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INDEPENDENT AUDITOR'S REPORT ON THE AUDIT

To the Shareholders Meeting and Supervisory Board of mBank S.A.

Audit report on the annual consolidated financial statements

Opinion

We have audited the annual consolidated financial statements of mBank Group (the 'Group'), for which the holding company is mBank S.A. (the 'Bank') located in Warsaw at ul. Senatorska 18, containing: the consolidated income statement and the consolidated statement of comprehensive income for the period from 1 January 2018 to 31 December 2018, the consolidated statement of financial position as at 31 December 2018, the consolidated statement of changes in equity, the consolidated statement of cash flows for the period from 1 January 2018 to 31 December 2018 and additional information to the consolidated financial statements, including a summary of significant accounting policies (the 'consolidated financial statements').

In our opinion, the consolidated financial statements:

- give a true and fair view of the consolidated financial position of the Group as at 31 December 2018 and its consolidated financial performance and its consolidated cash flows for the period from 1 January 2018 to 31 December 2018 in accordance with required applicable rules of International Accounting Standards, International Financial Reporting Standards approved by the European Union and the adopted accounting policies,

- are in respect of the form and content in accordance with legal regulations governing the Group and the Bank's Statute.

The opinion is consistent with the additional report to the Audit Committee of the Supervisory Board of the Bank issued on February 26, 2019.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing in the version adopted as the National Auditing Standards by the National Council of Statutory Auditors ('NAS') and pursuant to the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight (the 'Act on Statutory Auditors') and the Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (the 'Regulation 537/2014'). Our responsibilities under those standards are further described in the *'Auditor's responsibilities for the audit of the financial statements'* section of our report.

We are independent of the Group in accordance with the Code of ethics for professional accountants, published by the International Federation of Accountants (the 'Code of ethics'), adopted by the National Council of Statutory Auditors and other ethical responsibilities in accordance with required applicable rules of the audit of financial statements in Poland. We have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of ethics. While conducting the audit, the key certified auditor and the audit firm remained independent of the Group in accordance with the independence requirements set out in the Act on Statutory Auditors and the Regulation 537/2014.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. They include the most significant assessed risks of material misstatement, including the assessed risks of material misstatement due to fraud. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we have summarized our reaction to these risks and in cases where we deemed it necessary, we presented the most important observations related to these types of risks. We do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
First year audit	
The consolidated financial statements of the Group for the financial year ended December 31, 2018 were the first financial statements subject to our audit. Bearing in mind the size and scope of the operations of the Group, the key was to understand the complex organizational structure of the Group and its impact on the processes occurring in the individual entities operating within. During the audit, we conducted a number of additional procedures to understand the nature of the Group's operations, including its accompanying processes and specific risks, as well as the control mechanisms implemented by the Group and adopted accounting policies affecting the Group's financial reporting. These procedures allowed us to assess the risk of the audit, including the inherent risk and control risk, identify the risk of material misstatement and, consequently, determine the materiality levels and scope of audit procedures. In addition, as part of the first-year audit, the purpose of our additional procedures was to	As part of the audit procedures, we have carried out amongst others the following procedures: • We met with the key personnel responsible for financial reporting of the Bank and its subsidiaries, we held internal meetings with members of the audit team, as well as meetings with specialists planned to be involved in the audit procedures. Through interviews with the employees of the Bank and its subsidiaries, we familiarized ourselves with the control mechanisms implemented in the Group and conducted tests of control mechanisms in relation to individual processes. • We have familiarized ourselves with the Group's accounting policy and assessed the continuity of its application, except for the implementation of new financial reporting standards. • We have gained an understanding of key areas that require estimation and are based on professional judgment that have been included in the consolidated financial statements of the Group. • We met with the key certified auditor responsible for auditing the consolidated

