



Report on the remuneration of the members of the Management Board and the Supervisory Board of Alior Bank S.A. for 2022

Definitions

Unless the context provides otherwise, the terms and definitions used in the Statement on Remuneration of the Members of the Management Board and the Supervisory Board of Alior Bank S.A. for 2022 shall have the following meaning:

Bank	– Alior Bank Spółka Akcyjna with its registered office in Warsaw
Capital Group	– Alior Bank S.A. Capital Group – a capital group within the meaning of the Accounting Act of 29 September 1994
Remuneration Policy	Remuneration Policy Applicable to Members of the Management Board and the Supervisory Board of Alior Bank S.A. introduced by Resolution No. 35/2020 of the Ordinary General Meeting of Shareholders of Alior Bank Spółka Akcyjna of 21 May 2020
Supervisory Board	– Supervisory Board of the Bank

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1070010731,
share capital: PLN 1,305,539,910 (paid up in full)



Regulation

– Regulation of the Minister of Finance, Funds and Regional Policy of 8 June 2021 on the risk management system and internal control system and remuneration policy in banks

Statement

– this Statement on Remuneration of the members of the Management Board and the Supervisory Board of Alior Bank S.A. for 2022

Detailed Remuneration Policy

– the remuneration policy for the Bank's employees, with a particular emphasis on persons whose professional activities have a significant impact on the Bank's risk profile, adopted at the Bank pursuant to Article 9ca of the Banking Law and the provisions of § 25-29 of the Regulation

Act

– Act of 29 July 2005 on Public Offerings and Conditions for the Introduction of Financial Instruments to the Organised Trading System and on Public Companies

Guidelines

– European Commission guidelines on the standardised presentation of the remuneration report under Directive 2007/36/EC, as amended by Directive (EU) 2017/828;

Management Board

– Management Board of the Bank



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I. Introduction

In connection with the amendment of the Act of 29 July 2005 on Public offering, conditions governing the introduction of financial instruments to organised trading, and public companies, the Bank adopted the Remuneration Policy by means of Resolution No. 35/2020 of the Ordinary General Meeting of Shareholders of the Bank of 21 May 2020.

The Remuneration Policy takes into account the principles of remuneration of members of management and supervisory bodies stemming from the provisions of the Act of 9 June 2016 on the principles of determining the remuneration of persons managing certain companies. Prior to the adoption of the Remuneration Policy, resolutions of the Extraordinary General Meeting of Shareholders of the Bank dated 5 December 2017 were in force in this regard, i.e.: Resolution No. 5/2017 on the principles of determining the remuneration of Members of the Supervisory Board and Resolution No. 6/2017 on the principles of determining the remuneration of Members of the Management Board, as amended by resolutions of the Ordinary General Meeting of Shareholders of the Bank No. 36/2019 and 37/2019 of 28 June 2019, respectively.

The remuneration policy regulates, among other things, the main principles for the allocation of the fixed part of the remuneration (including additional benefits) to the members of the Management Board and Supervisory Board, as well as the variable part of the remuneration to the members of the Management Board. Additionally, the Management Board's remuneration is also regulated by the Detailed Remuneration Policy.

This Report has been drawn up in fulfilment of the reporting obligation arising from the Act and from the Remuneration Policy adopted based thereon. The Report is concerned with the period of 2022 and takes into consideration the Act and the Guidelines.

The report covers the remuneration of Management Board and Supervisory Board members holding their positions in 2022.

The significant events that affected the remuneration presented in the Report included the following:

- 1) changes in the composition of the Supervisory Board

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On 12 April 2022, Ms Aleksandra Agatowska submitted her resignation from the position of member of the Supervisory Board and from the position of Chairman of the Bank's Supervisory Board, effective as of 12 April 2022.

On 12 April 2022, The Extraordinary General Meeting of Shareholders of the Bank appointed Mr Paweł Śliwa to the Supervisory Board.

