

**Attachment to the Current Report No 34/2017**

**Resolution No. 1  
of the Extraordinary General Meeting  
of Bank Handlowy w Warszawie Spółka Akcyjna  
of 6 December 2017**

**concerning election of the Chairman of the Extraordinary General Meeting**

The Extraordinary General Meeting of the Bank appoints Mr Jarosław Iwanicki to act as Chairman of the Extraordinary General Meeting.

**Resolution No. 2  
of the Extraordinary General Meeting  
of Bank Handlowy w Warszawie Spółka Akcyjna  
of 6 December 2017**

**concerning approval of the Agenda**

The Extraordinary General Meeting of the Bank approves the Agenda of the Extraordinary General Meeting.

**Resolution No. 3  
of the Extraordinary General Meeting  
of Bank Handlowy w Warszawie Spółka Akcyjna  
of 6 December 2017**

**concerning recalling of the members of the Supervisory Board of the Bank**

§ 1

In connection with the introduction of the provisions on common term of office of the members of the Supervisory Board of the Bank into the Articles of Association of the Bank, the Extraordinary General Meeting of the Bank has decided to recall:

1. Mr Andrzej Olechowski
2. Mr Frank Mannion
3. Mr Shirish Apte
4. Mr Marek Belkę
5. Mr Igor Chalupec
6. Ms Jenny Grey
7. Mr Marek Kapuściński
8. Mr Marc Lueta
9. Mr Anand Selvakesari

10. Mr Stanisław Sołtysiński

11. Mr Stephen Volk

from the composition of the Supervisory Board of the Bank.

This recall is solely for the purpose of early termination of the current individual terms of office of the Bank's Supervisory Board members and the commencement of a new common term of office of the Supervisory Board. Accordingly, the Extraordinary General Meeting of the Bank waives its assessment of the fulfillment by the reduced composition of the Supervisory Board of the Bank of the requirements specified in Art. 22aa of the Banking Law Act.

§ 2

The recall shall be effective upon adoption hereof.

**RESOLUTION No. 4**  
**of the Extraordinary General Meeting**  
**of Bank Handlowy w Warszawie Spółka Akcyjna**  
**of 6 December 2017**

**concerning appointment of a member of the Supervisory Board of the Bank for a common term of office**

§ 1

The Extraordinary General Meeting of the Bank 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 Shirish Apte satisfies the requirements referred to in Art. 22aa of the Banking Law Act therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Extraordinary General Meeting of the Bank appoints Mr. Shirish Apte as a member of the Supervisory Board of the Bank for a common term of office of three years.

§ 2

The appointment is effective upon adoption hereof.

**RESOLUTION No. 5**  
**of the Extraordinary General Meeting**  
**of Bank Handlowy w Warszawie Spółka Akcyjna**  
**of 6 December 2017**

**concerning appointment of a member of the Supervisory Board of the Bank for a common term of office**

§ 1

The Extraordinary General Meeting of the Bank 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. Marek Belka satisfies the requirements referred to in Art. 22aa of the Banking Law Act therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the

Extraordinary General Meeting of the Bank appoints Mr. Marek Belka as a member of the Supervisory Board of the Bank for a common term of office of three years.

§ 2

The appointment is effective upon adoption hereof.

**RESOLUTION No. 6  
of the Extraordinary General Meeting  
of Bank Handlowy w Warszawie Spółka Akcyjna  
of 6 December 2017**

**concerning appointment of a member of the Supervisory Board of the Bank for a common term of office**

§ 1

The Extraordinary General Meeting of the Bank 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. Grzegorz Bielicki satisfies the requirements referred to in Art. 22aa of the Banking Law Act therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Extraordinary General Meeting of the Bank appoints Mr. Grzegorz Bielicki as a member of the Supervisory Board of the Bank for a common term of office of three years.

§ 2

The appointment is effective upon adoption hereof.

**RESOLUTION No. 7  
of the Extraordinary General Meeting  
of Bank Handlowy w Warszawie Spółka Akcyjna  
of 6 December 2017**

**concerning appointment of a member of the Supervisory Board of the Bank for a common term of office**

§ 1

The Extraordinary General Meeting of the Bank 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. Igor Chalupec satisfies the requirements referred to in Art. 22aa of the Banking Law Act therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Extraordinary General Meeting of the Bank appoints Mr. Igor Chalupec as a member of the Supervisory Board of the Bank for a common term of office of three years.

§ 2

The appointment is effective upon adoption hereof.

**RESOLUTION No. 8**  
**of the Extraordinary General Meeting**  
**of Bank Handlowy w Warszawie Spółka Akcyjna**  
**of 6 December 2017**

**concerning appointment of a member of the Supervisory Board of the Bank for a common term of office**

§ 1

The Extraordinary General Meeting of the Bank 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 Ms. Jenny Grey satisfies the requirements referred to in Art. 22aa of the Banking Law Act therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Extraordinary General Meeting of the Bank appoints Ms. Jenny Grey as a member of the Supervisory Board of the Bank for a common term of office of three years.

§ 2

The appointment is effective upon adoption hereof.

**RESOLUTION No. 9**  
**of the Extraordinary General Meeting**  
**of Bank Handlowy w Warszawie Spółka Akcyjna**  
**of 6 December 2017**

**concerning appointment of a member of the Supervisory Board of the Bank for a common term of office**

§ 1

The Extraordinary General Meeting of the Bank 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. Marek Kapuściński satisfies the requirements referred to in Art. 22aa of the Banking Law Act therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Extraordinary General Meeting of the Bank appoints Mr. Marek Kapuściński as a member of the Supervisory Board of the Bank for a common term of office of three years.

§ 2

The appointment is effective upon adoption hereof.

**RESOLUTION No. 10**  
**of the Extraordinary General Meeting**  
**of Bank Handlowy w Warszawie Spółka Akcyjna**  
**of 6 December 2017**

**concerning appointment of a member of the Supervisory Board of the Bank for a common term of office**

§ 1

The Extraordinary General Meeting of the Bank 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. Marc Luet satisfies the requirements referred to in Art. 22aa of the Banking Law Act therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Extraordinary General Meeting of the Bank appoints Mr. Marc Luet as a member of the Supervisory Board of the Bank for a common term of office of three years.

§ 2

The appointment is effective upon adoption hereof.

**RESOLUTION No. 11**  
**of the Extraordinary General Meeting**  
**of Bank Handlowy w Warszawie Spółka Akcyjna**  
**of 6 December 2017**

**concerning appointment of a member of the Supervisory Board of the Bank for a common term of office**

§ 1

The Extraordinary General Meeting of the Bank 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. Frank Mannion satisfies the requirements referred to in Art. 22aa of the Banking Law Act therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Extraordinary General Meeting of the Bank appoints Mr. Frank Mannion as a member of the Supervisory Board of the Bank for a common term of office of three years.

§ 2

The appointment is effective upon adoption hereof.

**RESOLUTION No. 12**  
**of the Extraordinary General Meeting**  
**of Bank Handlowy w Warszawie Spółka Akcyjna**  
**of 6 December 2017**

**concerning appointment of a member of the Supervisory Board of the Bank for a common term of office**

§ 1

The Extraordinary General Meeting of the Bank 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. Andrzej Olechowski satisfies the requirements referred to in Art. 22aa of the Banking Law Act therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Extraordinary General Meeting of the Bank appoints Mr. Andrzej Olechowski as a member of the Supervisory Board of the Bank for a common term of office of three years.

§ 2

The appointment is effective upon adoption hereof.

**RESOLUTION No. 13  
of the Extraordinary General Meeting  
of Bank Handlowy w Warszawie Spółka Akcyjna  
of 6 December 2017**

**concerning appointment of a member of the Supervisory Board of the Bank for a common term of office**

§ 1

The Extraordinary General Meeting of the Bank 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. Anand Selvakesari satisfies the requirements referred to in Art. 22aa of the Banking Law Act therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Extraordinary General Meeting of the Bank appoints Mr. Anand Selvakesari as a member of the Supervisory Board of the Bank for a common term of office of three years.

§ 2

The appointment is effective upon adoption hereof.

**RESOLUTION No. 14  
of the Extraordinary General Meeting  
of Bank Handlowy w Warszawie Spółka Akcyjna  
of 6 December 2017**

**concerning appointment of a member of the Supervisory Board of the Bank for a common term of office**

§ 1

The Extraordinary General Meeting of the Bank 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. Stanisław Sołtysiński satisfies the requirements referred to in Art. 22aa of the Banking Law Act therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Extraordinary General Meeting of the Bank appoints Mr. Stanisław Sołtysiński as a member of the Supervisory Board of the Bank for a common term of office of three years.

§ 2

The appointment is effective upon adoption hereof.

**RESOLUTION No. 15  
of the Extraordinary General Meeting  
of Bank Handlowy w Warszawie Spółka Akcyjna  
of 6 December 2017**

**concerning appointment of a member of the Supervisory Board of the Bank for a common term of office**

§ 1

The Extraordinary General Meeting of the Bank 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. Stephen Volk satisfies the requirements referred to in Art. 22aa of the Banking Law Act therefore, acting on the basis of § 9 section 2.7 in conjunction with § 14 section 1 of the Bank's Articles of Association, the Extraordinary General Meeting of the Bank appoints Mr. Stephen Volk as a member of the Supervisory Board of the Bank for a common term of office of three years.