determine whether opening balance figures contain distortions that materially affect the consolidated financial statements for the current period and whether the accounting policies applied to the opening balance were applied on a continuous basis, except for implementation new financial reporting standards, when preparing consolidated financial statements for the current period, or whether the changes they made were correctly accounted for and properly presented in accordance with the applicable financial reporting frameworks. Due to the fact that there is a risk of distorting opening balance figures and lack of continuity resulting from other issues than the implementation of new standards, the application of accounting principles (policy), as well as the risk of improper design of the research plan resulting from incomplete or incorrect information about the Group and its operations, this area is a key audit matter.	financial statements for the financial year ended December 31, 2017, among others to discuss the key audit matters and to review the audit documentation of the previous reporting period. • We assessed the key audit matters from the previous reporting period and their impact on the consolidated financial statements for the current financial year and the opening balance figures. • We have obtained sufficient assurance regarding the opening balance by independently conducting selected audit procedures in relation to this period. Our audit strategy has been discussed with the Bank's Audit Committee of the Supervisory Board in order to get acquainted with their expectations and discussions on key reporting and audit matters.
Provisions for regulatory risk and individually significant legal claims	
The Group operates on a market characterized by a high degree of complexity and volatility of legal regulations affecting many key areas of operations, such as granting deposits, provision of brokerage services or selling other banking products or the fiduciary services, including the activity as an investment fund custodian. The Group has significant contingent liabilities resulting from a number of open court cases and proceedings conducted by the public administration authorities, including a class action regarding mortgage loans denominated in Swiss franc and a class action regarding a change in the interest rate clause. A potential breach by the Bank of the laws, regulations or administrative provisions regulating the Group's activities may have a material impact on the Group's consolidated financial statements, including the measurement of provisions for future liabilities due to non-compliance with the law and the scope of disclosures in the financial statements. In addition, the Bank's Management Board's judgments regarding the recognition and measurement of provisions for court proceedings and provisions for administrative or	As part of the audit procedures, we have carried out amongst others the following procedures: • We analyzed the minutes of the meetings of the organs of the Bank and of its subsidiaries. • We have acquainted ourselves with the Bank's and its subsidiaries' correspondence with the supervisory authorities and with the registers of customer complaints and selected complaints received by the Bank and its subsidiaries. • We discussed with the Management and key personnel of the Bank, as well as the Management of its subsidiaries legal claims, proceedings in the field of consumer rights protection and administrative proceedings in order to understand the judgment based on available information, both internal and external and we have received adequate representations from the Bank's Management Board. We also conducted interviews with the legal departments of the Bank and its subsidiaries, as well as compliance and internal audit departments of the Bank. • We have read the reports on internal audits carried out by the Bank, protocols from

arbitration proceedings are inherently risky and may change over time, as the results of ongoing court proceedings and administrative or arbitration proceedings depend on future outcomes. Therefore, we consider the recognition and measurement of provisions for court proceedings and provisions for administrative or arbitration proceedings as a key audit matter. Disclosures regarding the Management Board's judgment related to estimates regarding provisions are included in note 2.25, and considerations regarding regulatory risk can be found in note 3.15 of the consolidated financial statements. Detailed information on significant pending lawsuits and proceedings conducted by the public administration authorities is included in Note 33 *Proceedings before a court, arbitration body or public administration authority* included in the financial statements.	inspections of supervisory bodies, protocols from audits conducted by the compliance department and we analyzed the calculation of capital requirements. • We have familiarized ourselves with the register of legal claims in which the Bank and its subsidiaries are a party and the Bank's and its subsidiaries' lawyers' assessment regarding their outcomes. We have also requested confirmations from external law firms representing the Bank and its subsidiaries. We assessed events occurring after the balance sheet date, including, amongst others, the status of class actions and other disputes, as well as the status of correspondence with supervisory authorities and the fulfillment of recommendations of external bodies. • We have assessed the adequacy and completeness of provisions for litigations and contingent liabilities that were created by the Bank and its subsidiaries in the light of existing legal documentation and considered possible alternative results of court and administrative proceedings'. In addition, we made an assessment of the disclosure of estimates regarding provisions and contingent liabilities included in the consolidated financial statements, in terms of its completeness and adequacy.
Impairment allowances for loans and advances to customers	
Loans and advances to customers valued at amortized cost as at December 31, 2018 amounted to PLN 92,017 million and accounted for a significant portion of total assets. The amount of PLN 92,017 million included the gross book value of loans and advances to customers valued at amortized cost in the amount of PLN 95,060 million and provisions for expected credit losses related to these exposures in the amount of PLN 3.043 million. Determining the amount and the moment of recognizing provision for expected credit losses requires significant judgment and significant and complex estimates of the Management Board regarding, among others, assumptions and judgments built into statistical credit loss models such as: assessment of significant credit risk	As part of the audit procedures, we have carried out, among others, the following procedures for the first application of IFRS 9 as at January 1, 2018: • We analyzed the assumptions adopted by the Group in the new model in the context of the assumptions applicable in the model according to the International Accounting Standard 39 Financial Instruments: Recognition and Measurement ('IAS 39'). • We analyzed the methodologies of creating collective provisions for expected credit losses in terms of their compliance with the requirements of IFRS 9 as of the date of the first application and we recalculated the provisions for expected credit losses.

