

## **Conditions and arrangements for the payment of a share of profits**

The Board of Directors of Komerční banka, a. s., with its registered office at Prague 1, Na Příkopě 33/969, postal code 114 07, registered in the Register of Companies maintained with the Metropolitan Court of Prague, in Section B, File 1360,

S E T S,

in pursuance of S. 120a (2) of Act No. 256/2004 Coll., the Act to Regulate Business Undertaking in the Capital Market as Amended, and of S. 6 (8) of its Articles of Association,

the following conditions and method for the payment of a share in profits:

I. The share in profits shall be payable on **23 May 2022** to shareholders of record registered as holders of shares of Komerční banka, a. s., with ISIN CZ0008019106, in the statement from the Issuer's Register kept by the Central Securities Depository as of the record date, which is **29 April 2022**. The share in the profits shall be paid out as follows:

1. To shareholders – natural persons

**By bank transfer** to a bank account:

- Upon written notification of bank account details by the shareholder; the notification may be handed in at any branch of Komerční banka in the Czech Republic until the due date for the payment of the share in the profits, i.e., until 22 May 2022. Where the gross amount of the share in the profits exceeds CZK 5,000, the signature on the written notification of the bank details must be attested either officially or by a competent employee of Komerční banka, a. s.
- Shareholders can, upon presentation of their ID card at branches of Komerční banka, a. s., in the Czech Republic, have their share in the profits transferred to their account, which they will indicate personally to the bank staff at the branch, from the date due for the payment of the share in the profits, i.e., from 23 May 2022.
- On the basis of a written notification of the bank details for the payment of the share in the profits by the administrator of the shareholder's share account.

If represented by another person under a power-of-attorney, the principal's signature on the power-of-attorney must be attested.

2. To shareholders – legal entities

**By bank transfer** to a bank account based on the submission of the following documents:

An application for the payment of a share in the profits containing the relevant bank account details procured with an officially attested signature of the authorized person holding the relevant title, a recent statement from a competent public registry or another document proving the legal entity's existence, a statement from the beneficial owners registry not older than three months. In addition, if a shareholder is represented by another legal entity or natural person, such representative shall be obliged to deliver officially attested powers of attorney from all entities so represented with the exception of the security administrator entered in the central register of uncertificated securities, and a recent statement from the relevant public registry or another document proving its existence. The bank shall not assume responsibility for the accuracy and recentness of the data stated by the shareholder.

Please send your application to Komerční banka, a. s., unit 2192, Václavské náměstí 42, 114 07, Prague 1, or hand it in at any branch of Komerční banka, a. s.

Please note that, under Act No. 37/2021 Coll., the Beneficial Owners Registration Act as Amended, legal entities with their registered office in the Czech Republic have the obligation to enter their

beneficial owner in the beneficial owners register managed by the Ministry of Justice of the Czech Republic and maintained by the competent registrar court. Profit share cannot be paid to any shareholder – legal entity with its registered office in the Czech Republic which fails to comply with this obligation and does not enter its beneficial owner in the said register. If, for failure to comply with this obligation, the profit share cannot be paid out by the end of the accounting period (i.e., 31 December of the relevant year) in which the decision on the payment was made, the right to receive the profit share becomes extinguished at the end of that accounting period.

### 3. Possibility of submitting the payment application electronically

- A shareholder may send the payment application from his or her data mailbox. The application must be signed with a qualified electronic signature. As regards shareholders - legal entities, the application must be sent from the company's data mailbox and signed with a qualified electronic signature of the persons who, according to the manner of acting on behalf of the company stated in the Register of Companies, may act on the company's behalf.

The share in the profits will be transferred by the Bank no later than 5 business days after the Bank receives the relevant bank account number and requested documents, however, not earlier than on the date due for the payment of the share in the profits.

### 1. Withholding tax rates

The withholding tax on the payment of shares in the profits shall apply as follows:

- A The tax rate applied to payments made to Czech tax residents shall be 15%. Shareholders shall prove their Czech tax residency by a signed "Declaration of beneficial ownership and tax domicile".
- B The tax rate applied to payments made to Czech tax non-residents from countries which have entered with the Czech Republic into the Convention for the avoidance of double taxation or into a convention or agreement regulating the exchange of information on tax matters who fail to provide documents under (C) below shall be 15%. Shareholders shall prove their tax residency in any given state by a signed "Declaration of beneficial ownership and tax domicile".
- C The tax rate applied to payments made to Czech tax non-residents from countries which have entered with the Czech Republic into the Convention for the avoidance of double taxation shall be set in accordance with the applicable Convention for the avoidance of double taxation. Shareholders shall prove their tax residency in any given state by a tax domicile certificate and a declaration of the income beneficial owner.
- D The tax rate applied to payments made to Czech tax non-residents from countries which have not entered with the Czech Republic into the Convention for the avoidance of double taxation or into a convention or agreement regulating the exchange of information on tax matters and to shareholders who fail to provide the documents required under the points above shall be 35%.

If the gross amount of a shareholder's share in the profits fails to exceed CZK 30,000, the shareholder will be included into the A or B category based on the information stated in the issuer's register kept by the central securities depository proving his residency in the Czech Republic or in a country which has entered with the Czech Republic into the Convention for the avoidance of double taxation or into a convention or agreement regulating the exchange of information on tax matters, and will not be obliged to provide a "Declaration of beneficial ownership and tax domicile".

A shareholder who has already submitted a "Declaration of beneficial ownership and tax domicile" to Komerční banka, a. s. in connection with the payment of dividends in the past is also not obliged to submit a "Declaration of beneficial ownership and tax domicile".

Shareholders have the duty to submit the above-listed documents assuring lower withholding tax rates no later than by 24 June 2022. Should the documents fail to be submitted by this date, the lower withholding tax rate will not be applied to the payment of the share in the profits. Nevertheless, after 24 June 2022, it is possible for shareholders to apply for a tax refund, however, no later than by 15

December 2025. The refund application will be handled within two months of its receipt subject to the delivery of the above-listed documents and the refund application.

II. Based on the resolution of the general meeting held in 2009, the Bank's Board of Directors shall not plead the statute of limitations in order to bar by lapse of time the payment of any share in profits claimed within 10 years from the date when the share in profits becomes payable. After the lapse of 10 years from the date when the share in profits becomes payable, the Board of Directors has the duty to plead the statute of limitations and to transfer any share in profits that will have not been paid out (taken over by shareholders) to the account of retained earnings of previous years for further decision of the general meeting.

III. For further information on the payment of a share in profit please call Komerční banka, a. s., at +420 955 534 139 - 143, or send an e-mail to [gabriela\\_charezinska @kb.cz](mailto:gabriela_charezinska@kb.cz).