

**Report on the remuneration of  
Members of the Management Board  
and Supervisory Board of Bank  
Millennium SA for 2024**

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## Introduction

This report on the remuneration of Members of the Management Board and Supervisory Board of Bank Millennium SA (hereinafter referred to as the "Bank") has been prepared in accordance with the requirements set out in the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies (hereinafter referred to as the "Act on Public Offering"). The report covers the financial year 2024 and includes an overview of remuneration awarded in accordance with the applicable internal regulations and corporate governance procedures, in particular:

1. *"Remuneration policy with regard to members of the Management Board and Supervisory Board of Bank Millennium SA."* (hereinafter: "Remuneration Policy").

Additional rules resulting from membership in the Risk Takers group regarding remuneration are clarified by:

2. *"Remuneration Policy with Respect to Risk Takers in the Bank Millennium SA Group"* (hereinafter referred to as the "RT Remuneration Policy"), which is an integral part of the Remuneration Policy.

The Remuneration Policy supports the implementation of the strategy of the Bank and its subsidiaries (hereinafter: "BM Group") and contributes to the protection of the long-term interests of the Bank and its customers. In particular, by providing competitive basic salaries and additional benefits, the Bank strives to attract and retain key people in the organisation. By granting variable remuneration, depending on key financial indicators and additional qualitative indicators, the Bank strives to motivate Management Board Members to achieve strategic objectives. The Remuneration Policy is also in line with the Bank's overall strategy, enabling the Bank to attract, motivate and retain talented employees in key areas of specialisation for the Bank.

### **Context of the performance evaluation of Management Board Members in terms of the implementation of the remuneration policy:**

The Bank's main priority remains to consistently and safely meet the capital adequacy and MREL requirements, while maintaining business development and improving profitability and efficiency. In this context, during 2024 the Management Board of Bank Millennium finalised, ahead of the plan, the implementation of the objectives planned in the 2021-24 strategy, in particular:

- increasing the digitisation of customer service,
- increase in the number of active customers above 3 million, maintaining the highest level of service quality
- maintaining the share of non-performing loans (NPL ratio) below 4.7%,
- further reduction of the share of foreign currency mortgage loans to below 10% of total gross loans,
- revenue growth across all segments
- improving the efficiency of the operational platform, taking into account modern solutions (chatbots and SmartOps, AI).

At the same time, work was carried out on the preparation of a new strategy for 2025-28, looking at the effects of the previous cycle and the conditions for doing business.

In addition, an important aspect of the Management Board's work was to prepare the organisation for comprehensive regulatory changes concerning financial institutions and to further solve problems related to the legal risk of servicing foreign currency mortgage loans.

The Bank remains committed to the natural environment and society, and pursuing its ESG strategy goals, it is actively involved in supporting customers in their decarbonization.

## Review of the Bank's and the Group's financial results in 2024

Bank Millennium SA Group's 2024 reported net profit of PLN719 million was materially above the 2023 reported net result (PLN576 million). It is worth noting that in June 2024, the Bank successfully completed and exited Recovery Plan and returned to paying banking tax. Moreover, the 10% ROE generated in 2024 was achieved despite the still high costs associated with the legacy portfolio of foreign currency mortgage loans. 2024 net profit adjusted for these costs and other material positive and negative non-recurrent items would be a record-breaking PLN3,202 million.

In 2024, core business of the Bank delivered solid results with 5% growth of NII (7% without credit holiday impact), 11% growth in customer funds and 2% growth in loans (4% without the impact of fast contracting portfolio of foreign currency mortgage loans).

Operating efficiency remained solid with adjusted cost/income ratio of 31%. Cost of risk remained low at 39bps while NPL ratio dropped to below 4.5% despite more challenging macroeconomic background. Customer growth continued at a solid pace with the number of active retail clients reaching nearly 3150 thousand at the end of 2024, ahead of the YE24 target of 3,000 thousand. Capital ratios improved further during the year 2024 increasing the T1/TCR surplus over levels to over 5 percentage points. Combined with the first issue of senior non-preferred green bonds (EUR500 million) in September 2024, these increased MREL ratios further with the surplus of the MREL trea ratio exceeding 8 percentage points. Following the significant reduction of the foreign currency mortgage portfolio, P2R buffer is expected to be eliminated in the first half of 2025, further increasing the surplus of capital and MREL ratios.

## Remuneration Policy

The Remuneration Policy provides a formal framework for determining remuneration from the perspective of corporate governance, institutional security and the adequacy of remuneration to the Group's condition, scale of operations and development potential. In accordance with the requirements of among others the Act on Public Offering, the Bank applies the Remuneration Policy to Members of the Management Board, according to which fixed and variable remuneration is granted, including:

- 1) basic salary,
- 2) other remuneration and benefits included in income from employment,
- 3) additional benefits provided in accordance with the provisions of the labour law,
- 4) variable remuneration.

