

**REGULATIONS OF THE RISK AND CAPITAL COMMITTEE
OF BANK HANDLOWY W WARSZAWIE S.A.**

§ 1

The Risk and Capital Committee, hereinafter referred to as the Committee, is a standing committee of the Supervisory Board of Bank Handlowy w Warszawie S.A. hereinafter referred to as the Bank. These regulations shall define the scope of activities, the competencies and the procedure of the Committee.

§ 2

1. The Committee members shall exercise the competencies stipulated in these Regulations on the basis of Article 390 of the Code of Commercial Companies.
2. The Committee shall submit annual reports on its activities to the Supervisory Board. The report for each subsequent calendar year shall be submitted by the end of the first quarter of the next year. The reports shall be made available to the shareholders by their publication on the Bank's websites and in the Bank's offices.
3. At the subsequent meeting of the Supervisory Board, the Committee shall submit to the Board the minutes of each meeting of the Committee and on the recommendations of the Committee discussed at such meetings.
4. These Regulations shall be made available on the Bank's web pages and in the Bank's headquarters.

§ 3

1. The Committee shall be entrusted with supervision of the risk management system introduction by the Management Board in the Bank and with the assessment of adequacy and effectiveness of the risk management system.
2. The Committee's competencies as related to the supervision of the risk management system functioning shall include in particular:
 - 1) verifying the consistency of the Bank's risk taking policy with the strategy and financial plan of the Bank,
 - 2) verifying and presenting to the Supervisory Board recommendations concerning the general risk level of the Bank,
 - 3) examining the periodic information presenting the types and sizes of risks in the Bank's operations,
3. Competencies of the Committee within the scope indicated in clause 2 above shall be exercised on the basis of the documents and information presented by the Bank Management Board and including in particular:
 - 1) Bank Risk Management Regulations
 - 2) General Level of Bank's Risk
 - 3) Periodic reports on consistency with the thresholds and limits defined in the General Level of Bank's Risk,
 - 4) Periodic information presenting the types and magnitudes of risks in the Bank's operations presented by the Management Board.
 - 5) Reports on non-compliance risk management in the Bank.

4. The Committee shall be entrusted with the supervision of the process of internal capital estimation and capital management. The Committee's competencies as related to the supervision of functioning of internal capital estimation, capital management and capital planning processes involve examination, approval or recommendation, to the extent requiring a resolution of the Supervisory Board to approve policies and procedures applicable to the process of internal capital estimation, capital management and capital planning.

§ 4

1. The Committee shall consist of at least four members of the Supervisory Board, one of whom shall be the Committee Chairperson.
2. The Committee members, including its Chairperson and Vice-Chairperson, are elected by the Supervisory Board.
3. At least three Committee members must participate in the meeting to ensure validity of the Committee's resolutions.

§ 5

1. The Committee meetings shall be convened by the Committee Chairperson on his/her own initiative or on request of a Committee member. Should the Committee Chairperson be unable to convene a meeting due to any reasons whatsoever, the Vice-Chairperson shall convene such a meeting. The meetings shall also be convened on request of a Committee member or of the Supervisory Board Chairperson.
2. The Committee meetings are held at least once every six months at the dates determined by the Committee Chairperson in consultation with the Committee Vice-Chairperson.
3. The Secretary of the Committee, who is the Secretary of the Supervisory Board, distributes to the Committee members the notification on the meeting, containing the meeting agenda and the materials subject to deliberations. The notification should contain the meeting agenda and the materials on the subjects to be discussed at the meeting.

§ 6

1. The Committee meeting agenda includes standing points and matters considered on request.
2. The number of standing points deliberated at Committee meetings is defined in a resolution of the Committee.
3. The Supervisory Board and individual Committee members as well as the other Supervisory Board members shall have the right to bring matters to Committee meetings.

§ 7

1. On the basis of the materials received, the Committee Secretary shall develop the draft agenda of the meeting along with the list of invited persons and shall forward this list to the Committee Chairperson and Vice-Chairperson for acceptance.
2. The draft agenda accepted by the Committee Chairperson and Vice-Chairperson shall be forwarded along with the materials to the Committee members.
3. The Committee members should receive motions to be considered along with their appendices, if possible, at least 7 (seven) days before the meeting.

§ 8

1. All Committee members shall be under an obligation to participate in the Committee meetings.

2. The Committee member who cannot participate in the meeting should report this to the Secretary of the Committee seven days before the designated date of the meeting.
3. The Committee may use advisors' opinions and may invite to its meetings Bank employees or other persons for the purposes of discussing or examining the matters discussed by the Committee.
4. The persons invited by the Committee Chairperson or the Committee Vice-Chairperson shall participate in the Committee meeting or in its respective part.

§ 9

1. The Committee Chairperson shall chair the meetings of the Committee. In the case of the Chairperson's absence, the Committee's meeting shall be chaired by the Vice-Chairperson.
2. In consultation with the Committee Vice-Chairperson, the Committee Chairperson may decide to delete an issue from the agenda, in particular for the purpose of supplementing the motion or obtaining an opinion.

§ 10

Resolutions of the Committee shall be adopted by an absolute majority of the votes of the present Committee members.

§ 11

1. In consultation with the Committee Vice-Chairperson, the Committee Chairperson may decide to have an issue considered through circular (written) procedure. The decision taken through circular procedure shall be valid when all the Committee members have been notified on the content of the draft decision and the absolute majority of the Committee members voted for its acceptance.
2. The resolutions taken through circular procedure shall be added to the minutes of the nearest meeting of the Committee.
3. No issue can be considered through circular procedure if even one of the Committee members has not agreed for its consideration through this procedure.
4. In the situation described in clause 1 above, the Committee members shall express their standpoint with respect to the draft resolution submitted to them, having read the materials made available to them by the Secretary of the Committee.

§ 12

The Committee member voting against may demand recording his/her *votum separatum* in the minutes.

§ 13

1. Minutes of the Committee meetings shall be drawn up and shall include:
 - 1) subsequent number of the minutes,
 - 2) meeting date,
 - 3) agenda of the meeting,
 - 4) list of participant meetings,
 - 5) text of adopted resolutions,
 - 6) results of voting, content of the *votum separatum*,
 - 7) other decisions of the Committee.
2. The minutes shall be signed by the Chairperson, the Committee Vice-Chairperson and the Committee Secretary.
3. The minutes of the Committee meeting must be approved by the Committee members at the next meeting of the Committee.

4. The signed list of attendance of the participants at the meeting shall be appended to the minutes.
5. The Supervisory Board Secretary shall keep on the Committee's behalf the minutes of the Committee meetings and all other materials held by the Committee.