes of the assessment made by the General Meeting.

In February 2023, the Supervisory Board carried out a self-assessment of the adequacy of internal regulations regarding the functioning and effectiveness of the Supervisory Board. Based on the results of that report, the Supervisory Board, at its meeting on 28 February 2023, assessed that the Bank's internal regulations regarding the functioning of the Supervisory Board are adequate, comprehensive and ensure the Supervisory Board's effective and efficient operation (Resolution no. 24/2023 of the Supervisory Board dated 28 February 2023). The regulations duly reflect the specific nature of the Bank's operations, as well as its size and organisational structure. They meet all regulatory requirements under both the law and Polish Financial Supervision Authority recommendations and EBA Guidelines relating to internal governance.

In order to assist the General Meeting in carrying out the assessment referred to above, the law firm Gide Tokarczuk Grześkowiak Sądownik sp.k. made an independent assessment of the internal regulations of BNP Paribas Bank Polska S.A. regarding the functioning of the Supervisory Board for compliance with Recommendation Z. In its assessment, the external advisor concluded that:

- (i) with reference to the requirements of Recommendation Z regarding the functioning of the Supervisory Board, the regulations are adequate and ensure that the Supervisory Board can operate effectively;
- (ii) the Supervisory Board carried out a self-assessment of the adequacy of internal regulations regarding the functioning and effectiveness of the Supervisory Board in a manner compliant with the requirements of Recommendation Z.

Therefore, the external advisor recommends that the Bank's General Meeting make a positive assessment of the adequacy of the Regulations as they relate to the functioning and effectiveness of the Supervisory Board.



VIII. **Justification for item 14 of the agenda - Resolutions nos. 21-34 on granting a vote of acceptance to members of the Bank's Supervisory Board for the fulfilment of their duties in the financial year 2023**

The adoption by the OGM of Resolutions on granting a vote of acceptance to Members of the Supervisory Board arises from the obligation for the Bank to apply the provisions of Article 395 § 2 item 3 in conjunction with Article 393 item 1 of the Code of Commercial Companies and Partnerships.

By granting the vote of acceptance to the Members of the Supervisory Board for the fulfilment of their duties in the financial year 2023, the General Meeting confirms its approval of performance of the supervisory duties by the Supervisory Board. The Supervisory Board duly exercised continuous and effective oversight over the Bank's activity in all its areas pursuant to the applicable law and the Bank's Articles of Association.

IX. **Justification for item 15 of the agenda - Resolution no. 35 on the independent assessment of the application of the Remuneration Policy at BNP Paribas Bank Polska S.A. in 2023**

The adoption by the OGM of the said Resolution is associated with § 28 paras. 3 and 4 of the Principles of Corporate Governance for the Supervised Institutions as adopted by Resolution no. 218/2014 of the Polish Financial Supervision Authority dated 22 July 2014.

The Supervisory Board confirms in its assessment that the Bank pursues a rational, balanced and controlled remuneration policy, ensuring its consistence with the strategy, the accepted risk level, with the standards and key values of the Bank, and with the relevant statutory and implementing legislation, including but not limited to the Regulation of the Minister of Finance, Funds and Regional Policy of 8 June 2021 on the risk management and internal control systems, and remuneration policy in banks, Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019, and the Polish Banking Law.

X. **Justification for item 16 of the agenda - Resolution no. 36 on the opinion on the Supervisory Board's report on the remuneration of the Members of the Management Board and Supervisory Board of BNP Paribas Bank Polska S.A. in 2023**

The adoption by the OGM of a resolution on the Supervisory Board's report on the remuneration of the Members of the Management Board and Supervisory Board of BNP Paribas Bank Polska S.A. in 2023 is required by Article 395 § 2¹ of the Code of Commercial Companies and Partnerships in conjunction with Article 90g para. 6 of the Act on the Public Offering and the Conditions for Introducing Financial Instruments to Organised Trading, and on Public Companies.

The Supervisory Board adopted the Report on the Remuneration of the Members of the Management Board and Supervisory Board in 2023 at its meeting on 29 February 2024. (Resolution no. 16/2024 of the Supervisory Board dated 29 February 2024).

The independent auditor provided a report on the assurance engagement providing reasonable assurance on the assessment of the Report on the Remuneration of the Members of the Management Board and Supervisory Board of BNP Paribas Bank Polska S.A. for 2023. The service was performed in accordance with the regulations of the National Standard on Assurance Engagements other than Audit and Review of Historical Financial Information 3000 (Z). The assessment has been added to the materials submitted to the OGM.

As stated by the independent auditor in its opinion, the scope of the information presented in the Report on the Remuneration, is complete and detailed in all its material aspects and includes all the elements listed in Art. 90g, paras. 1-5 and para. 8 of the Act on Public Offering.