growth or definition of default, consideration of future information on the calculation of expected credit losses, calculation of the loss given default parameter and the recovery rates used in the calculation of impairment losses. In addition, for the first time, the Group applied International Financial Reporting Standard 9 *Financial Instruments* ('IFRS 9') in the area of impairment allowances for loans and advances as of January 1, 2018. Due to the significance of loans and advances to customers valued at amortized cost in relation to total assets, a significant role of the Bank's and its subsidiaries' Management Board's judgment and estimates and complexity of these judgments and estimates regarding the expected credit losses described above and due to the first application of IFRS 9 as at January 1, 2018, we consider provisions for expected credit losses for loans and advances to customers valued at amortized cost the key audit matters. Information on the methodology of the valuation of loans and advances to customers, as well as related judgements and estimates and the impact of implementation of IFRS 9 on January 1, 2018 are described in Notes 2.31 and 3.4 of the consolidated financial statements, and detailed information on the value of loans and advances to customers measured at amortized cost and the value of provisions for expected credit losses are described in Note 23 of the consolidated financial statements.	• We conducted analytical procedures regarding the structure and level of provisioning for expected losses for loans and advances to customers under IFRS 9 as compared to impairment losses under IAS 39 to identify potential inconsistencies in the implementation of IFRS 9. In addition, we have conducted the following audit procedures in the area of impairment provisions for expected credit losses created in the financial year ended December 31, 2018: • We documented our understanding of the credit risk management policies in the Group, including the policy of granting loans and advances, as well as our understanding of the Group's policies and procedures related to the estimation of expected credit losses. Based on the above procedures, we conducted tests of control mechanisms implemented by the Group, which included the process of granting loans, monitoring the economic and financial situation of borrowers' and identification of impairment triggers, as well as the process of calculating impairment losses for loans and advances to customers measured at amortized cost. • We reconciled a register of loans and advances to customers valued at amortized cost with accounting records to confirm the completeness of the recognition of loans and advances to customers valued at amortized cost, which create the basis for the calculation of provisions for expected credit losses, as well as the value of these provisions. • We analyzed changes in methodologies and models of creating provisions for expected credit losses in the financial year ended on December 31, 2018. We assessed the models, assumptions and completeness of data used by the Group for the purposes of creating impairment allowances, including assumptions underlying the probability of default and loss as a result of default, as well as the results of the Group's tests of credit risk parameters (so-called 'backtesting'). • On the selected sample, we analyzed loan exposures assessed individually by the Group. For selected non-impaired exposures, we assessed the reasonableness of the recovery

