

Warsaw, January 9, 2020

Current Report No. 2/2020

Subject: Letter from the Bank Guarantee Fund containing information on the Minimum Requirement for own funds and Eligible Liabilities (MREL) for Bank Handlowy w Warszawie S.A.

Legal basis: Article 17 (1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (MAR)

The Management Board of Bank Handlowy w Warszawie S.A. ("Bank") announces that on January 8, 2020 the Bank received a letter from the Bank Guarantee Fund ("BFG") on the minimum requirement for own funds and eligible liabilities subject to write-down or conversion ("MREL").

The MREL calculated for the Bank on consolidated basis is 12.814% of Total Liabilities and Own Funds ("TLOF"), which corresponds to 20.742% of Total Risk Exposure ("TRE"). The MREL calculated for the Bank on standalone basis is 12.899% of TLOF, which corresponds to 20.742% of TRE. The above mentioned requirement should be met by December 31, 2022.

The BFG set a path to reach the above described limits both on consolidated and standalone basis. On consolidated basis, as of December 31, 2019, 2020 and 2021, MREL in relation to TLOF should reach 8,411%, 9,879% and 11,346%, respectively, which corresponds to 13,616%, 15,991% and 18,367% in relation to TRE, respectively.

On standalone basis, as of December 31, 2019, 2020 and 2021, MREL in relation to TLOF should reach 8.467%, 9.944% and 11.422%, while in relation to TRE it should amount to 13.616%, 15.991% and 18.367%, respectively.

The MREL requirements have been set on the basis of consolidated and standalone data as of December 31, 2018, while the supervisory requirements and buffer ratios are valid as of January 1, 2019.