

Management Board
of Bank Ochrony Środowiska S.A.

**General Meeting
of Bank Ochrony Środowiska S.A.**

Information on expenses incurred in 2022 on entertainment and on legal, marketing, public relations, social communication and management consultancy services.

As stated in Section 1 of Resolution No. 35/2017 from the Annual General Meeting of Bank Ochrony Środowiska S.A. held on June 6th 2017, the Management Board is required to present a report to the General Meeting regarding entertainment expenses and expenses related to legal, marketing, public relations, social communication, and management consultancy services. This report should be accompanied by an opinion from the Bank's Supervisory Board.

In 2022, the Bank's total entertainment expenses as well as expenditure on legal, marketing, public relations, social communication, and management consultancy services was PLN 15.8 million, representing a 12% increase on 2021. The largest increase in expenditure was seen in the marketing and social communication area, with a year-on-year growth of 56%. Expenditure on consultancy services significant decreased by 48% year on year. Below are the individual expenditure items within each analysed area:

1. ENTERTAINMENT – the entertainment expenses totalled PLN 471.7 thousand and were incurred mainly for:

- Promotional meetings with the Bank's business partners, clients and potential clients, as well as conferences and meetings with experts;
- Participation in the organization of the conference "BOŚ on the condition of world economies";
- Business breakfasts or business lunches with clients, potential clients, and experts;
- Participation in the "Business for Climate" workshop;
- Purchase of gift materials and gifts for the Bank's clients, including purchase of Christmas sets and packages for business partners, purchase of flowers and books for important clients;
- Support of the General Meetings, meetings of the Supervisory Board and meetings of the Management Board.

2. LEGAL SERVICES – the expenses on legal services totalled PLN 6,593.4 thousand and included the cost of legal support provided to/in connection with:

- The Head Office with respect to day-to-day operations and litigation (eight law firms provided the services on a retainer-fee basis);

- Debt collection (the services were provided by three law firms under legal advisory contracts, on a retainer-fee basis);
- Business sales network – Business Centres (the services were provided by 11 law firms under legal advisory contracts, on a retainer-fee basis);
- Organizational units of the Bank, particularly in matters that required expertise or authorization to provide legal services under foreign law, specifically in the field of the law of England and Wales. These services encompassed cross-border credit transactions, providing opinions on litigation matters related to foreign-currency loans, as well as resolving Anti-Money Laundering (AML) issues;
- Litigation before courts of general jurisdiction, including cases related to (i) distribution of investment certificates, (ii) foreign-currency loans and mortgages, and administrative proceedings.

3. MARKETING – the expenses on marketing, public relations and social communication services totalled PLN 7,247.8 thousand and were incurred primarily for:

- Advertising of banking products in mass media, mainly the Internet, but also in the radio and printed press. The main product campaigns were centred around promoting a working capital loan for businesses under the Polish Deal programme, the ELENA initiative for businesses and local governments, and various retail products including the Clean Air Loan, cash loans ("Spare Wallet" and "Winter Time"), Green Mortgage Loan, Eco-Loans "Energy from the Sun" and "Green Loan", Eco-Savings Account, and Eco-Promotional Deposits, including the "Forest of Savings" promotion combined with a tree-planting campaign with the State Forests. Selected products were featured through window films displayed on branch storefronts, with a total of seven cycles of advertising throughout the period;
- PR campaigns, including social media campaigns, were conducted to promote products offered by the Bank, including: Clean Air Loan, "My EV" programme, "Forest of Savings" promotion, EU ELENA initiative, "Priceless Moments" programme, loan repayment holidays, Eco-Savings Account, "Winter Time" cash loan, insurance guarantee (BOŚ-KUKE), "Green Loan", and Eco-Christmas Deposit;
- Communication of the Bank's Strategy 2021–2023, strategic initiatives, organisational culture strategy and Bank's values;
- Organisation of the second edition of the "Idea-Business-Climate" conference with the aim of facilitating meaningful discussions about the role of businesses in addressing the challenges posed by climate change, and exploring the interplay between climate and business processes. The conference was held with the patronage of the Ministry of the Environment, the National Fund for Environmental Protection and Water Management, and the Polish Bank Association.
- Organisation of the event "My EV – Summary of the First Year of Implementation", with the participation of institutions closely associated with the program, including the Ministry of the Environment, the National Environmental Protection and Water Management Fund, and 23 leasing companies;
- Promotion of the Bank at major environmental and industry events, such as: 14th European Economic Congress, 31st Economic Forum in Karpacz, Precop27, Congress 590, European Financial Congress, 2nd ESG Congress Polska Moc Biznesu, Association of Polish Corporate Treasurers Conference; as well as less prominent ones such as: Banking Forum, Euro&Oze Power, New Mobility Congress, Green Gas Poland, and Polish Towns Forum. In total, the Bank's experts actively participated in 113 congresses and conferences, delivering valuable insights on various topics. These included energy transition and the financing of green investments, discussions on ESG practices and sustainable development, as well as sharing knowledge about programmes and support tools available for local governments, cities, and regions;
- Arranging interviews and expert publications in leading national media outlets focused on economics, finance, banking, ESG, and sustainable development. These included renowned

publications such as Dziennik Gazeta Prawna, Rzeczpospolita, Puls Biznesu, Bank, Gazeta Finansowa, Forbes, in both print and electronic formats. Additionally, the Bank's experts contributed to various other platforms and services, including wnp.pl, Teraz Środowisko, Wysokie Napięcie, and many more;