	amount estimated by the management of the Bank and its subsidiaries , including the recoverable amount of collateral, based on available financial and market data and the weightings of scenarios attributed to individual recovery scenarios. For selected exposures without impairment, we analyzed the economic and financial situation of borrowers and fulfillment of the terms of loan agreements in order to identify potential impairment triggers. • We conducted analytical procedures regarding the structure and dynamics of changes in the balance of loans and advances to customers reflecting the quality of the loan portfolio in the light of the impairment provisions for expected credit losses for loans and advances to customers aimed at identifying portfolios of loans and advances to customers with underestimated provisions. In addition, we have carried out an analysis of the premises of a significant increase in credit risk and classification into risk categories ('stages'), so-called 'staging'. • Regarding IT systems, in which both the credit risk parameters and the calculation of the provisions for expected credit losses were calculated in the reporting period, our analysis of control mechanisms effectiveness was carried out in cooperation with specialists in the field of IT systems. In addition, we have assessed the disclosures regarding expected credit losses for loans and advances to customers valued at amortized cost included in the consolidated financial statements in terms of their completeness and compliance with International Financial Reporting Standards ('IFRS').
Impact of one-off transaction of sales of the organized part of the enterprise of the Bank's subsidiary, mFinanse S.A. on the Group's financial information	
On November 27, 2017, the Bank and its subsidiary mFinanse S.A. concluded an agreement on the sale of the organized part of the enterprise covering insurance intermediation activities in the field of group insurance contracts as an insurance agent. As a result of the sale of the organized part of the enterprise, mFinanse S.A. recognized the	As part of our audit procedures, we have carried out among others, the following procedures: • We have read the documentation of the transaction of the sale of the organized part of the enterprise of mFinanse S.A. • We analyzed tax and accounting treatment of transactions, including the recognition of the result on transactions in the light of IFRS 15;

result on the transaction in the amount of PLN 256 million. Result on the transaction was recognized, in the financial statements of mFinanse S.A. and in the consolidated financial statements, as other operating income in the amount of PLN 256 million. As part of the transaction, the Bank performed an analysis of accounting and tax treatment, as well as verification of the recognition of the result in terms of compliance with the International Financial Reporting Standard 15 *Revenue from contracts with customers* ('IFRS 15'). Additionally, the Bank carried out an analysis of the transaction regarding its compliance with law, including regulatory threats. Due to the significance of the result recognized on the transaction and the significant role of the Management Board's judgment regarding the accounting and tax treatment of the transaction, we consider this area as a key audit matter. Information regarding the transaction described above, as well as a description of the recognition of this transaction in the consolidated financial statements are described in Notes 12 and 44 of the consolidated financial statements.	additionally we have acquainted ourselves with the offers received by the Bank as part of the transaction of the sale of the organized part of the enterprise. • We have read the legal opinion prepared by an external law firm, covering regulatory risks related to the transaction. Our procedures also included an analysis of adequacy of disclosures in the consolidated financial statements regarding the presentation of the result on transactions in the income statement and in the statement of cash flows.
Recoverability of deferred tax assets	
Deferred tax assets as at December 31, 2018 amounted to PLN 959 million and accounted for 0.7% of the total assets of the Group as at that date. The Group recognizes deferred tax assets based on the assumption that future tax profits will be achieved allowing them to be utilized. Deterioration of the generated tax results or their lack in the future, could make this assumption unjustified. Due to the significant role of management estimates and the complexity of these estimates regarding the amount of future tax revenues and periods of their occurrence, that will allow the utilization of negative temporary differences and tax losses, we consider the recoverability of deferred tax assets as the key audit matter.	As part of the audit procedures, we documented our understanding of the Group's policies regarding the determination, including the viability, of current and deferred tax as well as the calculation of deferred tax, and also assessed the Group's key controls in this respect. The tests of control mechanisms conducted within the framework of the audit included the process of recognizing costs as tax deductible costs and costs which are not recognized as tax deductible costs. In addition, we analyzed the structure of deferred tax and tax plans of the Group regarding the realizability of deferred tax assets. We have independently assessed the tax income plans and forecasts presented to us in terms of their likelihood of occurrence, judgments related

Disclosures regarding accounting policies, the use of estimates for deferred tax and the structure of deferred tax assets are described in Notes 2.21, 4 and 32 of the consolidated financial statements.	to the availability of tax payment planning possibilities and possible risks associated with them. In addition, we performed an assessment of adequacy of tax disclosures in the consolidated financial statements of the Group.

