

Your partner for green transition

Strategy of Bank Ochrony Środowiska S.A. for 2024–2026



BOŚ AS A VALUED PARTNER FOR GREEN TRANSITION

MISSION: We provide comprehensive finance and support for initiatives driving the transition towards a greener future.

VISION: BOŚ is the specialised bank of first choice for corporate clients seeking to make investments that promote environmental sustainability. We are a valued partner in banking services.

BOŚ stands out as a unique institution dedicated from its inception to financing and supporting Poland's green transition. We take pride in our green mission and, through strong collaborations within the Group and with our business partners, we provide clients with attractive banking products and a comprehensive suite of green finance solutions. By doing so, we help our clients achieve their ESG goals.

Under our strategy for 2024–2026, we will further expand our green offerings, placing a priority focus on corporate clients. We will also extend support to retail clients and local government units. We will strengthen our sales efforts, enhance processes and upgrade systems to develop the Bank as an agile and contemporary institution. Supporting the business development of our clients, we operate to high ESG standards.

The core assets of Bank Ochrony Środowiska are its people – a team of top grade banking professionals and green transition experts. Leveraging this pool of talent, we aim to deliver optimal value to our clients. We are confident this approach will help us deliver on ambitious financial targets.

Management Board of Bank Ochrony Środowiska

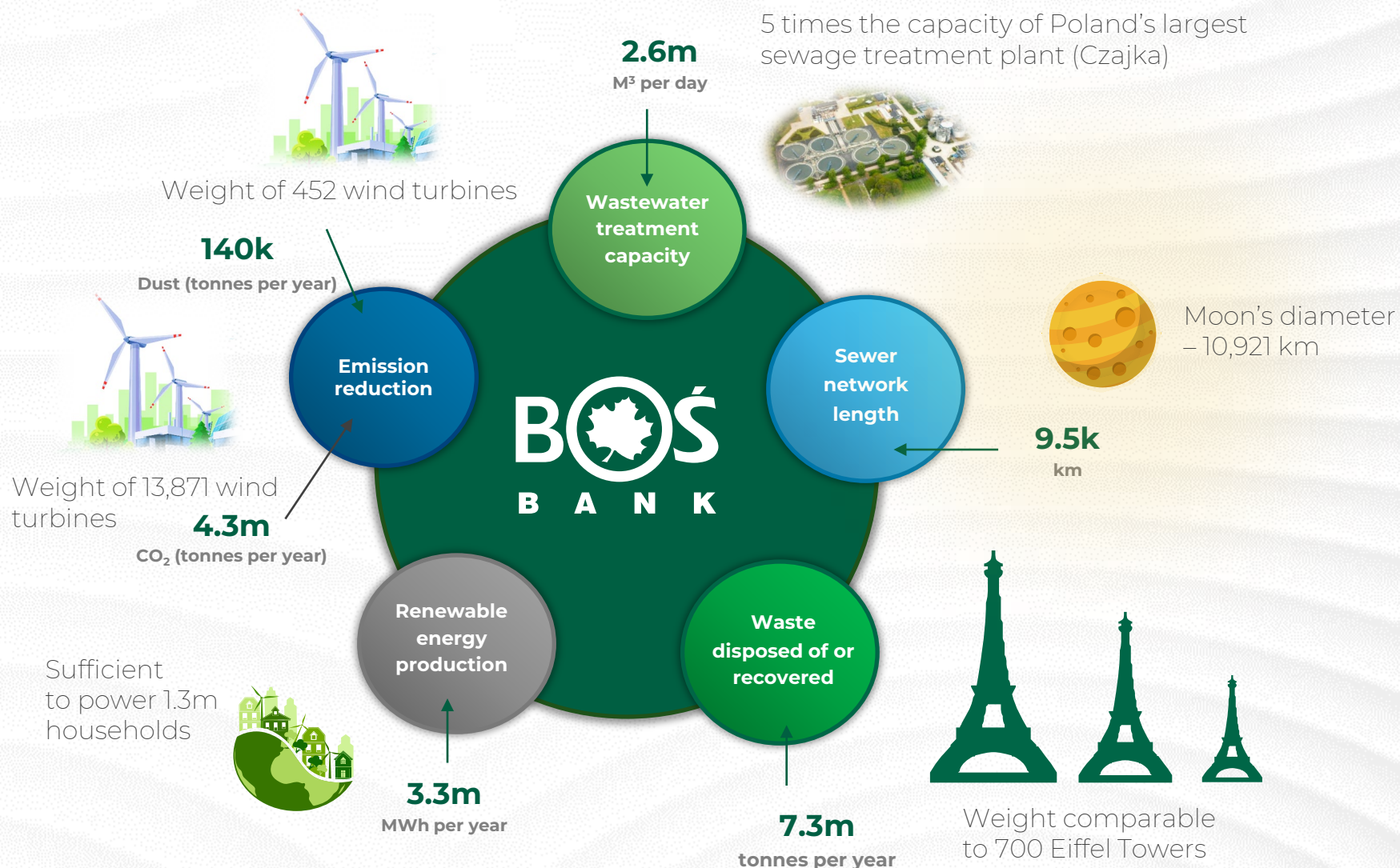
**ENVIRONMENTAL ENGAGEMENT:
THE STRENGTH AND BEATING
HEART OF BOŚ**



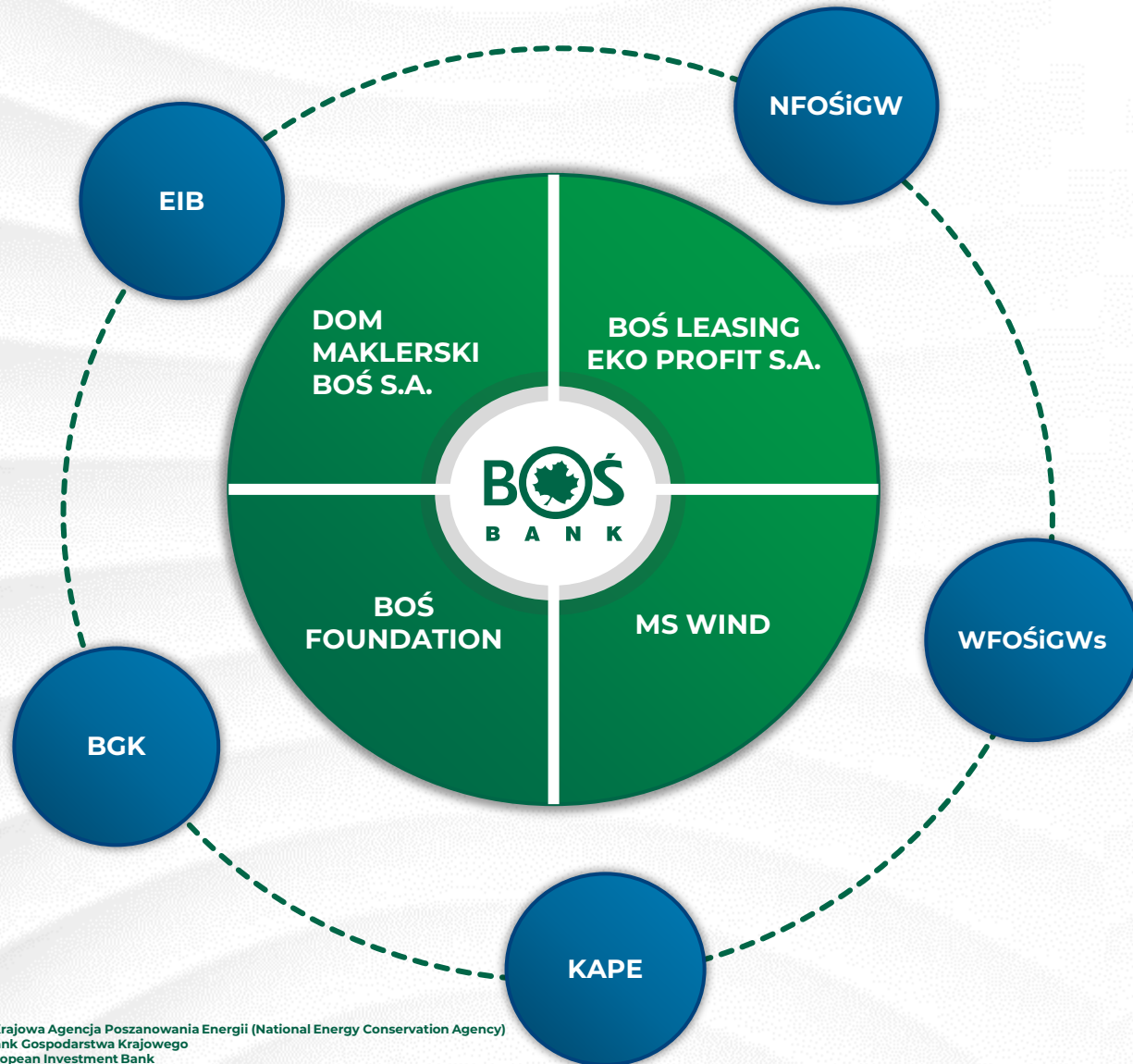
BOŚ AS POLAND'S LEADING PROVIDER OF FINANCE FOR GREEN TRANSITION PROJECTS AS AN ESG LEADER WE ARE DEDICATED TO PROVIDING COMPREHENSIVE SUPPORT TO CLIENTS, EMPOWERING THEM TO ACHIEVE OUTSTANDING ENVIRONMENTAL OUTCOMES