The components of remuneration paid in 2024 were defined in accordance with the applicable Remuneration Policy and reflected its assumptions.

Members of the Management Board are appointed by the Supervisory Board. The remuneration of the Management Board Members is paid on the basis of employment agreements concluded for the duration of the term of office. Some elements of the remuneration of Management Board Members are granted on the basis of internal regulations applicable to all employees of the Bank.

Members of the Supervisory Board are appointed by the General Meeting for a term of office. No agreements related to the performance of functions in the Supervisory Board are concluded with the Members of the Supervisory Board. The remuneration is due by virtue of appointment. The remuneration for performing the function is paid on the basis of the "Remuneration policy for Members of the Management and Supervisory Boards of Bank Millennium SA" approved by Resolution No. 27 of the General Meeting of Shareholders on 24 March 2021, while the amounts result from the resolution of the General Meeting on remunerating members of the Supervisory Board of 21 May 2015 determining the amount of the components of this remuneration. The rules for remunerating Supervisory Board Members are presented in the section "Remuneration of Supervisory Board Members".

## Remuneration of Management Board Members

### Base salary

The Bank pays the Base Salary to the Members of the Management Board. The level of this remuneration is determined taking into account:

- a) the level of education, professional experience, specialist knowledge and skills adequate to the role in the organisation,
- b) the complexity of the tasks and the impact on the risk profile of the institution, as well as constraints (e.g. social, economic, cultural or other relevant factors);
- c) the scale of operations and the level of remuneration for similar positions in institutions with a similar profile and scale of operations as the Bank.

With regard to the basic remuneration of the Members of the Management Board of the Bank, the following principles are observed:

- a) Members of the Management Board are appointed by the Supervisory Board for a joint term of office,
- b) for the duration of the term of office, an employment agreement or other agreement is signed with the Member of the Management Board, regulating the scope of duties in connection with the performance of the function,
- c) the periods and conditions of termination of the agreements referred to in point b) above may be each time determined individually in these agreements in accordance with the arrangements of the parties,

- d) non-competition agreements have been concluded with the Members of the Management Board<sup>1</sup>, providing for compensation for refraining from competitive activity after the termination of the agreement referred to in letter b.
- e) The agreements referred to in point (b) provide for severance payments for their early termination.

## Benefits

The Bank provides additional benefits to Management Board Members. It is a benefit in the form of a package of private medical care services offered by the Bank to the Management Board Members. Members of the Management Board are also entitled on a voluntary basis to participate in Employee Capital Plans (hereinafter referred to as "ECP"). Four Members benefited from participation in the ECP. The Bank does not provide for other forms of long-term retirement benefits. The above-mentioned benefits are offered on terms specified internally for all employees of the Bank.

In addition, Members of the Management Board are entitled to benefits aimed at enabling and improving the performance of their functions at the Bank. Members of the Management Board who come from outside Poland are entitled to benefits enabling them to move to Poland with their families in order to effectively and without interruption perform their function at the Bank, i.e. covering the costs of accommodation and utilities, reimbursement of flight costs to the country and tuition fees.

## Variable remuneration

In accordance with the Remuneration Policy, Management Board Members may be entitled to a variable remuneration component. It can take the form of bonuses, guaranteed components of variable remuneration - limited to the first year of employment, or one-off retirement severance pay.

The ratio of variable remuneration to fixed remuneration per annum may not exceed 100%. In justified cases, with the consent of the Bank's General Meeting of Shareholders, the ratio of variable remuneration to fixed remuneration on an annual basis may be increased, but not more than to 200%.

In 2024, the Bank did not grant guaranteed components of variable remuneration or one-off retirement severance pay to Management Board Members.

The annual bonus is granted after assessing the Bank's performance as a whole in combination with qualitative and quantitative indicators relating to the principles and behaviours conducive to prudential risk management, as well as assessing the Bank's risk profile.

The bonus amount is determined by the bonus pool. The bonus pool is determined based on the following criteria:

- 1) results achieved by the Bank at the solo and consolidated level - the level of the Bank's net profit in absolute terms and the level of execution of the net profit plan, result on banking activities, C/I, ROE

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<sup>1</sup> applies to Members of the Management Board with Polish citizenship

- 2) the level of the capital adequacy ratio at both the solo and consolidated level
- 3) levels of risk indicators reflecting the Bank's liquidity.

The Bonus Pool for Management Board Members should not exceed a certain percentage of the consolidated net profit for BM Group and 100% of the total fixed remuneration of Management Board Members. The decision on the amount of the bonus pool for Management Board Members is made by the Personnel Committee of the Supervisory Board.

In order to determine the amount of the bonus, the Management Board Members are subject to the Committee's assessment based on a set of quantitative and qualitative criteria. The results of the quantitative and qualitative criteria constitute the percentage of the basic salary that should be awarded as a result of the evaluation process.