§ 2

The appointment is effective upon adoption hereof.

**RESOLUTION No. 16  
of the Extraordinary Meeting  
of Bank Handlowy w Warszawie Spółka Akcyjna  
of 6 December 2017**

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

§ 1

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

§ 2

The Extraordinary General Meeting of the Bank has decided to establish a uniform text of the "Policy for the Assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A." as attached to the present resolution.

§ 3

The changes to the "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.

**Resolution No. 17  
of the Extraordinary General Meeting  
of Bank Handlowy w Warszawie Spółka Akcyjna  
of 6 December 2017**

**concerning changes in the Articles of Association and establishment of a uniform text of the Articles of Association of Bank Handlowy w Warszawie S.A.**

§ 1

Acting pursuant to § 9 Section 2 Sub-section 2 of the Articles of Association of the Bank and Article 430 of the Commercial Companies Code, the Extraordinary General Meeting of the Bank has resolved as follows:

Paragraph 18 Section 1 of the Bank's Articles of Association shall now read as follows:

- „1. Besides the rights and obligations provided for in applicable laws and other matters provided for in these Articles of Association, the Supervisory Board's responsibilities include the following:
  - 1) appointing and recalling the President of the Management Board in a secret ballot,
  - 2) appointing and recalling on the President's motion in secret ballot of Vice-Presidents and other members of the Bank's Management Board,
  - 3) determining the terms and conditions of agreements which cover contracts of employment or other legal relationship among members of the Management Board and the Bank,
  - 4) granting consent to the opening and closing of a branch office abroad,
  - 5) resolving upon regulations of the Supervisory Board and approving the following regulations 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 the net profit,
  - 6) granting prior consent to any disposition of the Bank's fixed assets with value in excess of 1/10 of the Bank's share capital,
  - 7) appointing the external auditor to audit or review the financial statements,
  - 8) granting consent for the employment and dismissal (after giving a 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 of the Bank,
  - 9) granting consent for the conclusion by the Bank of a material agreement with a shareholder who holds at least 5% of the total vote in the Bank or with entity associated with the Bank,
  - 10) performing supervision over the introduction of the management system in the Bank and conducting the assessment of the adequacy and effectiveness of such system, including supervision over the introduction of the risk management system and conducting an annual assessment of the adequacy and effectiveness of such system, as well as supervision over the introduction of the internal control system and conducting an annual assessment of the adequacy and effectiveness of such system, taking into account the assessment of adequacy and effectiveness of control functions, the compliance unit and the Audit Department and the assessment of effectiveness of the non-compliance risk management by the Bank,
  - 11) approving a strategy of the Bank's activity and the rules of prudent and stable management of the Bank,
  - 12) approving the fundamental organizational structure of the Bank, harmonized with the size and profile of incurred risk and determined by the Bank's Management Board,
  - 13) approving the acceptable risk level of the Bank,
  - 14) approving the Bank's compliance policy,

- 15) approving the Bank's internal procedures on processes for the assessment of internal capital, capital management and capital planning,
- 16) approving the Bank's information policy,
- 17) approving of an 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 the 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) approval of 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 time, 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."

The Extraordinary General Meeting of the Bank decided to establish a uniform text of the Articles of Association of the Bank as attached hereto.

§ 3

The resolution shall enter into force on the date it is adopted and shall come into effect on the registration of the amendment in the Register of Entrepreneurs of the National Court Register. Under Art. 34 Section 2 of the Banking Law Act, this resolution to amend the Bank's Articles of Association requires the consent of the Polish Financial Supervision Authority.

Changes to the “Policy for the Assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A.”

1. In section 1.1 (Definitions) of the Policy for the Assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A. definition „Personal Data Protection” is deleted and replaced by the definition of "GDPR" as follows:

**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);

2. Section 1.5.5. of the Policy for the Assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A. shall now read as follows:

1.5.5 The documentation for the purposes of the assessment performed by the Shareholders' Meeting shall be gathered and kept by the Bank's Organisational Bureau in accordance with the provisions of GDPR.

3. Section 4.1 Sub-section a) of the Policy for the Assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A. shall now read as follows:

a) the candidate's CV, including:

- i) the candidate's first name and surname, and the candidate's parents' first names;
- ii) the date of the candidate's birth, the candidate's citizenship;
- iii) the candidate's address of usual residence at the time of submitting the appointment request; and
- iv) detailed description of education, skills and experience;

4. Section 4.3 of the Policy for the Assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A. shall now read as follows:

4.3 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, included in the information necessary for the selection and evaluation process in accordance with this Policy and pursuant to GDPR regulations. The consent is voluntary and may be canceled by the Supervisory Board member at any time. 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. Preliminary part of the Information form for candidates for Supervisory Board members that constitutes Appendix 2 to the Policy for the Assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A. shall now read as follows:

The form has been introduced by Bank Handlowy w Warszawie S.A. in order to execute the recommendations of the Polish Financial Supervision Authority (hereinafter the PFSA) as regards the application of the Guidelines of the European Banking Authority related to the assessment of the qualifications of the members of the supervisory body of the bank.

Providing personal data covered by this form by candidates for members of the Supervisory Board is voluntary, but the failure by a candidate to give the consent to the processing by the Bank of her/his personal data may constitute an obstacle to the evaluation of the candidate and, consequently, to appoint or serve as a member.

Detailed information on the methods and scope of personal data processing together with the consent to their processing, is to be provided by the Bank to the candidates in separate information notice.

6. Part I (Personal Details) of the Information form for candidates for Supervisory Board members that constitute Appendix 2 to the Policy for the Assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A. shall now read as follows:

First name:

.....

Surname:

.....

Parents' names:

.....

Date of birth:

Citizenship:

.....

Current address of residence:

.....

Personal ID No (PESEL):

.....

Series and number of the ID: / or

.....

Number and expiration date of the passport:

.....

7. Consent clause to processing and publishing personal data that is placed on the end of the Information form for candidates for Supervisory Board members that constitute Appendix 2 to the Policy for the Assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A. is removed in its entirety.

**Attachment to Resolution No. 16**

Uniform text of the Policy for the Assessment of Supervisory Board Members at Bank Handlowy w Warszawie S.A.

**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;

**Directive CRD IV** means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC;

**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 (consolidated text: Dz.U. [Journal of Laws] of 2015, no. 128, with amendments);

**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);

**Qualification Assessment Guidelines** means the European Banking Authority's Guidelines of 22 November 2012 on the assessment of the suitability of members of the management body and key function holders;

**Guidelines on Internal Governance** means the European Banking Authority's Guidelines on Internal Governance of 27 September 2011.

### 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 par. 7.1 of the Qualification Assessment Guidelines-.

### 1.3 Adopting Procedure

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

### 1.4 Applicability

This Policy shall apply to appointing and revoking the Supervisory Board Members.

### 1.5 Assessment of qualifications – general rules

1.5.1 The process of assessment of the Supervisory Board Member includes the Committee of the Supervisory Board for Appointments and Remuneration (hereinafter the "Committee") according to the rules set forth in this Policy.

1.5.2 Taking into account the preliminary assessment of qualifications of the Supervisory Board Member together with the recommendations referred to in par. 4.2 of this Policy, the Shareholders' Meeting shall perform an individual assessment of each Supervisory Board Member and a collective assessment of the Supervisory Board as a body of the Bank according to the criteria set out in this Policy, recording the fact of the assessment and its results in the contents of the undertaken resolution. The Shareholders' Meeting should assess the qualifications of each candidate for the Supervisory Board Member prior to their appointment.

- 1.5.3 Taking into account the preliminary assessment of qualifications of the Supervisory Board Member together with the recommendations referred to in par. 5.2 of this Policy, with respect to par. 5 of this Policy, the Shareholders' Meeting shall perform a re-assessment of the qualifications of the Bank's Supervisory Board Members when there is a justified doubt as to whether they have adequate qualifications, especially when a particular event or situation requires such a re-assessment, as a way to verify the person's qualifications. 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 Shareholders' Meeting shall be gathered and kept by the Bank's Organisational Bureau in accordance with the provisions of GDPR.

## **2. GENERAL ASSESSMENT CRITERIA**

- 2.1 The Shareholders' Meeting shall assess the qualifications of Supervisory Board Members, taking into account the nature, scale and complexity of the Bank's business, as well as the preliminary assessment of qualifications of the Supervisory Board Member and recommendations on his/her appointment, issued by the Committee.
- 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.
- 2.3 Whenever this Policy mentions the "qualifications", they shall be deemed as knowledge, skills, experience and guarantee of proper performance of the duties, including reputation.
- 2.4 The level and type of experience expected of Supervisory Board Members may vary.
- 2.5 The Supervisory Board Members should enjoy an unblemished reputation and guarantee 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 Shareholders' Meeting shall assess whether each person individually has the qualifications. The Shareholders' Meeting shall assess whether the Supervisory Board as a whole has the qualifications when appointing the new Supervisory Board Member.

- 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.

### **3. DETAILED ASSESMENT CRITERIA**

The description of the detailed assessment criteria of the Supervisory Board Members is contained in Part 1 in Appendix 2.

