

Alior Bank's statement of application of corporate governance in 2022



Scope of corporate governance

Pursuant to the Rules of the Warsaw Stock Exchange, the Bank, as a public company, is obliged to comply with Good Practices for Companies Listed on the Warsaw Stock Exchange 2021 ("Good Practices"), which constitute a set of rules of conduct which apply in particular to the bodies of companies listed on the Warsaw Stock Exchange (GPW) and their shareholders. Best Practices were adopted for application by virtue of Resolution No. 35/2022 of the Annual General

Meeting of Alior Bank Spółka Akcyjna held on 31 May 2022. The Document is available on GPW's website at <https://www.gpw.pl/dobre-praktyki>.

Pursuant to the resolution of the Supervisory Board of the Bank of 29 December 2014, Corporate Governance Principles for Supervised Institutions published on the website of the KNF Board were also adopted for application: https://www.knf.gov.pl/dla_Rynu/Zasady_ladu_korporacyjnego ("Corporate Governance Principles"), as confirmed in the Resolution no. 25/2015 of the Ordinary General Meeting of the Bank of 25 May 2015, with the proviso that in the event of a conflict between Corporate Governance Principles and Good Practices, the latter shall prevail.

Management Board statement on compliance with the principles of corporate governance

The Management Board of the Bank, in scope of the competences assigned to it by the Articles and universally binding legislation, intends to implement at the Bank all the principles provided for in Best Practices and in the Principles of Governance.

In 2022, the Bank's application of the principles contained in Good Practices was analysed and information on the state of their application was published on 24 April 2022. According to the published statement, Alior Bank applied the principles contained in Good Practices with the following reservations, updated with information on the holding of the Annual General Meeting of the Bank in 2022:

- Principle 2.1 is not applied. The Policy of Selection and Assessment of the Members of the Management Board was adopted by the Supervisory Board of the Bank. The Policy of Selection and Assessment of the Members of the Management Board was discussed at the Bank's Annual General Meeting. Both documents incorporate the objectives and criteria for diversity of members of the Bank's governing bodies in line with Principles 2.1 and 2.2 and set the gender diversity ratio at no less than 30% minority participation. According to the current state of the Bank's bodies, the specified level of gender diversity has not been achieved.

- Principle 2.2. is not applied. Management Board members are selected and evaluated by the Nomination and Remuneration Committee of the Supervisory Board in cooperation with the HR Division. Supervisory Board members are evaluated by the shareholder who has recommended the appointment. The Policy of Selection and Assessment of the Members of the Management Board was adopted by the Supervisory Board of the Bank. The draft Policy of Selection and Assessment of the Members of the Management Board was discussed at the Bank's Annual General Meeting. Both documents incorporate the objectives and criteria for diversity of members of the Bank's governing bodies in line with Rules 2.1 and 2.2 and set the gender diversity ratio at no less than 30% minority participation. According to the current state of the Bank's bodies, the specified level of gender diversity has not been achieved.
- Principle 4.1 is not applied. Given the need to perform multiple technical and organizational measures and the involved costs and risks, as well as little experience of the market in this regard, the Bank has not currently opted for providing the shareholders with real-time communication capability whereby shareholders would be able to speak at a General Meeting from a location other than the place of deliberations.
- Principle 4.8 is applied. The Bank shall immediately publish draft resolutions upon their receipt, together with a set of materials concerning them on the Bank's website.
- Principle 4.9 is applied. The Bank shall immediately publish candidacies upon their receipt, together with a set of materials concerning them on the Bank's website.
- Principle 6.3 is applied. As at the day of publication of the report at the Bank, there are no incentive programmes in accordance with the principles described above.
- Principle 6.4 is applied. The rule is applied to the extent compliant with the Act on Remuneration of the Management of Certain Entities of 9 June 2016.

The Supervisory Board assessed the application of the Corporate Governance Principles by the Bank, as expressed in Resolution no. 12/2023 of 10 February 2023. As a result of the analysis, it was found that in 2022 the Bank applied the Corporate Governance Principles, with the exception of:

- § 8.4 - Principle is not applied. The convening and holding of the General Meetings of Alior Bank S.A. complies with the regulations applicable to public companies and Good Corporate Governance Practices and Principles to the extent consistent with the expectations of the Bank's shareholders. Given the need to perform multiple technical and organisational measures and the involved costs and risks, as well as small experience of the market in this regard, the Bank has not currently opted to provide the shareholders with real-time communication capability whereby shareholders would be able to speak at a General Meeting of Shareholders from a location other than the place of deliberations.
- § 49.4 - not applicable. The Audit Department and the Compliance Department are separated from the Bank.
- § 52.2 - not applicable. The Audit Department and the Compliance Department are separated from the Bank.
- § 53 - § 57 - not applicable. The Bank does not conduct activities consisting in managing assets at customer risk.

Assessment and verification by the Management Board of the internal governance at the Bank, its implementation, and compliance

The Management Board positively assesses the internal governance implemented at the Bank, as well as its compliance. The assessment of the Management Board gives account to both the internal situation and the environ of the Bank. The assessment relies upon information obtained in the course of actions falling within the competence of the Management Board, stemming from the provisions of the Code of Commercial Partnerships and Companies, the Banking Law Act, the Bank's Articles of Association, resolutions of the General Meeting of Shareholders, resolutions of the Supervisory Board, the Regulations of the Management Board, as well as other applicable legal acts and internal regulations under which the Management Board manages the Bank and represents it outside in all matters, except for matters reserved for other statutory bodies of the Bank. The operations of the Management Board are also supported by standing or *ad-hoc* committees appointed by the Management Board in order to perform specific functions or coordinate the work of organisational units of the Bank, as well as by reports received under the management information principles in place at the Bank. Furthermore, as part of the implementation of Recommendation Z at the Bank, provisions were introduced to the Regulations of the Compliance Department, requiring the Compliance Unit to review compliance with internal governance rules at the Bank. The assessment of the internal governance in individual areas of Recommendation Z adopted by the Polish Financial Supervision Authority on the principles of internal governance in banks is presented below (hereinafter: Recommendation Z).

General principles of internal governance at the Bank

In the opinion of the Management Board, the Bank has in place a transparent and effective internal governance that complies with the law. It is defined in the Bank's Articles of Association and the hierarchical system of internal regulations adopted by the Bank. The internal governance includes, in particular, the Bank's management system, the Bank's organisation, principles of operation, powers, duties, and responsibilities as well as mutual relations between the Supervisory Board, the Management Board and Bank's key function holders.

As the parent entity in the Alior Bank S.A. Capital Group, the Bank ensures proper internal governance throughout the group, appropriate to the structure, operations, and risk of the group and its constituent entities, as well as exercises appropriate ownership supervision over subsidiaries. The appropriate framework for cooperation within the group was defined primarily in the Ownership Supervision Policy at Alior Bank S.A., as well as in the Risk Management Strategy of the Alior Bank Group.

The organisation of the Bank contributes to ensuring effective and prudent management of the Bank, both individually and at the Group level. The organisation of the Bank was reflected in the organisational structure of the Bank, defined in the internal regulations, which covers the entire area of the Bank's operations and explicitly distinguishes each key function. This applies both to the division of tasks, powers, duties, and responsibilities between members of the Management Board (following the resolution specifying the internal division of competences in the Management Board of the Bank), as well as to the division of tasks, powers, duties, and responsibilities between organisational units, organisational cells, and organisational positions. The most important internal regulations ensuring effective and prudent management of the Bank include: Regulations of the Management Board of Alior Bank S.A., Regulations of the Supervisory Board of Alior Bank S.A., Organisational Regulations of Alior Bank S.A., Organisational Regulations of the Head Office of Alior Bank S.A.

Acquisition from the parent entity within the PZU S.A. Capital Group of information that is necessary to understand the general objectives of the group and the types of risk to which it is exposed is possible under

the agreement concluded between the Bank and Powszechny Zakład Ubezpieczeń S.A. on cooperation and information exchange, including through the establishment of a Strategic Committee under that agreement.

Principles of operation, powers, duties, responsibilities as well as mutual relations of the Supervisory Board and the Management Board and suitability of members of these bodies and Bank's key function holders.

The system of internal regulations applicable at the Bank ensures a clear assignment of responsibility to the Management Board and the Supervisory Board. The tasks of both bodies are coordinated to ensure their effective operation for the implementation of the Bank's management strategy and risk management strategy.

The Bank includes standing and *ad-hoc* committees of consultative and advisory and decision-making nature established under the resolutions of the Management Board of the Bank. The standing committees include, in particular the Capital, Assets and Liabilities Management Committee (CALCO) and the Bank's Credit Committee.

The principles of management information are set out in the document Principles of the Management Information System in force at the Bank, defining a set of reports used to manage the Bank at all basic management levels: Supervisory Board, Committees of the Supervisory Board, Management Board, Committees of the Management Board, Directors of Regions, Branches, Compliance Department, Data Protection Officer, Risk Area (units and cells reporting to the member of the Management Board supervising risk management in the Bank's operations – in accordance with the resolution of the Management Board of the Bank of 22 November 2022 until the Polish Financial Supervision Authority expresses its consent to entrust Tomasz Miklas with the function of the Vice-President of the Management Board of the Bank supervising the management of material risk in the Bank's operations, supervision over material risk management is exercised by the Management Board of the Bank collectively).

The Supervisory Board, by virtue of resolution of 11 October 2022, having reviewed the information of the Management Board on the amendment to the provisions of the Code of Commercial Partnerships and Companies entering into force as of 13 October 2022, stated that the scope of information about the Bank required to be provided to the Supervisory Board by the Management Board pursuant to Article 380¹ § 1 items 1-3) and Article 380¹ § 2 of the Code of Commercial Partnerships and Companies, is covered by the system of periodic reporting to the Supervisory Board and Committees of the Supervisory Board functioning at the Bank, resulting from the Bank's internal regulations, including in particular the Principles of the Management Information System – in the form and with the frequency and deadlines for submitting information specified in these regulations. The Supervisory Board decided that the above information about the Bank, referred to in Article 380¹ § 1 items 1-3) and Article 380¹ § 2 of the Code of Commercial Partnerships and Companies, will be provided taking into account the form as well as with the frequency and deadlines resulting from the current reporting system.

The Bank, through the applied solutions, ensures that positions with a significant impact on the direction of the Bank's operations are held by persons with appropriate features and qualifications. They are defined primarily in: the Policy of Selection and Assessment of Supervisory Board Members of Alior Bank S.A., the Policy of Selection and Assessment of Management Board Members of Alior Bank S.A., the Policy of Assessment of the Suitability of Members of the Authorities of the Brokerage House of Alior Bank S.A. and the Policy of Selection and Assessment of Key Function Holders at Alior Bank S.A.

Bank's standards of conduct and conflicts of interest at the Bank's level

The Bank has established appropriate standards of conduct and conflict of interest management. The Code of Ethics of Alior Bank S.A. and the Instruction on Conflict of Interest Management were adopted by the Management Board and approved by the Supervisory Board.

The Code of Ethics constitutes a collection of the most important principles and ethical standards specifying the standards of conduct of the Alior, as well as person through which the Bank performs its banking activities.

The principles of conflict of interest management are described in the Instruction on Conflict of Interest Management. The Bank has in place appropriate internal procedures and operational solutions to ensure proper conflict of interest management, in particular specifying the method of identifying, preventing, monitoring, eliminating, and minimising the effects of the conflict.

Both of the above regulations are available on the Bank's website.

Outsourcing policy, principles of remuneration at the Bank and dividend policy

The Bank developed the outsourcing principles, including the comprehensive implementation of the guidelines on outsourcing of the European Banking Authority, referred to in document EBA/GL/2019/02 of 25 February 2019 (hereinafter: the Outsourcing Guidelines) as well as in position of the Office of the Polish Financial Supervision Authority of 16 September 2019. The Bank has in place: the Purchasing Policy at Alior Bank, the regulation of the Rules for Concluding Agreement, the Policy of Managing Relations with IT Service Providers, as well as the Policy of Managing Outsourcing, Insourcing and Sensitive Services at Alior Bank S.A. (hereinafter: the Outsourcing Policy), which governs the entrustment of activities pursuant to Article 6a – 6d of the banking law and the Outsourcing Guidelines. The provisions of the Outsourcing Policy cover such aspects as risk assessment, as well as monitoring and control of outsourcing agreements. The Bank conducts periodic assessment of Critical Outsourcing Agreements and Sensitive IT Services (semi-annual) and assessment of Outsourcing, Insourcing and Sensitive Agreements (annual). Assessment reports are subject to approval by the Bank's Operational Risk Committee and then submitted to the Management Board and the Supervisory Board.

