

Attachment to the Current Report No 20/2017

Resolutions adopted by the Ordinary General Meeting of 22 June 2017

**Resolution No 1/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

concerning election of Chairman of the Ordinary General Meeting

Ordinary General Meeting appoints Jarosław Iwanicki to be a Chairman of the Ordinary General Meeting.

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Andrzej Olechowski stated that Jarosław Iwanicki has been appointed for the Chairman of the Ordinary General Meeting, in secret ballot, where 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital, where the number of votes cast for the resolution – 113.575.969, the number of votes cast against the resolution – 0, the number of abstaining votes – 0, Jarosław Iwanicki accepted the appointment, signed the attendance list and stated that on today's General Meeting there is 195 (one hundred ninety five) shareholders present, with a right to 113.575.969 votes and General Meeting has been conveyed correctly, by the way of the announcement published at the Company's website and in the way stipulated for presentation of current reports in accordance to the act on public offering, conditions governing the introduction of financial instruments to organised trading and public companies, thus its able to adopt binding resolutions.

Here Jarosław Iwanicki declared that at the General Meeting are present: members of the Management Board and Supervisory Board, the absent members of the Supervisory Board justified their absence.

§4 the Chairman put to the vote the following Resolution:

**Resolution No 2/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

concerning approval of the Agenda

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

In open ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.575.969, the number of votes cast against the resolution – 0, the number of abstaining votes – 0.

The resolution has been adopted.

§5 the Chairman put to the vote the following Resolution:

RESOLUTION No. 3/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017

concerning consideration and approval of the annual financial statements of Bank Handlowy w Warszawie S.A. for the financial year ended 31 December 2016

Pursuant to Article 395 § 2 Item 1) of the Commercial Companies Code and § 9 Section 1 Item 1 of the Bank's Articles of Association, the Ordinary General Meeting of Bank Handlowy w Warszawie S.A., having considered the annual financial statements of Bank Handlowy w Warszawie S.A. for the financial year ended 31 December 2016, has resolved to approve the annual financial statements of Bank Handlowy w Warszawie S.A. for the financial year ended 31 December 2016 comprising:

- a) statement of financial position prepared as at 31 December 2016 showing a balance sheet total of PLN 45,091,648,015.13;
- b) income statement for the year 2016 showing a net profit of PLN 604,198,677.93;
- c) statement of comprehensive income for the year 2016 showing a total comprehensive income of PLN 552,946,851.68;
- d) statement of changes in equity for the year 2016 showing an equity balance of PLN 6,723,927,437.49;
- e) cash flow statement for the year 2016 showing a decrease in the net cash balance of PLN 1,681,353,956.02;
- f) additional information and explanatory notes together with the independent auditor's opinion and report.

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In open ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.520.748, the number of votes cast against the resolution – 0, the number of abstaining votes – 55.221.

The resolution has been adopted.

§6 the Chairman put to the vote the following Resolution:

*Draft Resolution to Item 5, Sub-point 2) of the
Agenda of the Ordinary General Meeting held on
22 June 2017*

RESOLUTION No. 4/2017
of the Ordinary Meeting
of Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017

concerning consideration and approval of the annual consolidated financial statements of the Capital Group of Bank Handlowy w Warszawie S.A. for the financial year ended 31 December 2016

Pursuant to Article 395 § 5 of the Commercial Companies Code in conjunction with Article 55 Paragraph 5 and Article 53 Paragraph 1 of the Accounting Act of 29 September 1994 (Journal of Laws No. 121 Item 591, as amended), the Ordinary General Meeting of Bank Handlowy w Warszawie S.A., having considered the annual consolidated financial statements of the Capital Group of Bank Handlowy w Warszawie S.A. for the financial year ended 31 December 2016, has resolved to approve the annual consolidated financial statements of the Capital Group of Bank Handlowy w Warszawie S.A. for the financial year ended 31 December 2016, comprising:

- a) consolidated statement of financial position prepared as at 31 December 2016 showing a balance sheet total of PLN 45,209,916,170.88;
- b) consolidated income statement for the year 2016 showing a net profit of PLN 601,579,383.84;
- c) consolidated statement of comprehensive income for the year 2016 showing a total comprehensive income of PLN 551,380,368.81;
- d) consolidated statement of changes in equity for the year 2016 showing an equity balance of PLN 6,790,450,962.14;
- e) consolidated cash flow statement for the year 2016 showing a decrease in the net cash balance of PLN 1,681,469,967.86;
- f) additional information and explanatory notes together with the independent auditor's opinion and report.

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In open ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.520.748, the number of votes cast against the resolution – 0, the number of abstaining votes – 55.221.

The resolution has been adopted.

§7 the Chairman put to the vote the following Resolution:

**RESOLUTION No. 5/2017
of the Ordinary Meeting
of Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

concerning consideration and approval of the Management Board's report on the activity of Bank Handlowy w Warszawie S.A. and Capital Group of Bank Handlowy w Warszawie S.A. in the year 2016 including the Report regarding compliance with corporate governance rules in the year 2016

Pursuant to Article 395 § 2 Item 1) of the Commercial Companies Code and § 9 Section 1 Item 1 of the Bank's Articles of Association, the Ordinary General Meeting of Bank Handlowy w Warszawie S.A., having considered the Management Board's report on the activity of Bank Handlowy w Warszawie S.A. and Capital Group of Bank Handlowy w Warszawie S.A. in the year 2016 including the Report regarding compliance with corporate governance rules in the year 2016 has resolved to approve this report.

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In open ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.520.748, the number of votes cast against the resolution – 0, the number of abstaining votes – 55.221.

The resolution has been adopted.

§8 the Chairman put to the vote the following Resolution:

**Resolution No 6/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Management Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the President of the Management Board of the Bank Handlowy w Warszawie S.A. - Sławomir Stefan Sikora.

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In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§9 the Chairman put to the vote the following Resolution:

**Resolution No 7/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Management Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Vice President of the Management Board of the Bank Handlowy w Warszawie S.A. – Maciej Kropidłowski.

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In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§10 the Chairman put to the vote the following Resolution:

**Resolution No 8/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Management Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Vice President of the Management Board of the Bank Handlowy w Warszawie S.A. – David Mouillé.

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In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§11 the Chairman put to the vote the following Resolution:

**Resolution No 9/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Management Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Vice President of the Management Board of the Bank Handlowy w Warszawie S.A. – Barbara Sobala.

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In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§12 the Chairman put to the vote the following Resolution:

**Resolution No 10/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

on granting of approval of the performance by the member of the Bank's Management Board of duties in 2016

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Vice President of the Management Board of the Bank Handlowy w Warszawie S.A. – Witold Zieliński.

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In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§13 the Chairman put to the vote the following Resolution:

**Resolution No 11/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

on granting of approval of the performance by the member of the Bank's Management Board of duties in 2016

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Management Board of the Bank Handlowy w Warszawie S.A. – Katarzyna Majewska.

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In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§14 the Chairman put to the vote the following Resolution:

**Resolution No 12/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

on granting of approval of the performance by the member of the Bank's Management Board of duties in 2016

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Management Board of the Bank Handlowy w Warszawie S.A. – Czesław Piasek.