### **4. DETAILED ASSESMENT PROCESS AND THE DOCUMENTS REQUIRED FOR THE FIRST APPOINTMENT OF A SUPERVISORY BOARD MEMBER**

- 4.1 By first appointment, the shareholder submitting the candidate, or (when the shareholder does not), a candidate himself/herself, within the scope of the consent mentioned in par. 4.3, shall provide to the Committee with the information and documents necessary to perform the candidate's assessment based on the criteria stated in this Policy, listed below:

- a) the candidate's CV, including:
  - i) the candidate's first name and surname, and the candidate's parents' first names;
  - ii) the date of the candidate's birth, the candidate's citizenship;
  - iii) the candidate's address of usual residence at the time of submitting the appointment request; and
  - iv) detailed description of education, skills and experience;
- b) an information form with the information and statements required for an assessment in accordance with this Policy, the draft of which is in Appendix 2;
- c) reference letters for the last 3 years, if available, or if not available, the candidate may possibly provide contact details to the persons indicated in the form mentioned in point b) above, who may give their references about the candidate (up to 3 persons).

- 4.2 The Committee shall verify the received documents and information indicated in par. 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.

- 4.3 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, included in the information necessary for the selection and evaluation process in accordance with this Policy and pursuant to GDPR regulations. The consent is voluntary and may be canceled by the Supervisory Board member at any time. 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 Shareholders' 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 Shareholders' 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.

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 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 Management Board's Organisational Bureau, once a year, 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, and is obliged to submit the collected information to the Committee. The Committee verifies the received information and performs the preliminary assessment of the Supervisory Board Member's qualifications in the scope described in par. 5.2 of this Policy. Within the same scope, the Committee verifies the information described in par. 5.1.b) of this Policy.

5.4 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 nearest General Meeting performs the assessment process and decides in this area.

5.5 In case described in par. 5.1.a) of this Policy, the Director of the Management Board's Organisational Bureau 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. If there aren't any changes, the Supervisory Board Member confirms that the documents possessed by the Bank do not require update. The Director of the Management Board's Organisational Bureau 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 par. 4.2 shall apply respectively.

**6. EFFECTIVE DATE**

7. This Policy is subject to adoption in accordance with par. 1.3 above and shall become effective when adopted by the Bank's Shareholders' Meeting.

APPENDIX 1  
**THE ASSESSMENT CRITERIA**

**1. REPUTATION CRITERIA**

- 1.1 A Supervisory Board Member should be considered to be of good repute if there is no evidence to suggest otherwise and no reason to have reasonable doubt about his or her good repute. A Supervisory Board Member should not be considered to be of good repute 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 management of the Bank.
- 1.2 Any criminal or relevant administrative records should be taken into account, considering the type of conviction or indictment, the level of appeal, the punishment received, the phase of the judicial process reached and the effect of any rehabilitation measures. 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.
- 1.3 The cumulative effects of more minor incidents, which individually do not impinge on a Supervisory Board Member's reputation but may in sum have a material impact, should be considered.
- 1.4 Particular account should be taken of the following factors, which may cast doubt on a Supervisory Board Member's good repute:
- a) conviction or prosecution of a criminal offence, in particular:
    - i) offences under the criminal code, laws governing banking, financial, securities, insurance activity, or concerning securities markets or securities or payment instruments, including laws on money laundering, market manipulation, or insider dealing and usury;
    - ii) offences of dishonesty, fraud, or financial crime;
    - iii) tax offences;
    - iv) other offences under legislation relating to companies, bankruptcy, insolvency, or consumer protection;
  - b) relevant current or past investigations and/or enforcement actions relating to the Supervisory Board Member, or the imposition of administrative sanctions for non-compliance with provisions governing banking, financial, securities, or insurance activities or those concerning securities markets, securities or payment instruments, or any financial services legislation;
  - c) relevant current or past investigations and/or enforcement actions by any other regulatory or professional bodies for non-compliance with any relevant provisions.
- 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, authorisation, membership, or license to carry out a trade, business, or profession; or revocation, withdrawal, or termination of such registration, authorisation, 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.

1.6 The following situations regarding past and present business performance and financial soundness of a Supervisory Board Member with regard to their potential impact on the Supervisory Board Member's reputation should be considered:

- a) inclusion on the list of unreliable debtors or any negative records on this kind of list conducted by recognised credit bureau if available;
- b) financial and business performance of the entities owned or directed by the Supervisory Board Member or in which the member had or has significant share with special consideration to any rehabilitation, bankruptcy and winding-up proceedings and whether and how the Supervisory Board Member has contributed to the situation that lead to the proceedings;
- c) declaration of personal bankruptcy; and
- d) civil lawsuits, administrative or criminal proceedings, large investments or exposures and loans taken out, in so far they can have a significant impact on the financial soundness.

## **2. EXPERIENCE CRITERIA**

2.1 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.

2.2 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.

2.3 The assessment should not be limited to the educational degree 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

gained from previous occupations depends on the nature, scale and complexity of the business as well as the function performed within it.

2.4 When assessing the 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);
- e) assessing the effectiveness of a bank's arrangements, creating effective governance, oversight and controls; and
- f) interpreting a bank's financial information, identifying key issues based on this information and appropriate controls and measures.

2.5 A Supervisory Board Member should have sufficient experience to enable him/her to provide 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 suitability of a Supervisory Board Member also other criteria relevant for the functioning of the Supervisory Board should be assessed, including potential conflicts of interest, the ability to commit sufficient time, the overall composition of the Supervisory Board, the collective knowledge and expertise required and Supervisory Board Member's ability to perform their duties independently without undue influence from other persons.

3.2 In assessing a Management Board Member's independence, the following factors should be considered:

- a) past and present positions held in the bank or other entities;
- b) personal, professional or other economic relationships with the management board members in the Bank's parent company or subsidiaries; and
- c) personal, professional or other economic relationships with the controlling shareholders of the Bank, with its parent institution or subsidiaries.

3.3 The Supervisory Board needs collectively to have sufficient practical experience in banks.

## APPENDIX 2

### INFORMATION FORM FOR CANDIDATES FOR SUPERVISORY BOARD MEMBERS

# Form for a candidate for \_\_\_\_\_ of the Supervisory Board of Bank Handlowy w Warszawie S.A.

The form has been introduced by Bank Handlowy w Warszawie S.A. in order to execute the recommendations of the Polish Financial Supervision Authority (hereinafter the **PFSA**) as regards the application of the Guidelines of the European Banking Authority related to the assessment of the qualifications of the members of the supervisory body of the bank.

Providing personal data covered by this form by candidates for members of the Supervisory Board is voluntary, but the failure by a candidate to give the consent to the processing by the Bank of her/his personal data may constitute an obstacle to the evaluation of the candidate and, consequently, to appoint or serve as a member.

Detailed information on the methods and scope of personal data processing together with the consent to their processing, is to be provided by the Bank to the candidates in separate information notice.

**PART I. PERSONAL DETAILS**

**Personal details:**

First name:

.....

Surname:

Parents'  
names:

.....

Date of  
birth:

.....

Citizenship:

.....

Current  
address of  
residence:

.....

Personal ID  
No  
(PESEL):

.....

Series and  
number of  
the ID: / or

.....

Number  
and  
expiration  
date of the  
passport:

.....

**PART II. COURSE OF PROFESSIONAL CAREER**

In this part, please provide, separately for each instance of employment/assignment/business activity, information on professional experience, including data specified in the table below and according to the proposed template – for the past 10 years. Please, include also academic, administrative or other positions.

Table No: I

Period:	From: ..... <i>month/year</i>	To: ..... <i>month/year</i>
Name of the employer/contracting party/performed business or professional activity (including, in academic, administrative or other positions):  <i>Note: when work contracted by other entities was performed as part of the assignment, please provide in this field only the name of the activity performed.</i>		
..... .....		
Position held and period of holding it / function held and period of holding it:		
..... .....		
Scope of responsibilities:		
..... .....		
The rights entrusted to a candidate /internal decision rights and controlled areas of activity, including, the number of subordinates – for the positions in the last 10 years:		

.....  
.....

Performed honour functions, including, in the management bodies:

.....  
.....

Reasons for the termination of the employment agreement/mandatory contract or another agreement of similar character/for ceasing to perform the activity:

.....  
.....

References – if available - candidate may provide written references of employers of at least the last 3 years.

Period:	From: ..... <i>month/year</i>	To: ..... <i>month/year</i>
---------	----------------------------------	--------------------------------

Name and address of the entity issuing the reference letter.

.....

Position or function, which the reference refers to.

.....

References – if a candidate does not possess any written references, candidate may possibly indicate up to three referee persons that may give references about the candidate.

Name and surname:	.....
-------------------	-------

Position:	.....	Sex:	female / male
Address:	.....		
City, country:	.....	Postal code:	.....
Telephone number (during office hours):	.....		
E-mail address (during office hours):	.....		
Description of relations between the referee and the candidate:			
.....			
.....			
.....			
List of appendices:			
<i>List of appendices to this form, confirming the career path in each entity, including reference letters.</i>			
.....			
.....			

**PART III. EDUCATION AND TRAININGS COMPLETED**

In this part, please provide, pursuant to the template below, data related to the secondary and the higher education, considering the obtained degrees and titles, as well as the details of postgraduate education, all or selected courses, trainings, etc. Please provide the data in a separate table for each instance of obtaining a particular level of education, course, training, etc.