- Organisation of a series of business breakfasts for corporate clients of the Business Centres attended by the Bank's chief economist and environmental engineers as well as representatives of Bank's business units;
- Organisation of contests for clients: 'Blikomania' and 'Mastercard Priceless Moments – 8000 points to start';
- Sponsorship of various social and environmental initiatives, including the "Our Future Forum" conference, the Foundation For Transplantation's "Leave Your Heart on Earth" charity concert, the "Patria Nostra" Foundation's history contest, and SPIUG's "Anti-Smog Guide for Homeowners" film series;
- Preparation of footage: Three interviews with environmental engineers as part of the "Economy and Ecology" series, a pilot film featuring employees from the Department of Environmental Policy, highlighting green investments made by corporate clients. The film opened a series of film-testimonials showcasing these investments, along with films promoting the Bank's green products for businesses, including the RES investment loan, EKOoszczędny investment loan, loan for developers, loan for thermo-modernization, and ELENA grant. Use of materials on the Bank's "Ecology Stop" portal, in social media, at trade fairs and conferences.
- Graphic design of the ESG Report, the Bank's participation in the POLECO International Environmental Fair;
- Preparation of promotional materials (posters, flyers, web banners, roll-ups, one pagers) for bank products, including: Clean Air Loan, Cash Loans, Green Mortgage, Green Loan, "Energy from the Sun" PV eco-loan, "EKOmobilni" and "Przejrzysta pożyczka" eco-loans, Eco-Savings Account, Eco-Promotional Deposits, working capital loan for business under the Polish Deal programme, ELENA initiative. A leaflet "Helping Ukraine – we are cancelling transfer fees" was also prepared;
- Preparation of various advertising materials and gadgets to foster good relationships with clients. These included wall and book calendars, plant pots, garbage bags, reusable bottles and thermal mugs, cork notebooks, and wooden-cased speakers. Most of the materials were distributed to Business Centres and Branches;
- Mystery Shopper marketing survey – a periodic analysis of the quality of service in the Bank's outlets;
- Organisation of special actions (e.g. "BOŚ pet-friendly") and contests for clients and employees;
- Building the image of BOŚ as a key financial institution to provide innovative financing of pro-environmental projects that contribute to Poland's sound development;
- Shaping the desired perception of BOŚ among different target groups, with consideration given to the principles of transparency and sustainable development;
- Strengthening positive relations with stakeholders of BOŚ by ensuring effective communication of the Bank's key processes;
- Building public awareness of the need for pro-environmental projects and environment protection initiatives through educational and volunteer campaigns (forest planting, the Operation Clean River, BAKCYL project);
- Protecting the Bank's reputation, including by mitigating the impact of third-party communications about BOŚ;
- Conducting active communication on social media and developing BOŚ communities on Facebook, Twitter, LinkedIn, and YouTube;
- Project meetings, information/performance meetings, competitions that strengthen employee identification with the Company through efficient and effective internal communication;
- Coordination of the Bank's sports sections;
- Managing the intranet portal and editing internal mailings to BOŚ employees;
- Carrying out internal information campaigns (posters, flyers, intranet announcements, etc.);
- Organizing internal events for employees, including but not limited to:

- Christmas meeting – BOŚ Christmas Eve. The event aimed to foster stronger relationships within teams and between key organizational contributors (KOCs), enhance the overall atmosphere within the organisation, and cultivate a positive image of the Bank among its employees;
- Training and integration meetings organised with the primary objective of fostering and strengthening relationships among colleagues and superiors. These meetings aimed to improve the overall atmosphere within the organisation and cultivate a sense of camaraderie and teamwork.

4. CONSULTANCY – the expenses on management consultancy services totalled PLN 1,489.4 thousand and were incurred primarily for:

- Providing guidance and expertise in the development of the AML and terrorist financing risk assessment model;
- Advice on CHF loans;
- Analysis of the requirements of new Recommendation R of the PFSA and the requirements of the EBA/GL/2016/07 guidelines;
- Advice on the ESG rating for 2021, which involved conducting a comprehensive risk assessment and providing consultations;
- Providing accounting advice on the consolidation of group companies;
- Advice on IFRS 9 model restructuring project – valuation of credit receivables;
- Support for the implementation of the system software on a software-as-a-service (SaaS) basis;
- Support and guidance in developing the Group Recovery Plan;
- Review and audit of the Bank’s interim and full-year financial statements;
- Audit of the 2022 financial statements and block tagging of the notes to the 2022 consolidated financial statements;
- Continuous provision of tax advice;
- Review of CIT settlements for 2020;
- Access to payroll reports, HR performance metrics and access to actuarial information;
- Banking sector pay ranking and salary benchmarking;
- Support in developing the Employer Branding strategy;
- Assessment of the report on the remuneration of the Supervisory Board and Management Board for 2021;
- Purchase of IT consulting services for the FRONT OFFICE project;
- Consultation and purchase of copyright to prepare SQL queries for DEF3000/TR in KONDOR+; consulting assistance in the preparation of SQL queries for the FRONT OFFICE project and implementation of the KONDOR+ system;
- Performing the private investor test;
- Legal advice and legal audit;
- Purchase of quarterly reports on the Polish energy market.