The Bank has in place the Remuneration Policy of Alior Bank S.A., which is the basic document in the field of policy and rules for shaping the remuneration of the Bank's employees. It includes the rules for the remuneration of individuals who, due to their special role in the Bank's risk management system, have been covered by a separate regulatory regime in this regard.

The Bank also has in place a Nomination and Remuneration Committee of the Supervisory Board of Alior Bank Spółka Akcyjna (hereinafter: Remuneration Committee), which is an advisory committee reporting to the Supervisory Board. The primary tasks of the Remuneration Committee include advising the Supervisory Board and the Management Board on the implementation of the provisions of the Remuneration Policy of Alior Bank S.A. and the Remuneration Policy for Members of the Management Board and Supervisory Board of Alior Bank S.A. – in relation to Persons Influencing the Bank's Risk Profile, as well as preparing opinions, assessments or recommendations on matters specified in the Policy of Selection and Assessment of Management Board Members of Alior Bank S.A. and Policy of Selection and Assessment of Supervisory Board Members of Alior Bank S.A.

The Dividend Policy of Alior Bank S.A. adopted by the Bank aims to establish rules for stable dividend payment in the long-term perspective while observing the principle of prudential capital management as well as any and all regulatory requirements whereto the Bank has been obligated. In particular, the Dividend Policy of Alior Bank S.A. takes into account elements resulting from Recommendation Z, and is subject to regular update under the annual review of internal procedures.

Risk management

The risk management system in force at the Bank utterly takes into account the essence of the Bank's exposure to risk and covers all significant types of risk. The main document to ensure that the Bank's risk is maintained at an acceptable level in accordance with the adopted risk appetite while achieving the Bank's long-term financial goals is the Risk Management Strategy of the Alior Bank S.A. Capital Group. The strategy is superior to the policies and rules for managing individual significant types of risk.

In addition, the Bank regularly reviews the strategy and procedures for estimating and maintaining internal capital on a regular basis. In accordance with the regulation, the Internal Capital Adequacy Assessment Process (ICAAP) at Alior Bank S.A. in order to ensure that the ICAAP process is appropriate to the scale of the Bank's operations, it is subject to regular reviews. These reviews takes place once a year or at the time of significant changes in the internal or external environment of the Bank. Between 23 June 2022 – 30 August 2022, the process of estimating internal capital at the Bank was reviewed. The review was carried out for the period from 31 March 2021 to 31 March 2022. This review resulted in issuing 3 recommendations for verification and approval by the Management Board. By virtue of the resolution, the Management Board approved the "Report on the review of the ICAAP process at Alior Bank S.A." and submitted the report for information to the Supervisory Board via the Risk Committee of the Supervisory Board.

In the opinion of the Management Board, the Bank applies appropriate standards with regard to the introduction of new products, services, starting new activities, starting activities on a new market, or to the introduction of products or services to new markets and significant changes to the above in accordance with the provisions of Recommendation Z. A document specifying the rules applicable in this respect is the Policy of Approving New Products at Alior Bank S.A.

Disclosures

The Bank has in place the Information Policy on capital adequacy and other information subject to disclosure in Alior Bank S.A. (hereinafter: Information Policy). The document was introduced to the Bank by way of a resolution of the Management Board and then approved by a resolution of the Supervisory Board.

The information policy defines the scope of information subject to disclosure, the frequency and date of disclosing information, as well as the form and place of disclosing information. The information policy shall be reviewed at least once a year.

The Bank, when announcing to the public all information, also covered by the Information Policy, follows the principle that all information made available presents the material and financial situation of the Bank correctly, reliably, and clearly to the applicable extent and in accordance with the provisions of law. For this reason, the rules for verifying and approving published information were implemented in the Information Policy.

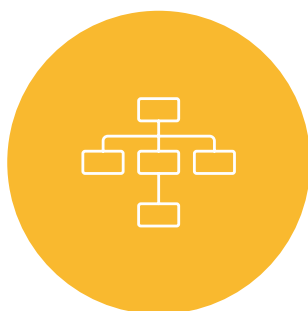
In the opinion of the Management Board, the scope of disclosed information takes into account the Bank's size, risk profile, and complexity of its operations.

The information policy is available on the Bank's website.

Considering the above, the Management Board of the Bank, in its self-assessment, indicates the adequacy of internal regulations regarding the functioning and effectiveness of the Management Board of the Bank, i.e.: Articles of Association of Alior Bank S.A., Regulations of the Management Board of Alior Bank S.A., Organisational Regulations of Alior Bank Spółka Akcyjna, Organisational Regulations of the Head Office of Alior Bank S.A.

These regulations are adequate, compliant with the law and the requirements of supervisory authorities. Their comprehensiveness renders it possible for the Management Board to act effectively and efficiently. The Bank

is organised in a transparent and structured manner, taking into account the size and risk profile, as well as the nature and scale of operations. The method of organisation ensures the achievement of the assumed objectives of the business and proper response to changing external conditions or sudden and unexpected events, as well as effective flow and protection of information enabling the effective performance of tasks by the Management Board of the Bank. The tasks of the Management Board of the Bank ensure effective operation of the body to implement the adopted management strategy. The solutions adopted in the Regulations guarantee the members of the Management Board access to all information, as well as the possibility of using external advisors and expert opinions.



Structure of share capital

The Bank's share capital is PLN 1,305,539,910 and is divided into 130,553,991 ordinary shares with nominal value of PLN 10.00 each.

All shares of the Bank are bearer ordinary shares to which equal rights and obligations attach. The Articles of Alior Bank do not restrict the shareholders' rights for exercising voting rights and disposal of shares. One share gives the right to one vote at the Bank's General. PZU SA's rights as the parent entity of the Bank result

from the number of shares held and their percentage share in the share capital and the resulting number of votes held at the General Meeting of the Bank.

There was no change in the structure of the Bank's share capital in the reporting period.

Structure of the Bank's share capital according to a series of issued shares (as at 31 December 2022):

Share series	Number of shares	Value of the series as per nominal price (PLN)
A	50,000,000	500,000,000
B	1,250,000	12,500,000
C	12,332,965	123,329,650
D	863,827	8,638,270
E	524,404	5,244,040
F	318,701	3,187,010
G	6,358,296	63,582,960
H	2,355,498	23,554,980
I	56,550,249	565,502,490
J	51	510
Total	130,553,991	1,305,539,910

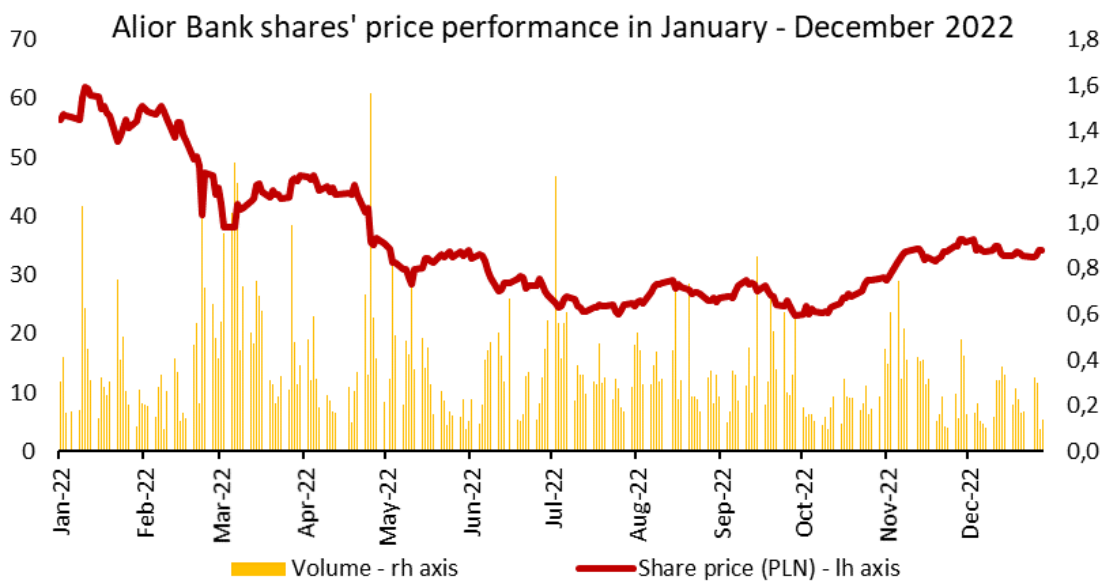


Alior Bank Share Prices on the Warsaw Stock Exchange in 2022

Alior Bank debuted on the Warsaw Stock Exchange on 14 December 2012. Currently, the Bank's shares form part of the following indices: WIG, WIG-BANKI, mWIG40, mWIG40TR, WIG.MS-FIN, WIG30, WIG30TR, WIG-Poland, WIG-ESG, CEEplus.

In 2022, over 537 thousand transactions on the Bank's shares were concluded, which constituted a 2% increase compared to 525 thousand transactions concluded in 2021. The volume of trade (the number of shares that changed hands) in 2022 amounted to 89 million shares, which means a decrease by 22% compared to 114 million shares in 2021. In turn, the total value of trading in the Bank's shares in 2022 amounted to PLN 3.2 billion compared to PLN 3.95 billion in 2021 (decrease in turnover by 19% y/y). The decrease in trade resulted primarily from the decrease in the average number of shares traded each day. The average price of one share of the Bank at the close of the trading session in 2022 was PLN 35.68, which was a 3% decrease compared to 2021 (PLN 36.76). In 2022, the turnover on Alior Bank's shares represented 1.12% of the turnover on shares of companies listed on the GPW.

On 30 December 2022, the Bank's share rate amounted to PLN 34.27 which means a 37% decrease compared to the end of 2021, and C/WK ratios were 0.7x. The development of the share price and the volume of trading in the Bank's shares in the period January - December 2022 is presented in the chart below.






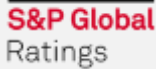
Investor Relations

The Bank has been taking active measures to meet stakeholder information needs, caring for universal and equal access to information, in accordance with the highest market standards and commonly binding law.

Meetings of the members of the Bank's Management Board and representatives of the Bank's management with the equity market community, including investors and analysts, are held on a regular basis. The aim of the meetings is to discuss the current financial and operational situation of the Bank, present the strategy of operation and planned directions of further development. In addition, these meetings address topics related to the current macroeconomic situation, general condition of the financial sector, and the Bank's competitive environment.

In 2022, 60 meetings with foreign and domestic investors took place in the form of teleconferences, as well as in stationary form. In addition, approximately 100 talks were held with brokerage bureau analysts concerning trends in the banking sector in particular quarters and the Bank's current financial situation.

Current Bank Ratings

Agency	Award date	Long-term rating	Short-term rating	Outlook
 Fitch Ratings	29 November 2022	BB	B	stable
 S&P Global Ratings	8 December 2021	BB	B	stable

Assessment of Fitch Ratings Ltd

On 29 November 2022, the rating agency Fitch Ratings Ltd. informed the Bank about confirming the long-term IDR rating at BB with a stable outlook and confirming the VR rating at bb, as well as about upgrading the national short-term rating from F2(pol) to F1(pol).

Full rating of the Bank awarded by Fitch Ratings is as follows:

- Long-Term IDR: BB with stable, outlook
- Short-Term IDR: B,
- National Long-Term Rating: BBB+(pol) with stable outlook
- National Short-Term Rating: F1(pol)
- Viability Rating (VR): bb,
- Government support rating: ns.

Definitions of Fitch ratings are available on the agency's website at www.fitchratings.com, which also publishes rating scales, criteria and credit rating methodologies.

Standard & Poor's Global Ratings Assessment

On 24 June 2021, S&P rated the Bank. It maintained the issuer's long-term rating at "BB", increased the outlook from "Negative" to "Stable" and maintained the issuer's short-term rating at "B".

On 8 December 2021, S&P provided the Bank with confirmation of long-term and short-term ratings of the Bank at its current level.

Full rating assessment of the Bank awarded by Standard & Poor's Global Ratings is as follows:

- Long-Term Issuer Credit Rating at "BB" with stable outlook
- Short-Term Issuer Credit Rating at "B".

Definitions of S&P ratings are available on the agency's website at www.standardandpoors.com, which also publishes rating scales, criteria, and credit rating methodologies

Alior Bank Shareholders

Due to the Bank's status as a public company within the meaning of the Public Offering Act (Ustawa o ofercie publicznej) and the fact that the Bank's shares are listed on a regulated market (primary market) operated by the GPW, the Bank provides the following information on the shareholders who hold at least 5% of the share capital of the Bank and the overall number of votes at the General Meeting as at the date of submission of the periodic report.