2) Changes to the composition of the Management Board

On 24 March 2022, The Bank has received the resignation of Mr Maciej Brzozowski from his position as Vice-Chairman of the Management Board and from the Management Board effective as of 24 March 2022.

On 14 July 2022, The Polish Financial Supervision Authority approved the appointment of the Vice-Chairman of the Management Board in charge of the Management Board, Mr Grzegorz Oleszewski, as President of the Bank's Management Board.

13 October 2022, The Bank's Supervisory Board appointed Mr Tomasz Miklas to the Management Board as Vice-President of the Management Board. Furthermore, the Bank's Supervisory Board, subject to the approval of the Polish Financial Supervision Authority and as of the date of such approval, has entrusted Mr Tomasz Miklas with the function of Vice-President of the Management Board overseeing the material risk management in the Bank's operations. At the same time, the Supervisory Board of the Bank entrusted the Management Board acting *in gremio* with the obligation to supervise material risk management in the Bank's operations, until such time as the approval of the Polish Financial Supervision Authority to entrust Mr Tomasz Miklas with the function of Vice-President of the Management Board supervising material risk management in the Bank's operations is obtained.

On 3 November 2022, The Bank received the resignation of Mr Marek Majsak from his position as Vice-Chairman of the Management Board and from his mandate as a member of the Management Board effective at the end of 4 November 2022.

On 3 November 2022, the Supervisory Board of the Bank appointed Mr Szymon Kamiński to the Management Board of the Bank for the position of Vice-President of the Bank's Management Board, effective as of 7 November 2022



3) Financial results

In 2022, the Alior Bank Capital Group generated a net profit attributable to shareholders of the parent company of PLN 683.1 million and compared to the 2021 net profit of PLN 481.9 million, it was higher by PLN 201.2 million.

II. Management Board

Agreements with Members of the Management Board

The agreements of the members of the Management Board in accordance with the resolution of the Extraordinary General Meeting of the Bank of 5 December 2017 on the regulation of the remuneration of the members of the Management Board and the rules adopted by the Supervisory Board are as follows:

- For the provision of management services, referring to the Act of 9 June 2016 on the Principles of Determining the Remuneration of Persons in Charge of Certain Companies;
- concluded for the duration of the function on the Management Board;
- taking into account the notice period:
 - of 1 month in the event that a member of the Management Board has been in office for less than 12 months effective at the end of the calendar month,
 - 3 month in the event that a member of the Management Board has been in office for at least 12 months;
- agreements with a severance pay equalling three times the fixed remuneration, if the agreement is cancelled or terminated by the Bank otherwise than for a breach of key responsibilities by the member of the Management Board, provided that the member of the Management Board held their positions for at least 12 months prior to the termination of the agreement;
- agreements with a non-competition clause, pursuant to which a member of the Management Board undertakes that they shall not conduct any competitive activity over the period of 6 months after ceasing to act in the capacity of a Management Board member or after the termination of the contract, meaning that they shall be eligible to compensation in the total amount of 6 times the



monthly fixed salary, provided that the member of the Management Board held their position for a period of at least 3 months.

Remuneration of Management Board members

The total remuneration of a member of the Management Board consists of a fixed basic monthly remuneration (hereinafter: **“Fixed remuneration”**) and additional benefits, as well as a variable component, being a supplementary remuneration for a given financial year of the Bank (hereinafter: **“Variable remuneration”**).

The fixed remuneration of the individual members of the Management Board shall equal seven to fifteen times the benchmark value referred to in Article 1.3.11 of the Act of 9 June 2016 on the principles of determining the remuneration of persons managing certain companies.

Variable remuneration depends on the level of achievement of the managerial objectives set and must not exceed 100% of the Fixed Remuneration in the previous financial year for which the amount of Variable Remuneration due is calculated. The Bank does not apply a limited remuneration policy for members of the Management Board.

