



Alior Bank received clearance for AMA application

Company: Alior Bank S.A.

Current report No.: 88/2017

Date: 22 December 2017

Legal basis: Article 17 (1) of MAR – confidential information

Content of the report:

The Management Board of Alior Bank S.A. with its registered office in Warsaw ('the Company', 'the Bank' or 'the Issuer') hereby informs that on 22 December 2017 the Bank received clearance from the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego) for the joint application of:

1. AMA (Advanced Measurement Approach) – with respect to Alior Bank's activity excluding both the organized part of enterprise acquired on 4 November 2017 (BPH Core) and the branch in Romania;
2. Standardized approach for:
 - a. BPH Core;
 - b. The branch in Romania,

for the purpose of calculating the requirements with respect to own funds from operational risk effective from 1 January 2018.

The granted clearance reflects the success of a complex project aimed at the enhancement of the Issuer's operational risk management processes. Its effects are reflected in the Bank's operational risk profile as well as the quality of the risk management processes in many areas such as operational risk losses or the measurement of operational risk based on the advanced statistical model.

As a result, from 1 January 2018 Alior Bank's Tier 1 ratio will be increased by ca. 19 basis points and the TCR ratio will be increased by ca. 24 basis points.