From the date of submission of the previous interim report until the date of publication of this report, the Management Board of the Bank received:

1. Notification of January 5, 2023 from Powszechne Towarzystwo Emerytalne Allianz Polska S.A. ("PTE Allianz Polska S.A."), pursuant to art. 69 of the Act of 29 July 2005 on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading and on Public Companies, informing that as a result of the merger pursuant to Art. 67 of the Act of August 28, 1997 on the Organization and Operation of Pension Funds and Art. 492 § 1 item 1 of the Code of Commercial Companies, on December 30, 2022 with Aviva Powszechne Towarzystwo Emerytalne Aviva Santander Spółka Akcyjna managing the Second Allianz Polska Otwarty Fundusz Emerytalny ("Drugi Allianz OFE"), share in the share capital and in the total number of votes of the company Alior Bank S.A. on Allianz OFE, Allianz DFE and Drugi Allianz OFE accounts increased above 8%.

Before the merger:

A total of 1 919 260 shares, representing 1.47% of the Company's share capital, were recorded in the accounts of Allianz OFE and Allianz DFE, which gave the right to exercise 1 919 260 votes from shares representing 1.47% of the total number of votes at the Company's AGM.

In the account of the Drugi Allianz OFE, 9 607 180 shares were registered, representing a 7.36% stake in the Company's share capital, which gave the right to exercise 9 607 180 votes from shares representing a 7.36% stake in the total number of votes at the Company's AGM.

After the merger:

The total balance in the accounts of Allianz OFE, Allianz DFE and Drugi Allianz OFE increased to 11 526 440 shares, representing 8.83% of the company's share capital, which gives the right to exercise 11 526 440 votes from shares representing 8.83% of the total number of votes at the Company's AGM.

- Notification of February 3, 2023 from Generali Powszechne Towarzystwo Emerytalne S.A. („Generali”) managing Generali Otwarty Fundusz Emerytalny ("Generali OFE") and Generali Dobrowolny Fundusz Emerytalny ("Generali DFE") informing that as a result of taking over the management of NNLife Otwarty Fundusz Emerytalny ("NNLife OFE") and NNLife Dobrowolny Fundusz Emerytalny ("NNLife DFE") by the Generali on February 1, 2023, on the basis of art. 66.1 and 66.6 and art. 68 of the Act of August 28, 1997 on the Organization and Operation of Pension Funds the share in the share capital and in the total number of votes of the Company General Meeting on the accounts of Generali OFE, Generali DFE, NNLife OFE and NNLife DFE ("Funds") increased above 5%.

Before the Management Change:

In total, Generali OFE and Generali DFE held 2,568,973 shares, representing 1.97% of the Company's share capital, and 2,568,973 votes at the General Meeting of the Company, representing 1.97% of the total number of votes.

In total, Generali OFE and Generali DFE held 4,546,562 shares, representing 3.48% of the Company's share capital, and 4,546,562 votes at the General Meeting of the Company, representing 3.48% of the total number of votes.

After the Management Change:

The Funds held a total of 7,115,535 shares, representing 5.45% of the share capital of the Company, and 7,115,535 votes at the General Meeting of the Company, representing 5.45% of the total number of votes.

In addition, in accordance with the published reports for 2022 on the composition of the portfolio, Nationale-Nederlanden Otwarty Fundusz Emerytalny and Nationale-Nederlanden Dobrowolny Fundusz Emerytalny reduced the number of shares and votes held at the General Meeting of the Bank from 12,394,509 in 2021, which was 9.49 % of shares and votes held at the General Meeting, up to 12,358,517 at the end of 2022, which currently constitutes 9.47% of shares and votes at the General Meeting of the Bank.

Ownership structure of the Bank's share capital as at 31 December 2022

Shareholder	Number of shares	Nominal value of shares (PLN)	Percentage of share capital	Number of votes	Votes as proportion of overall votes
Grupa PZU*	41 658 850	416 588 500	31.91%	41 658 850	31.91%
Nationale-Nederlanden OFE**	12 358 517	123 585 170	9.47%	12 358 517	9.47%
Allianz OFE***	11 526 440	115 264 400	8.83%	11 526 440	8.83%
Other shareholders	65 010 184	650 101 840	49.79%	65 010 184	49.79%
Total	130 553 991	1 305 539 910	100%	130 553 991	100%

*PZU Group is comprised of entities which have entered into a written agreement concerning the acquisition or disposal of Bank shares and the consistent exercise of voting rights at the General Meetings of the Bank, i.e.: Powszechny Zakład Ubezpieczeń SA, Powszechny Zakład Ubezpieczeń Na Życie SA, PZU Specjalistyczny Fundusz Inwestycyjny Otwarty UNIVERSUM, PZU Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych BIS 1 oraz PZU Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych BIS 2. Conclusion of the above-mentioned agreement was announced by the Bank in Current Report No. 21/2017.

** Based on the published report for 2022 on the composition of the Nationale-Nederlanden Otwarty Fundusz Emerytalny and Nationale-Nederlanden Dobrowolny Fundusz Emerytalny portfolio.

*** Based on received notification.

Ownership structure of the Bank's share capital as at the date of submission of the periodic report:

Shareholder	Number of shares	Nominal value of shares (PLN)	Percentage of share capital	Number of votes	Votes as proportion of overall votes
Grupa PZU*	41 658 850	416 588 500	31.91%	41 658 850	31.91%
Nationale-Nederlanden OFE**	12 358 517	123 585 170	9.47%	12 358 517	9.47%
Allianz OFE***	11 526 440	115 264 400	8.83%	11 526 440	8.83%
Generali OFE***	7 115 535	71 155 350	5.45%	7 115 535	5.45%
Other shareholders	57 894 649	578 946 490	44.34%	57 894 649	44.34%
Total	130 553 991	1 305 539 910	100%	130 553 991	100%

*PZU Group is comprised of entities which have entered into a written agreement concerning the acquisition or disposal of Bank shares and the consistent exercise of voting rights at the General Meetings of the Bank, i.e.: Powszechny Zakład Ubezpieczeń SA, Powszechny Zakład Ubezpieczeń Na Życie SA, PZU Specjalistyczny Fundusz Inwestycyjny Otwarty UNIVERSUM, PZU Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych BIS 1 oraz PZU Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych BIS 2. Conclusion of the above-mentioned agreement was announced by the Bank in Current Report No. 21/2017.

** Based on the published report for 2022 on the composition of the Nationale-Nederlanden Otwarty Fundusz Emerytalny and Nationale-Nederlanden Dobrowolny Fundusz Emerytalny portfolio.

*** Based on received notifications.

Alior Bank shares held by the Bank's governing body

Mr. Tomasz Miklas – Member of the Bank's Management Board holds 147 shares of the Bank. At the end of the reporting period (31 December 2022) and as at the date of publication of the report, the Members of the Supervisory Board and other members of the Management Board of Alior Bank did not hold shares of the Bank. Since the date of publication of the last periodic report, there have been no transactions in the Bank's shares to which Members of the Management Board or the Supervisory Board of the Bank would be a party.

Significant agreements and obligations

As at 31 December 2022, Alior Bank did not hold:



- obligations towards the central bank,
- significant agreements on loans, sureties and guarantees not related to operational activities, apart from the annex to the agreement on periodical provision of insurance guarantees constituting unfunded credit protection concluded with the Powszechny Zakład Ubezpieczeń SA.
- financial support agreements referred to in Art. 141t section 1 of the Banking Law.

In the reporting period, the Bank had obligations resulting from the securities issued, including, in particular, subordinated bonds and Banking Securities, and other financial instruments.

The Bank did not enter into and did not terminate any loan and advance agreements outside of the normal scope of the Bank's business activity.

The entities comprising the Bank's Group did not grant loans or guarantees together to a single entity or to a subsidiary of that entity, the value of which would exceed 10% of the Bank's equity outside of normal business activity.

As at 31 December 2022, the number of active guarantees granted by Alior Bank amounted to 968, for a total amount of PLN 646,520,000. The Bank makes sure that the time structure of the guarantees is appropriate. Active guarantees with less than two years to maturity (783 items) amounted to PLN 415,169,000.

The total value of off-balance-sheet contingent liabilities granted to customers as at 31 December 2022 amounted to PLN 10,204,376,000. This amount consisted of PLN 9,557,856,000 of contingent off-balance-sheet liabilities related to financing and PLN 646,520,000 of contingent guarantee off-balance-sheet liabilities.

During the reporting period, no significant transactions were made as part of the Alior Bank Capital Group with affiliates otherwise than on arm's length principles.

The Bank holds no information about any contracts whereby changes to the proportion of shares held by the existing shareholders and bond holders would be made.

Alior Bank did not issue any securities to provide special control rights towards the Bank. There are also no limitations regarding the exercise of voting rights from the Bank's shares and restrictions concerning the transfer of ownership rights to the Bank's securities.

No single court, arbitration court or public administration body proceedings in progress during the 2022, and none of the proceedings jointly, could pose a threat to the Group's financial liquidity. The proceedings which according to the opinion of the Management Board are significant are presented in the Consolidated Financial Statements of the Alior Bank S.A. Capital Group for the year ended 31 December 2022 (Note No. 39).



Governing bodies of Alior Bank

General Meeting of the Bank

Rules governing the General Meeting

The activities of the General Meeting, its principal rights, the rights of shareholders, and how these rights are to be exercised have been defined in: Rules of Procedure of the General Meeting (adopted by way of Resolution

No. 3/2013 of the Annual General Meeting of 19 June 2013, as amended by way of Resolution No. 29/2017 of the Annual General Meeting of the Bank of 29 June 2017 and Resolution No. 3/2020 of the Annual General Meeting of the Bank of 21 May 2020 – consolidated text of the Rules of Procedure including all amendments has been published on the Bank's website), Articles of Association of the Bank, and the applicable legislation including Act of 15 September 2000 Code of Commercial Partnerships and Companies (Dz. U. [*Polish Journal of Laws*] of 2020, item 1526 as amended) and the Act of 29 August 1997 Banking Law (Dz. U. of 2020, item 1896 as amended),

The General Meeting of the Bank shall be convened by means of a notice made on the Bank's website and _____ in a manner specified for the provision of current information in accordance with generally applicable law. The notice should be given at least 26 days in advance of the date of the General Meeting. Since the date of convening the General Meeting, the Bank posts information required by the provisions of the Code of Commercial Partnerships and Companies on its website at <https://www.aliorbank.pl/dodatkowe-informacje/relacje-inwestorskie/walne-zgromadzenie.html>.

Only the Bank's shareholders registered as such 16 days prior to the General Meeting (registration date) are eligible to participate in the General Meeting of the Bank.

Shareholder(-s) representing at least one-twentieth of the share capital may request that certain business be put on the agenda of the next General Meeting and submit draft resolutions on matters put on the agenda.

The resolutions of the General Meeting require incl.:

- the review and approval of:
 - Management Board's Report on the activities of the Bank, as well as the financial statements for the previous financial year,
 - report on the activities and the financial statements of the Bank's capital group for the previous financial year,
 - report of the Bank's capital group concerning non-financial information for the previous financial year – if a separate report concerning non-financial information is drawn up,
- expressing an opinion on the Supervisory Board's annual remuneration report,
- adoption of a resolution on profit distribution or loss coverage,
- acknowledgement of the fulfilment of duties by members of the bodies of the Bank,
- amendment to the Articles of Association of the Bank,
- provision regarding claims for damages caused in the course of establishment of the Bank or its management and supervision,
- disposal or lease of the enterprise or its organized part and establishment of a limited property right thereon,
- acquisition or disposal of real estate or share in real estate or the right of perpetual usufruct or share in perpetual usufruct, the value of which is equal to or higher than PLN 20,000,000 (twenty

million zlotys) and the performed activity is not related to satisfying the claim of the Bank against the debtor or securing the Bank's claims,

- increase or decrease of the Bank's share capital,
- issuance of convertible bonds and senior bonds, as well as subscription warrants,
- redemption of shares and determination of specific conditions of said redemption,
- merger, division or liquidation of the Bank, selection of liquidators and the manner of executing the liquidation,
- appointment and dismissal of members of the Supervisory Board,
- determination of the remuneration policy for the members of the Supervisory Board,
- establishing the rules for determination of the remuneration policy for the members of Management Board.