> PLN 27bn*
green loans provided
by BOŚ in 1991-2023



WE ARE A VITAL PART OF THE GREEN ECOSYSTEM. THROUGH STRONG PARTNERSHIPS, WE HARNESS SYNERGIES TO DELIVER EXCELLENT SOLUTIONS FOR OUR CLIENTS



Collaboration within the Group ensures a complementary offering for clients, as well as operational synergies:

- Dom Maklerski, our brokerage arm, is a robust platform for green bond issuance;
- BOŚ Leasing provides value-add leasing services;
- MS WIND empowers the Bank to deliver on its net zero target;
- BOŚ Foundation raises public awareness of environmental protection and sustainability through education.

Active collaboration with our green transition partners delivers the following benefits:

- Strong potential to access environmental funding assistance schemes for our clients;
- Comprehensive and unique range of green finance products;
- Support for environmental protection efforts at regional level.

OUR COMPETITIVE ADVANTAGES LIE IN STRATEGIC PARTNERSHIPS, THE GREEN BRAND AND A TEAM OF PROFESSIONALS WITH GREEN TRANSITION EXPERTISE

ECOSYSTEM

>30 years

within the green ecosystem.

We maintain working relationships with key institutions involved in the green transition (NFOŚiGW, WFOŚiGWs, KAPE, EIB, BGK).

This enables us to comprehensively address the environmental requirements of our clients.



ENVIRONMENTAL ANALYSIS

Support from Environmental Engineers at the Bank's Business Centres across Poland.

We support our clients through dedicated and uniquely designed green product offerings, with a key focus on complex environmental sustainability investments.



GREEN ASSETS

Currently **41%** of green assets in the portfolio, their share growing year over year.

We remain committed to supporting our clients in their environmental sustainability initiatives, thereby expanding the Bank's portfolio of green loans.



GREEN BRAND

A brand unmistakably evoking environmental protection and sustainability.

We enhance awareness by disseminating industry knowledge.

Leveraging our ESG capabilities and relevant experience, we address key challenges for our clients.



STRONG BROKERAGE HOUSE

For the fourth consecutive year, we have secured top rating in the nationwide investor survey, we are a leading green bond issuance arranger.



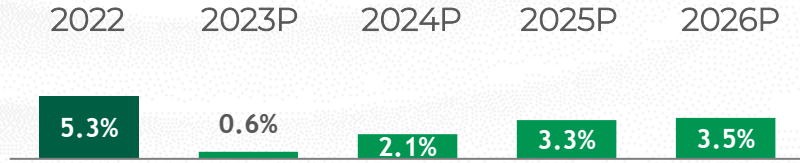
MARKET ENVIRONMENT



MARKET ENVIRONMENT IS EXPECTED TO POSE CHALLENGES, AND A PROJECTED DECLINE IN INTEREST RATES MAY CONSTRAIN GROWTH OF THE BANK'S INTEREST INCOME



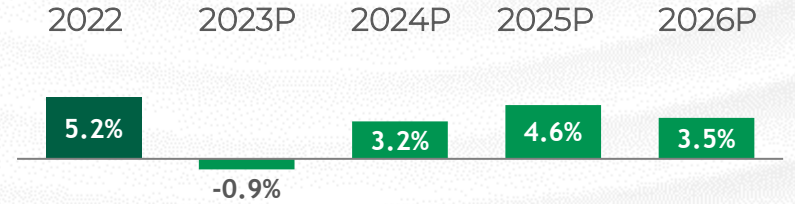
GDP YoY change (%)



GDP growth projected to gradually pick up, but still remain below the 2015–2022 trend of 4.1%.



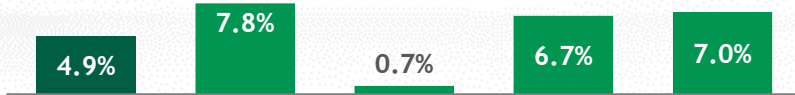
Consumption YoY change (%)



In the short term, improving private consumption expected to be the primary driver of GDP growth.



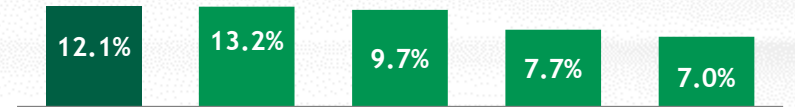
Investments YoY change (%)



In the longer term, investments should gather pace after a temporary lull in 2024.



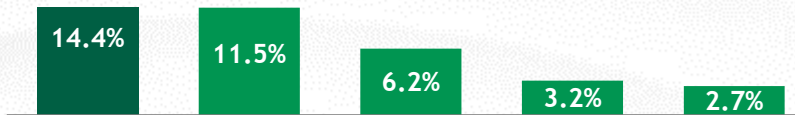
Wages YoY change (%)



Starting from 2023, wage pressures in the corporate sector expected to gradually ease off.



CPI inflation YoY change (%)



Inflation expected to trend downward following the 2021-2022 shocks.



Interest rates (%)



