

Draft of resolutions of the Ordinary General Meeting of 23 June 2022

Draft Resolution to Item 2 of the Agenda of the Ordinary General Meeting held on 23 June 2022

**RESOLUTION No 1/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on election of the Chairperson of the Meeting**

The Ordinary General Meeting appoints ... to be a Chairman of the Ordinary General Meeting.

Draft Resolution to Item 4 of the Agenda of the Ordinary General Meeting held on 23 June 2022

**RESOLUTION No 2/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on adoption of the agenda**

The Ordinary General Meeting approves the Agenda of the Ordinary General Meeting.

Draft Resolution to Item 5 Sub-point 1) of the Agenda of the Ordinary General Meeting held on 23 June 2022

**RESOLUTION No 3/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on consideration and approval of the annual financial statements of Bank for the financial year ended
December 31, 2021**

Pursuant to Article 395 § 2 Item 1) of the Commercial Companies Code and § 9 Section 1 Item 1 of the Bank's Articles of Association, the Ordinary General Meeting of Bank Handlowy w Warszawie S.A., having considered the annual financial statements of Bank Handlowy w Warszawie S.A. for the financial year ended 31 December 2021, has resolved to approve the annual financial statements of Bank Handlowy w Warszawie S.A. for the financial year ended 31 December 2021 comprising:

- a) statement of financial position prepared as at 31 December 2021 showing a balance sheet total of PLN 61,681,601 thousand,
- b) income statement for the year 2021 showing a net profit of PLN 715,972 thousand,
- c) statement of comprehensive income for the year 2021 showing a total comprehensive income of negative PLN (42,374) thousand,
- d) statement of changes in equity for the year 2021 showing an equity balance of PLN 7,316,040 thousand,
- e) cash flow statement for the year 2021 showing a net cash balance of PLN 6,566,543 thousand,
- f) additional information and explanatory notes together with the independent auditor's report on the audit of the financial statements.

*Draft Resolution to Item 5, Sub-point 2) of the
Agenda of the Ordinary General Meeting held on 23
June 2022*

**RESOLUTION No 4/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022**

**on consideration and approval of the annual consolidated financial statements of the Capital Group of
Bank for the financial year ended December 31, 2021**

Pursuant to Article 395 § 5 of the Commercial Companies Code in conjunction with Article 55 Paragraph 5 and Article 53 Paragraph 1 of the Accounting Act of 29 September 1994, the Ordinary General Meeting of Bank Handlowy w Warszawie S.A., having considered the annual consolidated financial statements of the Capital Group of Bank Handlowy w Warszawie S.A. for the financial year ended 31 December 2021, has resolved to approve the annual consolidated financial statements of the Capital Group of Bank Handlowy w Warszawie S.A. for the financial year ended 31 December 2021, comprising:

- a) consolidated statement of financial position prepared as at 31 December 2021 showing a balance sheet total of PLN 61,862,771 thousand,
- b) consolidated income statement for the year 2021 showing a net profit of PLN 717,468 thousand,
- c) consolidated statement of comprehensive income for the year 2021 showing a total comprehensive income of negative PLN (40,781) thousand,
- d) consolidated statement of changes in equity for the year 2021 showing an equity balance of PLN 7,383,395 thousand,
- e) consolidated cash flow statement for the year 2021 showing a net cash balance of PLN 6,566,557 thousand,
- f) additional information and explanatory notes together with the independent auditor's report on the audit of the financial statements.

*Draft Resolution to Item 5, Sub-point 3) of the
Agenda of the Ordinary General Meeting held on 23
June 2022*

**RESOLUTION No 5/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022**

on consideration and approval of the report on the activity of the Bank and the Capital Group of the Bank and report on non-financial information of the Bank and the Capital Group of the Bank

Pursuant to Article 395 § 2 Item 1) and § 5 of the Commercial Companies Code and § 9 Section 1 Item 1 of the Bank's Articles of Association, the Ordinary General Meeting of Bank Handlowy w Warszawie S.A., after consideration has resolved to approve the Report on activities of the Capital Group of Bank Handlowy w Warszawie S.A. in the year 2021 including the Report on activities of Bank Handlowy w Warszawie S.A. as well as the Report on non-financial information of Bank Handlowy w Warszawie S.A. and the Capital Group of Bank Handlowy w Warszawie S.A. for the financial year ended 31 December 2021.

*Draft Resolutions to Item 5, Sub-point 4) of the
Agenda of the Ordinary General Meeting held on 23
June 2022*

**RESOLUTION No 6/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Management Board
for 2021**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the President of the Management Board of the Bank Handlowy w Warszawie S.A. for 2021 - Sławomir Stefan Sikora.

**RESOLUTION No 7/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Management Board
for 2021**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the President and Vice

President of the Management Board of the Bank Handlowy w Warszawie S.A. for 2021 – Elżbieta Światopełk-Czetwertyńska.

RESOLUTION No 8/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Management Board
for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Vice President of the Management Board of the Bank Handlowy w Warszawie S.A. for 2021 – Natalia Bożek.

RESOLUTION No 9/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Management Board
for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Vice President of the Management Board of the Bank Handlowy w Warszawie S.A. for 2021 – Dennis Hussey.

RESOLUTION No 10/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Management Board
for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Vice President of the Management Board of the Bank Handlowy w Warszawie S.A. for 2021 – Maciej Kropidłowski.

RESOLUTION No 11/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Management Board
for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Vice President of the Management Board of the Bank Handlowy w Warszawie S.A. for 2021 – Barbara Sobala.

RESOLUTION No 12/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Management Board
for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Vice President of the Management Board of the Bank Handlowy w Warszawie S.A. for 2021 – James Foley.

RESOLUTION No 13/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Management Board
for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Member of the Management Board of the Bank Handlowy w Warszawie S.A. for 2021 – Katarzyna Majewska.

*Draft Resolution to Item 5, Sub-point 5) of the
Agenda of the Ordinary General Meeting held on 23
June 2022*

RESOLUTION No 14/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022

on consideration and approval of the Bank's Supervisory Board's report on its activity for the period from the date of the Bank's Ordinary General Meeting in 2021 to the date of the Bank's Ordinary General Meeting in 2022 containing: assessment of reports on activities and financial statements of the Bank and the Capital Group of the Bank in year 2021, assessment of the Management Board's motion on the distribution of the net profit for year 2021, reports and assessments as defined in approved for use by the Bank the Principles of Corporate Governance for Supervised Institutions, the Best Practice for GPW Listed Companies 2016 and the Best Practice for GPW Listed Companies 2021, assessment

of the functioning of the Remuneration Policy in the Bank as well as reports on remuneration of the Management Board members and members of the Supervisory Board of Bank Handlowy w Warszawie S.A. in 2021

The Ordinary General Meeting:

- 1) resolved to approve the Bank Handlowy w Warszawie S.A. Supervisory Board's report on its activity for the period of time from the date of the Bank's Ordinary General Meeting in 2021 to the date of the Bank's Ordinary General Meeting in 2022 containing: assessment of reports on activities and financial statements of the Bank and its Capital Group in year 2021, assessment of the Management Board's motion on distribution of the net profit for year 2021, reports and assessments as defined in approved for use by the Bank the Principles of Corporate Governance for Supervised Institutions, the Best Practice for GPW Listed Companies 2016 and the Best Practice for GPW Listed Companies 2021 and assessment of the functioning of the remuneration policy in the Bank as well as reports on remuneration of the Management Board members and members of the Supervisory Board of Bank Handlowy w Warszawie S.A. in 2021,
- 2) based on an assessment as contained in the report of the Supervisory Board states that the established remuneration policy contributes to the development and security of the operations of the Bank.

REPORT

on the activities of the Supervisory Board of Bank Handlowy w Warszawie S.A.

for the period from the date of the Annual General Meeting of Shareholders in 2021
to the date of the Annual General Meeting of Shareholders in 2022

1. Members of the Supervisory Board

1.1. In the reporting period, the Supervisory Board was composed of:

Mr. Sławomir S. Sikora	Chairperson	entire reporting period
Ms. Kristine Braden	Vice Chairperson of the Board	entire reporting period
Mr. Frank Mannion	Member of the Board	until 31 March 2022
Ms. Jenny Grey	Member of the Board	entire reporting period
Mr. Marek Kapuściński	Member of the Board	entire reporting period
Mr. Gonzalo Luchetti	Member of the Board	entire reporting period
Ms. Anna Rulkiewicz	Member of the Board	entire reporting period
Ms. Barbara Smalska	Member of the Board	entire reporting period

1.2. Independent Members of the Supervisory Board

In the opinion of the Supervisory Board, the Independent Members of the Supervisory Board meeting the independence criteria specified in: (i) the Act of 11 May 2017 on Statutory Auditors, Audit Companies and Public Oversight, (ii) Article 14.4 of the Articles of Association of Bank Handlowy w Warszawie S.A. include:

Mr. Marek Kapuściński	Member of the Board,
Ms. Barbara Smalska	Member of the Board,
Ms. Anna Rulkiewicz	Member of the Board.

In addition, the above members of the Supervisory Board have no actual and significant connections with any shareholder holding more than 5% of total votes in Bank Handlowy w Warszawie S.A.

1.3. Evaluation of the composition of the Supervisory Board

Assessment of suitability and independence.

The Supervisory Board wants to emphasize that, during the entire reporting period, it was composed of persons demonstrating the extensive knowledge of law, economics, banking, management and finance. Members of the Supervisory Board have practical knowledge acquired as managers in international economic institutions. Members of the Supervisory Board have adequate knowledge, skills and experience. In the Supervisory Board's opinion, the expertise of its Members ensures due performance of its tasks resulting from applicable laws and regulations and the composition of the Bank's Supervisory Board accommodates a broad range of competencies required to govern all material areas of the Bank's activity. In addition, the Supervisory Board positively assesses the composition of the Supervisory Board taking into account the principles of diversity in areas such as gender, education, special knowledge, age and professional experience, which principles have been implemented to ensure the appropriate level of collective supervision over management of the Bank. The Supervisory Board positively assesses the structure of the Board, including its committees, which could make the most of the experience and expertise of its Members contributing to the accomplishment of goals and objectives assigned to the Supervisory Board. Moreover, the Supervisory Board positively assesses the effectiveness of activities of the Supervisory Board and of adequacy of the internal regulations related to its functioning in the presented reporting period, and the full-scope assessment of effectiveness of activities and of adequacy of the regulations related to the functioning of the Supervisory Board for the entire year 2022 will be conducted by the Supervisory Board in 2023 and, respectively, by the General Meeting of Shareholders in 2023.

1.4. During the reporting period, the Committees of the Supervisory Board were composed of:

1.4.1. Audit Committee

Ms. Barbara Smalska	Chairperson of the Committee	entire reporting period
Mr. Frank Mannion	Vice Chairman of the Committee	until 31 March 2022
Ms. Kristine Braden	Vice Chairperson	from 01 April 2022
Ms. Anna Rulkiewicz	Member of the Committee	entire reporting period

The Supervisory Board considers the following persons to be members of the Audit Committee of the Supervisory Board of Bank Handlowy w Warszawie S.A. having knowledge and skills in accounting and audit of financial accounts:

- 1) Ms. Barbara Smalska due to her professional experience: Ms. Smalska was a Vice President of the Management Board of Alior Bank S.A., held various managerial positions in PZU Group and was also on supervisory boards of various insurance companies.
- 2) Ms. Kristine Braden due to the following: (i) education – she graduated from the school of accounting and trade finance at the master's degree at Johns Hopkins University, School of Advanced International Studies, Washington; (ii) professional experience;
- 3) Mr. Frank Mannion due to the following: (i) education – he graduated from the National University of Ireland in Galway, earning a degree in commerce. He has also earned the title of Chartered Accountant; (ii) professional experience;
- 4) Ms. Anna Rulkiewicz due to the following: (i) education – completed the Stanford Executive Program at the Stanford University's Graduate School of Business; (ii) professional experience.

The following members of the Audit Committee are independent within the meaning of Article 129(3) of the Act of 11 May 2017 on Statutory Auditors, Audit Companies and Public Oversight and within the meaning of Article 14.4 of the Articles of Association of Bank Handlowy w Warszawie S.A. Ms. Barbara Smalska and Ms. Anna Rulkiewicz.

The Supervisory Board positively assesses the composition and functioning of the Audit Committee.

1.4.2. Nomination and Remuneration Committee

Ms. Anna Rulkiewicz	Member of the Committee	until 11 May 2022
	Chairperson of the Committee	from 12 May 2022
Ms. Jenny Grey	Vice Chairperson of the Committee	entire reporting period
Mr. Marek Kapuściński	Member of the Committee	from 12 May 2022
Mr. Sławomir S. Sikora	Chairperson of the Committee	until 11 May 2022
	Member of the Committee	from 12 May 2022
Ms. Barbara Smalska	Member of the Committee	from 12 May 2022

Mr. Sławomir S. Sikora was the Chairperson of the Committee until 11 May 2022. Since 12 May 2022 the Chairperson of the Committee has been Ms. Anna Rulkiewicz.

The following members of the Nomination and Remuneration Committee are independent within the meaning of Article 129(3) of the Act of 11 May 2017 on Statutory Auditors, Audit Companies and Public Oversight and within the meaning of Article 14.4 of the Articles of Association of Bank Handlowy w Warszawie S.A. Ms. Anna Rulkiewicz, Mr. Marek Kapuściński and Ms. Barbara Smalska.

The Supervisory Board positively assesses the composition of the Committee as changed at the meeting of the Supervisory Board in May.

1.4.3.Strategy and Management Committee

Ms. Kristine Braden	Chairperson of the Committee	entire reporting period
Mr. Marek Kapuściński	Vice Chairperson of the Committee	entire reporting period
Ms. Jenny Grey	Member of the Committee	entire reporting period
Mr. Frank Mannion	Member of the Committee	until 31 March 2022
Mr. Gonzalo Luchetti	Member of the Committee	entire reporting period
Mr. Sławomir S. Sikora	Member of the Committee	entire reporting period
Ms. Anna Rulkiewicz	Member of the Committee	entire reporting period
Ms. Barbara Smalska	Member of the Committee	entire reporting period

The Supervisory Board positively assesses the composition and functioning of the Strategy and Management Committee.

1.4.4.Risk and Capital Committee

Mr. Marek Kapuściński	Chairperson of the Committee	entire reporting period
Mr. Frank Mannion	Vice Chairperson of the Committee	until 31 March 2022
Ms. Kristine Braden	Vice Chairperson of the Committee	from 01 April 2022
Ms. Barbara Smalska	Member of the Committee	entire reporting period

The following members of the Risk and Capital Committee are independent within the meaning of Article 129(3) of the Act of 11 May 2017 on Statutory Auditors, Audit Companies and Public Oversight and within the meaning of Article 14.4 of the Articles of Association of Bank Handlowy w Warszawie S.A. Mr. Marek Kapuściński and Ms. Barbara Smalska.

The Supervisory Board positively assesses the composition and functioning of the Risk and Capital Committee.

2. ASSESSMENT OF THE FINANCIAL RESULTS AND GENERAL CONDITION OF THE COMPANY

2021 was a year marked by a global economic recovery following a recession caused by the COVID-19 pandemic in 2020. Global GDP increased in 2021 by around 5.8% YoY, as compared to a drop by 3.5% YoY in 2020.

The economic growth rate in Poland grew by 5.7% in 2021, after a 2.5% drop in 2020. Growth in 2021 was primarily driven by private consumption due to a good situation in the labor market and accumulated savings of households as well as higher capital expenditures resulting from better sentiment among enterprises.

On the other hand, a quick recovery of the demand, coupled with insufficient supply (i.a. interrupted supply chains) and higher commodity prices contributed to increased inflationary pressure. In consequence, the Monetary Policy Council (MPC) revised the monetary policy and raised the reference rate of the National Bank of Poland (NBP) from 0.10% to 1.75% as at the end of 2021.

Poland's good macroeconomic results translated into positive performance of the banking sector. In 2021, the net profit of the banking sector rose to PLN 8.8 billion, as compared to PLN 322 million loss in 2020. The major contributor to the increase in the net profit were the net impairment write-offs and provisions. In 2021, some provisions reflecting the impact of the coronavirus pandemic on clients were released. At the same time, a decrease in the provisions for legal risk related to mortgage loans in the Swiss franc was

recorded in 2021 – these provisions amounted to around PLN 7 billion against around PLN 10 billion in 2020.

The Bank's net profit amounted to PLN 716.0 million in 2021, the highest level since 2014.

Operating revenues of the Bank amounted to PLN 2,317 million in 2021 and were higher by PLN 293 million (or 14.5%) as compared to 2020. The growth resulted primarily from the significantly improved performance in treasury operations, achieved thanks to a higher result on investment debt securities, which emphasizes the Bank's expertise in treasury operations, as well as the result on FX exchange, resulting from the record-high FX volumes achieved in 2021. Simultaneously, the Bank was active in investment banking, by ensuring financing for clients' strategic transactions (such as acquisitions in international markets) and participating in IPOs (e.g. on Euronext Amsterdam).

In 2021, general administrative expenses and depreciation & amortization amounted to PLN 1,174 million and increased by PLN 22 million (i.e. 2%) from 2020. The drop in expenses resulted, above all, from lower costs due to the Bank Guarantee Fund. This decrease was partially offset by an increase in employee costs and higher depreciation costs associated with higher IT expenditures. In 2021, the Bank introduced BLIK mobile payments and extended its FX account offer for retail clients. In 2021, the number of foreign exchange transactions increased by 34% as compared to 2020. For institutional clients, on the other hand, the Bank implemented more solutions in the main electronic banking system – CitiDirect BE. In 2021, the Bank processed approximately 33 million transactions via electronic channels.

In 2021, the result on expected credit losses stood at PLN 39 million, as compared to net write-offs of PLN 191 million in 2020 (improvement by PLN 152 million). The above drop was largely caused by Institutional Banking, influenced by the improving macroeconomic forecasts and the persisting stable quality of the credit portfolio. The NPL ratio at the end of 2021 amounted to 4.1%, while the coverage ratio leveled at 78% – much better than in the banking sector, where the above-mentioned ratios were at 5.4% and 60% respectively.

The growth rate of the Bank's lending activity in 2021 decreased slightly by 2% YoY, resulting mainly from a lower balance of unsecured receivables from individual clients. On the other hand, the Bank recorded a positive growth rate in the balance of mortgage loans, up by 9% YoY. The area that stood out in Institutional Banking was Commercial Bank, with an increase in assets by 13% YoY.

The total capital ratio (TCR) of the Bank was 19.8%, i.e. significantly above the regulatory levels. The Supervisory Board believes that the level of capitals maintained by the Bank is sufficient to ensure its financial security, as well as the security of deposits entrusted to it, and to stimulate its further growth.

The most significant risk driver in 2022 is the impact of the war in Ukraine on the macroeconomic situation in Poland. At present, some of these consequences are difficult to estimate, and the final result depends on the duration and scale of the conflict. The inflationary pressure and monetary tightening efforts of the central bank may additionally contribute to the slowdown of the post-pandemic recovery. Therefore, the Supervisory Board will continue to work closely with the Management Board to examine the impact of the above-mentioned risk factors on the Bank's situation.

Taking into consideration the financial results achieved, the safe position of the Bank, the stable capital and liquidity ratios and the consistent and coherent strategy of the Bank, the Supervisory Board's assessment of the activities of the Bank in 2021 is positive. Simultaneously, the Supervisory Board is convinced that both already started and planned initiatives will contribute to an increase in shareholder value by allowing the Bank to achieve optimal financial results and market position despite a challenging market environment.

3. ASSESSMENT OF RATIONALITY OF THE BANK'S POLICY IN THE AREA OF CORPORATE SOCIAL RESPONSIBILITY AND SPONSORING

3.1. Corporate social responsibility of the Bank

The Bank is an institution which, since the beginning of its 150-year history, has considered social and environmental aspects in its decisions, and which follows the expectations of both its business and social partners.

The Citi Handlowy Leopold Kronenberg Foundation is an entity which comprehensively implements the Bank's Corporate Social Responsibility strategy. In 2021, we, as the Foundation, operated in compliance with the adopted assumptions. At the same time, it demonstrated great flexibility in pursuing its goals in order to better address the dynamically changing social needs – especially ones resulting from the

persisting pandemic – and also to better overcome the challenge of the daily task management in the hybrid model, when work was interrupted by quarantine.

A vast majority of the Foundation's activities continued to be conducted online. As part of the Citi Global Community Day, the Foundation coordinated and financed 79 projects. Many of them were implemented online and there were also so-called external projects with participation of up to 30 volunteers.

The online format was a great fit for the conferences, workshops and training sessions organized by the Foundation. The Foundation achieved a significantly larger reach of its activities and, in addition, was able to effectively reach communities outside of Warsaw with its projects. For example, the H1 conference addressed to entrepreneurs was attended by 30,000 viewers. We should bear in mind, however, that the online format is far more demanding as regards the need to continuously implement innovative solutions that can help retain the viewers' attention. During the training sessions, for example, an obligation to use the camera was introduced, meetings are organized in small groups to enable interaction, and the provided tools allow participants to express their opinions and ask questions. The conferences are also arranged in a different model every time. This year, we organized a series of interviews with entrepreneurs and experts conducted by Jarosław Kuźniar, an experienced journalist.

During the protracted epidemic threat, the Foundation has remained a strong partner for the pre-defined target groups:

- entrepreneurs, and particularly those who have participated in the Foundation's acceleration programs or programs co-financed by the Foundation in the recent years,
- social partners in the volunteering program or through a micro-grant program,
- teachers and students who had to face the challenge of "remote education",
- we have also collaborated with the Polish Center for International Aid and the team of paramedics and doctors, with whom we established cooperation in 2020.

On the basis of the map of the most recent social trends in 2021, "5" trends were selected and used to modify social programs of the Foundation:

- Diversity: Diversity and inclusion,
- Growing role of women: Growing role of women,
- Support for Generation Z: Support for Generation Z,
- Support for sustainable growth: Being good and responsible for sustainable growth,
- Against loneliness: Against loneliness.

In accordance with the above, the set goals were implemented consistently and new initiatives were established, including such important ones as:

- CyberMocn@Szkola (CyberStrong School): a new social program to support teachers and students in effective and safe remote education, such as can be successfully applied also after the pandemic. The first edition of the project was very popular – in less than 24 hours we had over 600 teachers registered in the program. In the second edition we have 643 teachers. People from big cities and small towns and villages. Open lectures can be attended by anyone interested in the subject of the meetings, and not only the registered participants. Once the first edition of training sessions was over in the first half of 2021, an evaluation survey was carried out among the program participants. As it turned out, 96% of the responding participants found the knowledge obtained during the program useful in their current work. Almost the same percentage of respondents claimed it would be essential in their further professional development. It is important to note that one in three respondents admitted to using new skills during most of their lessons, while a vast majority (over 70%) of them emphasized that the project had a positive impact on their work with students after returning to in-person teaching. Moreover,

more than 90% of respondents deemed the project helpful in taking care of the students' mental and physical health.

- Poradnik wychow@wcy (Tutor's Guide) – together with the *Fundacja Stocznia* foundation, a handbook on the use of digital technologies when working with students has been developed. It is a set of 10 proven, teacher-tested technology solutions to make education more interesting and enhance the interactive component of the lessons. The publication contains a set of lesson scenarios and inspirations to help take care of three important spheres: children's mental well-being, their physical fitness and social development, including the most crucial of all – good relationships with their peers and integration with other students.
- Compendium of knowledge on www.cybermocnaszkola.pl – in reliance on the evaluation results and feedback from teachers, in the second edition we created an information hub and collected all the educational materials and video lectures from the project on the website www.cybermocnaszkola.pl.
- Conference for entrepreneurs – organized to introduce young entrepreneurs who were successful in adapting their operations to the dynamics of the pandemic-stricken market.
- Against Social Loneliness – together with the Polish Center for International Aid a series of first aid training sessions and workshops / meetings for children and adolescents from social care centers were organized, with inspiring stories told by business and sports people;
- New trends – in cooperation with our social partners, we issued several research reports in order to draw the public's attention to such trends as the growing role of women, diversity in terms of economic growth, and the need to support Gen Z in finding their place on the new labor market. That is why in 2021 we compiled reports on entrepreneurship among young people, women's leadership, challenges faced by young people on the labor market and Poles' digital competences;
- A support project for malnourished seniors – organized together with Food Banks and our volunteers as part of the Citi Global Community Day;
- Sports-based volunteering – where sports activity of Citi volunteers was used to combine it with fundraising for charity purposes;
- Celebrations of the 150th anniversary of the Bank – coordination of the process of securing medals of the Polish Bank Association and the National Bank of Poland for 90 employees of the bank for the founder's anniversary, organizing a ceremonious gala to present the medals and promote the bank's history; releasing an anniversary album, and partnership during the conference of the European Forum for New Ideas to talk about the important issues for the future from the perspective of the 150 years' history of the bank.

All these actions were implemented with a strong communication support. The Foundation made efforts to reach traditional media with its actions and achieve engagement through social media. These efforts translated into a wide reach of the Foundation's communications, for example, the information regarding Poles' Attitudes Towards Saving reached almost 1 million readers, regarding surveys of entrepreneurship among young people – over 1.5 million, and over 3.5 million users of social media read our communications related to our volunteering projects implemented in celebration of the Citi Global Community Day.

It should be noted here that the actions of the Foundation and its bank volunteers were recognized in 2021 by independent experts in the Golden Banker competition organized by the Puls Biznesu daily and Bankier.pl platform. For the first time in history the bank was named the "Best CSR Bank". "The unique scale of the engagement of the bank's employees during the pandemic, which should not be surprising coming from a bank that is an indisputable leader and precursor of volunteering activities in Poland, expanded to become the biggest and the most comprehensive program of its kind in Poland," Marzena Strzelczak, President of the Responsible Business Forum and a member of the jury selecting CSR leader, emphasized in the justification for the award. "Citi Handlowy deserves the title of a Socially Sensitive Bank as an organization which has been building the culture of empathy and engagement for many years", read the justification for the award in Puls Biznesu.

Full description of its activities is available in the Bank's Annual Report and on the website www.kronenberg.org.pl

3.2. Sponsorship activities

In the next year of the pandemic, sponsorship activities stayed limited and activities of the Bank were concentrated in the area of corporate social responsibility. The events with a history of regular participation of the Bank were mostly arranged online. That year representatives of Citi Handlowy again took part in debates during the European Financial Congress in Sopot. In October, the Bank, represented by the Citi Handlowy Foundation, was again one of the main partners of the European Forum for New Ideas in Sopot, the 10th edition of the conference dedicated to global trends, new ideas and the future of Europe. Representatives of Citi Handlowy participated in discussions about topics that are vital to the present and the future – Elżbieta Światopełk-Czetwertyńska, President of Citi Handlowy, took part in the panel on the future of the world according to women from the communities of culture, science and business and Piotr Krosno, Head of the Strategic Clients Department, joined the debate “e-Commerce and Consumers: Lessons Learned during the Pandemic.” Sławomir S. Sikora, Chairman of the Supervisory Board of Citi Handlowy, received the Special Award of the Management Board of the Leviathan Confederation, handed over by Henryka Bochniarz, for his contribution to development of Leviathan and the financial sector.

To support ambitions of the Polish companies, Citi Handlowy is now a partner of Deloitte Technology Fast 50 Central Europe 2021, a ranking of the fastest growing technology companies in Central Europe. The aim of the program organized by the Deloitte consulting company for over 20 years is to promote innovative companies and their technologies as well as to create a networking and business development platform. Thanks to its affiliation to the global network of Citi, Citi Handlowy supports the development of Polish companies, specializing in servicing clients active on various markets.

