

RESOLUTION No. /2015
of the Annual General Meeting
of Powszechna Kasa Oszczędności
Bank Polski Spółka Akcyjna
of 25 June 2015

on amendments to the Articles of Association of Powszechna Kasa Oszczędności Bank Polski S.A.

Acting pursuant to Article 430 § 1 of the Commercial Companies Code, the Annual General Meeting hereby resolves as follows:

§ 1.

The Articles of Association of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna shall be amended as follows:

1) sub-§ 1.1 shall receive the following wording:

“1. Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna, further in the Articles of Association referred to as the ‘**Bank**’, is a bank that conducts its activities pursuant to generally applicable laws, best practices adopted by the Bank for application and this Articles of Association, at preservation of the Bank’s national character.”;

2) sub-§ 4.1 point 9 shall receive the following wording:

“9) provision of the following payment services:

- a) acceptance of cash payments to and cash disbursements from payment accounts, and all actions required for operating accounts;
- b) execution of payment transactions, including the transfer of funds to payment accounts of user suppliers or other suppliers:
 - through provision of direct debit services, including one-off direct debits,
 - with the use of payment cards or similar payment instruments,

- through provision of payment order services, including standing orders;
 - c) execution of payment transactions specified in letter ‘b’, through allocation of funds made available to users through loans;
 - d) issuance of payment instruments;
 - e) enabling execution of payment transactions initiated by the merchant or through their intermediation with employment of the payee’s payment instrument, in particular through servicing authorisations, transfer to payment card issuers or payment systems of the payees’ or merchants’ payment orders, for the purpose of the funds owed to the merchant;
 - f) provision of money transfer services,”
- 3) in sub-§ 4.1 point 12, the word “instrument” is deleted,
 - 4) in sub-§ 4.1 point 13, before the word “activities” the word “commissioned” will be added,
 - 5) in sub-§ 4.2, point 5 is deleted,
 - 6) in sub-§ 9.1 point 6, the full stop is replaced with a comma and point 7 is added, with the following wording:
 - “7) assessment whether the compensation policy followed by the Bank is conducive to its development and operational safety.”,
 - 7) in sub-§ 15.1 point 12, letter ‘e’ is deleted,
 - 8) in sub-§ 15.1 point 13, the full stop is replaced with a comma and points 14 – 16 are added, with the following wording:
 - “14) assessment of the compensation policy followed by the Bank and presentation of a report on the subject to the General Meeting,
 - 15) opinions on the ‘Principles of corporate governance for supervised institutions’ followed by the Bank,
 - 16) arising from the resolutions and recommendations of the financial supervision authority applied by the Bank.”,
 - 9) in sub-§ 17.4, the first sentence shall receive the following wording:
 - “The Supervisory Board can adopt resolutions in writing (by circulation) or with employment of direct remote communication, with the exception resolution on

matters referred to in sub-§ 15.1 points 1-3, 5 and 7-9 and resolutions adopted by secret ballot.”,

10) sub-§ 17a.1 shall receive the following wording:

“1. The Supervisory Board shall appoint from among its members the Audit Committee and the Remuneration Committee. The Supervisory Board may also appoint other committees from among its members.”,

11) § 21 shall receive the following wording:

“§ 21

1. The following will be authorised to submit statements of intent on behalf of the Bank:

- 1) President of the Management Board independently,
- 2) two Management Board members jointly or one Management Board member together with a proxy,
- 3) two proxies acting jointly,
- 4) proxies acting independently or jointly within the limits of authorisation granted to them.

2. The Bank shall grant joint powers of attorney which will authorise acting together with another proxy or Management Board member.”,

12) § 25 shall receive the following wording:

“§ 25

1. The decisions and internal regulations of the Bank on matters:

- 1) within the competence of the General Meeting – are issued in the form of resolutions of the General Meeting adopted in accordance with the relevant provisions of law, the Articles of Association and the Rules and Regulations of the General Meeting,
- 2) within the competence of the Supervisory Board – are issued in the form of resolutions the Supervisory Board adopted in accordance with the relevant provisions of law, the Articles of Association and the Rules and Regulations of the Supervisory Board,
- 3) within the competence of the Management Board:
 - a) requiring in accordance with the law, the Articles of Association or the Rules and Regulations of the Management

