

Report on the activity of the Remuneration Committee of the Supervisory Board
of Bank Handlowy w Warszawie S.A.
for year 2011

The Committee is a permanent advisory body to the Supervisory Board. The Committee is composed of at least 3 (three) members of the Supervisory Board, including 1 (one) independent member of the Supervisory Board. The Committee Members, including the Chairperson and the Vice Chairperson, are appointed by the Supervisory Board. The Committee Members exercise powers as specified in the Regulations, in accordance with Article 390 of the Commercial Companies Code.

In 2005, the Supervisory Board adopted the Regulations of the Remuneration Committee in accordance with the Good Practices in Public Companies in 2005, which were adopted by all of the Company's bodies. The Regulations are available on the Bank's website – www.citibankhandlowy.pl.

During the meeting on December 9, 2011, the Supervisory Board adopted the resolution amending the Regulations of the Remuneration Committee by adding the competency of the Committee regarding (i) issuing opinions on the policy of variable components of remuneration, including the amount and the components of remunerations received by the individuals at managerial positions in the Bank, applying prudent and stable management of risk, capital and liquidity and particularly considering the long-term interest of the Bank, shareholders, investors and stakeholders; (ii) issuing opinions and monitoring the variable components of remunerations received by individuals at managerial positions in the Bank related to risk management and compliance of the Bank with applicable laws and internal regulations. The amendments shall come into force subject to and on the date of registration by the register court of the changes in the Bank's Articles of Association which are made to address the provisions of Resolution No. 258/2011 issued by KNF on October 4, 2011.

In the reporting year, the composition of the Committee was as follows:

Stanisław Sołtysiński	-	Chairman of the Committee (independent member of the Supervisory Board);
Alberto J. Verme	-	Vice Chairman;
Shirish Apte	-	Committee Member;
Andrzej Olechowski	-	Committee Member

As part of its powers, the Committee was responsible for:

- assessing remuneration of members of the Bank's Management Board;
- submitting to the Supervisory Board the recommendations on the amount of remuneration of the Bank's Management Board members;
- assessing remuneration of the Bank's Management Board members with regard to the scope of their duties and the manner in which the duties are performed;
- assessing the correctness of the Bank's policy on remuneration received by the Bank's managers who are not the Management Board's members.

Pursuant to § 2 section 2 of the Committee Regulations, the Remuneration Committee shall submit this report to the Supervisory Board and then it shall be made available to the shareholders by publishing thereof, similarly to the Regulations of the Committee, on the Bank's website.

Stanisław Sołtysiński
Chairman of the Remuneration Committee