At its meeting on 7 May 2024, the Personnel Committee of the Supervisory Board assessed the financial and non-financial results achieved by individual Members of the Management Board of Bank Millennium for 2023. The assessment of the Bank's results for the purposes of determining the work of the Management Board is made in the perspective of 3 calendar years preceding a given year. The Committee took into account the following areas of assessment:

- 1) **Quantitative criteria** - constituting the basis for recommending the bonus pool granted in 2024 for 2023.

The quantitative criteria, their weights and the results of the evaluation of the Management Board Members for 2024 are presented in the table below.

<i>Description of the criterion*</i>	<i>Criterion Weight</i>	<i>Results of the evaluation carried out in 2024 (based on financial results for 2023)</i>
Result on Banking Activities vs. plan	10,0%	102,3%
Cost/Income vs. Plan	7,5%	108,7%
Net profit (adjusted for special items) vs. plan	20,0%	118,7%
ROE vs. Plan	7,5%	113,5%
ROE (adjusted) vs. Peers	10,0%	72,3%
Cost/Income vs. Peers	10,0%	108,2%
TSR <sup>1</sup> vs Market	15,0%	103,1%
Net profit growth	20,0%	200,0%

(\*) Results, Cost/Income and ROE are adjusted for the impact of extraordinary items.

<sup>1</sup> Total Shareholder Return

The evaluation levels in the quantitative criteria translate into recommendations for the individual bonus in accordance with the table below:

<i>Quantitative results in the following areas:</i>		<i>% of the recommended bonus</i>
0%	80%	discretionary decision
80%	90%	50%
90%	100%	60%
100%	110%	80%
110%	120%	90%
120%		100%

2) **Qualitative evaluation** - which may affect the adjustment of the bonus pool, in particular:

- Capital management
- Liquidity
- Risk (in particular: credit, legal, business - AML)
- ESG
- Other non-financial management objectives

#### Capital:

In H2 2023, as a result of the portfolio of bonds valued at market value making up for losses and thanks to the Bank's actions to improve capital efficiency, namely, securitisation of cash loans and reduction of risk-weighted assets (RWA), capital ratios as at 31 December 2023 for the Bank Millennium Group and the Bank itself were significantly higher than the minimum levels required by the PFSA. The required minimum capital ratios were also reduced in December 2023:

	<i>Requirements of the Polish Financial Supervision Authority (Bank solo)</i>	<i>Bank Millennium Group</i>	<i>Bank Millennium</i>
<b>TCR</b>	12.22%	18.06%	19.04%
<b>Tier1</b>	9.85%	14.73%	15.40%

#### Liquidity:

The Bank Millennium Group was characterized by a solid liquidity position:

- the loans-to-deposit ratio is at 69%,
- supervisory and internal liquidity measures were kept above the minimum limits:
  - a) at the end of 2023, the LCR reached 327%, which allows the minimum limit set by the Supervisor to be met at 100%,
  - b) the NFSR measure is at 180%, well above the internally defined security level of 110%,
  - c) all internal liquidity ratios were positive and well above the minimum limits set.



**Credit risk:**

At the end of December 2023, the cost of risk stood at 39 bps, with very good performance of corporate and cash loans, much better than the 76 bps planned for 2023. In December, the NPL ratio was 4.6%, it was at a much better level than the internally determined level of safety, with the NPL coverage ratio at 72%.

An element of the qualitative assessment was, among others, the analysis of risk indicators used to assess risk appetite.

The risk appetite was reflected in specific indicators in key areas:

Risk Appetite Statement (RAS) 2024  
Poland

Risk Appetite Metrics (all metrics are set at Group level otherwise indicated)					Appetite zones				
		June 24	March 24	Dec 23	Green	Yellow	Red		
Solvency	1A	<b>Tier 1 Bank (%)</b> [Regulatory definition - fully loaded, considering all material risks]	14,65%	15,27%	15,40%	> 11.70%	11.45% - 11.70%	≤ 11.45%	
	1C	<b>Tier 1 (%)</b> [Regulatory definition - fully loaded, considering all material risks]	14,26%	14,91%	14,73%	> 11.70%	11.45% - 11.70%	≤ 11.45%	
Liquidity and Funding	2A	<b>LCR (%)</b> [Regulatory definition, CRR]	337%	334%	327%	>130%	110%-130%	<110%	
	2B	<b>NFSR (%)</b> [Regulatory definition, CRR]	193%	188%	180%	>120%	110%-120%	<110%	
Profitability and business mix	Credit Risk	3C	<b>NPL ratio (%)</b> [Loans and advances - NPL ratio]	4,5%	4,6%	4,6%	<5%	5%-7.5%	>7.5%
		3G	<b>Cost of risk (bps)</b> [moving 3 months average]	42	63	36	<70	70-90	>90
	Market Risk	5A	<b>Market Risk RWA (%)</b> [RWA for both trading and banking books]	0,5%	0,6%	0,5%	<3.5%	3.5%-5%	>5%
Franchise and reputation	Operational, Legal, Compliance, ICT and Reputation Risks	80	<b>Internal Control System index</b> [Index to monitor the closing performance of ICS opened deficiencies (algorithm). Green and red thresholds based on the severity mix of the opened deficiencies]	0,5	1,1	1,8	≤ 5,5	5,5 - 7,5	> 7,5
Sustainability	9C	<b>Initiatives with social impact (M PLN)</b> The metric of initiatives with social impact is quantified in millions PLN and covers the Bank's donations for this kind of initiatives - it does not include commercial sponsorship but includes the appropriations for the budget of Fundacja Banku Millennium and MDAG sponsorship (it is assumed that these are 100% for initiatives with social impact) - once per year	13,3	13,3	13,3	≥ 10	7-10	≤ 7	
		<b>Execution of ESG Strategy</b> Available once per quarter, Definition: % of delayed ESG strategic initiatives to all ESG strategic initiatives as of the end of each quarter.	3,0%	1,5%	0,0%	<10%	10% - 20%	>20%	