General Meetings of the Bank in 2022

1. The Extraordinary General Meeting of the Bank, convened at the request of a shareholder of the Bank, was held on 12 April 2022. In addition to resolutions concerning organisational affairs, resolutions were also adopted regarding changes to the composition of the Supervisory Board of the Bank.
2. The Annual General Meeting of the Bank held on 31 May 2022. In addition to resolutions concerning organisational affairs, it also adopted resolutions on matters related to the closing of the financial year 2021 concerning:
 - approval of the report on the operations of the Supervisory Board of the Bank,
 - approval of the financial statements of the Bank and of the Capital Group of the Bank,
 - approval of the Report on the operations of the Capital Group of the Bank, including the Report of the Management Board on the operations of the Bank and the Report of the Capital Group of the Bank on non-financial information,
 - method for distribution of profit for the financial year 2021,
 - granting a discharge to all Members of the Management Board and Supervisory Board of the Bank.

In addition, the General Meeting of the Bank adopted resolutions on:

- the position of the Ordinary General Meeting of the Bank regarding the assessment of the functioning of the remuneration policy in effect at the Bank,
- the approval of the "Policy for the selection and assessment of members of the Supervisory Board of Alior Bank Spółka Akcyjna".
- the assessment of the collective suitability of the Supervisory Board of Alior Bank Spółka Akcyjna,
- expressing an opinion on the "Report on the remuneration of the members of the Management Board and the Supervisory Board of Alior Bank S.A. for the year 2021" as submitted by the Supervisory Board of the Bank,
- amendments to the Articles of Association of Alior Bank,
- the adoption of Best Practice for WSE Listed Companies 2021.

Description of the rules for amending the Bank's Articles of Association and amendments to the Articles of Association made in 2022

According to Article 415 § 1 of the Act of 15 September 2000 – Code of Commercial Partnerships and Companies (uniform text. *Dz. U.* [Poland's Journal of Laws] of 2022, items 1467, 1488, 2280, 2436), an amendment to the Bank's Articles of Association requires the adoption by the General Meeting of the

Bank of an appropriate resolution by qualified majority of three quarters of votes. The amendment of the Articles of Association also requires the authorisation of the Polish Financial Supervision Authority and the registration of the adopted amendment in the register of entrepreneurs of the National Court Register.

On 20 December 2022, an amendment to the Articles of Association of Alior Bank was registered in the Register of Entrepreneurs of the National Court Register regarding the extension of the Bank's scope of activity to include issuing electronic identification means within the meaning of the provisions on trust services (§ 7.2.21 of the Articles of Association), adopted by Resolution No. 34/2022 of the Annual General Meeting of the Bank of 31 May 2022.

Alior Bank obtained the consent of the Polish Financial Supervision Authority to make the above amendment to the Articles of Association.

Moreover, Alior Bank obtained the consent of the Polish Financial Supervision Authority to amend the Bank's Articles of Association by adding a new Section 4 in § 10, which states that the redemption of the Bank's shares shall be subject to the consent of the Polish Financial Supervision Authority. The motion for a vote on the resolution on the amendment to the Articles of Association described above will be submitted to the next General Meeting of the Bank.

Supervisory Board of the Bank

Composition of the Supervisory Board of the Board as at 31.12.2022		Composition of the Supervisory Board of the Board as at 31.12.2021	
Filip Majdowski	Chair of the Supervisory Board	Aleksandra Agatowska	Chair of the Supervisory Board
Ernest Bejda	Deputy Chair of the Supervisory Board	Ernest Bejda	Deputy Chair of the Supervisory Board
Małgorzata Erlich-Smurzyńska	Supervisory Board Member	Małgorzata Erlich-Smurzyńska	Supervisory Board Member
Paweł Knop	Supervisory Board Member	Paweł Knop	Supervisory Board Member
Artur Kucharski	Supervisory Board Member	Artur Kucharski	Supervisory Board Member
Marek Pietrzak	Supervisory Board Member	Filip Majdowski	Supervisory Board Member
Dominik Witek	Supervisory Board Member	Marek Pietrzak	Supervisory Board Member
Paweł Śliwa	Supervisory Board Member	Dominik Witek	Supervisory Board Member

2022 was the period of the fourth, joint, four-year term of office of the Supervisory Board of the Bank commenced in 2020.

In the period from 1 January 2022 to 31 December 2022, changes took place in the composition of the Supervisory Board of the Bank:

- On 12 April 2022, Ms Aleksandra Agatowska resigned from her position in the Supervisory Board and resigned the position of the Chairperson of the Supervisory Board of the Bank, effective as of the day of resignation, at 1:30 p.m.,
- On 12 April 2022, the Extraordinary General Meeting of the Bank appointed Mr Paweł Śliwa to the Supervisory Board of the Bank.

The table below presents detailed information on the Members of the Bank's Supervisory Board acted as at 31 December of 2022.

Filip Majdowski, PhD (Chairperson of the Supervisory Board) – a graduate of master's and doctoral studies at the Faculty of Law and Administration (WPiA) of the University of Warsaw (UW), the School of British and European Law at the Faculty of Law and Administration of the University of Warsaw and the University of Cambridge; currently he is the director of the Supervision Department I at the Ministry of State Assets responsible, among others, for the supervision over financial institutions with the participation of the State Treasury; judge of the arbitration court at the Warsaw Stock Exchange; previously Deputy Director at the Tax System Department at the Ministry of Finance, where, among others, represented Poland at various forums in the European Union and the Organisation for Economic Cooperation and Development. Author of several dozen publications in the field of tax law in Polish and foreign scientific periodicals. Before joining the public administration, he gained professional experience in tax advisory companies from the "Big Four" and in business in the financial sector.

Ernest Bejda (Deputy Chairperson of the Supervisory Board), Member of the Management Board of PZU SA/PZU Życie responsible for the following areas: security, purchasing, insurance operations as well as digital services and platforms; Lawyer, graduate of the Faculty of Law and Administration of Maria Curie-Skłodowska University in Lublin. In 1997-1999, he did his prosecutor apprenticeship in Warsaw, and in 2000-2004 – an attorney apprenticeship. After passing the bar exam, he ran his own practice as an attorney at law. In 2000-2002, he worked at the General Customs Inspectorate in Warsaw. In 2006-2009, he was the deputy head of the Central Anticorruption Bureau, and in 2016-2020 – the head of the same.

Małgorzata Erlich – Smurzyńska (independent Member of the Supervisory Board), graduate of the Law and Administration Department of the University of Łódź. She holds the professional title of legal counsel. She completed studies in the area of management and business (MBA) at the Warsaw Management University, obtaining the Executive Master of Business Administration title. She currently acts as Director of the Financial Control, Risk and Compliance Management Office at PKN Orlen S.A., where she manages the work of the financial control, regulatory risk management, compliance management, management systems, corporate risk management, and representative office of PKN Orlen S.A. in Brussels. She has several years of experience acting as an independent member of the Supervisory Board in the banking sector, including 2 companies in the Bank Pekao S.A. Capital Group, including a member of the Nomination and Remuneration Committee. Currently, she is a member of the Supervisory Board in a company from the Orlen Capital Group – Orlen Oil Sp. z o.o.. She has many years of experience in managerial positions – she was, inter alia, the Director of the Świętokrzyskie Branch of the Regional Agency for Restructuring and Modernisation of Agriculture (Agencja Restrukturyzacji i Modernizacji Rolnictwa), as well as functions of a member of the Management Board and Director in the sector of non-governmental organisations. Ms Małgorzata Erlich-Smurzyńska is on the list of auditors of the Polish Institute of Internal Control, and holds the Approved Compliance Officer title obtained at the Compliance Institute in Warsaw.

Paweł Knop (independent Member of the Supervisory Board), graduate of master's studies at the Department of Finance and Accounting of the Cracow University of Economics. He holds the powers of a statutory auditor, which he obtained in the course of auditing the largest entities in Upper Silesia from the automotive, mining, steel, and service industries. Mr Paweł Knop holds the powers of a securities broker and investment advisor. He started his professional career in 2006-2007 in the financial industry – Commercial Union (Aviva), advisory – KPMG, and then banking – Bank Spółdzielczy in Raciborz and Alior Bank S.A. Subsequently, since 2010, he continued his career with Deloitte Polska, where he became a statutory auditor in 2017. In 2013, he joined ING Bank Śląski S.A., where as a finance expert he was responsible for consolidating the capital group of the bank and accounting of the bank and its subsidiaries. Since 2018, he has been associated with Dr Józef Rostek District Hospital in Raciborz, where he is responsible for the supervision and coordination of the budget, results, debt restructuring. Responsible for liquidity management and implementation of the financial assumptions of the recovery programme. In the years 2018-2019, he was a member of the supervisory board of Energo-tel S.A., and from 2019 he was the chair of the supervisory board of Przedsiębiorstwo Robót Drogowych Sp. z o.o.

Artur Kucharski (independent member of the Supervisory Board) – educated as an engineer with seven years of auditing experience, seven years of consulting experience, and over ten years of supervisory experience. He obtained the ACCA diploma in 1999 and the MBA title in 2011. He has over ten years of experience as an Independent Member of the Supervisory Board, including in nine public companies quoted on the Warsaw Stock Exchange S.A. As part of his duties, he chaired Audit Committees in four listed companies, including a bank, as well as participated in the operations of Audit Committees in other companies as a member of the Audit Committee. In addition, he is experienced in serving as a member of the following committees: Risk (bank), Nomination and Remuneration, and Strategy and Development.

Marek Pietrzak (independent Member of the Supervisory Board) – legal counsel. Graduate of the Faculty of Law and Administration of the Łazarski University in Warsaw. In 2013, he completed his legal adviser apprenticeship at the District Chamber of Legal Advisers in Warsaw and obtained a licence to practice. He also completed management and business studies (MBA) at the Higher School of Management in Warsaw, obtaining the title of Executive Master of Business Administration. He got his post-graduate degree in the field of Accounting and Finance at the SGH Warsaw School of Economics. He has professional experience in public administration, as well as practice in ownership supervision and management of commercial companies, including those with State Treasury shareholding. In his professional practice, he is focused on legal services for business entities. His major specialisation is civil and commercial law, in particular, corporate law and labour law. Mr Marek Pietrzak is currently Vice-President of the Management Board for Corporate Affairs of KGHM Polska Miedź S.A. It also has a function

Paweł Śliwa (independent Member of the Supervisory Board) – Vice-President of the Management Board of PGE, graduate of the Faculty of Law and Administration of the Maria Curie-Skłodowska University in Lublin, branch in Rzeszów. He completed doctoral studies at the Cardinal Stefan Wyszyński University in Warsaw and post-graduate EMBA studies at the Institute of Economic Sciences of the Polish Academy of Sciences. He completed a lawyer's apprenticeship at the District Bar Council in Rzeszów. From 1 March 1 to 22 March 2016, he was a Member of the Supervisory Board of PGE. From 2002 to March 2016, he ran a Law Firm in Gorlice. In 2005-2012, he ran the advocates and legal counsel in Gorlice. In 2006-2007, he was the Vice-Chairperson of the Supervisory Board of Ruch S.A.

Dominik Witek – Member of the Management Board of PZU Zdrowie S.A., graduate of the Faculty of Law and Administration of the University of Rzeszów. He holds the professional title of lawyer and legal counsel. He also completed studies in the area of management and business (MBA) at the Higher School of Business – National Louis University in Nowy Sącz, obtaining the title of Master of Business Administration. Since 2017, he ran his own Lawyer's Office and then Legal Counsel's Office. In the years 2019-2020, he was employed as a legal counsel at ORLEN Południe S.A., where, among other things, he participated in comprehensive legal services of the Company and Companies from ORLEN Południe Capital Group. In addition, he was the Chair of the Supervisory Board in the Sanockie Przedsiębiorstwo Gospodarki Mieszkaniowej Sp. z o.o., as well as the President of the Management Board, Managing Director of the Sanockie Przedsiębiorstwo Gospodarki Komunalnej Sp. z o.o.

Appointed Members of the Supervisory Board shall not engage in activities that are competitive with the Bank and shall not participate in companies that are in competition as partners of civil companies nor be members of bodies of capital companies or other, competitive legal persons, and shall meet all the requirements laid down in Article 22aa of the Act of 29 August 1997. Banking Law (Dz. U. [*Polish Journal of Laws*] of 2020, item 1896, as amended).



Rules governing the Supervisory Board

The Supervisory Board of the Bank acts in particular on the basis of the Act of 29 August 1997 Banking Law (Dz. U. [*Polish Journal of Laws*] of 2020, item 1896, as amended), the Act of 15 September 2000 Code of Commercial Companies (Dz. U. of 2020, item 1526, as amended) and the Articles of Association and Regulations of the Supervisory Board of the Bank, the content of which is available on the Bank's website. The Supervisory Board exercises continuous oversight of the Bank's activities in all its aspects.