**Resolution No 13/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

on consideration and approval of the Bank Handlowy w Warszawie S.A. Supervisory Board's report on its activity for the period of time from the date of the Bank's Ordinary General Meeting in 2016 to the date of the Bank's Ordinary General Meeting in 2017 containing: assessment of reports on activities and financial statements of the Bank and its Capital Group in year 2016, assessment of the Management Board's motion on distribution of the net profit for year 2016, reports and assessments as defined in approved for use by the Bank the Principles of Corporate Governance for Supervised Institutions and the Best Practice for GPW Listed Companies 2016 and assessment of the functioning of the remuneration policy in the Bank

The Ordinary General Meeting:

- 1) resolved to approve the Bank Handlowy w Warszawie S.A. Supervisory Board's report on its activity for the period of time from the date of the Bank's Ordinary General Meeting in 2016 to the date of the Bank's Ordinary General Meeting in 2017 containing: assessment of reports on activities and financial statements of the Bank and its Capital Group in year 2016, assessment of the Management Board's motion on distribution of the net profit for year 2016, reports and assessments as defined in approved for use by the Bank the Principles of Corporate Governance for Supervised Institutions and the Best Practice for GPW Listed Companies 2016 and assessment of the functioning of the remuneration policy in the Bank
- 2) based on an assessment as contained in the report of the Supervisory Board states that the established remuneration policy contributes to the development and security of the operations of the Bank.

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

for the period from the date of the Annual General Meeting of Shareholders in 2016
to the date of the Annual General Meeting of Shareholders in 2017

1. Members of the Supervisory Board

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

| | | |
|---------------------------|----------------------------|-------------------------|
| Mr. Andrzej Olechowski | Chairman of the Board | entire reporting period |
| Mr. Zdenek Turek | Vice Chairman of the Board | until December 31, 2016 |
| Mr. Shirish Apte | Member of the Board | entire reporting period |
| Mr. Igor Chalupiec | Member of the Board | entire reporting period |
| Mr. Mirosław Gryszka | Member of the Board | entire reporting period |
| Mr. Marek Kapuściński | Member of the Board | from September 22, 2016 |
| Mr. Frank Mannion | Member of the Board | entire reporting period |
| Mr. Dariusz Mioduski | Member of the Board | until June 30, 2016 |
| Ms. Anna Rulkiewicz | Member of the Board | entire reporting period |
| Mr. Anand Selvakesari | Member of the Board | from June 21, 2016 |
| Mr. Stanisław Sołtysiński | Member of the Board | entire reporting period |
| Mr. Stephen R. Volk | Member of the Board | entire reporting period |
| Mr. Anil Wadhvani | Member of the Board | until June 20, 2016 |

1.2. Independent Members of the Supervisory Board

In the opinion of the Supervisory Board, the Independent Members of the Supervisory Board are as follows:

| | |
|---------------------------|-----------------------|
| Mr. Andrzej Olechowski | Chairman of the Board |
| Mr. Igor Chalupiec | Member of the Board |
| Mr. Mirosław Gryszka | Member of the Board |
| Pan Marek Kapuściński | Member of the Board |
| Ms. Anna Rulkiewicz | Member of the Board |
| Mr. Stanisław Sołtysiński | Member of the Board |

1.3. Evaluation of the composition of the Supervisory Board

The Supervisory Board wants to emphasize that, during the entire reporting period, it was composed of persons demonstrating the extensive knowledge of law, economics, banking, management and finance. Members of the Supervisory Board have practical knowledge acquired as managers in international economic institutions. In the Supervisory Board's opinion, the expertise of its Members ensures due performance of its tasks resulting from applicable laws and regulations. The structure of the Board, including its committees, is shaped so that the Board and its committees can make the most of the expertise of its Members to contribute to the accomplishment of the goals and objectives assigned to the Supervisory Board.

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

1.4.1. Audit Committee

| | | |
|-----------------------|--------------------------------|-------------------------|
| Mr. Mirosław Gryszka | Chairman of the Committee | entire reporting period |
| Mr. Frank Mannion | Vice Chairman of the Committee | entire reporting period |
| Mr. Shirish Apte | Member of the Committee | entire reporting period |
| Mr. Igor Chalupiec | Member of the Committee | entire reporting period |
| Mr. Marek Kapuściński | Member of the Committee | from September 28, 2016 |
| Ms. Anna Rulkiewicz | Member of the Committee | entire reporting period |

1.4.2. Remuneration Committee

| | | |
|---------------------------|--------------------------------|-------------------------|
| Mr. Andrzej Olechowski | Chairman of the Committee | entire reporting period |
| Ms. Jenny Grey | Vice Chairman of the Committee | from September 28, 2016 |
| Mr. Stanisław Sołtysiński | Member of the Committee | entire reporting period |
| Mr. Zdenek Turek | Member of the Committee | until December 31, 2016 |

1.4.3. Strategy and Management Committee

| | | |
|---------------------------|--------------------------------|-------------------------|
| Mr. Shirish Apte | Chairman of the Committee | entire reporting period |
| Mr. Stanisław Sołtysiński | Vice Chairman of the Committee | entire reporting period |
| Mr. Igor Chalupiec | Member of the Committee | entire reporting period |
| Ms. Jenny Grey | Member of the Committee | from September 28, 2016 |
| Mr. Mirosław Gryszka | Member of the Committee | entire reporting period |
| Mr. Marek Kapuściński | Member of the Committee | from September 28, 2016 |
| Mr. Frank Mannion | Member of the Committee | entire reporting period |
| Mr. Dariusz Mioduski | Member of the Committee | until June 30, 2016 |
| Mr. Andrzej Olechowski | Member of the Committee | entire reporting period |
| Ms. Anna Rulkiewicz | Member of the Committee | entire reporting period |
| Mr. Anand Selvakesari | Member of the Committee | from September 28, 2016 |

| | | |
|---------------------|-------------------------|-------------------------|
| Mr. Zdenek Turek | Member of the Committee | until December 31, 2016 |
| Mr. Stephen R. Volk | Member of the Committee | entire reporting period |
| Mr. Anil Wadhvani | Member of the Committee | until June 20, 2016 |

1.4.4. Risk and Capital Committee

| | | |
|------------------------|---|-------------------------|
| Mr. Zdenek Turek | Chairman of the Committee | by December 31, 2016 |
| Mr. Igor Chalupec | Vice Chairman of the Committee | entire reporting period |
| Mr. Frank Mannion | Chairman of the Committee from March 22, 2017 | entire reporting period |
| Mr. Dariusz Mioduski | Member of the Committee | until June 30, 2016 |
| Mr. Andrzej Olechowski | Member of the Committee | entire reporting period |
| Mr. Anand Selvakesari | Member of the Committee | from September 28, 2016 |
| Mr. Stephen R. Volk | Member of the Committee | entire reporting period |
| Mr. Anil Wadhvani | Member of the Committee | until June 20, 2016 |

1.5. Meetings of the Supervisory Board and its Committees

In the reporting period, the Supervisory Board held six meetings, and its Committees: Audit Committee – 4, Risk and Capital Committee – 4, Remuneration Committee – 3, Strategy and Management Committee – 2.

