

Warsaw, 25 April 2019

Management Board
Bank Ochrony Środowiska S.A.

General Meeting of Shareholders
Bank Ochrony Środowiska S.A.

Information on expenditures made in 2018 on legal representation, legal services, marketing and public relations as well as social communication and management consulting services.

In accordance with the provision of Par. 1 of Resolution No. 35/2017 of Ordinary General Meeting of Bank Ochrony Środowiska S. A. of 6 June 2017, Bank Management Board is obligated to present the General Meeting, with a report on expenditures on legal representation marketing and public relations as well as social communication and management consulting services, with an accompanying opinion of the Supervisory Board.

1. REPRESENTATION – costs incurred for representation amount to a total of 156,800 PLN, and include mainly:

- Promotional meetings with Bank's business partners and clients, conferences presenting BOŚ S.A. results and meetings with experts,
- Participation in the Construction Forum and in the Polish Economic Summit, as well as in the European Congress of Local Governments,
- Purchase of souvenir products for Bank Customers, including Christmas sets,
- Administration of General Meetings of Shareholders, Supervisory Board and Management Board meetings.

2. LEGAL SERVICES – costs incurred in relation to legal services amount to a total of 3,336,500 PLN, and include mainly:

- Legal support for all Bank's operations, provided by 9 law firms,
- Legal support for Bank's debt collection activities, provided by 4 law firms under legal consultancy agreements, separately for legal support for retail debt collection, corporate debt collection, wind farm restructuring and separately, for the case of Włodarzewska S.A.,

- Legal support for business sale network – Business Centres, provided by 12 law firms under legal consultancy agreements,
- Costs of legal representation, i.e. representing the Bank in courts of law and legal opinions, drafts, e.g. MiFID,

As part of the legal support, the abovementioned law firms, in accordance with the scopes of the concluded agreements, were obligated, in particular, to draw legal opinions, prepare agreement drafts, participate in negotiations, in Head Office Credit Committee meetings, interpret laws and Bank's internal regulations, represent the Bank before courts of law.

3. MARKETING – costs of marketing services, public relations services and social communication amounted to a total of 2,911,600 PLN, and include mainly:

- Bank's participation in conferences, fairs and events to promote Bank operations, including printing of 4,000 copies of the ecological report,
- Advertising of Bank products in mass media, i.e. press, TV, radio and Internet,
- Support for, promotion and advertising of the Bank and organisation of competitions in social media,
- Advertising of the cash loan and the mortgage loan,
- Promotion of special debit cards with an image of an eagle on the occasion of 100th anniversary of Poland's independence,
- Bank's advertisements in Euronet ATMs,
- Design and printing of leaflets, posters, and car stickers,
- Media monitoring, activities supporting PR,
- Bank's participation in an international event for start-ups, organised by FinTechLab operating within the MKB Bank in Budapest; international promotion of the Bank; development of a prototype of an open banking application,
- Organisation of webinars for Bank customers (microbusinesses) related to promotions on the Internet and social media and a series of 10 training sessions all over Poland,
- Marketing research conducted in relation to product campaigns and brand awareness studies,
- Promotion of the Bank through acquisition of unique contents on Bank's Fanpage (CSR activities /Corporate Social Responsibility/), including support for "Sokół" Wild Animals Association,
- Promotion of the Bank by corporate sports sections' involvement in various sports events (e.g. Independence Run, Warsaw Rising Run, PZU Marathon and others) and Golden Medal of BOŚ volleyball team in LET'S GO volleyball league; supporting sports activities of Bank employees.

4. CONSULTING – costs of management consulting amounted to a total of 1,481,000 PLN, and include mainly:

- Implementation of EU regulations regarding MiFID2 and MiFIR on financial instruments trading,
- Implementation of regulations on reporting tax schemes,
- Updates of models of valuating subsidiaries and companies co-owned by the Bank,
- Paper on AS-IS IT architecture and proposals of TO-BE architecture solutions,
- Support for BOŚ process of hiring the disabled,

- Development of analyses and issuing of accounting opinions on various matters in compliance with MSSF 9 standard,
- Preparing REPO valuation models,
- Support for the implementation of GDPR – Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of personal data, comprising regulations on the protection natural persons with regard to the processing of personal data,
- Validation of pre-implementation rating models dedicated to customers with full reporting,
- Preparation of statement on non-financial information included in the financial statement of the Bank and of the Capital Group,
- Preparing a concept of branch design and arrangement layouts,
- Access to reports on salaries in the banking sector, effectiveness ratios in HR and voluntary redundancy program,
- Reports on forecasts of prices of black energy and green certificates within the timeframe of 2035,
- Information from customer databases and property databases and additional reports from the National Debt Register (KRD),
- Costs of reviewing Bank's financial statements.