

Content of the Proposed Amendments to the Articles of Association of Alior Bank S.A., together with justification

The following amendments are proposed:

in § 10 of the Articles of Association of the Bank, after paragraph 3, a new paragraph 4 shall be added, reading as follows:

“4. Redemption of stocks shall require the consent of the Polish Financial Supervision Authority.”

§ 21 (1) of the Articles of Association of the Bank, previously reading as follows:

“1. Meetings of the Supervisory Board shall be convened as necessary, but no less frequently than three times every financial year.”

shall now read as follows:

“1. Meetings of the Supervisory Board shall be convened as necessary, but no less frequently than once a quarter in every financial year.”

§ 19 of the Articles of Association of the Bank, previously reading as follows:

“The Supervisory Board shall select the Chair and the Deputy Chair from among its Members. The selection shall be made based on the absolute majority of votes present at the meeting of the Members of the Supervisory Board by way of a secret ballot.”

shall now read as follows:

“1. The Supervisory Board shall select the Chair and the Deputy Chair from among its Members. The selection shall be made based on the absolute majority of votes present at the meeting of the Members of the Supervisory Board by way of a secret ballot.”

2. The work of the Supervisory Board is managed by the Chairman, who is responsible for proper organisation of its work, in particular convening meetings of the Supervisory Board.

3. In the absence of the Chairman of the Supervisory Board, their powers related to the organisation of the work of the Supervisory Board, resulting from the Articles of Association and the Rules and Regulations of the Supervisory Board, regarding convening and chairing of the meetings of the Supervisory Board and voting on resolutions, shall be vested in the Deputy Chairman of the Supervisory Board or, in his absence, a member of the Supervisory Board indicated in for this purpose, previously by the Chairman.”

§ 22 (1) of the Articles of Association of the Bank, previously reading as follows:

“1. Resolutions of the Supervisory Board may be adopted by circulation (in writing) or using means of direct remote communication. A resolution shall be deemed valid provided that all members of the Supervisory Board have been notified of the content of the draft resolution.”

shall now read as follows:

“1. Resolutions of the Supervisory Board may be adopted by circulation (in writing) or using means of direct remote communication. A resolution shall be deemed valid provided that all members of the Supervisory Board have been notified of the content of the draft resolution and at least half of the members of the Supervisory Board participated in adopting the resolution.”

Justification

The amendment to the Articles of Association of the Bank covered by § 1 of the draft Resolution No. 31/2023 of the Annual General Meeting of the Bank results from the position of the KNF

Board, expressed in the letter of 27 May 2022 addressed to the boards of commercial banks and concerning the adaptation of articles of association of banks to the provisions of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (“**CRR**”), in relation to the position of the European Banking Authority (“**EBA**”) expressed in the report of 8 December 2021.

The EBA report deals with the regulation in the articles of association of banks of the possibility of buyout and redemption of stocks in terms of compliance with the CRR as regards the qualification of Common Equity Tier 1 instruments, indicating that a reduction, buyout or buyback of Common Equity Tier 1 instruments is possible on the basis of CRR provisions, that is to say after compliance with CRR requirements, including after approval of supervisory authorities.

In the KNF Board’s view, banks are aware of the need to obtain the consent of the KNF Board to carry out the redemption or buyout process, but it is nevertheless necessary to comprehensively regulate the issue in the articles of association of banks in order to ensure their full compliance with CRR by introducing a provision in the articles of association of banks indicating that buyout and/or redemption of stocks (i.e. reduction of share capital) requires the KNF Board’s consent.

The amendment to the Articles of Association of the Bank covered by § 2 of the draft Resolution No. 31/2023 of the Annual General Meeting of the Bank is related to the amendment of the Act of 15 September 2000 Code of Commercial Companies (consolidated text: Dz. U. [*Polish Journal of Laws*] of 2022, item 1467, as amended) (“**ksh**”), which entered into force on 13 October 2022 – in the case of the Bank, adjustment is required to the provision of the Articles of Association, which states in its current wording that the meetings of the Supervisory Board shall take place not less frequently than three times per financial year, whereas in accordance with the amended wording of Article 389 § 7 of the ksh, the meetings of the Supervisory Board should take place not less frequently than once per quarter of a financial year.

The Bank has obtained the consent of the KNF Board to introduce amendments to the Articles of Association of the Bank covered by the draft Resolution No. 31/2023 of the Annual General Meeting.

The amendment to the Bank’s Articles of Association covered by § 1 of draft Resolution No. 32/2023 of the Annual General Meeting of the Bank is related to the amendment to the Commercial Companies Code, which entered into force on 13 October 2022. The subject of the amendment is vesting in the Deputy Chairman of the Supervisory Board, in the absence of the Chairman, or in the absence of the Deputy Chairman, to a member of the Supervisory Board previously indicated for this purpose by the Chairman, their powers related to the organisation of the work of the Supervisory Board, resulting from the Bank’s Articles of Association and the Rules and Regulations of the Supervisory Board, regarding convening and chairing of the meetings of the Supervisory Board and voting on resolutions, which is enabled by the new wording of Article 389 § 1 of the Commercial Companies Code.

The amendment to the Bank’s Articles of Association covered by § 2 of draft Resolution No. 32/2023 of the Annual General Meeting of the Bank is a clarification of the requirements for the Supervisory Board for adopting resolutions by circulation (in writing) or using means of

direct remote communication, in accordance with Article 388 § 3 of the Commercial Companies Code.

Amendments to the Bank's Articles of Association covered by draft Resolution No. 32/2023 of the Annual General Meeting require the approval of the Polish Financial Supervision Authority.