

Draft resolutions of the Annual General Meeting of the Bank convened for 25 June 2009.

**Resolution No /2009
of Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on adoption of Agenda**

The Annual General Meeting adopts the following Agenda:

1. Opening the meeting and election of the Chairman of the Annual General Meeting.
2. Pronouncement of the convention of the Annual General Meeting and its capacity to adopt resolutions to be valid.
3. Election of Secretary of the meeting.
4. Election of a Scrutineer Committee.
5. Adoption of the agenda.
6. Presentation of the Management Board Bank activity report for 2008 and the Bank financial statements for the period from 1 January 2008 to 31 December 2008.
7. Presentation of the BOŚ S.A. Capital Group activity report for 2008 and BOŚ S.A. Capital Group consolidated financial statements for the period from 1 January 2008 to 31 December 2008.
8. Presentation of a motion regarding the Bank profit distribution for 2008.
9. Presentation of the Bank Supervisory Board activity report for 2008 with a brief assessment of the Bank situation and an assessment of Supervisory Board activities in 2008.
10. Discussion.
11. Adoption of resolutions regarding the following matters:
 - a) approving the Management Board Bank activity report for 2008,
 - b) approving the Bank financial statements for the period from 1 January 2008 to 31 December 2008,
 - c) approving the BOŚ S.A. Capital Group activity report for 2008,
 - d) approving the BOŚ S.A. Capital Group consolidated financial statements for the period from 1 January 2008 to 31 December 2008,
 - e) the Bank profit distribution for 2008,
 - f) approving the discharge of duties individually by members of the Bank Management Board in 2008,
 - g) approving the Bank Supervisory Board activity report for 2008 with a brief assessment of the Bank situation and an assessment of Supervisory Board activities in 2008,
 - h) approving the discharge of duties individually by members of the Bank Supervisory Board in 2008.
13. Presentation of a draft resolution, and adoption thereof, regarding amendments to the Articles of Association of the Bank.

14. Presentation of a draft resolution, and adoption thereof, authorising the Supervisory Board to approve a consolidated text of the Articles of Association of the Bank.
15. Presentation of a draft resolution, and adoption thereof, regarding adoption of Rules of Procedure of General Meetings of BOŚ S.A.
16. Closing the meeting.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on approving the Management Board report
on the Bank's activity in 2008**

Acting pursuant to the provisions of art. 393 point 1 and art. 395 § 2 point 1 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 1 and § 10 point 1 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to approve the Management Board report on the Bank's activity in 2008 laid before Shareholders by the Bank Management Board at the Annual General Meeting on 25 June 2009.

Justification

Pursuant to the provisions of the above regulations, consideration and approval of the Management Board report on the company's activity for the previous financial year shall require a resolution of the general meeting of shareholders.

The Management Board report on the Bank's activity in 2008 was published in the Annual Report of BOŚ S.A. (R/2008) on 16 March 2009.

An assessment „The Management Board report the Bank's activity in 2008” approved by the Supervisory Board at a meeting on 7 May 2009 is attached as Appendix No. 1 to this Report.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on approving the financial statements of the Bank
for the period of 1 January 2008 to 31 December 2008**

Acting pursuant to the provisions of art. 393 point 1 and art. 395 § 2 point 1 of the Code of Commercial Companies, and also pursuant to the provisions of art. 53 subpara. 1 of the Accounting Act, in connection with § 9 subpara. 4 point 1 and § 10 point 1 of the Articles of Association of the Bank, the Annual General Meeting of Bank Ochrony Środowiska S.A. resolves to approve the audited financial statements of the Bank for the year ended 31 December 2008, containing:

- The balance sheet as at 31 December 2008, with total assets amounting to PLN 11 092 046 000;
- The income statement for the financial year 2008 with a net profit amounting to PLN 6 583 000;

- The statement of changes in equity for the financial year 2008 with a net decrease in equity amounting to PLN 33 706 000,
- The cash flow statement for the financial year 2008 with a net cash outflow amounting to PLN 10 839 000;
- The summary of accounting principles (policies) and other explanatory notes.

Justification

Pursuant to the provisions of the above regulations, consideration and approval of the Management Board report on the company's activity and the financial statements for the previous financial year shall require a resolution of the general meeting of shareholders.

The financial statements of Bank Ochrony Środowiska S.A. for the period of 1 January 2008 to 31 December 2008 were published in the Annual Report of BOŚ S.A. (R/2008) on 16 March 2009.

An assessment of „The financial statements of Bank Ochrony Środowiska S.A. for the period of 1 January 2008 to 31 December 2008” approved by the Supervisory Board at a meeting on 7 May 2009 is attached as Appendix No. 2 to this Report.

**Resolution No /2009
of Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009**

on approving the BOŚ S.A. Capital Group activity report for 2008

Acting pursuant to the provisions of art. 395 § 5 point 1 of the Code of Commercial Companies, in connection with § 10 point 1 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to approve the BOŚ S.A. Capital Group activity report for 2008 laid before Shareholders by the Bank Management Board at the Annual General Meeting on 25 June 2009.

Justification

Pursuant to the provisions of the above regulations, consideration and approval of the BOŚ S.A. Capital Group activity for the previous financial year shall require a resolution of the general meeting of shareholders.

The Management Board report on the Bank's activity in 2008 was published in the Annual Report of BOŚ S.A. (RS/2008) on 16 March 2009.

An assessment „The Management Board report the BOŚ S.A. Capital Group activity in 2008” approved by the Supervisory Board at a meeting on 7 May 2009 is attached as Appendix No. 3 to this Report.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009**

**on approving the financial statements of the Bank
for the period of 1 January 2008 to 31 December 2008**

Acting pursuant to the provisions of art. 395 § 5 of the Code of Commercial Companies, and also pursuant to the provisions of art. 63 subpara. 4 of the Accounting Act, in connection with and § 10 point 2 of the Articles of Association of the Bank, the Annual General Meeting of Bank Ochrony Środowiska S.A. resolves to approve the audited financial statements of the Bank for the year ended 31 December 2008, containing:

- The consolidated balance sheet as at 31 December 2008, with total assets amounting to PLN 11 181 565 thousand;
- The consolidated income statement for the financial year 2008 with a net profit amounting to PLN 349 thousand;
- The consolidated statement of changes in equity for the financial year 2008 with a net decrease in equity amounting to PLN 39 727 thousand;
- The consolidated cash flow statement for the financial year 2008 with a net cash outflow amounting to PLN 11 772 thousand;
- The summary of accounting principles (policies) and other explanatory notes.

Justification

Pursuant to the provisions of the above regulations, consideration and approval of the BOŚ S.A. Capital Group consolidated financial statements the previous financial year shall require a resolution of the general meeting of shareholders.

The BOŚ S.A. Capital Group consolidated financial statements for the period of 1 January 2008 to 31 December 2008 were published in the Annual Report of BOŚ S.A. (RS/2008) on 16 March 2009.

An assessment of „The financial statements of Bank Ochrony Środowiska S.A. for the period of 1 January 2008 to 31 December 2008” approved by the Supervisory Board at a meeting on 7 May 2009 is attached as Appendix No. 4 to this Report.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on the allocation of profit of 2008**

Acting pursuant to the provisions of art. 395 § 2 point 2 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 2 of the Articles of BOŚ S.A. and Resolution No. /2009 of the Annual General Meeting of 25 June 2009 on approving the financial statements of the Bank for the period of 1 January 2008 to 31 December 2008, the Annual General Meeting of Bank Ochrony Środowiska S.A. resolves as follows:

- 1) to allocate the net profit of the Bank for 2008 in the total amount of PLN 6 583 356.88 for the absorption of losses from previous years,
- 2) to absorb the remaining losses from previous years in the total amount of PLN 32 483 981.36 from supplementary capital.

Justification

At 31 December 2008, losses from previous years amounted to PLN 39 067 338.24. The loss value results from the recognition in the financial statements of the Bank for

2008 of the value of capitalised expenditure on a Central Information System in the amount of PLN 39 067 338.24 as adjustment of prior period error.

In view of that the Management Board proposes to allocate all of the net profit of 2008 in the amount of PLN 6 583 356.88 to absorb losses from previous years. The Management Board proposes to absorb the remaining part of losses from previous years, in the amount of PLN 32 483 981.36, in total from the Bank's supplementary capital.

The Supervisory Board opinion

The Supervisory Board of the Bank – at a meeting on 7 May 2009 – expressed their positive opinion on the draft of this resolution, recommending approval thereof to the General Meeting.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Mariusz Klimczak the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Mariusz Klimczak, Vice-President the Bank Management Board, in the period of 1 October 2008 to 16 December 2008, President of the Bank Management Board in the period of 17 December 2008 to 31 December 2008, the vote of approval for performance of duties in the period of 1 October 2008 to 31 December 2008.

Justification

Pursuant to the provisions of the above regulations, approval of the fulfilment of duties by members of the company's governing bodies in the previous financial year shall require a resolution of the general meeting of shareholders.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Adam Zbigniew Grzebieluch the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Adam Zbigniew Grzebieluch, Vice-President the Bank Management Board, the vote of approval for performance of duties in the period of 1 October 2008 to 31 December 2008.

Justification

Pursuant to the provisions of the above regulations, approval of the fulfilment of duties by members of the company's governing bodies in the previous financial year shall require a resolution of the general meeting of shareholders.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Stanisław Kostrzewski the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Stanisław Kostrzewski, Vice-President the Bank Management Board, the vote of approval for performance of duties in the period of 1 January 2008 to 30 September 2008.

Justification

Pursuant to the provisions of the above regulations, approval of the fulfilment of duties by members of the company's governing bodies in the previous financial year shall require a resolution of the general meeting of shareholders.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Jerzy Witold Pietrewicz the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Jerzy Witold Pietrewicz, President the Bank Management Board, in the period of 1 January 2008 to 30 September 2008, Vice-President of the Bank Management Board in the period of 1 October 2008 to 31 December 2008, the vote of approval for performance of duties in 2008.

Justification

Pursuant to the provisions of the above regulations, approval of the fulfilment of duties by members of the company's governing bodies in the previous financial year shall require a resolution of the general meeting of shareholders.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Marcin Ziemowit Romanowski the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Marcin Ziemowit Romanowski, Vice-President the Bank Management Board, the vote of approval for performance of duties in the period of 1 January 2008 to 17 June 2008.

Justification

Pursuant to the provisions of the above regulations, approval of the fulfilment of duties by members of the company's governing bodies in the previous financial year shall require a resolution of the general meeting of shareholders.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Marek Kazimierz Serafiński the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Marek Kazimierz Serafiński, Vice-President the Bank Management Board, the vote of approval for performance of duties in the period of 15 December 2008 to 31 December 2008.

Justification

Pursuant to the provisions of the above regulations, approval of the fulfilment of duties by members of the company's governing bodies in the previous financial year shall require a resolution of the general meeting of shareholders.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Krzysztof Wojciech Telega the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Krzysztof Wojciech Telega, Vice-President the Bank Management Board, the vote of approval for performance of duties in the period of 15 December 2008 to 31 December 2008.