XI. Justification for item 17 of the agenda - Resolution no. 37 on the Policy on the assessment of suitability of members of the Supervisory Board of BNP Paribas Bank Polska S.A.

It is hereby proposed to approve a new wording of the Policy on the Assessment of Suitability of Members of the Supervisory Board of BNP Paribas Bank Polska S.A. in order to:

- 1) adjust the process of the assessment of suitability of members of the Supervisory Board with respect to the assessment of competencies including ESG risk and MF/CT risk management - in connection with the publication, on 9 August 2023, of the updated Methodology on the Assessment of Suitability of Members of Governing Bodies of Entities Supervised by the Polish Financial Supervision Authority, developed in accordance with the Guidelines of the European Banking Authority (EBA) and the European Securities and Markets Authority (ESMA) on the Assessment of the Suitability of Members of the Management Body and Key Function Holders of 2 July 2021 (EBA/GL/2021/06);
- 2) adjust the entire process of the assessment of suitability of members of the Supervisory Board, by abandoning the use of the self-assessment questionnaire (with respect to the assessment of competencies in ESG risk and MF/CT risk management) in the assessment process and model statements constituting attachments to the Policy document and replacing them with model assessment forms - a consolidated individual assessment form and a collective assessment form prepared by the Polish Financial Supervision Authority Office under the Methodology on the Assessment of Suitability of Members of Governing Bodies of Entities Supervised by the Polish Financial Supervision Authority;
- 3) adjust the wording of the statements which will continue to be submitted by the assessed persons in connection with performance of functions in the bank's governing bodies, in accordance with the consolidated individual assessment form developed by the Polish Financial Supervision Authority under the Methodology.

On 7 December 2023, the Supervisory Board of BNP Paribas Bank Polska S.A. gave a positive opinion on the draft Policy on the Assessment of Suitability of Members of the Supervisory Board of BNP Paribas Bank Polska S.A. (Resolution no. 73/2023 of the Supervisory Board dated 7 December 2023). In consideration thereof, it is legitimate that the General Meeting, upon recommendation of the Supervisory Board, passes the resolution in the proposed wording.



XII. Justification for item 18 and 19 of the agenda - Resolution no. 38 regarding amendments to the Articles of Association of BNP Paribas Bank Polska S.A. and Resolution no. 39 regarding the adoption of the consolidated text of the Articles of Association of BNP Paribas Bank Polska S.A.

The necessity for the General Meeting to adopt a resolution on this matter arises directly from the competence of the General Meeting as specified in Article 430 § 1 of the Code of Commercial Companies and Partnerships. The proposed amendments to the Articles of Association consist in:

- adjusting the Bank's business activities to the Banking Law Act as amended by the Act on Amending Certain Acts in Connection with Ensuring the Development of the Financial Market and the Protection of Investors in this Market of 16 August 2023 (Journal of Laws of 2023, item 1723),
- adjusting the procedure for issuing internal regulations and other editorial simplifications.

Adoption of the resolution regarding the consolidated text of the Bank's Articles of Association is a consequence of the amendments to the Articles of Association of the Bank and its objective is to present a uniform picture of the Articles of Association after the adopted amendments are implemented.

The Supervisory Board issued its positive opinion on the draft resolutions.

XIII. Presentation of the changes introduced by the Supervisory Board to the By-laws of the Supervisory Board of BNP Paribas Bank Polska S.A. (item 20 of the agenda)

In accordance with recommendation no. 9 of Recommendation Z of the Polish Financial Supervision Authority, the Supervisory Board informs the General Meeting of the amendments made to the Supervisory Board By-laws.

On 7 December 2023 the Supervisory Board made amendments to the By-laws of the Supervisory Board of BNP Paribas Bank Polska S.A. (Resolution no. 91/2023 of the Supervisory Board dated 7 December 2023) whose purpose was to adjust the provisions of the By-laws to the current provisions of the Articles of Association of the Bank with regard to the extension of the term of office of the Bank's governing bodies; the proposed amendments restore the previous method of counting terms of office. In addition, the EBA guidelines regarding the compliance management strategy and procedures and the role and duties of the compliance officer with regard to anti-money laundering and counter-terrorism financing (EU 2015/849) have been accommodated.

A detailed description of the amendments made to the Supervisory Board By-laws was attached to the materials submitted to the EGM.

The By-laws of the Supervisory Board of BNP Paribas Bank Polska S.A. are available from the Bank's website:

<https://www.bnpparibas.pl/relacje-inwestorskie/lad-korporacyjny/dokumenty-banku>