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

In 2016, Poland's economy continued to grow, however at a slower pace of 2.8%, as compared to 3.9% in 2015. The key growth driver was domestic demand, and especially private consumption, which rose from 3.2% year-over-year to 3.6% in 2016. That consumption growth was mainly fuelled by the labor market, which continued to improve with the unemployment rate falling to a record low level in 2016. At the same time, last year saw a significant decline in investments, by 5.5% year-over-year versus an increase by 6.1% in 2015, mainly because of lower inflows of EU funds.

In 2016, the net profit of the banking sector rose by 24%, to PLN 13.9 billion, as compared to PLN 11.2 billion in 2015. That growth was primarily caused by one-off factors, such as an increase in revenues resulting from the settlement of the acquisition of Visa Europe Ltd. by Visa Inc. in 2016. At the same time, the profitability of the banking sector in 2016 was adversely affected by the bank levy on certain financial institutions, new regulatory requirements for group insurance products and high volatility in international financial markets.

In this demanding market environment, the Bank generated net profit reaching PLN 604.2 million. At the same time, return, liquidity and equity ratios of the Bank reached much higher levels than the banking sector average. The stable situation of the Bank enabled it to actively support development plans of its clients and to pursue its policy of shareholder value maximization.

The key factors that shaped the financial result in 2016 include higher revenues and continued cost discipline. The costs of risk were up, back to normal level, and the Bank paid the bank levy.

In 2016, the operating revenues of the Bank amounted to PLN 2.06 billion and were higher by PLN 45 million, or 2.2%, than in 2015, first of all because of the revenue from settlement of the takeover of Visa Europe Ltd. by Visa Inc. and higher net interest income, achieved despite all time low interest rates. This growth was partially offset by lower net fee and commission income, following regulatory changes applicable to group insurance, and a lower result on treasury operations, caused by market headwinds.

In 2016, the Bank continued its cost discipline policy. As compared to 2015, costs were down by PLN 73.6 million, or 5.9%. The key drivers were a decline in general and administrative expenses and lower

staff-related costs in connection with the continued transformation of the distribution system towards the *Smart Banking Ecosystem*.

In 2016, the costs of risk were back to normal levels. The result on impairment write-downs for financial assets was PLN 48.8 million. On the other hand, the Non-Performing Loan (NPL) ratio was reduced to a record-low level of 2.9% as at the end of 2016.

For the Bank, it was another year of sustainable growth of lending. In the Institutional Clients Group (ICG), the growth rate reached 9%, i.e. significantly above the GDP growth rate in 2016, and in the Global Consumer Banking (GCG) business, the volumes increased by 4%. Simultaneously, in 2016 the Bank had an increase in funds deposited in current accounts, by 7% and 17% in ICG and GCG, respectively, from 2015.

At the end of 2016, the equity of the Bank recorded a small decrease as compared to the prior year period, mainly owing to a negative valuation of the debt securities portfolio. The Supervisory Board believes that the level of capitals maintained by the Bank is sufficient to ensure its financial security, as well as the security of deposits entrusted to it, and to stimulate its further growth.

As of December 31, 2016, the capital adequacy ratio of the Bank was 17.2%. The excess of the Bank's capital over the regulatory requirement was constantly one of the largest surpluses among large banks operating in Poland's market. The high level of the capital adequacy ratio achieved by the Bank confirms its financial security and strong capital base.

As the GDP growth rate in Poland is likely to decline – because of the planned changes in the EU budget after Brexit and the outflow of capital from emerging markets triggered by the uncertainty generated by the economic and foreign policy of the United State – the Supervisory Board will still closely cooperate with the Management Board to monitor the impact of those factors on the situation of the Bank.

Taking into consideration the financial results achieved, the safe position of the Bank, the stable capital and liquidity ratios and the consistent and coherent strategy of the Bank, the Supervisory Board's assessment of the activities of the Bank in 2016 is positive. Simultaneously, the Supervisory Board is convinced that both already started and planned initiatives will contribute to an increase in shareholder value by allowing the Bank to achieve optimal financial results and market position despite a challenging market environment.

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

3.1. Corporate social responsibility of the Bank

The Bank undertakes all actions following the needs of its customers, but also the community in which it operates. The Bank is socially responsible for and sensitive to the needs of both its business and social partners.

The corporate social responsibility initiatives of the Bank cover workplace and market environment, local communities and natural environment protection. The strategic objective is to become a company setting Corporate Social Responsibility (CSR) standards, both outside and inside the organization. The Bank continues investments supporting local communities, implemented for public good in such fields as economic education, promotion of entrepreneurship, local development and protection of cultural heritage. The Bank's mission in this area is fulfilled through the Leopold Kronenberg Foundation (Foundation), established in 1996.

In 2016, the Foundation ran four programs in the area of financial education and entrepreneurship, three programs in the area of cultural heritage and six employee volunteering programs. It also carried out a ninth edition of the "Poles' Attitudes Towards Saving" survey, widely acclaimed by the media and opinion leaders. It is deemed one of the most reliable surveys of that kind in Poland. The Foundation continued its initiatives to protect cultural heritage, the most important of which is the Aleksander Gieysztor Award, granted to honor individuals and institutions with outstanding achievements in the field of cultural heritage protection. The ArtSherlock application was launched as part of the program aimed at recovering works of art and revolutionized searching for artworks

lost in World War II. Its key quality consists in a wider range of search. Until recently, only an expert was able to identify whether a certain object is one of the missing artworks. At the moment, any smartphone owner can do this.

One of the key areas of the Foundation's activities in 2016 was the Citi Employee Volunteering Program. It has been consistently realized since 2005 and is one of the oldest employee volunteering programs in Poland. As in previous years, the Citi Global Community Day was a top event also in 2016. Volunteers from the Bank and Citi Service Center, together with their families and friends, were involved 3,299 times, took part in 217 projects and worked nearly 18,000 hours. They helped 31,000 people. As part of the program, volunteers also organized holiday campaigns, volunteers for seniors actions and integration volunteering outings. In 2016, the Foundation joined the "Volunteering in Culture" project, which resulted in a dedicated nation-wide conference. In 2016, the Foundation offered 7 subsidies for implementation of social projects. The high standards of the Bank's CRS activities are confirmed by many awards, for example the Ethical Company Award from the "Puls Biznesu" daily. A record number of good practices of Citi Handlowy was mentioned in the report "Responsible Business in Poland. Good Practices" prepared by the Responsible Business Forum.

The Kronenberg Foundation responds to social needs, which are previously properly diagnosed and identified. Especially in the area of economics education, there is a visible shortage of financial knowledge, which may lead to serious consequences in the life of every Pole. A vital issue for the entire society is the goods plundered during World War II, which is why the Foundation pays a particular attention to searching for artworks lost in that time. As confirmed by multiple examples, employee volunteering is a special type of activity, which is meant not only to help others, but also to integrate. Surveys carried out by the Foundation every year show that volunteering strengthens teams of employees, affects their perception of the Bank as employer and develop their competences in various areas.

The Supervisory Board positively assesses the activities of the Kronenberg Foundation.

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

3.2. Sponsoring

In 2016, the Bank and the Foundation supported numerous nation-wide and international conferences and seminars. One of the them was the Smart City Forum conference, an event arranged in response to global transformation in the area of building and functioning of smart cities. The Bank was a partner of the Smart City Grand Gala, where the awards for achievements in 2015 were granted. As part of the conference, a representative of the Bank gave a presentation about the financing of Smart City investments and about Smart banking solutions.