Table No: II

Period:	From: ..... <i>month/year</i>	To: ..... <i>month/year</i>
Name and address of the higher education institution/postgraduate institution/organiser of a course, specialist training, etc.		
<p>.....</p> <p>.....</p>		
Obtained education/degree or academic title/postgraduate studies/trainings/powers/other forms of supplementary education:		
<p><i>Note: if obtaining the degree/academic title/powers required the elaboration of a particular subject in the form of a paper, study, project or similar, please provide the topic.</i></p>		
<p>.....</p> <p>.....</p>		
Name and address of the high school/profile of education/year of graduation – if the candidate does not have higher education or has a higher education in different profile than useful in banking, but the candidate graduated the high school of economical or related profile:		
<p>.....</p> <p>.....</p>		
List of appendices:		
<p><i>List of appendices to the form, confirming the obtained level of education or completed courses, trainings, etc.</i></p>		


#### PART IV. REPRESENTATIONS

In this part, please sign the following representations by way of confirmation of possessing the qualifications required by legal provisions and of other circumstances important for the matter. Representations in table no. IV are related to the current situation and the period of the past 10 years. The candidate does not have to give information, if cancelling of the punishment has occurred on the basis of the governing law.

Table No: III

A. I hereby represent that I agree to take on the function of:
president/member of the Supervisory Board at Bank Handlowy w Warszawie S.A., which is the entity supervised by the Polish Financial Supervision Authority
B. I hereby represent that:
I have/do not have full legal capacity
C. I hereby represent that:
I have/ haven't been – (1) I have/ haven't been – (2) punished for intentional offence or fiscal offence, excluding offences prosecuted by private indictment (1). punished for an offence other than intentional offence or fiscal offence (2).

Table No: IV

E. I hereby represent that:
I conduct/conducted/do not conduct people close to me, remaining in the same household conduct/do not conduct business activity ..... state the form of the conducted business activity and its type
F. I hereby represent that:
I have/had/do not have shares or interest in companies ..... names of entities, number of shares

G. I hereby represent that:
<p>I hold/held/do not hold</p> <p>a function in management boards, supervisory boards, other governing bodies of entities conducting business activity,</p> <p>.....</p> <p>names of entities, indication of the function and period of holding the function, considering the information on obtaining or refusal of a vote of approval for the functions held, together with the indication, which of the above mentioned entities are the same capital group.</p>
H. I hereby represent that:
<p>I have/haven't received – (1)</p> <p>I have/haven't caused – (2)</p> <p>I do not act/did not act/act/acted – (3)</p> <p>I do not act/did not act/act/acted – (4)</p> <p>With reference to my person there has been / has not been – (5)</p>
<p>a ban on conducting business activity in my own name and on holding the function of a representative or proxy of an entrepreneur, member of a supervisory board or a revision committee in a joint-stock company, a limited liability company or a cooperative (1).</p> <p>documented material losses in the current and previous workplaces or in connection with holding a function of a member of a governing body of a legal person (2).</p> <p>in administrative proceedings as a party or in such proceedings where a party was or is an entity in which the Candidate held a function (3).</p> <p>as a party to court proceedings in civil trials which may have an adverse impact on my financial situation (4).</p> <p>any refusal of any registration, authorisation, membership, or license to carry out a trade, business, or profession; or revocation, withdrawal, or termination of such registration, authorisation, membership, or license; or expulsion by a regulatory or government body (5).</p>

Table No: V

A. I hereby represent that:
<p>I have / I do not have (1)</p> <p>I have / I do not have (2)</p>
<p>meaningful involvements or investments that may have a meaningful negative impact on my financial situation (1).</p> <p>loans that may have a meaningful negative impact on my financial situation (2).</p>
B. I hereby explain that the above mentioned involvements or investments or loans regard the

following:

.....

.....

C. I hereby represent that:

I have been / I have not been entered (1)  
as regards my person there are / are not (2)  
as regards my person there has been / has not been (3)

to the list of insolvent debtors (1).  
negative entries on the list of insolvent debtors kept by known bureau of credit information (2).  
declared a consumer bankruptcy (3).

If the above statement is affirmative, please describe shortly the situation and indicate its timeframe.

.....

.....

D. I hereby represent that as regards the entities owed by me managed by me, in which I have / had meaningful amount of shares:

there has been / has not been initiated (1)  
there has been / has not been initiated (2)  
there has been / has not been initiated (3)

a recovery proceeding (1).  
a bankruptcy proceeding (2).  
a liquidation proceeding (3).

If the above statement is affirmative, please describe shortly the cause of such proceeding and the potential candidate's influence on its existence.

.....

.....

**PART V. CONFIRMATION OF HAVING PROFESSIONAL EXPERIENCE  
NECESSARY TO SUPERVISE A BANK**

Please complete the form in this section regardless of the information given in Part II. For each case of employment having identity documents certifying the work experience necessary to manage the bank, please enclose a separate table.

Table No: VI

Period:	From: .....	To: .....
	<i>month/year</i>	<i>month/year</i>
Name of the entity (possibly providing the type, in the case of a financial institution):		
<div style="border-bottom: 1px dotted black; margin-bottom: 5px;"></div> <div style="border-bottom: 1px dotted black; margin-bottom: 5px;"></div> <div style="border-bottom: 1px dotted black;"></div>		
Position Held:		
<i>If this data was provided in part II, a reference to a relevant table in this part shall suffice.</i>		
<div style="border-bottom: 1px dotted black; margin-bottom: 5px;"></div> <div style="border-bottom: 1px dotted black; margin-bottom: 5px;"></div> <div style="border-bottom: 1px dotted black;"></div>		
Scope of Responsibilities:		
<i>If this data was provided in part II, a reference to a relevant table in this part shall suffice.</i>		
<div style="border-bottom: 1px dotted black; margin-bottom: 5px;"></div> <div style="border-bottom: 1px dotted black; margin-bottom: 5px;"></div> <div style="border-bottom: 1px dotted black;"></div>		
List of appendices:		
<i>List of appendices to the application/notification, which confirm the period worked in a particular post in the above mentioned entity.</i>		


**PART VI. PREMISE FOR A WARRANTY OF RELIABLE PERFORMANCE OF DUTIES**

In this part, please provide the data that will be used to assess whether a particular person conforms to the statutory condition of a warranty of cautious and stable bank management or reliable performance of the duties. The representations refer to the period of the past 10 years.

Table No: VII

A. Are there any current court proceedings against you as regards a business case?	Yes/No*
If the answer to the above question is affirmative, please provide the type of the proceeding(s), entities participating in the proceedings (plaintiffs, participants, etc.) as well as the subject matter of the proceeding(s) (type, character and amount of the claim, challenged behaviour):	
<p>.....</p> <p>.....</p>	
<p>B. 1. Do you hold functions in the governing or supervisory bodies of commercial companies or other legal persons?</p> <p>2. Over the past 10 years, have you obtained a vote of approval for the functions held with regard to holding a function in the governing bodies of commercial companies?</p>	<p>Yes/No</p> <p>Yes/No</p>
<p>If the answer to the first question is affirmative, please provide below the name (business name) of the company (companies), other legal persons, the legal form, address of the seat, subject matter of the enterprise as well as the type of the function held (1).</p> <p>If the answer to the second question is negative, please provide below the name (business name) of the company (companies), legal form, address of the seat, subject matter of the enterprise in which you did not receive a vote of approval for the functions held along with the reasons for the failure to obtain the aforesaid vote of approval (2).</p>	
<p>.....</p> <p>.....</p>	
C. Do you have the permissions (permits, concessions, etc.) to perform activities in the professions that require special qualifications or that entail special trust?	Yes/No

If the answer to the abovementioned question is affirmative, please provide below the type of the permissions held, type of profession, or the justification of the reasons why the profession has been regarded as requiring special qualifications or entailing special trust.

.....

.....

D. 1. Have any administrative and supervisory actions been taken against you (financial penalties, requests for revocation, etc.) by relevant bodies in connection with the functions held in business entities over the past 10 years?	Yes/No
2. In connection with the activity of the business entity in the period in which you were employed or held a managerial function therein, have any irregularities or infringements been detected in the course of administrative proceedings over the past 10 years (to your knowledge)?	Yes/No
3. Over the past 10 years, have you rendered yourself liable to disciplinary action in the case of performing a job or holding a function subject to such liability?	Yes/No

If the answer to the abovementioned questions is affirmative, please provide below what case (cases) the administrative and supervisory activities or disciplinary liability referred to, or the entity (entities) to whose activity the administrative proceedings were related and with which function (functions) they were connected, and what such proceedings entailed and what the results of the application of such measures was.

.....

.....

E. Were any civil and legal claims addressed to you and recognised as legitimate in connection with holding managerial functions in business entities?	Yes/No
--	--------

If the answer to the above mentioned question is affirmative, please provide below the entity (entities) whose activity the claim (claims) referred to, what the basis (bases) and circumstances were for addressing the claim (claims) and what behaviour was the subject matter of each claim and what the amount of claims was.

.....

.....