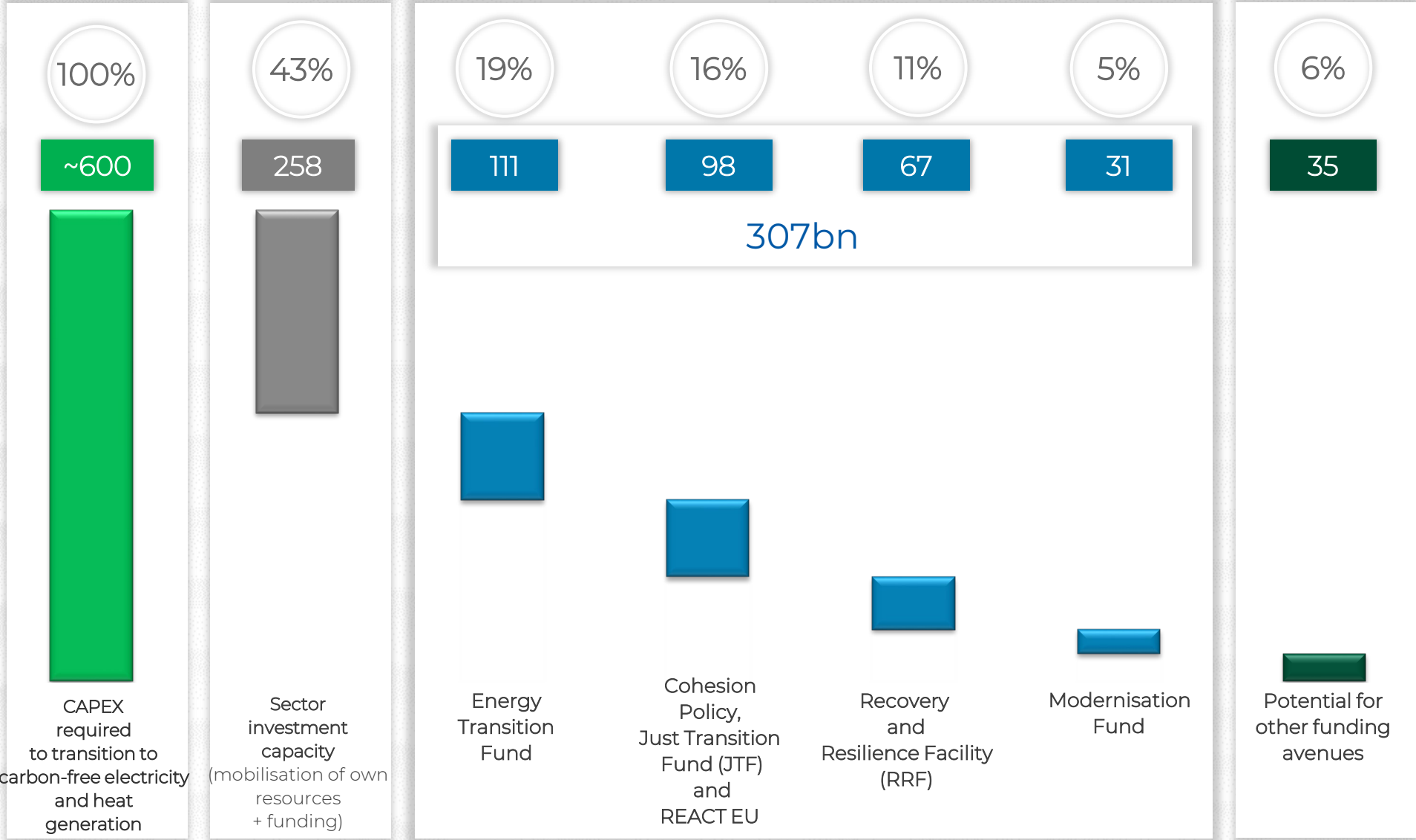
This will prompt the National Bank of Poland to continue the rate lowering cycle.

EXPENDITURES ON GREEN TRANSITION IN POLAND , PROJECTED TO TOTAL CA. PLN 600BN BY 2030, AS BUSINESS GROWTH OPPORTUNITY FOR BOŚ



Value in PLNbn

600
500
400
300
200
100
0



Source: BOŚ based on the "Polish Energy Transition Path" report by the Polish Electricity Association, 2022; data translated at the EUR/PLN exchange rate of 4.444

Strategy for 2024–2026:

CLIENT, FOCUSED APPROACH, CLIMATE



YOUR PARTNER FOR GREEN TRANSITION

MISSION: We provide comprehensive finance and support for initiatives driving the transition towards a greener future.

VISION: BOŚ is the specialised bank of first choice for corporate clients seeking to make investments that promote environmental sustainability. We are a valued partner in banking services.

Our key values and activities under the strategy:

CLIENT – we identify and address client needs, driving the Bank’s revenue



We prioritise corporate clients, providing steadfast support for their growth through the provision of outstanding banking products, with a special focus on green offerings.



By supporting both public sector entities (local government units) and retail clients, we remain committed to fulfilling the mission of a green bank.



We foster relationships with our clients so we stay attuned to their needs and deliver excellent service.



We integrate technology and process solutions to save time and enhance security.



We propose attractive terms of business and a swift decision-making process for our clients of long standing.

FOCUSED APPROACH – we maintain a focus on the organisation’s priorities, efficiency and profitability



Our focus centres on the most profitable products and segments.



Our ongoing efforts include optimising costs and improving risk indicators.



We continually advance our processes, systems and data analytics capabilities, measuring the outcomes of these efforts.



Embracing an agile approach, we strive for operational efficiency in client service and responsiveness to market dynamics. We work collaboratively in interdisciplinary teams.



The well-being of our employees is paramount, with a focus on meeting their needs and providing regular training.

CLIMATE / ESG – we are dedicated to both the natural environment and the working environment



We finance and support environmentally conscious initiatives of our clients, including investments to reduce carbon footprints.



Collaborating with key entities such as the NFOŚiGW, WFOŚiGWs, KAPE, EIB and BGK, we aim to efficiently distribute funds granted under various assistance schemes.



Within the Group, we uphold high environmental standards and continually strive to enhance our ESG practices. We take pride in being energy self-sufficient.



We engage in environmental sustainability and public awareness campaigns. Through our Foundation, we actively support social initiatives.



We foster diversity within the organisation and offer development opportunities for our employees.

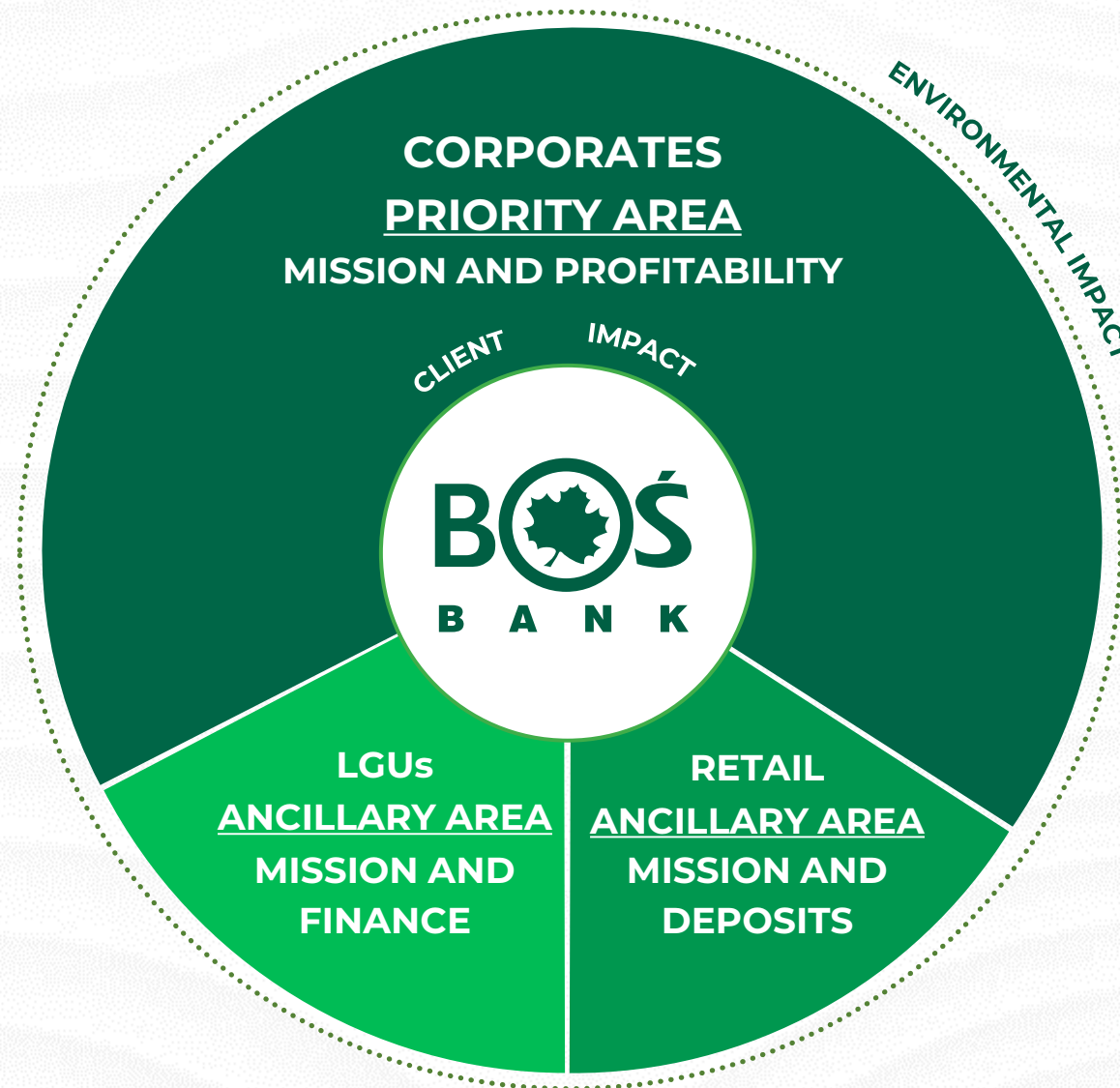
**Strategy for 2024–2026:
PROXIMITY TO THE CLIENT**