In accordance with the Articles of Association, responsibilities of the Supervisory Board, in addition to other rights and responsibilities provided for by mandatory legislation, include, among other things:

- consideration of the Management Board's report on representation expenses, as well as expenditure on legal services, marketing services, public relations services and social communication, or management advisory services,
- assessment of periodic information on internal control,
- examining the report on best practice mentioned in Article 7(3) of the Act on the Principles of Property Management,
- applying to the KNF Board for acceptance of the appointment of two members of the Management Board of the Bank, including the President of the Management Board,
- adopting the Rules of Procedure of the Supervisory Board and approving the Rules of Procedure of the Management Board established by the Management Board of the Bank,
- determination of the rules for remuneration of Members of the Management Board and their remuneration, conclusion, termination, and amendment of agreements with Members of the Management Board, taking into account the principles defined by the General Meeting, in accordance with § 17 (2) (10a) of the Articles, and representation of the Bank in matters between members of the Management Board and the Bank,
- suspending the activity, for major reasons, of particular or all members of the Management Board of the Bank,
- providing opinions on requests of the Management Board for the establishment and for the Bank's accession as member or shareholder to companies and to dispose of shares where such investments are long-term and strategic,
- providing opinions to multi-annual Bank development programmes and Bank's annual financial plans,
- adopting, at the request of the Management Board, the rules governing the creation and use of the funds provided for in the Bank's Articles,
- approving requests of the Management Board of the Bank for acquisition, charge or disposal of real property or interest in real property, or perpetual usufruct, if its value is more than PLN 5,000,000. In other cases, the decision is taken by the Management Board of the Bank without the need to obtain the authorisation from the Supervisory Board, subject to the matters decided by the General Meeting under § 23a of the Bank's Articles of Association,
- approval of the requests of the Bank's Management Board for making a commitment or dispose of assets, the total value of which with regard to a single entity exceeds 5% of the Bank's own funds,
- exercising supervision over the introduction and monitoring of the management system at the Bank, including in particular, supervising compliance risk management and assessing, at least once a year, the adequacy and effectiveness of that system,
- approval of the rules of conducting internal control and procedures related to the estimation of internal capital, capital management, and capital planning,
- approving the Bank's business strategy, and the rules of prudent and stable management of the Bank,
- approving the Organisational Rules of the Bank and the overall organisational structure of the Bank established by the Management Board of the Bank, adapted to the size and profile of risks taken,
- accepting the overall level of risk taken by the Bank,
- approving the assumptions of the Bank's policy for compliance risk,
- approving the Bank's information policy,
- selection of an auditor,

- approval of the remuneration policy formulated by the Management Board and overseeing its introduction and operation,
- drawing up an annual remuneration report.

The following requires the approval of the Supervisory Board:

- conclusion and amendment of a contract for legal services, marketing services, public relations and social communication services, and management consultancy services, if the amount of remuneration for the services provided exceeds PLN 500,000 net, on an annual basis or the maximum amount of remuneration is not provided for,
- conclusion of an agreement for:
 - donations or other agreement with similar effect with a value exceeding PLN 20,000 or 0.1% of the sum of assets within the meaning of the Accounting Act of 29 September 1994, determined based on the last approved financial statement,
 - exemption from debt or other agreement having a similar effect with a value exceeding PLN 50,000 or 0.1% of the sum of assets within the meaning of the Accounting Act of 29 September 1994, determined based on the last approved financial statement.
- subject to § 17 (2) (4) of the Articles of Association, regulation of fixed assets within the meaning of the Accounting Act of 29 September 1994, classified as non-material and legal values, tangible fixed assets or long-term investments, including making contributions to a company or cooperative, if the market value of these assets exceeds 5% of the sum of assets within the meaning of the Accounting Act of 29 September 1994, determined on the basis of the last approved financial statements, as well as the transfer of these components for use to another entity, for a period longer than 180 days in a calendar year, on the basis of a legal transaction, if the market value of the object of the legal transaction exceeds 5% of the sum of assets, with the proviso that in the case of:
 - rent, lease and other agreements under which asset components are made available to other entities for use against a fee – the market value of the subject of the legal transaction shall be deemed to be equal to the value of payments for:
 - a year - if handing over of the asset took place under agreements concluded for an indefinite period of time,
 - an entire term of the agreement - in the case of agreements concluded for a finite period;
 - lend and other agreements under which asset components are made available to other entities for use, free of charge – the market value of the subject of the legal transaction shall be deemed to be equal to the value of payments that would be due if a rent or lease agreement had been concluded, for:
 - a year - if handing over of the asset took place under agreements concluded for an indefinite period of time,
 - an entire term of the agreement - in the case of agreements concluded for a finite period;
- subject to § 17 (2) (4) of the Articles of Association, purchase of fixed assets within the meaning of the Accounting Act of 29 September 1994, of a value exceeding:
 - PLN 100,000,000 or
 - 5% of the sum of assets within the meaning of the Accounting Act of 29 September 1994, determined based on the last approved financial statement,
- takeover, acquisition, or disposal of shares of another company with a value exceeding:

- PLN 100,000,000 or
- 10% of the sum of assets in the meaning of the Accounting Act of 29 September 1994, determined based on the last approved financial statement,

The Supervisory Board appoints from among its Members: the Audit Committee, Risk Committee, and other committees required by law, it may also appoint standing or *ad hoc* committees to perform specific activities.

Committees of the Supervisory Board

Audit Committee of the Supervisory Board

Composition of the Committee as at 31.12.2022		Composition of the Committee as at 31.12.2021	
Artur Kucharski	Committee Chair	Artur Kucharski	Committee Chair
Ernest Bejda	Committee Member	Ernest Bejda	Committee Member
Paweł Knop	Committee Member	Paweł Knop	Committee Member
Filip Majdowski	Committee Member	Filip Majdowski	Committee Member
Marek Pietrzak	Committee Member	Marek Pietrzak	Committee Member

On 10 December 2021, the Supervisory Board appointed the following persons to the Audit Committee of the Supervisory Board (Audit Committee): Artur Kucharski, Marek Pietrzak, Ernest Bejda, Filip Majdowski and Paweł Knop. In the process of suitability assessment carried out in accordance with the Bank's internal procedures, the Bank, insofar as the function of members of the Audit Committee, took into account legal requirements as well as good practices regarding the composition and independence of Audit Committee members, knowledge and skills in accounting or auditing of financial statements, the industry in which operates. In the 2022 financial year, the composition of the Audit Committee did not change.

The individuals meeting the independence criteria in accordance with the submitted statements are:

- Mr Artur Kucharski,
- Mr Paweł Knop,
- Mr Marek Pietrzak.

The individuals with knowledge and skills in the area of accounting or auditing the financial statements are:

- Mr Artur Kucharski, competences confirmed by: knowledge acquired during auditing work, obtaining the Association of Chartered Certified Accountants (ACCA) diploma, as well as professional experience related to performing supervisory functions
- Mr Paweł Knop, competences confirmed by: knowledge acquired during audit work and possession of statutory auditor's qualifications, securities broker's qualifications, including investment advisory qualifications, as well as professional experience related to performing supervisory functions

The persons with the knowledge and skills in the sector in which the Bank operates are:

- Mr Artur Kucharski,

- Mr Ernest Bejda,
- Mr Filip Majdowski,
- Mr Paweł Knop

Knowledge and skills confirmed, e.g. by education, professional experience, performing supervisory functions.

Activities of the Audit Committee

Financial year 2022 witnessed holding 23 meetings of the Audit Committee, during which the Audit Committee performed its tasks, including: monitoring the financial reporting process, monitoring the effectiveness of the internal control system and the risk management system and internal audit, monitoring the performance of financial audit actions, controlling, monitoring and assessing the independence of the statutory auditor and the audit firm, assessing the independence of the expert auditor and expressing consent to the provision of permitted services other than the audit of the financial statements, informing the Supervisory Board of the results of the audit of the financial statements and an explanation of how the audit contributed to the reliability of financial reporting at the Bank, as well as what was the role of the Committee in the audit process.

Policy for the selection of an audit firm to conduct audits and reviews of financial statements and Policy for the provision of permitted non-audit services by the audit firm performing the audit, entities related to that audit firm and by a member of that audit firm's network

In order to control and monitor the independence of the statutory auditor and the audit firm, the Committee developed the Policy for the selection of an audit firm to conduct audits and reviews of financial statements and the Policy for the provision of permitted non-audit services by the audit firm performing the audit, entities related to that audit firm and by a member of that audit firm's network.

The main objective of the Policy for the selection of the entity authorised to audit and review financial statements in Alior Bank S.A. is to ensure the adequacy and legal compliance, including to avoid any conflict of interest when selecting the audit firm. The Bank is guided by the principles consistent with business ethics, aiming at transparent relations with the counterparty. The Policy defines the rules of proceeding when selecting the audit firm. The selection is conducted taking into account the principles of impartiality and independence of the auditor company and the analysis of the work conducted by it at the Bank. Differences of opinions for the application of accounting policies or auditing standards are not sufficient to terminate the financial statements auditing agreement. Rules for the rotation of the audit firms and of the key auditor, including any waiting periods are defined.

The main objective of the Policy of the provision by audit firm, its affiliates and a member of the audit firm network of admissible services not being an audit in Alior Bank S.A. is to control and monitor the independence of the audit firm and of the independent auditor, including to avoid any conflict of interest. The Policy allows for the provision of admissible services mentioned in Article 136(2) of the Act of 11 May 2017 on statutory auditors, audit firms and public supervision. The provision of admissible services is possible after the analysis of independence and consent to the provision of such services by the Audit Committee.

The selection of the entity authorised to audit financial statements is carried out in accordance with the procedure applicable at the Bank "Selection of the entity authorised to audit financial statements at Alior Bank S.A.". As a result of the tender procedure, the Audit Committee provided the Supervisory Board with recommendations regarding the selection of an audit firm to audit and review the financial statements of Alior Bank S.A. and the entities of the Alior Bank S.A. Group for the period of three financial years 2024-2026 with the option to extend the contract for two subsequent two-year periods: financial years (2027-2028) and financial years (2029-2030). The Committee's recommendation contained at least

two options for selecting an audit firm, along with justification and an indication of the Committee's justified preference towards one of them.

The entity authorised to audit financial statements, conducting the audit of annual financial statements of Alior Bank Group and annual financial statements of Alior Bank S.A. was selected in accordance with legal provisions. That entity as well as statutory auditors conducting the audit of those statements have met the requirements for being able to express their impartial and independent opinion on the audited interim financial statements of the Bank Group and financial statements of the Bank, in accordance with the applicable legislation and professional standards.

In financial year 2022, the audit firm auditing the financial statements provided to Alior Bank S.A. certain admissible services other than audit. The independence of the audit firm was assessed and the consent for the provision of such services was granted each time.

Nomination and Remuneration Committee of the Supervisory Board:

Composition of the Committee as at 31.12.2022		Composition of the Committee as at 31.12.2021	
Małgorzata Erlich-Smurzyńska	Committee Chair	Aleksandra Agatowska	Committee Chair
Marek Pietrzak	Committee Member	Ernest Bejda	Committee Member
Dominik Witek	Committee Member	Małgorzata Erlich-Smurzyńska	Committee Member
		Marek Pietrzak	Committee Member
		Dominik Witek	Committee Member

During the reporting period, the composition of the Nomination and Remuneration Committee of the Supervisory Board of Alior Bank changed. On 12 April 2022, Ms Aleksandra Agatowska resigned from her position in the Supervisory Board and resigned the position of the Chairperson of the Supervisory Board of the Bank of the fourth term of office, effective as of 12 April 2022, thus leaving the Nomination and Remuneration Committee of the Supervisory Board of Alior Bank. Subsequently, on 3 November 2022, Mr Ernest Bejda resigned from membership in the Nomination and Remuneration Committee, who had been the Chairperson of the Committee since the resignation of Ms Aleksandra Agatowska. Ms Małgorzata Erlich-Smurzyńska became the Chairperson of the Nomination and Remuneration Committee.

Activities of the Nomination and Remuneration Committee of the Supervisory Board

The Remuneration Committee was established pursuant to Resolution of the Supervisory Board No. 87/2011 on 7 December 2011.