<p>F. 1. Are there any current criminal proceedings or fiscal offence proceedings against you in Polish or foreign judicial authorities?</p> <p>2. In connection with the activity of the business entity in the period in which you were employed or held a managerial function therein, are there any current criminal proceedings or fiscal offence proceedings in Polish or foreign judicial authorities (to your knowledge)?</p>	<p>Yes/No</p> <p>Yes/No</p>
<p>If the answer to the above mentioned questions is affirmative, please provide below in front of which judicial authorities the proceedings are going on and which actions are the subject matter of the proceedings.</p>	
<p>.....</p> <p>.....</p>	
<p>List of documents (in the form of certificates that are currently held in possession or can be obtained) confirming the circumstances defined in section B.2 and D.3:</p>	
<p>.....</p> <p>.....</p>	

**PART VII. DESCRIPTION OF AFFILIATIONS**

Table No: VIII

I hereby represent that:
I do / do not have (1)
I do / do not have (2)
personal, professional, economic and/or other similar links with other Management Board Members of the Bank, the Bank's parent company and/or its subsidiaries (1).
personal, professional, economic and/or other similar links, respectively, with shareholders controlling the Bank or its parent company (2).
If the above statement is affirmative, please describe shortly the existing affiliations.
.....
.....

**PART VIII. POTENTIAL CONFLICT OF INTEREST, OTHER SIGNIFICANT INFORMATION**

Please, enlist all situations that may be a potential conflict of interest\*.

\* a conflict of interest shall, in particular, be deemed to be:

- (i) a situation where there is a contradiction between the private affairs and interest of the Supervisory Board Member and the obligations resulting from the performed function in the Supervisory Board, if the private affairs and interest may negatively affect the proper performance of the function in the Supervisory Board;
- (ii) a situation where the Supervisory Board Member’s activity outside the Bank is not possible to reconcile with the obligation to be loyal to the Bank and to act in its best interest.

Table no IX

Is there any potential conflict of interest, as regards your person*?	Yes/No
If the above statement is affirmative, please describe the conflict of interest.	
<p>.....</p> <p>.....</p>	

Table no X

In light of the information indicated in this form, do any issues require further explanation?	Yes/No
If the above statement is affirmative, please indicate the circumstances or pieces of information that require explanation (by reference to the proper place in the form), together with explanations, separately for each circumstance or piece of information.	
<p>.....</p> <p>.....</p>	

Table no XI

A. I hereby represent that:
I have been subject to / I have not been subject to (1)
I have been subject to / I have not been subject to (2)

assessment performed for the purposes of my candidacy for the management board or supervisory board member of the commercial company which is subject to the supervision, including the PFSA or any other supervising authority (1).

assessment and verification performed by the PFSA for the purposes of consent to my performance of function of the bank's president of the management board or member of the management board supervising the management of significant risk in the bank's activity, upon art. 22b par. 1 of the Polish Banking Law (2).

assessment and verification performed by foreign supervisory authority, including financial supervisory authority, for the purposes of my performance of function in the management board or supervisory board in institution which is subject to such supervision (3).

*If the above statement is affirmative, please fill in the part below.*

The assessment I received was positive / negative (1).

The PFSA gave its consent / did not give its consent to my performance of this function (2).

The assessment I received was positive / negative (3).

B. I hereby represent that:

as regards my person, are there / there are not

any other circumstances, than the ones disclosed in this form, significant in light of my potential membership in the Bank's Supervisory Board.

If the above statement is affirmative, please describe these circumstances.

.....

.....

C. I hereby represent that:

I filled in this form thoroughly and exhaustively and all the information and circumstances presented in this form are true and are reflected in the documentation I possess.

Yes / No

I am ready to present to the Bank all documents I possess that confirm the circumstances and information included in this form.

Yes / No

.....

Date and legible signature of the candidate

## Explanations

1. *In order to simplify the completion of the form and recognition of the matter, it is suggested that the form be completed through electronic edition, which entails the introduction of the text, where indicated, and deletion of unnecessary phrases.*
2. *Working fields in the table filled in white are intended to be edited by the person completing the form. Fields filled in grey are not editable.*
3. *Signatures in required places should be put in handwriting.*
4. *If necessary (when the area of the fields in the document does not make it possible to include all the content that should be there), one should extend the area of relevant fields in the document, so as to include the total of submitted information or explanations.*
5. *Respectively, each example of: employment (commission, performance of activity), achieving the specific level of education (courses, trainings), meaningful involvements or investments or loans, as well as affiliations should be described in a separate table, whose template is included in the relevant part of the form. To this end, copy a particular template in the desired number of copies. Please remember about correct numbering of the tables.*

***Uniform text of the Articles of Association of the Bank Handlowy w Warszawie S.A.***

**ARTICLES OF ASSOCIATION  
OF THE BANK HANDLOWY W WARSZAWIE S.A.**

**I. NAME AND SEAT**

§ 1.

Bank Handlowy w Warszawie Spółka Akcyjna (hereinafter referred to as the “Bank”), established by virtue of original Articles of Association dated 24 February 1870, operates pursuant to the applicable laws and these Articles of Association.

§ 2.

1. The name of Bank is: “Bank Handlowy w Warszawie Spółka Akcyjna”.
2. The Bank may use an abbreviated form of its name: “Bank Handlowy w Warszawie S.A.”.

§ 3.

The seat of the Bank is in the Metropolitan City of Warsaw.

§ 4.

The activities of the Bank extend throughout the territory of the Republic of Poland and abroad. The Bank may establish branch offices and other agencies throughout of Poland and abroad.

## II. ACTIVITIES OF THE BANK

### § 5.

1. The subject of activities of the Bank is to extend banking services in Poland and abroad and, within the provisions of applicable laws, to perform any other activities, which are related with bank activities.
2. In relation to its business, the Bank is entitled to possess foreign exchange values and to deal in such values.
3. The Bank may carry out the following activities:
  - 1) accept cash deposits upon request or upon the specified deadline as well as maintain accounts for the deposits,
  - 2) maintain other bank accounts,
  - 3) perform settlements and effect payments in all forms accepted in domestic and international banking relations,
  - 4) grant credits and cash loans,
  - 5) perform cheque and bill of exchange and warrant transactions,
  - 6) grant and confirm sureties,
  - 7) grant and confirm bank guarantees and open and confirm letters of credit,
  - 8) purchase and sell foreign currencies,
  - 9) act as an intermediary in dealing with money transfers and foreign exchange settlements,
  - 10) issue bank's securities,
  - 11) perform ordered activities related to issue of securities,
  - 12) perform safe-keeping of valuables and securities and provide bank safes,
  - 13) issue credit cards and perform the related operations,
  - 14) acquire and sell receivables,
  - 15) perform term financial operations,
  - 16) issues electronic cash instrument.
4. Additionally, the Bank is entitled to:
  - 1) come into possession and purchase shares and rights to shares, shares of another legal person and participation units in investment funds,
  - 2) organize and provide services in financial leasing,
  - 3) render factoring services,
  - 4) trade in securities,

- 5) maintain securities accounts,
- 6) render consulting and advising services on financial matters, including services in favour of companies associated with the Bank or with a dominant entity of the Bank within the scope of management oversight over the entities' business, which consists mainly in providing functioning of this entities in accordance with law, requirements of administrative or regulatory authorities and internal regulations applicable within the group of a dominant entity of the Bank,
- 7) contract liabilities due to issuance of securities,
- 8) play the role of a bank representative within the meaning of the Bond Act,
- 9) purchase and sell real estate, perpetual usufruct of or shares in real estate,
- 10) settle trading in securities, property rights and derivatives,
- 11) convert receivables into items of property subject to confiscation on the terms agreed with the debtor,
- 12) purchase and sell derivatives on its own account or by order of other parties,
- 13) render financial services with reference to canvassing activity in the understanding of the Law on organization and functioning of pension funds,
- 14) accept purchase and sale orders as well as maintain subscriptions for participation units or investment certificates in investment funds,
- 15) provide insurance brokerage services in the form of agency services,
- 16) act as a depository for pension funds,
- 17) act as a depository for investment funds,
- 18) render in favour of companies associated with the Bank or with a dominant entity of the Bank the following services within the scope of auxiliary financial activity with the usage of informational systems and technologies, including services within the scope of the development and maintenance of software, informational infrastructure and data processing,
- 19) act as investment company agent, in the name and on behalf of investment company, within the scope of agency for the activity of this company,
- 20) render financial services related to the trading on financial instruments issued abroad and their safe-keeping, including the maintenance of the register of financial instruments recorded by foreign financial and custody-settlement institutions,
- 21) perform brokerage activities,
- 22) issuing electronic payment instruments other than indicated in § 5 Item 3 Point 13 and 16 of the Articles of Association and performing operations with use of these,
- 23) provide investment advisory services involving financial instruments not admitted to organized trading and securities issued by the Treasury or the National Bank of Poland.

5. The Bank may undertake cooperation within the group, including it may participate financially or operationally in projects implemented jointly with companies associated with the Bank or with a dominant entity of the Bank.
6. The Bank may perform actions restricted for banks, defined by the Act on the State Support in Raising Children.

§ 6.

Pursuant to the applicable Laws, the Bank is bound to keep secret any information on the transactions or balances of accounts as well as any components of property entrusted to it by its customers.

### **III. AUTHORITIES OF THE BANK**

§ 7.

The authorities of the Bank are:

- A. General Meeting of Shareholders,
- B. Supervisory Board,
- C. Management Board.