Justification

Pursuant to the provisions of the above regulations, approval of the fulfilment of duties by members of the company's governing bodies in the previous financial year shall require a resolution of the general meeting of shareholders.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Piotr Adam Wiesiołek the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to

grant Mr Piotr Adam Wiesiołek, Vice-President First Deputy President of the Bank Management Board, the vote of approval for performance of duties in the period of 1 January 2008 to 5 March 2008.

Justification

Pursuant to the provisions of the above regulations, approval of the fulfilment of duties by members of the company's governing bodies in the previous financial year shall require a resolution of the general meeting of shareholders.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Jan Krzysztof Wielgus the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Jan Krzysztof Wielgus, Member the Bank Management Board, the vote of approval for performance of duties in the period of 17 June 2008 to 30 September 2008.

Justification

Pursuant to the provisions of the above regulations, approval of the fulfilment of duties by members of the company's governing bodies in the previous financial year shall require a resolution of the general meeting of shareholders.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on approving the report on the activity of the Bank Supervisory Board in 2008
with a brief assessment of the situation of the Bank and of the work of the
Supervisory Board in 2008**

Acting pursuant to the provisions of art. 395 § 5 of the Code of Commercial Companies, the Annual General Meeting of BOŚ S.A. resolves to approve the report on the activity of the Bank Supervisory Board in 2008 with a brief assessment situation of the Bank and assessment of the work of the Supervisory Board in 2008 laid before Shareholders at the Annual General Meeting of Bank Ochrony Środowiska S.A. on 25 June 2009.

Justification

Pursuant to the provisions of the above regulations, consideration and approval of the report on the activity of the Supervisory Board for the previous financial year shall require a resolution of the general meeting of shareholders.

The report on the activity of the Supervisory Board of Bank Ochrony Środowiska S.A. in 2008 with an assessment of activity of the Bank is attached as Appendix No. 5 to this Report.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Andrzej Matia Herman the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Andrzej Maria Herman, Chairman of the Supervisory Board, the vote of approval for performance of duties in the period of 1 January 2008 to 17 June 2008.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Marcin Likierski the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Marcin Likierski Chairman of the Supervisory Board, the vote of approval for performance of duties in the period of 17 June 2008 to 31 December 2008.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mrs Janina Józwiak the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mrs Janina Józwiak, Deputy Chairman of the Supervisory Board, the vote of approval for performance of duties in the period of 1 January 2008 to 17 June 2008.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Jacek Marcin Bajorek vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Jacek Marcin Bajorek, Deputy Chairman of the Supervisory Board, the vote of approval for performance of duties in the period of 17 June 2008 to 31 December 2008.

Resolution No. /2009

**of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Ryszard Stanisław Bartkowiak the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Ryszard Stanisław Bartkowiak, Secretary Chairman of the Supervisory Board, the vote of approval for performance of duties in the period of 1 January 2008 to 17 June 2008.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Marian Adam Pigan the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Marian Adam Pigan, Secretary Chairman of the Supervisory Board, the vote of approval for performance of duties in the period of 17 June 2008 to 31 December 2008.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mrs Marta Zofia Czyż the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mrs Marta Zofia Czyż, Member of the Supervisory Board, the vote of approval for performance of duties in the period of 1 January 2008 to 17 June 2008.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Józef Koziół the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Józef Koziół, Member of the Supervisory Board, the vote of approval for performance of duties in the period of 17 June 2008 to 31 December 2008.

Resolution No. /2009

**of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Michał Juliusz Machlejd the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Michał Juliusz Machlejd, Member of the Supervisory Board, the vote of approval for performance of duties in the period of 17 June 2008 to 31 December 2008.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Marian Malicki the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Marian Malicki, Member of the Supervisory Board, the vote of approval for performance of duties in the period of 17 June 2008 to 31 December 2008.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Andrzej Grzegorz Matysiak the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Andrzej Grzegorz Matysiak, Member of the Supervisory Board, the vote of approval for performance of duties in the period of 17 June 2008 to 31 December 2008.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Ryszard Ochwat the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Ryszard Ochwat, Member of the Supervisory Board, the vote of approval for performance of duties in the period of 29 July 2008 to 31 December 2008.

Resolution No. /2009

**of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Lech Kazimierz Płotkowski the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Lech Kazimierz Płotkowski, Member of the Supervisory Board, the vote of approval for performance of duties in the period of 1 January 2008 to 17 June 2008.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mr Michał Jacek Wysocki the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mr Michał Jacek Wysocki, Member of the Supervisory Board, the vote of approval for performance of duties in the period of 17 June 2008 to 31 December 2008.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on granting Mrs Agnieszka Halina Zawartko the vote of approval
for performance of duties in 2008**

Acting pursuant to the provisions of art. 395 § 2 point 3 of the Code of Commercial Companies, in connection with § 9 subpara. 4 point 3 and § 10 point 5 of the Articles of Association of the Bank, the Annual General Meeting of BOŚ S.A. resolves to grant Mrs Agnieszka Halina Zawartko, Member of the Supervisory Board, the vote of approval for performance of duties in the period of 1 January to 17 June 2008.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on amendments to the Articles of the Bank**

§ 1

Acting pursuant to the provisions of art. 430 § 1 of the Code of Commercial Companies and in connection with § 10 point 7) of the Articles of Association of the Bank, the General Meeting of BOŚ S.A. resolves to approve the following amendments to the Articles of the Bank:

1. In § 4, subpara. 6 shall be deleted.
2. § 9 shall be reworded to read:

„§ 9

1. A General Meeting may be either ordinary or extraordinary.
 2. An Annual General Meeting shall be convened by the Bank Management Board within the first 6 months beginning with the day following the close of financial year.
 3. The Supervisory Board has the right to convene an Annual General Meeting if the Management Board fails to do so within the time limit specified in the relevant regulations of the law.
 4. An Annual General Meeting should deal with:
 - 1) consideration and approval of the Management Board report on the Bank's business activity and the financial statements for the previous financial year,
 - 2) passing resolutions on the allocation of profits or absorption of losses,
 - 3) granting members of the governing bodies of the Bank the vote of approval for performance of duties.
 5. An Extraordinary General Meeting may be convened as necessary by the Management Board on its own initiative or on a motion brought by the Supervisory Board or at the request of shareholders representing at least one-twentieth of share capital.
 6. The Supervisory Board has the right to convene an Extraordinary General Meeting, if it deems it necessary.
 7. An Extraordinary General Meeting may be convened by shareholders representing at least one half of share capital of the Bank or at least one half of the total vote. Shareholders appoint the person to chair the General Meeting.
 8. The convening of an Extraordinary General Meeting, as well as the placing of matters on the agenda of the next General Meeting, may be demanded by shareholders representing at least one-twentieth of share capital of the Bank. Such demand shall be submitted to the Management Board in hard copy form or in electronic form. A demand to place certain matters on the agenda of the nearest General Meeting shall be submitted not later than 21 days before the proposed date of the General Meeting.
 9. Any request to convene a General Meeting or any request to place certain business on its agenda brought by entities authorised to do so should be submitted together with the justification.
 10. Waiver of deliberation of a business placed on the agenda at the request of shareholders or cancellation thereof from the agenda requires a General Meeting resolution passed by a majority of $\frac{3}{4}$ of the vote, provided that all of the moving parties attending the General Meeting express consent thereto.”.
3. In § 10, after „The powers of the General Meeting shall include” there shall be substituted the words „in particular:”.
 4. § 11 shall be reworded to read:

„§11.
Matters brought by the Management Board before the General Meeting for consideration shall first be presented, with justification, to the Supervisory Board for consideration.”.
 5. In § 12, subparas. 2–3 shall be reworded to read:

- „2. Any document identifying a person as proxy holder authorised to attend the General Meeting shall be made out in writing and attached to the minutes of the General Meeting.
3. Power of attorney granted in electronic form means a written instrument of proxy issued as a shareholder statement in an integral text document which identifies the author of the statement.”.
6. In § 12, there shall be inserted the following subpara. 4:
 - „4. A shareholder may not vote in person, or by proxy, on resolutions relating to his liability towards the company for any reason, specifically in votes of approval of performance of duties, or on being released from any liability towards the company, or on any dispute between him and the Bank. However, when acting as proxy for another, such shareholder may vote on resolutions relating to themselves as referred to above.”.
7. In § 14, subpara. 4 shall be deleted.
8. In § 15, subpara. 3 shall be reworded to read:
 - „3. General Meetings shall be recorded in minutes pursuant to the provisions of the Code of Commercial Companies.”.
9. In § 15, there shall be inserted the following subparas. 4 and 5:
 - „4. Such minutes should contain:
 - 1) confirmation that the General Meeting was properly convened and that it was capable of passing resolutions,
 - 2) a list of all resolutions passed with an indication by each resolution of: the number of shares representing valid votes, the percentual proportion of such shares in share capital, the total number of valid votes, the number of votes “for”, “against” or “abstained”, and any dissenting opinion brought forward,
 - 3) an attendance list signed by those attending the General Meeting, and a list of shareholders voting by correspondence,
 - 4) the substance of motions brought during the General Meeting, the given name and surname of the proponent, or the given name and surname or trade name of the party for which the motion was brought, and also the decision taken in respect of the motion.
 5. The Management Board should attach the evidence that the meeting was convened to the minute book.”.
10. In § 20, subpara. 3 shall be reworded to read:
 - „3. The Supervisory Board shall appoint an Internal Audit Committee from among its members. to supervise the activity of the internal audit service unit. The responsibilities of the Internal Audit Committee include in particular the watching of internal control, internal audit and risk management systems for adequacy and efficiency, and also the monitoring of financial reporting processes at the Bank. The composition and detailed list of responsibilities of the Internal Audit Committee shall be laid down by the Supervisory Board in a separate resolution.”.
11. In § 20, subparas. 5–7 shall be reworded to read:
 - „5. The Supervisory Board appoints and dismisses the President, and Vice-Presidents and Management Board members. The President of the

- Management Board has the right to move for the appointment or dismissal of Vice-Presidents and Management Board members.
6. Appointment of two members of the Management Board, including the President, is subject to approval of the Financial Supervision Authority. Such approval shall be requested by the Supervisory Board. The other member – next to the President – of the Management Board approved by the Financial Supervision Authority shall hold the function of Vice-President First Deputy President of the Management Board at the Bank.”.
 7. The Supervisory Board shall consider any matter brought by the Management Board before the General Meeting and express its opinion on draft resolutions of the General Meeting, except resolutions in respect of points of order.”.
 12. In § 20, subpara. 8 point 1) shall be reworded to read:
„1) adopting resolutions to approve strategies of the Bank, annual financial plans and overall risk levels.”.
 13. In § 20, subpara. 8 point 5) shall be reworded to read:
„5) approving Management Board resolutions concerning the Bank's organisational structure, except the establishment or liquidation of branches and operating branches,”.
 14. In § 20, subpara. 8 point 9) shall be reworded to read:
„9) setting the conditions of employment of members of the Bank Management Board,”.
 15. In § 20, subpara. 8 point 11) shall be reworded to read:
„11) issuing or approving regulations and written policies stipulated in the Articles of Association, except the rules of organisation of the Bank and rules of organisation of the Bank branches and Head Office organisational units,”.
 16. In § 21, subpara. 1 shall be reworded to read;
„1. The Management Board shall consist of at least 3 natural persons, including: the President of the Management Board, a Vice-President First Deputy President of the Management Board, and the other Vice-Presidents and other members of the Management Board”.
 17. In § 21 subpara. 6, there shall be inserted the following point 13):
„13) manages special funds.”.
 18. In § 21, subpara. 8 shall be reworded to read:
„8. Management Board resolutions shall be deemed carried by a simple majority of votes. Resolutions may be adopted, if at least one half of Management Board members attend the meeting, including the President of the Management Board or – in his absence – the Vice-President First Deputy President of the Management Board or another Vice-President of the Management Board named by the President. In case of a tie the President of the Management Board shall have the casting vote.”.
 19. In § 21, there shall be inserted the following subparas. 9–11:
„9. The Management Board shall take decisions by resolution.
10. The Management Board may pass resolutions in writing or with the use of remote communication means. Resolution shall be deemed valid when all members of the Management Board were given notice of the contents of draft resolution.
11. Management Board meetings shall be recorded in minutes.”.