PROXIMITY TO OUR CORPORATE CLIENTS IS A TOP PRIORITY FOR BOŚ



Mission: We provide comprehensive finance and support for initiatives driving the transition towards a greener future



CORPORATES

(PRIORITY AREA)

- We prioritise the corporate sector and entities interested in green investments.
- We support our clients in daily needs and strategic challenges posed by the green transition.
- Corporate client service is provided through Business Centres, with a gradual shift towards remote channels.
- The selection of the priority segment was informed by a thorough analysis of product profitability.

RETAIL

(ANCILLARY AREA)

- Development of deposit products.
- Loan products, including loans for eco-conscious clients.
- Progressive shift towards remote service to improve cost efficiency.

LOCAL GOVERNMENT UNITS

(LGUs)

(ANCILLARY AREA)

- Offering of tailored financial services for LGUs.
- Tender activity and bond issuance as the main channels.

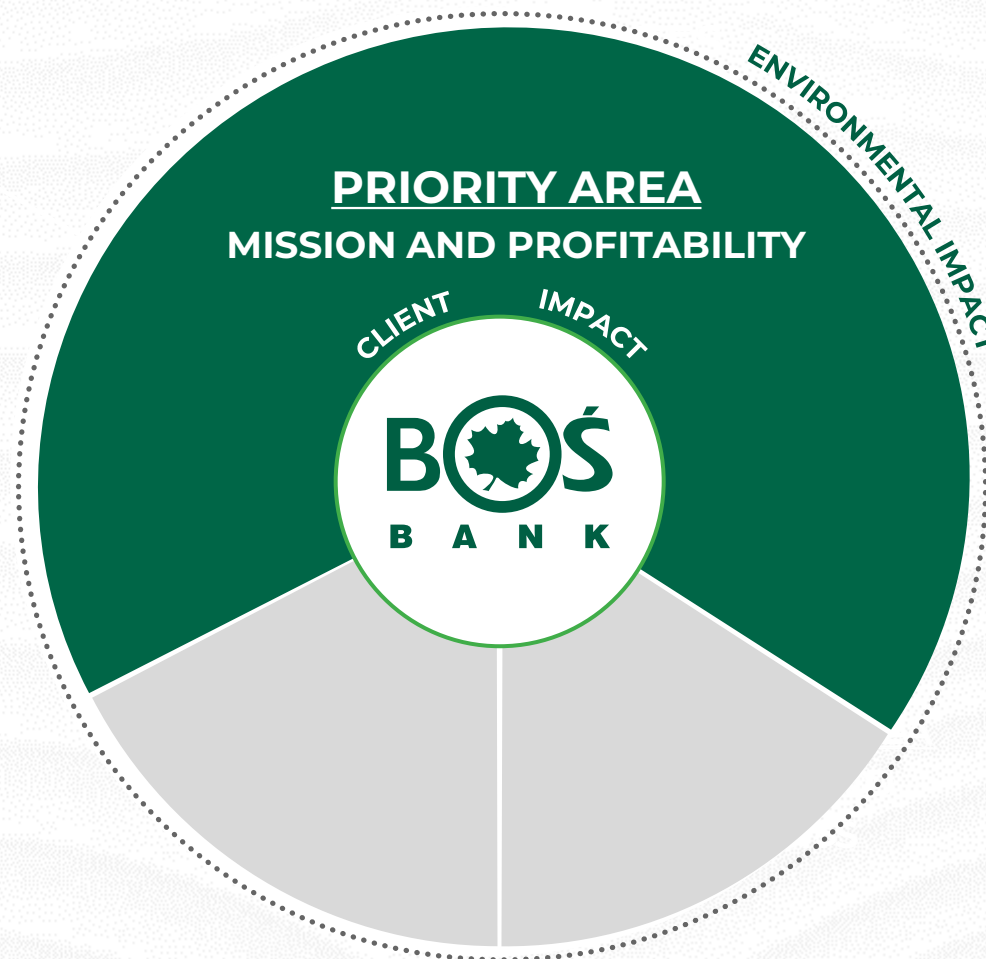
PROXIMITY TO THE CORPORATE CLIENT



We are committed to providing tailor-made green banking products and ensuring a swift decision-making process

EXCELLENT PRODUCTS AND SERVICES FOR CLIENTS

- We will realign and optimise client offerings prioritising profitable products with the highest sales potential, while maintaining a comprehensive range.
- We will enhance our portfolio of unique, tailor-made green products.
- We will partner with our clients to help them obtain grant funds from the NFOŚiGW, WFOŚiGWs, BGK, EIB and under other schemes.
- Our Environmental Engineers will provide more robust support in evaluating and optimising green investments.
- Fast-tracked decision-making pathways will simplify our clients' access to a wide array of banking products tailored to their current needs.
- Through a partnership-oriented approach to our clients, we will continuously enhance the quality of service and fine-tune the Bank's offerings.



SMOOTH LOAN ORIGATION

- We will expedite decision-making processes in loan origination.
- We will expand process automation, optimisation and robotisation for our clients and at the Head Office.

MODERN E-BANKING

- We are committed to developing a cutting-edge IT platform for corporate clients, ensuring seamless access to our products and services.
- We will launch a dedicated mobile application integrated with the platform.
- Our priority is to deploy state-of-the-art security mechanisms to protect our clients.