#### **A. General Meeting of Shareholders**

§ 8.

1. The ordinary General Meeting of Shareholders is convened by the Management Board. It shall be held within the first six months after the end of each financial year.
2. The Supervisory Board shall have the right to convene an ordinary General Meeting of Shareholders if the Management Board fails to convene it within the timeframe set in the Articles of Association or an extraordinary General Meeting of Shareholders if it considers it necessary.
3. The Management Board shall convene an extraordinary General Meeting of Shareholders on its own initiative and at the request of a shareholder or shareholders representing at least one-twentieth part of the share capital. A request for convening an extraordinary General Meeting of Shareholders should be submitted to the Management Board in writing or in an electronic form.
4. If within two weeks from the submission to the Management Board of a request, referred to in § 3 above, an extraordinary General Meeting of Shareholders is not

convened, the registry court, by way of a decision, can authorize a shareholder or shareholders, who have made such request, to convene the extraordinary General Meeting of Shareholders. The shareholder or shareholders authorized by the registry court, in the announcement of the convention of an extraordinary General Meeting of Shareholders, shall refer to the decision of the registry court mentioned in the previous sentence. The chairman of such extraordinary General Meeting of Shareholders shall be appointed by the court.

5. An Extraordinary General Meeting of Shareholders can also be convened by shareholders representing at least one half of the Bank's share capital or at least one half of the total number of votes at the Bank. The chairman of such Meeting of Shareholders shall be appointed by the shareholders.
6. The General Meeting of Shareholders shall be convened by way of an announcement placed on the Bank's website and in the manner stipulated for the distribution of current filings by public companies; provided that such announcement should be made at least twenty-six days before the date of the General Meeting of Shareholders.
7. Shareholders who have the right to demand that a certain matter be placed on the agenda of a General Meeting of Shareholders, in order to exercise such right, should submit a motion to the Bank Management Board in writing or in an electronic form, along with a justification or 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.
8. General Meeting of Shareholders may be recalled only if there are some extraordinary obstacles preventing it or it has become expressly irrelevant. Cancellation or the change of date of holding a General Meeting of Shareholders shall be effected in the same way as convening, with the provision that twenty six day period is not applicable. Cancellation or the change of date of holding a General Meeting of Shareholders must ensure the minimum adverse effects for the Bank and the shareholders.
9. The General Meeting of Shareholders can resolve not to consider a matter placed on its agenda and to change the order of matters covered by the agenda. However, in order to remove from the agenda or resolve not to consider a matter placed on the agenda at shareholders' request, the consent of all present shareholders who have made such request shall be required, supported by 80 % of votes at the General Meeting of Shareholders. Motions in such matters should be justified in a detailed way.

## § 9.

1. The agenda of the Ordinary General Meeting of Shareholders shall include:

- 1) examination and approval of the report from business of the Bank prepared by the Management Board and the financial statements for the previous financial year,
  - 2) adoption of resolution on the distribution of net profit or covering of net losses,
  - 3) absolve the authorities of the Bank from performance of their duties.
2. Besides those issues, absolutely required by the applicable law, the General Meeting of Shareholders shall also have authority to:
- 1) sell and lease the whole or any part of the Bank's enterprise or its organized part and to establish a restricted property title over it,
  - 2) amend these Articles of Association,
  - 3) increase or decrease the share capital of the Bank,
  - 4) define the date of determining the right to enlist for shares of any new issue,
  - 5) define the date of determining the right to dividend for the previous financial year and the date of dividend payment,
  - 6) create and liquidate special funds out of the net profit,
  - 7) appoint and recall members of the Supervisory Board,
  - 8) define the remuneration for members of the Supervisory Board,
  - 9) merge or liquidate the Bank,
  - 10) appoint and recall liquidators,
  - 11) redeeming of Bank's shares.

§ 10.

Motions in matters set forth in § 9, except for § 9 Item 2 Points 7 and 8, submitted to the General Meeting of Shareholders should have been previously submitted by the Management Board to the Supervisory Board for issue of an opinion by the latter.

§ 11.

1. Shareholders may participate in and exercise voting rights at the General Meeting of Shareholders either in person or represented by attorneys.
2. A power of attorney to participate in a General Meeting of Shareholders and to vote should be granted in writing or by e-mail; 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.
3. A person performing the function of a Bank Management Board member or a Bank employee can act as a proxy at a General Meeting of Shareholders.

4. If the proxy is a Management Board member, a Supervisory Board member, a Bank liquidator, employee or a member of Bank's bodies or an employee of a company controlled by the Bank, the proxy instrument shall entitle such person to representation at only one General Meeting of Shareholders and such person shall be required to vote in conformity with instructions given by the shareholder. In addition, the proxy referred to above should advise the shareholder represented by him of the circumstances indicating the existence or possibility of occurrence of a conflict of interests.

§ 12.

1. The General Meeting of Shareholders shall be valid irrespective of the number of shares in attendance, unless applicable laws require otherwise.
2. Resolutions of the General Meeting of Shareholders shall be adopted by an absolute majority of votes present, unless otherwise provided by law or the provisions hereof.

§ 13.

1. Voting at the General Meeting of Shareholders is open. Closed ballot is ordered during elections, as well as on voting motions for the recalling of members of the Bank's authorities or liquidators, on making them accountable, and in voting on private matters. Moreover, a secret ballot shall be ordered on request of at least one Shareholder present or being represented at the General Meeting of Shareholders.
2. A General Meeting of Shareholders is opened by the Chairman of the Supervisory Board and in case of his absence, by the Vice-Chairman of the Supervisory Board or one of the members of the Supervisory Board in succession.
3. The General Meeting of Shareholders elects its Chairman from among persons entitled to participate in the General Meeting of Shareholders.
4. The Bank may organize a General Meeting of Shareholders in a manner allowing the shareholders to participate in the General Meeting of Shareholders by means of electronic communication, in particular by:
  1. transmitting the General Meeting of Shareholders on-line;
  2. two-way on-line communication allowing the shareholders to use means of electronic communication, remote speaking during the General Meeting of Shareholders;
  3. voting personally or by proxy, before or during the General Meeting of Shareholders.
5. The principles of the shareholders' participation in a General Meeting of Shareholders, the procedure during a General Meeting of Shareholders, and the manner of the shareholders' communication with the Bank by means of electronic communication

shall be laid down in the General Meeting of Shareholders Regulations. The General Meeting of Shareholders Regulations may authorize the Management Board to establish additional methods of the shareholders' communication with the Bank by means of electronic communication (other than those set out in the Regulations). The Management Board shall include the additional methods of communication in the announcement on convening the General Meeting of Shareholders.

6. Irrespective of the above, the Bank may transmit the General Meeting of Shareholders on the Internet as well as recording of the General Meeting of Shareholders and placing a recording of the General Meeting of Shareholders on the Bank's website after the General Meeting of Shareholders.

## **B. Supervisory Board**

### § 14.

1. The Supervisory Board shall consist of five to twelve members elected by the General Meeting of Shareholders. Members of the Supervisory Board shall be elected for a common term of office of three years. At least a half of the members of the Supervisory Board, including its Chairman, should be Polish citizens. In case of expiration of mandate of one or several members, during their term, resulting in fall of the number of the Supervisory Board members with Polish citizenship below half of the members of the Supervisory Board, the Management Board should take up action in order to complete the composition of the Supervisory Board as soon as practical. If the number of Supervisory Board members holding Polish citizenship is less than half of the total number of Supervisory Board members, the Supervisory Board will still be able to hold meetings, adopt resolutions and conduct any other factual or legal actions.
2. The number of members of the Supervisory Board is determined by the General Meeting of Shareholders within the bounds provided for in Item 1.
3. The procedure of appointing members of the Supervisory Board shall be provided for in the regulations of the General Meeting of Shareholders.
4. The independent Supervisory Board member shall be deemed the Supervisory Board member who:
  1. is not the member of management board of the Bank, the Bank's dominant company or associated company with the Bank or with the Bank's dominant company with the meaning of the Commercial Companies Code (hereinafter: an associated company), and has not been in such a position for the previous five years;
  2. is not an employee of the Bank or an associated company, and has not been in such a position for the previous three years;
  3. is not receiving, or has not been receiving any additional remuneration from the Bank or an associated company apart from the pay received as the Supervisory Board member. Such additional remuneration covers in particular any participation in a share option or any other performance-related pay scheme; it

does not cover the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Bank (provided that such compensation is not contingent in any way on continued service);

4. is not or does not represent in any way the dominant company;
5. does not have, or has not had within the last twelve months, a significant business relationship with the Bank or an associated company, either directly or as a partner, shareholder, director or senior employee of a body having such a relationship. Business relationships include the situation of a significant supplier of goods or services (including financial, legal, advisory or consulting services), of a significant customer, and of organizations that receive significant contributions from the Bank or its group;
6. is not, or has not been within the last three years, a partner or employee of the present or former entity authorized to audit financial statements of the Bank or an associated company;
7. is not a member of the management board in another company in which the Management Board member of the Bank is a management board member or supervisory board member, and does not have other significant links with the Management Board members of the Bank through involvement in other companies or bodies;
8. has not served on the Supervisory Board for more than 12 years however, this period shall be calculated no earlier than from January 1, 2008;
9. is not a close family member of the Management Board member, or of persons in the situations referred to in points (1) to (8).