## Summary of evaluation results

The Committee found that the Bank's Management Board managed the institution in a business-effective and safe manner. When evaluating the Management Board Members, the Committee appreciated, in particular:

- a) effective implementation of the objectives of the business strategy for 2021-2024,
- b) consistent development of the customer base and profitable business operations with low risk,
- c) achieving a positive net financial result despite very high costs related to the portfolio of loans in CHF,
- d) high Management Board skill to implement the capital protection plan and the recovery plan,
- e) effective actions aimed at recapitalising the Bank, and above all the issuance of bonds that allow the Bank to meet the MREL requirements.

**In addition, the Committee took into account the opinion of the Supervisory Board regarding long-term provisions for the CHF mortgage loan portfolio reducing the Bank's financial results, in the context of granting variable remuneration for the results in 2024 to the Management Board Members:**

The risk of the portfolio of CHF loans granted by Bank Millennium in the years 2006-2008 is largely beyond the control of the Bank and the Management Board - it depends on the case law, decisions of national courts and the European Court of Justice and the influx of court cases.

The Bank devotes great attention to the process of mitigating the effects of risks related to the portfolio of foreign currency loans. The bank launched the process of amicable settlements and large-scale negotiations with borrowers already in 2020, anticipating the PFSA's recommendation in this regard. This strategy is consistently implemented, as evidenced by the number of settlements concluded with clients (this applies to both clients who have taken legal action and with borrowers from the portfolio). By the end of 2024, more than 25,890 settlements were signed with borrowers, of which more than 4,450 in 2024 alone. At the same time, the value of the CHF portfolio has decreased significantly since the beginning of 2020. In awarding variable remuneration to the Management Board in 2024, the Supervisory Board appreciated the commitment and proactive approach to risk management and the efforts made to mitigate the risk associated with the mortgage loan portfolio, as well as the measurable results in terms of reducing its impact on Bank Millennium's financial results.

### Decision on % of variable remuneration (annual bonus) of Management Board Members:

<i>Year</i>	<i>Results of quantitative criteria assessment</i>	<i>Qualitative assessment results</i>	<i>Corresponding variable remuneration ratio as a % of annual base remuneration</i>
<b>Results for 2023</b>	124,10%	Positive	100%

Taking into account the above factors, as well as the fact that the Bank met the MREL requirements, the Personnel Committee of Supervisory Board decided at its meeting on 7 May 2024 to grant the Bank's Management Board a bonus for 2023 in the total amount of PLN 11.177 million.

The Personnel Committee also vested the rights to deferred parts of variable remuneration for previous years.

By linking the remuneration of Management Board Members to the achievement of ratios reflecting Bank Millennium's strategy, the remuneration of Management Board and Supervisory Board Members contributes to the Company's long-term business goals.

## Bonus payment scheme

In accordance with RT Remuneration Policy, 50% of the annual bonus is payable in cash and 50% in financial instruments.

### Bonus paid in the form of a financial instrument in 2024:

<i>Financial instrument:</i>		
	<b>Non-deferred part:</b>	<b>Parts deferred for previous years:</b>
<b>2024</b>	Phantom shares (2023)	Phantom Shares (2022) Phantom shares (2021)

The purpose of the Remuneration Policy is to link variable remuneration with stable results of the Bank, therefore each of the above-mentioned parts of a bonus is subject to deferral. 50% of each form of bonus is paid upfront (in the year in which the bonus is granted) and 50% of each form of bonus is deferred.

The rights to the Deferred Part are acquired in 5 consecutive years:

- 20% of the Deferred Part after 1 year of deferral,
- 20% of the Deferred Part after 2 years of deferral,
- 20% of the Deferred Part after 3 years of deferral,
- 20% of the Deferred Part after 4 years of deferral,
- 20% of the Deferred Part after 5 years of deferral.