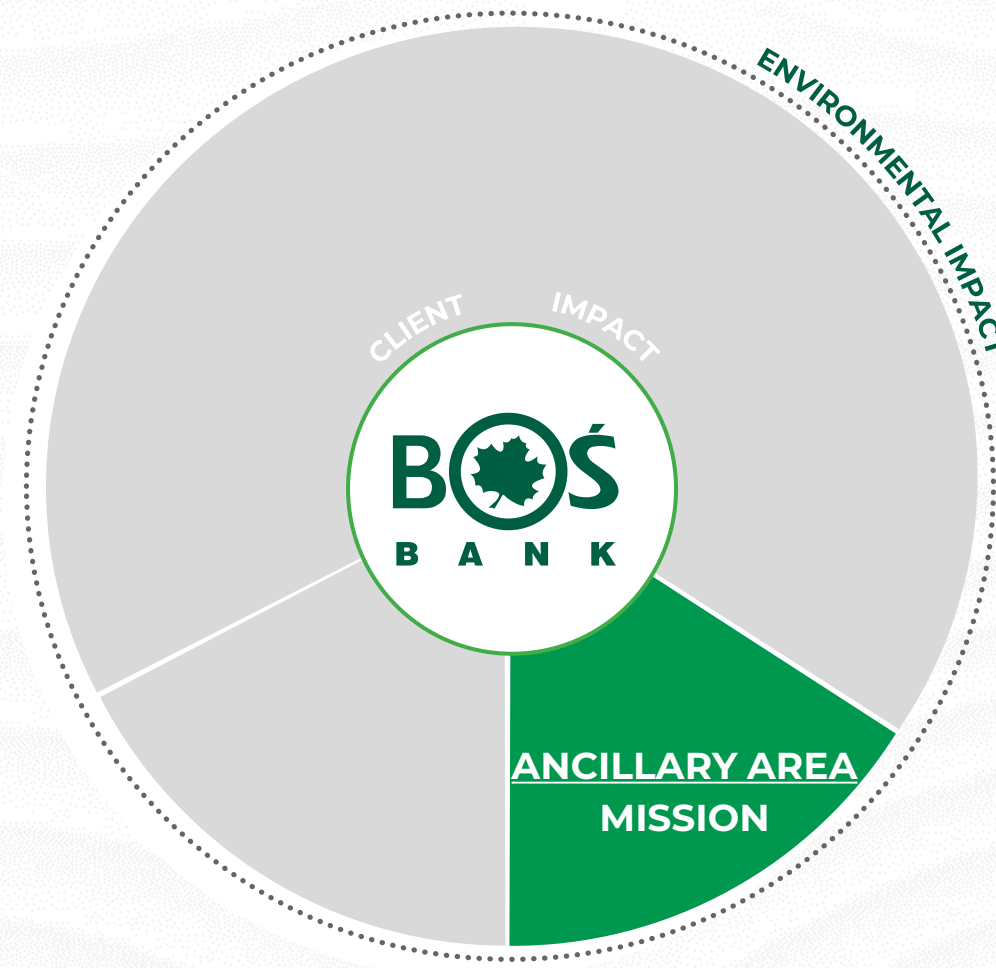
PROXIMITY TO THE RETAIL CLIENT



We will offer attractive deposit products and green loans via remote channels

DEPOSITS AND GREEN FINANCE

- Dedicated ECO programmes
- We aim to provide a compelling range of deposit products.
- We will strengthen our offering of unique green products.
- We will optimise costs and streamline our offerings, concentrating on the most profitable products while discontinuing unprofitable ones with low sales potential.
- We will reinforce support for our clients to help them tap funding under assistance schemes from the NFOŚiGW, BGK, EIB, and other institutions.



SWIFT DECISION-MAKING

- We will expedite decision-making processes for loan products.
- We will digitalise and optimise sales and Head Office processes.

MODERN CLIENT SERVICE VIA REMOTE CHANNELS

- We will offer full online accessibility of deposit products.
- Additionally, we will facilitate the green loan application process through remote and partner channels.

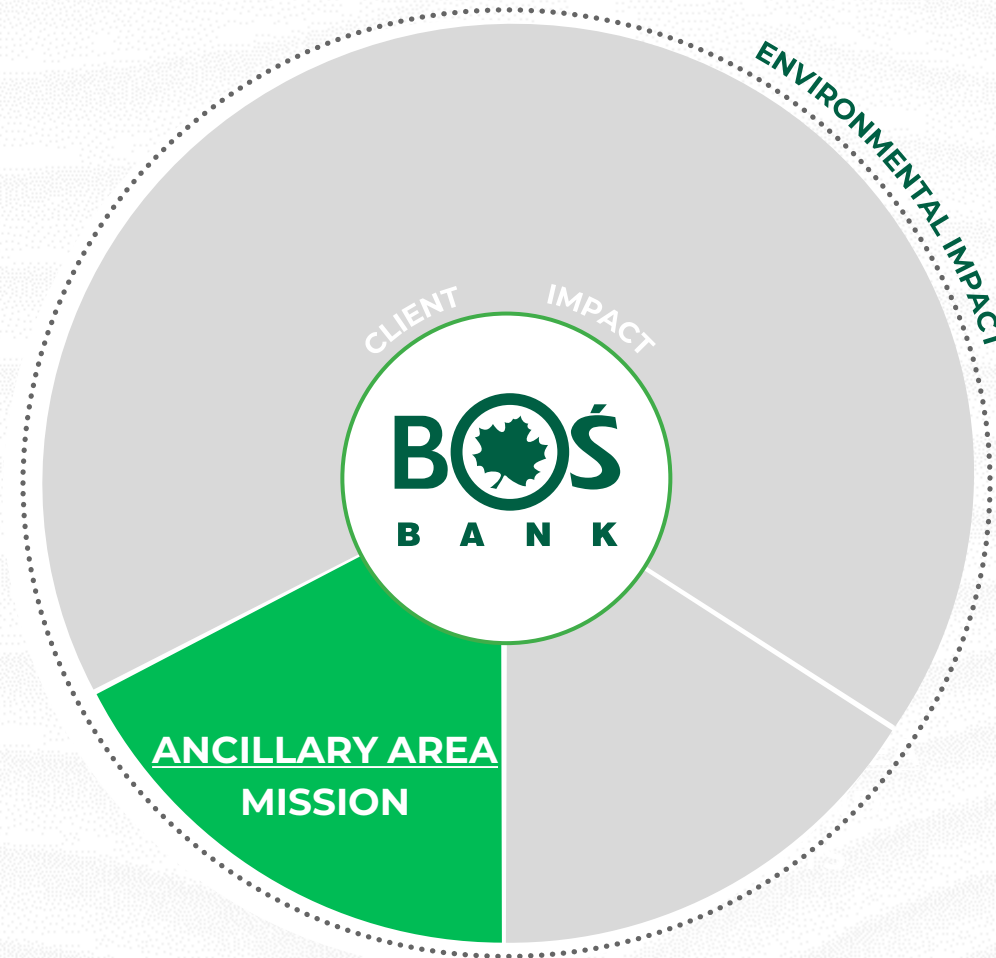


PROXIMITY TO THE PUBLIC SECTOR CLIENT (LGU)

We will provide financing for day-to-day operations and dedicated green solutions

FINANCING FOR DAY-TO-DAY OPERATIONS

- We will extend financial support for the day-to-day operations of public sector entities through loan products and bonds.
- Expanding our engagement in tenders, we aim to focus on medium-sized cities and small towns.
- We will strengthen our client relationships, striving to enhance the quality of service and our green product offerings.



INNOVATIVE GREEN PRODUCTS

- Our focus includes developing innovative solutions with the arrangement of finance under environmental assistance schemes, including Elena grants.
- Leveraging our collaboration with the BOŚ brokerage house, we will continue to issue municipal and green bonds.
- Through our partnership with the NFOŚiGW and BGK, we will actively support LGUs in their environmental sustainability and development initiatives.