Other matters

The consolidated financial statements for the previous financial year (i.e. from January 1, 2017 to December 31, 2017) were audited by a certified auditor, acting on behalf of another auditing company, who on February 28, 2018 issued an unqualified opinion on those consolidated financial statements.

Responsibilities of the Bank's Management and members of the Supervisory Board for the financial statements

The Bank's Management is responsible for the preparation, based on properly maintained accounting records, the consolidated financial statements that give a true and fair view of the financial position and the financial performance in accordance with required applicable rules of International Accounting Standards, International Financial Reporting Standards approved by the European Union, the adopted accounting policies and other applicable laws, as well as the Bank's Statute, and is also responsible for such internal control as determined is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, The Bank's Management is responsible for assessing the Group's (the holding company and significant components') ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless The Bank's Management either intends to liquidate the Group (the holding company or significant components) or to cease operations, or has no realistic alternative but to do so.

The Bank's Management and the members of the Bank's Supervisory Board are required to ensure that the consolidated financial statements meet the requirements of the Accounting Act dated 29 September 1994 (the 'Accounting Act'). The members of the Bank's Supervisory Board are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibility for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not guarantee that an audit conducted in accordance with NAS will always detect material misstatement when it exists. Misstatements may arise as a result of fraud or error and are considered material if it can reasonably be expected that individually or in the aggregate, they could influence
the economic decisions of the users taken on the basis of these consolidated financial statements.

In accordance with International Auditing Standard 320, section 5, the concept of materiality is applied by the auditor both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report. Hence all auditor's assertions and statements contained in the auditor's report are made with the contemplation of the qualitative and quantitative materiality levels established in accordance with auditing standards and auditor's professional judgment.

The scope of the audit does not include assurance on the future profitability of the Group nor effectiveness of conducting business matters now and in the future by the Bank's Management.

Throughout the audit in accordance with NAS, we exercise professional judgment and maintain professional skepticism and we also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control,

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control,

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Bank's Management,

- conclude on the appropriateness of the Bank's Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our independent auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report, however, future events or conditions may cause the Group to cease to continue as a going concern,

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation,

- we obtain sufficient appropriate audit evidence regarding the financial information of entities and business activities within the Group for the purpose of expressing an opinion on the consolidated financial statements. We are solely responsible for the direction, supervision and performance of the audit of the Group and we remain solely responsible for our audit opinion.

We communicate with the members of the Bank's Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide the members of the Bank's Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the members of the Bank's Supervisory Board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other information, including the Directors' Report

The other information comprises the Management Board Report on Performance of mBank S.A. Group in 2018 (including Management Board Report on Performance of mBank S.A.) ("Directors' Report') for the period from 1 January 2018 to 31 December 2018, the representation on the corporate governance and the representation on preparation of the statement on non-financial information, mentioned in article 55, section 2b of the Accounting Act as a separate element of the Directors' Report and the Annual Report for the period from 1 January 2018 to 31 December 2018 (the 'Annual Report'), (jointly 'Other Information').

Responsibilities of the Bank's Management and members of the Supervisory Board

The Bank's Management is responsible for the preparation the Other Information in accordance with the law.

The Bank's Management and members of the Bank's Supervisory Board are required to ensure that the Directors' Report (with separate elements) meets the requirements of the Accounting Act.

Auditor's responsibility

Our opinion on the consolidated financial statements does not include the Other Information. In connection with our audit of the consolidated financial statements, our responsibility is to read the Other Information and, in doing so, consider whether it is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact in our independent auditor's report. Our responsibility in accordance with the Act on Statutory Auditors is also to issue an opinion on whether the Directors' Report was prepared in accordance with relevant laws and that it is consistent with the information contained in the consolidated financial statements.