Experts from the Bank took part in debates during the seventh edition of the "Economic Patriotism Age" program, organized under the patronage of the "Puls Biznesu" daily. Once more, the Bank was a partner of that initiative, which significantly contributes to development of the Polish business community.

In cooperation with the American Chamber of Commerce in Poland, the Bank was involved in the organization of the European Economic Congress in Katowice and the Economic Forum in Krynica. In Krynica, Mr. Sławomir S. Sikora, President of the Bank's Management Board, took part in the "Transatlantic Business Bridge" debate. During the meeting, for more than an hour, panelists discussed such issues as transatlantic economic cooperation, Polish companies investing in the USA and expectations of the TTIP (Transatlantic Trade and Investment Partnership).

The Bank was a partner of the European Forum for New Ideas (EFNI), with an award ceremony in the 3rd edition of the Emerging Market Champions competition, organized by the Kronenberg Foundation at Citi Handlowy. The ceremony was accompanied by a debate concerning the challenges that emerging economies are faced with nowadays.

In September 2016, the Bank was a partner of “Engineering of the Future 2016”, a scientific and industrial conference dedicated to innovative technological and organizational solutions for the industry, organized by the Institute for Sustainable Technologies – National Research Institute.

In October 2016, Koziminski University in Warsaw organized the conference “Future of Poland's Economy”, under the patronage of the Bank and with participation of Vice Prime Minister Mateusz Morawiecki and ex Vice Prime Ministers for economic policy. Its aim was to discuss internal and external conditions and development outlooks for Poland's economy. Experienced practitioners in the fields of economics, management, finance, banking and law took part in the discussion.

In mid-November, the Bank supported, as a partner, the Open Eyes Economy Summit. During that event, Mr. Sławomir S. Sikora, President of the Bank's Management Board, participated in the inspirational session “Value for a bank, value for its clients”. On the second day of the conference, Ms. Katarzyna Majewska, Member of the Bank's Management Board and Head of Operations and Technology Sub-sector, joined a cybersecurity session.

In 2016, the Bank promoted golf in Poland, as a partner of the Polish Golf Union.

The Supervisory Board positively assesses the involvement of the Bank in the area of corporate social responsibility and sponsorship of important economic events.

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

- 4.1. The obligation of the Supervisory Board to assess the functioning of the remuneration policy at Bank Handlowy w Warszawie S.A. results from Section 28.3 of the Principles of Corporate Governance for Supervised Institutions issued by the Polish Financial Supervision Authority (KNF) on July 22, 2014 and effective from January 1, 2015.

The remuneration policy for holders of key functions at Bank Handlowy w Warszawie S.A. (“Bank”) (“Remuneration Policy”) was approved by the resolution of the Supervisory Board of the Bank of December 3, 2015.

- 4.2. The Remuneration Policy is assessed as follows:

The Remuneration Policy covers the correct group of persons, defined as Key Persons.

The Remuneration Policy appropriately defines the rules of remuneration applicable to Key Persons, including their form, structure and method of their determination. The rules of remuneration applicable to Members of the Supervisory Board are regulated by resolutions of the General Meeting of Shareholders.

The method of implementation of the Remuneration Policy at the Bank ensures that the structure of remuneration of Key Persons supports the long-term stability of the Bank and is in conformity with the strategy, goals and objectives, values and long-term interests of the Bank, especially such as sustainable growth, and enables the elimination of a potential adverse impact of remuneration systems on risk management.

The Bank has correctly implemented all the rules applicable to fixed remuneration included in the Remuneration Policy. In particular, the Bank diversifies amounts paid to Key Persons as their fixed remuneration taking into account their professional experience and functions in the organizational structure of the Bank.

The Bank uses the Remuneration Policy, in addition to other measures, to promote reasonable and effective risk management and to prevent risk taking going beyond an acceptable level. Consequently, the remuneration system based on financial and non-financial performance which is used by the Bank does not reward excessive risk taking in decision making. In particular, the remuneration of each of the Members of the Management Board is determined to promote the prudent management of the Bank and on the basis of financial and non-financial performance without rewarding inappropriate decisions taken by employees.

The detailed rules applicable to variable remuneration granted to Key Persons are regulated by the Policy of Variable Remuneration Components for Managers of Bank Handlowy w Warszawie S.A. (“Variable Remuneration Policy”). Those rules were properly applied to grant Key Persons variable remuneration in January 2017 (variable remuneration for their work in 2016), i.e.:

- the Remuneration Committee of the Bank’s Supervisory Board recommends and justifies the amounts and conditions of variable remuneration for persons covered by the Variable Remuneration Policy. It also expresses an opinion on the amendments to the Variable Remuneration Policy, including the amounts of components of remuneration, following the rules of prudent and stable management of risk, capital and liquidity and with special care of long-term interests of the Bank and its shareholders, investors and stakeholders, In 2016, the Remuneration Committee of the Supervisory Board held five meetings;
- the level of variable remuneration for work in 2016 was determined on the basis of financial and non-financial criteria, taking into account the costs of risk, costs of capital and liquidity risk of the Bank in the long-term run. The variable remuneration determined as above was granted on January 16, 2017. It was divided into a current and deferred part. In turn, the deferred remuneration was split into a short-term part, which may be vested in employees after 6 months, and a long-term part, which is divided into three installments payable in 2018, 2019 and 2020;
- after having examined the situation the Supervisory Board and the Management Board found no reason to reduce the remuneration granted to any Key Person under the Variable Remuneration Policy – either within the framework of the ex-post risk adjustment connected with the results of the Bank or in connection with individual performance. The above-mentioned vesting of rights was related to the respective portions of deferred variable remuneration for work in 2013, 2014 and 2015.

In 2016, the Bank correctly analyzed the roles and responsibilities of their employees in the context of the key risks managed by the Bank and the quantitative and qualitative criteria described in Commission Delegated Regulation (EU) No 604/2014 of 4 March 2014 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards with respect to qualitative and appropriate quantitative criteria to identify categories of staff whose professional activities have a material impact on an institution's risk profile and, on that basis, determined the list, approved by the Supervisory Board, of persons holding managerial positions who have a material impact on the risk profile of the Bank and, thus, should be subject to the Variable Remuneration Policy. As of November 22, 2016, the list of staff covered by the Variable Remuneration Policy in 2016 included 82 persons.

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

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

- 5.1. The Supervisory Board’s assessment of conformity with disclosure requirements concerning the application of the Corporate Governance Principles set out in the rules of the Warsaw Stock Exchange

In the evaluation period, the Bank was obligated to follow the principles of corporate governance prescribed by the “Best Practice for GPW Listed Companies 2016” (“BPLC”). The required statement confirming the application of corporate governance principles set out in the BPLC is submitted by publishing the “Statement of Bank Handlowy w Warszawie S.A. regarding the application of corporate governance principles at the Bank in 2016” in the “Report on the activities of Bank Handlowy w Warszawie S.A. and of Bank Handlowy w Warszawie S.A. Capital Group in 2016”. The statement of the Bank includes, *inter alia*, the indication of the principles and recommendations from the BPLC that were not applied by the Bank in 2016, with justification.