Citi Handlowy has been a partner of the Polish Paralympic Committee for 3 years and has been pursuing activities to change the social perception of disability. In the year of the Paralympic Games in Tokyo, the bank joined the global campaign “It's ok, you can stare” that was launched to encourage everyone to watch the results and to support paralympic athletes. As part of the #TeamCiti global project, the Bank continued cooperation with outstanding paralympic athletes – Natalia Partyka, a four-time paralympic champion and the only athlete in the history to represent her country at the Olympic and Paralympic Games three times in a row, and Maciej Lepiato, a paralympic champion and four-time world champion in disabled persons' high jump, who were the Bank's ambassadors.

To stay close to its clients and their passions, the Bank was committed, as a partner and active participant, to the triathlon competitions under the IRONMAN Poland, which were organized as part of “The Year of Overcoming Obstacles”. Citi Handlowy was a title sponsor in Warsaw, where for the first time the competition covered a half of the Ironman distance. Live Well at Citi teams, composed of employees of Citi Handlowy and Citibank Europe plc from Warsaw and Olsztyn, took part in the Citi Handlowy Ironman Warsaw 70.3 competition and in relay races in Gdynia. They were joined by disabled persons, for example a cycling tandem. Thanks to participation of Polish employees of Citi in Ironman contests, Citi Handlowy made a donation to the Follow Your Dreams Physiotherapy Foundation, which supports children with disabilities.

The above initiatives positively supported the perception and reputation of the institution. The Supervisory Board positively assesses the spending incurred by both Bank and group to support culture, sports, charity organizations, media, social organizations, sports associations, etc. as disclosed in the “Report on the business activities of Bank Handlowy w Warszawie S.A. and the Capital Group of Bank Handlowy w Warszawie S.A. in 2021.”

4. REMUNERATION REPORT ON MEMBERS OF THE MANAGEMENT BOARD AND MEMBERS OF THE SUPERVISORY BOARD OF BANK HANDLOWY W WARSZAWIE S.A.

The Supervisory Board of Bank Handlowy w Warszawie S.A. is required to draw up the remuneration report on Members of the Management Board and Members of the Supervisory Board of the Bank based on Article 90g. point 1 of the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organized trading, and on public companies (“the Act”).

The principles for remunerating Members of the Management Board and Members of the Supervisory Board of the Bank are provided for in the Remuneration policy for Members of the Management Board and Members of the Supervisory Board of Bank Handlowy w Warszawie S.A. (the "Policy"), adopted by way of resolution of the General Meeting of Shareholders dated June 4, 2020. The Policy implements provisions regarding shaping of the rules of remuneration set forth in the Act.

This remuneration report covers a comprehensive overview of remuneration, including all benefits, regardless of their form, received by individual members of the Management Board and the Supervisory Board or due to individual members of the Management Board and the Supervisory Board of the Bank, and is presented jointly for 2021. It should be noted this report presents remuneration in various ways (i.e. paid out in a given year or granted in a given year), depending on the requirements of the Act. In particular, remuneration paid out in 2021 could have been granted in the years preceding the year of payout. On the other hand, remuneration granted in 2021 could have been subject to partial deferral, i.e. it could be paid out in the future reporting periods.

On June, 17 2021 The General Meeting of Shareholders adopted the resolution with positive opinion regarding remuneration report for 2019 and 2020.

1) Total remuneration of the Management Board and the Supervisory Board Members split out by component and the relative proportion of those components

The table below presents value of total remuneration (in PLN thousand) taking into account a non-competition paid out in 2021 after termination of employment with a Member of Management Board broken down into particular components and into fixed and variable remuneration with proportions between them (expressed as %):

	Total remuneration taking into account non-competition, such as:	Fixed remuneration taking into account a non-competition			Variable remuneration		
		Base salary and Other benefits*	Share of fixed remuneration	Total of variable remuneration	Variable remuneration in the form of cash award	Variable remuneration in the form of share-based	Share of variable remuneration
Elżbieta Światopełk-Czetwertyńska	1 665	1 665	100%	0	0	0	0%
Maciej Kropidłowski	4 596	2 038	44%	2 557	1 335	1 222	56%
Dennis Hussey	3 327	2 361	71%	965	423	542	29%
Barbara Sobala	1 605	1 011	63%	595	293	302	37%
James Foley	2 390	1 463	61%	927	422	505	39%
Katarzyna Majewska	1 493	981	66%	514	256	258	34%
Natalia Bożek	1 286	964	75%	322	150	172	25%
<i>Former Management Board Member</i>							
Sławomir S. Sikora	6 265	4 708	75%	1 556	1 006	550	25%
David Mouillé	867	181	21%	687	410	277	79%
Czesław Piasek	111	7	6%	104	65	39	94%
Witold Zieliński	84	0	0%	84	53	31	100%

* Fixed remuneration in position Other benefits includes among others a non-competition payment. A non-competition was paid out for Mr. David Mouillé in 2021 in amount of PLN 181 thousand and for Mr. Sławomir S. Sikora in 2021 in amount of PLN 3 248 thousand.

The table below presents value of fixed remuneration components (in PLN thousand) taking into account the non-competition paid out in 2021 to the Members of the Management Board of the Bank and share of particular components in the total remuneration (expressed as %).

		Base salary		Other benefits	
		value	share	value	share
Elżbieta Światopełk-Czetwertyńska	- till 18.06.2021	1 125	68%	540	32%
Maciej Kropidłowski		1 733	38%	305	7%

Dennis Hussey		1444	43%	917	28%
Barbara Sobala		892	56%	119	7%
James Foley		1 200	50%	263	11%
Katarzyna Majewska		867	58%	114	8%
Natalia Bożek		867	67%	97	8%
<i>Former Management Board Members</i>					
Sławomir S. Sikora	- till 17.06.2021	1 110	18%	3 598	57%
David Mouillé	- till 31.01.2020	0	0%	181	21%
Czesław Piasek	- till 31.03.2018	0	0%	7	7%
Witold Zieliński	- till 19.02.2018	0	0%	0	0%
		9 238	39%	6 141	26%

The aggregated values of Other benefits provided in the table above consist of: pension scheme (PPE) contributions, additional benefits including a life insurance, relocation package, the value of the medical insurance for an employee and family members, the payment in lieu of leave and a non-competition paid out after the termination of the employment. The detailed split of Other benefits to particular components might be found below:

		Other benefits					
		Pension scheme (PPE) contributions	Additional benefits	Relocation package	Medical insurance	Payment in lieu of leave	Non-competition
Elżbieta Światopelk-Czetwertyńska	- till 18.06.2021	109	4	422	5	0	0
Maciej Kropidłowski		301	0	0	4	0	0
Dennis Hussey		0	909	0	8	0	0
Barbara Sobala		103	7	0	8	0	0
James Foley		156	101	0	6	0	0
Katarzyna Majewska		98	7	0	9	0	0
Natalia Bożek		84	7	0	6	0	0
<i>Former Management Board Members</i>							
Sławomir S. Sikora	- till 17.06.2021	197	4	0	7	142	3 248
David Mouillé	- till 31.01.2020	0	0	0	0	0	181
Czesław Piasek	- till 31.03.2018	7	0	0	0	0	0
Witold Zieliński	- till 19.02.2018	0	0	0	0	0	0
		1 056	1 039	422	53	142	3 428

The table below presents value of variable remuneration components in the form of cash awards (in PLN thousand) paid out in 2021 to the Members of the Management Board of the Bank and its share in the total compensation (expressed as %).

	Cash awards for:							
	2020		2019		2018		2017	
	value	share	value	share	value	share	value	share
Maciej Kropidłowski	528	11%	242	5%	306	7%	259	6%
Dennis Hussey	423	13%	0	0%	0	0%	0	0%
Barbara Sobala	172	11%	40	2%	40	3%	41	3%
James Foley	347	14%	75	3%	0	0%	0	0%
Katarzyna Majewska	142	9%	32	2%	41	3%	41	3%
Natalia Bożek	112	9%	19	1%	19	1%	0	0%

<i>Former Management Board Members</i>										
Sławomir S. Sikora	- till 17.06.2021	504	8%	146	2%	146	2%	210	3%	
David Mouille	- till 31.01.2020	0	0%	121	14%	142	16%	147	17%	
Czesław Piasek	- till 31.03.2018	0	0%	0	0%	13	12%	52	47%	
Witold Zieliński	- till 19.02.2018	0	0%	0	0%	0	0%	53	64%	
		2 228	10%	675	3%	707	3%	803	4%	

The table below presents value of variable remuneration components in the form of share-based awards (in PLN thousand) paid out in 2021 to the Members of the Management Board of the Bank and its share in the total compensation (expressed as %).

	Share-based awards for:									
	2020		2019		2018		2017			
	value	share	value	share	value	share	value	share		
Maciej Kropidłowski	676	15%	200	4%	197	4%	149	3%		
Dennis Hussey	542	16%	0	0%	0	0%	0	0%		
Barbara Sobala	220	14%	33	2%	26	2%	23	1%		
James Foley	443	19%	62	3%	0	0%	0	0%		
Katarzyna Majewska	182	12%	26	2%	26	2%	24	2%		
Natalia Bożek	144	11%	16	1%	12	1%	0	0%		
<i>Former Management Board Members</i>										
Sławomir S. Sikora	- till 17.06.2021	0	0%	357	6%	84	1%	109	2%	
David Mouille	- till 31.01.2020	0	0%	100	12%	92	11%	85	10%	
Czesław Piasek	- till 31.03.2018	0	0%	0	0%	9	8%	30	27%	
Witold Zieliński	- till 19.02.2018	0	0%	0	0%	0	0%	31	36%	
		2 207	10%	794	4%	446	2%	451	2%	

In 2021 remuneration of the Management Board Members did not cover cash or non-cash benefits granted to the benefit of relatives. In 2021 column "Other benefits" may cover value of the medical insurance for the family members.

The table below presents value of total compensation (in PLN thousand) paid out in 2021 to the Members of the Supervisory Board of the Bank split out by component and its relative proportion (expressed as % of total compensation).

		Remuneration for function in the Supervisory Board		Remuneration for participation in Supervisory Board committees		Return of social contributions	
		value	share	value	share	value	share
		Sławomir S. Sikora	- since 18.06.2021 r.	87	56%	68	44%
Barbara Smalska		96	31%	210	69%	0	0%
Marek Kapuściński		96	36%	166	62%	4	2%
Anna Rulkiewicz		96	39%	147	60%	2	1%
<i>Former Supervisory Board Members</i>							
Igor Chalupiec	- till 17.06.2021	53	34%	99	64%	3	2%
Andrzej Olechowski	- till 17.06.2021	105	48%	115	52%	0	0%
Stanisław Sołtysiński	- till 17.06.2021	53	45%	66	55%	0	0%
Shirish Apte	- till 01.12.2020	0	0%	0	0%	0	0%
		586	40%	871	59%	9	1%

In 2021 Members of the Supervisory Board were not granted variable remuneration. Other Supervisory Board Members did not receive remuneration in 2021.

2) Total remuneration of the Management Board and the Supervisory Board Members vs. the adopted remuneration policy

The Bank differentiates the amount of fixed compensation of Management Board Members taking into account the relevant professional experience, requirements in terms of competencies and role in the management process, which allows for attracting and retain talented managers who support Bank's development and lead the Bank to success.

Variable remuneration, granted to the Management Board Members in 2021, was determined in such a way that it promotes prudent management of the Bank, is based on financial and non-financial results and does not reward excessive risk in decision-making. The pool allocated for annual awards for the Management Board Members was subject to verification whether the Bank has a sound and strong capital base justifying the payment of variable remuneration at the proposed level, it does not limit the Bank's ability to increase its capital base and it is sustainable according to the financial standing of the Bank.

In order to align decisions regarding compensation of the Management Board Members with shareholder interest, effectively manage risk and reflect regulatory guidance part of variable remuneration:

- was granted in the form of phantom shares value of which is linked to the value of the Bank's shares on the Warsaw Stock Exchange, and
- was subject to deferral over 3 or 5 years, i.e. proportionate division into 3 or 5 tranches respectively with the possibility to acquire rights to a given tranche after each year of deferral; pay-out takes place no sooner than after a 6 or 12-month retention period from the moment of acquiring rights to a given deferred tranche.

Due to information shared by Citigroup on April, 15 2021 concerning amendment to strategy towards Consumer Bank ("GCB"), the Supervisory Board of the Bank granted the award to Vice-President of the Management Board of the Bank responsible for GCB in order to recognize current contribution and support in strategy implementation towards the part of the Bank Handlowy w Warszawie S.A. ("Transaction Award"); the award was granted conditionally:

- partially as the cash award and partially as phantom shares related to the value of shares of the Bank listed on the Warsaw Stock Exchange and
- is deferred in the period of 5 years – which means it is proportionally divided into 5 tranches with the possibility to acquire right to the given tranche after each year of the deferral subject to meeting vesting conditions linked to completion of the Transaction; the pay out is made at the earliest after 6 months retention period after the moment of vesting to the given tranche.

The acquisition of rights to deferred variable remuneration in 2021 was subject to verification, in particular, in terms of the Bank's financial condition and compliance by individual members of the Management Board with the standards concerning the guarantee of safe and prudent Bank management, i.e.:

- Head of HR confirmed information regarding employment and potential misconduct in connection with employment duties,
- Vice-President overseeing the Finance confirmed information regarding financial standing of the Bank and financial standing,
- Vice-President overseeing the Risk Management confirmed information regarding risk management processes.

For the avoidance of conflict of interest, for the Head of Finance and the Head of Risk the above mentioned information, which are within the scope of their responsibility, were confirmed by the President of the Management Board.

In 2021 decisions regarding grant of variable remuneration and acquisition of rights to deferred variable remuneration for previous years were made by the Supervisory Board of the Bank based on recommendations and opinions of the Nomination and Remuneration Committee of the Supervisory Board, dictated by cautious and stable risk, capital and liquidity management, and paying special attention to long-term interests of the Bank, the interest of the Bank's shareholders and investors.

For the avoidance of conflict of interest, in 2021 no variable compensation (subject to performance) was granted to the Supervisory Board Members.

3) Application of the performance criteria in the remuneration of the Management Board and the Supervisory Board Members

The results are verified prior granting variable remuneration (ex-ante) as well as at the stage of making decisions regarding vesting of deferred variable remuneration (ex-post).

In 2021 the Bank applied the following ex-ante risk adjustment criteria:

Performance criteria applicable to determine the pool allocated for annual awards for the Management Board Members granted in 2021 were described under point 2) of this report.

Variable remuneration was granted to the Management Board Members, on a discretionary basis, taking into account quantitative and qualitative criteria, such as risk and compliance behavior, to reflect Management Board Members' performance and reduce incentives to take risks beyond the general risk appetite determined by the Bank.

Value of the granted variable remuneration depends on the individual performance and the financial results of the Bank or specific organizational unit. The performance assessment is based on the data from three financial years, which takes into account the business cycle of the Bank and risk of its economic activities. In case of individuals employed for less 3 years performance assessment covers the timeframe from establishing work relationship.

In 2021 the Bank applied the following ex-post risk adjustment criteria:

Vesting of variable remuneration and its pay-out were subject to meeting criteria at the individual level and to the financial standing of the Bank.

The amount of deferred portion of the award to be paid out may have been decreased or completely reduced based on decision of Supervisory Board if:

- standards concerning the guarantee of safe and prudent Bank management have not been met which is verified by determination if:
 - the Management Board Members engaged in gross misconduct in connection with his/her employment duties, in particular participated in or was responsible for conduct which resulted in significant losses to the Bank; or
 - the Management Board Members knowingly engaged in providing materially inaccurate information to the financial statements of the Bank; or
 - the Bank suffered a material failure of risk management; or
 - the Management Board Members materially violate any risk limits.
- In a situation set forth in Art. 142 sec. 1 of the Banking Law, or
- In case the Management Board Members received the Variable Remuneration based on materially inaccurate financial statements, or

- In case the Bank has suffered a material downturn in its financial performance; or
- In case of balance sheet loss, threat of insolvency or loss of liquidity by the Bank.

The acquisition of the right to each tranche of deferred variable remuneration depended on the Bank's results in the calendar year directly preceding the date of awarding of the right to given tranche ("Year Concerning the Results").

If the Bank would suffer a loss calculated as a loss before tax for the Year Concerning the Results, then the tranche of the deferred variable remuneration in phantom shares, to which the right may have been earned during the calendar year following the end of the Year Concerning the Results, would be reduced (but not below zero) by a percentage defined as:

- (i) the absolute value of the loss before tax suffered by the Bank in the given Year Concerning the Results, divided by
- (ii) the absolute value of the highest profit before tax made by the Bank in the period covering three calendar years before the proper Year Concerning the Results. Irrespective of the above, if the Bank would suffer any loss calculated as the loss before tax for the Year Concerning the Results, the minimum percentage reduction of 20% would be applied.

The amount of profit (or loss) before tax for each adequate Year Concerning the Results will be the total value of profit (loss) before income tax for the current operations of the Bank. The results for 2021 were defined on a basis of the local IFRS statements, covering the audited results for the first three quarters (in accordance with the report to WSE and adequate public authorities), and the last quarter of the year consisted of the actual results for the first two months of this quarter and the estimates for the last month. The estimates were defined by the Financial Department of the Bank and they were final and binding regardless of the actual final results.

If the absolute value of the loss before tax suffered by the Bank for the Year Concerning the Results would equal or exceed the total value of the highest profit before tax in the Group's calendar year in the Measurement Period, then the Management Board Members would have not earned the rights to the given tranche.

In 2021 there were no reductions of variable remuneration within the correction connected with the results in reference to any of the Management Board Members.

In accordance with the Policy, in 2021 the Supervisory Board Members were granted only fixed remuneration, the value of which is subject to Bank's performance. No variable remuneration was granted, therefore no performance criteria were applied in reference to remuneration of the Supervisory Board Members.

4) Change of remuneration of the Management Board and the Supervisory Board Members, of the performance of the company and of average remuneration of employees other than the Management Board and the Supervisory Board Members over at least the five most recent financial years

The table below presents a summary of changes, since 2017 till 2021, of remuneration of the Management Board and the Supervisory Board Members holding their functions in 2021, of the performance of the Bank and of average remuneration of employees other than the Management Board and the Supervisory Board Members.

		2017		2018		2019		2020		2021	
Change of remuneration of the Management Board Members		values	change %	values	change %	values	change %	values	change %	values	change %
Maciej Kropidłowski	- since 19.03.2014	3 840	27%	3 889	1%	4 220	9%	3 872	-8%	4 596	19%
James Foley	- since 01.02.2019	0	n/a	0	n/a	1 358	n/a*	1 996	47%	2 390	20%
Barbara Sobala		1 390	5%	1 420	2%	1 479	4%	1 491	1%	1 605	8%
Katarzyna Majewska	- since 11.01.2016	1 191	-2%	1 275	7%	1 400	10%	1 387	-1%	1 493	8%
Natalia Bożek	- since 21.03.2018	0	n/a	670	n/a*	1 173	75%	1 122	-4%	1 286	15%
Dennis Hussey	- since 01.04.2020	0	n/a	0	n/a	0	n/a	2 686	n/a*	3 327	24%
Former Management Board Members											
Sławomir S. Sikora	- till 17.06.2021	4 677	-13%	5 340	14%	5 214	-2%	4 576	-12%	3 017***	-34%
David Mouillé	- since 01.07.2015 till 31.01.2020	3 289	25%	3 637	11%	3 646	0%	1 718***	-53%	686***	-60%
Czesław Piasek	- since 20.05.2014 till 31.03.2018	1 771	5%	1 018	-43%	386	-62%	187	-52%	111	-41%
Witold Zieliński	- till 19.02.2018	1 748	-4%	883***	-49%	317***	-64%	172	-46%	84	-51%
Brendan Carney	- till 22.06.2015	521	-39%	365	-30%	135	-63%	0	n/a**	0	n/a
Iwona Dudzińska	- till 31.07.2015	171	-67%	162	-5%	61	-62%	0	n/a**	0	n/a
Misbah Ur-Rahman-Shah	- till 18.03.2014	1 341	-26%	0	n/a**	0	n/a	0	n/a	0	n/a
Robert Daniel Massey JR	- till 19.06.2013	63	-70%	0	n/a**	0	n/a	0	n/a	0	n/a
Change of remuneration of the Supervisory Board Members											
Marek Kapuściński	- since 22.09.2016	230	461%	276	20%	283	3%	279	-1%	266	-5%
Anna Rulkiewicz	- till 22.06.2017 and since 05.06.2019	121	-44%	0	n/a**	69	n/a*	224	225%	245	9%
Barbara Smalska	- since 05.06.2019	0	n/a	0	n/a	85	n/a*	306	258%	306	0%
Former Supervisory Board Members											
Andrzej Olechowski	- till 17.06.2021	402	0%	402	0%	402	0%	402	0%	220	-45%
Igor Chalupec	- till 17.06.2021	276	0%	272	-1%	36	-87%	285	700%	155	-46%
Stanisław Sołtysiński	- till 17.06.2021	216	0%	216	0%	216	0%	216	0%	119	-45%
Shirish Apte	- till 01.12.2020	241	-2%	216	-10%	216	0%	216	0%	0	-100%
Grzegorz Bielicki	- since 06.12.2017 till 04.06.2019	0	n/a	288	n/a*	156	-46%	0	n/a**	0	n/a
Marek Belka	- since 22.06.2017 till 04.06.2019	66	n/a*	246	273%	92	-63%	0	n/a**	0	n/a
Mirosław Gryszka	- till 05.12.2017	221	-10%	13	-94%	0	n/a**	0	n/a	0	n/a
Change of average remuneration of other employees ***		93	-12%	112	20%	119	6%	127	7%	130	2%
Change of performance of the Bank		537 102	-11%	653 119	22%	478 802	-27%	158 085	-67%	715 972	353%

Explanations and comments to the table:

- 1) Values are presented in thousands of PLN
- 2) Data indicated for a given year refer to the change in value between the year for which the data are presented and the preceding year.
- 3) For 2017-2018 calculation of changes of remuneration of members of the Management Board and Supervisory Board of the Bank was carried out on the basis of data consistent with the values indicated in the reports on the Bank's activities for the relevant years. The calculation of changes of the average remuneration of other employees was carried out on the basis of the gross income for these employees in a given year and the total number of FTEs; compensation and other benefits of members of the Management Board and of the Supervisory Board are shown on individual basis only. The values presented in the table above do not cover a payment for non-competition in accordance with the disclaimer marked as "****" in point 9 below.
- 4) Calculation of changes of the Bank's results was carried out based on the Bank's net result for the relevant years.
- 5) The table does not include Mrs. Elżbieta Światopełk-Czetwertyńska who was appointed the President of the Management Board on June, 18 2021 and therefore, she did not receive any remuneration for her role in Management Board in 2017-2020. In case of Mr. Sławomir S. Sikora the table presents only remuneration for his role as the President of the Management Board and he is not presented in the section dedicated to Supervisory Board since he

was appointed the Chairman of the Supervisory Board on June, 18 2021 and therefore he did not receive any remuneration for this role in 2017-2020.

- 6) Payments to former members of the Management Board made after the termination of the contract are related to the payments of tranches of deferred variable remuneration in the form of cash and in the form of phantom shares
- 7) “**” means the first year of holding function in the Bank; for individuals not holding function for the whole year the % change of remuneration is largely driven by to the fact that in the following year the salary was paid for the entire year of holding the function
- 8) “***” means the first year in which the Management Board or the Supervisory Board Member, after termination of his/her function, did not receive remuneration.
- 9) “****” values presented in the table do not cover a non-competition for: Mr Witold Zieliński in 2018 in amount of PLN 524 thousand and in 2019 in amount of PLN 151 thousand, Mr. David Mouillé in 2020 in amount of 903 thousand and in 2021 in amount of PLN 181 thousand, Mr. Sławomir S. Sikora in 2021 in amount of PLN 3 248 thousand, for average remuneration of other employees in in 2017 in amount of PLN 163 thousand.

5) Remuneration of the Management Board and the Supervisory Board Members from entities belonging to the same capital group

Members of the Management Board of the Bank supervising Bank’s subsidiaries did not receive remuneration for their services in 2021.

Members of the Supervisory Board of the Bank did not hold functions in management or supervisory bodies of the Bank’s subsidiaries and thus did not receive remuneration from those entities in 2021.

6) Remuneration of the Management Board and the Supervisory Board Members in the form of financial instruments

The Management Board Members are granted variable remuneration in the form of phantom shares.

Phantom shares are financial instruments value of which is linked to the value of the Bank’s shares; they are not actual shares of the Bank, are not redeemable for actual shares of the Bank, and are not entitled to vote or to receive dividends or other distributions from the Bank to which holders of actual shares of the Bank may be entitled to receive; they do not represent an ownership interest of any kind in the Bank or any other entity nor in any assets; they have no independent value, they only stand as a measure of the cash value of Variable Remuneration by reference to the market price of the Bank’s Shares.

On the settlement date, the Management Board Member is paid the amount of cash which is the product of the number of phantom shares vested and the mean average of the high and low price of the Bank’s Shares on the Warsaw Stock Exchange on the maturity date (end of Retention Period). Each time, vesting of the award is confirmed by a decision of the Supervisory Board. During the deferral period and retention period, Management Board Members are entitled to dividend equivalent payments in respect of any dividends that are declared and paid to holders of ordinary Bank’s shares.

The table presents information on phantom shares granted (including those granted conditionally) in 2021 (for 2020) to the Management Board Members which may be paid out in 2021-2027.

	Number of phantom units	Grant date	Grant price
Maciej Kropidłowski	37 587,93	11.01.2021	35,14
Dennis Hussey	20 079,68	11.01.2021	35,14
Barbara Sobala	8 138,87	11.01.2021	35,14
James Foley	16 434,27	11.01.2021	35,14
Katarzyna Majewska	6 726,95	11.01.2021	35,14
Natalia Bożek	5 327,97	11.01.2021	35,14
<i>Former Management Board Members</i>			
Sławomir S. Sikora	- do 17.06.2021	11.01.2021	35,14

Shares presented in the table above, only the part paid out in 2021, are included in point 1) of this report in the table presenting share-based awards paid out in 2021. The remaining shares may be paid in subsequent reporting periods.

The table presents information on phantom shares granted (conditionally) in 2021 (for 2021) to the Management Board Members which may be paid out in 2022-2026. The table presents information on phantom shares granted conditionally in 2021 (for 2021) to the Management Board Members which may be paid out in 2022-2026. In 2021, vesting conditions for the pay out of any of tranches of the Transaction Award were not met.

	Number of phantom units	Grant date	Grant price
Dennis Hussey	17 359,40	01.07.2021	47,85

In 2021 the Supervisory Board Members were not granted remuneration in the form of financial instruments.

7) Information on the use of the possibility to reclaim variable remuneration

The Remuneration policy for Members of the Management Board and Members of the Supervisory Board of Bank Handlowy w Warszawie S.A. does not provide for the possibility to reclaim variable remuneration.

According to this Policy, amount of deferred portion of the award to be paid out to the Management Board Members may be decreased or completely reduced based on decision of Supervisory Board with application of ex-post risk adjustment criteria described under point 3) of this report. In 2021 there were no reductions of variable remuneration within the correction connected with the results in reference to any of the Management Board Members.

In 2021 the Supervisory Board Members were not granted variable remuneration.