**Strategy for 2024–2026:
FOCUS ON OUTCOMES**



STRATEGY FOR 2024–2026: FOCUS ON OUTCOMES



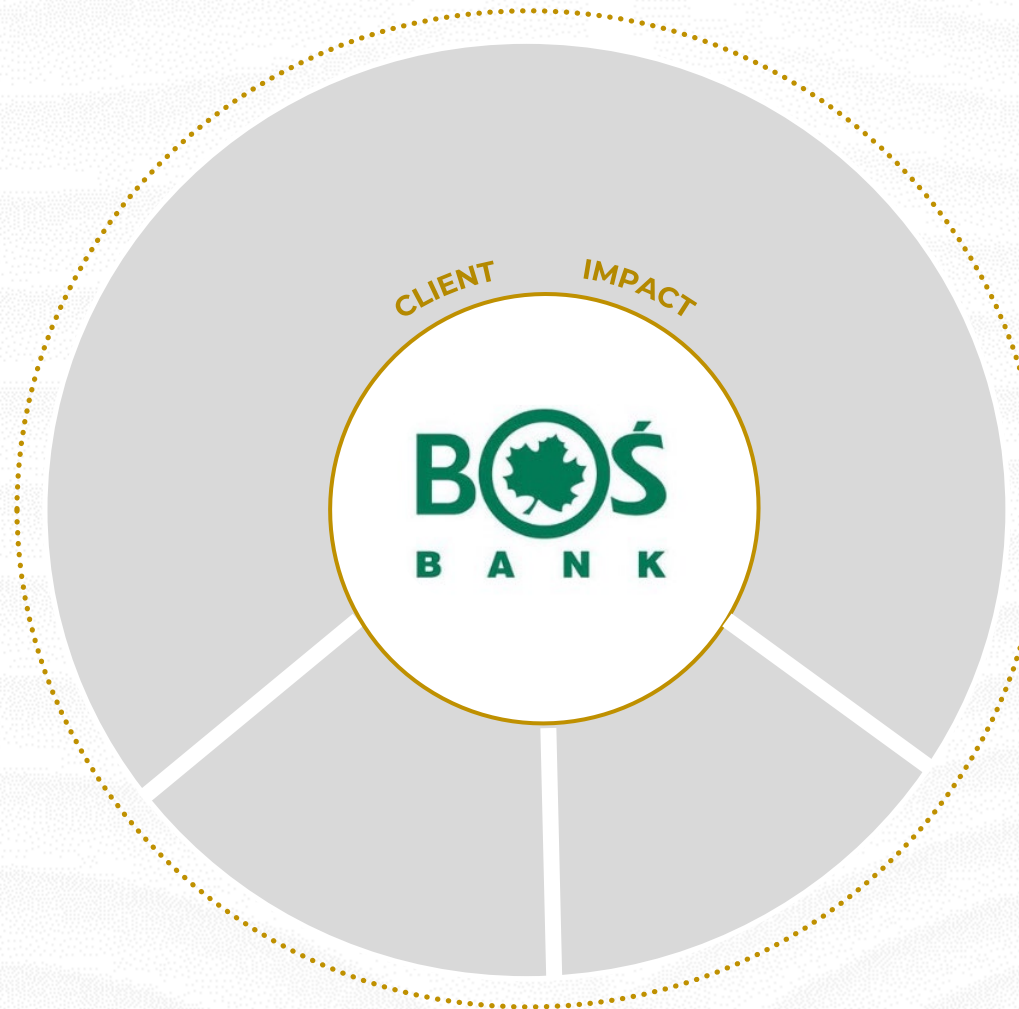
We focus on priorities, effectively integrate new solutions and measure the resulting outcomes

OPTIMISATION OF PROCESSES

- Our priority is to streamline loan origination and improve agility between sales and the Head Office.
- We will advance process mapping and robotisation, continuing regular measurements and customisation.

EFFECTIVE ORGANISATION

- We are committed to retaining key talent and enhancing overall productivity.
- Development of interdisciplinary project teams will be a cornerstone for strategic activities.
- We will increase the frequency of training for the sales network, ensuring effective onboarding processes.



OPTIMISATION OF SYSTEMS AND DATA ANALYTICS

- We are dedicated to ensuring the security and efficiency of our IT systems.
- Regular reviews, infrastructure CAPEX, and the adoption of advanced IT solutions will remain integral to our approach.
- Our energy will be focused on strategic and regulatory projects.
- Additionally, we will expand our efforts in collecting data on client needs, the costs of processes and products.

REALIGNMENT OF PRODUCT OFFERING

- We will shift focus to the most profitable products with the highest sales potential, while discontinuing unprofitable ones.
- We will optimise the pricing structure of our products.

STRATEGY FOR 2024–2026: FOCUS ON OUTCOMES



We focus on priorities, effectively integrate new solutions and measure the resulting outcomes.

>30%

Reduced time
of key processes

>90%

Processes
mapped
within the
organisation

100+

Robots working
at BOŚ

WE ARE DEDICATED TO DEVELOPING IT TECHNOLOGY THAT ADHERES TO THE HIGHEST SECURITY STANDARDS FOR THE BANK AND ITS CLIENTS



KPIs

Strong development in digital



We will develop the digital deposit acquisition channel integrating remote processes to establish and progress client relationships.



We aim to implement a single, secure and stable tool for remotely handling the loan origination process for retail clients.



We will streamline the loan origination process for corporate clients, with the goal of realising tangible cost optimisations for the Bank and ensuring shorter processing times for lending decisions.

New Korpo Banking system



Development of the Corporate Banking platform will empower our clients to easily access the entire range of products. We will digitalise and enhance processes to scale up operations while optimising costs.

Mobile application upgrade



We will upgrade our mobile application for optimum convenience and user-friendly access to our services.



WE ARE COMMITTED TO DEVELOPING DATA ANALYTICS CAPABILITIES AND IMPLEMENTING AN AGILE APPROACH TO MANAGEMENT WITHIN THE ORGANISATION

KPIs

Update of data processing systems



We will implement new tools and database technologies, incorporating artificial intelligence solutions.



Our focus includes the development of a robust data warehouse and use of data analytics for decision-making and reporting.



We will enhance the organisation's awareness of Business Intelligence and foster data acumen to efficiently and agilely deliver key business insights, facilitating swift decision-making.

Organisation of work



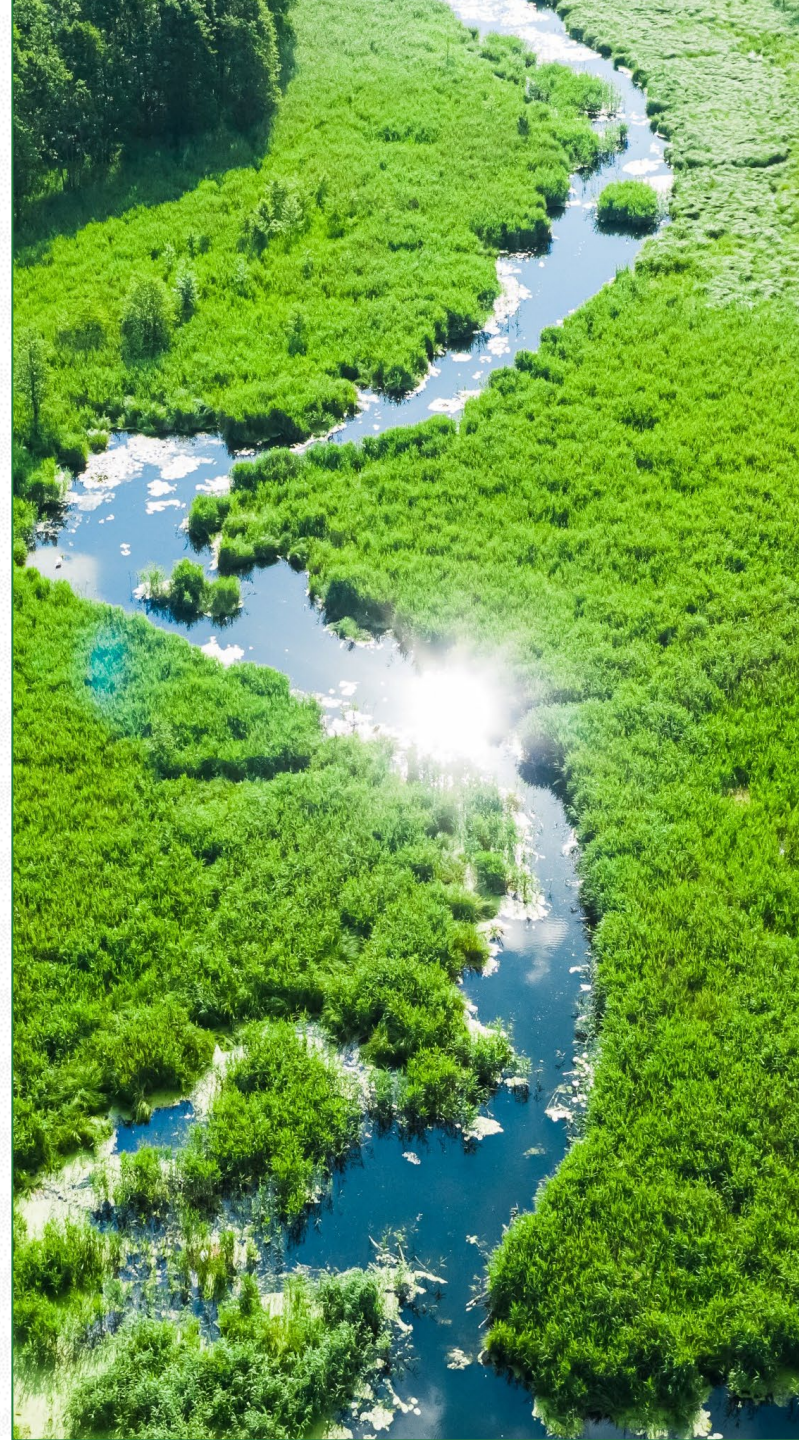
We will set up interdisciplinary teams working to conceptualise and implement new products and services for our clients.