The tasks of the Committee include:

- providing opinions on the Remuneration Policy in order to ensure compliance of the terms and conditions of remuneration with regulations, mainly with the Regulation of the Minister of Development and Finance of 8 June 2021 on the risk management system and internal control system, remuneration policy and detailed method of estimating internal capital in banks (Dz. U. [*Polish Journal of Laws*] of 2021, item 1045), in accordance with the principles of stable and prudent risk, capital and liquidity management, and with particular regard to the long-term interests of the Bank and the interests of its shareholders,
- providing opinions on the classification of jobs, which is governed by the pay policy with regard to individuals having material impact on the risk profile of the Bank (Material Risk Takers – MRTs), providing opinions on annual objectives; providing opinions and monitoring variable pay of the MRTs,
- preparing opinions, assessments, or recommendations on candidates to the Management Board of the Bank, on the conclusion, amendment, and termination of contracts with members of the Management Board, regarding the structure, size, composition, and effectiveness of the Management Board's operation as a body, as well as knowledge, skills and experience of individual members of the Management Board,

- preparing opinions, assessments, or recommendations on other personnel matters for which the Supervisory Board or the Committee are competent as per the applicable in-house regulations and mandatory legislation.

In 2022, the Nomination and Remuneration Committee held 10 meetings, at which, among others, it carried out the initial assessment of the individual suitability of candidates for the Management Board of the Bank, a secondary and secondary annual assessment of the individual suitability of members of the Management Board of the Bank, as well as an assessment of the collective suitability of the Management Board of the Bank. In addition to the above, the Committee gave an opinion on the classification of positions which are subject to the Remuneration Policy with regard to persons having a significant impact on the Bank's risk profile, their objectives and decisions related to variable remuneration of these persons; gave an opinion on amendments to the draft Policies for the selection and assessment of members of the Management Board and members of the Supervisory Board in the field of diversity policy; in connection with changes in the composition of the Supervisory Board of the Bank, it assessed the suitability and recommendations for the Supervisory Board regarding the composition of the Supervisory Board's committees; recommended for the Supervisory Board an update of the rules for remunerating members of the Management Board of the Bank and an update agreements contracts for the provision of management services.

Risk Committee of the Supervisory Board:

Composition of the Committee as at 31.12.2022		Composition of the Committee as at 31.12.2021	
Ernest Bejda	Committee Chair	Ernest Bejda	Committee Chair
Małgorzata Erlich-Smurzyńska	Committee Member	Małgorzata Erlich-Smurzyńska	Committee Member
Paweł Knop	Committee Member	Paweł Knop	Committee Member
Artur Kucharski	Committee Member	Artur Kucharski	Committee Member
Dominik Witek	Committee Member	Dominik Witek	Committee Member

During the reporting period, the composition of the Risk Committee of the Supervisory Board did not change.

The composition of the Committee shall ensure an adequate level of supervision over the entrusted area of the Bank's activity. Each Committee Member has appropriate knowledge and competence to supervise the implementation of the risk management strategy at Alior Bank S.A. and the Bank's willingness and preparedness to take risks, thereby guaranteeing the proper performance of its duties.

Activities of the Risk Committee of the Supervisory Board

The Supervisory Board's Risk Committee of Alior Bank S.A. was established on 22 December 2015 by Supervisory Board Resolution No. 81/2015 to support the Supervisory Board in the supervision of the risk management process at the Bank. The Committee operates on the basis of the Rules of Operation of the Risk Committee of the Supervisory Board of Alior Bank S.A.

The tasks of the Risk Committee stem from the Regulation of the Polish Minister of Finance, Funds and Regional Policy of 8 June 2021 on the risk management system and internal control system and remuneration policy in banks, and from the Banking Law.

The tasks of the Risk Committee of the Supervisory Board include, in particular:

- providing opinions on the Bank's overall current and future readiness to accept risk, which has been quantified in the risk appetite,
- issuing opinions on the risk management strategy at the Bank and analysing information submitted by the Management Board concerning the implementation of this strategy, including periodic reports on capital adequacy, credit, operational, market and liquidity risk, as well as model risk, non-compliance and reputation,
- supporting the Supervisory Board in supervising the implementation of the risk management strategy at the Bank,
- verifying compliance of the price of liabilities and assets offered to customers with the Bank's business model and its risk strategy, and, in the event of non-compliance, submitting proposals to the Bank's Management Board aimed at ensuring that the prices of liabilities and assets are adequate to these risks,
- issuing opinions on regulations defining the Bank's strategy and policy governing the approach to risk-taking, the approval of which falls within the competence of the Supervisory Board,
- analysing cyclical reports on the implementation of the above strategies and policies,
- supporting the Supervisory Board in the scope of ongoing monitoring of the risk management system at the Bank.

During the reporting period, 10 meetings of the Risk Committee took place, including as well as 2 combined meetings of the Risk Committee of the Supervisory Board and the Audit Committee of the Supervisory Board.

During the meetings of the Risk Committee of the Supervisory Board, key issues related to the risk were discussed, in particular concerning: implementation of the risk appetite, capital position of the Bank, quality of the credit portfolio, the largest credit exposures and capital groups, issues related to identification and analysis of key risks from the point of view of the Bank's operations, risks, as well as information related to the assessment of the impact of Russia's invasion of Ukraine on the Bank's situation and the assessment of the impact of interest rate increases and macroeconomic scenarios on credit risk.

As part of the ongoing monitoring of the risk management system at the Bank, the Committee received periodic reports in the area of risk, containing information of credit risk, capital adequacy ratios, market risk, liquidity, operational risk, model risk, as well as compliance and reputation risk, which presented the situation of the Bank and significant subsidiaries.

The Committee also dealt with issues related to credit concentration risk, treasury transaction portfolio risk, and counterparty limit portfolio, as well as the results of the review of the adequacy of asset and liability prices. The results of the stress tests carried out by the Bank and the results of the review of the internal capital adequacy assessment process (ICAAP) were also discussed. The Committee also familiarised itself with the periodical assessment of the mortgage portfolio covered by Recommendation S and the retail exposure portfolio covered by Recommendation T.

The Committee issued opinions and recommended that the Supervisory Board approve key regulations defining the Bank's risk management strategy and policy.

Depending on the matters discussed, representatives of the Bank were invited to the meetings of the Committee, while the Director of the Audit Department and the Director of the Regulatory Compliance Department are permanent participants of the Committee's meetings.

The Committee forwarded its decisions to the Supervisory Board in the form of resolutions. Per the periodic reports received, the Committee regularly monitored the effectiveness of the Bank's risk management system.

The Committee took steps to clarify the reasons for the increased level of risk. Whenever threats were identified, the Committee members pointed to those areas that required additional review and taking appropriate action.

The members of the Committee actively formulated recommendations and advice aimed at increasing the effectiveness of the Bank's risk management system.

Strategy and Development Committee of the Bank's Supervisory Board:

Composition of the Committee as at 31.12.2022		Composition of the Committee as at 31.12.2021	
Filip Majdowski	Committee Chair	Aleksandra Agatowska	Committee Chair
Artur Kucharski	Committee Member	Artur Kucharski	Committee Member
Dominik Witek	Committee Member	Filip Majdowski	Committee Member
Paweł Śliwa	Committee Member	Dominik Witek	Committee Member

During the reporting period, the composition of the Bank Strategy and Development Committee changed in connection with changes to the composition of the Supervisory Board of the Bank for the 4th joint term of office.

- On 12 April 2022, Ms Aleksandra Agatowska resigned as a member of the Supervisory Board of the Bank, and Mr Paweł Śliwa was appointed to the Supervisory Board,
- On 26 April 2022, the Supervisory Board established a new composition of the Committee in accordance with the table above.

Activities of the Strategy and Development Committee of the Bank's Supervisory Board

The Strategy and Development Committee of the Bank is consultative and advisory in relation to decisions made by the Supervisory Board. The tasks of the Bank's Strategy and Development Committee involve providing opinions and presenting the Supervisory Board with recommendations on decisions taken on:

- approving the Bank's long-term development plans developed by the Management Board,
- pursuing the Bank's long-term development programmes, including reports on projects implemented at the Bank,
- providing opinions on requests of the Management Board of the Bank on the establishment and accession of the Bank as member or shareholder (stockholder) of companies and dispose of shares (stocks) where such investments are long-term and strategic.

Three meetings of the Committee on Strategy and Development of the Bank of the Supervisory Board took place in 2022. The following topics were discussed during the meetings:

- approach to the preparation of a new strategy for Alior Bank (in the years 2023-2024),
- ESG strategy and review of activities carried out at the Bank,
- progress in the implementation of the “More than a Bank” strategy, including a summary of ongoing work and KPI levels,
- selected most important projects implemented at the Bank: Hyperautomation (artificial intelligence, robotisation, process workflow) and Implementation of a hybrid cloud model.

As regards the Bank’s new strategy, the Committee familiarised itself with the presented materials, taking into account the scenarios of the approach to adopting a time horizon, market and macroeconomic context, and positively recommended the adoption of an open horizon strategy with cyclical operationalisation, pointing to the advantages and flexibility of the approach. The Committee actively participated in the discussion on the planned development directions, work schedule, as well as declared its support in further arrangements regarding the final shape of the new strategy.

The Committee got acquainted with the activities in the ESG area implemented at the Bank in 2021 and 2022, which constitute the roadmap of actions.

Each meeting of the Committee involved presentation of the materials regarding the implementation of the “More than a Bank” strategy – the Committee submitted comments and participated in the discussion. During one of the meetings, materials were presented discussing the assumptions and progress of two technologically important projects implementing the “More than a Bank” strategy: implementation of a robotisation and artificial intelligence programme in the Bank and the so-called hybrid cloud. The Committee acknowledged the presented materials.

Management Board of the Bank

Composition of the Management Board of the Bank as at 31 December 2022 *



Grzegorz Olszewski

President of the Management Board¹

Grzegorz Olszewski an academic lecturer. At the Łazarski University in Warsaw, he conducts classes in the area of investment products. In 2019-2020, he worked at Bank Pekao S.A., where he was a Member of the Management Board and then Vice President of the Management Board, responsible, among other things, for IT, brokerage services, bancassurance and digital transformation, successfully developing the electronic banking system, e.g. by implementing advanced mobile banking solutions, including PeoPay & PeoPay Kids.

In 2017, he started work at PZU Group, where he was, among other things, the director of the Investment Product Sales Office of PZU Życie S.A. and advisor to the Chair of the Management Board of PZU S.A. He was also the manager of a project which when implemented allowed to launch the first platform in Poland for the sale of passive investment funds in PZU. In 2016, as the Sales and Marketing Director of AgioFunds TFI S.A., he actively developed the fund’s investment products.

In 2010, he joined Alior Bank, where he supported the implementation of new, competitive solutions in the field of investment funds, treasury products, and FOREX. In 2012, he took up the position of Director of Sales of Investment Products at the Brokerage Office of Alior Bank, where he carried out, among other things: IPO Alior Bank, promotion of Alior Trader platform and introduction of investment advisory services.

In 2007-2010, he worked at Bank Millennium in the field of retail banking. Grzegorz Olszewski graduated from the: Faculty of Management of the University of Warsaw, where he completed the Executive MBA programme; the Łazarski University in the field of Economics; Polish Open University (currently the Vistula Academy Warsaw) in the field of Financial Management; Bachelor of Arts (B.A.), Finance, Oxford Brookes University.

¹ On 14 July 2022, the Polish Financial Supervision Authority approved the appointment of Mr Grzegorz Olszewski as the President of the Management Board of the Bank.

Grzegorz Olszewski manages the organisational units of the Bank, responsible for internal audit, compliance risk management, HR, communication and CSR, servicing the Bank's governing bodies and strategy. He is also responsible for the day-to-day functioning of procedures for reporting breaches of the provisions of law, procedures and business ethics applicable at the Bank, and accepts reports in this regard in accordance with the provisions of the Bank's internal regulations.

Radomir Gibała an economist and experienced manager with nearly 20 years of national and international practice in implementing projects for the financial sector and professional services, including business development and development and implementation of business strategies. He has very good knowledge of the economic environment and international financial markets.



Radomir Gibała

Vice-President of the Management Board

In recent years, he has been associated with an advisory company Baker McKenzie, where since 2012, as a member of the management committee and a director of business development, he has been responsible, inter alia, for strategic advice, development and implementation of business strategies, improvement of financial efficiency, introduction of organisational changes and development of cooperation with financial institutions. As part of the implemented projects aimed at improving financial efficiency, he was responsible, among other things, for designing and implementing incentive systems, management information systems, managing relations with customers and initiatives increasing the efficiency of cost management and financial flow statement. Between 2005 and 2012, he worked in the advisory company Ernst & Young, where as a manager in the area of financial markets he was responsible for advising entities in individual segments of the financial services sector in Poland. At that time, he carried out, among other things, projects to develop an exit strategy for a financial institution owned by the private equity fund, to develop strategic options for further functioning for a large international banking group and to prepare contingency plans for the leading capital group in Poland.