8) Information on any deviations from the procedure for the implementation of the Policy and from applying the Policy

The Remuneration policy for Members of the Management Board and Members of the Supervisory Board of Bank Handlowy w Warszawie S.A. was approved by the Supervisory Board after considering opinion of the Nomination and Remuneration Committee of the Supervisory Board, and afterwards it was adopted by way of resolution of the General Meeting of Shareholders dated June 4, 2020. By end of 2021 there were no changes (in particular no material changes), which would require to be incorporated into the Policy.

Remuneration of the Management Board and Supervisory Board Members were granted and paid out in accordance with the Policy.

Since the adoption of the Policy on June 4, 2020, there have been no deviations from the Policy implementation procedure or its application.

5. THE ASSESSMENT OF FUNCTIONING OF REMUNERATION POLICY AT BANK HANDLOWY W WARSZAWIE S.A.

Supervisory Board is required to assess the functioning of the remuneration policy at Bank Handlowy w Warszawie S.A based on §28 point 3 of the Principles of Corporate Governance for Supervised Institutions of the Polish Financial Supervisory Authority, dated 22 July 2014, binding as of 1 January 2015.

In 2021 remuneration-related issues in Bank Handlowy w Warszawie S.A. (the "Bank") were governed by:

- the Remuneration policy for Members of the Management Board and Members of the Supervisory Board of Bank Handlowy w Warszawie S.A. ("Remuneration policy for Management Board and

Supervisory Board Members”) adopted by way of resolution of the General Meeting of Shareholders dated June 4, 2020,

- the Remuneration policy for employees of Bank Handlowy w Warszawie S.A. (“Remuneration policy for employees of the Bank”) dated 22 December 2017 with subsequent amendments and
 - the Remuneration policy for persons whose professional activities have a material impact on the risk profile of Bank Handlowy w Warszawie S.A. (“Remuneration policy for Identified Staff”) dated 22 December 2017 with subsequent amendments,
- jointly referred to as “Remuneration Policy”.

Remuneration policy for Management Board and Supervisory Board Members implements provisions regarding shaping of the rules of remuneration set forth in amendment to the Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organized trading, and on public companies dated October 16, 2019. It sets out the principles for remunerating Members of the Management Board and Members of the Supervisory Board of the Bank, contributing to implementation of the strategy of the Bank, effective risk management, its long-term interest and stability.

Remuneration policy for employees of the Bank implements requirements regarding structuring of the remuneration principles in banks provided for in the provisions of law, the Rules of Corporate Governance for Supervised Institutions adopted by the Polish Financial Supervision Authority (“Rules of Corporate Governance”), the Code of Best Practice for WSE Listed Companies 2016, recommendations of the Polish Financial Supervision Authority covering banking sector, Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector and takes into account Guidelines of the European Banking Authority on sound remuneration policies under Articles 74(3) and 75(2) of Directive 2013/36/EU and disclosures under Article 450 of Regulation (EU) No 575/2013, Guidelines of the European Banking Authority on remuneration policies and practices related to the sale and provision of retail banking products and services, Guidelines of European Securities and Markets Authority on remuneration policies and practices (MiFID). It covers remuneration procedures and rules in the Bank and sets out the principles for remunerating other employees of the Bank, including in particular Key Persons, persons whose professional activities have a material impact on the risk profile of the Bank, employees involved in selling Bank’s products and services and persons employed in control functions.

Remuneration policy for Identified Staff implements the provisions regarding the shaping of the rules of remuneration set forth in the Act of 29 August 1997 Banking Law (with subsequent amendments), in the Regulation of the Minister of Development and Finance of March 8, 2021 on the risk management system and the system of internal control, remuneration policy in the bank, Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector and takes into account the Guidelines of the European Banking Authority on sound remuneration policies under Directive 2013/36/ with subsequent amendments and EBA Guidelines on internal governance. It covers persons whose professional activities have a material impact on the risk profile of the Bank and specifies the rules of remunerating this category of staff provided for in the Remuneration policy for employees of the Bank.

In July 2021 employees on Sales roles covered by incentive schemes were moved from the quarterly incentive to annual discretionary award. The change was introduced to put more focus on customer needs, act in their best interests and build long-term relationships based on trust.

The assessment of the functioning of the Remuneration Policy is as follows:

- 1) According to the requirements the Remuneration Policy covers all employees of the Bank and defines population of Key Persons indicated in the Rules of Corporate Governance.

- 2) The Remuneration Policy properly sets out general principles for persons whom it covers, including Key Persons, in terms of the form, structure and manner of determination of their remuneration.
- 3) The Bank's implementation of the Remuneration Policy and the governance of the Remuneration Policy ensure that the structure of remuneration of persons whom it covers, including the Key Persons, helps to bring about long-term stability of the Bank and is aligned with the Bank's strategy, objectives, values and long-term interests, such as, in particular, sustainable growth of the Bank, and is also aimed at eliminating the potential negative impact of the remuneration systems on the proper risk management.
- 4) The Bank implemented all the guidelines relating to the construe of the fixed remuneration provided in the Remuneration Policy in a proper way. In particular Bank differentiates level of fixed remuneration of persons covered by the Remuneration Policy, including Key Persons, primarily based on professional experience, required competences and the role in the management process in the Bank.
- 5) The Bank ensures the appropriate level of remuneration of internal audit and compliance unit employees, intended to ensure hiring and retaining highly qualified and experienced specialists at those organizational units. The compensation level of Internal Audit and Compliance employees was a subject of the review of Audit Committee and got its positive opinion.
- 6) Though the Remuneration Policy the Bank promotes sound and effective risk management and does not encourage risk-taking that would exceed the tolerated risk level. To this effect, remuneration schemes which are based on financial and non-financial results do not reward excessive risk in decision-making. In particular, the remuneration of the members of the Management Board is determined in such a way that it promotes prudent management of the Bank, is based on financial and non-financial results, and does not reward failure.
- 7) In the process of setting and approving the pool allocated for annual awards and awards from motivational fund for 2021 for Bank's employees, including the Key Persons, the Bank made a proper verification whether, the Bank has a sound and strong capital base, that justifies the grant of variable remuneration at the proposed level and it does not limit the Bank's ability to increase its capital base and if it is sustainable according to the financial standing of the Bank
- 8) Detailed rules on variable remuneration awarded to the employees whose professional activities have a material impact on the risk profile of the Bank ("Identified Staff"), including the Key Persons, are provided in the Remuneration policy for Identified Staff. Those rules have been properly applied to granting variable remuneration to Identified Staff, including the Key Persons in January 2022 (awards for 2021 Performance Year), i.e.:
 - a) The role of the Nomination and Remuneration Committee of the Supervisory Board established in the Bank is to provide recommendations and opinions on the levels and conditions of variable remuneration of employees covered by the Remuneration policy for Identified Staff. It gives its opinion on the changes to the Remuneration policy for Identified Staff, including the amounts and components of remuneration, taking into account a cautious and stable risk, capital and liquidity management, and paying special attention to long-term interests of the Bank, the interest of the Bank's shareholders and investors. In 2021 there were six meetings of the Nomination and Remuneration Committee of the Supervisory Board.
 - b) The level of the variable remuneration for 2021 was based on the assessment of the financial and non-financial criteria, including the cost of the Bank's risk, the cost of capital, and liquidity risk in the long-term perspective. The variable remuneration set out in such a way was granted

to employees of the Bank on January, 13 2022 and Members of Management Board on February, 10 2022. For Identified Staff the variable remuneration was split between immediate and deferred award. Immediate cash award is paid out no later than in the month subsequent to the month in which it has been granted. Short-term phantom share award is subject to 6 or 12 months retention period and is paid out after retention period ends. Deferred variable remuneration is divided into four or five tranches, which may vest respectively in years 2023-2026 or in years 2023-2027 Tranches of deferred cash award are paid out immediate after vesting and of long-term phantom award (provided it have vested) are paid out after 6 or 12 months retention period ends.

- c) In 2021 the Management Board of the Bank, based on a positive opinion of the Nomination and Remuneration Committee of the Supervisory Board, decided that two Identified Staff lost the right to deferred variable remuneration, which was granted conditionally to those individuals in the course of the employment relationship and which was unvested before the date of termination of their employment contract. This decision was made in accordance with the provisions of the Remuneration Policy for Identified Staff regarding the termination of employment contracts under the conditions for acquiring rights to the deferred variable remuneration. Such an adjustment of the deferred variable remuneration was connected neither with the Bank's nor with the individual's results.
- 9) In 2021 the Bank properly analyzed the roles and the responsibilities of its employees in relation to the key manageable risks in the Bank as well as quantitative and qualitative criteria described in Commission Delegated Regulation (EU) No 2021/923 of 25 March 2021 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards setting out the criteria to define managerial responsibility, control functions, material business units and a significant impact on a material business unit's risk profile, and setting out criteria for identifying staff members or categories of staff whose professional activities have an impact on the institution's risk profile that is comparably as material as that of staff members or categories of staff referred to in Article 92(3) of that Directive, with related to qualitative and appropriate quantitative criteria to identify categories of staff whose professional activities have a material impact on an institution's risk profile and on this basis set the list of employees, who has a material impact on the risk profile of the Bank and therefore should be the subject to the provisions of the Remuneration Policy for Identified Staff. In 2021 the list of the employees covered by the Remuneration Policy for Identified Staff covered 82 people at the end of the year.
- 10) The Remuneration Policy adopted by the Bank sets the proper remuneration rules for employees involved in selling Bank's products and services that encourage them to act honestly, fairly, transparently and professionally, taking account of the rights and interests of all of the Bank's clients, in the short, mid and long term.
- 11) In 2021 Bank specified the provisions of the Remuneration Policy by ensuring the compliance with the strategy of the Bank regarding the risk of sustainability development (ESG). The Remuneration Policy assumes differentiation of the remuneration of employees on the basis of quantitative and qualitative criteria such as taking risk and ensuring completion with regulations.

The Supervisory Board positively assesses the functioning of the Remuneration Policy applied in the Bank.

6. THE SUPERVISORY BOARD'S ASSESSMENT OF APPLICATION BY THE BANK OF THE CORPORATE GOVERNANCE PRINCIPLES AND OF CONFORMITY WITH DISCLOSURE REQUIREMENTS CONCERNING THE APPLICATION OF THE CORPORATE GOVERNANCE PRINCIPLES, SET OUT IN THE WARSAW STOCK EXCHANGE RULES AND IN THE REGULATIONS CONCERNING CURRENT AND PERIODIC DISCLOSURES PROVIDED BY ISSUERS OF SECURITIES

- 6.1. The Supervisory Board's assessment of application by the Bank of the corporate governance principles and of conformity with disclosure requirements concerning the application of the corporate governance principles set out in the Warsaw Stock Exchange Rules.

The required statement of compliance with the principles of corporate governance prescribed by the "Best Practice for GPW Listed Companies 2021" is reported by publishing the "Statement of Bank Handlowy w Warszawie S.A. on its application of corporate governance rules in 2021" within the framework of the "Report on the operations of Bank Handlowy w Warszawie S.A. and the Capital Group of Bank Handlowy w Warszawie S.A. in 2021". In this way, the bank fulfills the obligation resulting from the Rules of Giełda Papierów Wartościowych w Warszawie S.A. (The Warsaw Stock Exchange Rules) which involves submitting annual report on application of the corporate governance principles in a company. The Bank's statement includes, among other things, information showing which principles and recommendations of the "Best Practice for GPW Listed Companies 2021" were not applied by the Bank in 2021 along with explanations of non-application to the Bank.

Given that in the reporting period, the "Best Practice for GPW Listed Companies 2016" were in force until the end of June 2021 and on 1 July 2021 the "Best Practice for GPW Listed Companies 2021" came into force and both documents provided for the obligation to assess the performance of disclosure requirements related to application of the corporate governance principles specified in the Rules of Giełda Papierów Wartościowych w Warszawie S.A., the above assessment will be made for both versions of the above documents, as follows:

- 1) in connection with the Bank's accepting the corporate governance principles prescribed in the document "Best Practice for GPW Listed Companies 2016", on 11 March 2016, the Bank submitted to Giełda Papierów Wartościowych w Warszawie S.A. a report (EBI Report no. 1/2016) concerning refusal to apply certain specific principles included in the set "Best Practice for GPW Listed Companies 2016" along with explanations, fulfilling the obligation resulting from § 29(3) of the Rules of Giełda Papierów Wartościowych w Warszawie S.A.
- 2) in connection with the Bank's accepting the corporate governance principles prescribed in the document "Best Practice for GPW Listed Companies 2021", with the exception of principles 5.6 and 5.7, which are not applicable to the Bank, on 30 July 2021 the Bank submitted to Giełda Papierów Wartościowych w Warszawie S.A. a report (EBI Report no. 1/2021) concerning the status of application by the company of the principles included in the set "Best Practice for GPW Listed Companies 2021", fulfilling the obligation resulting from § 29(3) of the Rules of Giełda Papierów Wartościowych w Warszawie S.A.,

Taking the foregoing into account, in the opinion of the Supervisory Board in the period covered by the assessment the Bank correctly met its disclosure obligations related to application of the corporate governance principles prescribed in the Rules of Giełda Papierów Wartościowych w Warszawie S.A..

On 29 July 2021, the Supervisory Board of the Bank decided that the Bank would comply with the corporate governance principles contained in the document "Best Practice for GPW Listed Companies 2021", adopted by the Supervisory Board of the Warsaw Stock Exchange by Resolution no. 13/1834/2021 of 29 March 2021, with the exception of principles 5.6 and 5.7, which are not applicable to the Bank. In January and February 2022, the Bank conducted a review of application in 2021 of the corporate governance principles arising from the "Best Practice for GPW Listed Companies 2021," as a result of which it was confirmed that those principles were applied in the scope determined above.

Taking the above into account, the Supervisory Board's assessment is that the Bank applies the corporate governance principles in the period covered by the assessment.

- 6.2. Assessment of the manner of fulfilment by the Bank of its disclosure obligations related to current and periodic information provided by issuers of securities

Pursuant to the Regulation of the Minister of Finance of 29 March 2018 on the Current and Periodic Information Provided by Issuers of Securities, the Bank is obliged to include in its annual report a statement that it applies the corporate governance principles. The above statement, as included in the Management Board's Report on the Activities of the Bank and Group for 2021, contains all the elements required by the above Regulation of the Minister of Finance.

The Supervisory Board positively assessed the fulfilment by the Bank of its disclosure obligations set out in the Rules of Giełda Papierów Wartościowych w Warszawie S.A. and in the regulations concerning current and periods information, and concluded that the information presented above shows the true status of application of the corporate governance principles.

7. ASSESSMENT OF THE INTERNAL CONTROL SYSTEM AND THE RISK MANAGEMENT SYSTEM THAT COVERS RISKS SIGNIFICANT TO THE BANK

The primary objective of the internal control system is to support the decision-making processes that are to ensure the effectiveness and efficiency of the Bank's operations, the reliability of its financial reporting and the compliance of the Bank's activities with applicable laws and internal regulations and the compliance with risk management rules in the Bank. The internal control system consists of a control function, a compliance unit and an internal audit unit.

The internal control system and the risk management system in place at the Bank are organized in three independent levels:

- Level 1 – organizational units responsible for the activity which results in taking risks and for risk management in the Bank's operational activity, as well as for risk identification and reporting to the second-line units,
- Level 2 – risk management at organizational units, regardless of the first-line risk management, and the activity of the compliance unit; units or persons responsible for setting risk management standards in identifying, measuring or assessing, limiting, controlling, monitoring, reporting and supervising control mechanisms applied by other organizational units of the Bank to mitigate risk – organizational units of the Risk Management Sector, Compliance Division, Finance Management Sector, Legal Division, Human Resources Division,
- Level 3 – internal audit unit, responsible for an independent assessment of the risk management and internal control systems – Audit Department.

The Audit Department is supervised by the Supervisory Board via the Audit Committee composed of its Members. Organizationally, the Audit Department reports to the President of the Bank's Management Board.

The Audit Department submits, on a regular basis, but at least annually, to the Supervisory Board and Management Board, its reports on any identified irregularities and deficiencies, as well as recommendations formulated after internal audits, and activities initiated to rectify such irregularities and to implement such recommendations. The head of the Audit Department is invited to participate in all meetings of the Management Board and Supervisory Board.

The Audit Committee's powers and duties include oversight over financial reporting, internal control, risk management and internal & external audits. The Committee submits annual reports on its activities to the Supervisory Board.

The Supervisory Board has established a permanent Risk and Capital Committee. The tasks of the Committee include supervising the risk management system used by the Bank and recommending an assessment of its effectiveness, which is ultimately given by the Supervisory Board. The Committee submits annual reports on its activities to the Supervisory Board. The powers of the Committee in the scope of supervision over the risk management system include, without limitation, verifications of compliance of the Bank's policy in the scope of assumed risks with the strategy and financial plan of the Bank, verifications and recommendations to the Supervisory Board in respect of risk management system assessment, the overall risk level of the Bank, and reviews of periodic reports on the types and amounts of risks connected with the Bank's activities.

The Supervisory Board monitored any identified irregularities, including those identified by units responsible for vertical monitoring and for coordination of the control function matrix.

In accordance with the "Internal Control Rules of Bank Handlowy w Warszawie S.A.," the Supervisory Board conducted an annual assessment of adequacy and effectiveness of the internal control system, including adequacy and effectiveness of the control function, the compliance unit and the internal audit

unit. The Supervisory Board assessed the internal control system as adequate and effective. The assessment was made taking into account management information, reports on the self-assessment process, reports on the control environment submitted by Internal Audit in the Report of the Internal Audit Department to the Audit Committee of the Supervisory Board of Bank Handlowy w Warszawie S.A. and recommendations of the Audit Committee. At the end of 2021, the aggregate MCA assessment was at the level of Tier 4 and the assessment by Internal Audit was "Needs Moderate Improvement".

Simultaneously, taking into consideration recommendations of the Risk and Capital Committee, the Supervisory Board assessed the risk management system as effective and adequate to the scale and complexity of activities of the Bank. That assessment was made taking into account management information that covered quantitative and qualitative criteria of management of particular risk categories. The Supervisory Board reviewed and raised no objections to the assessment of effectiveness of the risk management policies implemented by the Bank, and covered by management information reports.

The Bank has implemented procedures of anonymous notification by employees of infringements of law and policies and ethical standards applied at the Bank. The Bank introduced the process of reporting infringements to the Supervisory Board when they concern a member of the Management Board, and of presenting information on significant ethical matters to the Supervisory Board. The Supervisory Board assesses, at least annually, the adequacy and effectiveness of the procedure for anonymous reporting of irregularities by employees. At the meeting held on 23-24 March 2022, on the basis of the information provided by the Member of the Management Board appointed to accept anonymous notifications, on the basis of the Report of the Compliance Department concerning the operation of the Procedure of Anonymous Notification by Employees of Infringements of Law in 2021, and on the basis of a positive recommendation of the Audit Committee of the Supervisory Board, the Supervisory Board assessed positively the adequacy and effectiveness of the procedure of anonymous notification of infringements of law in 2021.

8. A SUMMARY OF THE ACTIVITIES OF THE SUPERVISORY BOARD AND ITS COMMITTEES

8.1. Meetings of the Supervisory Board and its Committees

In the reporting period, the Supervisory Board held seven meetings, and its Committees: Audit Committee – 4, Risk and Capital Committee – 4, Nomination and Remuneration Committee – 7, Strategy and Management Committee – 3.

Attendance at meetings of the Supervisory Board in the reporting period was as follows:

- 1) at the meeting of the Supervisory Board on 18 June 2021: 100%,
- 2) at the meeting of the Supervisory Board on 29 September 2021: 87.5%,
- 3) at the meeting of the Supervisory Board on 03 December 2021: 87.5%,
- 4) at the meeting of the Supervisory Board on 13 January 2022: 100%,
- 5) at the meeting of the Supervisory Board on 10 February 2022: 100%,
- 6) at the meeting of the Supervisory Board on 23-24 March 2022: 100%,
- 7) at the meeting of the Supervisory Board on 11 May 2022: 100%.

Additional information on activities of committees of the Supervisory Board is included in their respective reports, which are available on the website.

8.2. Information on the progress of implementation of the diversity policy towards the Management Board and Supervisory Board of the Bank

In accordance with Article 9ce of the Banking Law Act, the "Diversity Policy for Members of the Management Board of BHW" was adopted by the Supervisory Board's Nomination and Remuneration Committee ("Policy").

The purpose of the Policy is to determine the Bank's strategy on diversity management, consisting in the promotion of diversity to ensure that the process of selection of Members of the Management Board involves candidates that are diverse in terms of their gender, age, education, and professional experience. This is to allow different points of view and experiences and to enable independent opinions to be given as well as reasonable decisions to be made as part of the functions held by them, and to obtain support for the implementation of the Bank's strategic goals by ensuring high-

quality performance of the Management Board's role. The Bank's Diversity Strategy embraces the differences stemming from areas of education, experience, gender and age and uses them to achieve the best results.

The Nomination and Remuneration Committee of the Supervisory Board assesses and documents compliance with the Policy.

As part of the assessment of the structure, size, composition and effectiveness of activities of the Management Board, conducted at least annually, the Nomination and Remuneration Committee of the Supervisory Board positively assessed compliance with the Policy on 24 September 2021. In particular, the Management Board of the Bank included 4 women and 3 men.

In accordance with the Rules of the General Meeting of Shareholders of Bank Handlowy w Warszawie S.A., when recommending candidates for members of the Supervisory Board, shareholders should follow the guidelines included in the "Qualification assessment policy for members of the Supervisory Board at Bank Handlowy w Warszawie S.A." ("Policy").

Pursuant to the Policy, during an election of members of the Supervisory Board, the General Meeting should take into account the principles of diversity, i.e. it should ensure equal opportunity in those processes for women and men, regardless of the declared gender or age, who have diverse individual knowledge, skills and experience which are at the same time adequate to the positions of members of the Supervisory Board entrusted to them and which complement each other to ensure an appropriate level of collective supervision over management of the Bank, which is verified in a collective assessment of suitability of the Supervisory Board as a whole. Reasonable effort should be made to ensure that, when implementing the diversity assumptions, appropriate standards are complied with, such as equal treatment or combating discrimination or unethical conduct. Ensuring the need for diversity on the Supervisory Board shall not impair proper supervision over the management of the Bank. In the reporting period, the Supervisory Board of the Bank included 4 women and 4 men.

8.3. Corporate Governance

As part of the implementation for application, in 2014 by the Management Board and Supervisory Board of the Bank and, next, in 2015 by the General Meeting of Shareholders, of the document Principles of Corporate Governance for Supervised Institutions, issued by the Polish Financial Supervision Authority (KNF), the Supervisory Board read, at its meeting on 24 March 2022, the "2021 Report – Assessment of Application of the Principles of Corporate Governance for Supervised Institutions issued by the Polish Financial Supervision Authority at Bank Handlowy w Warszawie S.A.", prepared by the Compliance Division for Regulations and Regulatory Relations (Compliance Division) and including an independent assessment of application of the "Principles of Corporate Governance for Supervised Institutions."

On the basis of the above Report of the Compliance Division containing an independent assessment of the application of the "Principles of Corporate Governance for Supervised Institutions" and taking into consideration a positive recommendation issued by the Audit Committee of the Supervisory Board, the Supervisory Board assessed independently and found that in 2021 the Bank applied the rules resulting from the Principles of Corporate Governance for Supervised Institutions, with the exception of those principles that the Bank decided not to apply. The resolution was adopted unanimously.

The Bank sustained its decision not to apply three principles:

- 1) Article 11.2 (transactions with related parties) – this principle shall not be used with respect to contracts tied to day-to-day operations, in particular to contracts tied to liquidity, due to the nature of transactions and the number of contracts being concluded.
- 2) Article 8.4 (electronic General Meeting) – currently available IT solutions do not guarantee a secure and efficient electronic form of holding a General Meeting. However, the Management Board does see the importance of such form of shareholders' participation in the Bank's General Meeting, and therefore a separate decision on that matter shall be made before each General Meeting.
- 3) Article 16.1 (meetings of the Management Board of the Bank held in the Polish language) – meetings of the Management Board attended by foreigners, and especially foreigners who are members of the Management Board and do not speak Polish, are held in the English language.

Simultaneously, motions submitted to the Management Board, all materials and minutes of meetings are drafted and kept in Polish.

8.4. Settlements between the Bank and Citigroup

In the reporting period, the Supervisory Board's business included issues related to the outsourcing of actual operation in the area of banking outsourcing. Such supervision covered payments resulting from agreements for the provision of operational support, production support and IT application development services to the Bank.

8.5. Amendments to the Articles of Association and the Regulations of the Bank

On 17 June 2021, the Annual General Meeting of Shareholders passed a resolution to amend the Articles of Association of Bank Handlowy w Warszawie S.A. Those amendments covered §§ 16 and 18 and their objective was to adjust the Bank to requirements resulting from Recommendation Z on corporate governance at banks, issued by the Polish Financial Supervision Authority (KNF) in October 2020.

As the provisions of Recommendation Z on corporate governance at banks, issued by the Polish Financial Supervision Authority (KNF), came into force on 1 January 2022, the Management Board of the Bank, on 19 October 2021, adopted and submitted to the Supervisory Board for approval certain amendments to internal regulations applicable in the area of corporate governance. Those amendments included, among other things, the Regulations of the Management Board of Bank Handlowy w Warszawie S.A. and a recommendation for the Supervisory Board related to passing a resolution concerning amendments to: Regulations of the Supervisory Board of Bank Handlowy w Warszawie S.A., Regulations of the Audit Committee of Bank Handlowy w Warszawie S.A., Regulations of the Risk and Capital Committee of Bank Handlowy w Warszawie S.A. and Regulations of the Nomination and Remuneration Committee of Bank Handlowy w Warszawie S.A. In addition, the Management Board of the Bank recommended that the Supervisory Board should determine the scope of activities of the Strategy and Management Committee of the Supervisory Board and pass a resolution to accept the Regulations of that Committee.

On 3 December 2021, the Supervisory Board unanimously accepted the amendments to the above documents, determined the scope of activities of the Strategy and Management Committee of Bank Handlowy w Warszawie S.A. and approved the above documents.

The key changes and new provisions were mainly to adapt and consolidate the formal requirements, clarify the provisions related to conflicts of interest, scope of information provided to the KNF (i.e. to include in the agenda an item covering the dismissal of the President of the Management Board, dismissal of the member of the Management Board supervising the management of a material risk occurring in activities of the Bank or entrusting another member of the Management Board with duties of the member of the Management Board supervising the management of a material risk occurring in activities of the Bank). New issues were also added, among other things, to enhance the powers of the Supervisory Board to approve the dividend policy, the principles of making changes in the primary organizational structure, the policy of identification of key functions at the Bank, the ethical standards, the conflict of interest management policy, the new product approval policy and the risk culture rules, unless they are covered by the risk management strategy. In addition, the duties were clarified in the area of supervision by the Supervisory Board over the implementation of corporate governance at the Bank along with assessment of its adequacy and effectiveness, which should be conducted at least annually. Those amendments also covered the rules of selection of committees of the Supervisory Board with respect to assessment of adequacy of the general composition of those committees and a new scope of information received by the Bank's Management Board in the area of corporate governance.

Furthermore, on 24 March 2022, the Supervisory Board decided to adopt the following amendments to the Regulations of the Supervisory Board of Bank Handlowy w Warszawie S.A.:

- 1) the Supervisory Board (instead of its Chairperson) was named the recipient of reports of infringements related to a member of the Management Board,

2) the Supervisory Board (instead of its Chairperson) was named as the body responsible for designating employees or organizational units responsible for conducting and coordinating verifications of reported infringements related to a member of the Management Board and for taking subsequent actions.