We will streamline the processes of collaboration between the Bank's departments, enhancing transparency in the division of work between organisational units to foster increased engagement and performance.

Strategy for 2024–2026: WE PRIORITISE ESG

The ESG strategy of the BOŚ Group is outlined in a separate document.



BOŚ STRATEGY – WE PRIORITISE ESG



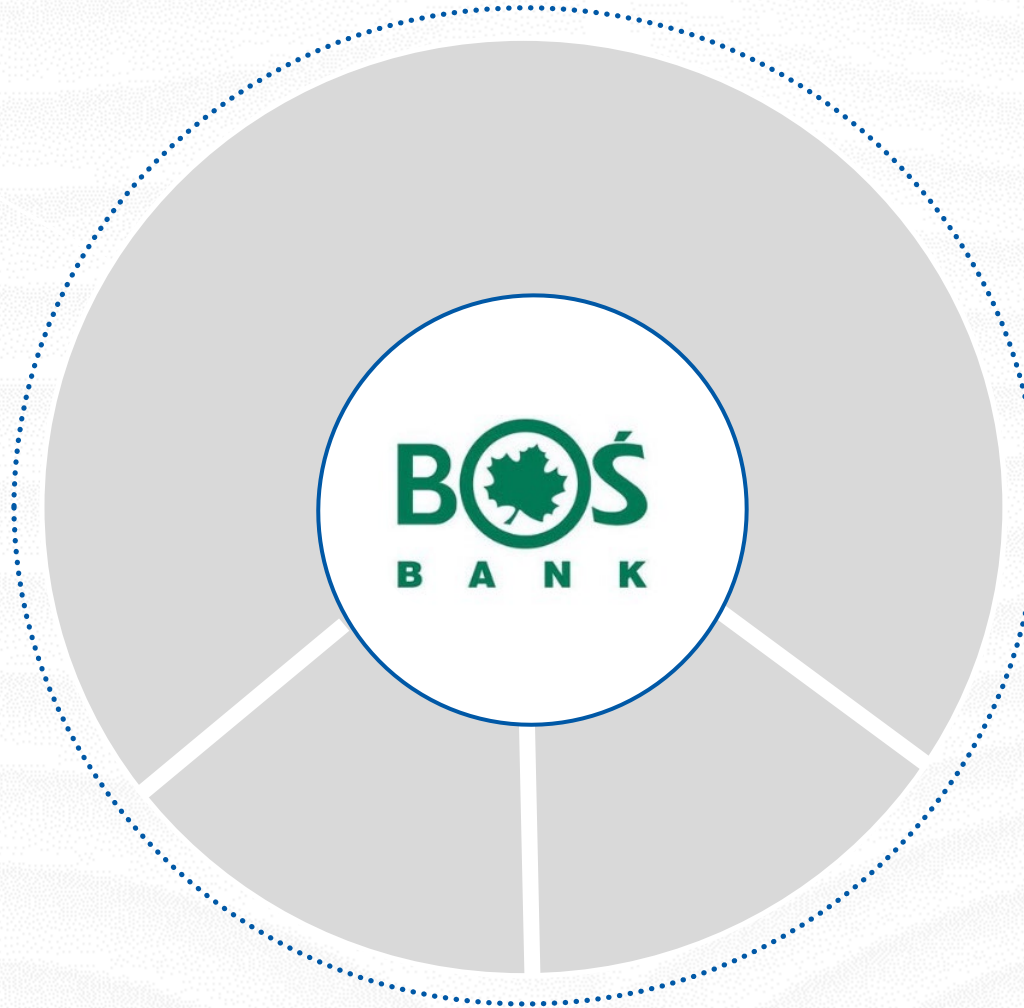
Our emphasis is on implementing organisational measures expected to deliver the best outcomes, effectively deploying solutions, and measuring the resulting outcomes.

WE SUPPORT CLIENTS IN ACHIEVING THEIR GREEN GOALS

- Our green products are designed to address all challenges encountered by corporate clients in their ESG transition journeys.
- We provide support through our expertise and investment financing.

STRONG COLLABORATION WITH BGK, NFOŚiGW, WFOŚiGWs AND EIB

- We are a partner for all green funding schemes available on the market.



CONSCIOUS ORGANISATION

- We aim to expand the BOŚ brand awareness, positioning ourselves not only as a green bank, but as a provider of a comprehensive range of prime green finance solutions for corporates.

SOCIALLY ACTIVE BANK

- Environmental partnerships.
- Environmental campaigns – employee volunteering initiatives, including forest planting.
- Activities of the BOŚ Foundation encompassing environmental projects, such as ‘Bet on Health’ and ‘Green Bench’, and healthy lifestyle promotion, including the ‘Traditional Orchard’ and ‘Fit Diet, Fit Brain’ initiatives.



WE ACTIVELY SUPPORT CLIENTS IN THEIR GREEN TRANSITION

E



Ambitions



We support green transition

We consistently expand our green product portfolio. We make sure to align our financial offerings with environmental challenges confronting entities in Poland. We provide our clients with expert support to help them deliver positive outcomes for the environment.



Green transition starts at home

We not only set the highest environmental requirements for our clients and business partners but also, as an organisation, make an effort to continuously mitigate our adverse environmental impacts.

KPIs

We support green transition



- Share of green assets in the Bank's corporate client portfolio above 50%.
- Expertise and professional support from our Environmental Engineers in green transition and the EU Taxonomy.

Green transition starts at home

- Validation, announcement and delivery of a carbon neutrality plan consistent with the Paris Agreement under the Science Based Targets Initiative (SBTi).
- Certificates of renewable origin or PPAs covering 100% of the Group's electricity consumption.



'Best Business Partner 2023'



LAUR
CESSIO

Winner in the
'Sustainable Finance
Leader' category



Polskiej Izby Ekologii

*based on internal criteria for including transactions in the Bank's green portfolio

S

Ambitions

We promote sustainability

We invest in the education and development of our clients, providing them with access to relevant knowledge and expertise. In our activities for society we are driven by the goal of creating positive social impacts. We carry out a number of important social initiatives through programmes run by the BOŚ Foundation.

We build a sustainable organisation

We cultivate a friendly and engaging workplace at the Bank pursuing a green mission. Our commitment extends to providing employees with opportunities for continuous development. We hold a strong belief in and actively support workforce diversity, well-being and work-life balance.

KPIs

BOŚ Foundation

- 7 original education and grant programmes run annually by the BOŚ Foundation.
- Steady increase of employee engagement in volunteering initiatives.

