

Information for shareholders of BNP Paribas Bank Polska S.A.

Rationale for the resolutions to be considered by the Extraordinary General Meeting convened for 4 January 2022

Management Board of BNP Paribas Bank Polska S.A. (“the Bank”), acting pursuant to Article 398 of the Code of Commercial Companies and Partnerships (“the Code”) and § 8 para. 1 and 3 of the Articles of Association of the Bank, convened an Extraordinary General Meeting of BNP Paribas Bank Polska S.A. (“EGM”) to be held on 4 January 2022 at 10:00 a.m. and proposed to adopt the resolutions included in the agenda of the EGM presented in the Notification published.

Re it. 5 of the agenda

Rationale for the resolution no 3 of EGM on the application of the principles contained in “The Best Practice for GPW Listed Companies 2021” by the Bank.

A code of corporate governance “The Best Practice of GPW Listed Companies 2021” (Best Practice; DPSN 2021) as approved by the Warsaw Stock Exchange (GPW) Supervisory Board’s resolution no 13/1834/2021 of 29 March 2021, entered into force on 1 July 2021 and replaced previous version called “The Best Practice of GPW Listed Companies 2016”.

The Principles of Best Practice 2021 apply to issuers of shares, convertible bonds or senior bonds which are admitted to trading on a regulated market of the Warsaw Stock Exchange.

The new Best Practice 2021 covers ESG issues including climate protection, sustainable development, diversity in the composition of corporate bodies, equal remuneration as well as issues related to fair treatment of shareholders, new principles regarding the method of profit distribution, issues of shares with the exclusion of subscription rights and share buy-backs. Much attention was paid to the best possible preparation of the general meeting.

Application by companies of the rules contained in the Best Practice 2021 is voluntary, in accordance with the comply or explain principle, however, reporting on the scope of their application is the obligation of the company as indicated in the WSE Rules. Consistent non-compliance with a principle, occurrence of circumstances justifying the change in the explanations or an incidental breach require the Bank to immediately report pursuant to §29.3 of the Exchange Rules. The first reports on the application of the Best Practice 2021 were published by companies by the end of July 2021.

As some of the principles included in Best Practice 2021 concern the general meeting, and the shareholders (apart from the management board, the supervisory board and the members of these bodies) it is necessary for the competent authorities, including the general meeting (company shareholders) to take measures to enable the best possible compliance with the principles of the Best Practice 2021 rules, taking into account the principles of proportionality and adequacy.

Considering the above, and in particular the fact that the rules indicated in Section 4: GENERAL MEETING AND RELATIONS WITH SHAREHOLDERS (clauses 4.6, 4.8, 4.9, 4.10, 4.12 - 4.13) are addressed to the General Meeting and shareholders of the Bank, it is justified that the General Meeting adopts the Resolution in the proposed wording.

The project of the resolution has received the positive opinion of the Supervisory Board.



Re it. 6 of the agenda

Rationale for the resolution no 4 of EGM on the Policy of appointment and dismissal of members of the Supervisory Board of BNP Paribas Bank Polska S.A.

In October 2020, the Polish Financial Supervision Authority (KNF) issued Recommendation Z directed to banks relating to internal governance rules in banks. KNF expects Recommendation Z to be implemented by 01 January 2022.

According to Recommendation 5, the Bank should ensure appropriate composition of the Supervisory Board and the Management Board and have an internal regulation relating to appointment and dismissal of members of these bodies approved by, respectively - the General Meeting (meeting of representatives) or the Supervisory Board.

Given that the General Meeting is the body appointing the members of the Supervisory Board, it is justified that the General Meeting approves the relevant policy on appointment and dismissal of members of the Supervisory Board.

Re it. 7 of the agenda

Rationale for the resolution no 5 of EGM regarding the approval of the Suitability policy for members of the Supervisory Board of BNP Paribas Bank Polska S.A.

New corporate governance best practice became effective on 01 July 2021: Best Practice for GPW Listed Companies 2021" ("Best Practice 2021" or "BPLC 2021"), adopted by the Stock Exchange Supervisory Board by resolution no. 13/1834/2021 of 29 March 2021. It superseded the existing "Best Practice for GPW Listed Companies 2016". Principles of the Best Practices 2021 apply to issuers of shares, convertible bonds or bonds with the right of first refusal admitted to trading on a regulated market maintained by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.).