As part of their additional benefits, members of the Management Board are entitled to:

- medical care for themselves and immediate family members,
- third party liability insurance for persons holding managerial positions (the so-called D&O),
- insurance against liability related to issuing securities,
- life and health insurance and insurance against remuneration lost due to inability to work caused by an illness or an accident,
- a company car for private use,
- trainings,
- a housing allowance, in certain cases.



A table of the components of the remuneration of the members of the Management Board received and payable at the Bank.

Table 1. Fixed part of remuneration of members of the Management Board received and payable at the Bank

Member of the Management Board (first name and last name)	Position held	Fixed part of remuneration paid in 2022 (in thousands of PLN)			Fixed part of remuneration due for 2022 paid in 2023 (in thousands of PLN)			Total ¹ (in thousands of PLN)
		Fixed remuneration	Other cash remuneration ²	Other non-cash remuneration ³	Fixed remuneration	Other cash ² remuneration	Other non-cash ³ remuneration	
Maciej Brzozowski	29 June 2020 – 24 March 2022	179	-	12	-	-	-	191
Radomir Gibała	since 15 June 2021	890	-	34	90	-	1	1 016
Rafał Litwińczuk	since 15 November 2021	890	8	31	90	-	1	1 021
Marek Majsak	16 November 2021 – 4 November 2022	812	90	27	-	451 ⁴	-	1 381
Grzegorz Olszewski	since 11 November 2021	921	9	15	93	-	1	1 040
Jacek Polańczyk	since 17 May 2021	890	8	35	90	1	1	1 026
Paweł Tymczyszyn	since 11 November 2021	890	31	18	90	7	-	1 036
Tomasz Miklas	since 13 October 2022	147	1	4	90	2	1	246
Szymon Kamiński	since 7 November 2022	72	-	1	90	-	-	163

¹ The sum of the fixed parts of the remuneration paid during the period and the remuneration due for the period

² Other cash remuneration - non-competition, severance payments and additional cash benefits

³ Other non-cash remuneration - additional non-cash benefits and ECP

⁴ Includes all non-compete payments potentially payable in 2023



Table 2. Variable part of remuneration of members of the Management Board received and payable at the Bank

Member of the Management Board (first name and last name)	Position held	Variable part of remuneration awarded (potentially payable) as at 31 December 2021	Variable part of remuneration paid in 2022 (in thousands of PLN)				Variable part of remuneration awarded (potentially payable) as at 31 December 2022 ⁵
			Variable remuneration, not deferred ⁶	Deferred variable remuneration ⁷	Total (in thousands of PLN)	Proportion of variable part of remuneration to fixed part of remuneration ⁸	
Maciej Brzozowski	29 June 2020 – 24 March 2022	-	418	-	418	219%	314
Radomir Gibała	since 15 June 2021	-	228	-	228	22%	172
Rafał Litwińczuk	since 15 November 2021	-	53	-	53	5%	40
Marek Majsak	16 November 2021 – 4 November 2022	-	52	-	52	4%	39
Grzegorz Olszewski	since 11 November 2021	-	60	-	60	6%	45
Jacek Polańczyk	since 17 May 2021	-	262	-	262	26%	197
Paweł Tymczyszyn	since 11 November 2021	-	58	-	58	6%	44

⁵ Part of variable deferred remuneration awarded for 2021 comprising the cash part and the phantom part converted according to the share rate as at 31 December 2022.

⁶ The bank presents the variable remuneration actually paid in a given year, and related to the previous year.

⁷ Part of variable remuneration for previous years paid in the reported year

⁸ Fixed part of the remuneration includes remuneration paid and payable in 2022



Member of the	Position held	Variable part of	Variable part of remuneration paid in 2022 (in thousands of PLN)				Variable part of remuneration
Tomasz Miklas	since 13 October 2022	-	-	-	-	-	-
Szymon Kamiński	since 7 November 2022	-	-	-	-	-	-

As at the date of the Report, the objectives were not settled and the decision to award the variable remuneration was not made. The amount of the provision for variable remuneration for 2022 for members of the Management Board is PLN 6,327 thousand. Provision made at maximum amount, i.e. at 100% of Fixed Remuneration for 2022.