Since 2020, changes have been made to the scheme for vesting (transferring) rights to bonuses, extending the deferral period from 3 to 5 years. The last tranche of the bonus deferred for a 3-year period was paid in 2023. The variable remuneration deferral period, extended to 5 years, was applicable to bonuses awarded for 2021, 2022 and 2023. In order to emphasise the long-term perspective required in the work of Management Board Members and in accordance with the applicable regulations, the part of the Bonus granted in the form of a financial instrument is subject to an additional 12-month retention period from the date of acquisition of the right to the instrument.

In order to eliminate the detrimental impact of certain events on the Bank's results, based on the Remuneration Policy, the Bank may apply the "malus" clause to the deferred part of a Bonus. In 2024, the Bank reviewed the criteria related to the "malus" clause, allowing the Bank to make a possible decision not to pay or suspend a Bonus until the following year or to reduce the deferred part of the Bonus in the case of events that may adversely affect the Bank's situation. The bank did not identify such events in 2024.

Taking into account the rules for the payment of a Bonus, the Bank decided to present in the tables below the amounts of remuneration to which entitlements were acquired in a given year.

**Fixed remuneration (basic salary and benefits) of Management Board Members in 2024 (in PLN thousand)**

<i>Name and surname</i>	<i>Basic salary</i>	<i>Medical</i>	<i>ECP</i>	<i>Additional benefits *</i>
Joao Bras Jorge	2 622,00	30,09	83,00	1 312,14
Fernando Bicho	1 863,00	30,04	46,93	39,97
Wojciech Haase	1 518,00	15,98		
Andrzej Gliński	1 518,00	30,09		
Wojciech Rybak	1 518,00	4,60		
Antonio Pinto Junior	1 518,00	4,60	46,71	652,53
Jarostaw Hermann	1 518,00	10,42	37,66	
<b>Including:</b>	<b>12 075,00</b>	<b>125,82</b>	<b>214,3</b>	<b>2 004,64</b>

\* additional benefits are mainly related to the costs of stay of foreign Members of the Management Board

**Variable remuneration vested (transferred) to Management Board Members in 2024**

<i>Name and surname</i>	<i>Variable remuneration paid for the years: 2021, 2022 and 2023 (in PLN thousand)</i>	
	<i>in cash</i>	<i>in phantom shares</i>
Joao Bras Jorge	662,82	735,10
Fernando Bicho	553,06	604,42
Wojciech Haase	454,10	495,95
Andrzej Gliński	454,10	495,95
Wojciech Rybak	454,10	495,95
Antonio Pinto Junior	454,10	495,95
Jarostaw Hermann	454,10	495,95
<b>Total:</b>	<b>3 486,38</b>	<b>3 819,27</b>

\* Part of the granted bonus in phantom shares for 2023 and the deferred bonus in phantom shares for 2021, 2022 is subject to retention for a period of 12 months from the date of acquisition of the rights, i.e. from 07.05.2024. The amounts are given at vesting value, i.e. as at 07 May 2024, calculated as the average price of 1 share of the Bank on the WSE at the closing time of the 20 sessions preceding the date of vesting.

In detail: Variable remuneration vested from - broken down into tranches from particular years

Variable remuneration vested in 2024 to Management Board Members in PLN thousand

	Year for which the remuneration was granted		in cash	participation in the bonus granted for a given year	in phantom shares *	participation in the bonus granted for a given year	Phantom share price at the time of granting	Phantom share price at the time of vesting
Joao Bras Jorge	2020	Deferred	0,00		n.a.			
	2021	Deferred	91,20	5,0%	132,33	5,0%	6,563	9,523
	2022	Deferred	85,50	5,0%	116,65	5,0%	6,980	9,523
	2023	non-deferred	486,12	20,0%	486,12	20,0%	9,523	9,523
Fernando Bicho	2020	Deferred	0,00		n.a.			
	2021	Deferred	64,80	5,0%	94,03	5,0%	6,563	9,523
	2022	Deferred	60,75	5,0%	82,88	5,0%	6,980	9,523
	2023	non-deferred	427,51	25,0%	427,51	25,0%	9,523	9,523
Wojciech Haase	2020	Deferred	0,00		n.a.			
	2021	Deferred	52,80	5,0%	76,61	5,0%	6,563	9,523
	2022	Deferred	49,50	5,0%	67,54	5,0%	6,980	9,523
	2023	non-deferred	351,80	25,0%	351,80	25,0%	9,523	9,523
Andrzej Gliński	2020	Deferred	0,00		n.a.			
	2021	Deferred	52,80	5,0%	76,61	5,0%	6,563	9,523
	2022	Deferred	49,50	5,0%	67,54	5,0%	6,980	9,523
	2023	non-deferred	351,80	25,0%	351,80	25,0%	9,523	9,523
Wojciech Rybak	2020	Deferred	0,00		n.a.			
	2021	Deferred	52,80	5,0%	76,61	5,0%	6,563	9,523
	2022	Deferred	49,50	5,0%	67,54	5,0%	6,980	9,523
	2023	non-deferred	351,80	25,0%	351,80	25,0%	9,523	9,523
Antonio Pinto Junior	2020	Deferred			n.a.			
	2021	Deferred	52,80	5,0%	76,61	5,0%	6,563	9,523
	2022	Deferred	49,50	5,0%	67,54	5,0%	6,980	9,523
	2023	non-deferred	351,80	25,0%	351,80	25,0%	9,523	9,523
Jarostaw Hermann	2020	Deferred	0,00		n.a.			
	2021	Deferred	52,80	5,0%	76,61	5,0%	6,563	9,523
	2022	Deferred	49,50	5,0%	67,54	5,0%	6,980	9,523
	2023	non-deferred	351,80	25,0%	351,80	25,0%	9,523	9,523
<b>IN TOTAL</b>			<b>3 486,38</b>		<b>3 819,27</b>			