In line with the principle 2.1, a company should have a diversity policy related to the management board and the supervisory board adopted by, respectively, the supervisory board or the general meeting. The diversity policy specifies diversity objectives and criteria, i.a. in such areas as gender, course of study, expert knowledge, age and professional experience; and indicates the deadline and method of monitoring realization of those objectives. For the purpose of gender diversity, the condition of ensuring diversity of company bodies is minority participation in a given body at a level of minimum 30%.

Therefore, it is proposed to adopt the text of the Suitability assessment policy for members of the Supervisory Board of BNP Paribas Bank Polska S.A. which includes the above principle.

Thus, it is justified that the General Meeting, on recommendation of the Supervisory Board, passes the resolution in the proposed wording.

Re it. 8 of the agenda

Rationale for the resolution no 6 of EGM amending Resolution No. 9 of the Extraordinary General Meeting of BNP Paribas Bank Polska S.A. dated 17 June 2021 on the approval of the Remuneration policy for members of the Supervisory Board of BNP Paribas Bank Polska S.A. and the Remuneration policy for persons having material impact on the risk profile of BNP Paribas Bank Polska S.A. (including members of the Management Board

Amendments to the Remuneration policy for persons having material impact on the risk profile of the BNP Paribas Bank Polska S.A. (including the members of the Management Board of the Bank) are related, i.a., to the Regulation of the Minister of Finance, Development Funds and Regional Policy of 8 June 2021 on risk management system and internal controls system and remuneration policy in banks. They refer in particular to a change in approach to extending the deferral period for variable remuneration. The remaining changes are of an editorial nature.

Thus, it is justified that the General Meeting, on recommendation of the Supervisory Board, passes the resolution in the proposed wording.



Re it. 9 and 10 of the Agenda

Rationale for the resolution no 7 of EGM regarding amendments to the Articles of Association of BNP Paribas Bank Polska S.A. and the resolution no 8 regarding adoption of the consolidated text of the Articles of Association of BNP Paribas Bank Polska S.A.

The proposed amendments to the Bank's Articles of Association result from the need to:

- 1) reflect in the Articles of Association the Bank's right to provide IT services to the Group entities [new § 6a para. 2];
- 2) clarify the competences of the Supervisory Board [§ 20 para. 1 item 1) section b];
- 3) delete the historic text relating to the composition of the Management Board of the Bank [§ 21 para. 1];
- 4) adjust the provision on the composition of the Management Board to the binding provisions of the Banking Law Act, which require fulfilment of these criteria by the whole Management Board [§ 21 para. 3];
- 5) clarify the rules of joint commercial representation (mixed) in the Bank [§ 26];
- 6) adjust the principles and procedure of issuing internal regulations to the new work organization method implemented at the Bank (the Agile method) [§ 33 para. 1 item 5 and item 9 and para. 2 item 5].

Adoption of the resolution regarding the consolidated text of the Bank's Articles of Association is a consequence of the amendment of the Articles of Association of the Bank and its objective is to present a uniform picture of the Articles of Association after the amendments are implemented.

Draft resolutions were approved by the Supervisory Board.

Re it. 11 of the Agenda

Rationale for the resolution no 9 of EGM on changes to the General Meeting Regulations of BNP Paribas Bank Polska S.A.

New corporate governance best practice became effective on 01 July 2021: Best Practice for GPW Listed Companies 2021" ("Best Practice 2021" or "BPLC 2021"), adopted by the Stock Exchange Supervisory Board by resolution no. 13/1834/2021 of 29 March 2021. It superseded the existing "Best Practice for GPW Listed Companies 2016". Principles of the Best Practices 2021 apply to issuers of shares, convertible bonds or bonds with the right of first refusal admitted to trading on a regulated market maintained by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.).

The significant attention in this document was paid to the best possible preparation of the general meeting. According to 4.8 Principle draft resolutions of the general meeting on matters put on the agenda of the general meeting should be tabled by shareholders no later than three days before the general meeting. In connection with the above, it is proposed to change by supplementing the content of the Regulations of the General Meeting of BNP Paribas Bank Polska Spółka Akcyjna with the indicated rule.

Considering the above, it is justified that the General Meeting adopts the Resolution in the proposed wording.

The draft resolution received positive opinion of the Supervisory Board.