Members of the Management Board do not receive any remuneration for holding positions in other Capital Group entities.

III. Supervisory Board

In accordance with the Remuneration Policy, monthly remuneration of Supervisory Board members (hereinafter: “**Monthly remuneration**”) is determined as the product of the benchmark amount referred to in Article 1.3.11 of the Act of 9 June 2016 on the principles of determining the remuneration of persons managing certain companies and a multiplier of 2.75.

The monthly remuneration of the Chairperson of the Supervisory Board shall be increased by 10%, and of the Deputy Chairperson of the Supervisory Board by 9%. Monthly remuneration of the chairpersons of the Supervisory Board Committees shall be increased by 9%. The aforementioned additional remuneration components shall not be combined.

Members of the Bank’s Supervisory Board shall be entitled to remuneration provided that they do hold the position of a member of the Management Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna or of an entrepreneur other than the Bank, controlled by Powszechny Zakład Ubezpieczeń Spółka Akcyjna, within the meaning of Article 4.4 of the Act of 16 February 2007 on competition and consumer protection.

The Bank shall provide any variable remuneration to any members of the Supervisory Board.

Members of the Supervisory Board did not perform any functions in and did not receive any remuneration from other Capital Group entities.

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The table below presents remuneration components obtained from the Bank by Supervisory Board members

Table 3. Components of remuneration of Supervisory Board members received from the Bank

Member of the Supervisory Board (first name and last name)	Position held	Fixed remuneration (in thousands of PLN)		Total (in thousands of PLN)
		Fixed cash remuneration	Additional non-cash benefits ⁹	
Aleksandra Agatowska ¹⁰	21 May 2020 – 12 April 2022	-	-	-
Ernest Bejda ¹⁰	since 21 May 2020	-	-	-
Małgorzata Erlich-Smurzyńska	since 1 December 2021	205	3	208
Paweł Knop	since 1 December 2021	205	3	208
Artur Kucharski	since 31 October 2017	224	3	227
Filip Majdowski ¹¹	since 28 May 2021	219	3	223
Marek Pietrzak	since 21 May 2020	205	3	208
Dominik Witek ¹⁰	since 28 May 2021	-	-	-
Paweł Śliwa	since 12 April 2022	148	1	149

⁹ ECP

¹⁰ No remuneration is payable due to the appointment as a member of the Management Board of PZU S.A.

¹¹ As of 26 April 2022, change in remuneration due to appointment as Chairman of the Supervisory Board



IV. Performance-related criteria (including long-term performance criteria)

Pursuant to the Remuneration Policy, remuneration of Supervisory Board members is not related to the Bank's performance, and Supervisory Board members are not entitled to any variable remuneration.

Variable remuneration payable to Management Board members depends on specific financial and non-financial criteria. The financial criteria include: achievement of managerial objectives of financial nature, as set by the Supervisory Board for Management Board members.

In 2022, the financial objectives included the following:

- consolidated net result of the Capital Group in accordance with the plan adopted,
- cost of risk for a member of the Management Board responsible for managing risks that are significant for the Bank's operations, or income less cost or risk for other members of the Management Board,
- stable funding ratio.

