

Bank Ochrony Środowiska S.A. Management Board announcement of convention of an Annual General Meeting

Bank Ochrony Środowiska Spółka Akcyjna equity partnership with seat in Warsaw at the address ul. Żelazna 32, 00-832 Warszawa, registered at the District Court for the Capital City of Warsaw Commercial Department XII of the National Court Register under incorporation number KRS 0000015525; entry date 4 June 2001, announces herewith, in part fulfilment of requirements specified in art. 402 § 2 of the Code of Commercial Companies, details pertinent to the Annual General Meeting of BOŚ S.A.:

I. Date, time, and venue of the Annual General Meeting, and details of the agenda

The Management Board of Bank Ochrony Środowiska Spółka Akcyjna („BOŚ S.A.”) acting pursuant to provisions of art. 399 § 1, art. 402¹, art. 402², in connection with art. 395 § 1 of the Code of Commercial Companies, and in connection with § 9 subparas 1 and 2 of the Articles of Association of the Bank, convenes hereby an Annual General Meeting („AGM”) to be held at 10⁰⁰ on 30 April 2014, in Warsaw at the address ul. Żelazna No. 32 (entrance from the Sienna street).

Meeting Agenda:

1. Opening the General Meeting.
2. Appointing the Chairman of the General Meeting.
3. Stating the legitimacy of convocation of the General Meeting and the capacity thereof to pass resolutions.
4. Appointing the Secretary of the General Meeting.
5. Adopting the agenda.
6. Presenting the Management Board Bank activity report for 2013 and the Bank financial statements for the period from 1 January 2013 to 31 December 2013.
7. Presenting the Management Board BOŚ S.A. Group activity report for 2013 and the BOŚ S.A. Group consolidated financial statements for the period from 1 January 2013 to 31 December 2013.
8. Presenting a motion on Bank 2013 profit distribution.
9. Presenting a motion on offsetting the Bank`s previous year loss.
10. Presenting an Activity Report of the Supervisory Board and its committees in 2013.
11. Discussion.
12. Adopting resolutions regarding the following matters:
 - a) approving the Management Board Bank activity report for 2013,
 - b) approving the Bank financial statements for the period from 1 January 2013 to 31 December 2013,
 - c) approving the Management Board BOŚ S.A. Group activity report for 2013,
 - d) approving the BOŚ S.A. Group consolidated financial statements for the period from 1 January 2013 to 31 December 2013,
 - e) approving the Bank 2013 profit distribution,
 - f) approving the offsetting the Bank`s previous year loss,

- g) granting members of the Bank Management Board the vote of approval for performance of duties in 2013,
 - h) approving the Activity Report of the Supervisory Board and its committees in 2013,
 - i) granting members of the Bank Supervisory Board the vote of approval for performance of duties in 2013.
13. Presenting the drafts text and passing resolution on establishing the number of members on the Supervisory Board.
 14. Changes in membership status of the Supervisory Board:
 - a) adopting resolutions regarding dismissal of Supervisory Board members,
 - b) adopting resolutions regarding appointment of Supervisory Board members.
 15. Presenting the drafts text and passing resolution on establishing the remuneration of members of the Bank Supervisory Board.
 16. Presenting the drafts text and passing resolutions on regarding amendments to the Articles of Association of the Bank.
 17. Presenting the draft text and passing a resolution on authorising the Supervisory Board to approve a consolidated text of the Articles of Association of the Bank.
 18. Presenting the drafts text and passing resolutions on a Buy-Back of BOŚ S.A. shares Programme to offer them to persons in managerial positions that have significant impact on the risk profile of the Bank
 19. Closing the General Meeting.

Pursuant to requests the National Fund for Environmental Protection and Water Resource Management (NFOŚiGW), a Shareholder representing more than one-twentieth of equity, submitted, in a manner described in Art. 401 § 1 of the Code of Commercial Companies and in connection with § 9 subpara. 8 of the Articles of Association of the Bank, on 28 March and on 3 April 2014, points 13, 14 and 15 were included in the agenda of the AGM of BOŚ S.A.

Further, point 16 was included in the AGM agenda to meet the NFOŚiGW request to amend § 17 subpara. 1 of the Articles of Association of the Bank.

