

Warsaw, 2nd February 2018

**Report on the activities
of the Executive and Nominations Committee of the Supervisory Board of mBank
S.A. in 2017**

As of the resolution of the Ordinary General Meeting of mBank S.A. dated 30.03.2017 the Executive and Nominations Committee took over the tasks from the Executive Committee.

Pursuant to the applicable By-laws of mBank S.A. (§ 22 point 3.1) and the Rules of the Supervisory Board (§ 12 point 3.1) the composition of the Executive and Nominations Committee (previously Executive Committee) was in 2017 as follows:

- Chairman	Maciej Leśny
- Member	Stephan Engels
- Member	Dr Andre Carls
- Member	Teresa Mokrysz

The activities undertaken by the Executive and Nominations Committee (previously Executive Committee) are aimed at streamlining the functions of the Supervisory Board. The main tasks of the Executive and Nominations Committee include:

- a) to exercise regular supervision of the operations of the Bank between meetings of the Supervisory Board;
- b) authorizing the Board of Management to acquire, encumber, and sell real estate, a perpetual usufruct or part of real estate and stock and participatory shares in companies as well as other fixed assets, if the value of the said transactions exceeds 1% of the Bank's own funds as defined in § 33 of the By-laws of mBank S.A., as per December 31 of the preceding year. Such authorization is not required if such acquisition results from execution, bankruptcy, or negotiation procedures, or other settlements with the Bank's debtors, or in the case of sale of assets so acquired. In the case of such acquisitions, resulting from execution, bankruptcy, or negotiation procedures, or other settlements with the Bank's debtors, or in the case of sale of assets so acquired, the Board of Management is obliged to inform the Executive and Nomination Committee of any such activity;
- c) performing the initial recruitment process of candidates for Members of the Management Board and the Supervisory Board of the Bank.

Pursuant to its powers, defined in § 22 point 3.1 of the By-laws of mBank S.A., the Executive and Nominations Committee (previously Executive Committee) exercised regular supervision over the operations of the Bank in the periods between the Supervisory Board meetings.

In the past reporting period, the Executive Committee adopted the following decisions:

- Approval of the annual report of the Executive Committee for 2016
- Approval of the increase of the share capital of mBank Hipoteczny S.A.

- Recommendation of the candidates for Members of the Supervisory Board of mBank S.A.
- Recommendation of the candidates for Members of the Management Board of mBank S.A (30th March 2017)

The Executive and Nomination Committee adopted the following decision:

- Recommendation of the candidate for Member of the Management Board of mBank S.A (25th October 2017).

In the past reporting period, the Executive and Nominations Committee (previously Executive Committee) was in regular and continuous contact with the Management Board of the Bank and was kept informed about the situation at mBank S.A. on an ongoing basis.

This report is submitted pursuant to § 22 point 5 of the By-laws of mBank S.A., and the Code of Best Practices for WSE listed Companies 2016 - Rule II.Z.10.

Maciej Leśny
Chairman of the Executive and Nominations Committee
Chairman of the Supervisory Board