The non-financial criteria include the following quality-related managerial objectives set for members of the Management Board, with their fulfilment assessed by the Supervisory Board:

- proper and effective management of the Bank, including risk management understood as mitigating the threat of unexpected increase in the Bank's exposure to risk as a result of changes in market conditions, effective prevention of excessive risk-taking, reflected in a positive assessment of the regulator and the Supervisory Board, as well as adequacy and effectiveness of the internal control system, in particular timely implementation of recommendations of the The Polish Financial Supervision Authority and other authorised bodies, the Audit Department and the Regulatory Compliance Department,
- fulfilment of obligations under the Agreement on cooperation and exchange of information between Alior Bank S.A. and PZU S.A., implementation of revenue and cost synergies within the PZU Group, and performance with due diligence of the provisions of the agency agreement on the distribution of Alior Bank S.A. products concluded between Alior Bank S.A. and PZU Cash S.A.



The Supervisory Board sets additional managerial objectives on the implementation of which right to receive Variable Remuneration is conditioned:

- application and implementation, in the event of acquisition or establishment of a new company within the Capital Group, of remuneration principles applicable to members of management and supervisory bodies, in accordance with the provisions of the Act on the principles of determining the remuneration of persons managing certain companies of 9 June 2016, in all of the Bank's subsidiaries within the Capital Group,
- application and implementation, in the event of acquisition or establishment of a new company within the Capital Group, of principles governing the management of state property, in accordance with Articles 17 to 20, 22 and 23 of the Act of 16 December 2016 on the principles governing the management of state property (in all of the Bank's subsidiaries within the Capital Group).

The award of Variable Remuneration is conditional on the achievement of the additional managerial objectives referred to above and on the achievement of the consolidated net profit of the Capital Group (80% or more).

In order to include a long-term perspective in the Bank's variable remuneration, at least 40%, and in the case of particularly large amounts at least 60%, of the variable remuneration shall be deferred and at least 50% of the variable remuneration shall be awarded in the form of a financial instrument. Additionally, prior to awarding variable remuneration, the Bank applies ex-ante assessment mechanisms to adjust that remuneration to all current and future risks related to the Bank's operations. These mechanisms include, in particular, the following:

- assessment, performed on each occasion, whether Variable Remuneration reflects the results of the Bank and the level of achievement of specific objectives by a given person,
- the risk is measured, each time, taking into account risk mitigation measures, in order to maintain the desired risk profile (the Supervisory Board determines the risk appetite and assesses compliance with the levels set),
- in each case, a risk assessment, taking into account both quantitative and qualitative risk adjustments, including those pertaining to risk of non-compliance,
- taking into account the cost of capital and avoiding situations where the acquisition of the right to variable remuneration and the payment of that remuneration, whether deferred or not, would



limit the ability to strengthen regulatory capitals, the solvency ratio and equity remaining below regulatory requirements.

V. Changes in remuneration of members of the Management Board and the Supervisory Board, in results of the Bank and in average remuneration of the Bank's employees not being members of the Management Board or the Supervisory Board, over the past five financial years

Table 4. Remuneration of members of the Management Board and the Supervisory Board, results of the Bank and average remuneration of the Bank's employees not being members of the Management Board or the Supervisory Board, over the past five financial years

		2018	2019	2020	2021	2022
Full name of the Management Board Member	Position held	Annual remuneration				
Maciej Brzozowski	29 June 2020 – 24 March 2022	n/a	n/a	332	864	608
Radomir Gibała	since 15 June 2021	n/a	n/a	n/a	433	1 153
Rafał Litwińczuk	since 15 November 2021	n/a	n/a	n/a	100	982
Marek Majsak	16 November 2021 – 4 November 2022	n/a	n/a	n/a	99	982
Grzegorz Olszewski	since 11 November 2021	n/a	n/a	n/a	110	1 005
Jacek Polańczyk	since 17 May 2021	n/a	n/a	n/a	501	1 195
Tomasz Miklas	since 13 October 2022	n/a	n/a	n/a	n/d	153
Szymon Kamiński	since 7 November 2022	n/a	n/a	n/a	n/d	73
Paweł Tymczyszyn	since 11 November 2021	n/a	n/a	n/a	106	997
Remuneration paid to members of the Management Board holding their positions before 2022		33 883	17 390	9 300	5 138	2 175
Remuneration paid to members and former members of the Management Board ¹²	in thousands of PLN	33 883	17 390	9 632	7 351	9 322
	change in % YoY	108%	51%	55%	76%	127%

