

**GENERAL MEETING OF KOMERČNÍ BANKA, a. s.,
HELD ON 24 APRIL 2019**

Supervisory Board's position on the annual financial statements for the year 2018, on the proposal for the distribution of profit for the year 2018 and on the consolidated financial statements for the year 2018; Supervisory Board's report on its activity; and Supervisory Board's information on the results of the examination of the Board of Directors' report on relations among related entities for the year 2018

Shareholders, ladies and gentlemen,

Let me, on behalf of the Supervisory Board of Komerční banka, a. s., present to you the Supervisory Board's position on the consolidated financial statements for the year 2018, on the annual financial statements for the year 2018, and on the proposal for the distribution of profit for the year 2018, the Supervisory Board's position on the Board of Directors' report on relations among related entities worked out in accordance with the Corporations Act, and the information on the supervisory activities of the Supervisory Board for the period from the last general meeting held on 25 April 2018 to this general meeting.

In accordance with S. 13 (2) d) of the Bank's Articles of Association, the Supervisory Board examined the consolidated financial statements of company Komerční banka, a. s., as of 31 December 2018 made under the International Financial Reporting Standards ("the IFRS") and the annual financial statements as of 31 December 2018 also made under the International Financial Reporting Standards.

Having examined the Bank's consolidated and annual financial statements for the period from 1 January 2018 to 31 December 2018, and on the basis of the report of the external auditor, the Supervisory Board states that the accounts and accounting records were maintained in a transparent manner and in accordance with generally binding legislation providing for the book-keeping of banks and also with the Bank's Articles of Association. The accounts and accounting records show all important aspects of the financial situation of Komerční banka, a. s., and the financial statements worked out on their basis provide a true and fair view of the Bank's accounts and financial situation.

The Supervisory Board recommends that the general meeting approve the consolidated and annual financial statements for the year 2018 as proposed by the Board of Directors of the Bank.

In accordance with S. 13 (2) d) of the Bank's Articles of Association, the Supervisory Board examined the Board of Directors' proposal for the distribution of the net profit for the accounting period of 2018. As the proposal for the distribution of profit is in line with the legislation and with the Bank's Articles of Association, the Supervisory Board recommends that the general meeting approve the proposal for the distribution of profit as proposed by the Board of Directors of the Bank.

The Supervisory Board checked the Report on relations among related entities in 2018 and states, on the basis of the presented documents, that Komerční banka, a. s., incurred no injury as a result of any contracts, agreements or any other legal acts made or adopted by Komerční banka, a. s., or as a result of any other influence otherwise exerted by Société Générale during the reporting period from 1 January 2018 to 31 December 2018.

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Shareholders, I would now like to inform you of the supervisory activities of the Supervisory Board of Komerční banka, a. s., performed in the period between the general meeting that was held last April and our general meeting today.

In the past period, the Supervisory Board was continuously informed of the Bank's activities. They received regular reports and analyses. In particular, the Supervisory Board evaluated the functioning and effectiveness of the Bank's management and control system. The Supervisory Board stated that the Bank's management and control system was efficient and covered all the Bank's activities knowing that there were some areas for improvement and that there were action plans adopted to deal with these areas. Furthermore, the Supervisory Board dealt with the audits carried out by the Internal Audit and their results in the individual periods of the year. They also gave an affirmative position on the strategic plan of the Internal Audit for the period between 2019 and 2023 and on the plan of the Internal Audit for the year. They also discussed the internal audit strategy and the program to ensure its quality. The Supervisory Board was informed of the compliance risk management. The Supervisory Board regularly discussed the Bank's quarterly financial results and its market position with regard to the evolution of the macroeconomic environment. The Supervisory Board also dealt with the budget of KB's Financial Group for the year 2019 and noted the report on the activities of the Board of Directors for the year 2018.

The Supervisory Board discussed the annual analysis of the settlement of all complaints sent to KB and to its ombudsman. They were also informed of the development in the area of staff demography, sickness rate and overtime hours.

The Supervisory Board was regularly informed of all the steps taken under the new strategy of the Bank called "KB Change" during 2018 and of the evolution in this area in 2019. The Supervisory Board expressed their support to this transformation program.

The activities of the Supervisory Board were also supported by the four committees they had established. The Remuneration Committee dealt with issues relating to the deferred bonus system and the compensation of bank employees. They also dealt with issues relating to the compensation of members of the Board of Directors and informed of the revision of the compensation principles. They were also informed of the results of collective bargaining.

In accordance with the KB Change policy, the Nominations Committee proposed personnel changes on the Board of Directors including a redistribution of the powers among the Board members. In addition to that, in accordance with the Guidelines on the assessment of the suitability of members of the Board of Directors EBA/GL/2017/12, the Nominations Committee assessed the suitability of the members of the Supervisory Board and of the Board of Directors to perform their duties and the collective suitability of the Board of Directors in its management function and of the Supervisory Board in its supervisory function.

The Risk Committee dealt with all questions relating to the Bank's risk management system including the Bank's credit risk profile.

During their meetings, the Supervisory Board was also informed of the issues treated by the Audit Committee. The Supervisory Board also approved a modification of the charters of its

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committees. All the committees regularly informed the Supervisory Board of their activity and, as a part of their powers, recommended further steps to be taken by the Supervisory Board.

The documents submitted to the Supervisory Board were presented by the different members of the Board of Directors and Bank's executive directors directly at Supervisory Board meetings. Subsequently, based on the recommendations of its committees, the Supervisory Board took their decisions relying on the powers given to the Supervisory Board by the law and by the Bank's Articles of Association.

The Supervisory Board elected Messrs. David Formánek, Miroslav Hiršl and Margus Simson as new members of the Board of Directors and approved their Board member's executive service contracts.

The Supervisory Board received from Ms. Šmídová and Messrs. Jelínek and Kačena their resignation from the membership of the Supervisory Board dated as of 13 January 2019. Ms. Sylva Kynychová and Messrs. Ondřej Kudrna and Vojtěch Šmajer were, on the other hand, elected members of the Supervisory Board in the election of Bank employee representatives. Their election took effect on 14 January 2019. Following Ms. Rémond's resignation, the Supervisory Board coopted Ms. Cécile Camilli as a Supervisory Board member with effect since 15 January 2019. The proposal for her election, as well as the proposal for the election of Ms. Petra Wendelová, are included in the agenda of our today's general meeting. Ms. Wendelová is going to replace Mr. Laube, who is going to stop serving on the Supervisory Board and on the Audit Committee as of today.

The Supervisory Board further increased the number of the members of the Remuneration Committee and of the Nominations Committee to four. Ms. Kynychová and Mr. Dvořák were newly elected to both of these committees.

The Supervisory Board, as a part of its powers, set the bonuses of the members of the Board of Directors for the year 2018 in the total amount of CZK 32,005,650. The set bonuses reflect the Bank's deferred bonus scheme and, in particular, the overall results of the Bank and their compliance with the Bank's strategy, objectives, values, acceptable rate of risk and long-term interests. The Supervisory Board assessed all these indicators and set the bonuses of the members of the Board of Directors.

Ladies and gentlemen, the Supervisory Board checked the fulfillment of the tasks assigned to the Board of Directors, they supervised the way the Board of Directors exercised their powers, checked the accounts and other financial documents of Komerční banka, a. s., ascertained the efficiency, overall functionality and effectiveness of the management and control system and made its regular assessment. I can therefore state that the Bank carried out its business activities in compliance with the legislation and the Bank's Articles of Association.

Thank you for your attention.