In the evaluation period, the Bank did not provide any reports on the non-application or violations of detailed principles included in the BPLC.

Taking the foregoing into account, in the opinion of the Supervisory Board in the period covered by the evaluation the Bank correctly met its information obligations related to application of the corporate governance principles prescribed in the Rules of Giełda Papierów Wartościowych w Warszawie S.A. (Warsaw Stock Exchange).

5.2. Assessment of fulfillment by the Bank of its information obligations related to current and periodic information provided by issuers of securities

The Supervisory Board states that the information obligations resulting from the Regulation of the Minister of Finance of 19 February 2009 on the Current and Periodic Information Provided by Issuers of Securities and the Conditions for Recognizing the Information Required by Legal Regulations of a Non-Member State as Equivalent (Journal of Laws of 2014, item 133, as amended) were correctly performed by the Bank in the reporting period.

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

In accordance with its Articles of Association, the Bank has in place an internal control system that monitors if the Bank's activities are lawful and correct and if its financial statements and disclosures are accurate.

The primary objective of the internal control system is to support the decision-making processes that are to ensure the effectiveness and efficiency of the Bank's operations, the reliability of its financial reporting and the compliance of the Bank's activities with applicable laws and internal regulations. The internal control system includes risk control mechanisms, reviews of the Bank's compliance with laws & internal regulations and internal audit.

At the Bank, institutional internal control is performed by the Audit Department, which, organizationally, is a separate unit in the organizational structure of the Bank. The Audit Department is supervised by the Supervisory Board via the Audit Committee composed of its Members. Organizationally, the Audit Department reports to the President of the Bank's Management Board. The tasks of the Audit Department include independent and objective audits and assessments of adequacy and effectiveness of the internal control system and providing opinions on the management system of the Bank, including the effectiveness of management of all risks connected with the Bank's operations.

Functional internal control is a duty of each employee of the Bank and, additionally, of his or her direct manager and associates, and also of managers of organizational units of the Bank in the scope of quality, correctness and execution by individual employees of their tasks in order to ensure the compliance of such activities with procedures and controls of the Bank.

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

The Supervisory Board has established a permanent Audit Committee. Its powers and duties include oversight over financial reporting, risk management and internal & external audits. The Committee submits annual reports on its activities to the Supervisory Board.

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

The Supervisory Board confirms its positive assessment of both operation of the internal control, risk management and compliance risk management systems used by the Bank and activities of the Bank's Internal Audit function. This assessment covers all the key controls, including especially the internal controls over financial reporting and the operational controls.

7. ASSESSMENT OF ACTIVITIES OF THE SUPERVISORY BOARD

7.1. Corporate Governance

As part of the implementation for application, in 2014 by the Management Board and Supervisory Board of the Bank and, next, in 2015 by the General Meeting of Shareholders, of the document Principles of Corporate Governance for Supervised Institutions, issued by the Polish Financial Supervision Authority (KNF), the Supervisory Board read, at its meeting on March 22, 2017, the "2016 Report – Assessment of Application of the Principles of Corporate Governance for Supervised Institutions issued by the Polish Financial Supervision Authority at Bank Handlowy w Warszawie S.A.", prepared by the Compliance Department and including an independent assessment of application of the "Principles of Corporate Governance for Supervised Institutions".

On the basis of the above Report of the Compliance Department and taking into account a positive recommendation provided by the Audit Committee of the Supervisory Board, the Supervisory Board concluded that in 2016 the Bank applied the rules resulting from the Principles of Corporate Governance for Supervised Institutions, except for the excluded principles.

The Bank sustained its decision not to apply three principles:

- principle related to organization of the so-called e-general meetings;
- principle related to seeking opinion of the supervisory body when concluding transactions with related parties if such transactions significantly affected the financial or legal situation of the Bank – this principle will not apply to agreements related to ongoing operations, especially those in the area of liquidity, due to the nature of transactions and the number of concluded agreements;
- principle related to holding meetings of the Bank's Management Board in the Polish language – meetings of the Management Board participated by foreigners, and especially foreigners who are members of the Management Board and do not speak Polish, are held in the English language. Simultaneously, any motions submitted to the Management Board, any materials and minutes of meetings are also prepared and kept in Polish.

7.2. Settlements between the Bank and Citigroup

In the reporting period, the Supervisory Board's business included issues related to the outsourcing of actual operations connected with banking activity in the field of information technology, also in the area of banking outsourcing. At the meeting on September 28, 2016, the Supervisory Board discussed and approved the annual management information report on the management of the risk related to the outsourcing of operations connected with banking and investment activities (banking and investment outsourcing). Such supervision covered any agreements for provision to the Bank of consulting and advisory services and operating support and for performance of actual operations connected with banking activity in the area of information technology. On January 5, 2017, the Supervisory Board approved the fee resulting from the agreement for consulting and advisory services.

In addition, the Supervisory Board worked on issues related to intercompany settlements in Bank Handlowy w Warszawie S.A. Group.

The Supervisory Board confirms its positive assessment of the activities of the Management Board in the field of adequate settlement of services provided by Citi, the majority investor.

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

At the meeting on December 9, 2016, the Supervisory Board approved the "Audit Regulations of the Audit Department".

7.4. Miscellaneous

By the resolution of July 1, 2016, the Supervisory Board decided to approve the acceptable tolerance level for model risk for the Bank in 2016, defined as the number of significant high-risk models.

On July 28, 2016, the Supervisory Board of the Bank acquainted itself with the procedure "Information obligations of Bank Handlowy w Warszawie S.A. as issuer of securities" and the Individual Reporting Standards.

At the meeting on September 28, 2016, the Supervisory Board passed a resolution concerning: determination of the level of the Dtl ratio, which refers to the maximum level of relation of spending related to servicing of credit liabilities and financial liabilities other than credit liabilities to income of retail clients, and changes in the so-called risk appetite for individual clients of the Consumer Banking Sector. In addition, the Supervisory Board accepted the amendments to the document "Capital Management at Bank Handlowy w Warszawie S.A. Group for 2016" connected with the change of the Dtl ratio. After that, the Supervisory Board was presented a report on the progress of implementation of the "Risk management policy for the portfolio of unsecured and secured retail credit exposures". Next, the Supervisory Board accepted the draft "Policy of assessment of qualifications of members of the Supervisory Board at Bank Handlowy w Warszawie S.A.", which will be applied in the process to appoint and dismiss members of the Bank's Supervisory Board. On the same day, the members of the Supervisory Board participated in a seminar on notification obligations related to managerial transactions and on information obligations of the Bank as a public company resulting from Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation – MAR).

On October 5, 2016, the Supervisory Board acknowledged the report of the Bank's Management Board on the implementation of the Bancassurance Policy.