And on its meeting on 11 May 2022, the Supervisory Board decided to amend the Regulations of the Nomination and Remuneration Committee and the Regulation of the Risk and Capital Committee of Bank Handlowy w Warszawie S.A. to implement provisions under which the majority of members of the above Committees, including Chairpersons, will meet the independence criterion set out in § 14(4) of the Articles of Association of Bank Handlowy w Warszawie S.A.

8.6. Miscellaneous

As part of its authority, the Supervisory Board considered reports from the Audit Department for the consecutive reporting periods and the reports from the Team of Supervisors concerning the operation of the Bank's system for the supervision of custody business compliance. In addition, the Supervisory Board handled the issues concerning the acquisition of the right to Deferred Variable Remuneration for the members of the Management Board of the Bank, examined reports of the Management Board of the Bank concerning the implementation of the bancassurance policy, and the reports concerning the level of the retail credit risk run by the Bank (unsecured and mortgage secured). The Supervisory Board approved regular updates of the "Stand-Alone Recovery Plan for Bank Handlowy w Warszawie S.A." and the "Group Recovery Plan for the Capital Group of Bank Handlowy w Warszawie S.A."

At its meeting on 18 June 2021, the Supervisory Board passed a number of formal resolutions to establish itself after the new Supervisory Board would be elected for a new joint term of office by the Annual General Meeting of Shareholders. The Supervisory Board elected its Chairperson and Vice Chairperson and appointed its Committees. In recognition of merits of Mr. Andrzej Olechowski, who was the Chairperson and Member of the Supervisory Board for many years, the Supervisory Board awarded him the title of "Honorary Chairperson of the Supervisory Board of Bank Handlowy w Warszawie S.A."

On 28 July 2021, the Supervisory Board was informed that no significant infringements of ethical standards had been reported at the Bank between January and June 2021.

By Resolution No. 4/I/O/2021 of 29 July 2021, the Supervisory Board of the Bank decided to accept the decision under which the Bank would comply with the corporate governance principles included in the "Best Practice for GPW Listed Companies 2021," except for principles 5.6 and 5.7, which are not applicable to the Bank. The Supervisory Board also acknowledged the report on application of the "Best Practice for GPW Listed Companies 2021," submitted to Giełda Papierów Wartościowych w Warszawie S.A.

During the meeting held on 29 September 2021, among other things, the Supervisory Board approved a report on the Condensed consolidated interim financial statements of Bank Handlowy w Warszawie S.A. Group for the period of 6 months ended 30 June 2021, the Condensed stand-alone interim financial statements of Bank Handlowy w Warszawie S.A. for the period of 6 months ended 30 June 2021, the Report on activities of Bank Handlowy w Warszawie S.A. Group in the first half of 2021, and the Information on the capital adequacy of Bank Handlowy w Warszawie S.A. Group as at 30 June 2021.

At its meeting on 3 December 2021, the Supervisory Board acknowledged information on the preliminary Financial Plan of the Bank for 2022 and accepted the Strategy of Bank Handlowy w Warszawie S.A. Group for 2022 – 2024. As the next item, it approved the Technology Strategy of Bank Handlowy w Warszawie S.A. for 2022 – 2024. Furthermore, the Supervisory Board approved a package of documents and regulations related with adaptation of the Bank to the requirements of KNF's Recommendation Z, EBA guidelines on internal governance, good practices for public interest entities concerning the principles of appointment, composition and functioning of an audit committee, issued by the Polish Financial Supervision Authority, and joint ESMA and EBA Guidelines on the assessment of the suitability of members of the management body and key function holders. The Supervisory Board also approved a change in the internal division of powers of the Management Board of the Bank and assessed a member of the Management Board in connection with a planned

decision to assign additional duties to that member and, next, appointed that member for the next term.

At the meeting of the Supervisory Board held on March 23-24, 2022, the Supervisory Board assessed effectiveness and adequacy of the risk management system, taking into account the implementation of selected risk management policies. Next, the Supervisory Board approved the acceptable general risk appetite level for the Bank for 2022 and approved the amended document "Rules of prudent and stable management of risk at Bank Handlowy w Warszawie S.A. Group". The Supervisory Board also approved the annual "Report on performance of the compliance monitoring function and the compliance risk management function in Bank Handlowy w Warszawie S.A. in 2021" and the "Annual Plan of the Bank's Operations Compliance in 2021." As the next item on the agenda the Supervisory Board passed resolutions to approve the amended "Policy Determining the Principles of Cooperation of Bank Handlowy w Warszawie S.A. with the Parent Company" and to amend the "Code of Conduct for Employees of Bank Handlowy w Warszawie S.A. (Code of Conduct)." It also acknowledged the information on implementation of the Investment Policy of the Bank in 2021 and, next, assessed the functioning of the Procedure of Anonymous Notification by Employees of Infringements of Law. Further on, the Supervisory Board was presented the final Consolidated Financial Plan of the Bank's Group for 2022. The Supervisory Board was presented a summary of reported significant infringements of ethical standards of the Bank in 2021 and, next, acknowledged the information on the process for sale of investment products by the Consumer Banking Sector, along with information on product management. The Supervisory Board was presented the information on complaints examined at the Bank in 2021. It also passed resolutions concerning the assessment of two Vice Presidents of the Management Board in connection with a planned decision to assign additional duties to them and concerning the collective assessment of the Management Board. After that, the Supervisory Board approved the internal division of powers between members of the Bank's Management Board. As the last item, in connection with Mr. Frank Manion's resignation, the Supervisory Board determined the composition of the Risk and Capital Committee and the Audit Committee after making necessary assessments.

At the next meeting, on 11 May 2022, the Supervisory Board accepted amendments to the "Policy for new and modified products, services, distribution channels, markets and structured transaction." Next, the Supervisory Board was presented the information on the management of risks connected with outsourcing of activities to third party vendors under critical or important agreements, including bank and investment outsourcing agreements in 2021. The Supervisory Board passed a resolution to convene the Annual General Meeting of Shareholders of the Bank in 2022 and approved the "Policy of assessment of qualifications of Members of the Management Board and holders of key functions at Bank Handlowy w Warszawie S.A."

9. ASSESSMENT OF THE FINANCIAL STATEMENTS OF THE BANK

At the meeting held on March 23, 2022, the Bank's Supervisory Board, acting in accordance with the provisions of Article 382.3 of the Code of Commercial Companies and in accordance with the provisions of Article 70.1(14) and Article 71.1(12) of the Regulation of the Finance Minister of March 29, 2018 regarding current and periodic information provided by issuers of securities and the conditions for recognizing the information required by legal regulations of a non-member state as equivalent, assessed positively:

- 1) annual consolidated financial statements of the Capital Group of Bank Handlowy w Warszawie S.A. for the financial year ending 31 December 2021,
- 2) annual stand-alone financial statements of Bank Handlowy w Warszawie S.A. for the financial year ending 31 December 2021,
- 3) report of the Management Board of Bank Handlowy w Warszawie S.A. on the activity of the Capital Group of Bank Handlowy w Warszawie S.A. in 2021 prepared together with the report of the Management Board of Bank Handlowy w Warszawie S.A. on the activity of Bank Handlowy w Warszawie S.A. together with the Non-Financial Report of Bank Handlowy w Warszawie S.A. and the Capital Group of Bank Handlowy w Warszawie S.A. for the financial year ending 31 December 2021

with respect to their compliance with accounting records, documents and the actual status.

The assessment of the Supervisory Board was made on the basis of contents of financial accounts presented by the Management Board of Bank Handlowy w Warszawie S.A., statutory auditor's reports from the audit of stand-alone financial statements and consolidated financial statements, and recommendations of the Audit Committee of the Supervisory Board.

The financial statements were audited by an audit firm KPMG Audyt Spółka z ograniczoną odpowiedzialnością spółka komandytowa with its registered office in Warsaw. In the statutory auditor's opinion, both stand-alone financial statements and consolidated financial statements of Bank Handlowy w Warszawie S.A. and of Bank Handlowy w Warszawie S.A. Capital Group, present a fair and clear view of the economic and financial situation as of 31 December 2021, financial performance, and cash flows for the financial year ended that day and they were prepared in accordance with International Financial Reporting Standards adopted by the European Union and in accordance with the adopted accounting principles (policy). In addition, stand-alone financial statements and consolidated financial statements comply, in all material aspects, as to their form and content, with applicable legal provisions and with the Articles of Association of Bank Handlowy w Warszawie S.A.

In the statutory auditor's opinion, also the Report of the Management Board of Bank Handlowy w Warszawie S.A. on the Activity of Bank Handlowy w Warszawie S.A. Capital Group in 2021 prepared together with the Report of the Management Board of Bank Handlowy w Warszawie S.A. on the Activity of Bank Handlowy w Warszawie S.A., was prepared in all material aspects in accordance with legal provisions and it complies with the information contained in the consolidated financial statements.

The Supervisory Board positively assessed the recommendation concerning the distribution of profits for the financial year 2021, submitted by the Management Board.

Taking the above into consideration, the Supervisory Board finds that in the reporting period it accomplished its goals, assigned to it under applicable laws and regulations.

This report was examined and accepted by way of resolution on May 11, 2022 in order to submit it to the Annual General Meeting of Shareholders of the Bank.

*Draft Resolution to Item 5, Sub-point 6) of the
Agenda of the Ordinary General Meeting held on 23
June 2022*

**RESOLUTION No 15/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022**

**on opinion to the Supervisory Board's report on remuneration of the Management Board members
and members of the Supervisory Board of Bank Handlowy w Warszawie S.A. in 2021**

Pursuant to Art. 395 § 2(1) of the Commercial Companies Code and article 90g section 6 of the Act of July 29, 2005 on public offering and the conditions for introducing financial instruments to an organized trading system and on public companies, the Ordinary General Meeting gives its positive opinion to the Supervisory Board's report on remuneration of the Management Board members and members of the Supervisory Board of Bank Handlowy w Warszawie S.A. in 2021.

*Draft Resolutions to Item 5, Sub-point 7) of the
Agenda of the Ordinary General Meeting held on 23
June 2022*

**RESOLUTION No 16/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022**

on granting discharge to the Chairman of the Bank's Supervisory Board for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Chairman of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 - Andrzej Olechowski.

**RESOLUTION No 17/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022**

on granting discharge to the Chairman of the Bank's Supervisory Board for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Chairman of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 – Sławomir Stefan Sikora.

RESOLUTION No 18/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the Vice Chairman of the Bank's Supervisory Board for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Vice Chairman of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 - Frank Mannion.

RESOLUTION No 19/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the Vice Chairman of the Bank's Supervisory Board for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Vice Chairman of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 – Kristine Braden.

RESOLUTION No 20/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Supervisory Board for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 – Igor Chalupiec.

RESOLUTION No 21/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Supervisory Board for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 – Jenny Grey.

RESOLUTION No 22/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Supervisory Board for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 – Marek Kapuściński.

RESOLUTION No 23/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Supervisory Board for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the discharge to the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 – Gonzalo Luchetti.

RESOLUTION No 24/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Supervisory Board for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the discharge to the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 – Anna Rulkiewicz.

RESOLUTION No 25/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Supervisory Board for 2021

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the discharge to the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 – Barbara Smalska.

RESOLUTION No 26/2022

**of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Supervisory Board for 2021**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the discharge to the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 – Stanisław Sołtysiński.

**RESOLUTION No 27/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Supervisory Board for 2021**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant discharge to the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 – Zdenek Turek.

**RESOLUTION No 28/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on granting discharge to the member of the Bank's Supervisory Board for 2021**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the discharge to the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. for 2021 – Stephen R. Volk.

*Draft Resolutions to Item 5, Sub-points 8)-9) of the
Agenda of the Ordinary General Meeting held on 23
June 2022*

**RESOLUTION No 29/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on distribution of the net profit for year 2021**

Pursuant to Article 395 § 2 Item 2) of the Commercial Companies Code and § 9 Section 1 Item 2, and § 30 Section 1 of the Bank's Articles of Association, the Ordinary General Meeting of Bank Handlowy w Warszawie S.A. has resolved as follows:

- I. To distribute the net profit for the year 2021 in the amount of **PLN 715,972,070.88** as follows:
 - 1) Dividend for shareholders **PLN 714,708,012.00** which means that the dividend per share amounts to **PLN 5.47**;
 - 2) Allocation for the reserve capital **PLN 1,264,058.88**
- II. To set the date for determining the right to the dividend for **July 1, 2022** (the dividend day) and to set the date of payment of the dividend for **July 11, 2022** (the dividend payment date).

RESOLUTION No 30/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on distribution of the undistributed net profit from previous years

Pursuant to Article 395 § 2 Item 2) of the Commercial Companies Code and § 9 Section 1 Item 2, and § 30 Section 1 of the Bank's Articles of Association, the Ordinary General Meeting of Bank Handlowy w Warszawie S.A. has resolved to leave the entire undistributed net profit of the Bank from the previous years in the amount of PLN 642,082,090.31 undistributed.

*Draft Resolutions to Item 5, Sub-point 10) of the
Agenda of the Ordinary General Meeting held on 23
June 2022*

RESOLUTION No 31/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
**concerning adoption of the revised "Policy for the Assessment of the Supervisory Board
Members in Bank Handlowy w Warszawie S.A."**

§ 1

The Ordinary General Meeting of the Bank has resolved to adopt of the revised "Policy for the Assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A." as attached to the present resolution.

§ 2

The revised "Policy for the Assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A." shall apply to the appointment of the members of the Supervisory Board of the Bank starting from the next General Meeting of the Bank.

Appendix to Resolution No. 31/2022
of the Ordinary General Meeting
of Bank Handlowy w Warszawie S.A.
of June 23, 2022

**Policy for the assessment of Supervisory Board Members at Bank
Handlowy w Warszawie S.A.**

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1. INTRODUCTION

1.1 Definitions

The following terms as used in the Policy shall have the following meanings:

Bank means Bank Handlowy w Warszawie Spółka Akcyjna;

Supervisory Board Member means a candidate to the Supervisory Board or a person already sitting on the Supervisory Board;

PFSA means the Polish Financial Supervision Authority;

Policy means this Policy for the assessment of the Supervisory Board Members;

Banking Law means Act as of 29 August 1997 – Banking law;

GDPR means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation);

1.2 The scope of the Policy

This Policy constitutes the policy for assessing the suitability of Supervisory Board Members, which is referred to in Article 22aa.1 of the Banking Law.

1.3 Adopting Procedure

This Policy shall be adopted by the resolution of the Bank's General Meeting.

1.4 Applicability

1.4.1 This Policy applies to the appointment, dismissal and assessment of Members of the Supervisory Board, collective evaluation of the Supervisory Board as a body, collective evaluation of committees operating at the Supervisory Board, and in relation to the Audit Committee, also to individual assessment of candidates for the Audit Committee.

1.4.2 The detailed procedure for appointing Members of the Supervisory Board by the General Meeting of the Bank is specified in the Regulations of the General Meeting of the Bank. The rules set out in the Regulations of the General Meeting shall also apply in the event of an emergency or unexpected vacancy in the position of a member of the Supervisory Board, provided that in such situations, the Bank shall seek to immediately fill the vacancy on the Supervisory Board.

1.5 Assessment of qualifications – general rules

1.5.1 The qualifications of a Supervisory Board Member shall be assessed by the Bank's General Meeting. The Nomination and Remuneration Committee of the Supervisory Board (hereinafter referred to as the "**Committee**") takes part in the process of assessing a Supervisory Board Member on the terms set out in this Policy, as well as organizational units providing support in the assessment process, in particular the Corporate Services Office and the Human Resources Management Division.

1.5.2 Taking into account preliminary assessment of the qualifications of the Supervisory Board Member and the recommendations referred to in point 4.2. of this Policy, the General Meeting of the Bank carries out an individual assessment in relation to each of the Supervisory Board Members and a collective assessment of the Supervisory Board as the Bank's body on the basis of the criteria set out in this Policy in order to ensure that the Supervisory Board has an adequately broad scope of knowledge, skills and experience to understand the Bank's activities, including the main risks in its activities, noting the fact of the assessment and its results in the contents of the undertaken resolution. The General Meeting should assess the qualifications of each candidate for the Supervisory Board Member prior to their appointment.

- 1.5.3 The General Meeting of the Bank reassesses the qualifications of Supervisory Board Members and the Supervisory Board as a whole subject to provisions set out in point 5 of this Policy, when there are justified concerns as to whether they have appropriate qualifications, in particular when new developments necessitate re-assessment in order to verify continued possession of qualifications by the person, as well as in any situation that could otherwise significantly affect the adequacy of knowledge, skills and experience of a Supervisory Board Member. The re-assessment may only involve verifying whether the person concerned continues to hold the required qualifications after the event or situation.
- 1.5.4 The Bank shall, immediately after a new Supervisory Board is appointed or the composition of the existing Supervisory Board is changed, notify the PFSA of the composition or new composition of the Supervisory Board, along with the information, based on its assessment, that the Supervisory Board Members meet the requirements for knowledge, skills, experience, and proper performance guarantee and comply the requirements with the applicable restrictions on the holding, by Supervisory Board Members, of positions on the governing bodies of other entities.
- 1.5.5 The documentation for the purposes of the assessment performed by the General Meeting shall be gathered and kept by the Bank's Corporate Services Office in accordance with the provisions of GDPR. Personal data shall be stored for the maximum period of 25 years.
- 1.5.6 Collective evaluation of the committees operating at the Supervisory Board is performed by the Supervisory Board whenever their composition is determined or changed.

2. GENERAL ASSESSMENT CRITERIA

- 2.1 The General Meeting of the Bank shall assess the qualifications of Supervisory Board Members selected from among a sufficiently large group of candidates, taking into account the nature, scale and complexity of the Bank's business, as well as the Committee's preliminary assessment of qualifications of the Supervisory Board Member and the recommendation on his/her appointment, including all the information relevant to the assessment.
- 2.2 The assessment of the Supervisory Board Members includes:
 - (a) determining, whether the assessed person has the knowledge, skills and experience suitable to the function this person shall be performing in the Bank, as well as the scope of duties assigned to this function;
 - (b) determining, whether the assessed person gives guarantee of proper performance of the duties assigned to the function this person shall be performing in the Bank. The guarantee of proper performance of duties primarily refers to the reputation, honesty and integrity of a person concerned and his/her ability to handle the Bank's affairs in a prudent and steady manner.
- 2.3 Whenever this Policy mentions the "qualifications", they shall be deemed as knowledge, skills, experience and guarantee of proper performance of the duties.
- 2.4 The level and type of experience expected of Supervisory Board Members may vary.
- 2.5 The Supervisory Board Members should guarantee in each and every case the proper performance of the duties they are entrusted with.
- 2.6 If the Bank learns about circumstances where the knowledge, skills, experience and/or guarantee of proper performance of the duties of a Supervisory Board Member may be questioned, the future or potential impact of such circumstances on the qualifications of the person concerned must be assessed. The assessment required in the preceding sentence must include all material

- circumstances known at the time of the assessment, regardless of place or time of their occurrence.
- 2.7 When assessing Supervisory Board Members, the General Meeting shall assess whether each person individually has the qualifications. The General Meeting shall assess whether the Supervisory Board as a whole has the qualifications when appointing the new Supervisory Board Member. When assessing the suitability of the Supervisory Board as a whole, knowledge of those areas within the responsibility of the Supervisory Board is taken into account, considering the information contained in the document templates referred to in points 4.1, 5.7 and 5.9 and other significant issues impacting collective assessment of the body, including:
- a) results of the suitability assessment of a given Supervisory Board Member,
 - b) information whether the Supervisory Board demonstrated sufficient knowledge of supervision over identification and management of money laundering and terrorist financing risks and how those risks impact the Bank's operations.
- 2.8 Supervisory Board Members should be able to devote sufficient time and effort to perform their duties effectively.
- 2.9 Supervisory Board Members may hold simultaneously only a number of functions, on the terms specified in the Banking law, and engage in any other time-consuming activities only to a limited extent.
- 2.10 It is advised that during elections to the Supervisory Board the General Meeting take into account the principles of diversity set out in the Principles of Diversity of Supervisory Board Members, constituting Appendix No. 3 to this Policy. In pursuance of the diversity objective, efforts should be made to adhere to such standards as equal treatment, prevention of discrimination and non-ethical conduct. The reflection of the need for diversity on the Supervisory Board cannot prejudice the proper supervision over the Bank's governance.
- 2.11 When determining the composition of the Supervisory Board, including the number of independent Members of the Supervisory Board, the General Meeting shall consider in particular:
- a) the size and complexity of the organizational structure of the Bank,
 - b) the specific nature of the Bank's business, including its range of activities, specialization, legal form and sources of financing,
 - c) the Bank's business plans,
 - d) the position and importance of the Bank in the banking system,
 - e) shareholder composition.
- 2.12 During assessment of candidates for Supervisory Board, the General Meeting shall also additionally evaluate (individual assessment) whether a given candidates for Supervisory Board Member meets the requirements for Audit Committee members, as set out in Article 129 of the Act of 11 May 2017 on statutory auditors, audit companies and public oversight (hereinafter the "Act"). If a given Member of the Supervisory Board meets at least one of the above-mentioned requirements, the General Meeting shall note that fact in the resolution.
- 2.13 In the event of a vacancy in the Supervisory Board, which would result in a change in the composition of the Audit Committee, an individual assessment of whether a Supervisory Board member meets the requirements for members of the Audit Committee specified in Art. 129 of the Act is performed by the Supervisory Board, with the stipulation that the assessment is

performed by the Supervisory Board only when Member of the Audit Committee is appointed by the Supervisory Board from among other Members of the Supervisory Board.

3. DETAILED ASSESSMENT CRITERIA

A description of the detailed assessment criteria for Members of the Supervisory Board as well as additional evaluation criteria for members of the Audit Committee is provided in Appendix 1 to this Procedure..

4. DETAILED ASSESSMENT PROCESS, THE DOCUMENTS AND INFORMATION REQUIRED FOR THE FIRST APPOINTMENT OF A SUPERVISORY BOARD MEMBER

4.1 By first appointment to the Supervisory Board, a candidate himself/herself or via the nominating shareholder shall submit the information and documents necessary to perform the candidate's assessment based on the criteria stated in this Policy, listed below:

- (a) Documents or statements regarding:
 - i) Given name(s) and surname, citizenship;
 - ii) Change of given name(s) or surname or citizenship;
 - iii) Financial standing and wealth;

- (b) Information necessary for assessment of the candidate's qualifications as regards:
 - i) Address of usual or temporary residence;
 - ii) Education, profession, skills and professional experience, including the work history, completed training courses, place of work and position held, offices held in governing bodies of financial sector entities;
 - iii) Criminal or fiscal criminal proceedings conducted against the candidate;
 - iv) Administrative sanctions imposed on him/her;
 - v) Administrative sanctions imposed on other entities within the realm of the candidate's responsibility;
 - vi) Court proceedings that might adversely affect the candidate's reputation and administrative, disciplinary or debt enforcement proceedings in which he/she is or was involved as a party;
 - vii) Fluency in Polish and foreign languages; and
 - viii) How he/she conducts themselves in private life, business environment and contacts, and how he/she handles any person injured by his/her actions.

Document templates for submitting the above information and statements to the Bank for purposes of individual assessment of a Supervisory Board Member, collective assessment of the Supervisory Board as the Bank's body and for the Audit Committee - also for individual and collective assessment) shall be determined by the Director of the Corporate Services Office in consultation with the Chairman of the Supervisory Board and in cooperation with the Legal Division, Compliance Division and Data Protection Office. The Bank may also request provision of other information, statements and documents as well as evidence in support of the information provided by the Supervisory Board Member.

4.2 The Committee shall verify the received documents and information indicated in point 4.1 of this Policy and based on the possessed material, performs the preliminary individual assessment of the Supervisory Board Member and the collective assessment of the Supervisory Board as the Banks body, and then prepares the recommendation on appointment of the candidate. The

Chairman of the Committee or other designated person shall submit to the General Meeting the Committee's preliminary assessment of qualifications and the recommendation on appointment of the candidate in order for the General Meeting of the Bank to perform the assessment of qualifications. The Committee shall also perform a preliminary individual assessment of a Supervisory Board Member in terms of the requirements for members of the Audit Committee.

- 4.3 When determining the composition of committees, the Supervisory Board shall assess the adequacy of the general composition of its committees, with particular emphasis on the assessment of knowledge, skills and experience of individual committee members, as well as whether the full composition of the committee reflects an adequately broad range of knowledge, skills and experience necessary to understand the issues within the committee's authority and the Bank's activities as well as significant risks in its operations.
- 4.4 With the provision of information about himself/herself, the Supervisory Board Member should be asked to submit to the Bank a written consent for processing by the Bank and the entities involved in the process of evaluating his / her personal data (the "Consent"), including personal data from the respective categories of information provided under the GDPR for the selection and evaluation process in accordance with this Policy, as far as the legal basis for processing such data is not set out in the law or entails any transmission of data to any members of the Citi Group. Detailed information about the method and scope of processing of personal data of the Supervisory Board Member together with the Consent for their processing shall be provided by the Bank to the candidates in separate information on the processing of personal data. Failure to provide the relevant data to the Bank may constitute an obstacle to the assessment of the candidate and consequently to the appointment or performance of a member of the Supervisory Board of the Bank.

5. DETAILED RE-ASSESSMENT PROCESS AND MEASURES TAKEN IF THE CANDIDATE LACKS THE REQUIRED QUALIFICATIONS

- 5.1 The General Meeting shall perform an individual re-assessment of a Supervisory Board Member if:
- (a) the Supervisory Board Member is to be appointed for another term of office; and
 - (b) the General Meeting receives information questioning the qualifications possessed by the Supervisory Board Member which are required to further performance of the function, described in this Policy,
 - (c) there are circumstances resulting in a conflict of interest in connection with the function performed in the Supervisory Board,
 - (d) there are reasonable suspicions as to an attempt to commit the crime of money laundering or terrorist financing or if committed by a Supervisory Board Member and when there is a heightened risk of the Bank's involvement in money laundering or terrorist financing, in particular when:
 - i. the results of supervisory inspections or audits, or sanctions imposed by supervisory authorities indicate that the Bank has not implemented appropriate internal control mechanisms aimed at counteracting money laundering and terrorist financing,
 - ii. the Bank has violated statutory obligations with regard to counteracting money laundering and terrorist financing,

- iii. the Bank has significantly changed its business model, which may increase its exposure to money laundering and terrorist financing risk.

5.2 Each individual re-assessment of a Supervisory Board Member involves:

- (a) determining whether the person being re-assessed maintains necessary knowledge, skills and experience suitable to the function this person shall be performing in the Bank, as well as the scope of duties assigned to this function; and
- (b) determining whether anything has happened that may significantly affect the guarantee of proper performance of the duties by the person being re-assessed.

5.3 The General Meeting of the Bank shall re-assess collectively the Supervisory Board as a body, in particular in the event of:

- a) receipt of a license to expand statutory activities of the Bank,
- b) emergence of circumstances resulting in a collective conflict of interest at the level of the Supervisory Board.
- c) changes in the Composition of the Supervisory Board,
- d) the necessity to perform an individual re-assessment of a Supervisory Board Member under item 5.8,
- e) a significant change in the business model, risk appetite, strategy or organizational structure at the level of the Bank or the Bank's group,
- f) findings of periodic assessment of corporate governance, carried out by the Supervisory Board,
- g) reasonable suspicions as to an attempt to commit the crime of money laundering or terrorist financing or if committed by Bank employees or persons acting in the name or on behalf of the Bank and when there is a heightened risk of the Bank's involvement in money laundering or terrorist financing, in particular in the circumstances referred to in point 5.1 letter d bullets i-iii,
- h) when there are reasonable concerns whether the Supervisory Board has the appropriate qualifications and in every situation which may significantly affect the adequacy of knowledge, skills and experience of the Supervisory Board as a body.

