

Self-assessment of Adequacy of Internal Regulations Governing the Activities and Effectiveness of the Supervisory Board carried out by the Supervisory Board of BNP Paribas Bank Polska S.A.

Acting under Recommendation 8.9, included in Recommendation Z issued by the Polish Financial Supervision Authority (PFSA) relating to internal governance principles in banks, on 29 February 2024 the Supervisory Board of BNP Paribas Bank Polska S.A. performed a self-assessment of the adequacy of the internal regulations governing its activities, and a self-assessment of the effectiveness of its activities.

I. Adequacy of the internal regulations governing the activities of the Supervisory Board:

The assessment was performed under the following regulations:

- Articles of Association of BNP Paribas Bank Polska S.A.;
- By-laws of the Supervisory Board of BNP Paribas Bank Polska S.A.;
- By-laws of the Audit Committee of BNP Paribas Bank Polska S.A.;
- By-laws of the Risk Committee of BNP Paribas Bank Polska S.A.;
- By-laws of the Remuneration Committee of BNP Paribas Bank Polska S.A.;
- By-laws of the Nomination Committee of BNP Paribas Bank Polska S.A.;
- Code of Conduct of the BNP Paribas Group;
- Policy on the Assessment of Suitability of Members of the Supervisory Board of BNP Paribas Bank Polska S.A.;
- Policy on the Appointment and Dismissal of Members of the Supervisory Board of BNP Paribas Bank Polska S.A.;
- Remuneration Policy for Members of the Supervisory Board of BNP Paribas Bank Polska S.A.;
- Regulations on Granting Credit Products to Members of the Bodies of BNP Paribas Bank Polska S.A., Managerial Position Holders at BNP Paribas Bank Polska S.A. and their Affiliates in Terms of Capital or Organisation;
- Strategy of the Bank and the Group of BNP Paribas Bank Polska S.A.;
- Organisational Regulations of BNP Paribas Bank Polska S.A.;
- Rules of Procedure for Organisational Changes at BNP Paribas Bank Polska S.A.;
- Policy on the Management of Conflict of Interest at BNP Paribas Bank Polska S.A.;
- Anti-Corruption Policy at BNP Paribas Bank Polska S.A.;
- Risk Strategy at BNP Paribas Bank Polska S.A.;
- Internal Control Policy at BNP Paribas Bank Polska S.A.;
- Information Policy of BNP Paribas Bank Polska S.A. regarding Capital Adequacy (Section 8 of the CRR2);



- Individual Reporting Standard of BNP Paribas Bank Polska S.A. (Principles of performing information obligations resulted from the listing of the Bank's shares on the Warsaw Stock Exchange);
- Internal Audit Charter of BNP Paribas Bank Polska S.A.;
- Audit Strategy.

The aforesaid regulations are subject to periodic reviews whose purpose is to identify the necessity for update in line with amendments to the law, changes of the regulatory environment or the BNP Paribas Group standards, or for adjustment to current needs related to the activities of the Supervisory Board and its committees.

In 2023, the amendments introduced to the above mentioned regulations consisted mainly in harmonising the provisions with the updated provisions of the Code of Commercial Companies and Partnerships, guidelines of the Polish Financial Supervision Authority and the European Banking Authority (EBA), the compliance management strategy and procedures with the AML/CFT provisions as well as the BNP Paribas Group standards.

Based on the above internal regulations, the Bank's Supervisory Board assesses that:

- a) The above mentioned documents are up-to-date, comprehensive and adequate, that is they regulate all issues required by law; they enable the Supervisory Board to operate efficiently and effectively.
- b) The Bank's organisation is transparent and well-structured, reflecting the Bank's size and risk profile, and the nature and scale of its operations, and it ensures the achievement of business objectives set and appropriate response to changing external conditions or sudden and unexpected occurrences, effective flow and protection of information, and effective fulfilment of tasks by the Supervisory Board and the Management Board of the Bank. In particular, the composition of the Supervisory Board of the Bank and its committees is adequate in terms of the number of members and in line with the suitability criteria, both at the individual level and at the level of the entire body, which contributes to the effective exercising of supervision by the Supervisory Board.
- c) The Supervisory Board ensures effective exercise of permanent supervision over all areas of the Bank's operation, including over the risk management system and the internal control system.
- d) The tasks of the Supervisory Board and the Management Board are coordinated, ensuring effective operation of both bodies with the aim of implementing the GO beyond Strategy and development of the Bank.
- e) The Supervisory Board committees, that is the Audit Committee, the Risk Committee, the Remuneration Committee, the Nomination Committee duly fulfil their consulting and advisory role and support the work of the Supervisory Board.
- f) The solutions adopted in the documents ensure an accurate composition of the Supervisory Board, in line with the adopted criteria ensuring suitability and diversity in the Bank's governing bodies.
- g) The solutions adopted in the documents guarantee that members of the Supervisory Board meet the suitability criterion. They ensure proper selection of Supervisory Board members in terms of their competence, skills, and experience, as well ethical norms and standards of conduct.



- h) The solutions adopted in the Policy on the Assessment of Suitability of Members of the Supervisory Board concerning, among others, periodic individual and collective suitability assessments of the Supervisory Board members ensure such composition of the Supervisory Board which guarantees the optimal level of qualifications, knowledge and professional experience, thus ensuring a relevant level of collective supervision over the Bank.
- i) The solutions adopted in the regulations ensure that the Supervisory Board members dedicate sufficient time to perform their tasks and obligations related to the function exercised at the Supervisory Board and the Supervisory Board Committees.
- j) The solutions adopted in the regulations guarantee that the Supervisory Board members actively perform their duties, with due care and commitment. They act and make decisions independently, following their own opinions and views, acting in the Bank's interest. Members of the Supervisory Board are provided with the opportunity for an open discussion, in which they can communicate their views in a constructive manner that challenges the solutions and decisions adopted in the Bank.
- k) The solutions adopted in the documents guarantee that the Supervisory Board members have current access to all information regarding Bank's activities and assets, including documents related to the operations of the Bank and its subsidiaries, and efficient flow of information. They also allow for drawing on external expertise, analyses and opinions, prepared at the request of the Supervisory Board.
- l) The employment and remuneration principles adopted by the Bank are transparent and objective. The principles relating to the Supervisory Board members' remuneration are adequate to the function held and to additional workload due to tasks performed for a given Supervisory Board committee, as well as adequate to the complexity of the organisational structure, scale of operations and complexity of the Bank. The Supervisory Board's remuneration does not depend on the Bank's short-term results.
- m) The adopted solutions ensure that the members of the Supervisory Board properly understand the Bank's management principles, their role and are aware of the risk culture at the Bank.
- n) Appropriate resources for training are ensured for the members of the Supervisory Board.
- o) A policy on conflict of interest management adopted at the Bank complies with the law as well as with PFSA and EBA regulations.
- p) The disclosure regulations adopted by the Bank ensure that the information divulged is up-to-date, reliable, relevant and coherent over time, and that it is formulated in an understandable and transparent manner.
- q) The Bank's risk management system, its organisation, powers and responsibilities, and the mutual relations between the Management Board and the Supervisory Board ensure effective and prudent management of the Bank both on a stand-alone basis and at the level of the Bank's group; in particular, it ensures reliability of financial reporting, compliance with the risk management rules at the Bank and compliance of the Bank's activity with the provisions of law, internal regulations and market standards; the risk management system at the Bank takes full account of the nature of the Bank's risk exposure and covers all the material types of risk;

II. Effectiveness of the Supervisory Board activity:

In 2023, the Supervisory Board held 6 meetings and 15 votings in writing, concluded with the adoption of effective resolutions.



The agendas for the meetings of the Supervisory Board covered all issues required by law and regulations. Activities which the Supervisory Board was obliged to perform were completed on time and with due diligence. The decisions were made after prior review and thorough analysis and the Supervisory Board held a discussion and effectively adopted resolutions in all presented cases. The course of the discussions, comments, conclusions and opinions raised were duly reflected in the minutes of the meetings of the Supervisory Board.

III. Summary:

In consideration thereof, the Supervisory Board of the Bank hereby assesses that:

1. the internal regulations regarding the operation of the Supervisory Board are up to date and adequate,
2. it acted effectively and with due diligence.