20. In § 22, subpara. 2 shall be reworded to read:
„2. The powers of the President of the Management Board shall include in particular:
 - 1) appointing and dismissing the managing director, directors of Head Office organisational units and their deputies, and directors of branches and their deputies,
 - 2) issuing rules of organisation of the Bank and issuing rules of organisation of branches and approving rules of organisation of Head Office organisational units,
 - 3) issuing post-audit recommendations within the framework of internal control.”.
21. In § 22 subpara. 3, the words „appointed with the consent of the Financial Supervision Authority” shall be deleted.
22. In § 22, subpara. 4 shall be deleted.
23. In § 22, subparas. 5–6 shall be renumbered 4–5.
24. In § 24, subpara. 7 shall be reworded to read:
„7. The Bank may establish branches, representative offices and other offices in Poland and abroad, and it may accede to or establish partnerships, foundations and other legal persons – in accordance with generally binding regulations of the law.”.
25. In § 24, subpara. 8 shall be deleted.
26. In § 36, subpara. 1 shall be reworded to read:
„1. In addition to its own funds, the Bank may establish or cancel, by resolution of the General Meeting, special funds, unless establishment of such funds is obligatory by statute.”.
27. In § 38 subpara. 1, point 2) shall be deleted.
28. In § 38 subpara. 1, points 3 and 4 shall be renumbered 2 and 3.

§ 2

This resolution shall come into force on 3 August 2009.

Justification:

The reasons for making the changes:

- a) in § 4 subpara. 6 and § 20 subpara. 8 point 1) – the „market mission” concept is relinquished;
- b) in § 9 subparas. 5–8, § 11, § 12, § 14, § 15 – the Bank adjusts its Articles to the „Amending the Code of Commercial Companies and the Trading in Financial Instruments Acts” act of 5 December 2008 (Journal of laws Dz.U. of 28 January 2009) to come into force on 3 August 2009;
- c) in § 20 subpara. 3 – as a permanent control function has to be established at the Bank, an obligatory Internal Audit Committee has to be appointed to supersede the Internal Audit and Internal Control System Committee installed in 2004, especially in the light of a coming Chartered Auditors and Their Professional Self-Government, Entities Authorised to Audit Finances and Public Supervision Act (art. 56 and art. 117), under which appointment of such a committee is obligatory;

- d) in § 20 subpara. 5, § 21 subpara. 1 – these are technical alterations only;
- e) in § 20 subpara. 6 and § 22 subpara. 3 – these amendments revamp the structure of the wording only, as provisions on are moved from § 22 subpara. 3 to § 20 subpara. 6 stating that another member of the Management Board, next to the President, with approval from the Financial Supervision Authority shall hold the function of Vice-President First Deputy President of the Management Board at the Bank. The idea behind that amendment is to bring the regulations set out art. 22b subpara. 1 of the Banking Act together in one provision;
- f) in § 20 subpara. 8 point 5) – this widens the competences of the Management Board in respect of establishing Bank branches to streamline modification of the Bank network of outlets in response to changing banking services demand profiles;
- g) in § 20 subpara. 8 point 11) and § 22 subpara. 2 – this specifies the competences of the Supervisory Board and of the Management Board President respectively in respect of issuing or approving rules of organisation;
- h) in § 21 subpara. 8–11 – this speeds management processes in passing resolutions and running the business of the Bank in the absence of the Management Board President (pursuant to the provisions of art. 371 and art. 376 of the Code of Commercial Companies);
- i) in § 22 subpara. 2 point 1) – this is the new organisational structure of the Bank which provides for a new position, that of managing director;
- j) in § 24 subpara. 7 – this furnishes a legal basis for the Bank to establish a foundation;
- k) in § 36 subpara. 1 and § 38 subpara. 1 – this adjusts the contents of the Articles to requirements following from International Financial Reporting Standards (as recommended by the auditors in 2008) under which special funds should be charged to financial result of the current year rather than be created from write-downs on the annual net profit.

The Supervisory Board opinion

Having considered the draft resolution of the Annual General Meeting on amendments to the Articles of the Bank at a meeting on 7 May 2009, the Supervisory Board expressed their positive opinion and recommend approval thereof by the General Meeting.

**Resolution No. /2009
of the Annual General Meeting of Bank Ochrony Środowiska S.A.
of 25 June 2009
on authorising the Supervisory Board to approve
the consolidated text of the Articles of Association of the Bank**

Acting pursuant to the provisions of art. 430 § 5 of the Code of Commercial Companies, the Annual General Meeting of BOŚ S.A. hereby authorises the Supervisory Board to approve the consolidated text of the Articles of Association of the Bank.

Justification

Approval of the consolidated text of the Articles of Association of the Bank will be completed when the Financial Supervision Authority has given their consent to

amendments the Annual General Meeting has made to the Articles and upon registration thereof by the Commercial Court.

The Supervisory Board opinion

Having considered the draft resolution of the General Meeting on authorising the Supervisory Board to approve the consolidated text of the Articles of Association of the Bank at a meeting on 7 May 2009, the Supervisory Board expressed their positive opinion and recommend approval thereof by the General Meeting

**Resolution No. /2009
of the Annual General Meeting of the Bank Ochrony Środowiska S.A.
of 25 June 2009
on adopting Rules of Procedure of General Meetings of BOŚ S.A.**

§ 1

Acting pursuant to the provisions of rule IV point 2 of corporate governance set out in the „Code of Best Practice for WSE Listed Companies” Bank Ochrony Środowiska S.A. undertook to comply with by Resolution No. 26/2008 of the Annual General Meeting BOŚ S.A. of 17 June 2008, the Annual General Meeting of BOŚ S.A. hereby adopts the following Rules of Procedure of General Meetings of BOŚ S.A.:

„RULES OF PROCEDURE OF GENERAL MEETINGS
OF BANK OCHRONY ŚRODOWISKA S.A.

§ 1

The Annual General Meeting is the supreme authority of the Company working on the basis of:

- regulations of the Code of Commercial Companies,
- provisions of the Articles of BOŚ S.A.,
- regulations of the „Code of Best Practice for WSE Listed Companies”,
- these Rules of Procedure.

§ 2

General Meetings shall have competence in any issue provided for in the Articles of Association of the Company and in binding regulations of the law.

§ 3

1. Entitlement to attend a General Meeting shall pertain only to persons who are shareholders of the Company sixteen days before the date of the General Meeting (the date of registration of attendance at a General Meeting). The registration date of attendance at a General Meeting shall be the same for shareholders owning bearer shares and for shareholders owning registered shares.
2. Shareholders have the right to attend General Meetings in person or by proxy. Power of attorney to attend and to vote at a General Meeting shall be made out in writing or in electronic form. Power of attorney granted in electronic form should be sent to the Company to the following address: power_of_attorney.walne@bosbank.pl. Forms to fill are available on the website the Bank,

www.bosbank.pl, under the bookmark „Walne Zgromadzenie [Annual General Meeting]”.

3. Members of the Management Board and of the Supervisory Board shall attend General Meetings, and, where the agenda provides for consideration of any financial matter of the Bank, attendance of the Chartered Auditor shall be required. Any absence of a member of the Management Board or the Supervisory Board at a General Meeting shall be explained before those attending the meeting.
4. The directing body convening a General Meeting may invite other persons as well to attend the proceedings with an advisory vote.

§ 4

1. Proceedings at General Meetings shall be opened by the Chairman of the Supervisory Board or the Deputy Chairman of the Supervisory Board, or another member of the Supervisory Board, who, refraining from any decision on the merits of the case or its formal aspects, shall inform shareholders of the invited guests attending the proceedings, and shall call election – in secret ballot – of a Presiding Officer of the General Meeting from among the shareholders.
2. In the absence of persons referred to in subpara. 1, a General Meeting shall be opened by the President of the Management Board or a person named by the Management Board.

§ 5

1. Ballots at the General Meeting shall be held using a direct-recording electronic voting system, in accordance with rules of operation of the system.
2. A General Meeting may resolve, at the request of shareholders, to have the vote held without using a computer system.
3. Shareholders may vote differently on any of the shares they hold.

§ 6

1. Immediately upon the election of a Presiding Officer an attendance list shall be produced showing names of participants in the General Meeting with the number of shares represented by each name and the number of votes the shares confer.
2. The attendance list, signed by the Presiding Officer, shall be laid out during the proceedings.
3. The Presiding Officer shall announce the number of shares represented at the General Meeting with the votes conferred, state the validity of convention of the General Meeting and its capacity to pass binding resolutions.

§ 7

1. The Presiding Officer of a General Meeting directs the discussion, ensures observance these Rules and the agenda, has control of the proceedings, accords the right to speak, calls polls, and declares resolutions carried or lost, and next announces them.
2. The Presiding Officer shall prevent any abuse of rights by anyone attending a General Meeting and ensure respecting rights of minority shareholders.

§ 8

1. Prior to the discussion, on a motion brought by its Presiding Officer of the General Meeting shall elect, in secret ballot, a Secretary and a 3-member

Scrutineer Committee to tally votes in passing resolutions and to hold secret ballots, in particular in polls and in motions to dismiss members of the directing bodies of the Company or liquidators, to call them to account, as well as in personnel matters, if any.

2. The Scrutineer Committee shall elect a chairman from among its members.
3. The Annual General Meeting may pass a resolution to revoke secrecy of voting in matters related to the election of committees a General Meeting may appoint.