5.4 In the event of other changes in the composition of the Supervisory Board resulting in a sudden vacancy in the Supervisory Board, the collective assessment of the Supervisory Board as a body is carried out by the Committee.

5.5 In the event of a change in the scope of duties of a Supervisory Board Member, in particular in connection with a change in the composition of the Supervisory Board's committees, the collective evaluation of the Supervisory Board as a body is performed by the Committee.

- 1.6 The Bank will inform the Polish Financial Supervision Authority about the results of the individual re-evaluation of a Supervisory Board Member and the results of the collective evaluation of the Supervisory Board as a body.
- 5.7 The Supervisory Board Member notifies the Committee immediately after a significant change occurs, that may affect the Supervisory Board Member's qualifications necessary for performing their functions, as referred to in this Policy. The Director of the Bank's Corporate Services Office, once a year, is obligated to collect from every Supervisory Board Member information about the possible changes concerning the statements, information and documents submitted before the appointment to the Supervisory Board, and is obliged to submit the collected information to the Committee. Specimens of documents enabling submission of amended information and statements to the Bank will be determined by the Director of the Corporate Services Office in consultation with the Chairman of the Supervisory Board and in cooperation with the Legal Division, Compliance Division and Data Protection Office. If there are no changes, the Supervisory Board Member shall make the statement that such statements, information and documents as held by the Bank do not require update. This statement may be submitted electronically. The Committee verifies the received information and performs the annual assessment of the Supervisory Board Member's qualifications in the scope described in point 5.2 of this Policy. Within the same scope, the Committee verifies the information described in point 5.1.b)-d) of this Policy.
- 1.8 If the preliminary assessment of the Supervisory Board Member's qualifications performed by the Committee is negative, the Committee submits the assessment to the General Meeting together with recommendation on steps aiming at revocation of this Supervisory Board Member or, respectively, at individual training of the Supervisory Board Member or collective training of the whole Supervisory Board of the Bank in order to ensure that both individual and collective qualifications and experience of the Supervisory Board are sufficient. The maximum time for individual training shall not exceed 1 year from the date of the decision by the General Meeting of the Bank on enhancing qualifications. The Bank shall inform the PFSA about the completed assessment and any corrective measures taken. The nearest General Meeting of the Bank performs the assessment process and decides in this area.
- 5.9 In case described in point 5.1.a) of this Policy, the Director of the Bank's Corporate Services Office is obligated to collect from every Supervisory Board Member information about the possible changes concerning the statements and information submitted before first appointment to the Supervisory Board. Specimens of documents enabling submission of amended information and statements to the Bank will be determined by the Director of the Corporate Services Office in consultation with the Chairman of the Supervisory Board and in cooperation with the Legal Division, Compliance Department and Data Protection Office. If there aren't any changes, the Supervisory Board Member shall make the statement that the statements, information and documents possessed by the Bank do not require update. The Director of the Bank's Corporate Services Office submits the collected statements, information and documents to the Committee. The Committee verifies the received information, performs the preliminary assessment of the Supervisory Board Member's qualifications and submits the assessment together with the recommendation on re-appointment to the General Meeting of the Bank. The provisions of point 4.2 shall apply respectively.

6. TRAINING POLICY AND INTRODUCTION TO THE DUTIES OF MEMBERS OF THE SUPERVISORY BOARD

- 6.1. The Bank strives to ensure appropriate funds and resources to help ensure proper performance of the functions of Supervisory Board Members within the body and the committees appointed

at the Supervisory Board, including possession of knowledge, skills and experience adequate to their functions and entrusted duties.

- 6.2. Within one month after appointment of a Supervisory Board Member, the Secretary of the Supervisory Board or a person designated by the Secretary of the Supervisory Board shall provide key information necessary to perform the function of a Supervisory Board Member.
- 6.3. In order to facilitate understanding of the rights and obligations of the Supervisory Board as a body and its individual members, the Bank provides a process of induction for Supervisory Board Members, in particular by ensuring access to information helpful in exercising supervision over the Bank's activities, including information about the Bank's organizational structure, business model, risk profile, management system, rules for submitting resignations and other issues relevant to the performance of duties by Supervisory Board Members.
- 6.4. The induction of a Supervisory Board Member shall be carried within 6 months from the date of appointment by Secretary of the Supervisory Board or a person designated by the Secretary of the Supervisory Board.
- 6.5. The Bank provides Supervisory Board Members with the opportunity to enhance their qualifications, in particular in the form of general training and training tailored to individual needs of Supervisory Board Members. The main objective of the induction process and the training offered is to ensure the appropriate qualifications of Supervisory Board Members, including the knowledge and competences necessary to perform functions, including the function of members of Supervisory Board committees, and to reduce the risk of several vacancies occurring on the Supervisory Board within a short time.
- 6.6. The training program and the induction process for Members of the Supervisory Board (hereinafter: jointly the Training Program) incorporating the objectives set out in this chapter shall be established by the Secretary of the Supervisory Board in consultation with:
 - a) the Legal Division,
 - b) the Compliance Division,
 - c) the Human Resources Division,
 - d) the Planning and Financial Analysis Department.
- 6.7. As part of the Training Program, the Bank shall launch the process of identifying areas requiring training for both the Supervisory Board as a whole and its individual members.
- 6.8. The Training Program shall be periodically updated in accordance with the principles set out therein, taking into account changes in the management system, the Bank's operating strategy and generally applicable provisions of law to the extent they impact the responsibilities carried out by the Supervisory Board.
- 6.9. The Training Program shall be subject to periodic evaluation on the terms specified therein, the purpose of which is to audit implementation of the tasks provided for therein, including quality assessment of the training process and the process of induction of Supervisory Board Members.
- 6.10. The Bank shall ensure financial and human resources for the proper implementation of the Training Program.

- 6.11 In addition to the established Training Program, each Supervisory Board Member may apply for individual customized training to improve his/her qualifications in the scope of the function performed on the Supervisory Board or the Supervisory Board committee of which he/she is a member.

7. FINAL PROVISIONS

- 7.1 The Organizational Office in the Legal Division is obliged to keep records of all external functions performed by Members of the Bank's Supervisory Board outside the Bank, including political functions
- 7.2 This Policy is subject to adoption in accordance with point 1.3 above and shall become effective when adopted by the Bank's General Meeting.

APPENDIX 1

THE ASSESSMENT CRITERIA

1. CRITERIA REGARDING THE REPUTATION, HONESTY AND INTEGRITY, AND THE ABILITY TO HANDLE THE BANK'S AFFAIRS IN A PRUDENT AND STEADY MANNER (GUARANTEE OF PROPER PERFORMANCE OF DUTIES)

- 1.1 Pursuant to Article 22aa.1 of the Banking Law, members of the bank's Supervisory Board must guarantee the proper performance of their duties. The guarantee referred to in the preceding sentence primarily refers to the reputation, honesty and integrity of a person concerned and his/her ability to handle the Bank's affairs in a prudent and steady manner.
- 1.2 A Supervisory Board Member should be considered as guaranteeing the proper performance of duties if there is no evidence to suggest otherwise and no reason to have reasonable doubt about his or her good reputation, honesty, integrity and the ability to handle the Bank's affairs in a prudent and steady manner. A Supervisory Board Member should not be considered as guaranteeing the proper performance of duties if his or her personal or business conduct gives rise to any material doubt about his or her ability to ensure the sound and prudent supervision over the management of the Bank.
- 1.3 When assessing the guarantee of proper performance of the duties of Supervisory Board Members, it is necessary to take into account all the information indicated in the document templates referred to in points 4.1, 5.7 and 5.9, including information on:
 - a) Criminal history, criminal or fiscal criminal proceedings conducted against the Supervisory Board Member;
 - b) Administrative sanctions imposed on him/her;
 - c) Administrative sanctions imposed on other entities within the realm of the Supervisory Board Member's responsibility;
 - d) Court proceedings that might adversely affect the Supervisory Board Member's reputation and administrative, disciplinary or debt enforcement proceedings in which he/she is or was involved as a party.
 - e) the risk of the Supervisory Board Member committing or attempting to commit the crime of money laundering or terrorist financing

The surrounding, including mitigating, circumstances and the seriousness of any relevant offence or administrative or supervisory action, the time period and the Supervisory Board Member's conduct since the offence and the relevance of the offence or administrative or supervisory action to the proposed role should be considered.

- 1.4 The cumulative effects of more minor incidents, which individually do not impinge on a Supervisory Board Member's reputation and evaluation of guarantee of proper performance of duties but may in sum have a material impact, should be considered.
- 1.5 Attention should be paid to the following factors regarding the propriety of the Supervisory Board Member in past business dealings:
 - a) any evidence that the Supervisory Board Member has not been transparent, open, and cooperative in its dealings with supervisory or regulatory authorities;

- b) refusal of any economic registration, authorization, membership, or license to carry out a trade, business, or profession; or revocation, withdrawal, or termination of such registration, authorization, membership, or license; or expulsion by a regulatory or government body;
 - c) the reasons for any dismissal from employment or any position of trust, fiduciary relationship, or similar situation, or having been asked to resign from employment in such a position; and
 - d) disqualification by competent authority from acting as a person who directs the business.
 - e) other evidence or other reliable information indicating that the Supervisory Board Member acts in a manner inconsistent with high standards of ethical behavior.
- 1.6 It should be considered how they conduct themselves in private life, business environment and contacts, and how he/she handles any person injured by his/her action.

2. KNOWLEDGE, SKILLS AND EXPERIENCE CRITERIA

- 2.1 Pursuant to Article 22aa.1 of the Banking Law, members of the bank's supervisory board must have knowledge, skills and experience as adequate for offices held by them and duties assigned to them.
- 2.2 When assessing the knowledge, skills and experience, all the information indicated in the document templates referred to in points 4.1, 5.7 and 5.9 should be taken into account, including information on education, profession, skills and experience, including work history, completed professional training, work place and positions held, and functions performed in the bodies of financial sector entities.
- 2.3 The assessment of a Supervisory Board Member's experience should consider both, the theoretical experience attained through education and training and the practical experience gained in previous occupations. It should be taken into account the skills and knowledge acquired and demonstrated by the professional conduct of the member.
- 2.4 With regard to assessment of a Supervisory Board Member's theoretical experience, particular consideration should be given to the level and profile of the education and whether it relates to banking and financial services or other relevant areas. Education in the areas of banking and finance, economics, law, administration, financial regulation and quantitative methods can in general be considered to be related to banking and financial services.
- 2.5 The assessment should not be limited to the details about the level of education of the Supervisory Board Member or proof of a certain period of service in a bank, other financial institution or other entity. A more thorough analysis of the Supervisory Board Member's practical experience should be conducted as the knowledge and skills gained from previous occupations depends on the nature, scale and complexity of the business as well as the function performed within it.
- 2.6 When assessing the knowledge, skills and experience of a member of the management body particular consideration should be given to theoretical and practical experience relating to:
- a) financial markets;
 - b) regulatory framework and requirements;
 - c) strategic planning, and understanding of a bank's business strategy or business plan and accomplishment thereof;
 - d) risk management (identifying, assessing, monitoring, controlling and mitigating the main types of risk of a bank, including the responsibilities of the member of Supervisory Board);

- e) assessment of the efficacy of organization's solutions implemented at the bank, corporate governance, including establishment of effective management, supervision and controls; and
 - f) interpreting a bank's financial information, identifying key issues based on this information and appropriate controls and measures.
 - g) accounting and audit.
- 2.7 A Supervisory Board Member should be capable of providing constructive challenge to the decisions and effective oversight of the Management Board. The experience may be gained from academic, administrative or other positions and through the management, supervision or control of financial institutions or other firms. The Supervisory Board Members should be able to demonstrate that they have, or will be able to acquire, the technical knowledge necessary to enable them to understand the business of the bank and the risks that it faces sufficiently well.

3. GOVERNANCE CRITERIA

- 3.1 When assessing the qualifications of a Supervisory Board Member, all information indicated in the document templates referred to in points 4.1, 5.7 and 5.9 should be taken into account, including other criteria relevant to the functioning of the Supervisory Board, including potential conflicts of interest, the ability to allocate sufficient time, including the effects of a long-term absence of a Supervisory Board Member, if any, the general composition of the Supervisory Board, the required collective knowledge (including expertise and experience of individual members) and the ability of Supervisory Board Members to perform their duties independently without undue influence from other persons.
- 3.2 When assessing independence of a Supervisory Board Member, it is necessary to take into account all situations that could lead to an actual or potential conflict of interest and would or could affect performance of duties in an independent and objective manner, including in particular the following factors:
- a) positions held in the past and at present at banks, other financial institutions or other entities;
 - b) personal, professional or other economic relationships with members of the Bank's Management Board, its parent company, or its subsidiaries;
 - c) personal, professional or other economic relationships with members of the supervisory boards of the Bank's parent company or its subsidiaries;
 - d) personal, professional or other economic relationships with the controlling shareholders of the Bank, with its parent institution or subsidiaries.
 - e) banking products held by Members of the Supervisory Board at the Bank
- 3.3. The Bank shall inform the Polish Financial Supervision Authority of any identified conflict of interest that could affect independent judgment of a Supervisory Board Member, including measures taken to minimize it.
- 3.4. The Supervisory Board needs collectively to have sufficient practical experience in banks.

4. ADDITIONAL CRITERIA FOR MEMBERS OF THE AUDIT COMMITTEE OF THE SUPERVISORY BOARD OF THE BANK

- 4.1. Members of the Audit Committee should meet the requirements imposed by the law (and in particular the requirements set out in Article 129 of the Act of May 11, 2017 on Statutory Auditors, Audit Companies and Public Supervision (hereinafter the “Act”) and the Regulations of the Audit Committee.
- 4.2. When assessing the knowledge, skills and experience of members of the Audit Committee, account should be taken both of theoretical competencies, acquired through education and training, and of practical competencies acquired during the career to date.

Competencies in the area of accounting or audit of financial statements

- 4.3. At least one member of the Audit Committee has knowledge and skills related to accounting or audit of financial statements. However, it is recommended that, to the extent possible, the Audit Committee as a whole meet the criteria related to knowledge and experience in the areas of accounting, financial management, risk management and internal control. Simultaneously, it is recommended that, to the extent possible, each of the members of the Audit Committee have the knowledge and experience necessary to independently and correctly interpret and assess financial statements.
- 4.4. When selecting members of the Supervisory Board who are to be appointed as members of the Audit Committee who have knowledge and experience in the area of accounting or audit of financial statements, the Bank should take into account the tasks of that Audit Committee arising from the Act, and in particular those connected with the monitoring of:
 - a) financial reporting process;
 - b) effectiveness of internal control systems and risk management systems and internal audit, also in the area of financial reporting;
 - c) performance of audit activities, and in particular execution of an audit by an audit company.
- 4.5. Verification if particular members of the Audit Committee meet the knowledge and skill requirements in the area of accounting or audit of financial statements is carried out on the basis of properly documented education and professional experience.
- 4.6. The requirement that a member of the Audit Committee must have the knowledge of accounting or audit of financial statements is assessed with reference to the overall knowledge acquired by the member of the Audit Committee, for example in connection with their education, connected directly with accounting or audit of financial statements, confirmed by a diploma issued by a higher-education school, acquired rights or received certificates, licenses or diplomas. And the skills of a member of the Audit Committee in the area of accounting or audit of financial statements are assessed in the context of to-date professional experience in the area of accounting or audit of financial statements, and in particular the experience gained in connection with work, for example, at accounting, financial & accounting, controlling or actuarial departments or for an audit company.
- 4.7. For instance, it may be concluded that a member of the Audit Committee has knowledge and skills in the area of accounting or audit of financial statements in particular if:
 - a) this member is a licensed auditor, has a certificate issued by the ACCA (Association of Chartered Certified Accountants), CIMA (Chartered Institute of Management Accountants) or other national or international licenses/certificates that confirm the member's knowledge in the area of accounting or audit of financial statements; or
 - b) the member has sufficient, at least 2-years', professional experience gained on a position directly connected with financial accounting, management accounting or audit of financial statements.

- 4.8. In any other cases, the knowledge and skills of a candidate for a member of the Audit Committee may be confirmed by:
- a) having education that is directly connected with accounting or audit of financial statements, confirmed by a diploma issued by a higher-education school or completed specialist training courses in the area of accounting or audit of financial statements, confirmed by diplomas or other documents; and
 - b) skills possessed in the area of accounting or audit of financial statements, gained during professional career.

Competences related to the financial sector

- 4.9. Members of the Audit Committee have knowledge and skills related to the financial sector. This condition is considered met if at least one member of the Audit Committee has knowledge and skills related to that sector or particular members have knowledge and skills related to that sector in determined scopes.
- 4.10. The knowledge of the financial sector should be confirmed and documented by the to-date professional career of a member of the Audit Committee or by the education obtained by the member.

Competences of the Chairperson of the Audit Committee

- 4.11. It is recommended that the Chairperson of the Audit Committee have organizational and communication skills as the Chairperson's duties include ensuring that any meetings are carried out effectively and formulating recommendations.

Independence criterion

- 4.12. The majority of members of the Audit Committee, including its Chairperson, are independent, within the meaning of Article 129(3) of the Act. Whether or not the independence criterion referred to above in this point is met is verified on the basis of statements submitted by members of the Audit Committee, updated annually.
- 4.13. The Chairperson of the Audit Committee must also meet the independence criteria set out in § 14(4) of the Articles of Association.

APPENDIX 2
INFORMATION FORM FOR CANDIDATES FOR SUPERVISORY BOARD MEMBERS
(DELETED)

APPENDIX 3

PRINCIPLES OF DIVERSITY OF SUPERVISORY BOARD MEMBERS

1. SCOPE OF PRINCIPLES

- 1.1 These Principles shall apply to the appointment of Members of the Supervisory Board to positions in the Supervisory Board. The purpose of the Principles of Diversity of Supervisory Board Members (“**Principles**“) is to:
- a) define the Bank's strategy for managing "**Diversity**" (understood as a situation in which the characteristics of Supervisory Board Members, in particular their age, sex, education and professional experience, vary to the extent ensuring a broad spectrum of views), by promoting diversity in selection of Members of the Supervisory Board in order to help tap a wide range of characteristics and competences when appointing Members of the Supervisory Board and by ensuring election of Supervisory Board Members from among people diverse in terms of gender, age, education and professional experience to gain different points of view and experience and enable independent opinions and sound decisions within their functions.
 - b) support implementation of the Bank's strategic goals by ensuring high-quality performance of the function and tasks entrusted by the Supervisory Board, by promoting election of competent persons to perform functions in the Supervisory Board, applying the criteria stemming from the Policy by leveraging the benefits of Diversity.

2. APPLICATION OF THE PRINCIPLES OF DIVERSITY

- 2.1. To achieve the best results, the Principles encompass and make use of differences which, in addition to the criteria referred to in the Policy, arise from the field of education, experience, gender and age. In particular, the Principles promote selection for the positions of Members of the Supervisory Board with consideration for the principle of diversity, i.e. ensuring equal opportunity in the processes for women and men regardless of their age, who have diverse individual knowledge, skills and experience which are at the same time adequate to the positions held by them and the entrusted duties, and which complement each other to ensure an appropriate level of collective supervision over Bank management, which is verified in a collective assessment of the suitability of the Supervisory Board in accordance with the Policy.
- 2.2. The Bank strives to ensure sufficient representation of both genders on the Supervisory Board. If, in the course of assessing a candidate for the position of a Supervisory Board Member, the Committee finds a possible underrepresentation of a gender on the Supervisory Board, the Committee shall define the target value of the underrepresented gender on the Supervisory Board and forward that target value, along with a recommendation, to the Bank's General Meeting.
- 2.3. The Bank seeks to ensure representation of Supervisory Board Members with diverse knowledge on the Supervisory Board.
- 2.4. The Bank seeks to ensure representation of Supervisory Board Members with varied experience on the Supervisory Board.

- 2.5. The Bank appreciates the positive impact of Diversity on building the Bank's culture and values, and takes steps to enable the appropriate diversity of Supervisory Board Members. Taking into account the results of the comparative diversity analysis published by relevant authorities or organizations, the Bank constantly undertakes measures to ensure Diversity.
- 2.6. Remuneration of Supervisory Board Members is gender-neutral.
- 2.7. Ensuring the need for Diversity on the Supervisory Board shall not impair proper supervision over the management of the Bank.

FINAL PROVISIONS

- 3.1. During the assessment of the composition of the Supervisory Board, the Committee documents its compliance with these Principles. If the assessment is unfavorable, the Committee submits the assessment to the Bank's General Meeting together with a recommendation to take steps to ensure compliance of the Supervisory Board with these Principles. The records shall be kept and stored at the Corporate Services Office.
- 3.2. The Principles shall apply without prejudice to mandatory provisions of law.
- 3.3. To the extent not covered by the Principles, provisions of the Policy, generally applicable laws and separate internal regulations and procedures in force at the Bank shall apply.

RESOLUTION No 32/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on appointment of a member of the Bank's Supervisory Board

§ 1

The Ordinary General Meeting of the Bank acting pursuant to Art. 22aa of the Banking Law Act and the Policy for the assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A. (also taking into account its modifications adopted by this Ordinary General Meeting), as well as taking into account the preliminary assessment of qualifications and recommendations on appointment, issued by the Nomination and Remuneration Committee of the Supervisory Board of the Bank concludes that Mr./Ms. ... satisfies the requirements referred to in Art. 22aa of the Banking Law Act, as well as concludes that after appointing Mr./Ms. ... to the Supervisory Board, the Supervisory Board treated as a whole will be collectively qualified to perform its functions properly, therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Ordinary General Meeting of the Bank appoints Mr./Ms., as of 24 June 2022, ... as a member of the Supervisory Board of the Bank for a joint, currently pending term of office.

§ 2

[to be taken into account if the candidate meets at least one of the requirements for members of the Audit Committee specified in art. 129 of the Act of 11 May 2017 on statutory auditors, audit firms and public supervision]

The Ordinary General Meeting of the Bank taking into account the preliminary assessment of qualifications and recommendations issued by the Nomination and Remuneration Committee of the Supervisory Board of the Bank assesses that Mr./Ms. meets the following requirements for members of the Audit Committee, as defined in Art. 129 of the Act of 11 May 2017 on statutory auditors, audit firms and public supervision (hereinafter: the Act), i.e. :

1. has knowledge and skills in accounting or audits of financial statements, as referred to in Art. 129 sec. 1 of the Act, *[to be taken into account only if the candidate meets the indicated condition]*
2. meets the requirement of independence referred to in Art. 129 sec. 3 of the Act, *[to be taken into account only if the candidate meets the indicated condition]*
3. has knowledge and skills in the scope of industry, in which Bank Handlowy w Warszawie S.A. operates, referred to in art. 129 sec. 5 of the Act. *[to be taken into account only if the candidate meets the indicated condition]*

RESOLUTION No 33/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
on appointment of a member of the Bank's Supervisory Board

§ 1

The Ordinary General Meeting of the Bank acting pursuant to Art. 22aa of the Banking Law Act and the Policy for the assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A. (also taking into account its modifications adopted by this Ordinary General Meeting), as well as taking into account the preliminary assessment of qualifications and recommendations on appointment, issued by the Nomination and Remuneration Committee of the Supervisory Board of the Bank concludes that Mr./Ms. ... satisfies the requirements referred to in Art. 22aa of the Banking Law Act, as well as concludes that after appointing Mr./Ms. ... to the Supervisory Board, the Supervisory Board treated as a whole will be collectively qualified to perform its functions properly, therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Ordinary General Meeting of the Bank appoints Mr./Ms., as of 24 June 2022, ... as a member of the Supervisory Board of the Bank for a joint, currently pending term of office.

§ 2

[to be taken into account if the candidate meets at least one of the requirements for members of the Audit Committee specified in art. 129 of the Act of 11 May 2017 on statutory auditors, audit firms and public supervision]

The Ordinary General Meeting of the Bank taking into account the preliminary assessment of qualifications and recommendations issued by the Nomination and Remuneration Committee of the Supervisory Board of the Bank assesses that Mr./Ms. meets the following requirements for members of the Audit Committee, as defined in Art. 129 of the Act of 11 May 2017 on statutory auditors, audit firms and public supervision (hereinafter: the Act), i.e. :

1. has knowledge and skills in accounting or audits of financial statements, as referred to in Art. 129 sec. 1 of the Act, *[to be taken into account only if the candidate meets the indicated condition]*
2. meets the requirement of independence referred to in Art. 129 sec. 3 of the Act, *[to be taken into account only if the candidate meets the indicated condition]*
3. has knowledge and skills in the scope of industry, in which Bank Handlowy w Warszawie S.A. operates, referred to in art. 129 sec. 5 of the Act. *[to be taken into account only if the candidate meets the indicated condition]*

Draft Resolution to Item 5, Sub-point 12) of the Agenda of the Ordinary General Meeting held on 23 June 2022

RESOLUTION No 34/2022

of the Ordinary General Meeting

of the Bank Handlowy w Warszawie Spółka Akcyjna

of 23 June 2022

on acceptance of information on the amendments to the Regulations of the Supervisory Board of Bank Handlowy w Warszawie S.A adopted by the Supervisory Board

Pursuant to § 16 Section 2 of the Bank's Articles of Association, the Ordinary General Meeting of Bank decides to accept information on the amendment to the Regulations of the Supervisory Board of Bank Handlowy w Warszawie S.A. adopted by a resolution of the Supervisory Board of Bank Handlowy w Warszawie S.A. of December 3, 2021, with the content constituting Appendix No. 1 to this resolution, and of March 24, 2022, with the content constituting Appendix No. 2 to this resolution.

Appendix No. 1 to Resolution No. 34/2022
of the Ordinary General Meeting
of Bank Handlowy w Warszawie S.A.
of June 23, 2022

Regulations adopted by the resolution of the Supervisory Board dated May 24, 2005, amended by the resolution of the Supervisory Board dated September 29, 2005, the resolution of the Supervisory Board dated September 26, 2006, the resolution of the Supervisory Board dated December 14, 2007, the resolution of the Supervisory Board dated September 17, 2008, the resolution of the Supervisory Board dated February 18, 2010, the resolution of the Supervisory Board dated December 9, 2011, the resolution of the Supervisory Board dated January 29, 2015, the resolution of the Supervisory Board dated June 10, 2015, the resolution of the Supervisory Board dated December 3, 2015, the resolution of the Supervisory Board dated May 17, 2016, the resolution of the Supervisory Board dated May 17, 2017, the resolution of the Supervisory Board dated December 8, 2017 and the resolution of the Supervisory Board dated May 30, 2018 the resolution of the Supervisory Board dated December 3, 2021

**REGULATIONS
OF THE SUPERVISORY BOARD
OF BANK HANDLOWY W WARSZAWIE S.A.**

§ 1

The Supervisory Board is the statutory supervisory body of the Company acting on the basis of the Articles of Association and the Regulations, which were adopted in accordance with § 16 Section 2 of the Bank's Articles of Association. The Supervisory Board shall inform the General Meeting of the adopted Regulations.

