

Warsaw, July 20, 2021

Current Report no. 30/2021

Subject: Individual recommendation of the Polish Financial Supervision Authority regarding the dividend

Legal basis: Article 17 (1) of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation).

The Management Board of Bank Handlowy w Warszawie S.A. ("Bank") announces that on July 20, 2021 the Bank received an individual recommendation of the Polish Financial Supervision Authority relating to the Bank's dividend policy in the second half of 2021 (the "PFSA Recommendation"). In accordance with the PFSA Recommendation, the Bank, as at 31 March 2021 (Bank's quarterly data on own funds) and as at 31 May 2021 (the Bank's monthly data on the receivables portfolio), in terms of the basic criteria of the dividend policy, met the requirements qualifying for the payment of up to 100% of the dividend from the Bank's profit generated in the period from 1 January 2020 to 31 December 2020. Additionally, the Polish Financial Supervision Authority recommended the Bank not taking, prior to consultation with PFSA, any actions beyond the scope of current business and operational activities that may result in lowering the capital base including possible dividend payments from undistributed profit from previous years (i.e. from 2019 and earlier) and buyouts of own shares.

In connection with the above, with reference to Resolution No. 29/2021 of the Ordinary General Meeting of the Bank of June 17, 2021 on the distribution of net profit for 2020, about which the Bank informed with the current report No. 27/2021 of June 17, 2021, on July 20, 2021 the Management Board of the Bank adopted a resolution confirming the fulfillment of the Whole Profit Distribution Condition for 2020.

Due to the fulfillment of the Whole Profit Distribution Condition for 2020, the Management Board of the Bank informs that the Bank's net profit for 2020 in the amount of PLN 158,085,123.29. will be distributed as follows:

- 1) dividend for shareholders: PLN 156,791,520.00, which means that the dividend per share amounts to PLN 1.20; and
- 2) allocation to the reserve capital: PLN 1,293,603.29.

Pursuant to point V of resolution 29/2021 of the Ordinary General Meeting of June 17, 2021, the dividend date was set for September 15, 2021 (dividend date) and the dividend payment date was set for September 22, 2021 (dividend payment date).