Previously associated with Bank BPH, where he managed projects in the area of corporate banking, was responsible, among other things, for co-creating the concept of a new corporate customer service model. Graduate of the Finance and Accounting at the Cracow University of Economics and doctoral studies in the field of economic sciences at the Management and Finance College at the Warsaw School of Economics. He also completed the Advanced Management Program (AMP) at the IESE Business School.

Radomir Gibała is the head of the Bank's organisational units responsible for finance, accounting and financial reporting, auditing and supervision of subsidiaries, and activities in other countries.



Szymon Kamiński

Vice-President of the Management Board

Szymon Kamiński managed business in the area of finance, consulting and industry. He worked in Poland and abroad. In 2020-2022, he was the President of the Management Board of Pekao Leasing. Between 2011 and 2019, he was the President of the Management Board of Santander Leasing and other subsidiaries of the Santander Group. In 2008-2010, he worked in the Credit Agricole Group, and earlier in the Det Norske Veritas Group. In the latter, between 2006-2008, he managed projects in Europe, the Far East and South America. Between 2003-2005 he was the Country Manager of DNV Iberia in Spain and Portugal. In the period 1998-2003 – Country Manager of DNV Industry in Poland.

From 1996 to 1998, he was one of the managing directors of post-acquisition restructuring in the Polish part of the Swedish Trebruk Group (currently Arctic Paper S.A.).

Szymon Kamiński is a graduate of two courses of study at the Maritime University of Gdynia and the advanced IMD Lausanne programme in Oslo.

Szymon Kamiński manages organisational units of the Bank responsible for products and sales within the scope of business customer and treasury activities.



Rafał Litwińczuk

Vice-President of the Management Board

Rafał Litwińczuk has gained experience in the field of asset and liability management, foreign exchange, operational risk, interest rate, and sales of products at a number of financial institutions. From July 2018 to November 2021, he was a member of the Management Board of Pekao Bank Hipoteczny, where he supervised the financial area. At that time, he carried out a project for the transfer of mortgage claims within the capital group. In 2016-2018, he worked in the area of arbitration and interest rate at a bank and relations with financial customers, and the project of implementing MIFID II regulation at Credit Agricole Polska S.A. Between 2012 and 2016 he worked at the Pekao Bank Hipoteczny, where, as a Director of the Asset Management Department, Liabilities and Issuance of Pledge Lists, he worked at obtaining long-term financing, was responsible for contacts with investors and their handling, as well as for all treasury operations, hedge accounting, foreign

exchange risk, asset and liability management, relations with rating agencies and banking supervision. He was also responsible for servicing the covered bonds programme, changes in the prospectus, contacts with the National Depository of Securities, and compliance with information requirements. In 1997-2012, he worked at Westdeutsche Landesbank Polska, where, as a director of the Treasury Department, he supervised the sale of financial instruments, arbitration, interest rate management, foreign exchange risk, liquidity of the EMEA region, and was responsible for customer relations and services. He also supervised the deposit certificate issue programme and sales to the bank's customers.

From 1995 to 1997, he managed the liquidity and interest rate at ING Bank Śląski. From 1993 to 1995, he worked at the Bank BGŻ, where he concluded interbank transactions, was responsible for the bank's liquidity, interest rate management, and deposit transactions with the bank's customers. A lawyer by training. He graduated from the European University of Law and Administration, did his postgraduate studies at the Faculty of Law of the University of Warsaw, graduated from Executive MBA, and completed doctoral studies in economics at the Institute of Economic Sciences of the Polish Academy of Sciences.

Rafał Litwińczuk manages organisational units of the Bank responsible for products and sales in the scope of retail customers (individuals and micro-enterprises) and brokerage activities.

Tomasz Miklas has been with Alior Bank since 2008, and during this period he has held a number of managerial positions in the area of credit, operational, liquidity and market risk management. He features many years of experience in conducting strategic projects, including in the field of transformation of work organisation, mergers, implementation of new products and processes. From 2021, he was the director of the Credit Risk Department at Alior Bank and was responsible for managing the credit risk of portfolios of retail customers, micro-enterprises, business customers, as well as exercised supervision over the credit policy of the subsidiary Alior Leasing. Moreover, he chaired the Credit Risk and Business Initiatives Committee and was a member of the Credit Committee, the Operational Risk Committee, the Model Risk Committee, and the Bank's Development Committee. In previous years, he was responsible for managing the credit risk of business segments, including micro-enterprises and business customers, managing the credit risk of products for retail customers, as well as for managing the credit risk of business segments, including micro-enterprises and business customers. In 2013-2017, he was responsible for managing the credit risk of products for retail customers.



Tomasz Miklas

Vice-President of the Management Board²

He is a graduate of Computer Science and Econometrics at the Faculty of Economic Sciences of the University of Warsaw and post-graduate studies in Risk Management in Financial Institutions conducted by the Warsaw School of Economics.

Until the Polish Financial Supervision Authority expresses its consent to entrust Tomasz Miklas with the function of the Vice-President of the Management Board of the Bank supervising the management of material risk in the Bank's operations, supervision over material risk management is exercised by the Management Board of the Bank collectively.

Jacek Polańczyk, until his appointment to the Management Board of the Bank, held the position of the Marketing Department Director at Alior Bank S.A. Previously, he was associated with the fuel and energy sector, he worked in Polska Grupa Energetyczna S.A. and Polskie Górnictwo Naftowe i Gazownictwo SA, where he held, among other things, the position of Marketing Department Director. He has experience in many branches of the law, including commercial company law and tax law, which he acquired at renowned law firms and civil service, working, among others, at the Ministry of State Treasury.



Jacek Polańczyk

Vice-President of the Management Board

He has a long-standing professional practice in managerial positions. Jacek Polańczyk is a graduate of the Faculty of Law and Administration at the University of Warsaw and the Studies of Management and Marketing of the Warsaw School of Economics, as well as the Studies of Foreign Policy of the Polish Institute of International Affairs. He holds the title of Master of Business Administration from the Senior Management School.

Jacek Polańczyk manages organisational units of the Bank responsible for marketing, logistics and purchases.

² On 13 October 2022, the Supervisory Board of the Bank appointed Mr Tomasz Miklas to the Management Board of the Bank and entrusted him with the function of Vice-President of the Management Board of the Bank supervising the management of significant risk in the Bank's operations, subject to obtaining the relevant consent of the Polish Financial Supervision Authority and as of the date of issuing this consent.



Paweł Tymczyszyn
Vice-President of the Management Board

Paweł Tymczyszyn was the proxy and Director of the Corporate Services Division at Bank Pekao S.A. managing the Legal Department (together with handling companies of the Pekao Group), the Procurement Department, Property Department, Bank Service Department. Previously, he held the position of Managing Director of the Legal Department of Bank Pekao S.A. (together with the service of Corporate Bodies of the Bank and companies of the Pekao Capital Group) and the Managing Director of the Key Restructuring and Debt Collection Department of Bank Pekao S.A.

Paweł Tymczyszyn is a manager experienced in supervision, management, and consultancy. He worked for many entities: large public companies in the banking, retail, insurance, operations, heavy industry, the media market, and advertising, ministries, state agencies, offices, and NGOs.

He is a lawyer with years of practical experience specialising in corporate and regulatory company law, banking and economic law, and mitigating the legal risks of key credit and financial transactions, mergers and acquisitions, restructuring and debt collection, civil disputes, and the protection of goods or press law.

He co-authored part of the comments on the Banking Law 2022 edition, edited by P. Zapadka and A. Mikos-Sitek (published by Wolters Kluwer) and publications of 2020 and 2021 concerning company law and banking law in the Monitor Prawniczy, Monitor Prawa Handlowego, Przegląd Prawa Handlowego. He is a member of the team for increasing the effectiveness of supervisory boards of the Commission for Ownership Supervision Reform at the Ministry of State Assets of the Republic of Poland and a panellist at various economic conferences.

He received his postgraduate Executive Master of Business Administration degree at the Management Faculty of the University of Warsaw. He is a legal counsel in Warsaw and holds a title of magister of law from the Faculty of Law and Administration of the Jagiellonian University in Krakow.

Paweł Tymczyszyn manages organisational units of the Bank's Head Office responsible for the operational, legal, IT areas and cybersecurity, security, and protection of personal data.

* 22 November 2022 the Management Board adopted Resolution No 410/2022 of the Management Board of Alior Bank with its registered office in Warsaw on defining the internal division of competences in the Management Board of the Bank approved on 2 December 2022 by the Supervisory Board of the Bank, and therefore a new division of competences in the Management Board of the Bank took place.

Composition of the Management Board of the Bank as at 31 December 2021

Grzegorz Olszewski Vice-President in charge of Management Board works	Areas of responsibility: internal audit, compliance risk management, HR, communication and PR, handling of the Bank's bodies and strategy. He is also responsible for the day-to-day functioning of procedures for reporting breaches of law, procedures and principles of business ethics in effect at the Bank, and accepts reports in this regard in accordance with the provisions of internal regulations of the Bank.
Maciej Brzozowski Vice-President of the Management Board	Areas of responsibility: management of risk relevant to the operations of the Bank
Radomir Gibała Vice-President of the Management Board	Areas of responsibility: finance, accounting and financial reporting, controlling, supervision over subsidiaries and activity in other countries
Rafał Litwińczuk Vice-President of the Management Board	Areas of responsibility: retail customer products and sales (retail customer and micro-enterprises), and brokerage activity
Marek Majsak Vice-President of the Management Board	Areas of responsibility: business customer products and sales, and treasury activity
Jacek Polańczyk Vice-President of the Management Board	Areas of responsibility: marketing, logistics and procurement

2022 was the year of the fifth joint three-year term of office of the Management Board of the Bank which began in 2020.

In the reporting period from 1 January 2022 to 31 December 2022, the following changes were made to the composition of the Management Board of the Bank:

- On 24 March 2022, Mr Maciej Brzozowski resigned his position in the Supervisory Board and resigned as the Vice-President of the Management Board effective as of 24 March 2022, 18:00.
- Due to the changes in the composition, the Management Board of the Bank adopted Resolution No. 100/2022 on the internal division of powers in the Management Board of the Bank, approved on 31 March 2022 by the Supervisory Board of the Bank, thus introducing a new division of powers among Members of the Management Board. The Supervisory Board confirmed that until a candidate for a Member of the Management Board of the Bank in charge of supervising the management of risk relevant to the Bank's operations is selected and until the Polish Financial Supervision Authority approves the appointment, supervision over the management of relevant risk is exercised by the Management Board of the Bank *in gremio*.
- On 13 October 2022, the Supervisory Board of the Bank appointed Mr Tomasz Miklas to the Management Board of the Bank and entrusted him with the function of Vice-President of the Management Board of the Bank supervising the management of significant risk in the Bank's operations, subject to obtaining the relevant consent of the Polish Financial Supervision Authority and as of the date of issuing this consent. At the same time, the Supervisory Board of the Bank entrusted the Management Board of the Bank acting in gremio with the obligation to supervise material risk management in the Bank's operations, until obtaining the consent of the Polish Financial Supervision Authority to entrust Mr Tomasz Miklas with the function of Vice-President of the Management Board of the Bank supervising material risk management in the Bank's operations.
- On 3 November 2022, Mr Marek Majsak resigned from his position in the Management Board of the Bank and from the function of the Vice-President of the Management Board, effective as of the end of 4 November 2022.
- On 3 November 2022, the Supervisory Board of the Bank appointed Mr Szymon Kamiński to the Management Board of the Bank for the position of Vice-President of the Bank, effective as of 7 November 2022.

Members of the Management Board of the Bank are not engaged in any competitive activity towards the Bank and do not participate in competitive partnerships as partners or members of governing bodies of limited companies or other competitive legal persons.

Information on how Members of the Management Board of the Bank comply with the requirements provided for in Article 22aa of the Banking Law is available on the Bank's website: <https://www.aliorbank.pl/dodatkowe-informacje/o-banku/zarząd.html>.

Description of the principles regarding the appointment and dismissal of managing persons and their rights, in particular the right to decide on the issue or redemption of shares

According to Article 22a (1) of the Banking Law Act of 29 August 1997 (uniform text, Dz. U. [Poland's Journal of Laws] of 2022, item 2324) and § 24 (1) and (2) and § 25 (1) of Alior Bank's Articles of Association, the Management Board of the Bank comprises at least 3 members appointed and dismissed by the Supervisory Board of Alior Bank, taking into account the assessment of compliance with the requirements referred to in Article 22aa of the Banking Law Act. The number of members of the Management Board is determined by the Supervisory Board.

Members of the Management Board are appointed for a joint term of office of 3 years, following a qualification procedure as part of the selection process conducted on the basis of the Policy of Selection and Assessment of Management Board Members of Alior Bank, prepared to meet the requirements set

out in the Methodology for assessing the suitability of members of bodies of entities supervised by the Polish Financial Supervision Authority.