§ 2

1. The Supervisory Board carries out activities overseen by provisions of law and the Bank's Articles of Association, in accordance with the Regulations. The Supervisory Board supervises compliance with the Bank's policies and, if so required by special regulations or the Articles of Association, approves the documents adopted by the Management Board.
2. Except for the rights provided for in applicable laws, the Supervisory Board is authorized to resolve in particular upon:
 - 1) appointing and dismissing the President of the Management Board in a secret ballot,
 - 2) appointing and dismissing in a secret ballot, Vice-presidents and other members of the Bank's Management Board,
 - 3) determining terms and conditions of agreements regulating the employment or other legal relationship between members of the Management Board and the Bank,
 - 4) expressing consent for opening and closing of a branch office abroad,

- 5) adopting regulations of the Supervisory Board and approving the following documents adopted by the Bank's Management Board:
 - a) regulations of the Management Board of the Bank,
 - b) regulations for the application of special funds created out of net profit,
- 6) expressing prior consent for the disposal of the Bank's fixed assets, when the value thereof exceeds one tenth of the Bank's share capital,
- 7) appointing the audit company to audit or review financial statements,
- 8) granting consent for the employment and dismissal (subject to prior hearing) of the person in charge of the internal Audit Department and of the person in charge of the compliance unit upon the motion of the Management Board,
- 9) granting consent for the conclusion by the Bank of material agreement with a shareholder who holds at least 5% of the total vote in the Bank or with entity associated with the Bank. Before giving its approval, the Supervisory Board should evaluate the impact of the transaction on the interest of the Bank as well as it should assess whether there is a need to first consult an external entity that will carry out a valuation of the transaction and perform an analysis of its economic effects,
- 10) supervision over the management system implementation in the Bank and the assessment of its adequacy and efficiency, including supervision over risk management system implementation and annual assessment of this system's adequacy and efficiency as well as supervision over internal control system implementation and performing annual assessment of its adequacy including assessment of adequacy and efficiency of control function, compliance unit and Audit Department as well as the level of efficiency of the Bank's compliance risk management, ,
- 11) approving a strategy of the Bank's activity and the rules of prudent and stable management of the Bank,
- 12) approving the general organizational structure of the Bank adapted to the scope and profile of the risk borne and determined by the Bank's Management Board,
- 13) approving the Bank's acceptable general risk level,
- 14) approving the Bank's compliance policy,
- 15) approving the Bank's internal procedures regarding internal capital assessment and capital management processes as well as capital planning,
- 16) approving the Bank's information policy,
- 17) approving the internal control procedure,
- 18) approving remuneration policies,
- 19) *deleted*,
- 20) *deleted*,
- 21) approving the risk management strategy as well as determining the principles of reporting the types and sizes of risks in the Bank's operations to the Supervisory Board,
- 22) approving regulations of the compliance unit and the Audit Department,
- 23) approving the criteria for the assessment of adequacy and efficiency of the internal control system drafted by the Management Board of the Bank,
- 24) approving of principles of categorization of irregularities detected by the internal control system,
- 25) approving an annual plan of activities of the compliance unit,
- 26) approving the principles of cooperation of the compliance unit and the Audit Department with the corresponding entities of the dominant entity and the subordinated entity,

- 27) approving the principles of annual presentation of reports on its activities by the compliance unit to the Management Board and the Supervisory Board,
- 28) approving the principles of cooperation of the Audit Department with the external auditor,
- 29) approving the strategy of the Audit Department,
- 30) approving the auditing procedures, prepared by the Audit Department Head, ensuring objective completion of tasks by the Audit Department, the principles of transfer of employees from other organizational units of the Bank to the Audit Department, principles of professional development, including the rules for determining the number of internal auditors with professional certificates as well as the periodic assessment of work performance of internal auditors,
- 31) approving the remuneration of the Audit Department Head,
- 32) approving strategic (long-term) and operational (annual) audit plans and amendments to such plans,
- 33) approving the remuneration of the compliance unit Head, which responsibility may be delegated by resolution to the Audit Committee,
- 34) granting consent, each times, to cooperation of the audit Department with the corresponding unit of the dominant entity during an audit, which responsibility may be delegated by resolution to the Audit Committee,
- 35) approving the principles of presenting reports by the Audit Department to the Management Board of the Bank and the Supervisory Board,
- 36) approving the general rules for introducing changes to the organizational structure adopted by the Management Board,
- 37) approving the policy of identifying key functions in the Bank developed by the Management Board including the rules of appointment and dismissal of persons performing these functions,
- 38) approving the ethical principles adopted by the Management Board, defining norms and ethical standards of conduct of members of bodies and employees of the Bank, as well as other persons through whom the Bank conducts its business,
- 39) approving the conflict of interest management policy developed by the Management Board,
- 40) approving the principles of remuneration in the Bank developed by the Management Board,
- 41) approving the dividend policy of the Bank developed by the Management Board and specifying the conditions enabling the payment of dividends from the profit generated by the Bank within a specified period of time, taking into account the maintenance of capital at a level adequate to the risk incurred,
- 42) approving the risk culture principles developed by the Management Board, unless they are included in the risk management strategy, covering the whole Bank, based on a full understanding of the risk which the Bank is exposed to and the method of managing this risk, taking into account the adopted risk appetite,
- 43) approving a new product approval policy, developed by the Management Board, covering the development of new products, services and markets, and significant changes to the existing products, services and markets.

3. The Supervisory Board shall obtain the following information and reports from the Bank's Management Board:

- 1) immediately after their development, however not later than 120 (one hundred twenty) days after the lapse of each financial year, the annual stand-alone and consolidated financial statements drawn up in accordance with the International Accounting Standards and International Financial Reporting Standards and audited by the Bank's certified auditor,
 - 2) immediately after its development and in any case not later than before the lapse of each financial year, a draft annual plan for the following financial year, on a consolidated basis,
 - 3) other periodical information and reports pursuant to the Supervisory Board resolution or internal regulations of the Bank,
 - 4) without delay, other financial data available that relate to the Bank's operations and financial status as well as the operations and financial status of the Bank's subsidiaries that a member of the Supervisory Board may reasonably require,
 - 5) periodical information on the types and levels of the Bank operations risk,
 - 6) report on the Bank's compliance risk management,
 - 7) based on internal control actions, in the post-audit report, current and accurate information on any substantial matters related to the internal controls conducted.
 - 8) on an annual basis, information about the method of execution by the Management Board of the tasks ensuring operation of an adequate and effective internal control system,
 - 9) information on the results of the periodic assessment of the compliance with the Bank's internal governance performed by the Management Board and about any material events that might affect the functioning of internal governance in the Bank,
 - 10) periodic update on the status of implementation of the Bank's management strategy and the risk management strategy and the most important issues related thereto,
 - 11) information on events and circumstances important for the assessment of the Bank's standing and management of the Bank,
 - 12) at least once a year, information on the results of the assessment of compliance with the ethical principles,
 - 13) in a situation where decisions made by the Management Board are related to risk management which is within the competence of a member of the Management Board overseeing significant risk management in the Bank, the Management Board member overseeing the management of risk significant to the Bank's operations votes differently than the rest of the Management Board members or in a manner different than initially proposed in the draft decision – information about the above fact together with a written justification for the decision made by the Management Board and a written justification for the decision made by the member overseeing significant risk management in the Bank,
 - 14) information on approval of a new product by the Management Board or making material changes to an existing product offered by the Bank despite a negative opinion of the compliance unit or the Risk Management Sector as to the appropriateness of approving a new product or material changes to it. The information shall be immediately submitted to the Supervisory Board and it shall include in particular the reasons for disregarding the opinions issued by the representatives of the Risk Management Sector or the compliance unit.
4. The Supervisory Board supervises the implementation of internal governance at the Bank and assesses its adequacy and effectiveness at least once a year. The assessment performed by the Supervisory Board covers, in particular, any changes in internal and external factors affecting the Bank.

5. The Supervisory Board shall perform regular assessment of the application of the Principles of Corporate Governance for Supervised Institutions, and the result of the assessment shall be made available on the Bank's website and submitted to the remaining bodies of the Bank.
6. The Supervisory Board, when appointing or recalling a Management Board member, shall take into account an assessment of the fulfilment of the requirements referred to in Article 22aa of the Banking Law.
7. The Supervisory Board immediately after the appointment of the Management Board and after changing its composition presents the Financial Supervision Authority with the information about the composition of the Management Board and the change in the composition as well as the information resulting from the assessment referred to in Section 6, about the fulfilment by the Management Board members of the requirements referred to in Art. 22aa of the Banking Law.
8. The Supervisory Board approves the internal division of competencies adopted by the Management Board and shall pass that information to the Financial Supervision Authority.
9. The Supervisory Board files a petition to the Financial Supervision Authority for approval of the appointment of the President of the Management Board, the member of the Management Board, supervising the significant risk management in the Bank's operations, as well as approval of the decision to entrust the supervising the significant risk management in the Bank's operations to the already appointed member of the Management Board. The appointment of these individuals and entrusting the supervising the significant risk management in the Bank's operations to the already appointed member of the Management Board occurs after obtaining the consent of the Financial Supervision Authority.
10. The Supervisory Board immediately submits to the Polish Financial Supervision Authority the information on placing on the agenda an item on:
 - 1) recalling the President of the Management Board,
 - 2) recalling the Management Board member supervising significant risk management in the Bank's operations or entrusting another member of the Management Board with the duties of a member of the Management Board supervising significant risk management in the Bank's operations.

The Supervisory Board shall provide the above mentioned information together with justification to the Polish Financial Supervision Authority well in advance enabling the Polish Financial Supervision Authority to take a position before adopting resolutions by the Supervisory Board.

11. The Supervisory Board, depending on the needs, but at least once a year, shall perform assessment of the adequacy and efficiency of the procedure for the anonymous reporting by the employees violations of law and the Bank's ethical standards and procedures.

12. If the Supervisory Board's decision concerning selection of the audit company departs from the recommendation of the Audit Committee, the Supervisory Board shall justify its decision not to follow the recommendation of the Audit Committee and shall communicate such justification to the General Meeting.
13. The Supervisory Board at least once a year shall assess the effectiveness of the Management Board activity and the adequacy of internal regulations concerning the functioning of the Management Board.

§ 3

1. The Supervisory Board shall consist of 5 (five) to 12 (twelve) members, elected by the General Meeting. Members of the Supervisory Board shall be elected for a common term of office of three years.
2. The General Meeting shall decide in accordance with the Bank's Articles of Association on a number of the Supervisory Board's members.
3. The procedure for the election of the members of the Supervisory Board is defined in the Bank's Articles of Association and the Regulations of the General Meeting.
4. Each the Supervisory Board member should provide through the Supervisory Board's Secretary the other members of the Supervisory Board as well as the Management Board with a statement of meeting the independence criteria. The supervisory board should identify any relationships or circumstances which may affect a Supervisory Board member's fulfilment of the independence criteria. An assessment of Supervisory Board members' fulfilment of the independence criteria should be presented to the Ordinary General Meeting in a report on the activity of the Supervisory Board.

§ 4

The Supervisory Board shall elect from among its members the Chairman and the Vice-chairmen of the Supervisory Board. The election shall be held during the Supervisory Board's meeting in a secret ballot.

§ 5

The Supervisory Board shall appoint and dismiss the Supervisory Board's Secretary.

§ 6

The Supervisory Board's members perform their duties personally.

§ 7

1. The Supervisory Board shall perform its duties collectively, subject to Section 2 below.
2. Each member of the Supervisory Board shall be entitled to obtain from the Management Board information necessary to perform its duties. Upon the motion of at least two members, the Supervisory Board shall review the specified branch of the Bank's

activities, demand from the Management Board or the Bank's employees reports and explanations, review the assets, verify the Bank's books and records, according to such members' motion. The Supervisory Board may only reject such motion through the adoption of a resolution. The Supervisory Board may use the services of external experts.

§ 8

1. Meetings of the Supervisory Board shall take place at least once a quarter.
2. The Supervisory Board's members shall attend the General Meeting. The explanation of the absence of the Supervisory Board's member shall be submitted to the Chairman of the Supervisory Board in writing, at the latest on the day preceding the General Meeting, unless the absence results from the reason, which could not be foreseen. The Chairman of the Supervisory Board, one of the Vice-chairmen or an authorized person shall submit to the minutes of the General Meeting the reasons for the absence of a given Supervisory Board's member.
3. The Supervisory Board's members shall within the scope of their powers provide the General Meeting's attendants with explanations and information relating to the Bank to the indispensable extent.

§ 9

1. A meeting of the Supervisory Board shall be convened by the Chairman of Supervisory Board and during his absence by one of the Vice-chairmen of the Supervisory Board, on his own initiative, upon the motion of a Supervisory Board's member or upon the motion of the Bank's Management Board.
2. The Chairman of the Supervisory Board may establish fixed dates, on which meetings of the Supervisory Board shall take place.

§ 10

1. A notification of convening a meeting of the Supervisory Board (or the Committees of the Supervisory Board) containing the agenda and the materials for the debate shall be sent by the Supervisory Board's Secretary to the Supervisory Board's members (or respectively to Committee's members) by e-mail in encrypted form, by courier or registered letter upon the confirmation of receipt, at least 7 (seven) days before a meeting.
2. In urgent cases the Chairman of the Supervisory Board or one of the Vice-chairmen of the Supervisory Board, in circumstances as set forth in § 9 Section 1 above, may order the way of notifying the Supervisory Board's members of the date of a meeting other than stated in Section 1.

§ 11

The Supervisory Board's meetings shall be chaired by the Chairman of the Supervisory Board, and in case of his absence, by one of Vice-chairmen of the Supervisory Board and if, both of them are absent, by a member of the Supervisory Board elected by remaining members.

§ 12

1. The presence of at least a half of the Supervisory Board's members shall be required at a meeting for the validity of its resolutions.
2. Resolutions of the Supervisory Board shall be adopted with the absolute majority of votes.
3. Without consent of the majority of independent Supervisory Board's members none of the following resolutions shall be passed:
 - 1) *deleted*
 - 2) on consent for the conclusion by the Bank of a material agreement with any shareholder holding, as a minimum, 5% of the total number of votes at the Bank or with an affiliate of the Bank, and
 - 3) on appointment of an audit company to audit or review financial statements.
4. A material agreement, referred to in Section 3 Item 2 above, shall be an agreement:
 - 1) with a value having influence on the Bank's financial results exceeding 5% of the net income, presented in the last annual standalone financial statement of the Bank, reviewed by an auditor, or
 - 2) with a value exceeding 0.5% of the balance sheet sum, presented in the last annual standalone financial statement of the Bank, reviewed by an auditor, or
 - 3) with which high legal, regulatory or reputation risk is connected, or
 - 4) to be concluded with an entity associated with the Bank with a value exceeding the equivalent of EUR 500,000,except for agreements concluded within the day-to-day operational activity, in particular connected with liquidity management.

A value of an agreement shall mean a value of cash and non-cash charges determined during the negotiations of such agreement that the bank will be obliged to pay under the agreement. If an agreement is to be concluded for an indefinite period of time or a period exceeding 1 (one) year, for the determination of its value for the above purposes the estimated charges for a 1-year period shall be taken into account.

5. The Supervisory Board shall take resolutions in an open ballot, subject to the provision of § 2 Section 2 Items 1 and 2. The chairman of the debate may order a secret ballot on his own initiative or upon the motion of the Supervisory Board member.

§ 13

A resolution of the Supervisory Board shall come into force on the date of its adoption, unless the resolution provides the later date of coming into force.

§ 14

1. Minutes shall be made from the Supervisory Board's meetings. Minutes are made in writing or in a form equivalent to a written form.

2. A list of the Supervisory Board's members present at the meeting and other persons participating in the meeting constitutes an appendix to the minutes.
3. The Supervisory Board members participating in the meeting shall have the opportunity to examine the minutes and submit comments or dissenting opinions to the minutes before the minutes are signed.
4. The minutes shall be signed by all members of the Supervisory Board present at the meeting.
5. The minutes of the Supervisory Board's meetings of its term of office shall be kept in separate collection, maintained by the Bank.
6. Minutes shall contain:
 - 1) subsequent number of the minutes
 - 2) date of the meeting,
 - 3) the agenda including description of individual items on the agenda,
 - 4) first and last names of the persons taking part in the meeting,
 - 5) the number of the Supervisory Board members absent with the reason for such absence,
 - 6) description of the course of the discussion, arrangements made and agreed actions
 - 7) texts of the adopted resolutions,
 - 8) the number of votes cast for individual resolutions,
 - 9) submitted comments to the minutes, including comments not taken into account and the content of the dissenting opinions, together with an indication of the reasons for disregarding them,
 - 10) other decisions of the Supervisory Board.

§ 15

1. Members of the Bank's Management Board participate in the Supervisory Board meetings, save for meetings or items directly relating to the Management Board.
2. Upon motion of the Chairman of the Supervisory Board or of the Bank's Management Board, the Bank's employees or persons from outside the Bank competent for a given matter may participate in the meetings. The persons managing the Audit Department and the compliance unit shall participate in the Supervisory Board meetings when matters related to the internal control system are being examined. The person managing the Audit Department shall participate in the Supervisory Board meeting where the Audit Department operations are discussed at least once a year.
3. In particularly justified circumstances the Chairman of the Supervisory Board may order the debates without the participation of persons that are not the Supervisory Board's members, even if the foregoing provides otherwise.

§ 16

The permanent Committees of the Supervisory Board shall be:

- 1) Audit Committee,

- 2) Nomination and Remuneration Committee,
- 3) Risk and Capital Committee.

§ 17

1. The Audit Committee shall be composed of at least three members of the Supervisory Board appointed by the Supervisory Board. Rules on selection of the Committee members shall be established in Committee's Regulations
2. The Audit Committee shall be responsible for matters described in detail in the Regulations of the Audit Committee adopted by the Supervisory Board.
3. The Supervisory Board shall pass resolutions on cooperation with an audit company exclusively upon the recommendation of the Audit Committee.
4. The Audit Committee shall submit to the Supervisory Board an annual report on its activities.

§ 18

1. The Nomination and Remuneration Committee shall be composed of the Supervisory Board's members, appointed by the Supervisory Board.
2. The Nomination and Remuneration Committee's competencies include the matters specified in detail in the Bylaws of the Nomination and Remuneration Committee adopted by the Supervisory Board.
3. The Supervisory Board shall pass resolutions on the principles and level of compensation for the members of the Bank's Management Board, exclusively upon the motion of the Nomination and Remuneration Committee.
4. The Nomination and Remuneration Committee shall submit to the Supervisory Board an annual report on its activities.

§ 18a

1. The Risk and Capital Committee shall be composed of the Supervisory Board's members, appointed by the Supervisory Board.
2. The Risk and Capital Committee shall be responsible for matters described in detail in the Regulations of the Remuneration Committee adopted by the Supervisory Board, including the supervision of the risk management strategy and the process of internal capital estimation and capital management.
3. The Risk and Capital Committee shall submit to the Supervisory Board an annual report on its activities.

§ 19

The Supervisory Board may pass a resolution on the establishment of committees other than those defined in § 16 of the Regulations, which shall consist exclusively of the members of the Supervisory Board appointed by the Supervisory Board. The scope of the committee's activities shall be defined in the regulations of the committee adopted by way of resolution by the Supervisory Board. .

§ 20

1. When selecting the composition of the committees, the Supervisory Board shall assess the adequacy of the overall composition of its committees, with particular emphasis on the assessment of the knowledge, skills and experience of individual committee members, as well as whether the full composition of the committee reflects an adequately broad range of knowledge, skills and experience necessary to understand the Bank's operations and relevant risks in its activity.
2. The chairman and the vice-chairman of the Supervisory Board's committee shall be elected by the Supervisory Board from among members of such committee.
3. A meeting of the committee shall be convened by its chairman on his own initiative or at the request of a member of the committee or the Chairman or one of Vice-chairmen of the Supervisory Board.
4. The committee shall pass resolutions with the absolute majority of votes of those present committee members, unless the resolution on the establishment of a committee provides otherwise.

§ 21

1. Minutes shall be taken from meetings of the committees.
2. The provisions of the regulations of the committee shall apply to the minutes taken from the committees' meetings.

§ 22

In contacts with the mass media, the Supervisory Board's members may only disclose generally available information concerning the Bank. The disclosure of other information or restricted data shall be reserved for the Chairman of the Supervisory Board.

§ 23

1. Conflict of interest is the problem of conflict between the private interests of the Supervisory Board member and the obligations arising from his position as a member of the Supervisory Board, if the private interest may adversely affect the proper performance of the member of the Supervisory Board. A conflict of interest may also result from past personal or professional relationship and pertain to a member of the Supervisory Board individually and collectively, if joint actions of the Supervisory Board members may result in a conflict between their interests and the obligations resulting from their functions. A conflict of interest exists also if the activity of Supervisory Board Member

outside the Bank is impossible to reconcile with the duty of loyalty to the Bank and act in his best interest.

2. In particular, a conflict of interest may result in business activities, professional, political, hiring relatives, exploiting the potential of the business of the Bank and the information and knowledge acquired in the exercise of their functions. Consequently, a member of the Supervisory Board shall refrain from taking any professional or non-professional activity, which could lead to a conflict of interest or adversely affect its reputation as a member of the Supervisory Board.
3. Immediately after the appointment, the Supervisory Board member informs the Chairman of Supervisory Board and Secretary of the Supervisory Board of any activity outside of the Bank with an indication of whether it is in relation to the activities performed in the Bank's competitive, and an indication of whether or participate in a competitive company as a partner in a partnership or as a member of the body of a company or any other competitive legal person as a member of its body.
4. Member of the Supervisory Board is required to inform the Chairman of the Supervisory Board and Secretary of the Supervisory Board of any circumstances that may result or resulting in a conflict of interest in connection with the function performed in the Supervisory Board, in particular in case of function performed in governing or supervisory body of a competitive entity or being in kinship, affinity or any other close non-service relationship with respect to any of the other members of the Supervisory Board, members of the Management Board or employees of the Bank. In assessing the potential conflict of interests Supervisory Board member should also take into account the independence criteria set out in the Statute, in particular those related to significant business relationship.
5. Member of the Supervisory Board is required to refrain from participation in decision-making or voting in relation to all matters for which Supervisory Board member may, be in a conflict of interest, or if it would undermine his objectivity or ability to properly fulfill the obligations to the Bank, and may request that this in the minutes. In this case, a member of the Management Board shall inform the other members of the Supervisory Board of the risk of a conflict of interest.
 - 6)
6. The Secretary to the Supervisory Board shall archive information on identified conflicts of interest and their solution, assessing their significance and, if applicable, submitting this information for the purposes of the disclosure process on the terms specified in the Bank.

§ 24

1. The Supervisory Board accepts employees' notifications for breaches of the law, internal regulations and ethical standards applicable in the Bank in the case of notifications regarding members of the Management Board. Notifications can be made anonymously. Notifications are forwarded to the Chairman of the Supervisory Board in the manner specified in the Bank's internal regulations.
2. The Chairman of the Supervisory Board informs about the notification the other members of the Supervisory Board and the President of the Management Board.

3. Upon receipt of the notification, the Chairman of the Supervisory Board shall designate the employees, organizational divisions or organizational units responsible for taking and coordinating the verification of the infringement notification as well as following up or forwarding the verification request to an external law firm. Designated employee, organizational division or organizational unit or designated law firm based on the material collected in the case, analyzes the notification and assesses the notification for a breach of the law, the internal procedures and ethical standards applicable in the Bank (verification of the validity of the notification). Upon completion of the verification activities, the appointed employee, organizational division or organizational unit or appointed law firm prepares a summary report of the conducted analysis of the notification containing the recommended actions and submits it to the Chairman of the Supervisory Board.
4. The Chairman of the Supervisory Board immediately gives the other members of the Supervisory Board a report summarizing the conducted analysis of the infringement notification containing the recommended actions, and then the Supervisory Board shall take a decision on the subject matter. Immediately after the decision of the Supervisory Board has been taken, the Chairman of the Supervisory Board shall notify the member of the Management Board to whom the infringement was alleged of the infringement notification and of the procedure for verifying the reasonableness of the infringement notification and of the decision of the Supervisory Board, subject to the confidentiality of the reporting employee, if the employee has disclosed his or her identity or it is possible to establish his or her identity.

Appendix No. 2 to Resolution No. 34/2022
of the Ordinary General Meeting
of Bank Handlowy w Warszawie S.A.
of June 23, 2022

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The Supervisory Board is the statutory supervisory body of the Company acting on the basis of the Articles of Association and the Regulations, which were adopted in accordance with § 16 Section 2 of the Bank's Articles of Association. The Supervisory Board shall inform the General Meeting of the adopted Regulations.

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 - 1) appointing and dismissing the President of the Management Board in a secret ballot,
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- 3) determining terms and conditions of agreements regulating the employment or other legal relationship between members of the Management Board and the Bank,
- 4) expressing consent for opening and closing of a branch office abroad,
- 5) adopting regulations of the Supervisory Board and approving the following documents adopted by the Bank's Management Board:
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 - b) regulations for the application of special funds created out of net profit,
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- 7) appointing the audit company to audit or review financial statements,
- 8) granting consent for the employment and dismissal (subject to prior hearing) of the person in charge of the internal Audit Department and of the person in charge of the compliance unit upon the motion of the Management Board,
- 9) granting consent for the conclusion by the Bank of material agreement with a shareholder who holds at least 5% of the total vote in the Bank or with entity associated with the Bank. Before giving its approval, the Supervisory Board should evaluate the impact of the transaction on the interest of the Bank as well as it should assess whether there is a need to first consult an external entity that will carry out a valuation of the transaction and perform an analysis of its economic effects,
- 10) supervision over the management system implementation in the Bank and the assessment of its adequacy and efficiency, including supervision over risk management system implementation and annual assessment of this system's adequacy and efficiency as well as supervision over internal control system implementation and performing annual assessment of its adequacy including assessment of adequacy and efficiency of control function, compliance unit and Audit Department as well as the level of efficiency of the Bank's compliance risk management, ,
- 11) approving a strategy of the Bank's activity and the rules of prudent and stable management of the Bank,
- 12) approving the general organizational structure of the Bank adapted to the scope and profile of the risk borne and determined by the Bank's Management Board,
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- 24) approving of principles of categorization of irregularities detected by the internal control system,
- 25) approving an annual plan of activities of the compliance unit,

- 26) approving the principles of cooperation of the compliance unit and the Audit Department with the corresponding entities of the dominant entity and the subordinated entity,
- 27) approving the principles of annual presentation of reports on its activities by the compliance unit to the Management Board and the Supervisory Board,
- 28) approving the principles of cooperation of the Audit Department with the external auditor,
- 29) approving the strategy of the Audit Department,
- 30) approving the auditing procedures, prepared by the Audit Department Head, ensuring objective completion of tasks by the Audit Department, the principles of transfer of employees from other organizational units of the Bank to the Audit Department, principles of professional development, including the rules for determining the number of internal auditors with professional certificates as well as the periodic assessment of work performance of internal auditors,
- 31) approving the remuneration of the Audit Department Head,
- 32) approving strategic (long-term) and operational (annual) audit plans and amendments to such plans,
- 33) approving the remuneration of the compliance unit Head, which responsibility may be delegated by resolution to the Audit Committee,
- 34) granting consent, each times, to cooperation of the audit Department with the corresponding unit of the dominant entity during an audit, which responsibility may be delegated by resolution to the Audit Committee,
- 35) approving the principles of presenting reports by the Audit Department to the Management Board of the Bank and the Supervisory Board,
- 36) approving the general rules for introducing changes to the organizational structure adopted by the Management Board,
- 37) approving the policy of identifying key functions in the Bank developed by the Management Board including the rules of appointment and dismissal of persons performing these functions,
- 38) approving the ethical principles adopted by the Management Board, defining norms and ethical standards of conduct of members of bodies and employees of the Bank, as well as other persons through whom the Bank conducts its business,
- 39) approving the conflict of interest management policy developed by the Management Board,
- 40) approving the principles of remuneration in the Bank developed by the Management Board,
- 41) approving the dividend policy of the Bank developed by the Management Board and specifying the conditions enabling the payment of dividends from the profit generated by the Bank within a specified period of time, taking into account the maintenance of capital at a level adequate to the risk incurred,
- 42) approving the risk culture principles developed by the Management Board, unless they are included in the risk management strategy, covering the whole Bank, based on a full understanding of the risk which the Bank is exposed to and the method of managing this risk, taking into account the adopted risk appetite,
- 43) approving a new product approval policy, developed by the Management Board, covering the development of new products, services and markets, and significant changes to the existing products, services and markets.