During the next meeting held on December 9, 2016, the Supervisory Board approved amendments to the "Variable Remuneration Component Policy for Managerial Staff of Bank Handlowy w Warszawie S.A." As the next item of the agenda, within the framework of oversight over the internal control system, the Supervisory Board passed a resolution concerning approval of the report on the implementation by the Audit Department of the Strategic Plan in 2016. In addition, the Supervisory Board approved the "Audit Plan for Bank Handlowy w Warszawie S.A. for 2017". Next, the Supervisory Board discussed and approved the "Principles of functioning of internal control at Bank Handlowy w Warszawie S.A." and amendments to the "Rules of prudent and stable management of risk at Bank Handlowy w Warszawie S.A. Group". At the same meeting the Supervisory Board adopted a resolution to approve the document "Recovery plan for Bank Handlowy w Warszawie S.A. Group", prepared in accordance with the guidelines issued by the Polish Financial Supervision Authority and the requirements of the Banking Law, as amended by the Act on the Bank Guarantee Fund Act, the deposit guarantee system and compulsory resolution of June 10, 2016. Thereafter, the Supervisory Board accepted a report on the preliminary Financial Plan of the Bank for 2017.

On March 13, 2017, the Supervisory Board acknowledged a report on the manner of implementation of the Guidelines for provision of brokerage services in the OTC market of derivative instruments by the Brokerage Services Management Unit at Bank Handlowy w Warszawie S.A.

After that, on March 16, 2017, the Supervisory Board examined a report on the claims and complaints recorded at Bank Handlowy w Warszawie S.A. in 2016.

Moreover, on March 22, 2017, the Supervisory Board acknowledged a report on the full compliance of activities of the Brokerage Services Management Unit, which is a separate organizational unit through which brokerage activities are carried out at Bank Handlowy w Warszawie S.A., with the Guidelines on the management of information technology and information & telecommunication areas at investment firms and concluded that the subject guidelines had been fully implemented.

During the meeting on March 22, 2017, the Supervisory Board selected KPMG Audyt sp. z o.o. spółka komandytowa, with its registered office in Warsaw, as the entity entitled to audit the annual financial statements and to review the semi-annual abridged financial statements for the years 2017-2018 prepared for Bank Handlowy w Warszawie S.A. and Bank Handlowy w Warszawie S.A.

Capital Group. Then, the Supervisory Board adopted a resolution to approve the “Annual report on performance of compliance activities and on management of compliance risk at Bank Handlowy w Warszawie S.A. in 2016, including performance of security assurance tasks.” The Supervisory Board discussed and accepted the acceptable general risk limit (overall risk appetite) for 2017 and approved changes in the document “Rules of prudent and stable management of risk at Bank Handlowy w Warszawie S.A. Group”. As the next item of the agenda, the Supervisory Board examined the report of the Management Board on the implementation of the Risk Model Management Policy, the Concentration Risk Management Policy, the Risk Management Policy for Retail Credit Exposure Portfolio, including the Risk Management Policy for Mortgage-Backed Credit Exposures and the Risk Management Policy for Mortgage-Backed Credit Exposures and for Collateral Risk Management for Corporate and Commercial Banking. In addition, the Supervisory Board acknowledged a report on the portfolio of mortgage-backed credit exposures and a report on the level of risk generated by retail credit exposures. At the same meeting, the Supervisory Board was presented the final Consolidated Financial Plan of the Bank’s Group for 2017. Additionally, the Supervisory Board approved the updated Technology Strategy of Bank Handlowy w Warszawie S.A. for 2016 – 2018.

In the reporting period, the Supervisory Board monitored the implementation of strategic assumptions of the Bank, while paying due attention to the areas of management of the Bank’s risks and capital.

8. ASSESSMENT OF THE FINANCIAL STATEMENTS OF THE BANK

At the meeting, held on March 22, 2017, the Supervisory Board positively assessed: the Management Board’s report on the activities of the Bank and the Bank’s Group in the financial year 2016 and the financial statements of the Bank and the Bank’s Group for the financial year 2016, taking into consideration the auditor’s opinion and report on the audit of the financial statements of the Bank and the Bank’s Group, prepared by PricewaterhouseCoopers sp. z o. o., the entity authorized to audit the annual financial statements of the Bank – and concluded that the submitted Management Board’s report on the activities of the Bank in the financial year 2016 and the financial statements of the Bank and the Bank’s Group for the financial year 2016 were prepared in accordance with the books of account and documents and, also, in accordance with the actual status and the requirements of the Accounting Act.

The Supervisory Board positively assessed the recommendation concerning the distribution of profits for the financial year 2016, submitted by the Management Board.

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

This report was examined and accepted by way of resolution on May 17, 2017 in order to submit it to the Annual General Meeting of Shareholders of the Bank.

**Resolution No 14/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank’s Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank’s Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Chairman of the Supervisory Board of the Bank Handlowy w Warszawie S.A. - Andrzej Olechowski.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§17 the Chairman put to the vote the following Resolution:

**Resolution No 15/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. - Shirish Apte.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§18 the Chairman put to the vote the following Resolution:

**Resolution No 16/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. - Igor Chalupec.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§19 the Chairman put to the vote the following Resolution:

Resolution No 17/2017

**of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. - Jenny Grey.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§20 the Chairman put to the vote the following Resolution:

**Resolution No 18/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. - Mirosław Gryszka.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§21 the Chairman put to the vote the following Resolution:

**Resolution No 19/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. – Marek Kapuściński.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§22 the Chairman put to the vote the following Resolution:

**Resolution No 20/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. - Frank Mannion.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§23 the Chairman put to the vote the following Resolution:

**Resolution No 21/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. - Dariusz Mioduski.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§24 the Chairman put to the vote the following Resolution:

Resolution No 22/2017

**of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. - Anna Rulkiewicz.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§25 the Chairman put to the vote the following Resolution:

**Resolution No 23/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. - Stanisław Sołtysiński.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§26 the Chairman put to the vote the following Resolution:

**Resolution No 24/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

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

the performance of duties in 2016 by the Vice-Chairman of the Supervisory Board of the Bank Handlowy w Warszawie S.A. - Zdenek Turek.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§27 the Chairman put to the vote the following Resolution:

**Resolution No 25/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. – Anil Wadhvani.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§28 the Chairman put to the vote the following Resolution:

**Resolution No 26/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. - Stephen R. Volk.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§29 the Chairman put to the vote the following Resolution:

**Resolution No 27/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

**on granting of approval of the performance by the member of the Bank's Supervisory Board
of duties in 2016**

Pursuant to Art. 395 § 2 point 3) of the Commercial Companies Code and § 9, Section 1, Item 3 of the Bank's Articles of Association, the Ordinary General Meeting resolved to grant the approval of the performance of duties in 2016 by the Member of the Supervisory Board of the Bank Handlowy w Warszawie S.A. - Anand Selvakesari.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.494.074, the number of votes cast against the resolution – 26.674, the number of abstaining votes – 55.221.

The resolution has been adopted.

§30 the Chairman put to the vote the following Resolution:

**RESOLUTION No. 28/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

concerning distribution of the net profit for the year 2016

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

- I. To distribute the net profit for the year 2016 in the amount of **PLN 604,198,677.93** as follows:
 - 1) Dividend for shareholders **PLN 591,887,988.00** which means that the dividend per share amounts to PLN 4.53.
 - 2) Allocation to general risk fund **PLN 11,200,000.00**
 - 3) Allocation for the reserve capital **PLN 1,110,689.93**

- II. To set the date for determining the right to the dividend for July 3, 2017 (the dividend day) and to set the date of payment of the dividend for July 20, 2017 (the dividend payment date).

