

Report on the assessment of the fulfilment by the Management Board of the reporting obligations referred to in Art. 380¹ of the Commercial Companies Code and of the manner in which the Management Board prepares and/or submits to the Supervisory Board information, documents, reports and/or clarifications requested by the Supervisory Board in accordance with Art. 382.4 of the Commercial Companies Code

Pursuant to Art. 382.3^{1.3} and 382.3^{1.4} of the Commercial Companies Code, the Supervisory Board of Bank Ochrony Środowiska S.A. presents:

- assessment of the performance by the Bank's Management Board of its disclosure obligations under Art. 380¹ of the Commercial Companies Code,
- assessment of the manner in which the Management Board prepares and/or submits to the Supervisory Board information, documents, reports, and/or clarifications requested by the Supervisory Board pursuant to Art. 382.4 of the Commercial Companies Code.

The reporting obligations of the Management Board stem from the amendments to the Commercial Companies Code that became effective on 13 October 2022.¹

In accordance with Article 380¹ of the Commercial Code, the Management Board is required to promptly furnish the Supervisory Board with the following information:

- 1) information on resolutions of the Management Board and their subject matter,
- 2) information regarding the company's situation, including its assets, as well as significant developments related to the company's operations, investments, and personnel matters,
- 3) information concerning the progress in implementing the company's established business development directions, including any significant deviations from the previously set directions, along with justifications for these deviations,
- 4) information on transactions and other events or circumstances that materially affect or may affect the company's assets, including its profitability or liquidity (such materials are to be provided to the Supervisory Board immediately),
- 5) information on any changes in issues matters that have been previously communicated to the Supervisory Board if such changes have or may have a material effect on the company's condition (such materials are to be provided to the Supervisory Board immediately).

¹Act Amending the Commercial Companies Code and Certain Other Acts of 9 February 2022.

The information referred to in items 2-5 above should also include information on subsidiaries in the same group and affiliated companies.

As a general rule, the information listed in items 1-3 above should be provided to the Supervisory Board at each meeting. However, the Supervisory Board may, by means of an appropriate resolution, set other deadlines for providing the information, as permitted by Art. 380¹.3.1 of the Commercial Companies Code.

During its meeting on 23 November 2022, the Supervisory Board received information from the Management Board regarding the amendments to the Commercial Companies Code and the resulting obligations of the Management Board towards the Supervisory Board, and:

- 1) approved a monthly cycle for fulfilling the reporting obligations by the Management Board with respect to:
 - information on resolutions of the Management Board and their subject matter (Art. 380¹.1.1 of the Commercial Companies Code);
 - information regarding the Bank's situation, including its assets, as well as significant developments related to the Bank's operations, investments, and personnel matters (Art. 380¹.1.2 of the Commercial Companies Code);
- 2) upon reasoned request from the Management Board, and in accordance with Art. 380¹.3.1 of the Commercial Companies Code, the Supervisory Board approved a quarterly cycle for providing the following information:
 - periodic information on the statement of cash flows and changes in equity, once the information has been prepared for periodic financial statements (considered by the Management Board to be part of the information regarding the company's situation, including its assets, as well as significant developments related to the company's operations, investments, and personnel matters) – Art. 380¹.1.2 of the Commercial Companies Code with regard to the Company's assets;
 - periodic information on progress in implementing the Bank's Development Strategy (considered by the Management Board to be information on the progress of implementing the Bank's established business development directions) – Art. 380¹.1.3 of the Commercial Companies Code;
- 3) acknowledged the commitment of the Management Board to promptly report to the Supervisory Board:
 - information on transactions and other events or circumstances which have or may have a material effect on the Bank's assets, including its profitability or liquidity (Art. 380¹.1.4 of the Commercial Companies Code);
 - information on any changes in matters that have been previously communicated to the Supervisory Board if such changes have or may have a material effect on the Bank's condition (Art. 380¹.1.5 of the Commercial Companies Code);

As a result of the analysis of the materials submitted at the Supervisory Board meetings and the information provided to the Supervisory Board by email in 2023, the Supervisory Board concludes as follows:

- during each meeting of the Supervisory Board, the Management Board furnished the Supervisory Board with information concerning its resolutions and their subject matter;