Board the collegiate action the Management Board – are issued in the form of resolutions of the Management Board adopted in accordance with the relevant provisions of law, the Articles of Association and the Rules and Regulations of the Management Board,

- b) not requiring a resolution of the Management Board and which in accordance with the Articles of Association and the Rules and Regulations of the Management Board fall into the competence of the President of the Management Board – are issued in the form of an order,
- c) not requiring a resolution of the Management Board and which in accordance with the Articles of Association, the Rules and Regulations of the Management Board and an order of the President of the Management Board and transferred into the competence of respective Management Board members – are issued in the form of decisions or the relevant members of the Management Board,
- d) in matters other than those provided under letters a-c above – are issued by persons or competent bodies, in keeping with relevant resolutions of the Management Board.

- 2. The detailed procedures for issuing the Bank's internal regulations on the matters referred to in § 25.1 point 3 shall be determined by resolution of the Management Board and separate internal regulations issued on the basis of relevant resolutions.”,

13) sub-§ 26.6 shall receive the following wording:

- “6. The internal audit unit and the compliance unit shall be independent, and report directly to the President of the Management Board.”,

14) sub-§ 26.7 shall receive the following wording:

- “7. Appointment and dismissal of the internal audit unit director and the compliance unit director will require prior approval of the Supervisory Board.”.

§ 2.

The Supervisory Board is hereby authorised to prepare the uniform text of the Articles of Association of Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna, that would take into account the changes referred to in § 1 of this resolution.

§ 3.

The resolution shall come into force on the day of its adoption.

Rationale

to the draft resolution on amendments to the Articles of Association of Powszechna Kasa Oszczędności Bank Polski S.A.

The primary rationale of the planned amendments to §1, §9, §15 and §26 of the Powszechna Kasa Oszczędności Bank Polski S.A. Articles of Association is that of implementation of the 'Principles of corporate governance for supervised institutions', which constitute the annex to the Resolution 218/2014 of the Polish Financial Supervision Authority of 22 July 2014 concerning the issuance of the 'Principles of corporate governance for supervised institutions' (J.L. of KNF [PFSA] of 2014 item 17).

The change proposed in § 1 of the Articles of Association aims to underscore that beyond the mandatory provisions of law the Bank also applies various codes of best practice (*inter alia* in the domain of corporate governance), which it has decided to comply with, including in particular 'The Best Practices of WSE Listed Companies' and the 'Principles of corporate governance for supervised institutions'. In turn, the changes proposed to § 9, § 15 and § 26 of the Articles of Association aim to ensure effective implementation of the principles resulting from § 27, sub-§§ 28.3 and 28.4, sub-§ 47.2 and § 49 of the 'Principles of corporate governance for supervised institutions'.

In addition to the amendments to the Articles of Association planned for the purpose of implementing the 'Principles of corporate governance for supervised institutions', the planned amendments to the Articles of Association are intended:

- to adjust the Articles of Association provisions that relate to field of the Bank's operation to the existing regulations and to the consent of the Polish Financial Supervision Authority to the amendment of the Articles of Association in that respect (the change of sub-§ 4.1 points 9, 12 and 13 and the deletion of sub-§ 4.2 point 5),
- to do away with previous duties of the Supervisory Board, which are no longer required under the effective regulations (the deletion of sub-§ 15.1 point 12 letter 'e'),
- to specify the financial supervision authority's resolutions and recommendations applied by the Bank as the basis for the competences and duties of the Supervisory Board (the addition in sub-§ 15.1 of point 16),

- to enable the Supervisory Board to adopt resolutions by circulation or with employment of direct remote communication also in the matters referred to in sub-§ 15.1 point 12 (the change in sub-§ 17.4),
- to clarify the Articles of Association provisions in respect of the existing committees of the Supervisory Board (the change of § 17a),
- to expand manner in which the Bank is represented (the change of § 21),
- to clarify the Articles of Association provisions in respect of the decisions and internal regulations of the Bank (the change of § 25).

Pursuant to sub-Article 34.2 of the 29 August 1997 Banking Law Act, the amendments in the Articles of Association within the scope specified in § 1 points 2 - 14 of the draft resolution require the authorisation of the Polish Financial Supervision Authority.

The resolution has received the approval of the Supervisory Board.