In addition, a relationship with a shareholder precluding the independence of a member of the Supervisory Board is an actual and significant relationship with any shareholder who has the right to exercise at least 5% of all votes at the General Meeting of Shareholders.

#### § 15.

The mandate of a Supervisory Board member expires:

- 1) on the day the General Meeting of Shareholders approving the Management Board's report, the balance-sheet and profit-and-loss account for the full last year of fulfilling the functions of members of the Board,
- 2) due to death of a member of the Board,
- 3) on the date of recalling the Board member by the General Meeting of Shareholders,
- 4) on the day of submitting resignation in writing to the Chairman or Vice-Chairman of the Board.

§ 16.

1. The Supervisory Board elects its Chairman and Vice-Chairmen of the Supervisory Board from among its members. Such election shall take place during a meeting of the Supervisory Board, in secret ballot.
2. The Supervisory Board shall adopt its regulations, which shall in detail provide for its proceedings.

§ 17.

Members of the Board may exercise their duties in person, only.

§ 18.

1. Besides the rights and obligations provided for in applicable laws and other matters provided for in these Articles of Association, the Supervisory Board's responsibilities include the following:
  - 1) appointing and recalling the President of the Management Board in a secret ballot,
  - 2) appointing and recalling on the President's motion in secret ballot of Vice-Presidents and other members of the Bank's Management Board,
  - 3) determining the terms and conditions of agreements which cover contracts of employment or other legal relationship among members of the Management Board and the Bank,
  - 4) granting consent to the opening and closing of a branch office abroad,
  - 5) resolving upon regulations of the Supervisory Board and approving the following regulations 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 the net profit,
  - 6) granting prior consent to any disposition of the Bank's fixed assets with value in excess of 1/10 of the Bank's share capital,
  - 7) appointing the external auditor to audit or review the financial statements,
  - 8) granting consent for the employment and dismissal (after giving a 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 of the Bank,
  - 9) granting consent for the conclusion by the Bank of a material agreement with a shareholder who holds at least 5% of the total vote in the Bank or with entity associated with the Bank,

- 10) performing supervision over the introduction of the management system in the Bank and conducting the assessment of the adequacy and effectiveness of such system, including supervision over the introduction of the risk management system and conducting an annual assessment of the adequacy and effectiveness of such system, as well as supervision over the introduction of the internal control system and conducting an annual assessment of the adequacy and effectiveness of such system, taking into account the assessment of adequacy and effectiveness of control functions, the compliance unit and the Audit Department and the assessment of effectiveness of the non-compliance risk management by the Bank,
- 11) approving a strategy of the Bank's activity and the rules of prudent and stable management of the Bank,
- 12) approving the fundamental organizational structure of the Bank, harmonized with the size and profile of incurred risk and determined by the Bank's Management Board,
- 13) approving the acceptable risk level of the Bank,
- 14) approving the Bank's compliance policy,
- 15) approving the Bank's internal procedures on processes for the assessment of internal capital, capital management and capital planning,
- 16) approving the Bank's information policy,
- 17) approving of an 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 the 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) approval of 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 time, 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.

2. A material agreement, referred to in Item 1 Point 9 above, is 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.

3. A value of a material agreement, referred to in Item 1 Point 9 above, 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 year, for the determination of its value for the above purposes the estimated charges for a 1-year period shall be taken into account.

4. The resolutions of the Supervisory Board regarding the matters, referred to in Item 1 Item 7 and 9 above, may not be adopted without consent of the majority of independent Supervisory Board's members.

1. Meetings of the Board are held at least once every quarter year. The Chairman of the Board or, failing him, one of the Vice-Chairmen of the Board shall convene a meeting of the Board either on their own initiative or at the motion of a Board member or of the Management Board.
2. The Supervisory Board shall meet on the date of the General Meeting of Shareholders provided for in § 21 Item 2 of these Articles of Association for the purpose of electing members of the Bank's Management Board.
3. Members of the Supervisory Board may participate in adopting resolutions by casting their vote in writing through another member of the Supervisory Board. Casting of a vote in writing may not be done in matters introduced into the Agenda at the Supervisory Board meeting.
4. The Supervisory Board may adopt resolutions according to a written procedure or using means of direct distance communication. The resolution shall be binding when all members of the Supervisory Board have been notified of the wording of the draft resolution, and an absolute majority of them had been in favour thereof.

### **C. Management Board**

#### § 20.

1. The Management Board is composed of five to nine members.
2. Members of the Management Board include: The President of the Management Board of the Bank, Vice Presidents of the Management Board of the Bank and other members of the Management Board.
3. At least a half of members of the Management Board should be Polish citizens.

#### § 21.

1. Each member of the Management Board is appointed by the Supervisory Board for tenure of three years.
2. The tenure of the members of the Management Board shall expire:
  - 1) on the date of holding the General Meeting, which approves the Management Board's report from business of the Bank and financial statements for the last full year of fulfilment by them of the function of member of the Management Board,
  - 2) upon death of a member of the Management Board,
  - 3) upon being recalled,

- 4) on the day of submitting a written resignation to the Chairman of the Supervisory Board.

§ 22.

The Management Board adopts decisions in matters, which have not been reserved by the applicable law and by these Articles of Association to authority of other authorities of the Bank.

§ 23.

The Management Board shall proceed according to the regulations of the Management Board.

§ 24.

1. The Management Board shall by way of a resolution:

- 1) determine strategy of the Bank,
- 2) establish and liquidate committees of the Bank and defines their authorities,
- 3) determine its regulations and submit them for approval to the Supervisory Board,
- 4) determine regulations for the application of special funds created out of net profit submit them for approval to the Supervisory Board,
- 5) determine the date of dividend payment within the period defined by the General Meeting,
- 6) appoint registered proxies, general attorneys and general attorneys entitled to appoint further attorneys,
- 7) decide in matters provided for in regulations of the Management Board,
- 8) resolve in matters submitted by the President of the Management Board, Vice-President or member of the Management Board,
- 9) *deleted*
- 10) adopt a draft of the annual financial projections for the Bank, investment plans and reports on the completion thereof,
- 11) endorse reports on the Bank's operations as well as the financial statements,
- 12) prepare motions for the distribution of profits or the covering of losses,
- 13) endorse the human resource and crediting policy as well as the legal principles for the Bank's operations,

- 14) endorse the principles for managing the Bank's capitals,
  - 15) endorse the employment structure,
  - 16) determine the core organizational structure of the Bank, appoint and dismiss Sector Managers and Division Managers as well as define the scope of the powers vested in them,
  - 17) endorse the principles for inspection operations within the Bank, as well as approve reports on the completion of any audits,
  - 18) resolve any other issues which, pursuant to the Articles of Association, must be submitted for approval to the Supervisory Board and the General Meeting,
  - 19) decide to incur obligations or dispose of assets whose aggregate value, in relation to one entity, exceeds 5% of the Bank's equity or shall authorize designated persons to make such a decision, provided that decisions in matters within the powers vested in Committees formed in the Bank are made upon consultation with the relevant Committee.
2. The acquisition and transfer of ownership or the right of perpetual usufruct of a real estate property or a share in those rights by the Bank shall not require a resolution by the General Meeting. Decisions in these matters shall be taken independently by the Management Board of the Bank by way of resolution. However, in matters including acquisition and transfer of ownership or the right of perpetual usufruct of a real estate property or a share in those rights by the Bank, if the value of those rights in the individual case does not exceed PLN 500,000.00 and the acquisition or transfer is connected with the Bank's seeking collection of debts resulting from banking operations, such acquisition or transfer can be made also without the resolution of the Management Board.
  3. The Management Board of the Bank shall design, implement and assure operation of management system in the Bank.

## § 25.

1. The President of the Management Board:
  - 1) manages the activities of the Bank's Management,
  - 2) convenes meetings of Management and presides the meetings,
  - 3) presents views of the Management in respect to other bodies of the Company, authorities of the State and to the public,
  - 4) files motions with the Supervisory Board regarding the appointment or dismissal of Vice Presidents and other members of the Bank's Management Board and determining the remuneration thereof,
  - 5) issues internal regulations controlling activities of the Bank and may authorize remaining members of the Management or other employees of the Bank to issue such regulations,
  - 6) performs other authorities provided for in the regulations specified in § 24.

2. The Management Board Member managing risk in the Bank shall be responsible for the risk management system including:
  - 1) credit policy of the Bank,
  - 2) quality of the credit portfolio,
  - 3) credit risk,
  - 4) market risk,
  - 5) operational risk,
  - 6) coordination of activities related to the implementation in the Bank of the requirements resulting from the regulations in the area of risk management, including regulators' recommendations.

§ 26.

Other members of the Management Board manage activities of the Bank as provided for in the regulations of the Management Board.

#### **IV. TERMS AND CONDITIONS FOR ADOPTING DECISIONS AND MAKING REPRESENTATIONS AS TO MATERIAL RIGHTS AND OBLIGATIONS**

§ 27.