II. INFORMATION REGARDING PARTICIPATION IN THE BOŚ S.A. ANNUAL GENERAL MEETING

1. Shareholder's right to demand inclusion of particular items in the agenda of the Annual General Meeting and to submit draft resolutions:

- 1) Under art. 401 § 1 of the Code of Commercial Companies, a shareholder or shareholders representing at least one twentieth of the share capital may demand inclusion of particular items in the agenda of the AGM. Such demand should contain a statement of reasons or a draft resolution on the proposed item on the agenda. Any such request should be submitted in writing to the Bank Management Board no later than between 08:00 and 15:45 on 9 April 2014 at the Bank seat at the address 00-832 Warszawa ul. Żelazna 32 (entry from ul. Sienna street) or with the use of electronic communication sent to the address walne.zgromadzenie@bosbank.pl.

As at the date of submission of such demand, Shareholder/Shareholders should be able to demonstrate that they hold the required number of shares

and attach to the demand a certificate of their right to participate in the Annual General Meeting, and in the case of Shareholders being legal persons or partnerships, to confirm, by submitting the relevant updated extract from the National Court Register, their right to act on behalf of the entity. The required documents should be submitted to the Management Board in writing, at the address 00-832 Warszawa ul. Żelazna 32, between 08:00 and 15:45, or sent in PDF format to the address walne.zgromadzenie@bosbank.pl.

- 2) Under art. 401 § 4 of the Code of Commercial Companies, a shareholder or shareholders representing at least one twentieth of the share capital entitled to participate in the Annual General Meeting may submit to the BOŚ S.A. Management Board, before the date of the Annual General Meeting, draft resolutions pertinent to items entered on the agenda thereof or items to enter on the agenda. Any such draft resolution should be submitted to the Management Board in writing at the Bank seat at the address 00-832 Warszawa ul. Żelazna 32, between 08:00 and 15:45, or sent in PDF format to the address walne.zgromadzenie@bosbank.pl.

As at the date of submission of such demand, shareholder/shareholders should be able to demonstrate that they hold the required number of shares and attach to the demand a certificate of their right to participate in the AGM, and in the case of shareholders being legal persons or partnerships, to confirm, by submitting the relevant updated extract from the National Court Register, their right to act on behalf of the entity. The required documents should be submitted to the Management Board in writing, before the AGM date, at the address 00-832 Warszawa ul. Żelazna 32, between 08:00 and 16:00, or sent in PDF format to the address walne.zgromadzenie@bosbank.pl.

- 3) Under art. 401 § 5 of the Code of Commercial Companies, every shareholder entitled to participate in the Annual General Meeting may submit draft resolutions during the AGM proceedings related to items entered on the agenda.

2. The manner of exercising the right to vote by proxy

- 1) Shareholder who is a natural person may participate in the Annual General Meeting and to exercise their right to vote personally or by proxy.

Shareholder who is not a natural person may participate in the Annual General Meeting and to exercise their right to vote through persons authorised to submit declarations of intent on their behalf or by proxy.

The power of attorney should be, on pain of invalidity, in writing and presented at the company seat or granted in electronic form.

A specimen form of power of attorney permitting exercise of the right to by proxy is available on the Bank website at www.bosbank.pl under "General Meeting".

Proxy is under no obligation to use the form in voting.

Shareholder should notify BOŚ S.A., not later than 15:00 on 29 April 2014, that a power of attorney document was granted in electronic form by electronic mail to the address walne.zgromadzenie@bosbank.pl, attaching a scanned image of the power of attorney form, signed by shareholder, or, where shareholder is not a natural person, by persons authorised to represent

shareholder. Such notice of power of attorney having been granted in electronic form should show the designation or name and of the authorising person, their telephone number and email address, as well as the designation or name and of the authorised person, their telephone number and email address.

Further, shareholder should send the Bank: a scanned copy of a personal ID or passport (with data identifying the person) of proxy being a natural person, a scanned copy of an extract from the relevant register of companies of proxy being a legal person or organisational unit without personality at law, and with the email address for communication with shareholder or proxy.

Where the power of attorney document or the text documenting power of attorney is in a language other than Polish the relevant documents shall be submitted to the Bank in certified translation copy in Polish.

