

Justification to drafts of the resolutions of the Extraordinary General Meeting dated 24 September 2019

Point 5 sub - point 1 of the agenda of the General Meeting

The Management Board wishes to enable the General Meeting to make changes to the composition of the Supervisory Board due to Mr Marc Luet resignation.

Point 5 sub - point 2) of the agenda of the General Meeting

Item 5.2 of the agenda concerns the adoption by the General Meeting of the revised "Policy for the Assessment of Supervisory Board Members at Bank Handlowy w Warszawie S.A." (hereinafter referred to as "Policy"). The current Policy document has been adopted by way of resolution of the Ordinary General Meeting on June 22, 2017. The proposed changes to the Policy are related to the amendment of the Banking Law in the scope of its adaptation to the provisions of the European General Data Protection Regulation ("GDPR").

The proposed changes relate primarily to the scope of information and statements made by the candidate, clarification of the concept of "warranty of due performance of duties", introduction of a postulate to take into account the principles of diversity during elections to the Supervisory Board. The process of appointment and assessment itself shall not be amended.

Point 5 sub - point 3) of the agenda of the General Meeting

Point 5.3 of the agenda refers to the adoption of the resolution on the amendment of the Articles of Association by the General Meeting. The aforementioned amendment shall ensure that the scope of activities of the Bank Handlowy w Warszawie S.A. indicated in the Articles of Association is in line with the provisions of the Act on Payment Services of 19 August 2011 amended by Act amending the Act on Payment Services of 10 May 2018. The aforementioned amendments were adopted as a transposition of the Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC, 2013/36/EU and Regulation (EU) No 1093/2010 and repealing Directive 2007/64/EC (OJ L 337, 23.12.2015) (hereinafter "PSD2").

As result of the proposed amendment of paragraph 5.4 of the Articles of Association of Bank Handlowy w Warszawie S.A. the scope of activities shall be extended to the following payment services indicated in Article 3.1(7) and (8) of the Act on Payment Services: (i) payment initiation services and (ii) account information service.

Pursuant to Articles 3(5) and (6) of the Act on Payment Services the payment initiation service is the initiation of a payment order by the provider of the payment transaction initiation service at the user's request from the user's payment account maintained by another provider while account information service is an online service consisting in the delivery of consolidated information on a user's payment account with another provider or on a user's payment accounts with another provider or with more than one provider.

The Bank intends to enable its customers to use the aforementioned services via electronic banking provided by the Bank.