In addition, we are required to inform whether the Group has prepared the representation on non-financial information and to issue an opinion on whether the Group has included the required information in the representation on application of corporate governance.

We have obtained the Directors' Report before the date of this auditor's report, while the Annual Report will be published after this date. If we conclude that there is a material misstatement in the Annual Report, we are required to inform the Bank's Supervisory Board.

Opinion on the Directors' Report

Based on the work performed during our audit, in our opinion, the Directors' Report:

- has been prepared in accordance with the article 49 of the Accounting Act and paragraph 71 of the Decree of the Minister of Finance dated 29 March 2018 on current and periodic information published by issuers of securities and conditions for recognition as equivalent the information required by laws of non-EU member states (the 'Decree on current and periodic information'), as well as article 111a paragraph 1-2 of the Act of August 29, 1997 Banking Law (the "Banking Law'),

- is consistent with the information contained in the consolidated financial statements.

Moreover, based on our knowledge of the Group and its environment obtained during our audit, we have not identified material misstatements in the Directors' Report.

Opinion on the corporate governance application representation

In our opinion, in the representation on application of corporate governance, the Group has included information stipulated in paragraph 70, section 6, point 5 of the Decree on current and periodic information.

Moreover, in our opinion, the information stipulated in paragraph 70, section 6, point 5 letter c-f, h and i of the Decree included in the representation on application of corporate governance is in accordance with applicable laws and information included in the consolidated financial statements.

Information on non-financial information

In accordance with the Act on Statutory Auditors, we confirm, that the Bank has prepared a statement on non-financial information mentioned in article 55, section 2b of the Accounting Act as a separate element of the Directors' Report.

We have not performed any attestation procedures in respect to the statement on non-financial information and do not express any assurance in its respect.

Report on other legal and regulatory requirements

Banks are required to comply with the prudential requirements of the Banking Law, the resolution of the Polish National Bank's Management Board, the resolution of Polish Financial Supervision Authority ('PFSA'), recommendations of PFSA and Regulation of the European Parliament and the Council (EU) No. 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms, amending Regulation (EU) No 648/2012 (CRR) and issued on the basis of a Commission Regulation (EU) , as well as the Act of 5 August 2015 on macro-prudential supervision over the financial system and on crisis management in the financial system ("the Act on macro-prudential supervision') concerning:

- credit risk concentration,
- concentration of capital shares,
- qualification of credits and granted guarantees and sureties for the risk group,
- liquidity,
- minimum reserves,
- capital adequacy.

The Bank's Management Board is responsible for compliance with applicable prudential regulations, including in particular the correct determination of capital ratios by the Group.

As part of the audit of the accompanying consolidated financial statements, we have performed procedures with respect to capital ratios and have not identified any material misstatements in the calculation of these ratios affecting the consolidated financial statements as a whole. Therefore, we would like to inform that the Bank's Management Board correctly determined the capital ratios in accordance with the provisions described above.

Representation on the provision of non-audit services

To the best of our knowledge and belief, we represent that services other than audits of the financial statements, which have been provided to the Group, are compliant with the laws and regulations applicable in Poland, and that we have not provided non-audit services, which are prohibited based on article 5 item 1 of Regulation 537/2014 and article 136 of the Act on Statutory Auditors. The non-audit services, which we have provided to the Group in the audited period, have been disclosed in the Directors' report.

Appointment of the audit firm

We were appointed for the audit of the Group's consolidated financial statements initially based on the resolution of Shareholders Meeting dated April 12, 2018. We are auditing the consolidated financial statements of the Group for the first time.

Key Certified Auditor

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Arkadiusz Krasowski
Certified Auditor
No. in the register: 10018

on behalf of:
Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.
Rondo ONZ 1, 00-124 Warsaw
No. on the audit firms list: 130

Warsaw, February 26, 2019