Unless specified otherwise in the power of attorney document, proxy is entitled to exercise any and all rights of shareholder at the general meeting.

The Bank Management Board declares that where shareholder has granted power of attorney along with instructions on how to vote the Bank is not going to verify if proxies are exercising their right to vote in keeping with such instructions they may have received from shareholders.

- 2) BOŚ S.A. is going to take appropriate action in order to identify shareholder and proxy in order to check any power of attorney granted in electronic form for validity. Such verification may involve in particular a return query, electronically or by telephone call, to shareholder and/or proxy to verify the fact that the power of attorney was granted and the scope thereof. In case no answer is supplied to any query asked in such verification is left unanswered, BOŚ S.A. reserves the right to determine that the granting of the power of attorney cannot be verified and so proxy may not be admitted to participate in the AGM.
- 3) The right to represent shareholder not being a natural person should clearly follow from the extract from the relevant register of companies (to be submitted in original or copy authenticated for compliance by a notary public), or possibly from the relevant series of authorisations.

Any person that grants power of attorney on behalf of shareholder not being a natural person should be named in the updated extract from the register relevant for the shareholder.

- 4) A member of the BOŚ S.A. Management Board and/or employee of BOŚ S.A. may serve as proxy at the Annual General Meeting.

Where a member of the BOŚ S.A. Management Board, member of the BOŚ S.A. Supervisory Board, member of a directing body and/or employee of a BOŚ S.A. subsidiary, serve as proxy at the Extraordinary General Meeting, the relevant power of attorney granted to the above-mentioned persons may authorise them for representation at one Extraordinary General Meeting only. Proxy is obliged to disclose to the shareholder any circumstance implying any possible conflict of interest. The granting of any further authorisation is excluded.

5) Proxy referred to under point 4) above shall vote in accordance with instructions given by shareholder.

3. Possibility and manner of participating in the Annual General Meeting by means of electronic communication

The Bank does not provide for a possibility to participate in the Annual General Meeting by means of electronic communication.

4. The manner of expressing opinions during the Annual General Meeting by means of electronic communication

The Bank does not provide for a possibility to express opinions during the Annual General Meeting by means of electronic communication.

5. The manner of exercising voting rights by correspondence or by means of electronic communication

The Bank does not provide for a possibility to exercise voting rights by correspondence or by means of electronic communication.

6. Registration date for participation in the Annual General Meeting

Registration date for participation in the Annual General Meeting is 14 April 2014.

7. Right to participate in the Annual General Meeting

- 1) Right to participate in the AGM is vested in persons who:
 - sixteen days before the AGM date, i.e., on 14 April 2014, are shareholders of BOŚ S.A. with their holdings of BOŚ S.A. shares registered on their securities accounts,
 - have requested, not before publication of the AGM having been convened, between 3 April and 15 April 2014, the entity maintaining their securities accounts on which their holdings of BOŚ S.A. shares are registered, to issue a certificate to their names confirming the right to participate in the AGM.

It is recommended that shareholders carry their participation certificates with them during the AGM.

- 2) The list of shareholders entitled to participate in the AGM is going to be prepared on the basis of information supplied by the National Deposit of Securities (KDPW), in a list the KDPW draws up on the basis of data supplied by entities maintaining securities accounts personal certificates confirming the right to participate in the AGM.

25 April 2014, the list of Shareholders entitled to participate in the AGM will be put out for inspection at the Bank seat at the address 00-832 Warszawa ul. Żelazna 32, between 08:00 and 15:45. Any BOŚ S.A. shareholder may request the list of shareholders entitled to participate in the AGM to be sent to them free of charge by electronic mail to addresses they have indicated.

- 3) Shareholders will be admitted to participate in the AGM on producing their personal ID cards, and proxies on producing their personal ID cards and valid power of attorney documents granted them in writing or in electronic form (proxy should produce a printout of their power of attorney). Representatives of legal persons or partnerships should additionally produce updated extracts

from the relevant registers naming the persons authorised to represent the particular entity.

III. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Bank Management Board, in part fulfilment of requirements art. 402 § 2 of the Code of Commercial Companies, announces herewith the proposed amendments to the Articles of Association:

I. § 5 subpara. 2 point 10 of the Articles of the Bank in its present wording:

10) the provision of intermediation services for brokerage houses,

shall be reworded to read as follows:

10) the provision of services of investment company agent,

II. § 17 subpara. 1 of the Articles of the Bank in its present wording:

1. The Supervisory Board shall consist of natural persons appointed by the General Meeting for a collective term of office in the number established by the General Meeting but not less than 5 persons and not more than 13 persons.

shall be reworded to read as follows (in line with the National Fund for Environmental and Water Management):

1. The Supervisory Board shall consist of natural persons appointed by the General Meeting for a collective term of office but not less than 5 persons and not more than 11 persons.

III. § 20 subpara. 3 of the Articles of the Bank in its present wording:

3. The Supervisory Board shall appoint, from among its members, an Internal Audit Committee and a Remuneration Committee. The composition and detailed list of responsibilities of the Committees shall be laid down by the Supervisory Board in separate resolutions.

shall be reworded to read as follows:

3. The Supervisory Board appoints from among its members an Internal Audit Committee and a Remuneration Committee. The Board may appoint further committees from among its members as well. Composition and detailed tasks of Committees shall be specified by the Supervisory Board in separate resolutions.

IV. § 20 subpara. 10 point 4 of the Articles of the Bank in its present wording:

4) approving the Bank's internal procedures for internal equity valuation, capital management and planning,

shall be reworded to read as follows:

4) approving the Bank's internal procedures for internal equity valuation, capital management and capital planning,

V. § 21 subpara. 6 point 11 of the Articles of the Bank in its present wording:

11) to lay down internal procedures for internal equity valuation, capital management and planning,

shall be reworded to read as follows:

11) to lay down internal procedures for internal equity valuation, capital management and capital planning,

VI. § 21 subpara. 7 of the Articles of the Bank in its present wording:

7. The Management Board adopts, by resolution, rules of procedure for Management Board. The rules shall specify matters that may not be adopted unless by collective resolution, as well as procedural and formal requirements regarding the holding of proceedings.

shall be reworded to read as follows:

7. The Bank Management Board adopts, by resolution, Management Board Rules of Procedure to specify matters that shall be decided by collective resolution and points of procedure and formal provisions for the holding of meetings, as well as a detailed description of the manner of adopting resolutions.

VII. § 22 subpara. 2 of the Articles of the Bank in its present wording:

2. The president of the Management Board is empowered in particular:

- 1) to appoint and to dismiss the managing director, directors of Head Office organisational units and their deputies, and directors of branches, except the director of the internal audit unit, who shall be appointed and dismissed, and his/her pay determined, under a separate procedure adopted by the Management Board and approved by the Supervisory Board,
- 2) to issue Rules of organisation of the Bank and Rules of organisation of Branch and Operation branch, and to approve rules of organisation of Head Office organisational units,
- 3) to manage internal control processes at the Bank,
- 4) to issue post-audit recommendations within the framework of internal control.

shall be reworded to read as follows:

2. The president of the Management Board is empowered in particular:

- 1) to appoint and to dismiss the managing director, directors of Head Office organisational units and their deputies, and directors of branches, except the director of the internal audit unit, who shall be appointed and dismissed, and his/her pay determined, under a separate procedure adopted by the Management Board and approved by the Supervisory Board,
- 2) to issue Rules of organisation of the Bank and Rules of organisation of Branch and Operation branch, and to approve rules of organisation of Head Office organisational units,
- 3) to manage internal control processes at the Bank.

IV. **ACCESS TO DOCUMENTATION**

1. Any information or documentation to be presented to the Extraordinary General Meeting along with draft resolutions will be published, from the day the Extraordinary General Meeting was convened, in accordance with

provisions of art. 402¹ §1 and art. 402³ of the Code of Commercial Companies, on the Bank website at www.bosbank.pl under "General Meeting".

2. Under art. 407 § 2 of the Code of Commercial Companies, shareholders are entitled to request copies of motions concerning items included on the agenda as of 23 April 2014.

The Management Board of Bank Ochrony Środowiska S.A. hereby announce that registration of participants in the General Meeting starts at 9:00 on 30 April 2014, right before the entry to the meeting hall.