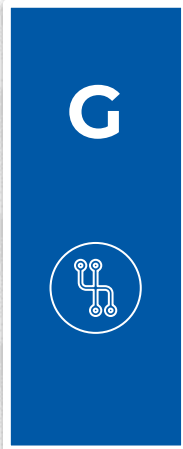
Employee engagement

- Increase of the employee engagement rate to 58%.
- Planning and taking systematic steps to close the gender pay gap.

- 3 DOBRE ZDROWIE I JAKOŚĆ ŻYCIA
- 4 DOBRA JAKOŚĆ EDUKACJI
- 5 RÓWNOŚĆ PŁCI
- 8 WZROST GOSPODARCZY I GODNA PRACA
- 9 INNOWACYJNOŚĆ, PRZEMYSŁ, INFRASTRUKTURA
- 10 MNIEJ NIERÓWNOŚCI
- 13 DZIAŁANIA W OBRZĘDZIE KLIMATU
- 17 PARTNERSTWA NA RZECZ CEŁÓW



CONSCIOUS ORGANISATION



Ambitions


 **We manage ESG responsibly**

Given the dynamics of the changing environment in which we operate, we provide the best possible solutions for ESG risk management and we seek to improve our internal sustainability solutions on an ongoing basis.

 **We integrate transparency with accountability**

We improve transparency practices and effectively adapt to new regulations. We are open to external ESG evaluation and intend to maintain our strong ESG ratings in the coming years.

KPIs



Organisation

- Integration of sustainability objectives into incentive schemes for managers and all employees.

ESG rating

- ESG rating – maintaining the Bank’s independent ESG rating at the low risk level.
- Refining the Bank’s ESG risk management system.



OUR GOALS AND AMBITIONS



ASPIRATIONAL FINANCIAL TARGETS FOR 2026

MISSION: We provide comprehensive finance and support for initiatives driving the transition towards a greener future.

VISION: BOŚ is the specialised bank of first choice for corporate clients seeking to make investments that promote environmental sustainability. We are a valued partner in banking services.

PLN 1bn
Net banking
income

<46%
C/I

<7.5%
NPL

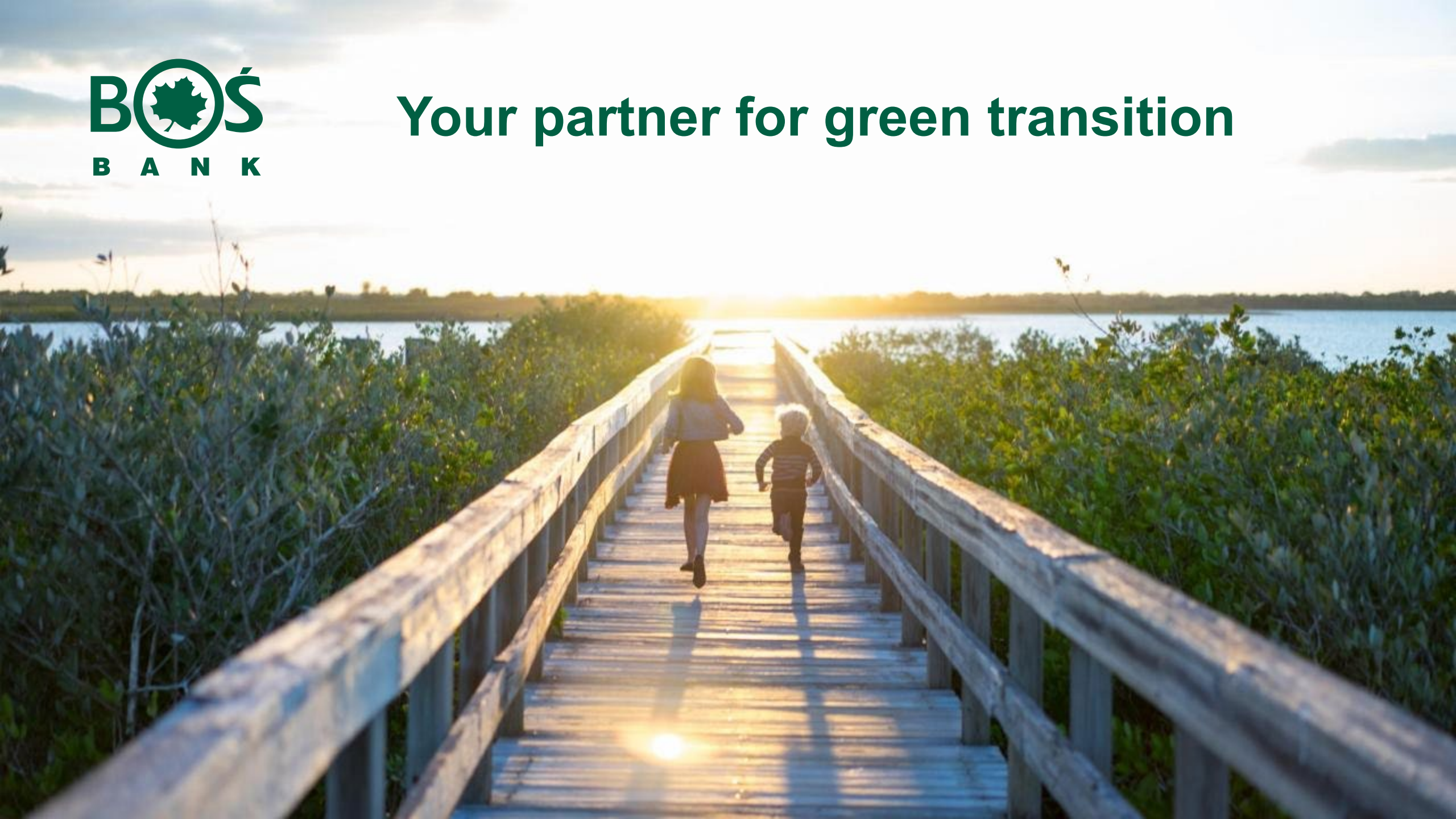
>50%
green assets for
corporates

>10%
ROE

58%
employee
engagement



Your partner for green transition



LEGAL DISCLAIMER

This Presentation has been produced by Bank Ochrony Środowiska S.A. (the “Bank”) solely for information purposes.

It does not constitute or form part of any offer to sell or a solicitation of offers to purchase the Bank’s securities, and should not be construed as such. It does not purport to provide, in whole or in part, a basis to be used in connection with any agreement to purchase or subscribe for the Bank’s securities and may not be relied upon in connection with any agreement, commitment or investment decision. This Presentation is not a recommendation to purchase the Bank’s securities. It is not, and should not be construed as, an element of a public offering promotion within the meaning of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of July 29th 2005.

The Strategy contains some forward-looking statements that are based on current knowledge and expectations of the Bank, but which are dependent on various factors beyond the Bank’s control, including a range of known and unknown risks, uncertainties and other factors. As a result, actual data, activity levels and performance may significantly differ from those presented in such forward-looking statements.

Information contained in this Presentation has not been audited or reviewed by an independent third party. All that said, the Bank considers the estimates, assessments, adjustments and judgements contained in this Presentation to be reasonable and believes that the market information prepared on their basis provides an adequate picture of the industry and the market in which the Bank operates. The Strategy does not constitute forecasts or estimates of future results, and therefore any potential revisions to the Strategy or the Bank’s intentions due to unforeseen circumstances affecting the Strategy or the Bank’s intentions would not be subject to disclosure in the manner prescribed for disclosing revisions to forecasts or estimates of future results.

Some information contained in the attached material has been taken from publicly available sources that the Bank believes to be reliable, while giving no assurances as to its accuracy or completeness. The information contained in the attached material should be read subject to and in conjunction with all other publicly available information, including, where applicable, all wider information materials published by the Bank.

Neither the Bank, nor any of its agents or affiliates shall be liable for potential loss resulting from any use of this material, any part hereof, or any information contained herein, or incurred otherwise in connection with this material.