§ 9

1. The Presiding Officer of the General Meeting shall advise shareholders on the agenda and these Rules, and next call a vote thereon.
2. No alteration of the order of points of the agenda or cancellation of any particular point from the agenda of a General Meeting shall be valid unless by resolution of the General Meeting. No resolution to cancel a point from the agenda may be passed unless there are important, reasonable and justified reasons for such move.
3. Cancellation from the agenda or waiver of consideration of a point on the agenda at the request of shareholders requires a resolution of the General Meeting, upon the expression of consent by all attending shareholders who seconded such request, supported by 75% votes at the General Meeting.

§ 10

1. The particular points of the agenda shall be presented by rapporteurs appointed by the directing body that convened the General Meeting.
2. Following presentation of any point of the agenda the Presiding Officer calls upon shareholders to ask questions concerning the point and then again gives the rapporteur the floor to answer queries and to provide clarification.
3. Any query to the Bank Management Board shall be answered by members of the Management Board in accordance with rules following from regulations of disclosure duties in public liability companies.
4. In formal matters the Presiding Officer accords the right to speak outside the order. Motions on formal matters shall be understood to be motions related to the conduct of proceedings and of polls.
5. The Presiding Officer and the Directing Bodies of the Company shall not resolve on matters that belong in the competence of courts.
6. The Presiding Officer shall, after consulting the case for its legal implications, put to vote any dispute over the merits in a case or points of order that may arise between shareholders at the General Meeting.
7. Matters covered in the points of the agenda shall be considered in a joint discussion.

§ 11

1. General Meetings pass no resolution other than in matters covered in the points of the agenda. If 100% of share capital is represented at a General Meeting, the meeting is empowered to pass resolutions also on matters not covered in points of the agenda, provided that none of those attending objects to such resolution. Polls shall be held as set out in § 14 of the Articles of the Bank.
2. Resolutions shall be carried by a simple majority of votes cast, except on matters where a qualified is required under the Articles of Association or the Code of Commercial Companies.

3. In each of the cases where special conditions must be met under regulations of the law or the Articles for a resolution to pass, for instance where a definite part of share capital has to be represented, the Presiding Officer shall have a duty to declare and announce the General Meeting capable of passing the resolution.
4. No shareholder may vote in person, or by proxy, on resolutions relating to his liability towards the company for any reason, specifically in votes of approval of performance of duties, or on being released from any liability towards the company, or on any dispute between him and the Bank.

§ 12

1. Every one of the shareholders may at General Meeting propose draft resolutions on matters covered in the points of the agenda.
2. Where an amendment is proposed to a draft resolution, the amendment should first put to vote, and the draft resolution as amended thereafter.
3. The Presiding Officer shall give persons that object to a resolution an opportunity to have their arguments recorded in the minutes along with a brief justification of their objections.
4. The Presiding Officer declares that a resolution was passed and quotes the number of shares representing valid votes, the percentual proportion of such shares in share capital, the total number of valid votes, the number of votes for the resolution, against it, as well as the number of abstentions, and of objections raised to it being passed.

§ 13

1. At the request of shareholders representing at least one-fifth of share capital, the Supervisory Board shall be elected by way of voting by separate groups.
2. Persons representing at a General Meeting such part of shares as is allocated from a division of the total number of represented shares by the number of members of the Supervisory Board may establish a separate group for the purpose of electing one member of the Supervisory Board but shall not vote in the election of the remaining members.
3. Mandates in the Supervisory Board not filled by an appropriate group of shareholders shall be filled by a vote in which participate all shareholders whose votes were not cast in electing members of the Supervisory Board elected by way of voting by separate groups – according to rules set out under § 15.
4. With at least one member of the Supervisory Board having been elected in voting by separate groups, any mandate of a current member of the Supervisory Board shall expire before the term.

§ 14

1. The General Meeting dismisses members of the Supervisory Board in secret ballot in the following procedure:
 - 1) members of the Supervisory Board for dismissal are proposed by shareholders,
 - 2) such proposals are submitted in writing within the time frame set by the Presiding Officer. When the list of persons proposed for dismissal has been closed, the Presiding Officer announces the list to the General Meeting,
 - 3) the Secretary of the General Meeting compiles a list indicating the given names and surnames of persons to be dismissed from the Supervisory Board,

- 4) when the list has been closed, the Secretary passes it on to the Scrutineer Committee for the purpose of preparing voting ballots,
 - 5) the Scrutineer Committee makes a list of persons to be dismissed from the Supervisory Board. The given names and surnames of such persons are entered in alphabetic order,
 - 6) with the list completed the Presiding Officer of the General Meeting calls a vote on the dismissal of members of the Supervisory Board,
 - 7) the given names and surnames of the persons to be dismissed from the Supervisory Board are entered on the ballots in alphabetic order. A ballot has four columns marked, respectively:
 - a) the surname and given name of the member,
 - b) for,
 - c) against,
 - d) abstained,
 - 8) the voting person puts an X in the appropriate column on the ballot by the given name and surname of the person he votes for,
 - 9) where the vote is held using a computer system, technical solutions provided for the given system shall apply instead of points 7–8,
 - 10) with the vote on dismissals of members of the Supervisory Board completed, the Scrutineer Committee draws up the minutes which are signed by all its members and passes the results of the vote to the Presiding Officer of the General Meeting who announces the results naming the members of the Supervisory Board have been dismissed.
2. The General Meeting elects members of the Supervisory Board in secret ballot in the following procedure:
- 1) candidates for members of the Supervisory Board for appointment are proposed by shareholders. The number of candidates is unlimited,
 - 2) such proposals are submitted in writing within the time frame set by the Presiding Officer. When the list of candidates for members of the Supervisory Board has been closed, the Presiding Officer announces the list to the General Meeting,
 - 3) a proposal of candidate for member of the Supervisory Board should set out:
 - a) the given name and surname of the candidate,
 - b) a presentation of the candidate,
 - c) the given name and surname of the proponent and, as necessary, the name of the shareholder he represents,
 - 4) a proposal of candidate not attending the General Meeting shall be supplied together with his written consent to run as candidate,
 - 5) the Secretary of the General Meeting compiles a list of candidates for members of the Supervisory Board,
 - 6) when the list has been closed, the Secretary passes it on to the Scrutineer Committee for the purpose of preparing voting ballots,
 - 7) the Scrutineer Committee makes a list of persons proposed who expressed consent to run as candidates. The given names and surnames of such persons are entered in alphabetic order,
 - 8) with the list completed the Presiding Officer of the General Meeting calls a vote on the election of candidates for members the Supervisory Board,
 - 9) the given names and surnames of the candidates are entered on the ballots in alphabetic order. A ballot has four columns marked, respectively:
 - a) the surname and given name of the candidate,

- b) for,
 - c) against,
 - d) abstained,
- 10) the voting person puts an X in the appropriate column on the ballot by the given name and surname of the person he votes for. Where the column „for” is ticked off by a number of names greater than the number of persons elected to the Supervisory Board invalidates the voting ballot,
 - 11) where the vote is held using a computer system, technical solutions provided for the given system shall apply instead of points 9–10,
 - 12) candidates who obtained the highest number of votes „for” are elected members of the Supervisory Board, this number being higher than the number of votes cast „against” candidates,
 - 13) where two or more candidates have obtained the same number of votes in the ballot and this results in the number of elected candidates exceeding the number of seats in the Supervisory Board, a runoff vote is called to be held in accordance with the above-defined rules,
 - 14) with the vote on all candidates for members of the Supervisory Board completed, the Scrutineer Committee draws up the minutes which are signed by all its members and passes the results of the vote to the Presiding Officer of the General Meeting who announces the results for all candidates put to vote stating which of the candidates have been elected member of the Supervisory Board.

§ 15

1. The Presiding Officer calls brief technical adjournments in justified cases. Adjournment of proceedings for the consideration of the merits of the case shall not be allowed unless by resolution of the General Meeting.
2. There being no further business to discuss the Presiding Officer calls the close of the General Meeting.

§ 16

1. Resolutions of General Meetings shall be recorded in minutes by a notary public.
2. In the minutes, the notary public shall further state the validity of convention of the General Meeting and its capacity to pass binding resolutions, and list up the resolutions passed, indicating, by each resolution: the number of shares representing valid votes, the percentual proportion of such shares in share capital, the total number of valid votes, the number of votes “for”, “against” or “abstained”, and any dissenting opinion brought forward. An attendance list signed by those attending the General Meeting, and a list of shareholders voting by correspondence shall be attached to the minutes.
3. The Management Board should attach a transcript of the minutes, and also the evidence that the meeting was convened, to the minute book.

§ 17

The directing body which convenes the General Meeting shall provide notarial and legal support to the General Meeting.”.

§ 2

This resolution comes into force on 3 August 2009.

§ 3

Resolution No. 7/2004 of the Extraordinary General Meeting Shareholders of BOŚ S.A. of 23 March 2004 an adopting Rules of procedure of General Meetings of Shareholders of BOŚ S.A. and Resolution No. 35/2005 of the Annual General Meeting of BOŚ S.A. of 15 June 2005 on amendments to the Rules of procedure of General Meetings of Shareholders of BOŚ S.A. both expire on 3 August 2009.

Justification

The Rules of Procedure of General Meetings of BOŚ S.A. now accommodates the provisions of the „Code of Best Practice for WSE Listed Companies” and of the „Amending the Code of Commercial Companies and the Trading in Financial Instruments Acts” act of 5 December 2008, which comes into force on 3 August 2009.

The Supervisory Board opinion

Having considered the draft resolution of the General Meeting on adopting Rules of Procedure of General Meetings of BOŚ S.A. at a meeting on 7 May 2009, the Supervisory Board expressed their positive opinion and recommend approval thereof by the General Meeting.

*Appendix No. 1
to draft resolutions
of the Annual General Meeting of BOŚ S.A. convened for 25 June 2009*

The Supervisory Board
Bank Ochrony Środowiska S.A.

**To the General Meeting
of BOŚ S.A.**

Assessment of the Management Board Report on the activity of Bank Ochrony Środowiska S.A. in 2008

Acting pursuant to Art. 382 § 3 of the Code of Commercial Companies and § 43 subpara. 1 of the Articles of BOŚ S.A., the Supervisory Board considered in detail the Management Board report on the activity of Bank Ochrony Środowiska S.A. in 2008 including:

- information on activities of the Bank in 2008, among other things on:
 - factors and events affecting the financial standing of the Bank in 2008;
 - operations of the Bank and its basic products, services and lines of business activity;

- main markets;
- management and equity links and significant agreements of the Bank;
- information on financial results of the Bank in 2008;
- assessments and forecasts of the Bank operations, including:
 - evaluation of managing the Bank and of financial risks;
 - evaluation of managing of financial means;
 - prospects of development of the Bank activity;
- supplementary information, also on:
 - the core capital of the Bank and its ownership structure;
 - directing bodies and employees of the Bank;
 - promotional activities of the Bank;
- a declaration of compliance with corporate governance principles.

Following a close study of the report presented to it, the Supervisory Board:

- found the report to comply with binding regulations of the law and with the Articles of the Bank, and also as a true and fair presentation of all information material to the assessment of the activity of the Bank in the period of 1 January 2008 to 31 December 2008;
- expressed a positive opinion on the draft resolution of the Annual General Meeting of BOŚ S.A. on approving the Management Board Report on the activity of Bank Ochrony Środowiska S.A. in 2008;
- requests the Annual General Meeting of BOŚ S.A. approval of the report.