¹² Remuneration paid to members and former members of the Management Board in individual years, regardless of the dates between which they held their positions; data for members of the Management Board listed above



		2018	2019	2020	2021	2022
Full name of the Supervisory Board Member	Position held	Annual remuneration				
Aleksandra Agatowska	21 May 2020 – 12 April 2022	n/d	n/d	n/d	n/d	n/d
Ernest Bejda	since 21 May 2020	n/d	n/d	n/d	n/d	n/d
Małgorzata Erlich-Smurzyńska	since 1 December 2021	n/d	n/d	n/d	16	208
Paweł Knop	since 1 December 2021	n/d	n/d	n/d	16	208
Artur Kucharski ¹³	since 31 October 2017	156	180	196	206	227
Filip Majdowski	since 28 May 2021	n/d	n/d	n/d	107	223
Marek Pietrzak	since 21 May 2020	n/d	n/d	109	189	208
Dominik Witek	since 28 May 2021	n/d	n/d	n/d	n/d	n/d
Paweł Śliwa	since 12 April 2022	n/d	n/d	n/d	n/d	149
Remuneration paid to members of the Supervisory Board holding their positions before 2022 ¹⁴		795	576	546	288	-74
Remuneration paid to members and former members of the Supervisory Board ¹⁵	in thousands of PLN	951	756	851	822	1 150
	change in % YoY	104%	80%	112%	97%	140%
Consolidated net result of the Capital Group	in thousands of PLN	713 373	252 832	-311 233	481 925	683 111
	change in % YoY	138%	35%	-123%	-155%	142%
Income at risk costs	in PLN million	2 908	2 357	1 812	2 630	3 432
	change in % YoY	104%	81%	77%	145%	130%
Risk costs	in PLN million	-1 048	-1 437	-1 733	-1 007	-950
	change in % YoY	115%	137%	121%	58%	94%
Average monthly salary for full-time employees ¹⁶	in PLN	8 661	8 467	8 156	8 378	10 052
	change in % YoY	101%	98%	96%	103%	120%
Number of employees as at 31 December		8 101	7 946	7 371	6 886	6 591

¹³ Change in % YoY for 2022 was 110%, for 2021: 105%, for 2020:109%, for 2019: 115%

¹⁴ Remuneration adjustment in 2022

¹⁵ Remuneration paid to members and former members of the Supervisory Board in individual years, regardless of the dates between which they held their positions; data for members of the Supervisory Board listed above

¹⁶ Average remuneration calculated by dividing the sum of gross annual earnings (fixed and variable) paid in a given year to active employees (who are not absent on a long-term basis as at the end of the month); this does not include members of the Management Board or Supervisory Board



Percentage change given for a given person only in the case of full employment in both comparable years.

VI. Information on the number of financial instruments allocated or offered, and key terms and conditions for exercising the rights under those instruments

Phantom shares

At least 50% of the variable remuneration of persons having an impact on the risk profile is paid in a financial instrument, i.e. (in accordance with the Detailed Remuneration Policy adopted) in phantom shares.

The number of phantom shares and the terms and conditions for their monetisation shall be determined, in accordance with the Detailed Remuneration Policy, for phantom shares for sale in 2022, in the following manner:

- for the purposes of the following calculations, the year '0' shall be understood as the year for which variable remuneration is due (hereinafter: Assessment Period), and years marked from '1' to '4' shall be understood as subsequent years after the Assessment Period.
- the price of one phantom share of the Bank, marked as 'WA(0)', is determined on the basis of the average closing price of the Bank's shares from 30 trading days preceding the day on which the variable remuneration for a given period is allocated,
- number of phantom shares (hereinafter referred to as 'L') calculated using the following formula:
 $L = 50\% \text{ of variable remuneration} / WA(0)$,
- the phantom shares allocated are monetised and paid in 4 tranches:
 - Tranche 1 - not deferred, relates to the number of shares $L(1) = 40\% * L$ (rounded down) in the case of variable remuneration that is particularly high, or $60\% * L$ (rounded down) in the remaining cases, and is monetised 5 months and 10 days from the date of its allocation,
 - Monetisation price: WA(1) for Tranche 1 is the price calculated on the basis of the average closing price of the Bank's shares from 30 trading days preceding the day falling 5 months from the allocation date,
 - Tranche 2: relates to the number of shares $L(2) = 20\% * L$ (rounded down) in the case of variable remuneration that is particularly high, or $13.4\% * L$ (rounded down) in the



remaining cases, and is monetised within one month from the date of expiry of 12 months from the date of allocation, but no later than on 15 July of year '2',

- Tranche 3: relates to the number of shares $L(3)=20\%*L$ (rounded down) in the case of variable remuneration that is particularly high, or $13.4\%*L$ (rounded down) in the remaining cases, and is monetised within one month from the date of expiry of 24 months from the date of allocation, but no later than on 15 July of year '3',
 - Tranche 4: relates to the remaining number of shares $L(4)$ and is monetised within one month from the date of expiry of 36 months from the date of allocation, but no later than on 15 July of year '4',
 - $WA(i)$ for Tranches 2, 3 and 4 is the price calculated on the basis of the average closing price of the Bank's shares from 30 trading days preceding 31 March of year '2', '3' and '4', respectively, but not earlier than $WA(1)$,
 - the amounts paid shall be as follows: payment of the tranche for a given year (hereinafter referred to as (i))= $L(i)*WA(i)$.
- rights to deferred tranches (Tranche 1, Tranche 2 and Tranche 3) are acquired under the terms and conditions set out in the Detailed Remuneration Policy. However, ex-post adjustment mechanisms may apply to deferred tranches.

Table 5. Number of phantom shares allocated to members of the Management Board

Management Board (first name and last name)	Phantom shares allocated (potentially due) as at 31 December 2021	Phantom shares in 2022.			Phantom shares allocated (potentially due) as at 31 December 2022
		Allocated ¹⁷	Acquired and monetised	Redeemed	
Maciej Brzozowski	-	11 725	7 035	-	4 690
Radomir Gibała	-	6 404	3 842	-	2 562
Rafał Litwińczuk	-	1 495	897	-	598
Marek Majsak	-	1 463	877	-	586
Grzegorz Olszewski	-	1 681	1 008	-	673
Jacek Polańczyk	-	7 364	4 418	-	2 946
Paweł Tymczyszyn	-	1 625	975	-	650

¹⁷ Phantom shares allocated in the non-deferred (due) and deferred (potentially due) part for 2021.



Management Board (first name and last name)	Phantom shares allocated (potentially due) as at 31	Phantom shares in 2022.			Phantom shares allocated (potentially due) as at 31
Members of the Management Board not holding their positions in 2022	1 271	40 055	25 301	-	16 025

VII. Information on taking advantage of the option to demand the repayment of variable remuneration components

The Remuneration Policy and the Detailed Remuneration Policy do not provide for the possibility of repaying the variable remuneration.

The Detailed Remuneration Policy provides for a mechanism enabling to withhold the payment or to reduce the amount of the deferred bonus. To this end, the Bank applies ex-post adjustment mechanisms pertaining to deferred remuneration, in accordance with the Detailed Remuneration Policy.

Deferred remuneration may be decreased, meaning that a given member of the Management Board shall not acquire the right to the entire or to some of the deferred variable remuneration if the Supervisory Board determines, in relation to the members of the Management Board, that during the given Assessment Period, the person concerned:

- participated in activities resulting in significant losses of the Bank or was responsible for such activities,
- failed to meet applicable standards regarding guarantees of prudent and careful management of the Bank;
- knowingly participated in the transfer of materially incorrect information concerning the Bank's financial statements.