3. The Supervisory Board shall obtain the following information and reports from the Bank's Management Board:
 - 1) immediately after their development, however not later than 120 (one hundred twenty) days after the lapse of each financial year, the annual stand-alone and consolidated financial statements drawn up in accordance with the International Accounting Standards and International Financial Reporting Standards and audited by the Bank's certified auditor,
 - 2) immediately after its development and in any case not later than before the lapse of each financial year, a draft annual plan for the following financial year, on a consolidated basis,
 - 3) other periodical information and reports pursuant to the Supervisory Board resolution or internal regulations of the Bank,
 - 4) without delay, other financial data available that relate to the Bank's operations and financial status as well as the operations and financial status of the Bank's subsidiaries that a member of the Supervisory Board may reasonably require,
 - 5) periodical information on the types and levels of the Bank operations risk,
 - 6) report on the Bank's compliance risk management,
 - 7) based on internal control actions, in the post-audit report, current and accurate information on any substantial matters related to the internal controls conducted.
 - 8) on an annual basis, information about the method of execution by the Management Board of the tasks ensuring operation of an adequate and effective internal control system,
 - 9) information on the results of the periodic assessment of the compliance with the Bank's internal governance performed by the Management Board and about any material events that might affect the functioning of internal governance in the Bank,
 - 10) periodic update on the status of implementation of the Bank's management strategy and the risk management strategy and the most important issues related thereto,
 - 11) information on events and circumstances important for the assessment of the Bank's standing and management of the Bank,
 - 12) at least once a year, information on the results of the assessment of compliance with the ethical principles,
 - 13) in a situation where decisions made by the Management Board are related to risk management which is within the competence of a member of the Management Board overseeing significant risk management in the Bank, the Management Board member overseeing the management of risk significant to the Bank's operations votes differently than the rest of the Management Board members or in a manner different than initially proposed in the draft decision – information about the above fact together with a written justification for the decision made by the Management Board and a written justification for the decision made by the member overseeing significant risk management in the Bank,
 - 14) information on approval of a new product by the Management Board or making material changes to an existing product offered by the Bank despite a negative opinion of the compliance unit or the Risk Management Sector as to the appropriateness of approving a new product or material changes to it. The information shall be immediately submitted to the Supervisory Board and it shall include in particular the reasons for disregarding the opinions issued by the representatives of the Risk Management Sector or the compliance unit.
4. The Supervisory Board supervises the implementation of internal governance at the Bank and assesses its adequacy and effectiveness at least once a year. The assessment performed

by the Supervisory Board covers, in particular, any changes in internal and external factors affecting the Bank.

5. The Supervisory Board shall perform regular assessment of the application of the Principles of Corporate Governance for Supervised Institutions, and the result of the assessment shall be made available on the Bank's website and submitted to the remaining bodies of the Bank.
6. The Supervisory Board, when appointing or recalling a Management Board member, shall take into account an assessment of the fulfilment of the requirements referred to in Article 22aa of the Banking Law.
7. The Supervisory Board immediately after the appointment of the Management Board and after changing its composition presents the Financial Supervision Authority with the information about the composition of the Management Board and the change in the composition as well as the information resulting from the assessment referred to in Section 6, about the fulfilment by the Management Board members of the requirements referred to in Art. 22aa of the Banking Law.
8. The Supervisory Board approves the internal division of competencies adopted by the Management Board and shall pass that information to the Financial Supervision Authority.
9. The Supervisory Board files a petition to the Financial Supervision Authority for approval of the appointment of the President of the Management Board, the member of the Management Board, supervising the significant risk management in the Bank's operations, as well as approval of the decision to entrust the supervising the significant risk management in the Bank's operations to the already appointed member of the Management Board. The appointment of these individuals and entrusting the supervising the significant risk management in the Bank's operations to the already appointed member of the Management Board occurs after obtaining the consent of the Financial Supervision Authority.
10. The Supervisory Board immediately submits to the Polish Financial Supervision Authority the information on placing on the agenda an item on:
 - 1) recalling the President of the Management Board,
 - 2) recalling the Management Board member supervising significant risk management in the Bank's operations or entrusting another member of the Management Board with the duties of a member of the Management Board supervising significant risk management in the Bank's operations.

The Supervisory Board shall provide the above mentioned information together with justification to the Polish Financial Supervision Authority well in advance enabling the Polish Financial Supervision Authority to take a position before adopting resolutions by the Supervisory Board.

11. The Supervisory Board, depending on the needs, but at least once a year, shall perform assessment of the adequacy and efficiency of the procedure for the anonymous reporting by the employees violations of law and the Bank's ethical standards and procedures.

12. If the Supervisory Board's decision concerning selection of the audit company departs from the recommendation of the Audit Committee, the Supervisory Board shall justify its decision not to follow the recommendation of the Audit Committee and shall communicate such justification to the General Meeting.
13. The Supervisory Board at least once a year shall assess the effectiveness of the Management Board activity and the adequacy of internal regulations concerning the functioning of the Management Board.

§ 3

1. The Supervisory Board shall consist of 5 (five) to 12 (twelve) members, elected by the General Meeting. Members of the Supervisory Board shall be elected for a common term of office of three years.
2. The General Meeting shall decide in accordance with the Bank's Articles of Association on a number of the Supervisory Board's members.
3. The procedure for the election of the members of the Supervisory Board is defined in the Bank's Articles of Association and the Regulations of the General Meeting.
4. Each the Supervisory Board member should provide through the Supervisory Board's Secretary the other members of the Supervisory Board as well as the Management Board with a statement of meeting the independence criteria. The supervisory board should identify any relationships or circumstances which may affect a Supervisory Board member's fulfilment of the independence criteria. An assessment of Supervisory Board members' fulfilment of the independence criteria should be presented to the Ordinary General Meeting in a report on the activity of the Supervisory Board.

§ 4

The Supervisory Board shall elect from among its members the Chairman and the Vice-chairmen of the Supervisory Board. The election shall be held during the Supervisory Board's meeting in a secret ballot.

§ 5

The Supervisory Board shall appoint and dismiss the Supervisory Board's Secretary.

§ 6

The Supervisory Board's members perform their duties personally.

§ 7

1. The Supervisory Board shall perform its duties collectively, subject to Section 2 below.
2. Each member of the Supervisory Board shall be entitled to obtain from the Management Board information necessary to perform its duties. Upon the motion of at least two

members, the Supervisory Board shall review the specified branch of the Bank's activities, demand from the Management Board or the Bank's employees reports and explanations, review the assets, verify the Bank's books and records, according to such members' motion. The Supervisory Board may only reject such motion through the adoption of a resolution. The Supervisory Board may use the services of external experts.

§ 8

1. Meetings of the Supervisory Board shall take place at least once a quarter.
2. The Supervisory Board's members shall attend the General Meeting. The explanation of the absence of the Supervisory Board's member shall be submitted to the Chairman of the Supervisory Board in writing, at the latest on the day preceding the General Meeting, unless the absence results from the reason, which could not be foreseen. The Chairman of the Supervisory Board, one of the Vice-chairmen or an authorized person shall submit to the minutes of the General Meeting the reasons for the absence of a given Supervisory Board's member.
3. The Supervisory Board's members shall within the scope of their powers provide the General Meeting's attendants with explanations and information relating to the Bank to the indispensable extent.

§ 9

1. A meeting of the Supervisory Board shall be convened by the Chairman of Supervisory Board and during his absence by one of the Vice-chairmen of the Supervisory Board, on his own initiative, upon the motion of a Supervisory Board's member or upon the motion of the Bank's Management Board.
2. The Chairman of the Supervisory Board may establish fixed dates, on which meetings of the Supervisory Board shall take place.

§ 10

1. A notification of convening a meeting of the Supervisory Board (or the Committees of the Supervisory Board) containing the agenda and the materials for the debate shall be sent by the Supervisory Board's Secretary to the Supervisory Board's members (or respectively to Committee's members) by e-mail in encrypted form, by courier or registered letter upon the confirmation of receipt, at least 7 (seven) days before a meeting.
2. In urgent cases the Chairman of the Supervisory Board or one of the Vice-chairmen of the Supervisory Board, in circumstances as set forth in § 9 Section 1 above, may order the way of notifying the Supervisory Board's members of the date of a meeting other than stated in Section 1.

§ 11

The Supervisory Board's meetings shall be chaired by the Chairman of the Supervisory Board, and in case of his absence, by one of Vice-chairmen of the Supervisory Board and if, both of them are absent, by a member of the Supervisory Board elected by remaining members.

§ 12

1. The presence of at least a half of the Supervisory Board's members shall be required at a meeting for the validity of its resolutions.
2. Resolutions of the Supervisory Board shall be adopted with the absolute majority of votes.
3. Without consent of the majority of independent Supervisory Board's members none of the following resolutions shall be passed:
 - 1) *deleted*
 - 2) on consent for the conclusion by the Bank of a material agreement with any shareholder holding, as a minimum, 5% of the total number of votes at the Bank or with an affiliate of the Bank, and
 - 3) on appointment of an audit company to audit or review financial statements.
4. A material agreement, referred to in Section 3 Item 2 above, shall be an agreement:
 - 1) with a value having influence on the Bank's financial results exceeding 5% of the net income, presented in the last annual standalone financial statement of the Bank, reviewed by an auditor, or
 - 2) with a value exceeding 0.5% of the balance sheet sum, presented in the last annual standalone financial statement of the Bank, reviewed by an auditor, or
 - 3) with which high legal, regulatory or reputation risk is connected, or
 - 4) to be concluded with an entity associated with the Bank with a value exceeding the equivalent of EUR 500,000,except for agreements concluded within the day-to-day operational activity, in particular connected with liquidity management.

A value of an agreement shall mean a value of cash and non-cash charges determined during the negotiations of such agreement that the bank will be obliged to pay under the agreement. If an agreement is to be concluded for an indefinite period of time or a period exceeding 1 (one) year, for the determination of its value for the above purposes the estimated charges for a 1-year period shall be taken into account.

5. The Supervisory Board shall take resolutions in an open ballot, subject to the provision of § 2 Section 2 Items 1 and 2. The chairman of the debate may order a secret ballot on his own initiative or upon the motion of the Supervisory Board member.

§ 13

A resolution of the Supervisory Board shall come into force on the date of its adoption, unless the resolution provides the later date of coming into force.

§ 14

1. Minutes shall be made from the Supervisory Board's meetings. Minutes are made in writing or in a form equivalent to a written form.

2. A list of the Supervisory Board's members present at the meeting and other persons participating in the meeting constitutes an appendix to the minutes.
3. The Supervisory Board members participating in the meeting shall have the opportunity to examine the minutes and submit comments or dissenting opinions to the minutes before the minutes are signed.
4. The minutes shall be signed by all members of the Supervisory Board present at the meeting.
5. The minutes of the Supervisory Board's meetings of its term of office shall be kept in separate collection, maintained by the Bank.
6. Minutes shall contain:
 - 1) subsequent number of the minutes
 - 2) date of the meeting,
 - 3) the agenda including description of individual items on the agenda,
 - 4) first and last names of the persons taking part in the meeting,
 - 5) the number of the Supervisory Board members absent with the reason for such absence,
 - 6) description of the course of the discussion, arrangements made and agreed actions
 - 7) texts of the adopted resolutions,
 - 8) the number of votes cast for individual resolutions,
 - 9) submitted comments to the minutes, including comments not taken into account and the content of the dissenting opinions, together with an indication of the reasons for disregarding them,
 - 10) other decisions of the Supervisory Board.

§ 15

1. Members of the Bank's Management Board participate in the Supervisory Board meetings, save for meetings or items directly relating to the Management Board.
2. Upon motion of the Chairman of the Supervisory Board or of the Bank's Management Board, the Bank's employees or persons from outside the Bank competent for a given matter may participate in the meetings. The persons managing the Audit Department and the compliance unit shall participate in the Supervisory Board meetings when matters related to the internal control system are being examined. The person managing the Audit Department shall participate in the Supervisory Board meeting where the Audit Department operations are discussed at least once a year.
3. In particularly justified circumstances the Chairman of the Supervisory Board may order the debates without the participation of persons that are not the Supervisory Board's members, even if the foregoing provides otherwise.

§ 16

The permanent Committees of the Supervisory Board shall be:

- 1) Audit Committee,

- 2) Nomination and Remuneration Committee,
- 3) Risk and Capital Committee.

§ 17

1. The Audit Committee shall be composed of at least three members of the Supervisory Board appointed by the Supervisory Board. Rules on selection of the Committee members shall be established in Committee's Regulations
2. The Audit Committee shall be responsible for matters described in detail in the Regulations of the Audit Committee adopted by the Supervisory Board.
3. The Supervisory Board shall pass resolutions on cooperation with an audit company exclusively upon the recommendation of the Audit Committee.
4. The Audit Committee shall submit to the Supervisory Board an annual report on its activities.

§ 18

1. The Nomination and Remuneration Committee shall be composed of the Supervisory Board's members, appointed by the Supervisory Board.
2. The Nomination and Remuneration Committee's competencies include the matters specified in detail in the Bylaws of the Nomination and Remuneration Committee adopted by the Supervisory Board.
3. The Supervisory Board shall pass resolutions on the principles and level of compensation for the members of the Bank's Management Board, exclusively upon the motion of the Nomination and Remuneration Committee.
4. The Nomination and Remuneration Committee shall submit to the Supervisory Board an annual report on its activities.

§ 18a

1. The Risk and Capital Committee shall be composed of the Supervisory Board's members, appointed by the Supervisory Board.
2. The Risk and Capital Committee shall be responsible for matters described in detail in the Regulations of the Remuneration Committee adopted by the Supervisory Board, including the supervision of the risk management strategy and the process of internal capital estimation and capital management.
3. The Risk and Capital Committee shall submit to the Supervisory Board an annual report on its activities.

§ 19

The Supervisory Board may pass a resolution on the establishment of committees other than those defined in § 16 of the Regulations, which shall consist exclusively of the members of the Supervisory Board appointed by the Supervisory Board. The scope of the committee's activities shall be defined in the regulations of the committee adopted by way of resolution by the Supervisory Board. .

§ 20

1. When selecting the composition of the committees, the Supervisory Board shall assess the adequacy of the overall composition of its committees, with particular emphasis on the assessment of the knowledge, skills and experience of individual committee members, as well as whether the full composition of the committee reflects an adequately broad range of knowledge, skills and experience necessary to understand the Bank's operations and relevant risks in its activity.
2. The chairman and the vice-chairman of the Supervisory Board's committee shall be elected by the Supervisory Board from among members of such committee.
3. A meeting of the committee shall be convened by its chairman on his own initiative or at the request of a member of the committee or the Chairman or one of Vice-chairmen of the Supervisory Board.
4. The committee shall pass resolutions with the absolute majority of votes of those present committee members, unless the resolution on the establishment of a committee provides otherwise.

§ 21

1. Minutes shall be taken from meetings of the committees.
2. The provisions of the regulations of the committee shall apply to the minutes taken from the committees' meetings.

§ 22

In contacts with the mass media, the Supervisory Board's members may only disclose generally available information concerning the Bank. The disclosure of other information or restricted data shall be reserved for the Chairman of the Supervisory Board.

§ 23

1. Conflict of interest is the problem of conflict between the private interests of the Supervisory Board member and the obligations arising from his position as a member of the Supervisory Board, if the private interest may adversely affect the proper performance of the member of the Supervisory Board. A conflict of interest may also result from past personal or professional relationship and pertain to a member of the Supervisory Board individually and collectively, if joint actions of the Supervisory Board members may result in a conflict between their interests and the obligations resulting from their functions. A conflict of interest exists also if the activity of Supervisory Board Member

outside the Bank is impossible to reconcile with the duty of loyalty to the Bank and act in his best interest.

2. In particular, a conflict of interest may result in business activities, professional, political, hiring relatives, exploiting the potential of the business of the Bank and the information and knowledge acquired in the exercise of their functions. Consequently, a member of the Supervisory Board shall refrain from taking any professional or non-professional activity, which could lead to a conflict of interest or adversely affect its reputation as a member of the Supervisory Board.
3. Immediately after the appointment, the Supervisory Board member informs the Chairman of Supervisory Board and Secretary of the Supervisory Board of any activity outside of the Bank with an indication of whether it is in relation to the activities performed in the Bank's competitive, and an indication of whether or participate in a competitive company as a partner in a partnership or as a member of the body of a company or any other competitive legal person as a member of its body.
4. Member of the Supervisory Board is required to inform the Chairman of the Supervisory Board and Secretary of the Supervisory Board of any circumstances that may result or resulting in a conflict of interest in connection with the function performed in the Supervisory Board, in particular in case of function performed in governing or supervisory body of a competitive entity or being in kinship, affinity or any other close non-service relationship with respect to any of the other members of the Supervisory Board, members of the Management Board or employees of the Bank. In assessing the potential conflict of interests Supervisory Board member should also take into account the independence criteria set out in the Statute, in particular those related to significant business relationship.
5. Member of the Supervisory Board is required to refrain from participation in decision-making or voting in relation to all matters for which Supervisory Board member may, be in a conflict of interest, or if it would undermine his objectivity or ability to properly fulfill the obligations to the Bank, and may request that this in the minutes. In this case, a member of the Management Board shall inform the other members of the Supervisory Board of the risk of a conflict of interest.
7)
6. The Secretary to the Supervisory Board shall archive information on identified conflicts of interest and their solution, assessing their significance and, if applicable, submitting this information for the purposes of the disclosure process on the terms specified in the Bank.

§ 24

1. The Supervisory Board accepts employees' notifications for breaches of the law, internal regulations and ethical standards applicable in the Bank in the case of notifications regarding members of the Management Board. Notifications can be made anonymously. Notifications are forwarded to the Supervisory Board in the manner specified in the Bank's internal regulations.
2. Upon receipt of the notification, the Supervisory Board shall designate the employees, organizational divisions or organizational units responsible for taking and coordinating

the verification of the infringement notification as well as following up or forwarding the verification request to an external law firm. Designated employee, organizational division or organizational unit or designated law firm based on the material collected in the case, analyzes the notification and assesses the notification for a breach of the law, the internal procedures and ethical standards applicable in the Bank (verification of the validity of the notification). Upon completion of the verification activities, the appointed employee, organizational division or organizational unit or appointed law firm prepares a summary report of the conducted analysis of the notification containing the recommended actions and submits it to the Supervisory Board in order to take a decision on the subject matter.

3. Immediately after the decision, the Supervisory Board shall notify the member of the Management Board to whom the infringement was alleged of the infringement notification and of the procedure for verifying the reasonableness of the infringement notification and of the decision of the Supervisory Board, subject to the confidentiality of the reporting employee, if the employee has disclosed his or her identity or it is possible to establish his or her identity.

RESOLUTION No 35/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022
**on amendment the Regulations of the General Meeting of Shareholders of Bank Handlowy w
Warszawie S.A.**

§ 1

Pursuant to § 13 Section 5 of the Bank's Articles of Association, the Ordinary General Meeting of Bank resolves to make the following changes to the Regulations of the General Meeting of Shareholders of Bank Handlowy w Warszawie S.A:

1. § 24 sec. 2 is replaced by the following: *„Draft resolutions of the General Meeting on matters entered on the agenda of the General Meeting should be notified by the shareholders no later than 3 days before the General Meeting date.”* and the existing sections 2 and 3 in § 24 are numbered respectively, section 3 and 4,
2. § 30 sec. 3 is replaced by the following: *„Proposed candidates for Supervisory Board Members should be presented in a time period sufficient for the shareholders present at the General Meeting to make a decision based on due knowledge but no later than 3 days before the General Meeting. The presentation of the candidates, together with a set of materials relating to them, should be published without delay on the company's website.”* and the existing sections 3,4 and 5 in § 30 are numbered respectively, section 4,5 and 6.

§ 2

The Ordinary General Meeting of Bank resolves to adopt the consolidated text of the Regulations of the General Meeting of Shareholders of Bank Handlowy w Warszawie S.A., considering changes adopted in accordance with § 1, with the content constituting the attachment 1 to the resolution.

§ 3

The resolution comes into force on the day of its adoption. Amendments to the Regulations of the General Meeting of Shareholders of Bank Handlowy w Warszawie S.A. are valid starting from the next General Meeting.

Appendix No. 1 to Resolution No. 35/2022
of the Ordinary General Meeting
of Bank Handlowy w Warszawie S.A.
of June 23, 2022

**REGULATIONS
OF THE GENERAL MEETING OF SHAREHOLDERS OF BANK
HANDLOWY W WARSZAWIE S.A.**

§ 1

1. The General Meeting of Shareholders of Bank Handlowy w Warszawie S.A., hereinafter referred to as the General Meeting may be ordinary (annual) or extraordinary.
2. The convening and preparation of the General Meeting takes place according to the procedure and principles set forth in the Commercial Companies Code and the Bank's Articles of Association.
3. The General Meeting's debates take place according to the provisions of the Commercial Companies Code and in the Regulations.

§ 2

1. Only persons who are shareholders of the Bank sixteen day before the date of the General Meeting of Shareholders shall have the right to participate in it. The list of persons entitled based on bearer shares shall be made on the basis of bearer share instruments if such instruments or certificates which are their due substitutes are submitted to the Bank no later than on the date of registration for participation in the General Meeting of Shareholders and are not collected before the end of that day, and in the case of dematerialized bearer shares – on the basis of a list prepared based on certificates of the right to participate in the General Meeting of Shareholders or other equivalent documents, issued in conformity with the Act on Trading in Financial Instruments; such list to be made available by the securities depository to the Bank. The securities depository shall issue a nominative certificates to the holder's name at the request of a person entitled to that made no earlier than after the announcement of the convention of the General Meeting of Shareholders and no later than on the first business day after the date of the registration for participation in the General Meeting of Shareholders.
2. A shareholder can transfer shares during the period between the date of registration for participation in the General Meeting of Shareholders and the date of the closing of the General Meeting of Shareholders.

§ 3

1. The members of the Management Board and the Supervisory Board of the Bank shall be present during the General Meeting and also the auditor of the company shall be present, if financial matters of the Bank are to be discussed.
2. The absence of the member of the Management Board or the member of the Supervisory Board must be explained.
3. In case of the absence of the Supervisory Board's member, the Chairman of the Supervisory Board or a person authorized by him/her shall submit the explanations. In case of the absence of the Management Board's member, the President of the Management Board or a person authorized by him/her shall submit the explanations.
4. Also other persons invited by the Management Board may participate in the General Meeting.

§ 4

1. A list of shareholders entitled to participate in the General Meeting shall be prepared and signed by the Bank's Management Board.
2. The list shall include:
 - a) first and last names or company (name) of shareholders entitled to participate in the General Meeting,
 - b) place of residence (seat) or correspondence address in case of individuals,
 - c) number and type of shares and the number of votes attributed thereto.
3. The list shall include information that each share entitles to 1 (one) vote.
4. The list referred to in Section 1 and 2 shall be available at premises of the Bank's Management Board for 3 (three) working days directly preceding the date set for holding the General Meeting.
5. Information concerning a General Meeting of Shareholders, in particular, draft resolutions proposed to be passed along with a justification and a Supervisory Board opinion, and other required documentation shall be placed on the Bank's website in conformity with the Code of Commercial Companies.

§ 5

1. Subject to limitations set out in the Commercial Companies' Code the Bank's shareholders may contact the Bank by electronic means of communication. In particular, the Bank's shareholders may submit motions, requests, ask questions and send notices and documents.
2. The shareholders will electronically communicate with the Bank by using a special dedicated e-mail address.
3. A power of attorney should be drawn up in writing or by-email and should be attached to the minutes of the General Meeting; otherwise, it shall be null and void. A power of attorney granted by e-mail shall not require a safe electronic signature verified by a valid qualified certificate. In the case of legal persons, the power of attorney should be signed by persons authorized to represent the person in accordance with an excerpt from an appropriate register presented at the time the attendance list referred to in § 9 of the Regulations is drafted, or if no such register exists – in accordance with another document specifying the persons authorized to represent such a person.
4. When the shareholder electronically sends documents which in the original were drawn up in a language other than Polish, he/she shall attach to them their translation into Polish prepared by a sworn translator.
5. Any documents which are sent electronically by the shareholder to the Bank or by the Bank to the shareholder have to be scanned in a PDF format.

§ 5a

1. The Bank's shareholders intending to exercise their right to communicate with the Bank by e-mail may do so only at the e-mail address given on the Bank's website. This way may be used to communicate in particular:
 - 1) a demand to convene a General Meeting;
 - 2) motions to place a given issue on the General Meeting agenda;
 - 3) draft General Meeting resolutions;
 - 4) questions;
 - 5) notices on powers of attorney by e-mail and on revocation of powers of attorney.
2. A person communicating with the Bank by e-mail should prove its shareholder status or its right to participate in the Bank's General Meeting. To this end, such a person, together with the demand, motion, draft resolution, question or notice, shall be obliged to send to the Bank the following documents by e-mail given on the Bank's website:
 - 1) a scan of the deposit certificate or registered certificate confirming the right to participate in the Bank's General Meeting, and;
 - 2) in the case of a natural person – a scan of the ID document or passport (allowing for the identification of the holder);
 - 3) in the case of a legal person or organizational unit without legal personality – a scan of the excerpt from an appropriate register.

3. In the case of a notice on a power of attorney by e-mail, the shareholder or a person entitled to participate in a General Meeting, apart from the documents referred to in item 2, shall send additionally to the email address given on the Bank's website:
 - 1) a scan of the power of attorney, containing particulars of the mandator or persons acting on its behalf in accordance with the mandator's principles of representation;
 - 2) a scan of the ID document or passport (containing particulars allowing for the identification of the holder) of the attorney being a natural person;
 - 3) a scan of an excerpt from the register relevant for the attorney being a legal person or an organizational unit without legal personality;
 - 4) e-mail address for communication with the shareholder or its attorney.
4. The Bank's Management Board may establish additional methods of communication with the Bank by e-mail, and for notices on power of attorney by e-mail, by placing appropriate information on the Bank's website or in an announcement on convening a General Meeting.
5. The provisions of items 2-4 shall apply accordingly to a notice on revocation of a power of attorney by e-mail.
6. Motions, demands, draft resolutions, questions and notices submitted by shareholders in a manner other than by e-mail given on the Bank's website or disregarding the requirements set out in items 2-4 above, or set out in accordance with item 5, shall not be legally effective towards the Bank and as such shall not be taken into account.