*

In open ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.575.969, the number of votes cast against the resolution – 0, the number of abstaining votes – 0.

The resolution has been adopted.

§30 the Chairman put to the vote the following Resolution:

**Resolution No 29/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

regarding changes in the composition of the Supervisory Board of Bank Handlowy w Warszawie S.A.

After consideration of the information about the education, professional career and reputation of Mr. Marek Belka as well as the information about the mandates held in management boards and supervisory boards of other entities, the Ordinary General Meeting of Shareholders of Bank Handlowy w Warszawie S.A., concludes that Mr. Marek Belka satisfies the requirements referred to in Article 22aa of the Banking Law Act, and in particular:

- a) Mr. Marek Belka graduated from master's studies in economics on University of Łódź. In 1994 he obtained the title of Professor of Economics. He accomplished numerous academic trainings abroad *i.a.* at Columbia University. He also did academic training in London School of Economics. It stipulates that Mr. Marek Belka holds adequate education to perform duties of the member of the Bank's Supervisory Board.
- b) Many years of practical experience, gained in managerial positions public sector, including banking, indicate that Mr. Marek Belka has the skills and experience sufficient to act as a member of the Supervisory Board of the Bank and perform duties related to this role;
- c) professional attitude of Mr. Marek Belka on previously occupied positions proves his good repute, and gives assurance of correct execution of tasks as a member of the Supervisory Board;
- d) the number of functions held by Mr. Marek Belka in management boards and supervisory boards of other entities does not exceed the limit specified in Article 22aa paragraph 3 of the Banking Law Act;
- e) knowledge, skills and experience of Mr. Marek Belka are significant for assuring that composition of the Supervisory Board will reflect an adequately wide range of competences necessary to supervise all key areas of the Bank's activity.

therefore, acting on the basis of § 9 section 2.7) in conjunction with § 14 section 1 of the Articles of Association, the Ordinary General Meeting of Shareholders appoints Mr. Marek Belka as member of the Supervisory Board of Bank Handlowy w Warszawie S.A. for a three-year term of office.

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 106.286.316, the number of votes cast against the resolution – 4.985.906, the number of abstaining votes – 2.303.747.

The resolution has been adopted.

The Chairman put to the vote the following Resolution:

**Resolution No 30/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

regarding changes in the composition of the Supervisory Board of Bank Handlowy w Warszawie S.A.

After consideration of the information about the education, professional career and reputation of Mr. Marc Luet as well as the information about the mandates held in management boards and supervisory boards of other entities, the Ordinary General Meeting of Shareholders of Bank Handlowy w Warszawie S.A., concludes that Mr. Marc Luet satisfies the requirements referred to in Article 22aa of the Banking Law Act, and in particular:

- a) Mr Marc Luet obtained degree of Bachelor of Science Economics on Universite Paris Panthéon Sorbonne, Masters of Economy & Finance on Institut d'Etudes Politiques de Paris and MBA on Tuck School of Business Administration. His education covers multidiscipline theoretical knowledge in the area of economics, management and finance, applicable in banking.
- b) Many years of practical experience, gained in managerial positions, including AO Citibank and Visa, indicate that Mr. Marc Luet has the skills and experience sufficient to act as a member of the Supervisory Board of the Bank and perform duties related to this role;
- c) professional attitude of Mr. Marc Luet on previously occupied positions proves his good repute, and gives assurance of correct execution of tasks as a member of the Supervisory Board;
- d) the number of functions held by Mr Marc Luet in management boards and supervisory boards of other entities does not exceed the limit specified in Article 22aa paragraph 3 of the Banking Law Act;
- e) knowledge, skills and experience of Mr. Marc Luet are significant for assuring that composition of the Supervisory Board will reflect an adequately wide range of competences necessary to supervise all key areas of the Bank's activity.

therefore, acting on the basis of § 9 section 2.7) in conjunction with § 14 section 1 of the Articles of Association, the Ordinary General Meeting of Shareholders appoints Mr. Marc Luet as member of the Supervisory Board of Bank Handlowy w Warszawie S.A. for a three-year term of office.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 106.286.316, the number of votes cast against the resolution – 4.985.906, the number of abstaining votes – 2.303.747.

The resolution has been adopted.

The Chairman put to the vote the following Resolution:

**Resolution No 31/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

regarding changes in the composition of the Supervisory Board of Bank Handlowy w Warszawie S.A.

After consideration of the information about the education, professional career and reputation of Mr. Stephen Volk as well as the information about the mandates held in management boards and supervisory boards of other entities, the Ordinary General Meeting of Shareholders of Bank Handlowy w Warszawie S.A., concludes that Mr. Stephen Volk satisfies the requirements referred to in Article 22aa of the Banking Law Act, and in particular:

- a) Mr. Stephen Volk graduated from legal studies on Harvard Law School, which stipulates that Mr. Stephen Volk holds adequate education to perform duties of the member of the Bank's Supervisory Board.
- b) Many years of practical experience, gained in managerial positions in Citi capital group, other financial institutions and top law firms indicate that Mr. Stephen Volk has the skills and experience sufficient to act as a member of the Supervisory Board of the Bank and perform duties related to this role;
- c) professional attitude of Mr. Stephen Volk on previously occupied positions proves his good repute, and gives assurance of correct execution of tasks as a member of the Supervisory Board;
- d) the number of functions held by Mr. Stephen Volk in management boards and supervisory boards of other entities does not exceed the limit specified in Article 22aa paragraph 3 of the Banking Law Act;
- e) knowledge, skills and experience of Mr. Stephen Volk are significant for assuring that composition of the Supervisory Board will reflect an adequately wide range of competences necessary to supervise all key areas of the Bank's activity.

therefore, acting on the basis of § 9 section 2.7) in conjunction with § 14 section 1 of the Articles of Association, the Ordinary General Meeting of Shareholders appoints Mr. Stephen Volk as member of the Supervisory Board of Bank Handlowy w Warszawie S.A. for a three-year term of office.

*

In secret ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 106.286.316, the number of votes cast against the resolution – 4.985.906, the number of abstaining votes – 2.303.747.

The resolution has been adopted.

The Chairman put to the vote the following Resolution:

**Resolution No 32/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

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

§ 1

Pursuant to Art. 395 § 5 of the Commercial Companies Code the Ordinary General Meeting has resolved to adopt for application Policy for the assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A. which is attached to the present resolution.

§ 2

Policy for the assessment of the Supervisory Board Members in Bank Handlowy w Warszawie S.A. shall be effective to appointment of the members of the Supervisory Board starting from the next General Meeting.

Attachment to the Resolution no 32/2017

**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);

Personal Data Protection Act means Act as of 29, August 1997 on personal data protection (consolidated text: Dz.U. [Journal of Laws] of 2016, no. 922, with amendments);

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.

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

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

4. DETAILED ASSESSMENT 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, surname at birth, and the candidate's parents' first names;
 - ii) the date and place of the candidate's birth, the candidate's citizenship;
 - iii) the candidate's permanent and usual address of registered and 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 The Supervisory Board Member shall file to the Bank his/her written consent on processing by the Bank his/her personal data, including the sensitive personal data in the scope which is required to perform the selection and assessment according to this Policy and in compliance with the Act on Personal Data Protection. The consent is voluntary and may be recalled in any time.

