

**Current Report RB 11/2020 – Conclusion of significant agreement –**  
*publicised on 31 May 2020, at 22:48*

The Management Board of Bank Ochrony Środowiska S.A., domiciled in Warsaw, hereby inform that on 31 May 2020 a loan agreement was concluded with Grupa Azoty Polyolefins S.A. for loans for the construction of a new propane dehydrogenation installation ("PDH installation"), a new polypropylene production installation ("PP installation", a PP logistic infrastructure system along with supplementary installations, inter-facility connections and a cargo loading and storage terminal equipped with port machinery for unloading and storing propane and ethylene from sea ships within a syndicate (Alior Bank S.A., Bank Gospodarstwa Krajowego, Bank Ochrony Środowiska S.A., Bank Polska Kasa Opieki S.A., BNP Paribas Bank Polska S.A., European Bank for Reconstruction and Development, Industrial and Commercial Bank of China (Europe) S.A. Poland Branch, mBank S.A., Powszechna Kasa Oszczędności Bank Polski S.A., Powszechny Zakład Ubezpieczeń S.A., PZU Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych BIS 2, Powszechny Zakład Ubezpieczeń na Życie S.A., Santander Bank Polska S.A.) for a total of 537,700,000 USD and 487,800,000 EUR investment loan, 180,000,000 USD working capital loan and 150,000,000 PLN loan for VAT.

Bank Ochrony Środowiska S.A.'s share in the investment loan amounts to 21,495,000 USD and 19,500,000 EUR and 10,000,000 USD in the working capital loan (a total of over 212,858,000 PLN). Bank Ochrony Środowiska is not participating in the financing of VAT. The investment loan is valid until 29 Nov. 2030 (with an option to extend it until 15 Dec. 2035) and the working capital loan – until 29 Nov. 2025. The Agreement provides for collateral in the form of a mortgage and other standard collaterals for this type of transactions. The interest rates on the loans is based on EURIBOR and LIBOR plus the Bank's margin. The loan pricing terms do not differ from standard market terms for such transactions. The Supervisory Board of Bank Ochrony Środowiska, in their Resolution No. 4/2020 of 22 Jan. 2020 granted their consent to the conclusion of the abovementioned transaction due to the fact that the Chairman of Bank Ochrony Środowiska S.A. Supervisory Board is also the President of Management Board of Grupa Azoty S.A. domiciled in Tarnów, which remains the parent company of the Borrower. A prerequisite for disbursing the loan is the Borrower meeting the terms of use of the loan.

**Legal basis:**

Art. 17 Section 1 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (MAR).