\* value at the time of vesting (transfer). The payment of phantom shares will take place after a one-year retention period counted from the date of acquisition of the rights, i.e. from 07.05.2024.

**Total: fixed and variable remuneration of Management Board Members in 2024 (in PLN thousand)**

<i>Name and surname</i>	<i>Fixed remuneration</i>	<i>Variable remuneration vested in 2024*</i>	<i>Total annual remuneration</i>	<i>% variable / fixed</i>	<i>% base / fixed</i>
Joao Bras Jorge	4 047,23	1 397,92	5 445,15	35%	64,8%
Fernando Bicho	1 979,94	1 157,47	3 137,41	58%	94,1%
Wojciech Haase	1 533,98	950,05	2 484,03	62%	99,0%
Andrzej Gliński	1 548,09	950,05	2 498,14	61%	98,1%
Wojciech Rybak	1 522,60	950,05	2 472,65	62%	99,7%
Antonio Pinto Junior	2 221,83	950,05	3 171,88	43%	68,3%
Jarostaw Hermann	1 566,08	950,05	2 516,13	61%	96,9%
	<b>14 419,75</b>	<b>7 305,64</b>	<b>21 725,39</b>	<b>51%</b>	<b>83,7%</b>

\* The amount of variable remuneration vested in 2024 includes the non-deferred part of the bonus for 2023 in cash and phantom shares, 2nd deferred tranche for 2021 in cash and phantom shares, and 1 tranche for 2022 in cash and phantom shares. Phantom shares are calculated at vesting value, i.e. as at May 7, 2024.

## Remuneration in the form of a financial instrument

Details of the financial instruments vested in the reported year are presented in the table below. The table shows the price that was used to calculate the number of shares at the time of granting. Phantom shares are subject to a one-year retention period.

**Total number of phantom shares relating to the deferred parts from previous bonus programs and vested to Management Board Members in 2024**

<i>Type of financial instrument</i>	<i>Total number of units of vested financial instrument</i>	<i>Granting price</i>	<i>Vesting price</i>
Phantom shares for 2021	63 995	6,563	9,532
Phantom shares for 2022	56 412	6,980	9,532

The date of acquisition of rights to phantom shares was May 7, 2024, i.e. on the date of the Management Board Members' performance evaluation for previous years.

**Number of phantom shares granted and vested to Management Board Members in 2024 (non-deferred part of the bonus for 2023)**

<i>Name and surname</i>	<i>Number of shares that Members of the Management Board acquired rights to</i>	<i>Share price at the time of granting and vesting (in PLN)</i>	<i>Value of shares at the price of granting and vesting (in PLN thousand)</i>
Joao Bras Jorge	51 047	9,523	486,12
Fernando Bicho	44 892	9,523	427,51
Wojciech Haase	36 942	9,523	351,80
Andrzej Gliński	36 942	9,523	351,80
Wojciech Rybak	36 942	9,523	351,80
Antonio Pinto Junior	36 942	9,523	351,80
Jarostaw Hermann	36 942	9,523	351,80

**Number of treasury shares in programs from past years converted into phantom shares vested to Management Board Members in 2024 - 2nd deferred tranche for 2021 (1:1 parity)**

<i>Name and surname</i>	<i>Number of shares that Members of the Management Board acquired rights to</i>	<i>Share price at the time of granting (in PLN)</i>	<i>Share price at the time of vesting (in PLN)</i>	<i>Value of shares at the price of vesting (in PLN thousand)</i>
Joao Bras Jorge	13 896	6,563	9,523	132,33
Fernando Bicho	9 874	6,563	9,523	94,03
Wojciech Haase	8 045	6,563	9,523	76,61
Andrzej Gliński	8 045	6,563	9,523	76,61
Wojciech Rybak	8 045	6,563	9,523	76,61
Antonio Pinto Junior	8 045	6,563	9,523	76,61
Jarostaw Hermann	8 045	6,563	9,523	76,61