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

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.
- 1.2 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.
- 1.3 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.
- 1.4 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.
- 1.5 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.
- 1.6 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.

1.7 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.

PART I. PERSONAL DETAILS

Personal details:

First name:

.....

Surname:

.....

Surname at
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: | To: |
| | <i>month/year</i> | <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:

List of appendices to this form, confirming the career path in each entity, including reference letters.

.....

.....

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. | | |
| | | |
| Obtained education/degree or academic title/postgraduate studies/trainings/powers/other forms of supplementary education: <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> | | |
| | | |
| 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: | | |
| | | |
| List of appendices: <i>List of appendices to the form, confirming the obtained level of education or completed courses, trainings, etc.</i> | | |
| | | |

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: |
| <p>president/member of the Supervisory Board</p> <p>at Bank Handlowy w Warszawie S.A., which is the entity supervised by the Polish Financial Supervision Authority</p> |
| 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) |
| <p>punished for intentional offence or fiscal offence, excluding offences prosecuted by private indictment (1).</p> <p>punished for an offence other than intentional offence or fiscal offence (2).</p> |

Table No: IV

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

business activity,

.....

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.

H. I hereby represent that:

I have/haven't received – (1)

I have/haven't caused – (2)

I do not act/did not act/act/acted – (3)

I do not act/did not act/act/acted – (4)

With reference to my person there has been / has not been – (5)

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).

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).

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).

as a party to court proceedings in civil trials which may have an adverse impact on my financial situation (4).

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).

Table No: V

A. I hereby represent that:

I have / I do not have (1)

I have / I do not have (2)

meaningful involvements or investments that may have a meaningful negative impact on my financial situation (1).

loans that may have a meaningful negative impact on my financial situation (2).

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): | | |
| <p>.....</p> <p>.....</p> | | |
| Position Held: | | |
| <i>If this data was provided in part II, a reference to a relevant table in this part shall suffice.</i> | | |
| <p>.....</p> <p>.....</p> | | |
| Scope of Responsibilities: | | |
| <i>If this data was provided in part II, a reference to a relevant table in this part shall suffice.</i> | | |
| <p>.....</p> <p>.....</p> | | |
| 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> | |
| B. 1. Do you hold functions in the governing or supervisory bodies of commercial companies or other legal persons? | Yes/No |
| 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? | Yes/No |
| 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). | |
| 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> | |
| 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>Yes/No</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>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

I give my consent to processing and publishing my personal data in the meaning of Act as of 29, August 1997 on personal data protection, including sensitive data and my image, by Bank Handlowy w Warszawie S.A. with its registered seat in Warsaw, 16, Senatorska street (the “**Bank**”) in the required scope with reference to my candidacy and the membership in the Bank’s Supervisory Board. I acknowledge that I have the right to access and to correct my personal data. I reveal my personal data voluntarily.

.....

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 table.*

*

In open ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.575.969, the number of votes cast against the resolution – 0, the number of abstaining votes – 0.

The resolution has been adopted.

§33 The Chairman put to the vote the following Resolution:

**Resolution No 33/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

concerning amendments to the Regulation of the General Meeting of Shareholders of Bank Handlowy w Warszawie S.A.

Pursuant to § 13 section 5 of Articles of Association, the Ordinary General Meeting of Shareholders has resolved to amend the Regulation of the General Meeting of Shareholders of Bank Handlowy w Warszawie S.A. as follows:

1) The following section 5 shall be added in § 30:

„5. When proposing candidates to the Supervisory Board, the shareholders shall submit the documents necessary for evaluating whether the candidates fulfil the requirements under Art. 22aa of the Banking Law following the instructions contained in the Policy for the assessment of the members of the Supervisory Board of Bank Handlowy w Warszawie S.A. If candidates are submitted during the General Meeting of Shareholders, the Chairman shall adjourn the sitting in order to enable the shareholders to acquaint themselves with the profile of the candidates and the submitted documents in accordance to the requirements of the above mentioned Policy.”

2) The following section 1a shall be added in § 31 after section 1:

„1a Before appointing candidates to be a member of the Supervisory Board, the General Meeting must first assess whether the candidate complies with the requirements set out in Art. 22aa of the Banking Law in accordance with the Policy for the assessment of the members of the Supervisory Board of Bank Handlowy w Warszawie S.A. The General Meeting includes information on the completion of the assessment process, referred to in the previous sentence, along with a brief summary of this assessment and a statement on whether the General Meeting believes that the candidates have met the requirements of Art. 22aa of the Banking Law.”

§ 2

The Resolution comes into force on the day of its adoption. The amendments to the Regulation of the General Meeting of Shareholders of Bank Handlowy w Warszawie S.A. shall be effective starting from the next General Meeting.

*

In open ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.575.969, the number of votes cast against the resolution – 0, the number of abstaining votes – 0.

The resolution has been adopted.

§34 The Chairman put to the vote the following Resolution:

**Resolution No 34/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

concerning the adoption of the information on the number of employees, covered by the increase of the ratio of variable to fixed components of remuneration, whose professional activity has a material impact on the risk profile of the Bank, their functions, impact of the increase of the ratio of variable to fixed components of remuneration of these employees on fulfilment by the Bank of the requirements of laws especially including capital requirements and reasoning for increase

In relation to the Resolution of the Ordinary General Meeting no 30/2016 from June 21, 2016 concerning approval of the maximum ration of the fixed components of the remuneration to variable components of the identified staff in Bank Handlowy w Warszawie S.A. the Ordinary General Meeting has resolved to adopt information on the number of employees, covered by the increase of the ratio of variable to fixed components of remuneration, whose professional activity has a material impact on the risk profile of the Bank, their functions, impact of the increase of the ratio of variable to fixed components of remuneration of these employees on fulfilment by the Bank of the requirements of laws especially including capital requirements and scope and reasoning for increase.

*

In open ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank's initial capital. The number of votes cast for the resolution – 113.522.647, the number of votes cast against the resolution – 53.322, the number of abstaining votes – 0.
The resolution has been adopted.

§35 The Chairman put to the vote the following Resolution:

**Resolution No 35/2017
of the Ordinary General Meeting
of the Bank Handlowy w Warszawie Spółka Akcyjna
of 22 June 2017**

concerning the changes in the Articles of Association

§ 1

Acting pursuant to § 9 Section 2 Item 2 of the Articles of Association and Article 430 of the Commercial Companies Code, the Ordinary General Meeting of Bank Handlowy w Warszawie S.A. has resolved as follows:

1. Paragraph 14 Section 1 of the Bank's Articles of Association shall now read as follows:

- “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 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 Registry. Under Art. 34 Section 2 of the Banking Law, this resolution to amend the Bank’s Articles of Association requires the consent of the Polish Financial Supervision Authority.

*

In open ballot, 113.575.969 valid votes were cast from 113.575.969 shares constituting 86,92% of the Bank’s initial capital. The number of votes cast for the resolution – 113.575.969 (which constitutes 100% of votes casted), the number of votes cast against the resolution – 0, the number of abstaining votes – 0.

The resolution has been adopted.