For the Supervisory Board of Bank Ochrony Środowiska S.A.
Chairman
/-/ Marcin Likierski

Warsaw, 7 May 2009

*Appendix No. 2
to draft resolutions
of the Annual General Meeting of BOŚ S.A. convened for 25 June 2009*

The Supervisory Board
Bank Ochrony Środowiska S.A.

**To the General Meeting
of BOŚ S.A.**

**Assessment of the Financial Statements of Bank Ochrony Środowiska S.A.
for the period of 1 January 2008 to 31 December 2008**

Acting pursuant to Art. 382 § 3 of the Code of Commercial Companies and § 43 subpara. 1 of the Articles of BOŚ S.A., the Supervisory Board considered in detail financial statements of Bank Ochrony Środowiska S.A. for 2008 obejmujące:

- the balance sheet as at 31 December 2008 with total assets amounting to PLN 11 092 046 000;
- the income statement for the financial year 2008 with a net profit amounting to PLN 6 583 000;
- the statement of changes in equity for the financial year 2008 with a net decrease in equity amounting to PLN 33 706 000;
- the cash flow statement for the financial year 2008 with a net cash outflow amounting to PLN 10 839 000;
- the summary of significant accounting policies and other explanatory notes.

The Supervisory Board, having heard the auditor express their opinion on the audit of the financial statements and the economic and financial situation of the Bank:

- took note of auditor's opinion that it was necessary for the Bank to recognise in the report an impairment write-down of expenses on the Bank's projected Central Information System in the amount of PLN 39 067 000, as adjustment of prior periods. Since the pertinent documentation does not allow an unequivocal confirmation of validity of the write-down, the Supervisory Board, mindful of the auditor's opinion, resolves not to take a stand in respect of recognition of the write-down as error adjustment of prior periods;
- with this reservation, found the financial statements presented to them to comply in form and contents with binding regulations of the law and with the Articles of the Bank, and also to be a true and fair presentation of all information material to the assessment of the financial result of business activity in the year 2008, and of the assets and funds of the Bank as at 31 December 2008;
- expressed a positive opinion on the draft resolution of the Annual General Meeting of BOŚ S.A. on approving the financial statements of Bank Ochrony Środowiska S.A. for the period of 1 January 2008 to 31 December 2008;
- requests the Annual General Meeting of BOŚ S.A. approval of the financial statements.

For the Supervisory Board of Bank Ochrony Środowiska S.A.
Chairman

/-/ Marcin Likierski

Warsaw, 7 May 2009

*Appendix No. 3
to draft resolutions
of the Annual General Meeting of BOŚ S.A. convened for 25 June 2009*

The Supervisory Board
Bank Ochrony Środowiska S.A.

**To the General Meeting
of BOŚ S.A.**

**Assessment of the Report on the Activity of the Capital Group
of Bank Ochrony Środowiska S.A. in 2008**

Acting pursuant to Art. 382 § 3 of the Code of Commercial Companies and § 43 subpara. 2 of the Articles of BOŚ S.A., the Supervisory Board considered in detail the report on the activity of the Capital Group of Bank Ochrony Środowiska S.A. in 2008 which is composed of:

- Bank Ochrony Środowiska S.A.
- Dom Maklerski Banku Ochrony Środowiska S.A.

Following a close study of the report presented to it, with information among other things on:

- on activities of the Group, with data on:
- factors and events affecting the financial standing of the Group;
- organisation of the Group;
- main operations of the Group and its basic products, services and lines of business activity;
- main markets;
- financial results of the Group;
- assessments and forecasts of the Group operations;
- entities constituting the Group – Dom Maklerski BOŚ S.A. and Bank Ochrony Środowiska S.A.,

the Supervisory Board:

- found the report to comply with regulations of the law binding upon the Group, and also as a true and fair presentation of all information material to the assessment of the activity of the Capital Group of Bank Ochrony Środowiska S.A. in the period of 1 January 2008 to 31 December 2008;
- expressed a positive opinion on the draft resolution of the Annual General Meeting of BOŚ S.A. on approving the Management Board report on the activity of the Capital Group of Bank Ochrony Środowiska S.A. in 2008;
- requests the Annual General Meeting of BOŚ S.A. approval of the report.

For the Supervisory Board of Bank Ochrony Środowiska S.A.
Chairman
/–/ Marcin Likierski

Warsaw, 7 May 2009

The Supervisory Board
Bank Ochrony Środowiska S.A.

**To the General Meeting
of BOŚ S.A.**

**Assessment of the consolidated financial statements
of the Capital Group of Bank Ochrony Środowiska S.A.
for the period of 1 January 2008 to 31 December 2008**

Acting pursuant to Art. 382 § 3 of the Code of Commercial Companies and § 43 subpara. 2 of the Articles of BOŚ S.A., the Supervisory Board considered in detail the consolidated financial statements of the Capital Group of Bank Ochrony Środowiska S.A. for 2008, containing:

- the consolidated balance sheet as at 31 December 2008 with total assets amounting to PLN 11 181 565 000;
- the consolidated income statement for the financial year 2008 with a net profit amounting to PLN 349 000;
- the consolidated statement of changes in equity for the financial year 2008 with a net decrease in equity amounting to PLN 39 727 000,
- the consolidated cash flow statement for the financial year 2008 with a net cash outflow amounting to PLN 11 772 000;
- the summary of significant accounting policies and other explanatory notes.

The Supervisory Board, having heard the auditor express their opinion on the audit of the financial statements and the economic and financial situation of the Capital Group of the Bank,

- took note of auditor's opinion that it was necessary for the Bank to recognise in the report an impairment write-down of expenses on the Bank's projected Central Information System in the amount of PLN 39 067 000, as adjustment of prior periods. Since the pertinent documentation does not allow an unequivocal confirmation of validity of the write-down, the Supervisory Board, mindful of the auditor's opinion, resolves not to take a stand in respect of recognition of the write-down as error adjustment of prior periods;
- with this reservation, found the financial statements presented to them to comply in form and contents with binding regulations of the law, and also to be a true and fair presentation of all information material to the assessment of the financial result of business activity in the year 2008, and of the assets and funds of the Group as at 31 December 2008;
- expressed a positive opinion on the draft resolution of the Annual General Meeting of BOŚ S.A. on approving the consolidated financial statements of the Capital Group of Bank Ochrony Środowiska S.A. for the period of 1 January 2008 to 31 December 2008;
- requests the Annual General Meeting of BOŚ S.A. approval of the financial statements.

For the Supervisory Board of Bank Ochrony Środowiska S.A.
Chairman
/-/ Marcin Likierski

Warsaw, 7 May 2009

**Bank Ochrony Środowiska S.A. Supervisory Board 2008 Activity Report
with a brief assessment of the Bank standing in 2008, the Bank's internal
control and risk management systems, and an appraisal of the Bank
Supervisory Board performance in 2008**

The Bank Supervisory Board exercised its supervisory function at Bank Ochrony Środowiska S.A. as required by the relevant regulations and the Bank's Articles of Association throughout the report period.

Composition of the Supervisory Board

The Bank Supervisory Board worked as a seven-member body from the beginning of 2008 to 17 June 2008 (the Annual General Meeting of the Bank):

- Andrzej Herman, Chairman of the Supervisory Board
- Janina Jóźwiak, Deputy Chair of the Supervisory Board
- Ryszard Bartkowiak, Secretary of the Supervisory Board
- Marta Czyż
- Andrzej Matysiak
- Lech Płotkowski
- Agnieszka Zawartko

On 17 June 2008, the Annual General Meeting BOŚ S.A., dismissed the above persons as Supervisory Board members and appointed in their stead:

- Jacek Bajorek
- Józef Koziół
- Marcin Likierski
- Michał Machlejd
- Marian Malicki
- Marian Pigan
- Michał Wysocki,

and subsequently, at an Extraordinary General Meeting on 29 July 2008, adopted a resolution to raise the number of Supervisory Board members to 8 and appointed Mr Ryszard Ochwat Supervisory Board member.

Following the above changes and the Supervisory Board establishment of itself at the 17 June 2008 meeting, in the latter half of 2008 the Bank Supervisory Board worked as a body of 8:

- Marcin Likierski, Chairman of the Supervisory Board
- Jacek Bajorek, Deputy Chair of the Supervisory Board

- Marian Pigan, Secretary of the Supervisory Board
- Józef Koziół
- Michał Machlejd
- Marian Malicki
- Ryszard Ochwat
- Michał Wysocki

Main activities in 2008

In the exercise of their duties of supervising activities of the Bank, the Supervisory Board held 9 recorded meetings in 2008 (including a two-day meeting with a recess), in the following terms:

- 27 February 2008
- 9 April 2008
- 21 May 2008
- 17 June 2008, with two meetings in one day: one before the Annual Meeting proceedings and the other right after the proceedings
- 23 June 2008
- 19 August 2008, a meeting with a recess, resuming on 29 August 2008
- 13 November 2008
- 19 December 2008

In 2008, the Supervisory Board adopted 50 resolutions, including:

- a resolution to enact „Bank Ochrony Środowiska S.A. equity management policy” (Resolution No. 1/2008 of 30 January 2008), which was adopted in correspondence voting;
- a resolution to approve „Bank Ochrony Środowiska S.A. risk management system” rules of procedure (Resolution No. 2/2008 of 30 January 2008), which was adopted in correspondence voting;
- a resolution to approve amendments to „Rules of procedure of Bank Ochrony Środowiska S.A. Workforce Fund” (Resolution No. 4/2008 of 27 February 2008);
- a resolution to approve rules of procedure of a „Fund to Promote Environmental Protection” (Resolution No. 5/2008 of 9 April 2008);
- a resolution to approve amendments to "Bank Ochrony Środowiska S.A. information policy rules of procedure revised pursuant to Banking Supervision Commission Resolution No. 6/2007 of 13 March 2007" (Resolution No. 6/2008 of 9 April 2008);
- a resolution to approve amendments to „Rules of procedure in extending loans, cash advances, guarantees and other off balance sheet liabilities to members of the Bank directing bodies, persons holding managerial positions at BOŚ S.A., and entities related by capital or management to the above-named ones, or on their behalf” (Resolution No. 7/2008 of 21 May 2008);
- a resolution to approve amendments to „Rules of procedure in extending loans, cash advances, guarantees and other off balance sheet liabilities to members of the Bank directing bodies, persons holding managerial positions at BOŚ S.A.,

- and entities related by capital or management to the above-named ones, or on their behalf" (Resolution No. 8/2008 of 21 May 2008);
- a resolution to choose a chartered auditor to audit the semi-annual financial statements of the Bank and semi-annual consolidated financial statements of the BOŚ S.A. Capital Group for the first half of 2008 and to audit the annual financial statements of the Bank and annual consolidated financial statements of the BOŚ S.A. Capital Group for 2008 (Resolution No. 15/2008 of 4 June 2008), which was adopted in correspondence voting;
 - a resolution to set the number of members of the BOŚ S.A. Management Board to 5 (Resolution No. 26/2008 of 19 August 2008);
 - a resolution to approve the "Bank Ochrony Środowiska S.A. Financial Plan for 2009" (Resolution No. 46/2008 of 19 December 2008);
 - a resolution to approve a change to the Organisational Structure of Bank Ochrony Środowiska S.A. (Resolution No. 47/2008 of 19 December 2008);
 - a resolution to approve „Internal Audit Agenda for 2009" (Resolution No. 48/2008 of 19 December 2008).

