

Report on the status of implementation of the Diversity Policy with respect to the Management Board and Supervisory Board of Bank Ochrony Środowiska S.A.

The basis for presenting this report on the status of implementation of the Diversity Policy with respect to the Management Board and Supervisory Board of Bank Ochrony Środowiska S.A. in 2022 is Principle 2.11.6 of Best Practice for GPW Listed Companies 2021, attached as an appendix to Resolution No. 13/1834/2021 of the Supervisory Board of the Warsaw Stock Exchange dated 29 March 2021 on the adoption of Best Practice for GPW Listed Companies 2021.

The diversity policy followed for the Bank's Supervisory Board and Management Board is outlined in the following documents:

- Diversity Policy for Members of the Supervisory Board of Bank Ochrony Środowiska S.A., adopted by the General Meeting,
- Diversity Policy for Members of the Management Board of Bank Ochrony Środowiska S.A., adopted by the Supervisory Board.

The Policies were implemented following a positive recommendation from the Remuneration and Nomination Committee of the Supervisory Board.

In its human resources policy Bank Ochrony Środowiska S.A. incorporates key elements of the diversity policy, recognising that the values derived from diversity are an additional asset for the organisation.

The Bank is guided by the principle of zero tolerance to any form of discrimination in employment, whether direct or indirect, especially on the grounds of gender, age, disability, race, religion, nationality, political beliefs, trade union membership, ethnic origin, denomination, sexual orientation, as well as the basis of employment, viewing workforce diversity as an asset that creates capital and constitutes a potential source of competitive advantage for the Bank. BOŚ S.A. seeks to create a friendly working environment and prevent any discrimination or workplace bullying.

The Policies aim to:

- promote diversity in appointing members of the Bank's governing bodies,
- support the pursuit of the Bank's strategic objectives by ensuring diversity among members of the governing bodies,
- ensure that members of the Bank's Supervisory Board and Management Board represent a broad spectrum of characteristics and competencies, such as diverse skills, educational background, professional experience, knowledge, gender and age.

When deciding on the appointment of members of the governing bodies, the General Meeting/Supervisory Board aims to ensure diversity by selecting individuals

who contribute to a diverse composition. For example, they strive to achieve a target minority representation rate of 30% for gender balance. However, the need to ensure diversity, including gender balance, should not compromise the effective oversight or management of the Bank.

The above objectives are achieved by following the provisions of the Bank's regulations on suitability assessments of candidates/members of the Supervisory Board and Management Board as well as the relevant resolutions of the General Meeting of Bank Ochrony Środowiska S.A. specifying the procedures and principles for the appointment and removal from office of members of the Bank's governing bodies.

Implementation of the Diversity Policy with respect to the Management Board:

1) In 2023, there were changes in the composition of the Management Board that impacted the diversity indicator. On 29 June 2023, the Supervisory Board appointed Iwona Marciniak to the Management Board, increasing the participation of women on the Management Board.

Other changes in the composition of the Management Board in 2023 are described in detail in the Directors' Report for 2023 prepared by the BOŚ S.A. Management Board.

Gender matrix:

	number of members	number of women	percentage share of women
until 29 June 2023	4	0	0%
after 29 June 2023	4	1	25%

Age matrix:

	number of members	age	
		up to 50 years	over 50 years
until 29 June 2023	4	3	1
after 29 June 2023	4	2	2

2) Members of the Management Board are appointed and removed from office by the Supervisory Board taking into account the requirements set forth in the Banking Law. The appointment of President of the Management Board and the Vice President responsible for managing risks that are significant to the Bank's operations is subject to approval by the Polish Financial Supervision Authority. The Supervisory Board appoints members of the Management Board from a pool of candidates who have been selected based on the recruitment procedure, undergone the suitability assessment procedure, and received a positive recommendation from the Remuneration and Nomination Committee. The Management Board consists of highly qualified individuals. The fulfilment of suitability criteria by individuals serving on the Management Board is reviewed on an annual basis through the re-assessment of the collective suitability of the Management Board and individual suitability of its members.

All members of the Management Board have adequate experience and expertise to effectively manage their respective areas of responsibility and ensure proper management of the Bank.

Education matrix:

	educational background				
	environmental protection	economics, banking and finance	electrotechnology	sciences	management
12 months of 2023	1	3	1	1	1

Members of the Management Board enhanced their education by obtaining additional qualifications and certifications through various courses, postgraduate studies, and specialised training programmes, primarily focused on finance. Each member of the Management Board has extensive professional experience in their respective fields.

Implementation of the Diversity Policy with respect to the Supervisory Board:

- 1) In 2023, there were changes in the composition of the Supervisory Board that impacted the diversity indicator. On 29 June 2023, Iwona Marciniak resigned from the Supervisory Board due to her appointment to the Management Board, which resulted in a change of the percentage share of women in the Supervisory Board.

Gender matrix:

	number of members	number of women	percentage share of women
first half of 2023	10	2	20%
second half of 2023	8	1	13%

Age matrix:

	number of members	age	
		up to 50 years	over 50 years
first half of 2023	10	3	7
second half of 2023	8	3	5

- 2) Members of the Supervisory Board are appointed by the General Meeting by secret ballot, taking into account the requirements specified in the Banking Law, the Policy for the Assessment of the Suitability of Candidates for the Position of Member of the Supervisory Board, Members of the Supervisory Board and the Supervisory Board of Bank Ochrony Środowiska S.A., resolutions of the General Meeting of Bank Ochrony Środowiska S.A. on the introduction of the Rules of Procedure for General Meetings and on the appointment and removal from office of members of the Supervisory Board.

The current composition of the Supervisory Board guarantees a diverse range of knowledge, expertise, and experience that has been evaluated in accordance with the Suitability Assessment Policy. (...) The fulfilment of suitability criteria by

individuals serving on the Supervisory Board is reviewed on an annual basis through the re-assessment of the collective suitability of the Supervisory Board and individual suitability of its members.

The Supervisory Board consists of highly qualified individuals. All members of the Supervisory Board have adequate experience and expertise to effectively exercise supervision over the Bank.

Education matrix:

	educational background				
	environmental protection	economics, banking and finance	law	management	Civil engineering
12 months of 2023	2	1	3	3	1

Members of the Supervisory Board enhanced their education by obtaining additional qualifications and certifications through various courses, postgraduate studies, and specialised training programmes, primarily focused on management, accounting, law, and information technology, including legal counsel qualifications. Each member of the Supervisory Board has extensive professional experience.

Summary:

In 2023, the composition of the Bank’s management and supervisory bodies was diverse in terms of age, educational backgrounds, work experience and gender.

Biographical notes of the members of the Bank’s Management Board and Supervisory Board are posted on the website.

In terms of diversity, the Bank will strive to ensure a higher proportion of female members on its Supervisory Board and Management Board, aiming to achieve a target minority representation rate of 30%.