§ 5b

1. The Bank may organize a General Meeting in a manner enabling the shareholders to participate in a General Meeting by means of electronic communication, and in particular:
 - a. to transmit a General Meeting on the Internet;
 - b. two-way on-line communication allowing the shareholders using means of electronic communication to speak remotely during the General Meeting;
 - c. to vote in person or by proxy before or during a General Meeting.
2. The Bank's Management Board shall be authorized to establish detailed principles of the shareholders' participation in a General Meeting by means of electronic communication, including the organizational and technical requirements necessary for the Bank's shareholders to participate in a General Meeting by means of electronic communication, especially technical solutions used to identify the shareholders and to ensure electronic communication safety.
3. Shareholders participating in a General Meeting by means of electronic communication or, in the case of a notice on a power of attorney by e-mail or any documentation set out in § 5a of the Regulations bear the risk related thereto, especially arising from the inability to receive the transmission, communication or to vote during a General Meeting as a result of temporary or permanent outage or power line or telecommunications network distortions within the meaning of the Telecommunications Law of 16 July 2004 (Journal of Laws no. 171, item 1800, as amended).

§ 6

1. A shareholder being an individual person may participate in the General Meeting and exercise its voting rights personally or acting through an attorney.
2. A shareholder being a legal entity may participate in the General Meeting and exercise its voting rights through a person entitled to submit declarations of will in its name, or acting through an attorney.
3. A power of attorney to attend the General Meeting and exercise the right to vote must be granted in writing or in electronic form.
4. The forms to be used for voting through an attorney are available from the date of convening the General Meeting on the Bank's website.

§ 7

1. If a power of attorney is granted in writing, the attorney is obliged to present, while preparing the attendance list, the following documents:
 - 1) an original of the power of attorney;
 - 2) a scanned image of an extract from the register with which the shareholder is registered; or a scanned image of a document confirming the powers of the persons acting on behalf of such a shareholder; and
 - 3) a document enabling to identify the attorney.
2. Should any of the above-mentioned documents be drawn up in a language other than Polish, the attorney shall attach to them their translation into Polish prepared by a sworn translator.

§ 8

1. Shareholders shall notify the Bank of having granted a power of attorney in an electronic form using a special dedicated e-mail address.
2. The notification must contain the shareholder's phone number and e-mail address, as well as the attorney's phone number and e-mail address that can be used by the Bank to contact the shareholder and the attorney. The notification of having granted a power of attorney should also contain the scope of the power of attorney, i.e. the number of shares in respect of which the right to vote is to be exercised and the date of the General Meeting at which the right is to be exercised.
3. The notification of having granted a power of attorney in an electronic form to be sent by the shareholder to the Bank must be accompanied by the text of the power of attorney, excluding instructions for exercising the right to vote by the attorney.

4. If the power of attorney is not granted by a natural person, the shareholder must provide the Bank with the following:
 - 1) a scanned image of an extract from the register with which the shareholder is registered; or
 - 2) a scanned image of a document confirming the powers of the persons acting on behalf of such a shareholder.
5. If the power of attorney has been granted to an entity other than a natural person, the shareholder must provide the Bank also with the following:
 - 1) a scanned image of an extract from the register with which the attorney is registered; or
 - 2) a scanned image of any other document confirming that such an entity exists.
6. The procedure described above applies accordingly to notifying the Bank, by electronic means, of having revoked the power of attorney.
7. The notification of having granted or revoked the power of attorney in an electronic form should be given not later than by 3 p.m. on the day preceding the day of the General Meeting.
8. Nothing in the procedure described above may be construed as releasing the attorney from the obligation to provide, while preparing the attendance list of the persons eligible to attend the General Meeting, documents to identify the attorney.

§ 9

1. In order to verify the validity of the power of attorney granted in an electronic form and to identify the Bank's shareholder and their attorney, the Bank must, upon receipt of a notification of having granted the power of attorney in an electronic form in accordance with the provisions of § 8 above, verify whether the notification contains such information and is accompanied by such scanned images of documents as specified in § 8 above and, in the case of persons other than natural persons, whether the power of attorney has been granted by a person or persons authorized to represent the entity granting the power of attorney.
2. The Bank may use the phone number provided by the shareholder in accordance with § 8 above or send a return e-mail to contact the shareholder and/or their attorney in order to verify the granting by that shareholder of a power of attorney in an electronic form. The Bank shall have the right to contact both the shareholder and the attorney.
3. The Bank may also take other actions to identify the shareholder and their attorney in order to verify the validity of a power of attorney granted in an electronic form, with such actions to be proportional to the intended purpose.

4. The Bank will not be bound by a notification of having granted or revoked a power of attorney in an electronic form if the notification fails to comply with the requirements specified in § 8 above.

§ 10

1. Members of the Bank's Management Board and the Bank's employees may act as attorneys for the Bank's shareholders at the General Meeting.
2. If the attorney for a shareholder at the General Meeting is:
 - 1) a member of the Bank's Board,
 - 2) a member of the Bank's Supervisory Board,
 - 3) an employee of the Bank or
 - 4) a member of a governing body of the Bank's subsidiary or an employee of such a subsidiary,

the power of attorney may authorize to represent that shareholder only at one General Meeting. The attorney must disclose to the Bank's shareholder any circumstances indicating that a conflict of interest has occurred or may occur. Further powers of attorney may not be granted.

3. If the Bank's shareholder appoints an attorney as referred to above, the shareholder must provide the attorney with instructions on how to vote and the attorney is obliged to vote in accordance with such instructions.

§ 11

1. The General Meeting shall be opened by the Chairman or the Vice-chairman of the Bank's Supervisory Board, who orders the election of the Chairman of the General Meeting.
2. In case of the absence of the Chairman or the Vice-chairman of the Bank's Supervisory Board, the rights referred to in Section 1 shall be passed to the President of the Management Board or any person nominated by the Management Board.

§ 12

1. Each shareholder is entitled to stand as candidate for the position of the Chairman of the General Meeting and may submit into the minutes one candidate for the position of the Chairman of the General Meeting.
2. The nominated candidate shall be entered into a list upon submitting into the minutes a declaration of accepting its nomination. The person opening the General Meeting prepares the list of the nominated candidates. Upon its announcement, the list shall be considered closed.

3. The Chairman of the General Meeting is elected by voting for each candidate separately, in alphabetic sequence. The Chairman shall be elected in an open ballot, unless any of the shareholders entitled to vote demands a secret ballot to take place.
4. The person opening the General Meeting shall ensure the correctness of voting and shall announce its results.
5. The candidate who, has expressed its consent for the nomination and received the highest number of votes present shall become the Chairman of the General Meeting. If several candidates receive an identical number of votes, voting shall be repeated.
6. The General Meeting shall refrain from making decisions until the Chairman of the General Meeting is elected.

§ 13

1. The Chairman of the General Meeting shall manage the debate in accordance with the agenda, applicable laws and provisions of the Regulations.
2. The Chairman of the General Meeting shall ensure the efficient and correct progress of the debate and voting, and the respect for the interests of all shareholders.
3. Duties of the Chairman of the General Meeting shall include in particular:
 - 1) allowing to speak,
 - 1) providing appropriate instructions to maintain order in the course of the debate,
 - 2) ordering technical breaks in the debate,
 - 3) ordering voting to take place and overseeing its proper conduct,
 - 4) signing documents containing results of voting, 5) concluding the completion of the agenda, 6) resolving procedural issues.
4. The Bank's Management Board through the person opening the General Meeting shall deliver to the Chairman of the General Meeting an instruction to fulfill this function in a manner ensuring the observance of applicable provisions of law, "Code of Best Practice for WSE Listed Companies", the Articles of Association and other internal regulations of the Bank. The instruction is included in the Attachment to the Regulations.

§ 14

1. Following the election, the Chairman of the General Meeting shall sign a list of attendance, containing a list of shareholders participating in the General Meeting, specifying the number of shares held by each shareholder and the number of votes allocated to such shareholder.
2. The list of attendance shall be prepared by the persons appointed for this purpose by the Bank's Management Board. The list of attendance is prepared on the basis of the list of shareholders, as referred to in § 4 Section 1 and Section 2 of the Regulations.
3. When preparing the list of attendance it is necessary to:
 1. verify whether a shareholder is entitled to participate in the General Meeting,

2. verify the identity of a shareholder or its attorney, based on an identity card or other reliable document,
 3. verify the correctness of the power of attorney, which shall be subsequently attached to the minutes of the General Meeting,
 4. obtain a signature of a shareholder or its attorney on the list of attendance,
 5. provide an appropriate voting instrument to a shareholder or its attorney.
4. The appeals relating to the right of participation in the General Meeting shall be submitted to the Chairman of the General Meeting, whose decisions shall be final in this regard.

§ 15

1. The list of attendance shall be available throughout the course of the General Meeting, until it is closed. Persons preparing the list of attendance are obliged to include therein any changes in participation in the General Meeting, indicating the time, when such changes are made.
2. A shareholder leaving the room during the debate shall be obliged to notify the fact to the persons preparing the list of attendance.

§ 16

1. Following the election and signing the list of attendance, the Chairman of the General Meeting shall conclude the correctness of convening the General Meeting and its ability to adopt resolutions and present the agenda.
2. If required, the Chairman of the General Meeting may appoint a person, who shall assist him in capacity of the Secretary of the General Meeting.

§ 17

removed

§ 18

removed

§ 19

1. The General Meeting may adopt a resolution on abandoning the consideration of any matter included on the agenda of the General Meeting or on change the order of matters included on the agenda. The prior consent of all the shareholders present at the General Meeting, who filed such motion, supported by 80% of the votes of the General Meeting shall be required to cancel an item on the agenda or abandon the consideration of any matter included on the agenda. The motions in the aforementioned issues shall be justified in detail.
2. With respect to matters not included in the agenda, resolutions may not be adopted, unless the entire share capital is represented at the General Meeting and no present person opposes to the adoption of such resolution.

§ 20

- 1 After presenting each consecutive matter placed in the agenda, the Chairman of the General Meeting shall open discussion and allow speaking in the sequence of registration. Upon consent of the General Meeting, discussion may take place on several items of the agenda jointly.
- 2 Members of the Bank's Management Board and the Supervisory Board may be allowed to speak out of sequence.
- 3 The Chairman of the General Meeting may order registration for discussion in writing, with providing first and last names.
- 4 If a large number of persons registers for the participation in discussion, the Chairman of the General Meeting may restrict the number of speakers.

§ 21

- 1 It is allowed to speak only on matters included in the agenda and being currently considered.
- 2 In consideration of each matter on the agenda, a shareholder shall be entitled to one five-minute statement and three-minute response.
- 3 The Chairman of the General Meeting shall be entitled to remind a speaker, who deviates from the topic of discussion or exceeds the time allocated pursuant to Section 2. The speaker not adhering to the reminder may be deprived of the right to speak by the Chairman.

§ 22

- 1 Information concerning a General Meeting of Shareholders, in particular, draft resolutions proposed to be passed along with a justification and a Supervisory Board opinion, and other required documentation shall be placed on the Bank's website in conformity with the Code of Commercial Companies.
- 2 A Management Board member can refuse to provide information if giving the information could be a basis for his penal, civil law or administrative liability.
- 3 A response shall be considered to be given if appropriate information is available on the Bank's website.
- 4 For important reasons, the Management Board can give a response in writing outside the General Meeting of Shareholders but no later than within two weeks from the date of making the request during the General Meeting of Shareholders.

§ 23

Any shareholder shall be entitled to object decisions of the Chairman of the General Meeting. The General Meeting shall decide about maintaining or revoking the Chairman's decision in an open ballot by the absolute majority of votes present.

§ 24

1. Each shareholder shall have the right to propose draft resolutions during a General Meeting of Shareholders concerning matters placed on its agenda, propose changes and additions to draft resolutions, covered by the agenda of a General Meeting of Shareholders – until the closing of a discussion over an item of the agenda covering the draft resolution to which a proposal relates.
2. Draft resolutions of the General Meeting on matters entered on the agenda of the General Meeting should be notified by the shareholders no later than 3 days before the General Meeting date.
3. A shareholder or shareholders representing at least one-twentieth of the share capital shall be entitled to demand that a certain matter be placed on the agenda of the General Meeting of Shareholders. In order to exercise the right, they should give their motion to the Bank Management Board in writing or in an electronic form; along with a justification and a draft resolution related to the proposed item on the agenda no later than twenty-one days before the date of the General Meeting of Shareholders. The Management Board shall place the matter on the agenda of the next General Meeting of Shareholders immediately, but no later than eighteen days before the scheduled date of the General Meeting of Shareholders.
4. A shareholder or shareholders representing at least one-twentieth of the share capital can, before the date of a General Meeting of Shareholders, propose to the Bank in writing or in an electronic form draft resolutions related to matters placed on the agenda or matters to be placed on the agenda. The Bank shall immediately publish such draft resolutions on its website.

§ 25

1. On formal matters, the Chairman shall allow to speak out of sequence. Any shareholder may submit a motion on formal matters.
2. As the motions on formal matters are considered the motions on the manner of proceeding and voting, in particular on:
 - 1) limiting, deferring or closing the discussion,
 - 2) closing a list of speakers,
 - 3) limiting time of presentation,
 - 4) manner of conducting proceedings,
 - 5) ordering a break in the debate,
 - 6) sequence of voting on motions.
3. Discussion over formal motions shall be opened directly after their submission.

4. Only 2 (two) speakers may be allowed to speak in the discussion on motions on formal matters - one in favor and one against the motion submitted, unless the General Meeting decides otherwise.
5. Directly after the discussion, the Chairman of the General Meeting shall order voting on a formal matter, which shall be adopted by the absolute majority of votes present, unless the Commercial Companies Code provides otherwise.

§ 26

- 1 Subject to cases provided for in the Commercial Companies Code, the General Meeting is valid irrespectively of the number of represented shares.
- 2 Subject to cases provided for in the Commercial Companies Code and the Bank's Articles of Association, resolutions shall be valid when adopted by the absolute majority of votes present.

§ 27

1. A shareholder shall not be entitled to vote personally or through an attorney nor as an attorney for any other person on a resolution relating to:
 - 1) disputes between such shareholder and the Bank,
 - 2) such shareholder's liability toward the Bank,
 - 3) discharging such shareholder from the performance of duties,
 - 4) releasing from any obligation toward the company.
2. A shareholder may vote as an attorney on resolutions relating to matters set out in Section 1.
3. In the case set out in Section 2, the attorney must disclose to the Bank's shareholder any circumstances indicating that a conflict of interest has occurred or may occur. Further powers of attorney may not be granted.
4. In the case set out in Section 2, the shareholder must provide the attorney with instructions on how to vote and the attorney is obliged to vote in accordance with such instructions.

§ 28

- 1 Subject to Section 2, voting shall take place be an open ballot.
- 2 A secret ballot shall be ordered:

- 1) in elections and on motions for the dismissal of members of the Bank's bodies or liquidators,
- 2) on motions for declaring members of Bank's bodies or liquidators liable,
- 3) in personal matters,
- 4) upon the request of even one attending shareholder.

§ 29

- 1 After closing the discussion over each of the item on the agenda and prior to proceeding with voting, the Chairman shall inform of the motions received and determine the sequence of voting. Voting on motions shall take place in the sequence of their submission.
- 2 Voting shall take place in the manner adopted by the General Meeting or by using a computer system of voting and vote counting, ensuring the exercise of votes in numbers corresponding to the number of possessed shares, and - in case of a secret ballot - eliminating the possibility to identify the manner of voting by particular shareholders.
- 3 The Chairman of the General Meeting shall formulate resolutions in such way that each authorized person that does not agree with the merit of a solution, constituting the subject of such resolution may appeal against it.

§ 30

- 1 Members of the Bank's Supervisory Board shall be elected from a list of candidates presented by the shareholders represented at the General Meeting.
- 2 Shareholders shall nominate their candidates in writing to the Chairman of the General Meeting or orally into the minutes, along with a brief justification of such candidate in each case.
- 3 Proposed candidates for Supervisory Board Members should be presented in a time period sufficient for the shareholders present at the General Meeting to make a decision based on due knowledge but no later than 3 days before the General Meeting. The presentation of the candidates, together with a set of materials relating to them, should be published without delay on the company's website.
- 4 The nominated candidates shall be entered into a list upon submitting a written or oral statement into the minutes on the consent to stand as candidate for a member of the Bank's Supervisory Board.
- 5 The list of the nominated candidates for members of the Bank's Supervisory Board shall be prepared by the Chairman of the General Meeting in an alphabetical order. Upon its announcement, the list shall be considered to be closed.
- 6 When proposing candidates to the Supervisory Board, the shareholders shall submit the documents necessary for evaluating whether the candidates fulfil the requirements under Art. 22aa of the Banking Law following the instructions contained in the Policy for the assessment of the members of the Supervisory Board of Bank Handlowy w Warszawie S.A.

If candidates are submitted during the General Meeting of Shareholders, the Chairman shall adjourn the sitting in order to enable the shareholders to acquaint themselves with the profile of the candidates and the submitted documents in accordance to the requirements of the above mentioned Policy.

§ 31

- 1 The election to the Bank's Supervisory Board shall be held in a secret ballot, for each candidate separately, in an alphabetical order.
- 1a Before appointing candidates to be a member of the Supervisory Board, the General Meeting must first assess whether the candidate complies with the requirements set out in Art. 22aa of the Banking Law in accordance with the Policy for the assessment of the members of the Supervisory Board of Bank Handlowy w Warszawie S.A. The General Meeting includes information on the completion of the assessment process, referred to in the previous sentence, along with a brief summary of this assessment and a statement on whether the General Meeting believes that the candidates have met the requirements of Art. 22aa of the Banking Law.
- 2 The candidates, who have received the largest number of votes, however, not less than the absolute majority of votes present shall be considered the elected members of the Supervisory Board.
- 3 If any vacant mandate, in a number determined pursuant to § 14 Section 2 of Bank's Articles of Association, is left after the elections to the Supervisory Board, due to not receiving by candidates the absolute majority of votes present, the shareholders present or represented at the General Meeting shall propose 2 (two) new candidates for each vacant mandate and voting shall be held with respect to such candidates.
- 4 From among the candidates, referred to in § 31 Section 3, the candidates, who have received the largest number of votes, however, not less than the absolute majority of votes present, shall be considered the elected members. If a candidate does not receive the absolute majority of votes present and certain mandates of the Supervisory Board's members remain vacant, the Chairman shall order supplementary voting. The candidates, who have received the largest number of votes present, shall be considered the elected members of the Supervisory Board. If the candidates for the last vacant mandate receive an equal number of votes, an additional vote will be held with respect to those candidates. The candidate, who has received the largest number of votes of present shall be considered the elected member.

§ 32

The Chairman of the General Meeting shall close the General Meeting upon exhausting the agenda thereof.

§ 33

1. Resolutions of the General Meeting are recorded by a notary.

2. Minutes shall be prepared according to the provisions of the Commercial Companies Code.
3. The Management Board shall enter a copy of the minutes into the book of minutes.
4. Shareholders shall be entitled to review the book of minutes and to request the issuance of copies of resolutions, certified by the Management Board.
5. Within one week of the closing of a General Meeting of Shareholders the Bank shall place on its website results of voting, which shall remain available until the final date for challenging resolutions of the General Meeting of Shareholders.

§ 34

Resolutions of the General Meeting may be sued to the court in the manner and under conditions set forth in the Commercial Companies Code.

§ 35

Provisions of the Commercial Companies Code and the Bank's Articles of Association shall apply in matters not provided for herein.

§ 36

The Regulations were adopted by the resolution of the General Meeting of Shareholders on June 21, 2005 and shall come into force from the date of the next General Meeting.

Attachment to the Regulations of the General Meeting of Shareholders of Bank Handlowy w Warszawie S.A.

**INSTRUCTION
ON CONDUCTING GENERAL MEETINGS
OF BANK HANDLOWY W WARSZAWIE S.A.**

Introductory Provisions

- 1 The subject matter of this Instruction is to regulate the duties and powers of the Chairman of the Bank's General Meetings.

General Principles

- 2 The Chairman of the General Meeting shall be obliged to lead the debate, respecting the provisions of the Commercial Companies Code, the Bank's Articles of Association, the "Regulations of the General Meeting of Shareholders of Bank Handlowy w Warszawie S.A." and the "Code of Best Practice for WSE Listed Companies" issued by the Supervisory Board of the Giełda Papierów Wartościowych w Warszawie S.A.
- 3 The Chairman of the General Meeting shall assure a smooth conduct of the debate, respecting the rights and interests of all shareholders. In particular, the Chairman of the General Meeting shall counteract any abuse of powers by the General Meeting's attendants and ensure that the minority shareholders' rights are respected.
- 4 The Chairman of the General Meeting shall be objective and keep a relevant balance between firmness and flexibility.
- 5 The Chairman of the General Meeting shall not resign from its function without a sound reason. However, the Chairman of the General Meeting shall resign if, during the debates he has started to get any doubt whether he possesses enough experience, knowledge of law, the Bank's affairs and its internal procedures to perform properly the function entrusted to him. The Chairman of the General Meeting shall also resign, when during the debates he has started to get doubt whether he could be fully objective in assessing demands or charges submitted by particular shareholders.
- 6 During the debates, the Chairman of the General Meeting shall be obliged to have the Commercial Companies Code, the Bank's Articles of Association and the "Regulations of the General Meeting of Shareholders of Bank Handlowy w Warszawie S.A.". If he has started to get any doubt in relation to any issue that arose at the General Meeting, the Chairman of the General Meeting is obliged to request an opinion of the independent legal expert present at the General Meeting.

Detail Duties and Powers of the Chairman

- 7 The Chairman of the General Meeting conducts its debate. The Chairman's powers include in particular:
- 1) allowing to speak,
 - 2) providing appropriate instructions to maintain order in the course of the debate,
 - 3) ordering technical breaks in the debate,
 - 4) ordering voting to take place and overseeing its proper conduct,
 - 5) signing documents containing results of voting,
 - 6) concluding the completion of the agenda,
 - 7) resolving procedural issues.
- 8 Immediately after elected, the Chairman shall sign a list of attendance, which specifies the attending shareholders, the number of shares each of them holds and the number of votes conferred to them.
- 9 Following signing the list of attendance, the Chairman of the General Meeting shall state that the General Meeting has been convened correctly and that it is capable of adopting resolutions. Subsequently, the Chairman shall present the agenda.
- 10 Subsequently, the Chairman shall check whether all the Supervisory Board's members and the Management Board's members are present at the Meeting. If any Supervisory Board's member or the Management Board's member is absent from the General Meeting, the Chairman shall oblige the remaining members of a respective body to explain the absence and shall read out the explanations presented by the absent member if they were provided.
- 11 The Chairman of the ordinary (annual) General Meeting shall check whether the Bank's auditor is present at the General Meeting. This provision applies respectively to extraordinary General Meetings, whose agenda includes the Bank's financial issues.
- 12 The Chairman shall explain to the General Meeting attendants that the Supervisory Board's members and the Management Board's members (on the basis of internal regulations) and the auditor (on the basis of an agreement signed with the Bank) are obliged, to the extent of their respective powers and, as far as it is necessary to settle the issues discussed by the General Meeting, to provide information to the shareholders present at the General Meeting.
- 13 In respect of each consecutive item of the agenda, the Chairman shall present an issue and open the debates, allowing to speak in the order of applications. The Supervisory Board's members and the Management Board's members may be allowed to speak beyond out of the order.
- 14 The Chairman shall allow speaking only on the issues included in the agenda and being currently under discussion. When discussing individual points of the agenda, each shareholder shall be entitled to one five-minute statement and three-minute response. If the right to speak or reply is abused or if the time limits are not kept, the Chairman shall deprive the speaker of the right to speak.
- 15 If there are many applications for taking part in the discussion, the Chairman may limit a number of speakers without paying attention to the application order.

- 16 The Chairman of the General Meeting shall formulate resolutions in the way to enable each eligible person, who does not agree with the merits of the resolution to appeal against it.
- 17 Each shareholder shall have the right to submit proposed amendments and supplementations to draft resolutions, until the discussion on the particular item of the agenda is closed. Draft amendments and supplementations to draft resolutions shall be submitted in writing. The Chairman shall be obliged to require the amendments and supplementations be presented in the form of uniform draft resolutions.
- 18 If any proposed amendment or supplementation to the draft resolution is submitted, the Chairman shall order voting on this issue in the order in which individual draft amendments are submitted. Before the voting is held, the Chairman shall read out a draft resolution, unless all the attendants have its text and none of the present objects to abandon reading the draft by the Chairman.
- 19 A resolution on abandoning to consider any issue included in the agenda upon the shareholders' motion may be adopted only upon the consent of all the shareholders present at the General Meeting, who submitted the motion, if supported by the majority of three fourths of the votes of the General Meeting.
- 20 The attendant who raised objections has the right to present a brief justification thereof.
- 21 In case of submitting formal motions, the Chairman shall allow to speak out of the specified order. The discussion on formal motions shall be opened directly after they are submitted. Such discussion shall be limited to a speech of 1 (one) person for the motion and 1 (one) person against the motion. Subsequently, if other persons want to join the discussion, the Chairman shall order the General Meeting to vote on a resolution to extend the discussion. The resolutions on formal matters and on other matters relating to order may be adopted though they were not placed on the agenda.
- 22 At request of a General Meeting attendant, its written statement shall be included in the minutes. The Chairman shall be obliged to ensure that the notary servicing the General Meeting included the motion in the minutes.
- 23 The General Meeting may not pass resolutions on the issues not being placed on the agenda, other than the issues relating to the order, unless the whole share capital is represented and none of the present objects to such a resolution to be adopted.
- 24 The resolutions shall be adopted by the absolute majority of votes present, unless the generally applicable provisions of law or the Bank's Articles of Association provide otherwise.
- 25 Voting on the General Meeting shall take place by an open ballot. A secret ballot shall be ordered for the purpose of elections, or when motions for the Bank's authorities members or liquidators to be removed or held liable are voted, or in case of motions relating to personal issues. Besides, a secret ballot shall be ordered at the request of any shareholder present at

the General Meeting. The General Meeting may pass a resolution on annulling the secret ballot in cases relating to the election of a committee appointed by the General Meeting.

26 Short breaks in the debate, not constituting the adjournment of such debate, ordered by the Chairman of the General Meeting in a justified situation must not be aimed at disturbing the shareholders in exercising their rights.

27 The Chairman may not, without a sound reason, delay the signing of minutes from the General Meeting.

Final provisions

28 This Instruction shall not replace the Commercial Companies Code, the Bank's Articles of Association, the "Regulations of the General Meeting of Shareholders of Bank Handlowy w Warszawie S.A." and the "Code of Best Practice for WSE Listed Companies".

29 If in the Chairman's opinion, this Instruction is contrary to the regulations specified in point 28, the Chairman shall be obliged to comply with these regulations in accordance with the best knowledge and due diligence.

**RESOLUTION No 36/2022
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 23 June 2022**

on exempting former Management Board members from the obligation to submit explanations in the course of drawing up the Management Board's reports on the activities and financial statements covering the period when they were members of the Management Board and exempting former Management Board members from the obligation to participate in the General Meeting approving the above-mentioned reports.

§ 1

Pursuant to Article. 1 clause 29) Act of February 9, 2022 amending the Act - Code of Commercial Companies and certain other acts, amending the content of § 370 § 3 of the Commercial Companies Code as of October 13, 2022, the Ordinary General Meeting decides to exempt the former [(regardless of the moment when this condition appears)] Members of the Management Board of Bank Handlowy w Warszawie S.A. from the obligation to submit explanations in the course of drawing up the Management Board's reports on the activities and financial statements covering the period when they were members of the Management Board and decides to exempt former [(regardless of the moment when this condition appears)] Members of the Management Board from the obligation to participate in the General Meeting approving these reports.

§ 2

For the avoidance of doubt, this resolution also applies to future events.

§ 3

The resolution comes into force on October 13, 2022.