A major action the Supervisory Board took in 2008 was the establishment of a new Management Board of the Bank for a next term in office. The term of the Management Board expired as did the mandates of its members with the close of the Annual Meeting of BOŚ S.A. on 17 June 2008. The Supervisory Board then appointed a Management Board for a next term in office including:

- Jerzy Pietrewicz, President of the Management Board,
- Stanisław Kostrzewski, Vice-President of the Management Board,
- Jan Wielgus, Member of the Management Board.

The Supervisory Board also resolved to call a contest for the posts of president and members of the BOŚ S.A. Management Board (Resolution No. 22/2008) and they set requirements for candidates for the posts of Management Board members to oversee the lines of business at the Bank.

The election procedure was conducted by a Qualification Panel made up of four members of the Supervisory Board.

On 19 August then the Supervisory Board adopted a resolution to dismiss, as of 1 October 2008:

- Jerzy Witold Pietrewicz, as President of the Management Board,
- Stanisław Kostrzewski, as Vice-President of the Management Board,
- Jan Krzysztof Wielgus, as Member of the Management Board.

At the same meeting, the Bank Supervisory Board followed the Qualification Panel recommendations to adopt:

- a Resolution to appoint Mr Mariusz Klimczak President of the Management Board of BOŚ S.A. The resolution took effect on 17 December 2008, the day the Financial Supervision Commission gave their requisite approval of the appointment; from 1 October to 17 December 2008, Mr M. Klimczak acted in the capacity of Vice-President of the Management Board of BOŚ S.A. overseeing the work of the BOŚ S.A. Management Board;
- a Resolution to appoint Mr Jerzy Witold Pietrewicz Vice-President First Deputy President of the Management Board of BOŚ S.A. The resolution took effect on

11 February 2009, the day the Financial Supervision Commission gave their requisite approval; from 1 October 2008 to 11 February 2009, Mr J. Pietrewicz acted in the capacity of Vice-President of the Management Board;

- a Resolution to appoint Mr Adam Grzebieluch Vice-President of the Management Board of BOŚ S.A. The resolution took effect on 1 October 2008;
- a Resolution to appoint Mr Krzysztof Telega Vice-President of the Management Board of BOŚ S.A. The resolution took effect on 1 October 2008;

and – at a meeting on 13 November – a further resolution to appoint Mr Marek Serafiński Vice-President of the Management Board of BOŚ S.A. as of 15 December 2008.

The Supervisory Board activities in 2008 further included:

- detailed discussions of the Bank's 2007 financial results at meetings in February and April, one of which was with the auditors that examined the Bank's financial statements for 2007. The Supervisory Board Heard the auditors' opinion on the financial standing of the Bank and their account of the review of the annual financial statements of the Bank and the consolidated report of the BOŚ S.A. Capital Group. As the result of the discussions and the meetings the Supervisory Board expressed their opinions of the relevant Management Board reports and a gave their comprehensive assessment of the Bank's performance in 2007;
- presentation, as required under corporate governance principles, of a report on Supervisory Board 2007 activities, and a discussion and evaluation of materials placed on the agenda for the Annual General Meeting;
- approval of the BOŚ S.A. Financial Plan for 2009. The blueprint provides for the Bank's further development, even though there is no clear view of the impact of the crisis of financial markets on the further functioning of the banking sector in Poland. The 2009 Financial Plan was compiled on the Assumption that 2009 will be a stable enough year for the Bank to develop its business continuously. The Bank set itself the following priorities for 2009: to increase its market share and its net income from banking activity, with cost optimisation at the same time for improved effectiveness as measured by the C/I ratio. The Supervisory Board found it was an ambitious yet feasible plan, and resolved unanimously to approve the Bank's Financial Plan for 2009, as proposed by the Management Board;
- approval of changes in the Bank organisational structure for improved safety of the Bank operations and greater efficiency in marketing activities and internal communication. The structural changes took effect from 1 January 2009.

The following topics were discussed by the Supervisory Board on a regular basis:

- the financial situation of the Bank after several months and/or quarters, with a progress report on 2008 financial plan implementation and a forecast of results of the coming months (at every meeting);
- results of the Bank's lending activity, with emphasis on loan portfolio quality and debt recovery effectiveness (at every meeting);
- the Central Information System project. That topic, an outstandingly important issue at the Bank, was also discussed at every meeting the Supervisory Board;
- credit financing environment friendly projects and the environmental effect secured, with emphasis on co-operation with the National Fund for

Environmental Protection and Water Resource Management [NFOŚiGW] and its regional counterparts [Wojewódzkie Fundusze Ochrony Środowiska i Gospodarki Wodnej];

- BOŚ S.A. standing in the banking sector and compared with the peer group;
- results of audit and institutional control activities, in performance of statutory duties to watch over the audit and internal control unit;
- management basic financial risks at the Bank, including: liquidity risk, interest rate risk, foreign exchange risk, credit risk, capital adequacy;
- preparation of the Bank to implement New Capital Accord provisions;
- implementation of Commission for Banking Supervision / Financial Banking Supervision recommendations made to the Bank following a GINB [General Inspectorate of Banking Supervision] inspection at BOŚ S.A. in 2007.

Brief assessment of the Bank standing in 2008, the Bank's internal control and risk management systems

Based on an analysis of the Bank financial statements for 2008, the Management Board report the Bank activity in 2008, opinion the auditors on the course and findings of the audits of the statements and current reports on the situation economic and financial situation of the Bank the Supervisory Board considered at meetings during the year, the Supervisory Board made their own assessment of the Bank activity in 2008.

In their approach to the appraisal of activities and generally the situation of BOŚ S.A. In 2008, the Supervisory Board put it in context of the difficult environment in which the Bank and the entire banking sector had to operate in the reporting year, as the financial crisis was deteriorating in the fourth quarter of 2008.

The crisis did have an impact on results BOŚ S.A. reported in 2008. The Bank posted a net profit to the tune of PLN 6.6 mn, a 79.2% drop from the same period in 2007, even as increases were noted for:

- net interest income
- net foreign exchange gains(losses)
- dividend earnings
- scale of activity as measured by the increase in assets (the Bank total balance sheet was above PLN 11 bn at end 2008 or more than PLN 2 bn above the end 2007 figure),

with cost discipline well in place.

It should be pointed out that the financial result the Bank posted was due mainly to the heavy impairment write-offs on loans and advances the Bank had to make to a total PLN 71.2 mn (in 2007, net impairment resulted in a positive balance of PLN 8.9 mn). The bulk of these write-offs, to a total amount of PLN 40.7 mn, were made on loans extended to international banks, and also write-offs on loans to corporate clients which sustained losses on foreign exchange option transactions concluded with other banks (PLN 18.4 mn in total). The aggregate write-down on loans to retail clients connected with the growing value of the portfolio was a major charge affecting the net income figure.

The Supervisory Board however emphasized that even though the Bank had to make bigger write-downs than the previous year, the loan portfolio quality, as measured by the proportion of impaired loans in the total credit outstanding value, improved from the previous year.

The Supervisory Board, following a close analysis of the progress of implementation of a Central Information System (CSI) in the Bank, voiced their understanding of the way the Management Board handled the case. The Management Board, having established the facts and the legal status of the CSI implementation project, and following a study of the documentation for possibilities to put to practical use the development work yet completed on the CSI project towards the establishment of an integrated information system at BOŚ S.A., and having determined the expenditure to date on the project, recognised, in consultation with the auditors, that the total value capitalized expenses on the CSI to subsume under a revaluation write-down is PLN 42 088 000, of which the amount PLN 39 067 000 in costs paid by end 2007 is to be charged off the 2007 financial result by adjusting the opening balance in the financial statements for 2008 and the parallel comparative data for 2007, and the amount PLN 3 021 in costs sustained in 2008 to be charged off the 2008 result. The above adjustments changed the result the Bank posted for 2008 and affected significantly the comparative data of 2007.

The Supervisory Board, as they addressed the Bank's results and financial situation discussed in periodic reports presented to them during the year:

- took note of the fact that in its pursuit of the plan targets for the year the Bank fell short of its development strategy for the years 2007–2011 especially in respect of total assets and loans outstanding value. The business outlook was generally good most of the year in 2008, so the Supervisory Board said the Bank failed to take full advantage of the propitious conditions then to keep a sound growth rate, especially of its loan portfolio. The downturn showed among other things in the Bank's dropping market shares:
 - to 1.02% in total assets, from 1.07% at end 2007,
 - 1.15% in total liabilities, from 1.21% at end 2007,
 - 1.04% in total receivables, from 1.06% at end 2007
- noted that the financial results, if the write-downs at the close of the year are disregarded, were actually above the plan targets, yet their structure was different from plan;
- said it was necessary for the Bank:
 - to penetrate the market for opportunities to launch new projects and to establish active contacts with investors;
 - to be guided in its operations by profitability of projects and risk diversification;
 - to develop its co-operation with the NFOŚiGW and the WFOŚiGWs on long-term agreements.

Further, with the financial crisis worsening in the fourth quarter last year the Supervisory Board:

- acknowledged the Management Board for taking proper actions to strengthen deposit taking, this in order for the Bank to maintain adequate liquidity levels

and to reinforce security of its operations in what was a tough and worsening market, especially in the context of the problems the Bank faced in obtaining cash in the interbank market late last year,

- recognised it was necessary for the Bank to focus strongly on vetting clients for credit capacity and to maintain accurate and ongoing monitoring on real property value brought to the Bank as security against mortgaged loan exposures, this in order to forestall any potential deterioration of loan portfolio quality.

The Supervisory Board voiced their positive views of:

- the more than 22% growth in scale of activity of the Bank in 2008;
- the attractive offer of the Bank and the invigorated promotional and advertising presence of the Bank in the media, with the spinoff in better recognition rate of the brand of the Bank;
- the introduction, as of 1 February 2008, changes in the Bank organisational structure, in particular the functional and organisational separation of two operational divisions each responsible for sales: one to corporate clients and clients in the public finance sector, the other to retail clients. That particular solution left the Bank's sale structures focused on market needs more strongly than before. Beyond that, in the new organisational structure: 1) credit risk management was revamped in such a way that tasks performed at the Bank warranted separation of the risk measurement, monitoring and control functions from the operation proper which necessitates the taking of risk; 2) an independent unit to manage non-compliance risk was established, which is responsible for the identification, assessment and monitoring of risks related to the observance of laws, regulations, and standards, 3) functions not related to sales were centralised. As of 1 January 2009, on approval from the Supervisory Board, the Management Board made certain adjustments to the organisational structure in order to improve the security of functioning of the Bank and to streamline marketing activities and internal communication;
- the Fitch Ratings agency reaffirming its appraisal of the Bank's creditworthiness and maintaining Bank Ochrony Środowiska S.A. rating at BBB. Long-term rating, as before, was stable.