**Number of treasury shares in programs from past years, converted into phantom shares vested to Management Board Members in 2024 - 1st deferred tranche for 2022 (1:1 parity)**

<i>Name and surname</i>	<i>Number of shares that Members of the Management Board acquired rights to</i>	<i>Share price at the time of granting (in PLN)</i>	<i>Share price at the time of vesting (in PLN)</i>	<i>Value of shares at the price of vesting (in PLN thousand)</i>
Joao Bras Jorge	12 249	6,98	9,523	116,65
Fernando Bicho	8 703	6,98	9,523	82,88
Wojciech Haase	7 092	6,98	9,523	67,54
Andrzej Gliński	7 092	6,98	9,523	67,54
Wojciech Rybak	7 092	6,98	9,523	67,54
Antonio Pinto Junior	7 092	6,98	9,523	67,54
Jarostaw Hermann	7 092	6,98	9,523	67,54

In 2024, Management Board Members did not receive remuneration from other entities from the Bank Millennium SA Group.

## Remuneration of Supervisory Board Members

The remuneration of the Supervisory Board Members is determined by a resolution of the Bank's General Meeting. Members of the Supervisory Board receive remuneration for their work in the Supervisory Board and Supervisory Board Committees adequate to their function and the scale of operations of the Bank Millennium Group. The remuneration of the Supervisory Board Members is paid on a monthly basis.

In addition to the remuneration for the function of a Member of the Supervisory Board, the Bank provides additional remuneration related to the performance of functions within the Supervisory Board Committees. Additional remuneration for performing functions within the Committees is paid on the basis of attendance at a Committee's meetings and may not exceed 100% of the remuneration provided for the performance of the function of a Member of the Supervisory Board. In addition, the Bank provided the Chairman of the Supervisory Board with a private medical care package. In accordance with the applicable regulations, all Members of the Supervisory Board were entitled to participate in an ECP.

Members of the Supervisory Board are not entitled to variable components of remuneration for performing their functions - which among others prevents conflicts of interest and contributes to the achievement of long-term results in line with the Bank's strategy.

### Remuneration of Supervisory Board Members in 2024 (in PLN thousand)

<i>Name and surname</i>	<i>Remuneration for serving on the Supervisory Board</i>	<i>Remuneration for participation in the Committees</i>	<i>Other benefits</i>	<i>Total</i>
<i>Bogusław Kott</i>	240	65	25,89	330,89
<i>Nuno Manuel Da Silva Amado</i>	120	25		145
<i>Dariusz Rosati</i>	120	75		195
<i>Miguel De Campos Pereira De Bragança</i>	120	95		215
<i>Olga Grygier-Siddons</i>	120	45		165
<i>Anna Jakubowski</i>	120	75		195
<i>Grzegorz Jędrys</i>	120	85		205
<i>Alojzy Nowak</i>	120	65		185
<i>José Miguel Bensliman Schorcht da Silva Pessanha</i>	120	60		180
<i>Miguel Maya Dias Pinheiro</i>	120	25		145
<i>Beata Stelmach</i>	120	25		145
<i>Lingjiang Xu</i>	120	25		145
<b>TOTAL</b>	<b>1 560</b>	<b>665</b>	<b>25,89</b>	<b>2 250,89</b>

### Remuneration from other entities of the Bank Millennium SA Group (in PLN thousand)

<i>Name and surname</i>	<i>Remuneration for serving on the Supervisory Board</i>	<i>Remuneration for participation in the Committees</i>	<i>Other benefits</i>	<i>Total</i>
<i>Grzegorz Jędrys</i>	120	20	0	140

In 2024, Grzegorz Jędrys received remuneration for his membership in the Supervisory Board of Millennium Bank Hipoteczny.



## Exceptions to the principles set out in the Remuneration Policy applicable to Management Board Members and information on the exercise of the Bank's ability to request reimbursement of variable components of remuneration.

There were no exceptions from the principles of the Policy. The Management Board of Bank Millennium is employed on the basis of employment agreements. In the light of the Labour Code and the prevailing line of jurisprudence, as a rule, the employer cannot demand the return of variable remuneration components.

## Information on changes in the Remuneration Policy and the Bank's results

In 2024, the Bank provided remuneration to Members of the Management Board and the Supervisory Board on the basis of the Remuneration Policy adopted by the Bank. The Bank, in accordance with the provisions of the Act of 29 August 1997 - the Banking Law ("Banking Law"), is obliged to implement the Remuneration Policy in accordance with the regulatory requirements of the banking sector. In accordance with the procedure provided for in the Banking Law, the Management Board is responsible for the implementation of the Remuneration Policy, while the Supervisory Board approves and supervises it.

The current "Remuneration policy with regard to members of the Management Board and Supervisory Board of Bank Millennium SA", which summarises and specifies the existing solutions for remunerating members of the Bank's governing bodies, was adopted by the Ordinary General Meeting of Shareholders on 24 March 2021.