- during each meeting of the Supervisory Board, the Management Board furnished the Supervisory Board with information on the Bank's financial results (monthly data), along with an assessment of the progress in implementing the Financial Plan and the Group Recovery Plan, and lending activities. This information included description and commentary on the Bank's current situation, ongoing projects and activities, as well as information on the performance of the Group's subsidiaries;
- during each meeting of the Supervisory Board, the Management Board furnished the Supervisory Board with updates on significant developments that have taken place between meetings, including in particular information on the Bank's operations, investments, and personnel matters. Where applicable, the furnished information also included information on the Group subsidiaries;
- on a quarterly basis, the Management Board provided the Supervisory Board with periodic information on the progress made in implementing the Bank's Development Strategy (considered by the Management Board to be information on the progress of implementing the Bank's established business development directions) as well as periodic information on the statement of cash flows and changes in equity, once the information has been prepared for periodic financial statements;
- the Management Board promptly communicated any information that required immediate reporting to the Supervisory Board, primarily through email. This included:
 - content of released current reports;
 - correspondence between the Management Board and supervisory authorities, notably the Polish Financial Supervision Authority.

In 2023,

- there were no events that would require reporting under Art. 380^{1.5} of the Commercial Companies Code, i.e. information on any changes in matters that have been previously communicated to the Supervisory Board if such changes have or may have a material effect on the company's condition;
- there were no transactions or other events or circumstances referred to in Art. 380^{1.4} of the Commercial Companies Code that would require prompt reporting to the Supervisory Board and that could materially affect the Bank's financial position, including its profitability or liquidity.

The Supervisory Board also confirms that the Bank's Management Board fulfils its obligation to prepare and/or submit to the Supervisory Board information, documents, reports and/or clarifications required by the Supervisory Board under Art. 382.4 of the Commercial Companies Code.

In 2023, as per the request of the Supervisory Board, the Management Board presented supplementary materials pertaining to the Bank's standing, including:

- 1) information on the profitability of credit and deposit products in 2022, followed by an analysis of product profitability,
- 2) information on the financial results of DM BOŚ S.A. and BOŚ Leasing EKO - Profit S.A. for the first quarter of 2023; the Management Board continued to provide this information a quarterly basis, supplementing the materials provided with further information requested by the Supervisory Board (e.g. data on DM BOŚ S.A.'s profit structure and detailed data on the profitability of its operations);

- 3) information on the results of a review of provisions for legal risk as at the end of December 2022 and on the applicable provisioning rules at the Bank,
 - 4) 'Development Vision for Bank Ochrony Środowiska S.A.' (a document describing the vision of the Bank's future operations, including key strategic objectives and growth directions, schedule, methods and tools for implementing the new model),
 - 5) information on the planned new formula of cooperation between the Bank and the National and Provincial Funds for Environmental Protection and Water Management,
 - 6) information on the implementation of remote work regulations at BOŚ S.A.,
 - 7) information on the implementation of recommendations contained in the auditor's letter submitted to the Bank's Management Board after the end of the statutory audit, with particular emphasis on the activities to be completed by the end of June and the end of September 2023,
 - 8) information on the implementation status of New Lending Process for Corporate Customers (NPK Korpo),
- and:
- 9) data on the sales performance vs targets resulting from the 2023 Sales Strategy and the sales structure (presented in regular reports on financial performance),
 - 10) information on personnel costs (in addition to the report: 'Material events in HR management at the Bank – supplementary information on changes in the employment structure'),
 - 11) analysis of the net result on assets employed in foreign-currency mortgage loans (EUR, CHF, USD) against alternative revenue sources (in the report on financial performance in the 12 months of 2023, together with an assessment of the financial plan implementation status).

Based on the information presented above, the Supervisory Board has reached the conclusion that the Management Board of Bank Ochrony Środowiska S.A. adequately fulfils its reporting obligations towards the Supervisory Board as stipulated in Art. 380¹ of the Commercial Companies Code, and timely prepares and/or submits information, documents, reports, and/or clarifications requested by the Supervisory Board under Art. 382.4 of the Commercial Companies Code.