In summary the Supervisory Board said that because of the economic crisis 2008 was not the best or easy time for the Bank, just as for other financial institutions in Poland.

The worsening prospects of the world economy, and in consequence of the Polish economy as well, forced the Bank to take strong steps likely to stabilize its economic and financial standing. One crucial challenge facing the Bank was to maintain liquidity, while keeping cash taking costs on the best feasible level and ensuring the best possible match between specific provisions and loan portfolio quality.

Assessment of the risk management system and the internal control system at the Bank

The Bank maintains a Bank management mechanism, enacted through resolutions of the Supervisory Board, which consists of:

- a risk management system,
- an internal control system.

The aim of risk management is to maximise goodwill of the Bank by adapting risk levels and profiles to market conditions and the character of the Bank's activities.

The risk management system, as defined by the Supervisory Board through a resolution, sets out the roles, duties and entitlements of governing bodies and organisational units and offices at the Bank in the risk management process and mutual interactions between entities involved in the process. The risk management process comprises: 1) the identification of risk, its assessment and measurement, 2) monitoring, control and reporting, 3) decision-making, and taking actions to change risk levels and profiles, along with the monitoring of effects of such decisions and actions.

Within the scope of the risk management system at the Bank there are:

- an Assets and Liabilities Committee, with responsibility for ongoing oversight over market risk, liquidity risk and for the management of credit risk in portfolio approach;
- Operating Risk Committee, with responsibility for the ongoing oversight over operating risk management;
- Credit Committee at the Head Office, with responsibility for the management of credit risk of individual transactions.

Risk management is performed at the Bank pursuant to written internal procedures signed off by the Management Board. One of the basic documents concerning risk management at the Bank is called „Directions for assessing the significance of risks occurring in the Bank's activities". Risks assessed as significant, in particular the levels of such risks and their impact on the Bank's operations, are monitored in monthly cycles at the Bank. Information notices on such cases are generated within the information management system in operation at the Bank, are presented to the Management Board, as the Management Board in turn presents its information notices on basic banking risk management regularly to the Supervisory Board.

The Supervisory Board supervises, via the Internal Audit and Internal Control System Committee, risk management policies for compliance with the Bank strategy and financial plan. The Supervisory Board is being advised, at least once every quarter, of major events likely to impact risk levels at the Bank and of notable changes in the risk management process and system.

The Bank applies in its operations:

- internal limits adequate to the scale and complexity of operations, to mitigate risk levels in the particular lines of business at the Bank,
- limits reducing overall risk levels at BOŚ S.A. (such levels are revised and approved by the Supervisory Board at least once a year).

The Supervisory Board takes a positive view of the risk management system functioning in the Bank, recognising its structure as efficient enough to identify risks,

to monitor them in ongoing manner and to generate the relevant risk management reports, and, on the basis thereof, to make alterations, if necessary, at the right time.

The aim of the Bank internal control system is to support decision-making processes to ensure:

- efficiency and effectiveness of the Bank activities,
- reliability of finance data reporting to support the management processes at the Bank,
- compliance of the Bank activities with the law and with internal regulations.

The internal control system comprises the following functions:

- 1) risk control mechanisms, which operate in particular as internal rules, limits, procedures, enacted on motions of the particular governing bodies of the Bank and subsequently as checks of compliance therewith;
- 2) watching the Bank's operations for compliance with regulations of the law and internal regulations, and checking any risk control mechanisms implemented for effectiveness. Such monitoring is a continuous process, especially as part of functional internal control examination, performed by all staff at the Bank. Functional control is a basic type of control at the Bank and an integral part of the system of leadership and managing the business of the Bank, i.e., planning, delivery and supervision processes. Functional control is a management and oversight tool available for use by the governing bodies of the Company, managers of organisational units of the Bank and organisational units of the Head Office;
- 3) internal audit, a function reporting directly to the Bank Supervisory Board.

The Supervisory Board, in exercising its oversight function over internal audit:

- 1) appoints certain of its members to sit on an Internal Audit and Internal Control System Committee and lays down rules of procedure thereof;
- 2) approves rules of organisation of the internal audit unit;
- 3) approves the yearly agenda for internal audit and institutional control;
- 4) approves quarterly and annual reports on findings of audits and internal control inspections;
- 5) appoints and dismisses the head of the internal audit unit and sets their remuneration;
- 6) reviews documents, information notices and internal audit reports and considers information notes, assessments and motions submitted by the Internal Audit and Internal Control System Committee.

Internal audit is an essential component of the process of managing the Bank. Its main responsibility is the examination and independent and fair assessment of the internal control system working at the Bank and the review of the system to manage the Bank, and the management of risks related to the Bank activities for efficiency.

Internal audit provides the management of the Company current and reliable information and assessment of efficiency of the internal control system working at the Bank and in its subsidiaries, including information on the suitability of any risk control mechanisms applied to the character and complexity of banking transactions and operations.

The Bank implemented specific rules of procedure for the performance of internal audit, which describe methods to apply in internal audit inspections (risk areas, scope of audit, frequency of audit inspections, specimen reports, implementation of post-audit recommendations) and the planning and performance of internal audits.

The assessment of internal audit performance in 2008 was made in reference to the „Internal Audit Annual Plan for 2008”, a document proposed by the audit unit and approved by resolution of the Supervisory Board, which listed areas of the Bank business where internal audit inspections were found necessary following detailed risk analyses.

Under the plan the internal audit service was to carry out 15 audits in total, 6 in branches and 9 in Head Office departments (selected for specific topics).

Guided by the above plan the audit unit carried out 16 internal audits in 2008, of which:

- 8 audits of selected departments of the Bank Head Office,
- 1 audit of a subsidiary (Dom Maklerski BOŚ S.A. brokerage office),
- 5 audits of a total 26 outlets of the Bank,
- 2 ad hoc control inspections in branches.

The above audits in particular:

- Assessment of implementation by BOŚ S.A. requirements set out in Commission for Banking Supervision [KNB] Resolution No. 5/2007 and the Bank’s internal regulations concerning the identification, measurement and control mechanisms applicable in the study of risk concentration, especially in big commitments.
- Assessment of functioning of the Bank internal control system at Dom Maklerski BOŚ S.A.
- Status and level of leadership and management of an outlet. Assessment of the total body of activities of an operations branch in Szczecin.
- Assessment of validity of recognition (for the calculation of equity requirements) and valuation of the trading book.
- Status and level of leadership and management of an outlet. Assessment of the total body of activities of an operations branch in Opole.
- Assessment of validity of debt recovery activities.
- Status and level of leadership and management of an outlet. Assessment of the total body of activities of an operations branch in Lublin.
- Assessment of value at risk (VAR) models in application to market risk measurement.
- Assessment of selected elements of the internal capital estimation process.
- Status and level of leadership and management of an outlet. Assessment of the total body of activities of an operations branch in Białystok.
- Status and level of leadership and management of an outlet. Assessment of the total body of activities of an operations branch in Olsztyn.
- Assessment of granting and processing of cash advances backed with an insurance of payment of all the outstanding amount on a life assurance policy of borrower, in BOŚ S.A. Branches in Poznań and Łódź.

Reports from audits performed in 2008 show the following main factors to have driven up risk levels:

- inadequacies (weaknesses) of the functional control system, i.e., of managers overseeing the work and supervising the particular level of organisation for relevance and quality of performance of jobs done by staff they supervised;
- gaps and delays in updating the Bank's internal regulations prepared in departments and branches.

Results of the particular audits and control inspections, in a form of reports possibly with post-audit recommendations, were immediately presented to the Supervisory Board Chairman and the Management Board President, and also to members of the Bank Management Board and to interested directors of Head Office organisational units. Results of the particular audits and control inspections were also presented at Internal Audit and Internal Control System Committee meetings.

The relevant recommendations put forward by auditors following every audit were signed off by the Management Board President and sent out with instructions to put them into effect, or otherwise he issued post-audit instructions. Findings of audits and recommendations of the audit unit were taken advantage of in current work and management decisions.

In each case, audits carried out in any of the Bank branches were followed up by conferences / meetings of the managerial staff of the Branch with the Supervisory Board Chairman (or another representative of the Audit Committee) and the President of the Bank Management Board. Such conferences were called to discuss circumstances that had led up to irregularities, to specify ways and means of their elimination for good, and to discuss lines of development of the branches concerned on the local banking markets.

Leaders of the offices audited submitted written notices with progress reports on their implementation of any recommendations to the Management Board President with copy to the audit unit.

The Supervisory Board voiced their positive opinion of the internal control system functioning in the Bank, including the work of the internal audit unit. Results of internal audits performed, as well as instructions and recommendations put forward by auditors contribute substantially to the process of leading and managing the Bank thereby supporting the control and supervision functions of the Supervisory Board and the Committee Audit and providing assistance to the Management Board in current and strategy decision-making.

Report on the activity of the Supervisory Board of Bank Ochrony Środowiska S.A. In 2008

As provided for in the Best Practice Code of companies listed at the Warsaw stock exchange [GPW], the Supervisory Board performed an assessment of their activity for presentation to the Annual General Meeting, with highlights on the assessment of:

- The composition and organisation and work of the Supervisory Board as a group.

- Competences and performance of individual members of the Supervisory Board and the Internal Audit and Internal Control System Committee.
- Results of the work of the Supervisory Board in the light of the targets.

In pursuance to its statutory requirements the Supervisory Board appointed from among its members a Chairman, a Deputy Chairman, and a Secretary. They also elected a three-member Internal Audit and Internal Control Committee.

The Supervisory Board held in 2008 9 meetings (one two-day meeting), which means the number of Supervisory Board meetings was comfortably above the requirements set out in § 19 subpara. 2 of the Bank Articles of Association and art. 389 § 3 of the Code of Commercial Companies. The Supervisory Board activities concerned matters on the Supervisory Board agenda for the year and any business emerging in the current work of the Bank.

As a matter of principle, all Supervisory Board members attended board meetings. The few cases of absence were always explained and justified.

Any action the Supervisory Board is required to perform were delivered on time and with utmost care. All decisions were taken efficiently, after careful scrutiny considered in detail and on hearing the Management Board present their reasons. That furnished proof of the Supervisory Board focusing on working in the best interest of the Bank and its clients and shareholders. Viewed from that vantage point, the Supervisory Board activities deserve a positive mark.

Co-operation of the Supervisory Board with the Management Board was flawless.

The Supervisory Board had its best possible composition, in terms of number and qualifications alike. Each of its members watched the developing situation of the Bank, not only by virtue of their functions but also by education, experience and interests. Some valuable observations were recorded in minutes from Supervisory Board meetings.

