

Opinion of the Supervisory Board of mBank S.A. on the situation of the Bank in 2014 including assessment of the internal control system and the Bank's relevant risk management system

Base: Rule III.1(1) of the Best Practices of WSE Listed Companies

The year 2014 was a time of recovery in the Polish economy. Polish GDP grew by 3.5% year on year in 2014, compared to 3.4% in Q1 2014, according to the updated estimates of the Polish Central Statistical Office (GUS). Domestic demand grew by 5.1%. These statistics attest to economic recovery after the difficult year 2013 when GDP grew by 1.6% and domestic demand by ca. -0.2%.

The name of the game at mBank in 2014 was "mBank as the icon of mobility." We implemented a new transactional platform and launched an active image campaign of mBank as the mobile banking leader.

In 2014, mBank generated a net profit of ca. PLN 1.3 billion, which was ca. PLN 60 million more than in 2013. As a result, return on equity was slightly above 13%, similar to that in 2013. This ranks mBank among the leading European financial institutions. Economic profit was PLN 600 million in 2014, growing more than by half compared to 2013.

The Supervisory Board notes with great satisfaction that the high profitability of the mBank Group is very stable. This is corroborated by a comparison with 2013. Not only has the stability remained uninterrupted for three years; mBank has also hit new profitability records.

A key achievement of 2014 in comparison to other financial institutions in Poland and Europe is that the Bank's valuation remained stable year on year.

The structure of the balance sheet largely improved in 2014. mBank's loan-to-deposit ratio was nearly one to one at 102%.

Considering the macroeconomic conditions of the Bank's activity in 2014, specifically the low market interest rates, the Supervisory Board appreciates the Bank's results.

mBank made a come back as a leader of retail client acquisition in 2014 and opened nearly 250 thousand new accounts.

The implementation of the new Orange project was another success of 2014. With the new transactional platform delivered to Orange, mBank has once again demonstrated its unique functionalities. The original targets of the client acquisition plan for the platform were exceeded as 43 thousand accounts were opened.

The sale of BRE Ubezpieczenia was closed in 2014 with a very positive impact on mBank's future financial results. As a result of the deal, in addition to the gains recognised in 2015, mBank has partnered with a renowned market player, the French company AXA, which will help mBank to develop insurance products offered to clients in the coming years.

In view of all the developments described above, the Supervisory Board gives a positive opinion on the position of mBank S.A. in 2014.

The Supervisory Board appreciates the engagement and efforts of the Bank's Management Board and employees in the past year, aimed at growing the long-term shareholder value of the Bank. At the same time, the Supervisory Board trusts that these

efforts will continue in 2015 and beyond. The Supervisory Board thanks the Shareholders for their confidence in the activity of mBank.

Assessment of the internal control system and the Bank's relevant risk management system

The internal control system in mBank S.A. is comprised of institutional controls exercised by the Internal Audit Department, as well as functional controls.

The Supervisory Board has an Audit Committee which monitors internal audit matters on an on-going basis. The Internal Audit Department is functionally subordinated and reports to the Audit Committee. The Audit Committee of the Supervisory Board was regularly appraised of a broad range of audit-related issues in 2014 including, among others, assessments of the internal control and risk management systems, implementation of major audits in the Bank and subsidiaries of the Group. The Audit Committee reviewed and approved the 2014 Audit Plan. Furthermore, the Chairman of the Supervisory Board received copies of reports of all audits conducted in the Bank and subsidiaries of the Group by the Internal Audit Department. The Audit Committee of the Supervisory Board was also supported by the external auditor who regularly reported the findings and conclusions of its audits of the financial statements in 2014.

The Supervisory Board gives a positive opinion on the internal control system in mBank S.A. including both its functional and institutional part.

At meetings of the Audit Committee, the Compliance Department communicated issues in the compliance area and provided the Supervisory Board with all reports of the Compliance Department as well as amendments to the Compliance Rules to be approved by the supervisory body.

On matters of risks, the Supervisory Board acts through its Risk Committee, which exercises on-going supervision of all risks, in particular credit risk (including concentration risk), market risk, operational risk, liquidity risk, and business risk. The Risk Committee issues recommendations on significant exposures carrying the risk of a single business entity. Furthermore, the Risk Committee reviewed many major risk issues in 2014 including macroeconomic factors, the real estate market strategy, and the Treasury securities portfolio.

Furthermore, the Bank has a range of committees whose functions relate directly to risk management in the mBank Group. These include among others: the Credit Committee of the Management Board of the Bank, the Data Quality Management Committee, the Capital Management Committee, the Assets and Liabilities Management Committee.

The Supervisory Board gives a positive opinion on the risk management system in mBank S.A. In the opinion of the Supervisory Board, the system covers all risks which are relevant to the Bank and the Group.

Maciej Leśny

Chairman of the Supervisory Board