1. The following persons are authorized to make statements in respect of material rights and obligations of the Bank and to sign on behalf of the Bank:
  - 1) the President of the Management Board and Vice Presidents of the Management Board - each individually,
  - 2) two persons from among the remaining members of the Bank's Management Board acting jointly or one of the remaining members of the Bank's Management Board acting jointly with one of the persons holding joint commercial representation or one of the remaining members of the Bank's Management Board acting jointly with one of the persons being an attorney acting within the limits of the power of attorney granted to him.
2. For the execution of the activities of defined nature or specific nature, there may be appointed attorneys, acting within the limits of the powers of attorney granted to them. Such attorneys may either be acting individually or they may be restricted by the obligation to act jointly with another authorized person, including with one of the persons holding joint commercial representation.
3. Commercial proxies may be appointed only on the principles of joint commercial representation (allowing an authorized person to act jointly with at least one of the other

persons holding joint commercial representation). A general power of attorney to act on behalf of the Bank may be granted only if it is limited by the requirement of acting jointly with another authorized person, including with one of the persons holding joint commercial representation.

4. Decisions on matters in which no resolution of the Management Board is required and which are not reserved for other competent authorities shall be adopted by persons in managerial positions in the Bank, within the scope of powers vested in them and the tasks assigned to the organizational unit managed by them.
5. Statements in respect of material rights and obligations of the Bank in the implementations of the decisions made are submitted on behalf of the Bank pursuant to the rules described in Items 1-3 of this Paragraph.

## **V. THE ORGANIZATIONAL STRUCTURE OF THE BANK**

### § 28.

1. The Bank's Management Board manages the Bank's affairs through the organizational units comprising the Bank's organizational structure.
2. The Bank's Management Board may appoint Committees to perform internal decision-making, advisory and controlling tasks within the Bank.
3. The Bank's organizational structure shall be comprised of Sectors.
4. As regards the geographic division within the organizational structure of the Bank, branches that provide regular services to the Bank's clients constitute the Bank's basic organizational units.
5. The Bank's organizational rules and regulations set forth its organizational structure.

## **VI. PROCEDURE FOR PROMULGATING INTERNAL REGULATIONS**

### § 29.

1. Internal regulations of the Bank shall be issued in the form of:
  - 1) ordinances of the President of the Bank's Management Board,
  - 2) decisions issued by Sector Managers, Division Managers, Chairmen of the Committees operating within the Bank and the directors of organizational units within the Bank, on the basis of the powers vested in them pursuant to a relevant ordinance of the President of the Bank's Management Board.
2. The President of the Bank's Management Board shall issue ordinances pursuant to the resolutions of the Bank's Management Board or at his own initiative.

3. The detailed principles, procedures and techniques for the issue of internal regulations in the Bank shall be specified in an ordinance of the President of the Bank's Management Board.

## **VII. FUNDS OF THE BANK**

### § 30.

1. The statutory financial resources of the Bank are composed of:
  - 1) share capital,
  - 2) reserve capital,
  - 3) reserve funds,
  - 4) general risk fund.
2. The Bank may create and liquidate during and at the end of the financial year special funds pursuant to resolutions of the General Meeting of Shareholders.
3. The Bank creates funds provided for in the applicable Laws.

### § 31.

1. The Bank's share capital shall amount to PLN 522,638,400 (five hundred twenty two million six hundred thirty eight thousand four hundred Polish Zloty) and shall be divided into 130,659,600 (one hundred and thirty million six hundred and fifty nine thousand six hundred) bearer shares, each with a nominal value of PLN 4 (four Polish Zloty), including:
  - 1) 65,000,000 (sixty five million) A Series bearer shares,
  - 2) 28,000,000 (twenty eight million) B Series bearer shares,
  - 3) 37,659,600 (thirty seven million six hundred and fifty nine thousand six hundred) C Series bearer shares.
2. Shares may be issued in collective units.
3. Share capital of the Bank may be increased through the issue of new shares, which may be registered or bearer shares, or through the increase in the nominal value of the existing shares.
4. Bearer shares are not convertible into registered shares.
5. The Bank is entitled to issue bonds convertible into shares or bonds with preference rights.
6. Shares of the Bank may be redeemed on consent of the Shareholder by acquisition of shares by the Bank (voluntary redeeming).

7. Redeeming of shares required a resolution of the General Meeting of Shareholders. The resolution shall in particular specify the legal basis of redeeming shares, amount of remuneration due to the Shareholder of redeemed shares or justification for redeeming of shares without payment for such shares and manner of decreasing the share capital.

§ 32.

1. The supplementary capital shall be created out of annual write-offs from the net profit of no less than 8% of the net profit for a given fiscal year, until the supplementary capital reaches at least one-third of the share capital. The General Shareholders' Meeting may adopt a resolution ordering that further write-offs be made.
2. The supplementary capital is supplied also from additional payments to be made by the Shareholders in consideration of special rights vested onto the shares hitherto held, as long as such additional payments are not used to recover extraordinary deductions or losses defined by the General Meeting of Shareholders.
3. The supplementary capital shall also be supplemented with surplus attained by issue of shares above their par price, and remaining after covering the costs of share issue.
4. The supplementary capital shall be used to cover any balance sheet losses incurred by the Bank or for any other purposes, including the payment of dividends to shareholders. The General Shareholders' Meeting shall decide how to appropriate the supplementary capital, provided that the portion of the supplementary capital, which equals one-third of the share capital may only be used to cover losses reported in the financial statements.

§ 33.

1. The reserve capitals (funds) are built up of the annual deductions made out of the net profit or from other sources, apart from the reserve capital.
2. The reserve capitals shall be used to cover any balance sheet losses incurred by the Bank or for any other purposes, including the payment of dividends to shareholders. The General Shareholders' Meeting shall decide how to appropriate the reserve capital.
3. The Bank may establish a capital (fund) for accumulating retained profit (not allocated to dividend). The decision on the allocation of the reserve fund shall be taken by the General Meeting of Shareholders.

§ 34.

1. The general risk fund is created from net profit earmarked for unidentified risks of banking activity.

2. Sums to supply the fund are annually deducted from net profit in the amount resolved upon by the General Meeting of Shareholders.
3. The use of the fund is decided upon by the General Meeting of Shareholders on the basis of applicable regulations.

§ 35.

The use of special funds established out of net profit takes place on the basis of respective regulations.

### **VIII. MANAGEMENT OF FINANCE**

§ 36.

1. The General Meeting of Shareholders shall decide on the distribution of net profit, determining the amount of deductions to be made to:
  - 1) the reserve capital, subject to the provisions of § 32 Item 1,
  - 2) the reserve fund,
  - 3) the general risk fund,
  - 4) dividend,
  - 5) other special funds,
  - 6) for other purposes.

§ 37.

The dividend on shares is paid on dates fixed by the Management Board of the Bank within the period defined by the General Meeting of Shareholders. Dividend not collected within the period of three years is transferred into favour of the Bank. The Bank does not pay any interest on uncollected dividends.

§ 38.

1. Management Board shall assure preparation of the annual financial statements and the consolidated financial statements of the Bank's capital group.
2. The annual report, and the consolidated financial statements of the Bank's capital group shall be submitted by the Management Board to the General Meeting of Shareholders upon their consideration by the Supervisory Board of the Bank.

§ 39.

The Bank's financial year shall be a calendar year.

**IX. INTERNAL AUDIT SYSTEM**

§ 40

1. The Bank shall have an internal control system which shall verify the operations of the Bank, both in terms of their legality and correctness, as well as the accuracy of the statements and information submitted by the Bank.
2. The internal control system covers risk control mechanisms, examining compliance of Bank's operations with provisions of laws and internal regulations and internal audit.
3. The internal control system is aimed at supporting decision making processes which are contributory to ensuring effectiveness and efficiency of the Bank's operations, credibility of financial statements and compliance of Bank's operations with provisions of laws and internal regulations.
4. The internal audit in the Bank is performed by the Audit Department which shall constitute a separate organizational unit operating as part of the Bank's structure and directly dependent on the President of the Management Board. The task of the Audit Department shall be to examine and assess, independently and objectively, the adequacy and efficiency of the internal audit system, as well as to issue opinions on the Bank's management system, including the efficiency of the management of risk resulting from the Bank's operations.
5. The functional internal control at the Bank shall be performed by each employee and, additionally, by such employee's direct superior and persons cooperating with the superior, as well as by managers of organizational units of the Bank, in terms of the quality and correctness of tasks performed by individual employees in order to ensure the compliance of their tasks with the Bank's control procedures and mechanisms.
6. The Supervisory Board shall perform supervision over the Audit Department activity through internal audit committee.
7. The head of the Audit Department shall regularly, at least once a year, provide the Supervisory Board and the Management Board with information about the discovered irregularities and conclusions from internal audits conducted and measures taken to remedy such irregularities or implement such conclusions. The head of the Audit Department shall be authorized to participate in the Management Board and Supervisory Board meetings at which matters pertaining to the Bank's internal audit will be discussed.
8. The Management Board of the Bank shall determine the detailed rules of the internal audit at the Bank and the organization and scope of activity of the Audit Department.

## **X. FINAL PROVISIONS**

### § 41.

In case of liquidation of the Bank, the General Meeting of Shareholders appoints, at the motion of the Supervisory Board, one or more liquidators and determines the method of liquidation.

### § 42.

Unless relevant provision of law provides otherwise, all announcements shall be placed by the Management Board only on the Bank's website.

### § 43.

The applicable laws shall prevail in all matters not provided for in these Articles of Association.