Under Article 22b (1) of the Banking Law Act, the President of the Management Board and the Member of the Management Board overseeing the management of major risks in the Bank's activity shall be appointed with the consent of the KNF Board. The Supervisory Board shall put forward the motion regarding the consent.

Pursuant to § 25a of the Articles of Association of Alior Bank, Members of the Management Board of Alior Bank were also obliged to meet the requirements referred to in Article 22 of the Act of 16 December 2016 on the Principles of State Property Management (Dz. U. [*Polish Journal of Laws*] of 2020, item 735, as amended).

Pursuant to § 27 (1) of the Articles of Association of Alior Bank, the Management Board represents the Bank in relation to third parties and conducts matters not regulated by law or by the provisions of the Articles of Association to the competences of other bodies of the Bank. In particular, the Management Board draws up Alior Bank's development strategy and annual financial plans for Alior Bank S.A.

The Management Board of Alior Bank S.A. operates on the basis of the Regulations of the Management Board of Alior Bank, which determines the organisation of the work of the Management Board and detailed competences of the President of the Management Board.

Pursuant to § 8 (1) of the Rules of Procedure of the Management Board of Alior Bank, the Management Board in the form of a resolution:

- determines long-term activity plans and strategic goals of the Bank,
- determines short-term and long-term financial plans of the Bank and monitor their execution;
- monitors the Bank's management system, including the risk management and internal control system, taking into account the management reporting system used to control the Bank's operations on an ongoing basis,
- accepts the principles, policies, and regulations regarding the Bank's activities, in particular with regard to prudent and stable management of the Bank, risk, credit and investment activities, asset and liability management, accounting, Bank funds, personnel, and internal control principles,
- determines the amount of the bonus pool for the Bank's employees, and its overall distribution;
- appoints commercial representatives of the Company,
- makes decisions regarding the issue of bonds by the Bank, except for convertible bonds or bonds with pre-emptive rights,
- accepts the take-up, acquisition and disposal by the Bank of shares of companies,
- makes decisions regarding the commitments, disposal of assets, charges on and lease (including rental and leasing) of assets, the combined value of which towards a single entity exceeds one-hundredth of the share capital of the Bank, subject to § 8 (2) of the Rules of Procedure of the Management Board,
- approves the investment plan and accepts each own investment of the Bank (acquisition or disposal of fixed assets or proprietary rights) the value of which exceeds one-hundredth of the share capital of the Bank, subject to § 8 (2) of the Rules of Procedure of the Management Board,
- approve the organisational structure of the Bank's Head Office, including the establishment and liquidation of the Bank's organisational units,
- decides on the establishment and liquidation of Bank branches,
- takes decisions as to payment to shareholders of dividend advances, upon acceptance of the Supervisory Board,
- accepts all documents presented to the Supervisory Board or to the General Meeting, in the scope of its competence,

- examines other matters submitted thereto by the Supervisory Board, General Meeting, Members of the Management Board, organisational units of the Bank, or any committees or teams established under the Bank's internal regulations,
- makes decisions in all other matters related to the Bank's activities, provided that separate regulations so require or that such decisions may have a significant impact on the financial situation or the image of the Bank,
- exercises corporate governance over the group companies.

In other matters, pursuant to § 3 (5) of the Rules of Procedure of the Management Board of Alior Bank, each Member of the Management Board shall make their own decisions concerning the subordinated area assigned to it.

Pursuant to § 5 (4) of the Rules of Procedure of the Management Board of Alior Bank, the Management Board of the Bank may, by way of resolutions, appoint permanent or ad hoc committees in order to perform specific functions or coordinate the work of the Bank's organisational units.

The Management Board of the Bank believes that the Regulations of the Management Board of Alior Bank Spółka Akcyjna as a regulation defining the functioning of the Management Board are adequate and consistent with the law and the requirements of supervisory authorities. Members of the Management Board of the Bank coordinate and supervise the activity of the Bank, pursuant to the delegation of competences adopted by the Management Board of the Bank and approved by the Supervisory Board.

The increase or reduction of the share capital, as well as the redemption of shares and the determination of the detailed terms and conditions of such redemption require, pursuant to § 17.2 (5) and (7) of the Articles of Association of Alior Bank, a resolution of the General Meeting.



Remuneration policy

The Remuneration Policy applicable at Alior Bank is the core document for the policy and rules of the remuneration of the Bank's staff. It includes the rules for the remuneration of individuals who, due to their special role in the Bank's risk management system, have been covered by a separate regulatory regime in this regard, i.e.:

- Material Risk Takers (MRT), including the Management Board
- individuals exercising Control Functions,
- staff of the Regulatory Compliance Department and Audit Department,
- staff involved in the offering or distribution of banking, investment and insurance products and services.
- Objectives of the Policy:
 - to promote correct and effective management of risks, and discourage from taking excessive risks (exceeding the risk levels acceptable to the Bank) in order to maintain a solid equity base and having regard to the long-term interests of the Bank – its shareholders and customers,
 - to promote the Bank's strategy for sustainable development and prudent risk management policy,

- to mitigate conflict of interest,
- to maintain transparent relationship between individual results and individual remuneration by focusing on goals linked to responsibilities and actual influence,
- to prevention application of designs or methods intended to avoid application Policy,
- to ensure that the Bank's staff act in the best interests of their customers, including provide them with clear and transparent information on services and products offered by the Bank.

Particularly important for the achievement of the above-mentioned goals is how the Policy addresses MRTs. Main assumptions of the Policy as regards MRTs:

- remuneration composed of fixed and variable parts,
- avoidance of awarding pension benefits which are not defined in advance to MRTs,
- committing MRTs to avoid using individual hedging strategies or insurance regarding remuneration and liability in order to alleviate the consequences of incorporation of risks in the remuneration system applicable to them,
- except for staff exercising control functions, the total amount of the variable remuneration is based on the assessment of the results of MRT and of their respective organisational unit, as well as results of the Bank within the area of responsibility of that person, taking into account the results of the Bank as a whole,
- maximum ratio of variable remuneration of MRTs to fixed remuneration: 100%,
- at least 50% of variable remuneration of MRTs is an incentive for special care about the long-term welfare of the Bank and consists of financial instruments related to the shares of the Bank. The remaining part of variable remuneration is paid out in cash as Cash Variable remuneration,
- at least 40% of MRT variable remuneration, and if MRT variable remuneration is for a particularly high amount, at least 60% of the variable remuneration – is deferred remuneration,
- the variable remuneration of the Management Board is adapted to the provisions of the Act of 9 June 2016 on the rules of remuneration of executives of certain companies.

Agreements with Members of the Management Board

Agreements with Management Board Members, in accordance with the resolution of the Extraordinary General Meeting of Shareholders of the Bank of 5 December 2017 on the principles of remunerating Management Board Members, and with the regulations adopted by the Supervisory Board, are:

- agreements for the provision of services corresponding to the Act of 9 June 2016 on the rules of remuneration of executives of certain companies (ustawa z 9 czerwca 2016 r. o zasadach kształtowania wynagrodzenia osób kierujących niektórymi spółkami),
- agreements entered into for the term of service in the Management Board,
- agreements with termination notice of:
 - one month, if the Member of the Management Board holds the function for less than 12 months with effect at the end of the calendar month,

- three months, if the Member of the Management Board holds the function for at least 12 months.
- with severance pay at three times the fixed pay if the agreement is cancelled or if terminated by the Bank otherwise than for breach of core responsibilities by the Member of the Management Board, provided that the Member of the Management Board has held the function for at least 12 months prior to cancellation of agreement,
- with a non-competition clause on the basis of which a Member of the Management Board undertakes that after the termination of the agreement, provided that the Member of the Management Board performs their functions for at least 3 months, within 6 months from the date of cessation of their duties or termination of the agreement, they shall not engage in any competitive activity, and therefore they shall be entitled to compensation in the total amount calculated as 6 times the monthly fixed salary.

Remuneration of Members of the Management Board and the Supervisory Board of Alior Bank in 2022.

Remuneration of Members of Alior Bank's Management Board paid or payable in 2022:

(in thousands of PLN)	Period	Cash benefits			Share-based payments cleared in cash					
		Remuneration paid and payable	Other paid	Remuneration potentially payable	Remuneration paid and payable	Other paid	Remuneration potentially payable	Other benefits	Remuneration charges paid, including ECP	Total
Maciej Brzozowski	01/01/2022 – 24/03/2022	409	-	183	187	-	192	3	57	1 032
Radomir Gibała	01/01/2022 – 31/12/2022	1 106	-	100	102	-	105	19	102	1 534
Szymon Kamiński	07/11/2022 – 31/12/2022	162	-	-	-	-	-	1	20	184
Rafał Litwińczuk	01/01/2022 – 31/12/2022	1 010	-	23	24	-	24	27	93	1 201
Marek Majsak	01/01/2022 – 04/11/2022	841	180	454	23	-	24	16	69	1 608
Tomasz Miklas	13/10/2022 – 31/12/2022	238	-	-	-	-	-	6	27	270
Grzegorz Olszewski	01/01/2022 – 31/12/2022	1 047	-	26	27	-	28	11	94	1 233
Jacek Polańczyk	01/01/2022 – 31/12/2022	1 125	-	115	118	-	121	28	104	1 610
Paweł Tymczyszyn	01/01/2022 – 31/12/2022	1 012	-	25	26	-	27	58	80	1 228
Bank Management Board	01/01/2022 – 31/12/2022	6 951	180	928	507	-	520	167	647	9 901
Members of the Management Board who ceased to perform their duties in previous years			823	639	627	696	-	656	-	184
Total		7 774	819	1 555	1 203	1 176	-	167	830	13 524

Remuneration of Members of Alior Bank's Supervisory Board in 2022 (in thousands of PLN)

Specification	Period	Remuneration ¹	Remuneration overhead ²	Total
Małgorzata Erlich – Smurzyńska	01/01/2022 – 31/12/2022	205	19	224,00
Paweł Knop	01/01/2022 – 31/12/2022	205	27	232,00
Artur Kucharski	01/01/2022 – 31/12/2022	224	24	248,00
Filip Majdowski	01/01/2022 – 31/12/2022	219	29	248,00
Marek Pietrzak	01/01/2022 – 31/12/2022	205	16	221,00
Paweł Śliwa	12/04/2022 – 31/12/2022	148	7	155,00
Ernest Bejda	01/01/2022 – 31/12/2022	-	-	-
Dominik Witek	01/01/2022 – 31/12/2022	-	-	-
Supervisory Board		1 206	122	1 328
Members of the Supervisory Board who ceased to perform their functions in previous years ³		-73	0	-73
Total		1 133	122	1 255

¹ Remuneration does not include reimbursement of travel costs

² Remuneration overhead paid, including ECP

³ Salary settlement adjustment

Diversity policy

The Bank has a management and staff diversity policy in place, and includes basic elements of diversity policy in staff policy.

“Policy of selection and assessment of members of the Management Board and Supervisory Board of Alior Bank S.A.” emphasises the importance of diversity of education, professional experience, age and gender of members of the Management Board and Supervisory Board. In assessing the diversity of members of the Management Board and the Supervisory Board in terms of their education and professional experience, account shall be taken in particular of criteria such as: place of education or professional experience, education profile, field of study, specialisation in a specific field, type of entities where the candidate was or remained employed or trained. When selecting the members of the Management Board and the Supervisory Board, the Bank shall be guided primarily by the need to ensure appropriate competences in the Bank's bodies, and the increase of the degree of diversification shall not be detrimental to the functioning and suitability of the bodies as a whole or at the expense of the suitability of individual members.

Alior Bank informs about the participation of women and men respectively in the Management Board and in the Supervisory Board of the Bank in the last five years. In 2018-2022, the participation of women and men in the aforementioned statutory bodies of the Bank is as follows:

Management Board of Alior Bank					
	31/12/2018	31/12/2019	31/12/2020	31/12/2021	31/12/2022
Female	1	1	2	0	0
Male	6	6	4	7	7

Alior Bank's Supervisory Board					
	31/12/2018	31/12/2019	31/12/2020	31/12/2021	31/12/2022
Female	1	0	1	2	1
Male	7	7	6	6	7

In line with the provisions of the Policy of Working Environment Free from Undesirable Behaviour, rules in force at the Bank pertain to: counteracting mobbing and harassment, equal treatment of employees irrespective of their sex, age, disability, race, religion, nationality, political opinions, trade union membership, ethnic origin, beliefs, sexual orientation, employment for a definite or indefinite period, full-time or part-time employment, etc.