With their personal qualities and professional experience every one of the Supervisory Board members made their own contribution to the work of the Supervisory Board as a collective body.

a) in its present composition:

- Marcin Likierski, Chairman of the Supervisory Board: PhD in economics, expert and adviser in building visions of corporate development and strategy objectives, strategy implementation based on state-of-the-art management techniques (Balanced Scorecard), change management, restructuring tasks, introducing organisational changes for enhanced economic effectiveness. Expert in strategy management, corporate strategy development and implementation;
- Jacek Bajorek, Deputy Chairman of the Supervisory Board: legal adviser; experience in counselling to local government institutions (among others, the Marshal's Office in Województwo Małopolskie province). In 1994–2004, arbiter with the Public Procurement Office; World Bank consultant on a flood damage recovery project;

- Marian Pigan, Secretary of the Supervisory Board: holds doctor's degree, engineer; has close knowledge of ecology, in particular in forest management; from April 2008, Director General with Lasy Państwowe state forestry enterprise; expert in modern technology in forest management and the timber industry;
- Józef Kozioł, Member of the Supervisory Board: PhD in economics, professor with WSRL agricultural college in Żyrardów, specialist in banking and finance. Author of the concept of founding the NFOŚiGW national environmental protection fund as well as the establishment of BOŚ S.A. bank; long-time President of the Management Board of the bank. Initiated the process that led BOŚ S.A. eventually go public and listed on the GPW Warsaw stock exchange. He served in government positions as well, among others as Minister for Environmental Protection. Author of many publications, mostly on banking business;
- Michał Machlejd, Member of the Supervisory Board: long-standing service in banking, sat as member in boards of top Polish banks; presently serves as head of the Warsaw district heating supplier SPEC; with background in running large business organisations and in managing large staff forces;
- Marian Malicki, Member of the Supervisory Board: professors' knowledge and experience in the economics of environmental protection, risk management and regional planning. Organised many international conferences mainly on ecology and regional policy. Hosted by many foreign research institutions. Author of a number of scientific publications;
- Ryszard Ochwat, Member of the Supervisory Board: expert in environmental protection and its financing mechanisms; long-standing staff member at the NFOŚiGW, senator of the Republic of Poland in 1993–1997, chaired the Senate Environmental Protection Commission;
- Michał Wysocki, Member of the Supervisory Board: legal adviser, specialist in commercial law, business law, copyright and related law, civil law, investment advice to enterprises. Author of many publications on commercial law applications, securities law, and trading in securities;

b) in its present composition up to 17 June 2008:

- Andrzej Herman, Chairman of the Supervisory Board: lawyer with extensive experience in business management, good knowledge of regulations and procedures, proven organisational skills;
- Janina Józwiak, Deputy Chair of the Supervisory Board: professors' knowledge and experience in demographics and statistics, as well as in higher education systems and research management. Professor J. Józwiak is active in building links between scientific research and practical applications in the economy, serves among others as President of a management education institution called Stowarzyszenie Edukacji Menedżerskiej FORUM and Deputy Chair on the panel of a national program called Foresight „Polska 2020”;
- Wiesław Siwczak, Secretary of the Supervisory Board: experience and practice in financing major environment friendly projects (also in co-operation with BOŚ S.A.) on behalf of regional environmental protection and water resource management funds;
- Ryszard Bartkowiak, initially Member, and next Secretary of the Supervisory Board: holds doctor habilitowany degree in economic science; professionalism and accuracy; extensive experience in financial analysis and asset

- management. Author of many publications in economic theory, history of economics and banking;
- Marta Czyż, Member of the Supervisory Board: professors' knowledge and experience in industrial policy, corporate restructuring and economic development, author of several monographs, textbooks and publications in this area;
 - Kazimierz Kujda, Member of the Supervisory Board: expert in finance, economics and systems modelling. Extensive experience in finance planning and management, financial and economic project appraisal, and in managing European Union funds. Experience and practice in co-operation with BOŚ S.A. from the National Fund for Environmental Protection and Water Resource Management;
 - Andrzej Matysiak, Member of the Supervisory Board: broad experience in ecology, practical experience in co-operating with BOŚ S.A. on behalf of the Directorate General of Lasy Państwowe state forestry enterprise;
 - Lech Płotkowski, Member of the Supervisory Board: professors' knowledge and experience in forest economics, management and policy; author and co-author of numerous publications in that respect, and also of expert opinions for the Ministry of Environmental Protection, the Senate and Sejm of the Republic of Poland; practical experience resulting from a good knowledge of relations between the NFOŚiGW and BOŚ S.A.;
 - Agnieszka Zawartko, Member of the Supervisory Board: specialist in research in the financial services market and consumer attitudes. Good knowledge of competition and consumer practices.

The Supervisory Board properly delivered its duties in exercising standing supervision over the business of the Company as defined in the commercial code and the Bank's own statutes. That was visible, among other things, in:

- implementation at BOŚ S.A. of a Central Information System. That matter, a key issue at the Bank, was on the agenda of every Supervisory Board meeting;
- results of a comprehensive inspection the General Inspectorate of Banking Supervision (GINB) performed at BOŚ S.A. in the first quarter of 2007. The Supervisory Board regularly discussed progress reports on the implementation of the GINB recommendations (Supervisory Board meetings on 27 February 2008, 21 May 2008, 19 August 2008, 13 November 2008).

Two other points used to be raised for discussion at Supervisory Board meetings:

- the standing of Bank Ochrony Środowiska – amidst the crisis situation on financial markets,
- development of co-operation of the Bank with the NFOŚiGW and its regional counterparts, the WFOŚiGW.

In its direct oversight of the Bank's audit and internal control unit the Supervisory Board regularly heard reports on results of audits and institutional control inspections performed in the report periods (Supervisory Board meetings on 27 February 2008, 21 May 2008, 13 November 2008).

The Supervisory Board had an Internal Audit and Internal Control System Committee working in its structure appointed by Supervisory Board Resolution No. 12/2004 of 8 September 2004. In 2008, in connection with changes in the composition of the Supervisory Board approved at the Annual Meeting of

BOŚ S.A. on 17 June 2008, the composition of the Committee changed too. In the former half of 2008 the Committee worked in the following composition:

- Andrzej Herman, Chairman of the Supervisory Board, as Committee Chairman
- Ryszard Bartkowiak, Member of the Supervisory Board, as Committee Secretary
- Janina Józwiak, Deputy Chair of the Supervisory Board, as Committee Member

In the latter half:

- Marcin Likierski, Chairman of the Supervisory Board, as Committee Chairman
- Józef Koziół, as Committee Secretary
- Marian Pigan, as Committee Member

The Committee in 2008 performed the duties set out for it in the relevant Supervisory Board Resolution, advising the Board on any issue they had considered and opinions issued. In the five meetings the Committee held the following matters were discussed:

1) On 27 February 2008

- a fourth quarter 2007 report on progress in implementation of Commission for Banking Supervision (KNB) recommendations following a GINB (General Inspectorate of Banking Supervision) inspection at BOŚ S.A. from 12 February to 30 March 2007;
- reports on findings of audits and institutional control inspections the Audit and Internal Control Department performed in the fourth quarter of 2007 and in 2007;
- a progress report on implementation by Branches and Head Office departments audited of internal audit recommendations which were to be completed in the latter half of 2007.

2) On 21 May 2008

- a report on progress in implementation of KNB recommendations following GINB inspections at BOŚ S.A. in 2002, 2004 and 2007, as at 31 March 2008;
- a report on findings of audits and institutional control inspections the Audit and Internal Control Department performed in the first quarter of 2008;
- a review of banking risks in BOŚ S.A. activities after the first quarter of 2008;
- a motion in respect of the choice of auditors to review the financial statements of the Bank and the consolidated statements of the BOŚ S.A. Capital Group for the first half of 2008 and to audit the annual financial statements of the BOŚ S.A. Capital Group for 2008;
- a motion in respect of setting the monthly remuneration for the Director of the Audit and Internal Control Department with a draft resolution thereto for approval by the Supervisory Board.

3) On 9 June 2008

- compliance policy principles in BOŚ S.A. – in the opinion of the Internal Audit and Internal Control System Committee.

4) On 9 October 2008

- a report on findings of audits and institutional control inspections performed in the second and third quarters of 2008
- a review of banking risks in BOŚ S.A. activities 8 months into 2008.

5) On 19 December 2008

- a draft resolution of the Supervisory Board to approve an „Internal Audit Annual Plan for 2009”;
- a report on managing non-compliance risk at the Bank.

In the light of the above information, the results of work of the Supervisory Board in 2008 in pursuit of goals set for it deserve to be described as positive.

Recommendations

Acting pursuant to Art. 382 § 3 of the Code of Commercial Companies and § 20 subparas. 7 and § 43 of the Articles of Association of BOŚ S.A., the Supervisory Board considered materials for debate at the Annual General Meeting of BOŚ S.A., including:

- the agenda of the General Meeting;
- draft texts of all resolutions, in particular a draft resolution regarding the distribution of profit of 2008 and a draft resolution regarding amendments to the Articles of Association of the Bank, along with written opinions of the documents;
- the Management Board report on the Bank operations in 2008, along with a written opinion of the report;
- the financial statement of the Bank for the period from 1 January 2008 to 31 December 2008 (with the auditors' opinion), along with a written opinion of the report;
- report on activities of the BOŚ S.A. Capital Group in 2008, along with a written opinion of the report;
- the consolidated financial statement of the BOŚ S.A. Capital Group for the period from 1 January 2008 to 31 December 2008 (with the auditors' opinion), along with a written opinion of the report.

Having reviewed the above documents the Supervisory Board recommends them for approval to the Annual General Meeting of BOŚ S.A. The relevant Supervisory Board assessments were appended to each one of the reports.

In submitting this report, with an assessment of the situation of the Bank in 2008, an assessment of the Bank internal control system and its system to manage risks that are significant to the Company, and an assessment of the Supervisory Board activity in 2008, the Supervisory Board requests the Annual General Meeting of Bank Ochrony Środowiska S.A. to approve it and to adopt:

- the proposed resolutions to approve the above-named report;
- the other resolutions related to matters set out in the agenda of the Annual General Meeting, in particular:
 - to approve the distribution of the Bank's profit for 2008, as proposed in the draft resolution;
 - to approve the Management Board proposed amendments to the Articles of Association of the Bank;
 - to approve the discharge of duties by the following Members of the Bank Management Board:
 - Mr Mariusz Klimczak
 - Mr Adam Grzebieluch

- Mr Marek Serafiński
- Mr Krzysztof Telega
- Mr Jan Wielgus
- not to approve the discharge of duties by:
 - Mr Jerzy Pietrewicz
 - Mr Stanisław Kostrzewski
 - Mr Marcin Romanowski
 - Mr Piotr Wiesiołek.

For the Supervisory Board of Bank Ochrony Środowiska S.A.
Chairman of the Supervisory Board

/Marcin Likierski/

Warsaw, 3 June 2009