Furthermore, deferred remuneration may be decreased, meaning that a member of the Management Board shall not acquire the right to the entire or to a part thereof, or that its payment may be suspended in a situation where the Bank's financial results have deteriorated significantly, resulting in a change of the initial circumstances based on which Variable Remuneration is determined, in particular of the situation referred to in Article 142.1 of the Banking Law has taken place.

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District Court for the Capital City of Warsaw in Warsaw,
14th Commercial Division,
KRS No.: 0000305178, REGON No.: 141387142, NIP No.:
1070010731,
share capital: PLN 1,305,539,910 (paid up in full)



VIII. Information on derogations from the procedure for implementing remuneration policies and temporary derogations from the application of remuneration policies¹⁸.

The Remuneration Policy is implemented comprehensively and fully. No derogations, including those of temporary nature, from the Remuneration Policy have taken place.

IX. Cash or non-monetary benefits granted to the closest relatives of¹⁹ the members of the Management Board and the Supervisory Board.

The Bank shall provide and bear the costs of the use by the Management Board member and members of his or her immediate family (i.e. spouses/life partners and children of the Management Board member and his or her spouse or life partner) of medical benefits with a value not exceeding the amount of one Fixed Remuneration in a period of 1 calendar year. As part of the available medical packages, a member of the Management Board may provide medical care to seniors²⁰, but the Bank does not cover this cost.

Members of the Supervisory Board shall not be entitled to any benefits for their closest relatives.

X. Compliance with the Remuneration Policy adopted.

Members of the Supervisory Board shall be entitled to remuneration for their appointment. The Bank shall pay remuneration to members of the Supervisory Board only in accordance with the principles set forth in the Remuneration Policy.

Members of the Management Board shall perform their duties pursuant to management service contracts. The Bank shall pay remuneration to members of the Management Board only in accordance with the principles set forth in the Remuneration Policy and in the Detailed Remuneration Policy.

¹⁸ Pursuant to § 5 of the Remuneration Policy

¹⁹ The term closest relative shall cover the spouse, ascendants, descendants, siblings, relatives by affinity in the same line or to the same degree, persons adopted and their spouses, as well as person cohabitants.

²⁰ A senior person is considered to be the mother, father, grandmother and grandfather of a Management Board Member or spouse/life partner.



The total remuneration of Management Board members contributes to achieving long-term results of the Bank by:

- determining fixed remuneration at a level that allows for pursuing flexible policies pertaining to variable remuneration, with non-payment of variable remuneration included,
- determination, by the Supervisory Board, of annual financial objectives consistent with financial plans and non-financial criteria,
- adjusting the variable remuneration to the Bank's risk profile, individual results achieved and results of the Bank, as well as securing compliance with the principle of not rewarding for bad results through mechanisms of ex ante and ex post adjustment of Variable Remuneration,
- deferring part of the variable remuneration awarded in accordance with the adopted Remuneration Policy and using ex-post evaluation mechanisms to ensure that members of the Management Board are remunerated taking into account long-term performance and the impact of past decisions,
- allocating a portion of the variable remuneration in the form of a financial instrument (phantom shares), therefore linking the interests of the members of the Management Board with the interests of the shareholders.

In 2022, the Supervisory Board adopted the "Statements on the remuneration of the members of the Management Board and the Supervisory Board of Alior Bank S.A. for 2021". The Ordinary General Meeting of the Bank expressed a positive opinion on the "Statement on the remuneration of the members of the Management Board and the Supervisory Board of Alior Bank S.A. for 2021" by Resolution No. 33/2022 of 31 May 2022.

The Supervisory Board is of the opinion that in 2022, the Remuneration Policy was implemented at the Bank in accordance with the principles of applicable internal and external regulations.