An integral part of the above-mentioned Policy is the RT Remuneration Policy, which in 2024 was updated to cover:

- determination of the level of variable remuneration (from 2 to 3 PLN milion) above which 60% of the remuneration will be deferred;
- supplementation with a formula specifying the value of phantom shares after the retention period
- change in the scheme for the payment of bonuses to Risk Takers, excluding Members of the Management Board, consisting in an equal share of the bonus paid in cash (50%) and in the form of financial instruments (50%) in each tranche of the non-deferred and deferred bonus paid.

The Supervisory Board adopted the amendments to the Policy by Resolution No. 65/2024 at its meeting on November 22, 2024.

## Summary

The General Meeting of Shareholders, in its resolution of 27 March 2024, expressed a positive opinion on the previous report on the remuneration of Members of the Management Board and Supervisory Board of Bank Millennium SA for 2023.

The table below presents the total remuneration of individual Members of the Management Board, selected financial results of Bank Millennium SA and the amount of remuneration of employees other than Members of the Management Board for 2024 and the five preceding years. The table includes the annual salaries of persons performing the function of a Member of the Management Board in 2024. The percentage change in the value of the ratio in relation to its value in the previous year is

presented and selected financial measures are presented. More financial results of the Bank can be found in the annual financial statements published on the Bank's website.

In accordance with the recommendation Z of the Polish Financial Supervision Authority, the Bank set the ratio of the average gross salary of a member of the management board to the average gross salary of an employee at 40. The indicator was included in the "Employee remuneration policy in the Bank Millennium Group". In 2024, this value was at the level of 22.78

**Summary of changes in the total remuneration of Members of the Management Board of Bank Millennium SA compared to the company's results and average remuneration of employees (in % and PLN thousand)**

Change vs. previous year *	Y-4 vs Y-5	Y-3 vs Y-4	Y-2 vs Y-3	Y-1 vs Y-2	Y vs Y-1	(Y) 2024
<b>Total remuneration</b>						
Joao Bras Jorge	-5,79%	-12,47%	16,44%	3,91%	6,35%	5 445,15
Fernando Bicho	-8,91%	-19,14%	23,31%	-0,19%	11,22%	3 137,41
Wojciech Haase	-8,60%	-19,41%	23,06%	-1,21%	10,94%	2 484,03
Andrzej Gliński	-5,80%	-18,72%	21,59%	-0,03%	10,88%	2 498,14
Wojciech Rybak	-0,77%	-16,72%	21,84%	-0,21%	10,98%	2 472,65
Antonio Pinto Junior	8,28%	-17,06%	31,83%	0,19%	12,16%	3 171,88
Jarostaw Hermann	16,00%	-14,78%	39,14%	5,91%	11,65%	2 516,13
<b>Bank's results</b>						
Result on banking activities	3,06%	-0,55%	12,66%	67,71%	-10,81%	5 996 016
Operating profit (before provisions)	4,56%	4,98%	-0,03%	146,93%	-20,85%	3 743 381
Total assets	-0,75%	6,77%	6,76%	13,14%	10,86%	139 151 532
<b>Remuneration of other employees</b>						
Average annual salary	2,84%	1,05%	14,60%	16,37%	14,40	136,23

\* The increase in total remuneration y/y may result from the fact that a Management Board Member began to perform his function during the year of vesting the rights to some of the deferred bonuses from previous years in which the deferred parts did not accumulate.

The level of variable remuneration of Management Board Members is influenced by the achieved business and financial results, and the long-term results of the Bank are also taken into account in qualitative performance evaluation. The process of deferral and acquisition of rights to shares links variable remuneration to the Bank's medium- and long-term results.

The list takes into account the composition of the Management Board of Bank Millennium as at the date of preparation of the remuneration report, i.e. as at 31 December 2024.

Data on the remuneration of Management Board Members and selected results of the Group are based on data published in the Management Board's Reports on the activities of the Bank Millennium Group for the years 2019-24, respectively.

The report is prepared for the financial year of Bank Millennium S.A. ended 31 December 2024.

<b>Abbreviations</b>	
Y-5	2019
Y-4	2020
Y-3	2021
Y-2	2022
Y-1	2023
Y	2024
n.a.	Not applicable

The remuneration report was prepared by the Supervisory Board in completion of the requirements set out in Article 90g(1) of the Act on Public Offering. The Remuneration Report was adopted by the Supervisory Board by Resolution No. 1/2025 of 30 January 2025 to be presented at the General Meeting of Shareholders enabling the adoption of an advisory resolution.

The remuneration report was assessed by a statutory auditor in terms of including the information required under the Public Trading Act, Article 90g(1)-(5) and (8). The entity authorised to assess the remuneration report is Deloitte Assurance Polska Sp. z o.o. Sp. K. (formerly: Deloitte Assurance Sp. z o.o.).

#### **Signatures of the Bank's Supervisory Board Members**